

2021 ANNUAL REPORT

Municipality of North Cowichan, BC
For the year ended December 31, 2021



MUNICIPALITY OF NORTH COWICHAN 2021 ANNUAL REPORT

For the year ended December 31, 2021

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**



We started 2021 with some hope that COVID-19 would come to an end and things would get back to normal. As the year progressed, though, we learned that this would not be the case, and we instead found ourselves continuing to deliver our services during an on-going pandemic and ever-changing public health orders and directions.

The processes we set up in 2020 continued, including some staff working from home, and Council meeting virtually through Webex. It wouldn't be until April of 2022 – right around the time this Annual Report was written – that I was able to sit in Council Chambers and chair a Council meeting, gavel in hand. And it felt good.

If a global pandemic wasn't enough, North Cowichan – and much of B.C. – felt the effects of climate change through a heat dome, wildfires, and a once-in-one-hundred year flood. The heat dome in late June saw temperatures hit 41.9°C, breaking heat records and scrambling North Cowichan and regional partners to provide cooling shelters. The August Copper Canyon wildfire on the lower flank of Big Sicker Mountain thankfully did not cause any significant property damage or any injuries. Local fire crews, including our North Cowichan fire department members, worked around the clock to contain the fire.

The big event, however, was the November flood. B.C. was devastated by an atmospheric river that dropped 156.8 millimetres of rain over a three day period at the weather station at Municipal Hall. Our crews worked tirelessly to respond and repair the damage. Roads and property near Bings Creek and the Somenos flood plain, as well as around Pinson's Corner by the Chemainus River felt the most damage from flooding. Funding supplied by previous Councils, and the work of staff to install flood gates, pump stations, and improved diking mitigated greater damage in the south end of the Municipality. For context, water levels in the Cowichan River were considerably higher in November than in the 2009 flood, but there was a lot less damage in that area in the most recent event. More work with our regional and provincial partners on better funding models, long-range planning, and on-going maintenance of multi-jurisdictional features such as rivers will continue to be a big challenge going forward.

Late in 2021, an issue with downloaded RCMP E-Comm 9-1-1 dispatch charges came to the forefront. This had started a year earlier when North Cowichan, along with seven other south Vancouver Island municipalities served by the RCMP learned that dispatch costs – previously funded by the federal and provincial governments – would become the responsibility of local government budgets, beginning in March 2022. The additional \$3.59 million dollars would have had a significant impact on post-recovery municipal budgets, and for North Cowichan it would have meant a two per cent tax increase by 2024, when the phased in download was to be complete. Numerous discussions with the Ministry of Public Safety over the course of the year did not yield any results. With the support of the other impacted municipalities, a news release was issued, and a series of requests was made to Minister Farnