

# 2022 ANNUAL REPORT

Municipality of North Cowichan, BC  
For the year ended December 31, 2022





# MUNICIPALITY OF NORTH COWICHAN 2022 ANNUAL REPORT

For the year ended December 31, 2022

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**



2022 was a pivotal year, with continued progress toward strategic goals, COVID-19 recovery, and a municipal election.

The “return to normal” describes the loosening of COVID-19 restrictions and protocols, including how we conduct business as a local government. Without these additional barriers in place, municipalities such as North Cowichan can now focus solely on the issues and challenges facing our communities, and work towards solutions.

Following the October 2022 General Local Election, I transitioned from Councillor to Mayor. This was an opportunity for me to change from a seat at the table to working more closely with our partners in the region, the Province, and in Ottawa. My focus continues to be on finding workable solutions to the most critical issues facing the Municipality, which include addressing the homelessness crisis, building affordable housing, managing budgetary pressures, protecting the environment, responding to climate change, and maintaining and replacing critical infrastructure.

Since becoming Mayor, I have also made renewing our focus on economic development a priority. One of my first actions was to establish a new economic development committee, tasked with facilitating socially and environmentally responsible community economic development, and preparing an economic development strategy that advances the objectives of our Official Community Plan.

A planned curtailment of operations at Crofton’s Paper Excellence mill was thankfully cancelled following discussions between the province, the company, and the mill’s unions. In January 2023, provincial and federal funding was announced that will allow the mill to retool to produce pulp alternatives to single use plastic products and welcome the return of 100 workers.

Through ongoing meetings and talks between North Cowichan bylaw staff, the RCMP, School District, City of Duncan, local business owners, and area residents, we are working together to identify immediate and longer-term solutions to ongoing issues related to homelessness, mental

health, addictions and street disorder in the Trans-Canada Highway corridor and the surrounding area. There have also been discussions with BC Housing on funding for new affordable housing projects, which show tremendous promise.

A highlight for the year was the 2022 National Rowing Championships at Rowing Canada Aviron’s National Training Centre at Quamichan Lake, where more than 300 rowers from across Canada competed. This was the first large scale regatta hosted by the new National Training Centre.

The challenges and opportunities ahead for North Cowichan are plentiful. However, with our strong performance and financial stability, we are optimistic that 2023 will allow us to build on our successes from the past year, while continuing to provide excellent service to our residents, businesses, and visitors.



Mayor Rob Douglas



# A MESSAGE FROM THE CAO



Our organization—along with most of the world—finally saw some clarity around public health orders and response to COVID-19.

For North Cowichan, this meant continued “return to normal” for both service delivery and staff. Advances in hybrid work, as well as for Council meetings, will be a legacy of the pandemic. Both of these allow for a more equitable approach, and both will continue to be fine-tuned as needed.

The effects of the pandemic also continued to impact taxes, in part as a result of lost revenue, and also as COVID-19 funding provided by the Government of Canada and Province of BC were discontinued. The Finance team provided fiscally astute solutions that maintained service levels while keeping tax rates low.

The biggest milestone was the adoption of the 2022 Official Community Plan. The OCP will guide decisions on community planning, growth management, housing, natural environment, food security, agriculture, local economy, and sustainable infrastructure. A revised Urban Containment Boundary aims to concentrate growth and development in areas with existing infrastructure capacity, build resilience to the climate emergency, and provide a diverse and affordable range of housing options. Policies and bylaws including the zoning bylaw will be updated as a result of the new OCP.

The General Local Election took place in October and included a successful regional district-wide referendum question (assent voting) on regional recreation funding, ending decades of discussion on the topic. The new funding model will save North Cowichan over \$700,000 in recreation costs each year.

The Citizen Satisfaction Survey conducted in June indicates 95% of residents have a good or very good quality of life. The survey also affirmed the top

issue for residents is homelessness. As the new Council looks ahead to their four-year term, homelessness—and its related issues of housing supply, addictions, mental health supports, and street disorder—will be top of mind.




The dedication and commitment of our leadership teams and staff is exceptional and I would like to thank everyone for their remarkable dedication and service excellence. Looking ahead to 2023 and beyond, we will continue to build resiliency and innovation within the organization, and in the community. With the protocols of the pandemic behind us, we can refocus our attention on enhancing our organizational culture and continue to build North Cowichan’s reputation as a great place to work and live.

A handwritten signature in black ink, appearing to read 'Ted Swabey', written in a cursive style.

Ted Swabey  
Chief Administrative Officer



31,990  
Total population (2021)

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

Average age  
47.3

 \$78,500 Median family income (2020)

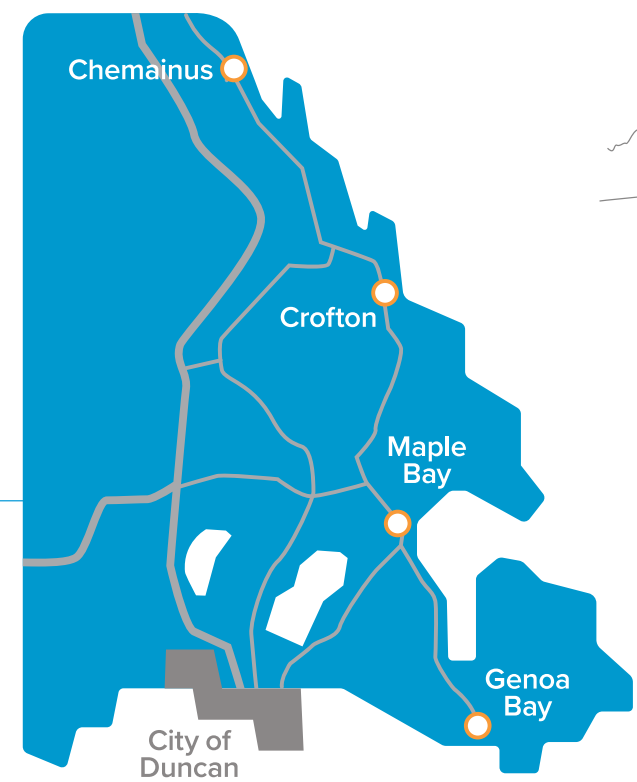
# COMMUNITY PROFILE


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 several areas including **Crofton**, **Chemainus**, **Maple Bay**, **Quamichan**, **Bell McKinnon**, **Berkey's Corner**, and **South End Centre/University Village**. Each unique area has its own history and values, as well as natural and built environments that define its character.


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





## The Municipality of North Cowichan



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

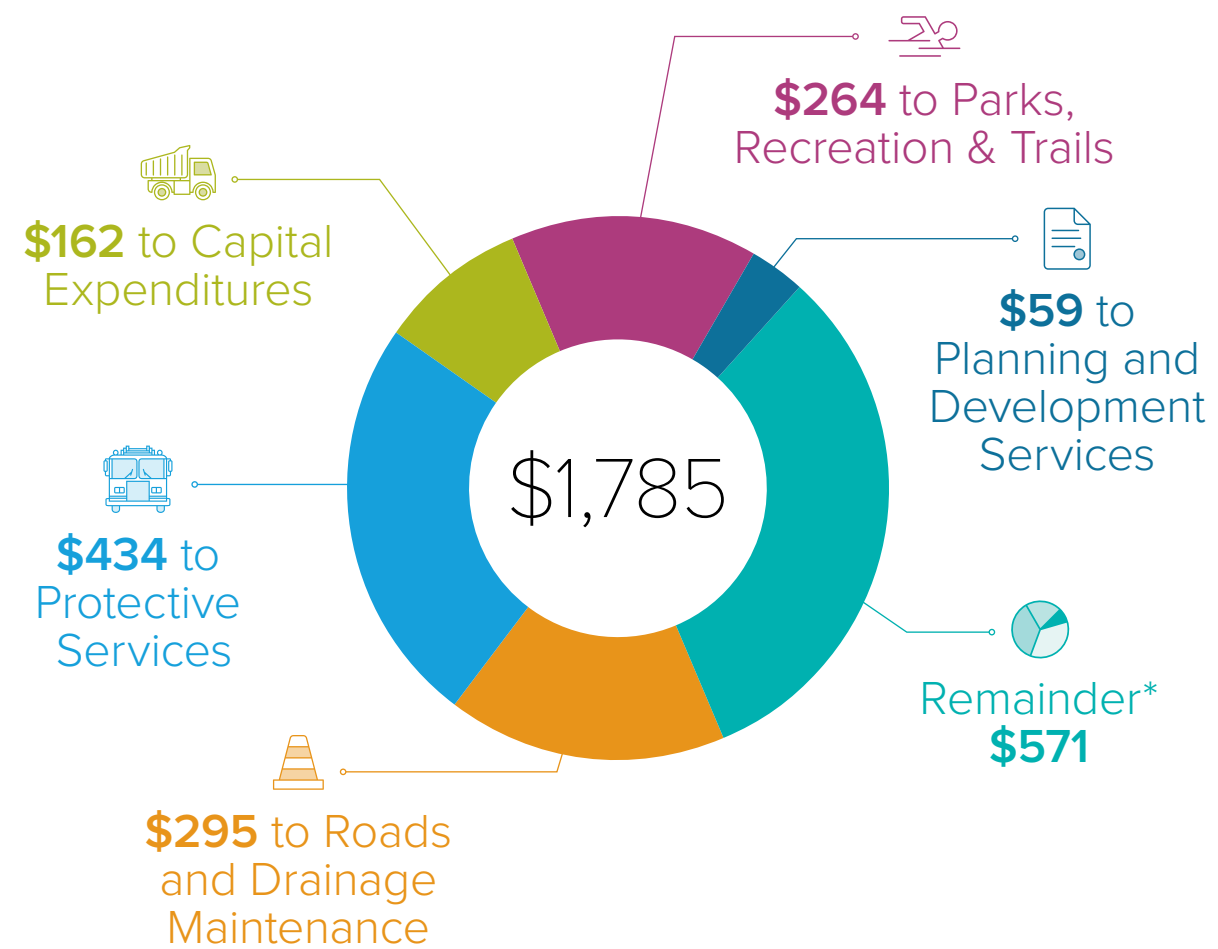
 **Crofton**  
1.5km oceanfront seawalk, warm, swimmable waters at Osborne Bay Park, 20-minute ferry to Salt Spring Island, outdoor community pool (summer), easy access to Maple Mountain.

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

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



## Breakdown of Municipal Tax for 2022:



A homeowner in North Cowichan whose home had an average assessed value of \$692,987 paid **\$1,785** in *municipal* property taxes in 2022.

\*General government, Debt repayment, Library services, Reserve fund, and Energy and environment.







**Robert Douglas**  
Mayor



**Mike Cajouw**  
Councillor



**Bruce Findlay**  
Councillor



**Chris Istace**  
Councillor



**Christopher Justice**  
Councillor



**Tek Manhas**  
Councillor



**Debra Toporowski**  
Councillor

# MAYOR AND COUNCIL

The Municipality of North Cowichan is governed by an elected Mayor and six Councillors, each elected for a four-year term. The current Council was elected in the fall of 2022 for the 2022-2026 term. The responsibility of municipal governments is set out in the Community Charter, mandating Council set the direction and adopt the policies and budget to guide our community. Our Council meets regularly,

on the first and third Wednesday of every month. Residents have the option of attending all open Council and Committee of the Whole meetings either in-person at Municipal Hall or by video conference using the Cisco Webex platform. Council encourages public participation and feedback to foster two-way dialogue and open, participatory governance.





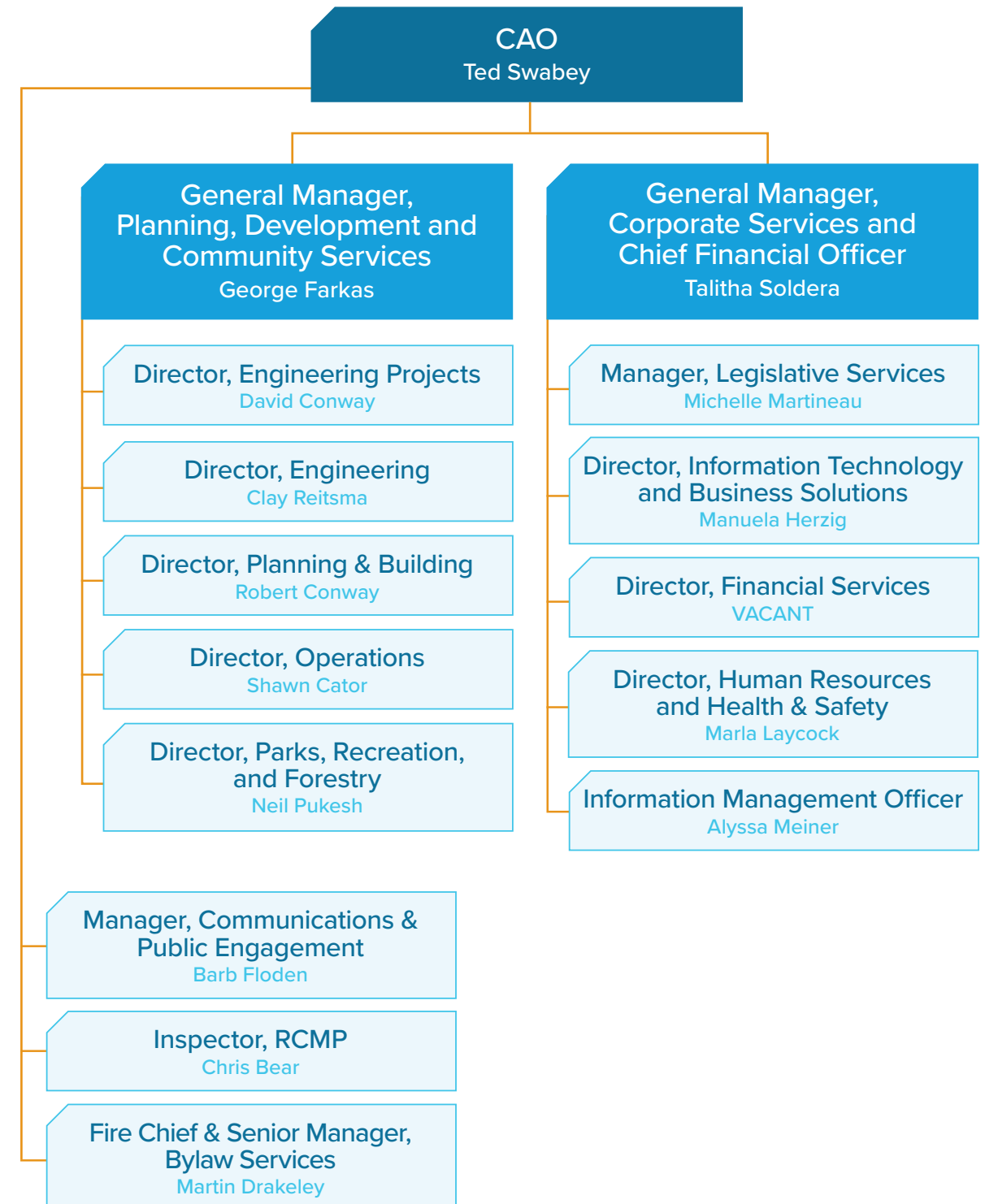
# COUNCIL'S STRATEGIC PLAN

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

The Plan serves as a critical foundation for decision making, budgeting, annual work and project planning, workforce planning, and performance measurement. This aligns

with the Council Strategic Plan Administrative Policy that establishes a clear process to support Council's oversight role of monitoring staff progress towards implementing the Strategic Plan. Under the policy, staff provide quarterly updates to Council each year to outline progress towards meeting the Strategic Plan's objectives. This Annual Report highlights, beginning on page 17, the progress made within each of Council's strategic priority areas, from January 1 through December 31, 2022.

## ORGANIZATIONAL STRUCTURE as of December 31, 2022







# COUNCIL'S STRATEGIC PRIORITIES

Our 2022 Annual Report highlights successes of each council priority area, key performance indicators, and progress. Here's a look at what we did in 2022.

ENGAGEMENT

HOUSING

ENVIRONMENT

ECONOMY

COMMUNITY

SERVICE

INCLUSION





# ENGAGEMENT

Public engagement for the Municipal Forest Reserve Review, which had restarted in 2021 after a pause, wrapped up in 2022.

The 'what we heard' report for Round 1, which sought to understand people's values around the forest, was presented to Council early in the year. This input was also shared with the UBC Group, who used this along with technical expertise, as they developed four potential forest management scenarios. These four scenarios were then presented for Round 2 of public engagement and to determine the public's preference in the fall. The MFR engagement working group, comprised of representatives from the community, helped develop public-facing information including a discussion guide. Public engagement included an in-person information session and two virtual sessions, which supported an open link survey and a representative survey that was recruited by phone. What was heard during Round 2 was presented to Council in early 2023.



19.7% increase in reach on social media

Public engagement processes helped shape new landscaping at Otter Street park and a new playground at Fairview neighbourhood park.

Staff and Council participated in Indigenous consultation and engagement training, which provided crucial understanding around the importance of and intentions of consultation with Indigenous communities.

New Hul'qumi'num language signs were unveiled at S'amanu Trail. The signage project was a collaboration between North Cowichan, Somenos Marsh Wildlife Society, and Cowichan Tribes Elders.



41 official media releases were issued

Extensive collaboration on the Chemainus River flood plain modelling and mitigation work took place with the Cowichan Valley Regional District, Halalt First Nation, and various provincial and federal ministries. Long awaited gravel and sediment removal happened in November, which opened a river channel, and addressed riverbank erosion issues. Gravel and sediment were provided to Halalt and Penelakut First Nations for use in 'Hesco' bags, which can be deployed to protect property during a flood event.





North Cowichan provided financial and volunteer support as part of the National Indigenous Peoples Day on June 21. Cowichan Tribes, Halalt First Nation, and Penelakut Tribe were provided financial support for their events and celebrations, and as honouraria costs, and North Cowichan staff were invited by Cowichan Tribes to volunteer at their event held at Si'em' Lelum Soccer Fields.

A moratorium on civic asset renaming requests was implemented in September. The move will allow time for the development of a reconciliation framework, and to provide a more equitable and collaborative direction around the naming of municipal places and facilities.

A number of significant projects included extensive First Nations consultation. The Municipal Forest Reserve Review Memorandum of Understanding with the Quw'utsun Nation, which is comprised of Cowichan Tribes, Halalt First Nation, Stz'uminus First Nation, Penelakut Tribe, and Lyackson First Nation outlines the establishment and role of a Working Group to share information in relationship to the stewardship and use of the MFR for the benefit of the community.

Other discussions with First Nations include the Maple Bay Wharf, Joint Utility Board outfall project, and the Master Transportation Plan. North Cowichan recognizes the impact of these referrals on each First Nation, and the resources required to undertake this work.

The North Cowichan Fire Department revised its fire service agreement with Cowichan Tribes. The fire department has service agreements with Cowichan Tribes, Halalt, Penelakut, Lyackson, and Stz'uminus First Nations.

Long awaited work on the lower Chemainus River to remove gravel and sediment and mitigate some flooding took place in November. This work was the result of collaborative discussions with Halalt First Nation, as well as the Cowichan Valley Regional District, and provincial and federal ministries.







# HOUSING

Housing supply continued to be a top issue in North Cowichan, with Council and staff identifying opportunities to expand housing stock options that meet the needs of the community.

The new Official Community Plan, adopted in August, provides definitive policy direction for innovative housing options, including infill and affordable housing, and focusses densification within a revised Urban Containment Boundary.

Development permits were approved for 640 mixed housing units in the Paddle Road/Ford Road area. The development will see a mix of low rise, townhouse, and commercial space.



**130** new lots created by Subdivisions



**493**  
new dwelling units authorized by building permit

North Cowichan continued to discuss funding opportunities with BC Housing for a proposed affordable housing project on Sherman Road. The province's new Premier established a standalone housing ministry in November to address the housing crisis in BC. Several changes to housing laws, as well as significant new funding, signal a strong intent by the province to action housing availability and affordability.

A review of North Cowichan's development application process is underway, with a goal to provide recommendations to improve and streamline existing processes.



**111**  
single family building permits issued. The remainder were secondary suites, duplexes and multi-family dwellings.

**13**  
subdivision applications approved



**257**  
building permits issued





# ENVIRONMENT

North Cowichan continued focus on environmental policies and practice that provide effective action against climate change and environmental impact.



**12,570**  
trees planted  
in the Municipal  
Forest Reserve

The Climate Action and Energy Plan (CAEP) was adopted and provides the framework to reduce North Cowichan's energy consumption and greenhouse gas emissions through community actions, policy, and other municipal mechanisms by 80% by 2050. The CAEP outlines seven categories of action: Compact, complete communities, efficient buildings, low-carbon transportation, local renewable energy generation, renewable energy procurement, efficient water and waste, and low-carbon industry, agriculture, and forestry.

The Biodiversity Plan engagement process launched in 2022. Once developed, the plan will identify, quantify, and assess significant ecological assets with the goal to develop policies and monitoring programs that protect and restore ecological assets in North Cowichan.

A significant sediment core sampling of Quamichan Lake took place in early 2022. A cost and benefit assessment to oxidize the 32 tonnes of releasable phosphorus in the sediment through oxidation will determine the feasibility of that action to address the lake's blue-green algae blooms.

Education around recycling contamination to reduce the amount of non-accepted recycle material placed at the curb for collection continued, with a goal to reduce contamination to three per cent. Data provided by the contractor and Recycle BC show continued improvement.

Two new electric mowers were put into service in 2022. This move is a small part of the larger fleet electrification plan that was under development in 2022, including the planned purchase of an electric garbage truck as part of the curbside automation program. The Climate Action and Energy Plan's goal is to electrify 100 per cent of North Cowichan's vehicle fleet by 2030.



**1,748** Downloads of the  
MNC Curbside App





# ECONOMY

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

The 2022 Official Community Plan sets a strong path toward food security, local agricultural systems, and a local regenerative economy. The guiding principles and objectives outlined in the OCP enable North Cowichan to strive toward a green, sustainable economy with a strong emphasis on local business.

A new Economic Development Committee was announced by the Mayor as part of the new Council's inauguration in November. The announcement clarifies Council's goal to support and strengthen socially and environmentally responsible community economic development.

An Agricultural Advisory Committee was also announced, and is expected to begin in 2024, with the aim of supporting the area's vibrant agricultural and farm enterprises.

North Cowichan is participating in a circular economy program led by Island Coastal Economic Trust (ICET), with two local businesses signing on to the program. The goal of the program is to identify solutions that reduce waste, prioritize local supplies, and collaborate with other businesses to turn a business's waste into another's raw resources.



**219** new business licences in 2022





# COMMUNITY

2022 saw the adoption of the Official Community Plan. This long-range planning and policy document will guide decisions on community planning, growth management, housing, natural environment, food security and agriculture, local economy, and sustainable infrastructure over the next two decades.



**0.50 ha** increase of park space

The development of the plan was supported by an advisory committee made up of local residents, plus community ambassador teams that provided input and feedback over four phases, together with extensive public engagement through surveys, workshops, community dialogues, and webinars.

The OCP guides growth away from historical patterns of development in North Cowichan. A revised Urban Containment Boundary (UCB) concentrates growth and development in areas with existing infrastructure capacity, aims to build resilience to the climate emergency, and provides a diverse and affordable range of housing options.



**1,847** rental hours at Fuller Lake Arena

Two critical frameworks have been applied to ensure an integrative focus throughout the OCP:

- **Ecology and climate action:** A guiding principle ensures municipal decisions are made through the lens of the climate emergency and Goal 7 prioritizes climate action through the reduction of energy consumption and emissions and adapting to climate change.
- **Social justice and equity:** This collective aspiration refers to the just and fair inclusion in society so that all can participate, prosper, and reach their full potential, and that all people are afforded equal rights and opportunities.

The ongoing opioid public health emergency, and the parallel impacts of homelessness, mental health, other addictions, and street disorder continue to be a significant focus for Council and



**210,497** drop-in visits to the Cowichan Aquatic Centre

community leaders. North Cowichan continued to work alongside neighbouring municipalities, RCMP, the school district, social and not-for-profit organizations, residents, businesses, plus provincial and federal ministries on short, medium, and long-term solutions, and mitigations to support community concerns.

Rowing Canada Aviron continued to settle into their new National Training Centre on Quamichan Lake. A national rowing regatta was held in November, the first large scale competition to be hosted there.

North Cowichan's popular trails and parks continue to see increased use. Work continued with Cowichan Trails Stewardship Society on trail sanctioning on Mount Prevost, and ongoing improvements and upgrades to many of the municipality's park amenities.





# SERVICE

North Cowichan conducted its second Citizen Satisfaction Survey, which included a representative phone survey as well as an open link survey.

95 per cent of residents rate the overall quality of life here as good or very good, 89 per cent of residents are satisfied with the overall level and quality of services provided by the municipality, and 79 per cent of residents feel they get good value for their tax dollars.

A general local election was held in October, with expanded opportunities to vote including a new mail-in ballot option. 32 per cent of eligible voters cast a ballot, which also included an assent voting question (referendum) on regional recreation funding. The regional recreation funding plan passed and was adopted by the CVRD board. The new funding model will save North Cowichan \$714,000 each year.

The Crofton Fire Hall reconstruction project moved forward following an Alternative Approval Process (AAP) for the loan authorization. A portion of the old fire hall will be demolished, and a new building will be constructed in its place.

The North Cowichan Fire Department took delivery of a new aerial truck. The vehicle's ladder can reach more than 32 metres, and will be stationed at the South End fire hall.

A new digital public engagement platform was launched. [ConnectNorthCowichan.ca](https://connectnorthcowichan.ca) provides a robust array of tools that support

public engagement opportunities. 15 projects were shared through the site in 2022, including the Municipal Forest Reserve Review, Maple Bay Wharf, the annual budget cycle, the Mountain View Cemetery Master Plan, and several neighbourhood park plans.

Council meetings are now open to both in-person and virtual attendance for Council members, staff, and the public. The Council Procedure Bylaw outlines the process, which was expedited by the pandemic and funded through COVID-19 government grants. The return to in-person meetings began in April.



**3,578** calls for service received by our Operations Department





## Water

- 3 water systems
- 280 km of water mains
- 2 major watersheds
- 8 domestic water booster pump stations
- 5 dams
- 14 reservoirs

# INCLUSION

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

The new CUPE collective agreement included updates to reflect gender neutral language and job titles, which aim to eliminate gender bias. Gender neutral change rooms were implemented at the Cowichan Aquatic Centre, which included education for staff and patrons.

## Road and Sidewalk Maintenance

- 305 kms of roads
- 240 kms of sidewalks
- 166 kms of storm pipes
- 1,100 culverts to maintain





# FINANCIAL REPORT





# REPORT FROM THE DIRECTOR OF FINANCIAL SERVICES

May 4, 2023  
Mayor and Council  
Municipality of North Cowichan

Your Worship and Members of Council,

I am pleased to present the Municipality of North Cowichan's (North Cowichan) 2022 Annual Financial Report for the fiscal year ended December 31, 2022, as required by section 98 of the *Community Charter*.

This report includes the auditor's report, the 2022 financial statements, and supplementary information for North Cowichan.

The Consolidated Financial Statements are the responsibility of the management 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.

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

The audit firm KPMG was appointed by Council and is responsible for expressing an opinion as to whether the consolidated financial statements fairly present the financial position of North Cowichan and the results of its 2022 operations.

The 2022 audited financial statements were presented to and approved by Council.

As of December 31, 2022, North Cowichan had accumulated surplus of \$340 million, an increase of \$6.7 million for the year. This is largely composed of net investments in tangible capital assets (\$314 million), which includes land, roads, buildings, utility assets and park infrastructure. Debenture debt increased by \$20 million to \$37 million with the increase primarily related to the new civic building for the RCMP. Principal repayments were \$1.2 million and the actuarial adjustment to debt was \$0.5 million.

Consolidated revenues increased by \$6.2 million from \$58.6 million to \$64.8 million. The increase is mainly due to a change in the reported value of investments, reporting at cost rather than at market value, and due to increased developer contributions. Expenses increased by \$3.4 million from \$54.6 million to \$58 million, and were just slightly under budget by \$900,000. Protective Services expenses increased significantly over the previous year due to increases to RCMP salaries as well as interest payments on short term debt related to the new civic building for the RCMP.

Capital expenditures for the year were \$28 million (2021 - \$17 million). Overall capital expenditures were under budget primarily due to the timing of construction expenses on the new civic building for the RCMP.

In 2022, North Cowichan's budget for tax-supported capital was \$3 million. This amounted to 8.7% of 2022 property taxes allocated to general capital compared to 10.7% in 2021. Council had deferred capital contributions in direct response to the COVID 19 pandemic in an effort to help reduce the tax increase for struggling tax payers. Council's Revenue, Tax and Budget Policy adopted in 2010 requires adequate capital funding of 10-15% of property tax revenues. Council is now gradually increasing the contribution over the next few years to be back on target with this policy.

Respectfully,

Talitha Soldera, CPA, CGA  
Chief Financial Officer



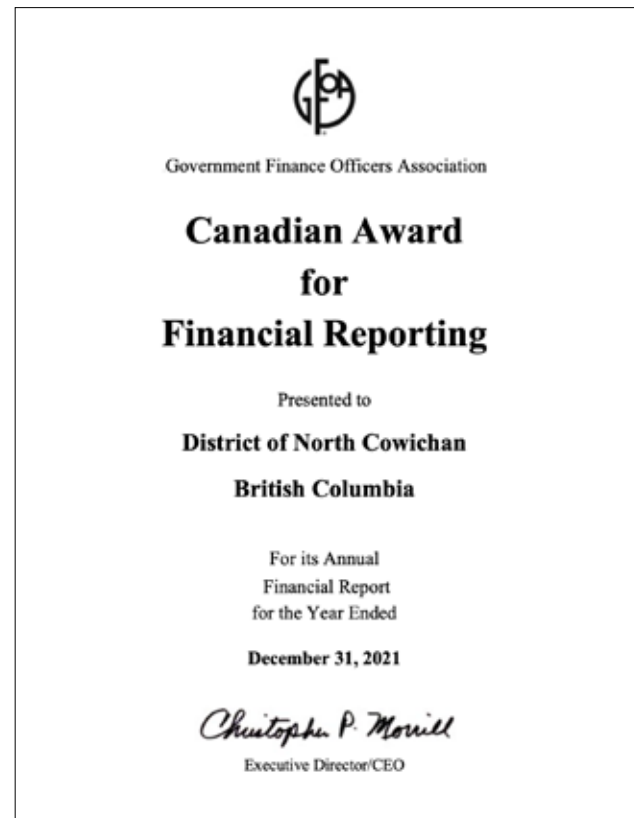
# FINANCIAL REPORTING AWARD

## 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 Municipality of North Cowichan for its Annual Report of the fiscal year ended December 31, 2021. 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 Municipality of North Cowichan

# CONSOLIDATED FINANCIAL STATEMENTS

(Audited) December 31, 2022





# STATEMENT OF RESPONSIBILITY

The accompanying consolidated financial statements are the responsibility of the management of the Municipality 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.

KPMG 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.

Talitha Soldera  
Chief Financial Officer  
May 3, 2023





KPMG LLP  
St. Andrew's Square II  
800-730 View Street  
Victoria BC V8W 3Y7  
Canada  
Telephone 250-480-3500  
Fax 250-480-3539

## INDEPENDENT AUDITOR'S REPORT

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

### **Opinion**

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

- the consolidated statement of financial position as at December 31, 2022
- the consolidated statement of operations for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2022 and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



Chartered Professional Accountants

Victoria, Canada  
May 4, 2023

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2022, with comparative figures for 2021

	2022 ACTUAL	2021 ACTUAL
<b>Financial Assets</b>		
Cash (Note 4)	\$ 4,919,023	\$ 13,432,104
Temporary investments (Note 4)	91,165,028	82,067,554
Accounts receivable (Note 5)	4,890,748	4,336,943
	<b>100,974,799</b>	<b>99,836,601</b>
<b>Financial Liabilities</b>		
Accounts payable and Accrued liabilities (Note 6)	9,946,373	7,898,807
Employee future benefits and compensation payable (Note 7)	3,756,612	3,897,036
Unearned revenue (Note 8)	9,724,467	8,652,907
Restricted reserves (Note 12)	18,183,512	14,979,078
Debt (Note 14)	36,840,235	16,572,074
Temporary financing (Note 15)	-	11,100,000
	<b>78,451,199</b>	<b>63,099,902</b>
	<b>22,523,600</b>	<b>36,736,699</b>
<b>Net Financial Assets</b>		
	<b>314,093,229</b>	<b>293,335,991</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 10)	314,093,229	293,335,991
Inventory of supplies	606,004	544,905
Prepaid items	540,982	312,745
Property acquired for taxes	2,341,177	2,416,867
	<b>317,581,392</b>	<b>296,610,508</b>
	<b>\$ 340,104,992</b>	<b>\$ 333,347,207</b>
<b>Accumulated Surplus (Note 17)</b>		
	<b>\$ 340,104,992</b>	<b>\$ 333,347,207</b>

Commitments and Contingent Liabilities (Notes 16 and 19)

Approved by:



T. Soldera  
Chief Financial Officer

See accompanying notes to the financial statements.



# CONSOLIDATED STATEMENT OF OPERATIONS

As at December 31, 2022, with comparative figures for 2021

	2022 BUDGET (Note 17)	2022 ACTUAL	2021 ACTUAL
<b>Revenues</b>			
Taxation (Schedule I)	\$ 40,554,306	\$ 40,420,459	\$ 38,519,675
Sales of services	10,190,474	11,301,521	10,728,853
Other revenue from own sources	2,146,610	2,394,225	2,230,498
Return on investments	645,920	3,152,733	192,667
Grants and government transfers (Schedule II)	10,447,590	3,445,852	4,546,075
Collections from developers and others	3,522,445	3,574,846	1,889,214
Actuarial adjustments to debt	-	537,057	480,087
	<u>67,507,345</u>	<u>64,826,693</u>	<u>58,587,069</u>
<b>Expenses</b>			
General government services	7,281,552	6,860,885	6,573,706
Protective services	12,514,284	12,411,129	10,902,877
Engineering and public works	11,352,069	12,660,741	12,090,247
Environmental health services	2,705,993	2,509,014	2,116,811
Forestry	804,711	568,976	640,730
Community development	1,492,586	1,424,693	1,393,651
Recreation and cultural services	12,633,217	12,753,804	12,103,772
Water	5,209,377	5,054,610	5,092,167
Sewer	4,972,841	3,825,056	3,739,484
	<u>58,966,630</u>	<u>58,068,908</u>	<u>54,653,445</u>
<b>Annual Surplus</b>	<u>\$ 8,540,715</u>	<u>6,757,785</u>	<u>3,933,624</u>
<b>Accumulated surplus, beginning of year (Note 17)</b>		<u>333,347,207</u>	<u>329,413,583</u>
<b>Accumulated surplus, end of year (Note 17)</b>		<u>\$ 340,104,992</u>	<u>\$ 333,347,207</u>

See accompanying notes to the financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

As at December 31, 2022, with comparative figures for 2021

	2022 BUDGET (Note 18)	2022 ACTUAL	2021 ACTUAL
<b>Annual Surplus</b>	\$ 8,540,715	\$ 6,757,785	\$ 3,933,624
Acquisition of tangible capital assets	-	(27,885,728)	(17,058,247)
Contributed tangible capital assets	-	(3,481,509)	(1,767,497)
Amortization of tangible capital assets	9,699,410	10,428,914	10,101,494
Net (gain) loss on sale of tangible capital assets	-	12,426	97,740
Proceeds on sale of tangible capital assets	-	-	10,285
Write-downs of tangible capital assets	-	168,659	22,701
	<u>9,699,410</u>	<u>(20,757,238)</u>	<u>(8,593,524)</u>
Increase in prepaids	-	(228,237)	(109,329)
(Increase) decrease in inventories	-	(61,099)	(19,153)
(Increase) decrease in property acquired for taxes	-	75,690	(75,690)
	-	<u>(213,646)</u>	<u>(204,172)</u>
<b>Change in net financial assets</b>	<u>18,240,125</u>	<u>(14,213,099)</u>	<u>(4,864,072)</u>
<b>Net financial assets at beginning of year</b>	-	<u>36,736,699</u>	<u>41,600,771</u>
<b>Net financial assets at end of year</b>	<u>\$ 18,240,125</u>	<u>\$ 22,523,600</u>	<u>\$ 36,736,699</u>

See accompanying notes to the financial statements.





# CONSOLIDATED STATEMENT OF CASH FLOWS

As at December 31, 2022, with comparative figures for 2021

	2022 ACTUAL	2021 ACTUAL
<b>Operating transactions</b>		
Annual surplus	\$ 6,757,785	\$ 3,933,624
<b>Non-cash items included in surplus</b>		
Amortization	10,428,914	10,101,494
Actuarial adjustment to debt	(537,057)	(480,087)
Write-downs of tangible capital assets	168,659	22,701
Net loss on sale of tangible capital assets	12,426	97,740
Contributed tangible capital assets	(3,481,509)	(1,767,497)
	<b>13,349,218</b>	<b>11,907,975</b>
<b>Changes in non-cash assets and liabilities</b>		
Accounts receivable	553,805	1,472,158
Inventory of supplies	(61,099)	(19,153)
Prepaid items	(228,237)	(109,329)
Property acquired for taxes	75,690	(75,690)
Accounts payable	2,047,566	(1,167,522)
Employee future benefits and compensation payable	(140,424)	177,055
Unearned revenue	1,071,560	1,422,858
Restricted reserves	3,204,434	1,379,310
Cash provided by operating transactions	<b>18,764,903</b>	<b>14,987,662</b>
<b>Capital transactions</b>		
Proceeds on sale of tangible capital assets	-	10,285
Cash applied to acquire tangible capital assets	(27,885,728)	(17,058,247)
Cash applied to capital transactions	<b>(27,885,728)</b>	<b>(17,047,962)</b>
<b>Investing transactions</b>		
Temporary investments	(9,097,474)	2,652,521
Cash applied to investing transactions	<b>(9,097,474)</b>	<b>2,652,521</b>
<b>Financing transactions</b>		
Proceeds from debenture debt	22,000,000	516,700
Proceeds from temporary debt	-	11,100,000
Repayment of temporary debt	(11,100,000)	-
Repayment of debenture debt	(1,194,782)	(1,028,523)
Cash provided by financing transactions	<b>9,705,218</b>	<b>10,588,177</b>
<b>Change in cash</b>	<b>(8,513,081)</b>	<b>11,180,398</b>
<b>Cash, beginning of year</b>	<b>13,432,104</b>	<b>2,251,706</b>
<b>Cash, end of year</b>	<b>\$ 4,919,023</b>	<b>\$ 13,432,104</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

## 1. GENERAL

The Corporation of the Municipality of North Cowichan (North Cowichan) 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 North Cowichan's policy to follow Canadian public sector accounting standards and to apply such principles consistently. The following is a summary of the North Cowichan'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

North Cowichan 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 North Cowichan'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%**

Interfund transactions and balances have been eliminated.

### b) BASIS OF ACCOUNTING

North Cowichan follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of 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) CASH AND CASH EQUIVALENTS

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



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

**d) INVESTMENTS**

Investments are recorded at cost which at December 31, 2022, 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.

**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 North Cowichan.
- iii) Grant revenues are recognized when the funding becomes receivable.
- iv) Revenue unearned in the current period is recorded as unearned 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, except when and to the extent the transfer gives rise to an obligation that meets the definition of a liability. Transfers received for which expenses are not yet incurred or stipulations not met are included in deferred revenue.

**f) 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.

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

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

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

**h) NON-FINANCIAL ASSETS**

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

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

**i) 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. North Cowichan does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

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. Crown lands that have not been purchased by North Cowichan, 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 North Cowichan acquires ownership and are recorded as revenue.

Land and infrastructure assets contributed to North Cowichan in 2022 totaled \$3,481,509 (2021 - \$1,767,497) and were capitalized at their fair value at the time of receipt.

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



**j) MATERIALS AND SUPPLIES**

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

**k) LIABILITY FOR CONTAMINATED SITES**

North Cowichan 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, North Cowichan 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 North Cowichan has an external obligation to remediate a site or has commenced remediation on its own accord.

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

**l) 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.

**m) LOAN GUARANTEE**

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

**n) 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 17.

- 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.

**o) 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. 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.

**3. FINANCIAL INSTRUMENTS**

North Cowichan's financial instruments consist of cash, temporary investments, accounts receivable, accounts payable and accrued liabilities, restricted reserves, temporary financing and 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 North Cowichan 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.

	2022	2021
<b>Cash</b>	<b>\$ 4,919,023</b>	<b>\$ 13,432,104</b>
<b>Temporary investments</b>	<b>91,165,028</b>	<b>82,067,554</b>
	<b>\$ 96,084,051</b>	<b>\$ 95,499,658</b>

Temporary Investments consist of short-term investments in the Municipal Finance Authority of BC, Govt. Focused Ultra-short bond fund and CIBC high interest savings and the market value is equal to the carrying value. Temporary Investments have yields ranging from nil% to 4.69%.

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.

	2022	2021
<b>Restricted investments</b>	<b>\$ 37,660,883</b>	<b>\$ 36,910,496</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

**5. ACCOUNTS RECEIVABLE**

	2022	2021
Property taxes	<b>\$ 2,377,304</b>	\$ 1,896,035
Water rates	<b>390,389</b>	342,353
Federal government	<b>521,524</b>	663,757
Provincial government	<b>516,905</b>	538,108
Local government	<b>942,418</b>	682,952
General	<b>142,208</b>	213,738
	<b>\$ 4,890,748</b>	<b>\$ 4,336,943</b>

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2022	2021
General	<b>\$ 8,946,342</b>	\$ 7,138,769
Wages and salaries	<b>626,837</b>	626,553
Accrued interest	<b>373,194</b>	133,485
	<b>\$ 9,946,373</b>	<b>\$ 7,898,807</b>

**7. EMPLOYEE FUTURE BENEFITS AND COMPENSATION**

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

Sick leave cash-out and severance benefits accrue to North Cowichan'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 wages payable:

	2022	2021
Lieu time payable	<b>\$ 1,096,312</b>	\$ 1,099,536
Sick leave cash-out and severance benefits	<b>2,660,300</b>	2,797,500
	<b>\$ 3,756,612</b>	<b>\$ 3,897,036</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

**7. EMPLOYEE FUTURE BENEFITS AND COMPENSATION (continued)**

Under the terms of the union contract, sick leave not taken in a year is carried forward to a maximum accumulation 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.

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

The liabilities for sick leave cash-out and severance benefits are based on an actuarial valuation as at December 31, 2022.

	2022	2021
Accrued benefit obligation	<b>\$ 2,822,600</b>	\$ 3,300,000
Unamortized actuarial gain/(loss)	<b>(162,300)</b>	(502,500)
Accrued benefit liability	<b>\$ 2,660,300</b>	<b>\$ 2,797,500</b>
<b>Benefit expense:</b>		
Current service cost	<b>\$ 432,100</b>	\$ 322,200
Interest cost	<b>79,300</b>	47,200
Amortization of net actuarial (gain)/loss	<b>40,400</b>	4,300
	<b>\$ 551,800</b>	<b>\$ 373,700</b>

Significant actuarial assumptions as at December 31st include:

	2022	2021
Valuation interest rate	<b>4.50%</b>	2.50%
Rate of compensation increase	<b>3.00%</b>	3.00%
Expected coverage remaining service life (in years)	<b>10</b>	10

**8. UNEARNED REVENUE**

	2021	Contributions and interest	Revenue earned or refunded	2022
Prepaid taxes and licenses	\$ 2,913,459	\$ 6,619,393	\$ 6,335,777	<b>\$ 3,197,075</b>
Service fees and deposits	3,776,877	2,102,781	1,420,320	<b>4,459,338</b>
Aquatic Centre unearned revenue	84,557	272,243	188,888	<b>167,912</b>
General unearned revenues	1,575,014	785,053	459,925	<b>1,900,142</b>
Water unearned revenue	303,000	49,390	352,390	-
	<b>\$ 8,652,907</b>	<b>\$ 9,828,860</b>	<b>\$ 8,757,300</b>	<b>\$ 9,724,467</b>



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

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

The deposits are included in North Cowichan's financial statements as MFA cash deposits. If the debt is repaid without default, the deposits are refunded to North Cowichan. The notes, which are contingent in nature, are held by the MFA to act as security against the possibility of debt repayment default and are not recorded in the financial statements. Upon the maturity of a debt issue, the demand notes are released and deposits refunded to North Cowichan. As at December 31, 2022, there were contingent demand notes of \$1,456,895 (2021 - \$838,024) which are not included in the financial statements of North Cowichan.

**10. TANGIBLE CAPITAL ASSETS**

Tangible capital assets consist of the following:

	2021	Additions	Disposals and Writedowns	2022
<b>Cost</b>				
Land	\$ 53,775,834	\$ 2,308,390	\$ -	\$ 56,084,224
Land improvements	15,502,269	602,459	-	16,104,728
Buildings - Cost	52,343,012	550,027	-	52,893,039
Eng. Struct. - Cost	309,495,737	3,417,634	69,661	312,843,710
Machinery - Cost	47,535,405	2,870,162	42,803	50,362,764
WIP - Cost	14,185,744	22,733,782	1,283,877	35,635,649
<b>Total cost</b>	<b>\$ 492,838,001</b>	<b>\$ 32,482,454</b>	<b>\$ 1,396,341</b>	<b>\$ 523,924,114</b>
<b>Accumulated amortization</b>				
Land Imp. - Accum Amort	\$ 7,678,466	\$ 689,222	\$ -	\$ 8,367,688
Buildings - Accum Amort	22,792,266	1,361,822	-	24,154,088
Eng. Struct. - Accum Amort	141,737,216	6,268,543	57,235	147,948,524
Machinery - Accum Amort	27,294,062	2,109,326	42,803	29,360,585
<b>Total accumulated amortization</b>	<b>\$ 199,502,010</b>	<b>\$ 10,428,913</b>	<b>\$ 100,038</b>	<b>\$ 209,830,885</b>
<b>Net book value</b>				
Land	\$ 53,775,834			\$ 56,084,224
Land improvements	7,823,803			7,737,040
Buildings	29,550,746			28,738,951
Engineered structures	167,758,521			164,895,186
Machinery	20,241,343			21,002,179
Work in progress	14,185,744			35,635,649
<b>Total net book value</b>	<b>\$ 293,335,991</b>			<b>\$ 314,093,229</b>

**11. 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 North Cowichan's Consolidated Financial Statements. A summary of trust fund activities by North Cowichan is as follows:

	2022	2021
<b>Assets</b>		
Cash and short term investments	\$ 457,567	\$ 439,979
<b>Equity</b>	<b>439,979</b>	<b>423,707</b>
Opening balances	17,588	16,272
Contributions	\$ 457,567	\$ 439,979

**12. 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.

	2022	2021
<b>Development Cost Charges</b>		
Opening	\$ 14,979,078	\$ 13,599,768
Contributions	3,215,807	1,380,664
Investment income	(11,373)	(1,354)
	<b>\$ 18,183,512</b>	<b>\$ 14,979,078</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

**13. CANADA COMMUNITY-BUILDING FUND**

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

	2022	2021
<b>Canada Community Building Fund</b>		
Opening balance of unspent funds	\$ 2,977,771	\$ 1,675,173
Add: Amount received during the year	1,363,979	2,668,820
Add: Return on investment	(5,260)	(2,243)
Less: Amount spent	(1,494,173)	(1,363,979)
	<b>\$ 2,842,317</b>	<b>\$ 2,977,771</b>

**14. DEBENTURE DEBT**

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

	M.F.A. Issue Number	Interest Rate	Maturity Date	Originally Approved	2022 Net Unmatured	2021 Net Unmatured
<b>General Capital Fund</b>						
Maple Bay Fire Hall	95	1.80%	Apr 12, 2025	\$ 1,600,000	\$ 320,193	\$ 420,767
Maple Bay Fire Hall	103	2.65%	Apr 23, 2028	500,000	192,863	220,821
Cowichan Aquatic Ctr	104	2.90%	Nov 20, 2028	15,000,000	5,785,884	6,624,625
Cowichan Aquatic Ctr	106	2.25%	Oct 12, 2029	2,265,500	1,000,539	1,122,345
Duncan Curling Club	N/A	4.00%	Jan 15, 2032	551,500	304,338	331,556
Tier 2 Flood Protection	121	3.39%	Oct 4, 2032	745,475	444,910	480,542
Tier 2 Flood Protection	124	3.15%	Apr 8, 2033	1,000,000	644,611	690,570
Municipal Hall Expansion	126	3.85%	Sep 26, 2033	1,500,000	966,917	1,035,855
Stoney Hill Road	131	2.20%	Apr 8, 2040	2,000,000	1,600,542	1,663,662
Tier 4 Flood Protection	137	2.60%	Apr 19, 2036	1,700,000	1,306,245	1,377,642
Tier 4 Flood Protection	141	2.80%	Apr 7, 2037	200,000	160,483	168,861
RCMP Building	158	4.09%	Sep 23, 2042	22,000,000	22,000,000	-
Fire Equipment loan	N/A	4.51%	Dec 31, 2024	516,700	351,508	516,700
				<b>49,579,175</b>	<b>35,079,033</b>	<b>14,653,946</b>
<b>Water Capital Fund</b>						
Crofton	106	2.25%	Oct 13, 2029	530,000	234,070	262,566
Chemainus	110	4.50%	April 8, 2030	1,750,000	863,252	955,396
Chemainus	137	2.60%	Apr 19, 2036	864,000	663,880	700,166
				<b>3,144,000</b>	<b>1,761,202</b>	<b>1,918,128</b>
				<b>\$ 52,723,175</b>	<b>\$ 36,840,235</b>	<b>\$ 16,572,074</b>

**14. 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>			
2023	\$ 1,856,742	\$ 112,683	\$ 1,969,425
2024	1,887,836	112,683	2,000,519
2025	1,698,313	112,683	1,810,996
2026	1,634,365	112,683	1,747,048
2027	1,635,666	112,683	1,748,349
Thereafter	14,404,400	503,566	14,907,966
	<b>23,117,322</b>	<b>1,066,981</b>	<b>24,184,303</b>
<b>Actuarial adjustments (estimated):</b>			
2023	546,352	49,878	596,230
2024	629,204	55,715	684,919
2025	715,175	61,763	776,938
2026	756,384	68,029	824,413
2027	845,558	74,521	920,079
Thereafter	8,469,041	384,312	8,853,353
	<b>11,961,714</b>	<b>694,218</b>	<b>12,655,932</b>
	<b>\$ 35,079,036</b>	<b>\$ 1,761,199</b>	<b>\$ 36,840,235</b>

Interest paid during the year was \$1,225,773 (2021 - \$819,130).

**15. TEMPORARY FINANCING**

North Cowichan issues temporary debt instruments through MFA, pursuant to security issuing bylaws under the authority of the Community Charter. Temporary financing is due on demand and will be repaid in full when MFA debenture debt is issued.

	M.F.A. Issue Number	Interest Rate	Maturity Date	Originally Approved	2022 Net Unmatured	2021 Net Unmatured
General Capital Fund	580-1	0.97%	N/A	\$ 48,000,000	\$ -	\$ 11,100,000
				<b>\$ 48,000,000</b>	<b>\$ -</b>	<b>\$ 11,100,000</b>



**16. 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 North Cowichan 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 North Cowichan.

c) North Cowichan has guaranteed a commercial loan to a maximum of \$400,000 to the Duncan-Cowichan Chamber of Commerce. The loan matures January 1, 2025 at an annual interest rate of 3.75%.

d) North Cowichan 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, 2021 the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated 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, 2021 indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2024, with results available in 2025.

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

North Cowichan paid \$1,368,225 (2021 - \$1,378,066) for employer contributions while employees contributed \$1,262,723 (2021 - \$1,221,440) to the Plan in fiscal 2022.

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

**17. ACCUMULATED SURPLUS**

	2022	2021
<b>Operating Funds</b>		
<b>Unappropriated:</b>		
General	\$ 6,083,492	\$ 4,470,243
Water Systems	7,000,858	5,698,822
Sewer Systems	19,748,386	18,383,187
	<b>32,832,736</b>	<b>28,552,252</b>
<b>Appropriated:</b>		
Reserves for property acquired for taxes	2,341,177	2,341,177
Reserves for future expenditures	4,958,864	11,984,684
Reserve for uncollected taxes	1,295,091	1,295,091
Reserve for Joint Utilities Board	1,193,211	1,105,246
	<b>9,788,343</b>	<b>16,726,198</b>
	<b>42,621,079</b>	<b>45,278,450</b>
<b>Capital Funds</b>		
General Capital	222,359,451	210,553,143
Water Capital	32,302,018	32,160,965
Sewer Capital	20,728,072	21,234,302
Joint Utilities Board Capital	2,617,001	2,188,930
	<b>\$ 278,006,542</b>	<b>\$ 266,137,340</b>



**17. ACCUMULATED SURPLUS (continued)**

	2022	2021
<b>Reserve Funds</b>		
Land Sales	4,136,630	4,210,978
Machinery and Equipment	3,969,641	5,220,108
Local Area Service	1,347,999	1,257,457
Forest	957,750	1,250,600
Park Development	219,031	225,689
Parkland Purchase	749,763	734,755
Chemainus Parking	178,215	178,531
Agriculture	329,833	330,417
Self-Insurance	225,764	226,163
Climate Action and Energy Plan	693,855	603,355
Maple Bay Sewer	93,521	93,686
Cowichan Aquatic Centre	203,310	711,618
Evans Park	174,513	174,822
Fuller Lake Arena	73,880	74,011
Harbours Crofton	88,468	75,721
Harbours Chemainus	423,787	416,523
Mural Protection	42,703	31,990
Canada Community-Building Fund (Note 13)	2,842,317	2,977,771
Quamichan Lake	556,836	418,744
IT Asset Management	418,465	301,998
COVID-19 Safe Restart Grant	-	951,635
Infrastructure Replacement	1,079,411	830,878
Gravel Pits	557,660	558,647
Affordable Housing	114,019	75,320
	<b>19,477,371</b>	<b>21,931,417</b>
<b>Accumulated Surplus</b>	<b>\$ 340,104,992</b>	<b>\$ 333,347,207</b>

**18. BUDGET DATA**

The budget data presented in these financial statements is based upon the 2022-2026 Financial Plan Bylaw adopted by council February 16, 2022. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	2022
<b>Financial Plan Bylaw surplus for the year</b>	<b>\$ -</b>
<b>Add back:</b>	
Principal debt repayment	1,265,352
Capital expenditures	79,209,161
<b>Less:</b>	
Amortization	(9,699,410)
Proceeds from borrowing	(43,193,380)
Budgeted transfers to reserve funds	(6,571,017)
Budgeted transfers from accumulated surplus	(12,469,991)
<b>Adjusted Annual Surplus</b>	<b>\$ 8,540,715</b>

**19. JOINT UTILITIES BOARD**

Financial results for the Joint Utilities Board are consolidated into North Cowichan's financial statements proportionately based on the units owned by each partner. In 2022, North Cowichan's proportion for consolidation purposes was 53.69% (2021 – 53.69%). Condensed financial information for the Joint Utilities Boards is as follows:

	2022	2021
Net Financial Assets	\$ 2,222,681	\$ 2,058,836
Non-Financial Assets	4,874,475	4,077,130
<b>Accumulated Surplus</b>	<b>7,097,156</b>	<b>6,135,966</b>
Revenues	\$ 2,255,245	\$ 2,296,773
Expenses	1,294,055	1,332,158
<b>Annual Surplus</b>	<b>961,190</b>	<b>964,615</b>
<b>North Cowichan Proportionate Share:</b>		
Net Financial Assets	\$ 1,193,211	\$ 1,105,246
Non-Financial Assets	2,617,001	2,188,930
<b>Accumulated Surplus</b>	<b>3,810,212</b>	<b>3,294,176</b>
Revenues	\$ 1,210,793	\$ 1,233,088
Expenses	694,750	715,207
<b>Annual Surplus</b>	<b>\$ 516,043</b>	<b>\$ 517,881</b>



**19. 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. North Cowichan’s proportionate share of the lease payments for 2023 is \$222,277 and has an annual increase of 2.2%. the proportionate share of the the total lease payments over the remaining term are estimated at \$12.8 million.

Because the percentage of units owned by the partners may change from year-to-year which produces different cost shares for each partner, there may be a write down or write up of asset balances. In 2022 North Cowichan recorded a write up of assets in the amount of \$0 (2021 - \$0).

**20. SEGMENT REPORTING**

North Cowichan’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 I, 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 North Cowichan’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.

**20. SEGMENT REPORTING (continued)**

**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.

**Water**

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

**Sewer**

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

**Reserve Funds**

These funds have been created to hold assets for specific future requirements pursuant to the Community Charter.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Taxes, grants-in-lieu of taxes and any revenues not directly attributable to a segment are apportioned to the General Revenue Fund service based on the net annual budget. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

**21. SUBSEQUENT EVENT**

Subsequent to year end, the Province publicly announced the Growing Communities Fund that will provide local governments in the province with one-time funding to address the needs of growing communities. North Cowichan has received \$7,686,000 under this program which will be spent in accordance with the guidelines provided by the province.

**22. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

# TAXATION

For the year ended December 31, 2022

## SCHEDULE I

	2022 BUDGET	2022	2021
<b>Municipal Purposes:</b>			
General taxation	\$ 34,166,715	\$ 34,012,777	\$ 32,133,370
Business Improvement Area	116,000	133,906	113,559
Local Area Service	95,350	95,348	95,348
Utilities	795,664	795,663	981,451
Grants-in-lieu of taxes	219,630	223,640	218,002
Water systems	2,351,689	2,353,784	2,256,161
Sewer systems	2,809,258	2,805,341	2,721,784
<b>Total Municipal Taxes</b>	<b>40,554,306</b>	<b>40,420,459</b>	<b>38,519,675</b>
<b>Collections for Other Governments:</b>			
School	14,000,000	14,973,302	13,910,383
Cowichan Valley Regional Hospital District	4,200,000	4,220,903	4,103,334
Cowichan Valley Regional District	9,910,400	10,129,087	9,621,701
BC Assessment	410,000	461,238	410,462
Municipal Finance Authority	1,700	2,241	1,703
<b>Total Collections for Other Governments</b>	<b>28,522,100</b>	<b>29,786,771</b>	<b>28,047,583</b>
	<b>69,076,406</b>	<b>70,207,230</b>	<b>66,567,258</b>
Deduct: requisitions remitted to other taxing authorities	(28,522,100)	(29,786,771)	(28,047,583)
<b>Total Taxes Levied</b>	<b>\$ 40,554,306</b>	<b>\$ 40,420,459</b>	<b>\$ 38,519,675</b>

# GRANTS AND GOVERNMENT TRANSFERS

For the year ended December 31, 2022

## SCHEDULE II

	2022 BUDGET	2022	2021
<b>Operating Grants</b>			
Traffic fines revenue	\$ 295,000	\$ 256,489	\$ 299,702
Other grants	152,000	1,391,311	1,380,144
	<b>1,816,996</b>	<b>1,647,800</b>	<b>1,679,846</b>
<b>Capital Grants</b>			
Canada Community-Building Fund	2,113,000	1,363,979	2,718,321
<b>Infrastructure Grants (Prov/Fed)</b>			
Sewer	4,667,440	-	-
Other	1,850,154	422,673	122,908
<b>Provincial and Other Grants</b>			
ICBC grants	-	11,400	25,000
	<b>-</b>	<b>11,400</b>	<b>25,000</b>
	<b>\$ 10,447,590</b>	<b>\$ 3,445,852</b>	<b>\$ 4,546,075</b>



# OPERATIONS BY SEGMENT

For the year ended December 31, 2022

## SCHEDULE III

	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	\$ 6,726,313	\$ 9,951,608	\$ 5,823,938	\$ 617,788	\$ -	\$ 1,458,407	\$ 8,352,751	\$ 2,353,784	\$ 2,805,341	\$ 2,078,772	\$ 251,757	\$ 40,420,459
Sales of services	221,400	618,409	667,734	1,899,268	150,060	-	2,217,116	3,364,475	2,163,059	-	-	11,301,521
Other revenue from own sources	557,415	1,579,117	123,079	-	-	88,932	32,854	12,828	-	-	-	2,394,225
Return on investments	2,649,339	219,151	128,253	13,605	-	32,117	183,942	(9,481)	(32,522)	(31,671)	-	3,152,733
Grants and government transfers	256,489	9,985	-	314,197	97,061	-	970,068	-	-	-	1,798,052	3,445,852
Collections from developers and others	-	-	-	-	-	-	-	-	-	93,337	3,481,509	3,574,846
Actuarial adjustments to debt	18,566	46,544	46,963	-	-	-	380,741	44,243	-	-	-	537,057
	10,429,522	12,424,814	6,789,967	2,844,858	247,121	1,579,456	12,137,472	5,765,849	4,935,878	2,140,438	5,531,318	64,826,693
<b>Expenses</b>												
Salaries, wages and benefits	5,029,770	4,395,151	3,950,916	1,025,806	229,959	1,203,762	5,108,571	1,483,194	907,743	-	-	23,334,872
Contract services	1,517,072	6,021,191	1,707,642	1,006,250	234,234	155,476	2,756,444	725,808	913,492	-	-	15,037,609
Materials and supplies	(76,529)	908,560	1,009,854	401,988	93,569	65,455	3,016,873	1,524,290	916,597	-	-	7,860,657
Amortization	332,822	638,792	5,664,589	74,970	11,214	-	1,373,224	1,261,343	1,071,959	-	-	10,428,913
Interest	57,750	447,435	147,799	-	-	-	498,692	59,975	14,121	-	-	1,225,772
Expenditures before losses, write downs and transfers	6,860,885	12,411,129	12,480,800	2,509,014	568,976	1,424,693	12,753,804	5,054,610	3,823,912	-	-	57,887,823
Loss on sale, write downs and transfer of TCA	-	-	179,941	-	-	-	-	-	1,144	-	-	181,085
	6,860,885	12,411,129	12,660,741	2,509,014	568,976	1,424,693	12,753,804	5,054,610	3,825,056	-	-	58,068,908
<b>Excess of revenues over expenses</b>	<b>\$ 3,568,637</b>	<b>\$ 13,685</b>	<b>\$ (5,870,774)</b>	<b>\$ 335,844</b>	<b>\$ (321,855)</b>	<b>\$ 154,763</b>	<b>\$ (616,332)</b>	<b>\$ 711,239</b>	<b>\$ 1,110,822</b>	<b>\$ 2,140,438</b>	<b>\$ 5,531,318</b>	<b>\$ 6,757,785</b>

# OPERATIONS BY SEGMENT

For the year ended December 31, 2021

## SCHEDULE III

	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	\$ 6,112,371	\$ 9,038,177	\$ 6,050,446	\$ 598,607	\$ -	\$ 1,471,880	\$ 7,736,054	\$ 2,256,161	\$ 2,721,784	\$ 2,309,417	\$ 224,777	\$ 38,519,675
Sales of services	268,991	591,437	1,096,183	1,723,537	120,040	-	1,554,691	3,249,780	2,124,194	-	-	10,728,853
Other revenue from own sources	329,619	1,355,195	218,005	-	-	121,367	191,560	14,752	-	-	-	2,230,498
Return on investments	33,961	50,217	33,617	3,326	-	8,178	42,983	(141)	(511)	21,037	-	192,667
Grants and government transfers	-	62,962	-	42,703	-	-	1,274,480	-	-	-	2,866,228	4,546,075
Collections from developers and others	-	-	-	-	-	-	-	-	-	121,716	1,767,498	1,889,214
Actuarial adjustments to debt	15,914	42,539	39,032	-	-	-	343,798	38,804	-	-	-	480,087
	7,060,559	11,140,527	7,437,283	2,368,173	120,040	1,601,425	11,143,566	5,559,356	4,845,467	2,452,170	4,858,503	58,587,069
<b>Expenses</b>												
Salaries, wages and benefits	5,022,689	4,121,522	3,805,804	728,552	308,285	1,058,376	4,506,277	1,498,154	836,892	-	-	21,886,551
Contract services	1,446,044	5,525,915	1,746,484	876,315	228,390	273,859	2,693,279	702,660	916,218	-	-	14,409,164
Materials and supplies	(197,124)	703,011	763,829	436,023	92,841	61,416	3,066,700	1,495,428	894,542	-	-	7,316,666
Amortization	244,347	517,417	5,610,756	75,921	11,214	-	1,337,756	1,238,140	1,065,942	-	-	10,101,494
Interest	57,750	35,012	146,919	-	-	-	499,760	62,417	17,273	-	-	819,130
Expenditures before losses, write downs and transfers	6,573,706	10,902,877	12,073,792	2,116,811	640,730	1,393,651	12,103,772	4,996,799	3,730,867	-	-	54,533,005
Loss on sale, write downs and transfer of TCA	-	-	16,455	-	-	-	-	95,368	8,617	-	-	120,440
	6,573,706	10,902,877	12,090,247	2,116,811	640,730	1,393,651	12,103,772	5,092,167	3,739,484	-	-	54,653,445
<b>Excess of revenues over expenses</b>	<b>\$ 486,853</b>	<b>\$ 237,650</b>	<b>\$ (4,652,964)</b>	<b>\$ 251,362</b>	<b>\$ (520,690)</b>	<b>\$ 207,774</b>	<b>\$ (960,206)</b>	<b>\$ 467,189</b>	<b>\$ 1,105,983</b>	<b>\$ 2,452,170</b>	<b>\$ 4,858,503</b>	<b>\$ 3,933,624</b>



# SUPPLEMENTARY SCHEDULES

(Unaudited)

## SALES OF SERVICES

For the year ended December 31, 2022

### SCHEDULE IV

	2022 BUDGET	2022	2021
General government service	\$ 109,680	\$ 113,005	\$ 145,057
Protective services	336,310	401,677	387,724
Fire protection	243,320	216,732	203,713
Engineering and public works	226,700	667,734	1,096,183
Residential garbage - municipal	1,708,465	1,741,608	1,555,193
Forestry	99,150	150,060	120,040
Cowichan Aquatic Centre	1,921,761	1,731,828	1,143,162
Fuller Lake Arena	262,670	238,519	167,730
Other recreation	64,600	54,627	33,232
Wharves	208,510	192,142	210,568
Miscellaneous	102,420	108,394	123,933
Cemetery	146,760	157,661	168,344
Water	2,810,280	3,364,475	3,249,780
Sewer	1,949,848	2,163,059	2,124,194
	<b>\$ 10,190,474</b>	<b>\$ 11,301,521</b>	<b>\$ 10,728,853</b>

## OTHER REVENUE FROM OWN SOURCES

For the year ended December 31, 2022

### SCHEDULE V

	2022 BUDGET	2022	2021
Licences and permits	\$ 1,199,020	\$ 1,520,562	\$ 1,442,810
Tax penalties and interest	350,270	505,963	273,538
Fines	4,640	28,067	199,234
Rentals	579,520	326,805	300,164
Water	13,160	12,828	14,752
	<b>\$ 2,146,610</b>	<b>\$ 2,394,225</b>	<b>\$ 2,230,498</b>

## GENERAL GOVERNMENT SERVICES

For the year ended December 31, 2022

### SCHEDULE VI

	2022 BUDGET	2022	2021
Legislative	\$ 403,537	\$ 373,108	\$ 339,895
Administrative	5,266,167	4,681,037	4,530,003
Financial services	1,134,429	1,137,363	1,192,326
Common services	882,629	881,434	942,533
Miscellaneous	247,910	292,591	152,002
Administration recoveries	(907,080)	(895,220)	(885,150)
Interest	57,750	57,750	57,750
Amortization	196,210	332,822	244,347
	<b>\$ 7,281,552</b>	<b>\$ 6,860,885</b>	<b>\$ 6,573,706</b>

# PROTECTIVE SERVICES

For the year ended December 31, 2022

## SCHEDULE VII

	2022 BUDGET	2022	2021
<b>Police protection:</b>			
R.C.M.P. contract	\$ 5,791,212	\$ 5,151,644	\$ 4,794,859
Municipal employees	1,710,697	1,894,834	1,684,481
Crime prevention	7,870	7,100	7,100
Building maintenance	259,250	289,970	207,596
Bylaw enforcement	870,800	800,947	775,875
	<b>8,639,829</b>	<b>8,144,495</b>	<b>7,469,911</b>
<b>Fire protection:</b>			
General fire protection	322,945	362,127	385,062
Chemainus fire hall	375,268	444,682	386,615
Crofton fire hall	354,545	354,472	342,293
Maple Bay fire hall	369,385	414,407	337,758
South End fire hall	486,925	657,959	614,475
	<b>1,909,068</b>	<b>2,233,647</b>	<b>2,066,203</b>
<b>Other protection:</b>			
Building and plumbing inspections	718,175	734,067	614,719
Animal control	181,530	190,993	179,233
Weed control	15,000	3,032	2,430
Mosquito control	22,230	18,668	17,952
	<b>936,935</b>	<b>946,760</b>	<b>814,334</b>
Interest	531,662	447,435	35,012
Amortization	496,790	638,792	517,417
	<b>1,028,452</b>	<b>1,086,227</b>	<b>552,429</b>
	<b>\$ 12,514,284</b>	<b>\$ 12,411,129</b>	<b>\$ 10,902,877</b>

# ENGINEERING AND PUBLIC WORKS

For the year ended December 31, 2022

## SCHEDULE VIII

	2022 BUDGET	2022	2021
Administration	\$ 2,353,313	\$ 2,325,255	\$ 2,253,293
Small tools and equipment	58,980	63,312	51,831
Workshop and yard maintenance	206,833	231,223	235,326
Roads - construction	51,786	55,202	55,447
Roadway and surfaces maintenance	1,500,804	1,301,643	1,367,659
Snow and ice removal	393,138	757,001	707,847
Bridge - maintenance	6,120	59,827	8,956
Street lighting	512,510	431,527	447,489
Signs and line painting	352,240	358,075	293,560
Drainage	782,365	987,105	950,067
Sidewalk maintenance	21,590	45,006	49,238
Other transportation	272,300	430,759	642,320
Administration recoveries	(761,760)	(377,523)	(746,916)
Loss on sale, write downs and transfer of TCA	-	179,941	16,455
Interest	146,920	147,799	146,919
Amortization	5,454,930	5,664,589	5,610,756
	<b>\$ 11,352,069</b>	<b>\$ 12,660,741</b>	<b>\$ 12,090,247</b>





# ENVIRONMENTAL HEALTH SERVICES

For the year ended December 31, 2022

## SCHEDULE IX

	2022 BUDGET	2022	2021
Garbage collection and recycling	\$ 1,596,365	\$ 1,535,475	\$ 1,482,726
Cemetery	241,748	271,979	210,128
Environmental	790,440	626,590	348,036
Amortization	77,440	74,970	75,921
	<b>\$ 2,705,993</b>	<b>\$2,509,014</b>	<b>\$2,116,811</b>

# RECREATION AND CULTURAL SERVICES

For the year ended December 31, 2022

## SCHEDULE X

	2022 BUDGET	2022	2021
Administration	\$ 268,620	\$ 294,174	\$ 243,012
Crofton swimming pool	71,458	65,997	38,534
Cowichan Aquatic Centre	3,953,830	4,015,143	3,342,882
Fuller Lake Arena	1,043,732	1,145,731	1,062,096
Parks common services	78,509	128,580	164,446
Community recreation program	140,640	137,947	105,617
Chemainus parks and playgrounds	488,830	493,119	497,702
Crofton parks and playgrounds	221,418	241,273	228,162
South End parks and playgrounds	1,327,692	1,383,084	1,393,257
Wharves	176,715	158,715	152,915
Library	1,658,657	1,658,657	1,577,297
Grants-in-aid	1,467,386	1,159,468	1,460,336
Interest	500,840	498,692	499,760
Amortization	1,234,890	1,373,224	1,337,756
	<b>\$ 12,633,217</b>	<b>\$ 12,753,804</b>	<b>\$ 12,103,772</b>





# COVID-19 SAFE RESTART GRANT

For the year ended December 31, 2022

## SCHEDULE XI

	2022	2021
Balance, beginning of year	<b>\$ 951,635</b>	\$ 2,750,808
Interest earned	<b>1,691</b>	34
<b>Uses of funds:</b>		
Revenue shortfall - Cowichan Aquatic Centre	<b>200,000</b>	1,149,130
General government operating expenses	<b>139,532</b>	88,390
Bylaw enforcement	<b>256,160</b>	119,400
IT operating expenses	<b>290,490</b>	201,227
Parks and recreation operating expenses	-	79,760
Capital expenses	<b>63,762</b>	161,300
	<b>949,944</b>	1,799,207
<b>Balance, end of year</b>	<b>\$ -</b>	<b>\$ 951,635</b>







**Duncan - North Cowichan  
Joint Utilities Board**

# FINANCIAL STATEMENTS

(Audited) December 31, 2022





# 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.

KPMG 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.

Talitha Soldera  
Chief Financial Officer  
May 3, 2023





KPMG LLP  
St. Andrew's Square II  
800-730 View Street  
Victoria BC V8W 3Y7  
Canada  
Telephone 250-480-3500  
Fax 250-480-3539

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Duncan – North Cowichan Joint Utilities Board

### **Opinion**

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

- the statement of financial position as at December 31, 2022
- the statement of operations for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and its 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 auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

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

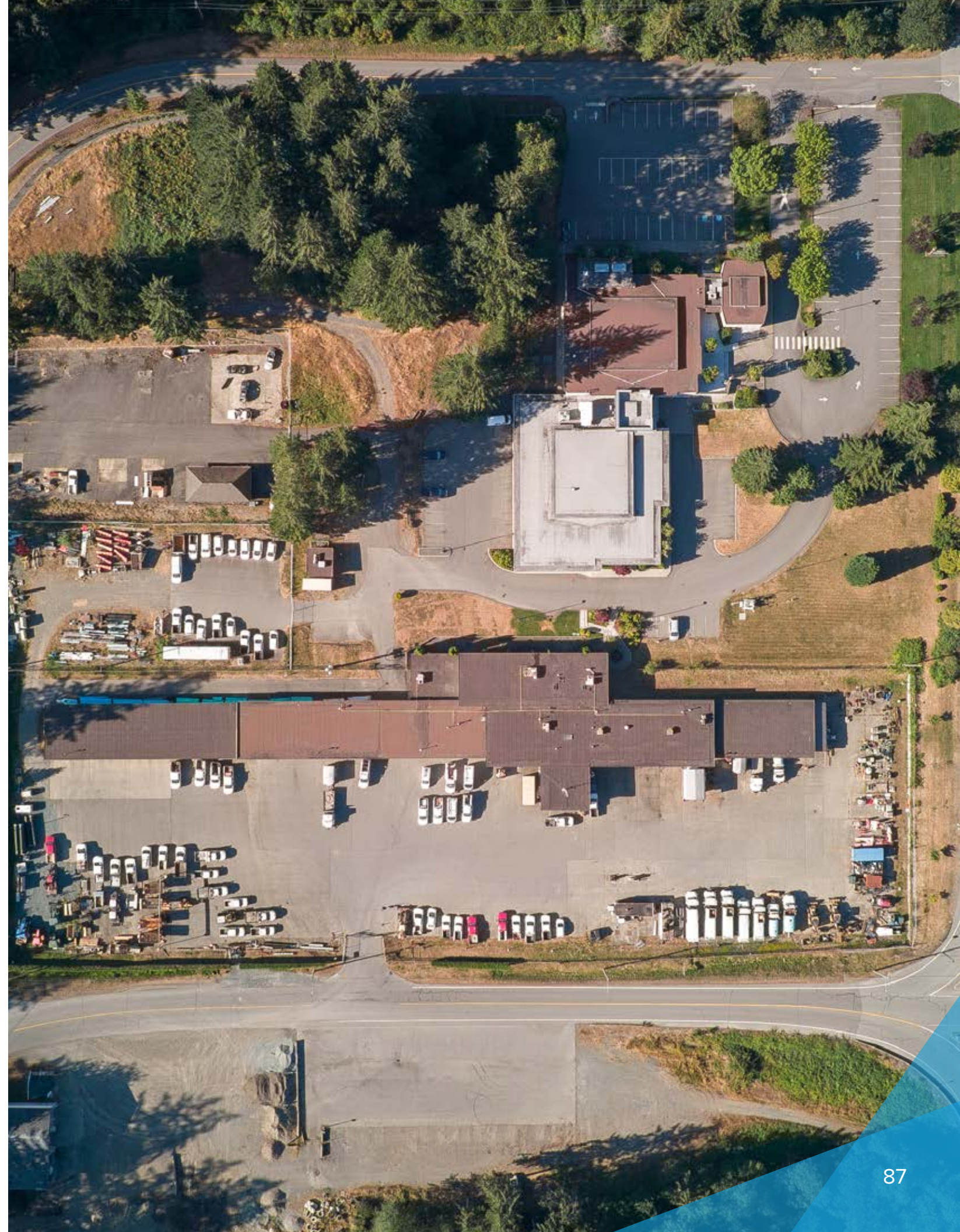


- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*KPMG LLP*

Chartered Professional Accountants

Victoria, Canada  
May 4, 2023





# STATEMENT OF FINANCIAL POSITION

As at December 31, 2022, with comparative figures for 2021

	2022 ACTUAL	2021 ACTUAL
<b>Financial Assets</b>		
Investments (Notes 3 and 5)	\$ 4,230,295	\$ 4,255,217
<b>Financial Liabilities</b>		
Unearned revenue	2,007,614	2,196,381
<b>Net Financial Assets</b>	<b>2,222,681</b>	2,058,836
<b>Non-Financial Assets</b>		
Tangible capital assets (Schedule I)	4,874,475	4,077,130
<b>Accumulated Surplus (Note 6)</b>	<b>\$ 7,097,156</b>	\$ 6,135,966

Approved by:



T. Soldera  
Chief Financial Officer

See accompanying notes to the financial statements.

# STATEMENT OF OPERATIONS

As at December 31, 2022, with comparative figures for 2021

	2022 BUDGET (Note 8)	2022 ACTUAL	2021 ACTUAL
<b>Revenues</b>			
Contributions from:			
The Corporation of the Municipality of North Cowichan	\$ 2,307,365	\$ 917,720	\$ 880,554
The Corporation of the City of Duncan	1,324,045	510,849	498,824
Cowichan Valley Regional District	565,622	255,218	249,043
Cowichan Tribes	87,877	41,486	36,774
Return on investments	-	48,646	16,212
Grants and government transfers	4,667,440	481,326	615,366
	8,952,349	2,255,245	2,296,773
<b>Expenses</b>			
Administration	62,040	57,343	59,155
Amortization	89,850	89,849	89,849
Sewer lagoon operations and maintenance	1,240,779	1,146,863	1,183,154
	1,392,669	1,294,055	1,332,158
<b>Annual Surplus</b>	\$ 7,559,680	961,190	964,615
<b>Accumulated surplus, beginning of year</b>	6,135,966	6,135,966	5,171,351
<b>Accumulated surplus, end of year</b>	<b>\$ 13,695,646</b>	<b>\$ 7,097,156</b>	<b>\$ 6,135,966</b>

See accompanying notes to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

## 1. 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, except when and to the extent the transfer gives rise to an obligation that meets the definition of a liability. Transfers received for which expenses are not yet incurred or stipulations not met are included in unearned revenue.

### c) CASH AND CASH EQUIVALENTS

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

### d) 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.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

### e) 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.

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

### f) 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. An 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.

## 2. 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.

## 3. INVESTMENTS

Investments are carried at cost, which at December 31, 2022, 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.



NOTES TO THE FINANCIAL STATEMENTS (continued)

**4. OPERATING LEASE**

The Board leases the sewage lagoon lands under an operating lease which expires July 31, 2060. Lease payments for 2023 are \$414,000 and have an annual increase of 2.2%. The total lease payments over the remaining term are estimated at \$23.8 million.

**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.

**6. CAPITAL RESERVE FUNDS**

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

	2022	2021
Balances, beginning of year	\$ 2,058,836	\$ 1,927,423
Add: transfers from current operations	163,845	131,413
<b>Balance, end of year</b>	<b>\$ 2,222,681</b>	<b>\$ 2,058,836</b>

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

The following provides a summary of operating expenses by object:

	2022	2021
Salaries, wages and benefits	\$ 195,116	\$ 267,849
Contract services	28,931	54,758
Amortization	89,849	89,849
Materials and supplies	575,098	523,361
Land rent	405,061	396,341
<b>Total expense</b>	<b>\$ 1,294,055</b>	<b>\$ 1,332,158</b>

**8. BUDGET DATA**

The budget data presented in these financial statements is based upon the 2022-2026 Financial Plan Bylaw. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	2022
Financial Plan Bylaw surplus for the year Add back:	\$ -
Capital expenditures	7,534,330
Less:	
Amortization	(89,850)
Budgeted transfers to reserve funds	115,200
<b>Adjusted Annual Surplus</b>	<b>\$ 7,559,680</b>

**9. STATEMENTS OF CHANGES IN NET FINANCIAL ASSETS AND CASH FLOWS**

The statements of changes in net financial assets and cash flows have not been prepared as they are not considered to provide any additional useful information.





# TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2022

## SCHEDULE I

	COST				BALANCE December 31, 2022	ACCUMULATED AMORTIZATION			BALANCE December 31, 2022	NET BOOK VALUE	
	BALANCE December 31, 2021	2022 Additions	2022 Disposals	2022 Write-downs		BALANCE December 31, 2021	2022 Additions	2022 Disposals		2021	2022
Buildings	\$ 192,388	\$ -	\$ -	\$ -	<b>\$ 192,388</b>	\$ 19,640	\$ 4,810	\$ -	<b>\$ 24,450</b>	\$ 172,748	<b>\$ 167,938</b>
Engineering Structures	2,485,489	-	-	-	<b>2,485,489</b>	476,385	49,709	-	<b>526,095</b>	2,009,104	<b>1,959,395</b>
Machinery & Equipment	706,581	-	-	-	<b>706,581</b>	144,260	35,329	-	<b>179,589</b>	562,321	<b>526,992</b>
Work In Progress	1,332,957	887,194	-	-	<b>2,220,150</b>	-	-	-	<b>-</b>	1,332,957	<b>2,220,150</b>
	<b>\$ 4,717,415</b>	<b>\$ 887,194</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,604,609</b>	<b>\$ 640,285</b>	<b>\$ 89,849</b>	<b>\$ -</b>	<b>\$ 730,134</b>	<b>\$ 4,077,130</b>	<b>\$ 4,874,475</b>







# STATISTICAL INFORMATION

Five-Year Statistical Review 2018-2022

# TAXABLE ASSESSMENTS OF LAND AND IMPROVEMENTS

(in thousands)

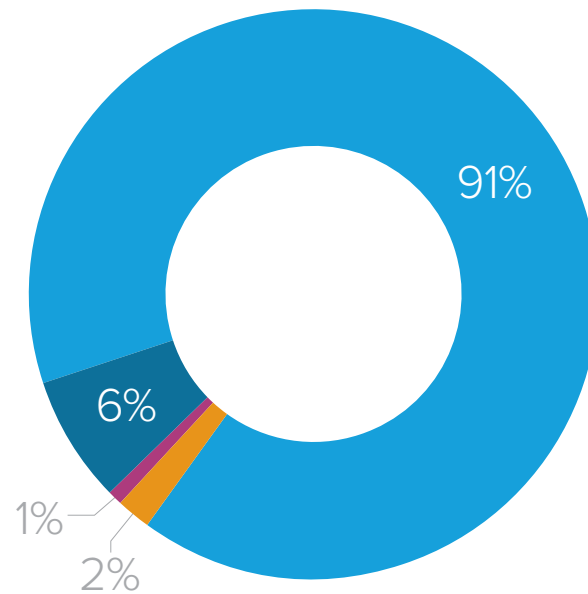
Property Class	2018	2019	2020	2021	2022
Residential	\$ 4,796,482	\$ 5,550,950	\$ 5,999,969	\$ 6,509,352	<b>\$ 8,916,434</b>
Utilities	5,074	6,711	7,160	7,345	<b>8,118</b>
Major Industry	140,525	144,613	149,278	152,940	<b>160,298</b>
Light Industry	55,577	62,067	77,075	84,007	<b>104,474</b>
Business	416,935	415,602	454,800	463,139	<b>546,013</b>
Managed Forest	2,956	3,299	3,344	3,278	<b>3,119</b>
Recreation	16,389	17,328	20,682	20,663	<b>20,823</b>
Farm	8,805	8,795	8,777	8,776	<b>8,830</b>
	<b>\$ 5,442,743</b>	<b>\$ 6,209,365</b>	<b>\$ 6,721,085</b>	<b>\$ 7,249,500</b>	<b>\$ 9,768,109</b>

# TAX REVENUE BY PROPERTY CLASS

Property Class	2018	2019	2020	2021	2022
Residential	\$ 19,349,627	\$ 20,237,836	\$ 20,968,476	\$ 21,849,015	<b>\$ 22,977,758</b>
Utilities	188,430	200,314	203,131	208,252	<b>324,640</b>
Major Industry	4,336,947	4,473,299	4,522,661	4,636,703	<b>5,019,030</b>
Light Industry	923,638	983,708	1,026,503	1,041,584	<b>1,118,286</b>
Business	3,796,950	3,974,130	4,088,352	4,246,377	<b>4,446,116</b>
Managed Forest	45,603	47,333	47,831	49,037	<b>57,468</b>
Recreation	66,121	63,183	72,274	72,815	<b>53,660</b>
Farm	35,684	32,187	30,777	29,587	<b>22,756</b>
	<b>\$ 28,743,000</b>	<b>\$ 30,011,990</b>	<b>\$ 30,960,005</b>	<b>\$ 32,133,370</b>	<b>\$ 34,019,714</b>

## 2022 Assessment by Property Class

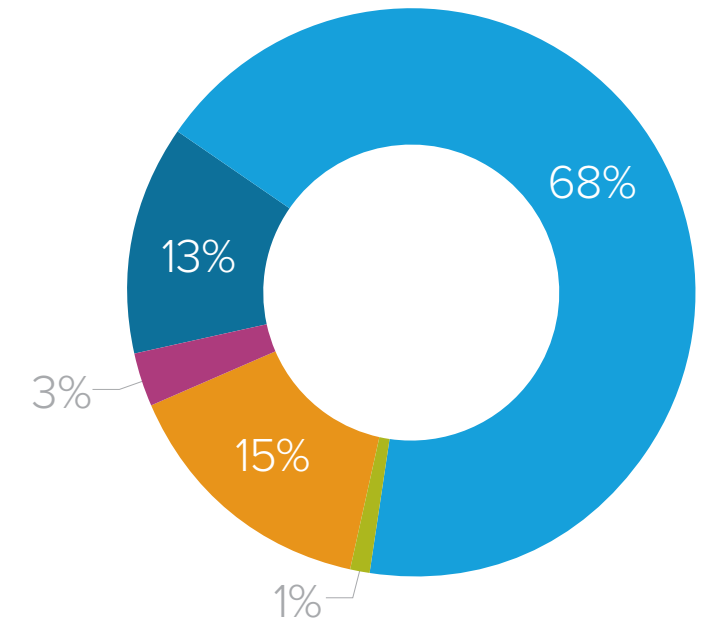
- Residential
- Utilities 0%
- Major Industry
- Light Industry
- Business
- Managed Forest 0%
- Recreation 0%
- Farm 0%



Source: North Cowichan Financial Services

## 2022 Tax Revenue by Property Class

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



Source: North Cowichan Financial Services

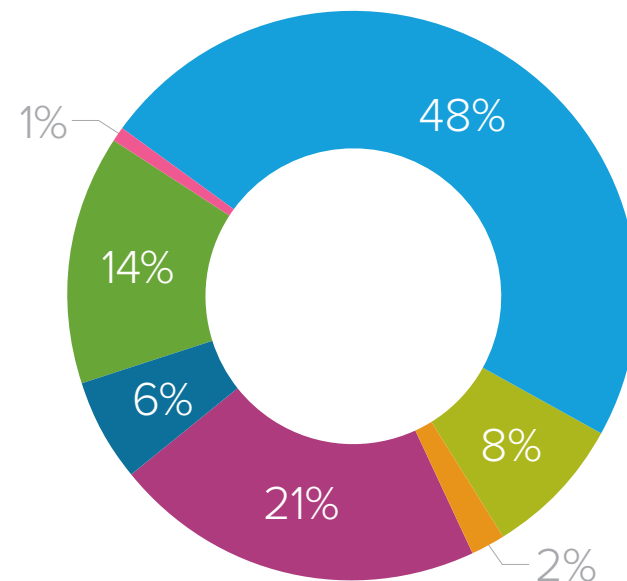


# PROPERTY TAX LEVIED AND COLLECTED

	2018	2019	2020	2021	2022
Municipal Taxes	\$ 28,743,000	\$ 30,011,990	\$ 30,960,005	\$ 32,133,370	\$ 34,012,776
Parcel Taxes	4,609,904	4,784,116	4,988,698	5,186,852	5,388,380
Utility Taxes and Grants in Lieu	1,236,218	1,306,970	1,292,031	1,199,453	1,019,303
Provincial School Taxes	11,892,401	12,286,609	11,828,581	13,910,383	14,973,302
Cowichan Valley Regional Hospital District	3,394,360	3,703,379	4,107,571	4,103,334	4,220,903
Cowichan Valley Regional District	8,120,734	8,750,061	9,335,402	9,621,701	10,129,087
BC Assessment	332,048	345,836	394,024	410,462	461,238
Municipal Finance Authority	1,312	1,469	1,592	1,703	2,241
	<b>\$ 58,329,977</b>	<b>\$ 61,190,430</b>	<b>\$ 62,907,904</b>	<b>\$ 66,567,258</b>	<b>\$ 70,207,230</b>
Total Current Taxes Levied	\$ 58,329,977	\$ 61,190,430	\$ 62,907,904	\$ 66,567,258	\$ 70,207,230
Total Current Taxes Collected	57,052,819	59,868,904	61,571,743	65,119,490	67,829,926
Outstanding	\$ 1,277,158	\$ 1,321,526	\$ 1,336,161	\$ 1,447,768	\$ 2,377,304
Percentage Collected	97.8%	97.8%	97.9%	97.8%	96.6%

## 2022 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%



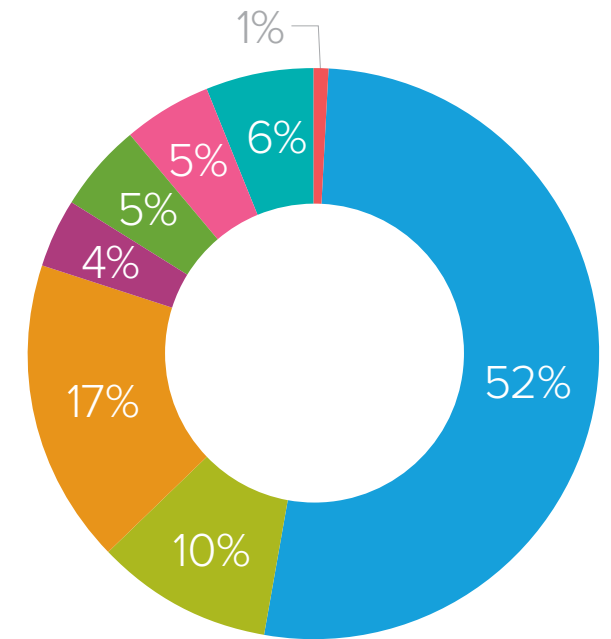
Source: North Cowichan Financial Services

# SOURCES OF REVENUE

	2018	2019	2020	2021	2022
General Taxation	\$ 28,743,000	\$ 30,011,990	\$ 30,960,005	\$ 32,133,370	\$ 34,012,776
Other Taxation	5,846,122	6,091,086	6,280,731	6,386,305	6,407,683
Sales of Services	11,036,880	11,525,631	9,268,220	10,728,853	11,301,521
Other Revenue from Own Source	1,802,377	1,964,092	1,699,830	2,230,498	2,394,225
Net Gain on Sale	2,561,425	63,759	-	-	-
Return on Investment	1,070,860	1,401,890	1,126,420	192,667	3,152,733
Grants	2,774,959	3,286,917	8,977,994	4,546,075	3,445,852
Developer & Other	4,230,918	2,595,164	11,080,199	1,889,214	3,574,846
Actuarial Adjustment to Debt	328,399	379,897	433,412	480,087	537,057
	<b>\$ 58,394,940</b>	<b>\$ 57,320,426</b>	<b>\$ 69,826,811</b>	<b>\$ 58,587,069</b>	<b>\$ 64,826,693</b>

## 2022 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

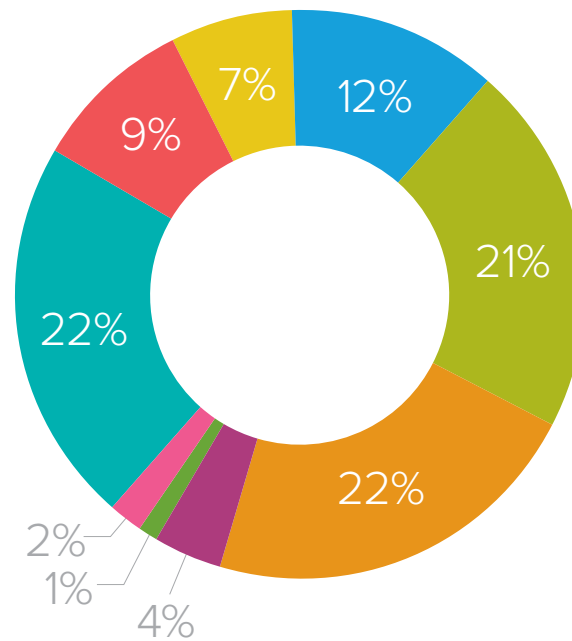
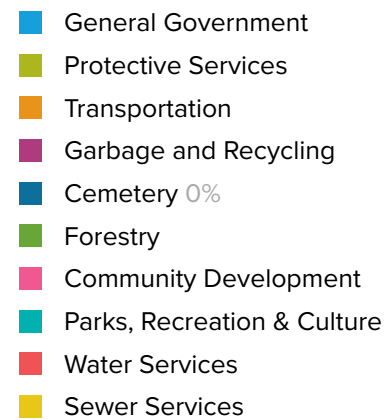


Source: North Cowichan Financial Services

## EXPENSES BY FUNCTION

	2018	2019	2020	2021	2022
General Government	\$ 5,176,681	\$ 6,043,676	\$ 6,002,079	\$ 6,573,706	\$ <b>6,860,885</b>
Protective Services	9,449,524	10,015,012	10,370,277	10,902,877	<b>12,411,129</b>
Transportation	10,154,122	10,400,514	10,643,521	12,090,247	<b>12,660,741</b>
Garbage and Recycling	1,339,946	1,572,133	1,785,214	1,906,683	<b>2,237,035</b>
Cemetery	172,982	173,935	205,134	210,128	<b>271,979</b>
Forestry	1,185,156	1,328,549	849,501	640,730	<b>568,976</b>
Community Development	1,295,591	1,168,797	1,168,202	1,393,651	<b>1,424,693</b>
Parks, Recreation & Culture	10,826,990	10,832,245	9,449,782	12,103,772	<b>12,753,804</b>
Water Services	4,518,752	4,614,828	4,687,674	5,092,167	<b>5,054,610</b>
Sewer Services	3,751,477	3,978,588	3,660,999	3,739,484	<b>3,825,056</b>
	<b>\$ 47,871,221</b>	<b>\$ 50,128,277</b>	<b>\$ 48,822,383</b>	<b>\$ 54,653,445</b>	<b>\$ 58,068,908</b>

### 2022 Expenses by Function

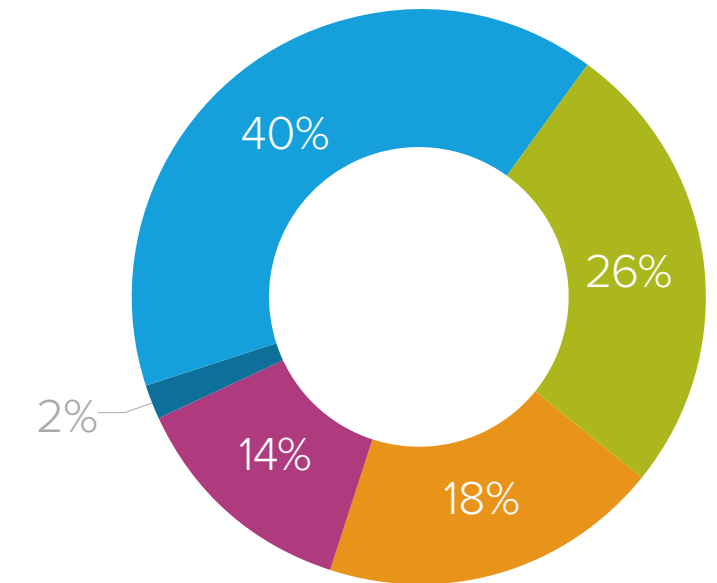
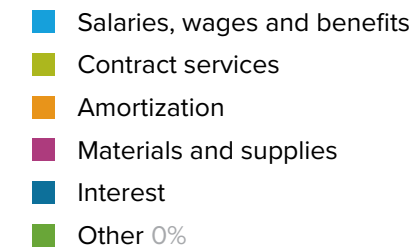


Source: North Cowichan Financial Services

## EXPENSES BY OBJECT

	2018	2019	2020	2021	2022
Salaries, wages and benefits	\$ 18,535,062	\$ 19,350,926	\$ 18,813,861	\$ 21,886,551	\$ <b>23,334,870</b>
Contract services	13,055,682	14,008,575	13,713,891	14,409,164	<b>15,037,609</b>
Amortization	9,452,760	9,569,240	9,852,916	10,101,494	<b>10,428,914</b>
Materials and supplies	5,489,563	6,122,027	5,571,622	7,316,666	<b>7,860,657</b>
Interest	1,257,162	936,729	845,205	819,130	<b>1,225,773</b>
Other	80,992	140,780	24,887	120,440	<b>181,085</b>
	<b>\$ 47,871,221</b>	<b>\$ 50,128,277</b>	<b>\$ 48,822,382</b>	<b>\$ 54,653,445</b>	<b>\$ 58,068,908</b>

### 2022 Expenses by Object

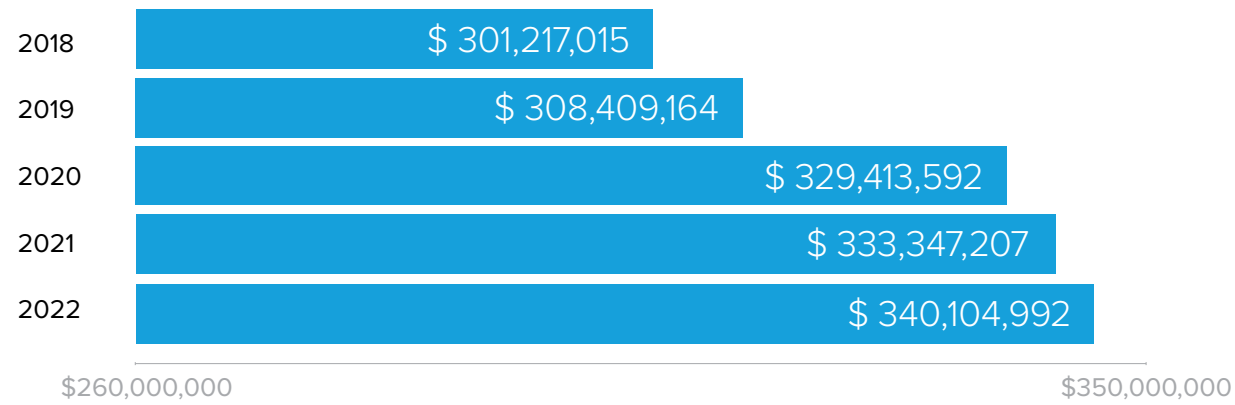


Source: North Cowichan Financial Services



# ACCUMULATED SURPLUS

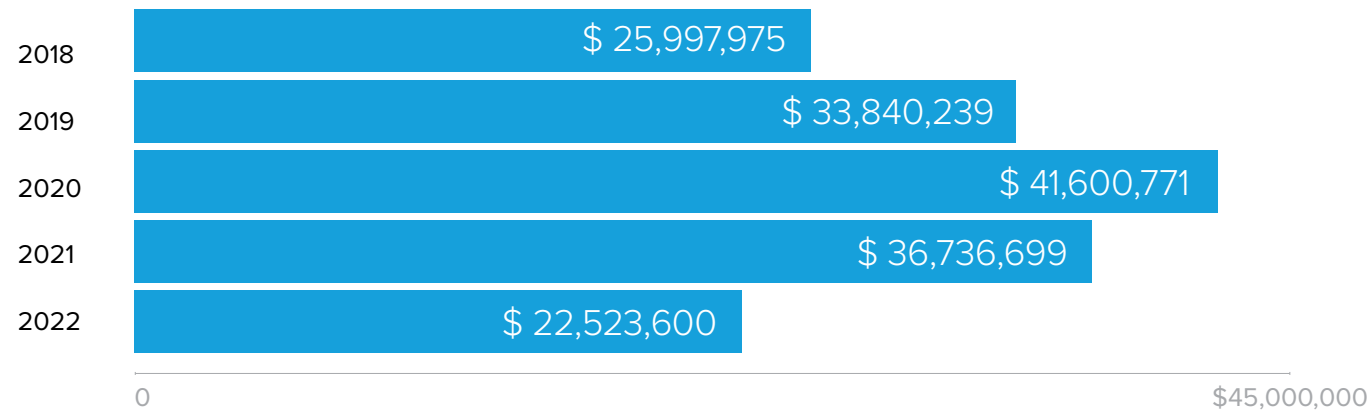
	2018	2019	2020	2021	2022
Accumulated Surplus	\$ 301,217,015	\$ 308,409,164	\$ 329,413,592	\$ 333,347,207	\$ 340,104,992
Annual Surplus	\$ 10,523,719	\$ 7,192,149	\$ 21,004,428	\$ 3,933,624	\$ 6,757,785



Source: North Cowichan Financial Services

# NET FINANCIAL ASSETS

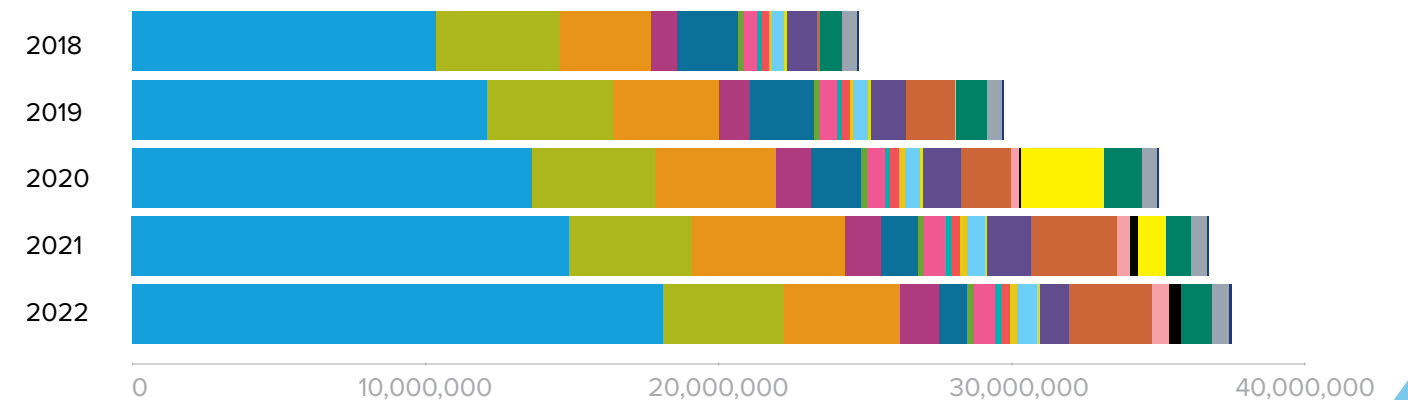
	2018	2019	2020	2021	2022
Net Financial Assets	\$ 25,997,975	\$ 33,840,239	\$ 41,600,771	\$ 36,736,699	\$ 22,523,600



Source: North Cowichan Financial Services

# RESERVE FUND BALANCES

	2018	2019	2020	2021	2022
DCC Restricted Reserves	\$ 10,168,279	\$ 11,848,893	\$ 13,599,768	\$ 14,979,078	\$ 18,183,512
Land Sales	4,146,465	4,217,773	4,211,105	4,210,978	4,136,630
Machinery and Equipment	3,030,045	3,558,998	4,124,170	5,220,108	3,969,641
Local Area Service	882,701	1,019,925	1,152,699	1,257,457	1,347,999
Forest	2,012,439	2,145,499	1,740,130	1,250,600	957,750
Park Development	216,215	221,194	225,696	225,689	219,031
Parkland Purchase	442,143	553,755	621,099	734,755	749,763
Chemainus Parking	155,419	167,137	170,540	178,531	178,215
Agriculture	226,779	265,031	300,426	330,417	329,833
Self-Insurance	120,868	123,652	176,169	226,163	225,764
Climate Action & Energy Plan	398,762	494,610	542,814	603,355	693,855
Maple Bay Sewer	89,753	91,820	93,689	93,686	93,521
Recreation Facilities	996,470	1,169,136	1,323,415	1,484,685	1,006,661
Gas Tax Reserve	104,901	1,641,753	1,675,173	2,977,771	2,842,317
Quamichan Lake	-	52,511	318,754	418,744	556,836
IT Asset Management	-	-	62,000	301,998	418,465
COVID-19 Safe Restart Grant	-	-	2,750,808	951,635	-
Infrastructure Replacement	761,380	1,028,913	1,299,858	830,878	1,079,411
Gravel Pits	490,996	523,702	534,363	558,647	557,660
Affordable Housing	39,497	42,918	75,323	75,320	114,019
<b>Total</b>	<b>\$ 24,283,112</b>	<b>\$ 29,167,220</b>	<b>\$ 34,997,999</b>	<b>\$ 36,910,495</b>	<b>\$ 37,660,883</b>



Source: North Cowichan Financial Services

## DEBENTURE DEBT

	2018	2019	2020	2021	2022
Local Area Service Debt *	\$ 4,192,470	\$ 3,997,051	\$ 3,794,263	\$ 3,581,790	\$ 3,361,744
Tax Supported Debt	16,214,950	15,015,901	13,769,721	12,990,284	33,478,491
<b>Total Debenture Debt</b>	<b>\$ 20,407,420</b>	<b>\$ 19,012,952</b>	<b>\$ 17,563,984</b>	<b>\$ 16,572,074</b>	<b>\$ 36,840,235</b>
<b>Debt per Capita</b>	<b>642</b>	<b>592</b>	<b>541</b>	<b>504</b>	<b>1105</b>

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

Source: North Cowichan Financial Services

## LIABILITY SERVICING

	2018	2019	2020	2021	2022
Liability Servicing Limit	\$ 12,200,913	\$ 12,821,970	\$ 12,417,282	\$ 13,003,525	\$ 14,395,257
Total Liability Servicing Cost	2,631,766	2,021,114	1,945,042	6,093,492	4,903,473
<b>Liability Servicing Capacity Available</b>	<b>\$ 9,569,147</b>	<b>\$ 10,800,856</b>	<b>\$ 6,675,440</b>	<b>\$ 6,910,033</b>	<b>\$ 9,491,784</b>

Source: North Cowichan Financial Services

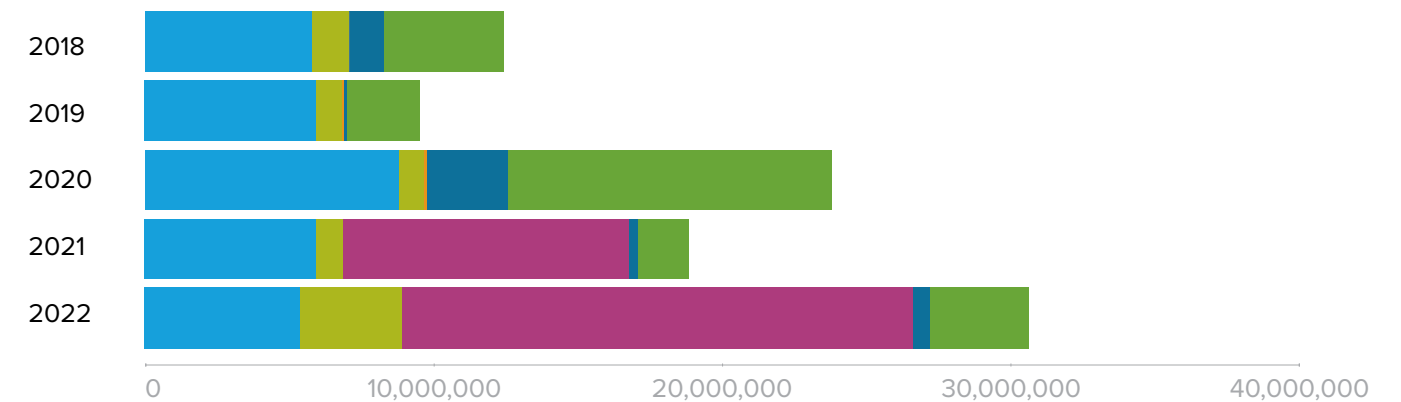
## TAXES COLLECTED FOR OTHER AGENCIES

	2018	2019	2020	2021	2022
School	\$ 11,892,401	\$ 12,286,609	\$ 11,828,581	\$ 13,910,383	\$ 14,973,302
CVRHD	3,394,360	3,703,379	4,107,571	4,103,334	4,220,903
CVRD	8,120,734	8,750,061	9,335,402	9,621,701	10,129,087
BC Assessment	332,048	345,836	394,024	410,462	461,238
MFA	1,312	1,469	1,592	1,703	2,241
<b>Total</b>	<b>\$ 23,740,855</b>	<b>\$ 25,087,354</b>	<b>\$ 25,667,170</b>	<b>\$ 28,047,583</b>	<b>\$ 29,786,771</b>

Source: North Cowichan Financial Services

## CAPITAL EXPENDITURES BY SOURCES OF FINANCING

	2018	2019	2020	2021	2022
Operating Funds	\$ 5,802,144	\$ 5,668,683	\$ 8,514,182	\$ 5,920,289	\$ 5,515,744
Reserve Funds	1,314,598	868,674	868,386	954,392	3,610,028
DCC	-	64,000	96,000	-	-
Debt	-	-	-	9,861,612	18,163,164
Grants	1,191,968	106,600	2,724,609	321,935	596,792
Developer / Other Contribution	4,191,180	2,411,588	10,866,949	1,767,497	3,481,509
<b>Total</b>	<b>\$ 12,499,890</b>	<b>\$ 9,119,545</b>	<b>\$ 23,070,126</b>	<b>\$ 18,825,725</b>	<b>\$ 31,367,237</b>



Source: North Cowichan Financial Services



## NEW CONSTRUCTION

	2018	2019	2020	2021	2022
Building Permits Issued	336	277	301	329	257
Construction Value	\$ 67,257,000	\$ 85,833,000	\$ 64,246,000	\$ 116,931,000	\$ 162,473,385

Source: North Cowichan Financial Services

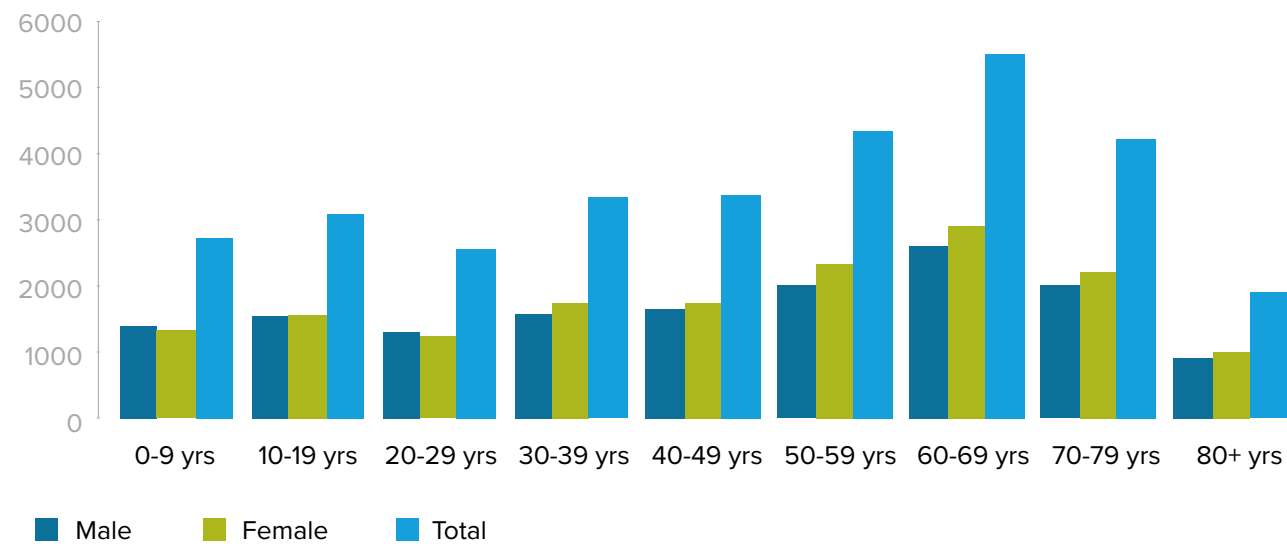
## TOTAL POPULATION

	2018	2019	2020	2021	2022
Total population estimates	31,782	32,120	32,475	32,850	33,347
% Change from prior year	1.7%	1.1%	1.1%	1.2%	1.5%

Source: BC Stats

## 2021 Population by Age Group

Median age of population 47.1 years



Source: Statistics Canada Census

## 2022 TOP 10 PRINCIPAL CORPORATE TAXPAYERS

Taxpayer	INDUSTRY	TAX CONTRIBUTION
Catalyst Paper Corp	Industry	\$ 4,506,227
Western Forest Products Inc	Industry	682,193
Calloway Reit (Cowichan) Inc	Retail	476,164
Fiera Real Estate Core Fund GP Inc	Retail	364,158
Beverly Corners Management Ltd	Retail	285,262
Centra Gas BC Inc	Utility	136,180
Baljet Car Co. Ltd	Retail	128,524
Island Timberlands GP Ltd	Industry	116,410
Duncan Berkey's Corner GP Inc	Retail	99,979
Fernco Development Ltd	Retail	99,577

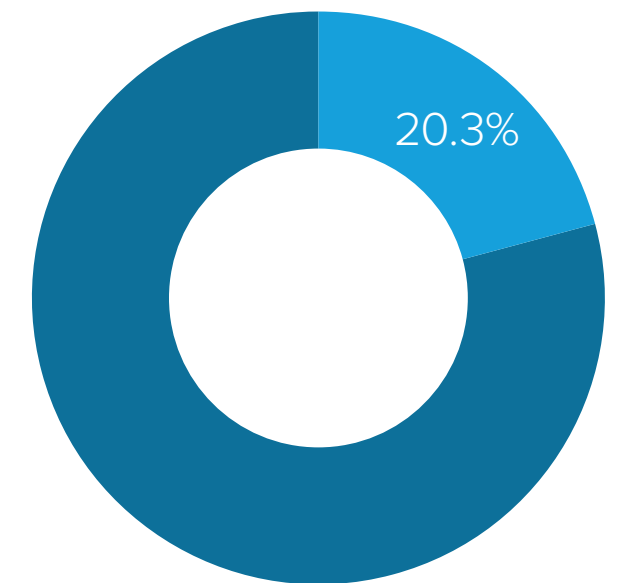
**Total Tax Contribution from Top 10 Taxpayers** \$ 6,894,676

**Total Municipal Tax** \$ 34,012,776

**Proportion of municipal tax paid by top ten** 20.3%

## 2022 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
1.000	5800 Church Rd	Anglican Synod Diocese of BC (St. Peter's Anglican Church)	\$ 963
16.000	1843 Tzouhalem Rd	Vancouver Island Providence Community Association (Providence Farm)	4,259
16.002	Donnay Drive	Vancouver Island Providence Community Association	4,298
22.200	1501 Khenipsen Rd	Nature Conservancy of Canada	5,847
172.001	Rail Corridor	Island Corridor Foundation	927
173.000	3776 Gibbins Rd	Nature Trust of BC	4,025
180.001	Rail Corridor	Island Corridor Foundation	530
180.002	Rail Corridor	Island Corridor Foundation	945
184.001	Rail Corridor	Island Corridor Foundation	706
184.002	Rail Corridor	Island Corridor Foundation	605
186.001	Rail Corridor	Island Corridor Foundation	203
197.100	Trans Canada Hwy	Nature Trust of BC	3,314
197.101	Trans Canada Hwy	Nature Trust of BC	2,618
200.000	6045 Trans Canada Hwy	Nature Trust of BC & Ducks Unlimited	1,510
206.100	Beverly St	Cowichan Green Community	1,739
362.000	5795 & 5825 Church Rd	Anglican Synod Diocese of BC (St. Peter's Anglican Church)	10,675
403.000	5905 Indian Rd	Abbeyfield Houses Society of Duncan	3,741
433.000	2004 & 2030 Crescent Rd	St. Peter's Crescent Society	1,533
476.000	1839 Tzouhalem Rd	New Life Community Baptist Church	6,044
477.000	1815 Tzouhalem Rd	The Church of Jesus Christ of Latter-day Saints	4,018
830.000	3210 Sherman Rd	Vancouver Island Sikh Cultural Society (Sikh Temple, Duncan)	3,362
899.001	Rail Corridor	Island Corridor Foundation	657
900.001	Rail Corridor	Island Corridor Foundation	456
947.000	2246 & 2244 Moose Rd	Duncan Community Lodge Society (Loyal Order of the Moose)	6,344
977.000	5814 Banks Rd	Clements Centre Society	3,986
1038.001	Beverly St	Chesterfield Sports Society	1,615
1038.002	5847 Chesterfield Ave	Chesterfield Sports Society	3,370
1049.001	Beverly St	Nature Trust of BC	677
1081.012	101-5822 Garden St	Cowichan District Hospital Foundation	2,263
1082.000	5810 Garden St	Cowichan Valley Basket Society	3,061
1095.000	5848 Clements St	Clements Centre Society	1,033
1180.025	Rail Corridor	Island Corridor Foundation	368
1180.050	Rail Corridor	Island Corridor Foundation	469
1232.003	Rail Corridor	Island Corridor Foundation	536
1232.004	Rail Corridor	Island Corridor Foundation	461
1232.005	Rail Corridor	Island Corridor Foundation	76
1232.006	Rail Corridor	Island Corridor Foundation	146
1232.007	Rail Corridor	Island Corridor Foundation	2,183
1232.008	Rail Corridor	Island Corridor Foundation	111
1232.009	Rail Corridor	Island Corridor Foundation	8
1232.010	Rail Corridor	Island Corridor Foundation	2,075
1232.011	Rail Corridor	Island Corridor Foundation	2,843
1242.210	Beverly St	Nature Trust of BC	2,789
1313.000	#2 - 5855 York Rd	Canadian Red Cross	3,029

# PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
1313.000	101-5855 York Rd	The Sword Ministries Society	3,029
1572.001	2704 James St	Trinity Evangelical Lutheran Church	2,023
1587.000	5856 Clements St	Clements Centre Society	17,352
1640.005	5990 Indian Rd	Maple Bay Rowing Club	1,597
1791.020	5855 Clements St	Cowichan Agricultural Society & Farmers Institute	3,819
1881.000	3441 Gibbins Rd	BC Corporation of the Seventh-Day Adventist Church (Duncan)	4,869
1920.000	5860 Banks Rd	Cowichan Valley Hospice Society	1,076
2197.001	3045 Gibbins Rd	Cowichan Valley Division of Family Practice	781
2222.001	Rail Corridor	Island Corridor Foundation	440
2227.000	3968 Gibbins Rd	Vimy Community Club	2,144
2246.005	2731 Boys Rd	Freshwater Fisheries Society of B.C.	328
2310.000	3036 Sherman Rd	Cowichan Valley Church of the Nazarene	1,788
3504.003	James Street	Cowichan Valley Arts Council	2,830
3504.003	James Street	Duncan Dynamics Gymnastics Club	2,830
3931.010	Cowichan Bay	Nature Trust of BC	64
3995.000	Rail Corridor	Island Corridor Foundation	15,277
3995.001	Rail Corridor	Island Corridor Foundation	522
3995.002	Rail Corridor	Island Corridor Foundation	4,559
3995.003	Rail Corridor	Island Corridor Foundation	5,878
3995.004	Rail Corridor	Island Corridor Foundation	2,843
3995.007	Rail Corridor	Island Corridor Foundation	5,558
3995.008	Rail Corridor	Island Corridor Foundation	5,718
3995.008	Rail Corridor	Island Corridor Foundation	4,239
3995.010	Rail Corridor	Island Corridor Foundation	2,827
3995.011	Rail Corridor	Island Corridor Foundation	4,279
3995.012	Rail Corridor	Island Corridor Foundation	5,239
3995.013	Rail Corridor	Island Corridor Foundation	6,518
3995.014	Rail Corridor	Island Corridor Foundation	1,003
3995.015	Rail Corridor	Island Corridor Foundation	4,719
3995.016	Rail Corridor	Island Corridor Foundation	4,599
3995.017	Rail Corridor	Island Corridor Foundation	3,539
3995.018	Rail Corridor	Island Corridor Foundation	2,483
3995.019	Rail Corridor	Island Corridor Foundation	6,278
3995.020	Rail Corridor	Island Corridor Foundation	12
3995.021	Rail Corridor	Island Corridor Foundation	2,119
3995.022	Rail Corridor	Island Corridor Foundation	1,011
3996.000	Rail Corridor	Island Corridor Foundation	12,637
5038.012	3540 Auchinachie Rd	The Oasis Church Society	1,523
5084.000	Trans Canada Hwy	Nature Trust of BC	1,023
5099.000	7380 Trans Canada Hwy	Cowichan Exhibition	38,852
5105.060	7550 Bell McKinnon Rd	B.C. S.P.C.A.	7,141
5359.005	6124 Ryall Rd	Clements Centre Society	2,154
5359.006	6124 Ryall Rd	Clements Centre Society	2,937
5373.000	3248 Cowichan Valley Hwy	Somenos Community Association	1,511

PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
5469.001	2892 Drinkwater Rd	BC Forest Museum Society	4,144
5469.005	2896 Drinkwater Rd	Duncan-Cowichan Chamber of Commerce	2,298
5567.000	6137 Somenos Rd	Cowichan Valley Soccer Assn.	1,574
5977.000	Drinkwater Rd	BC Forest Museum Society	1,881
5999.000	3253 Sherman Rd	Cowichan Valley Soccer Assn.	4,059
6000.000	3191 Sherman Rd	Duncan Curling Club	7,206
6038.000	2382 Calais Rd	Franciscan Poor Clare Nuns	3,496
6355.000	Wicks Rd	Vancouver Island Vipassana Association	5,245
6474.000	2359 Calais Rd	Vancouver Island Vipassana Association	1,538
6503.000	6118 Lane Rd	Christian Science Society, Duncan	901
8076.000	PID 009-625-399	Camp Qwanoes	5,700
8314.000	6722 Beaumont Ave	Friends of Cowichan Cadets Society	1,389
8328.000	6735 Beaumont Ave	Maple Bay Rowing Club	2,291
8333.020	Morgan St	Crofton Community Centre Society	2,784
8333.100	8003 York Ave	Crofton Community Centre Society	3,115
8338.000	8104 Musgrave St	Crofton Community Centre Society	6,538
8548.000	1860 Herd Rd	Cowichan Rugby Club	5,088
8595.000	Maple Bay Rd	Nature Conservancy of Canada	12,862
8595.001	1241 Maple Bay Rd	Nature Conservancy of Canada	2,154
8597.000	Aitken Rd	Nature Conservancy of Canada	3,870
8630.000	1148 Barnes Rd	Camp Qwanoes	5,009
8630.001	Water Licence 106188	Camp Qwanoes	2
8630.002	Water Licence 108939	Camp Qwanoes	530
8630.050	1148 Barnes Rd	Camp Qwanoes	711
8633.000	1148 Smith Rd	Camp Qwanoes	12,850
8633.001	1 - 1148 Smith Rd	Camp Qwanoes	122
9119.000	6337 Genoa Bay Rd	Maple Bay Yacht Club	2,247
9542.000	1186 Barnes Rd	Camp Qwanoes	2,097
12266.200	8275 Tsussie Rd	Penelukut Development Society	727
12316.010	1507 Joan Ave	Crofton Old School Museum	2,235
12316.011	1507 Joan Ave	Crofton Seniors Society	5,827
12395.000	1675 Robert St	Crofton Community Centre Society	2,255
13951.003		Ducks Unlimited	1,832
15004.005	Rifle Range	Chemainus Rod & Gun Club	497
15054.110	Unit 102 – 9799 Waterwheel Cres	Chemainus Chamber of Commerce and Visitor Centre	8,810
15054.110	9799 Waterwheel Cres	Chemainus Festival of Murals Society	8,810
15054.115	Unit 102 – 9799 Waterwheel Cres	Chemainus Valley Historical Society	278
15086.200	9574 Bare Point Rd	Chemainus Theatre Festival Society	5,406
15103.001	9737 Chemainus Rd	Chemainus Theatre Festival Society	2,630
15103.001	Chemainus Rd	Chemainus Theatre Foundation	2,630
15105.100	9737 Chemainus Rd	Chemainus Theatre Festival Society	23,752
15117.000	Victoria St	Anglican Synod Diocese of BC (St. Michael's & All Angels' Anglican Church)	2,198

PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
15148.005	9910 Esplanade St	Chemainus Health Care Housing Society	9,344
15152.100	9867 Maple St	Chemainus Health Care Auxiliary	8,069
15592.000	9471 Chemainus Rd	The Pentecostal Assemblies of Canada (Chemainus Tabernacle)	543
15644.000 & 001	Units 1, 2, 3, 4, 5, 9806 Willow St	Cowichan Neighbourhood House Association	3,623
15646.000	9814 Willow St	The Trustees of the Chemainus/Crofton Pastoral Charge of the United Church of Canada	688
15656.000	9824 Willow St	Chemainus Seniors Drop-In Centre Society	10,422
15736.000	9775 Chemainus Rd	The Royal Canadian Legion, Chemainus (Pacific No. 191)	5,538
15791.000	2828 Pine St	Harbour View Housing Society	1,651
15798.101	9758 Chemainus Rd	Chemainus Rotary Club	264
16124.000	2852 & 2858 Mill St	Anglican Synod Diocese of BC (St. Michael's & All Angels' Anglican Church)	1,105
16273.000	9877 Esplanade St	Harbour View Housing Society	8,550
16321.020	2816 Henry Rd	Mount Brenton Golf Course Ltd	3,468
16487.000	3318 River Rd	Canadian Baptists of Western Canada (Calvary Baptist Church Society)	7,055
17849.001		Ducks Unlimited	1,899
17849.002		Ducks Unlimited	142
18008.002	Rail Corridor	Island Corridor Foundation	60
24001.000	3790 Gibbins Rd	744 (Cowichan) Squadron Admin Society – Air Cadets	1,580
24017.000	2558 Mt Sicker Rd	Westholme School Society	3,109
24018.000	3039 Sprott Road	Parkside Academy Societyty	23,703
<b>TOTAL</b>			<b>\$ 562,861</b>





# REVITALIZATION TAX EXEMPTIONS

ROLL #	PROPERTY ADDRESS	EXTENT OF EXEMPTION	TERM	TAXES
05319-575	6157 Scott Rd	Class 5 or 6 improvements	2015 - 2024	1,666,000
05319-610	6200 Scott Rd	Class 5 or 6 improvements	2016 - 2025	541,000
<b>TOTAL</b>				<b>\$ 2,207,000</b>

# CHEMAINUS OFF-STREET PARKING

Report prepared as required under section 525(9) of the *Local Government Act*

January 1, 2022	\$ 178,529
Interest	- 315
Current Year Contributions	-
Current Year Expenditures	0
<b>December 31, 2022</b>	<b>\$ 178,214</b>



# DEVELOPMENT COST CHARGES

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

	Jan. 1, 2022	Interest	Current Year Contributions	Current Year Expenditures	Current Year Amounts Waived	Dec. 31, 2022
<b>Roads</b>	\$ 2,829,910	\$ 158	\$ 1,045,790	\$ -	\$ -	\$ 3,875,858
<b>Parks</b>	1,196,297	- 339	380,810	-	-	1,576,768
<b>Chemainus</b>						
Water	628,364	- 1,002	17,666	-	-	645,028
Sewer	311,573	- 510	6,796	-	-	317,859
	939,937	- 1,512	24,462	-	-	962,887
<b>Crofton</b>						
Water	148,745	- 262	774	-	-	149,257
Sewer	95,116	- 167	960	-	-	95,909
	243,861	- 429	1,734	-	-	245,166
<b>South End</b>						
Drainage	509,387	- 443	114,261	-	-	623,205
Water	2,686,768	- 1,685	675,752	-	-	3,360,835
Sewer	6,572,918	- 7,123	972,998	-	-	7,538,793
	9,769,073	- 9,251	1,763,011	-	-	11,522,833
<b>Total</b>	<b>\$ 14,979,078</b>	<b>\$ - 11,373</b>	<b>\$ 3,215,807</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,183,512</b>

# 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 18, 2023





**NORTH**  
Cowichan

7030 Trans-Canada Highway  
Duncan, British Columbia V9L 6A1  
T 250.746.3100 | F 250.746.3133  
info@northcowichan.ca  
[www.northcowichan.ca](http://www.northcowichan.ca)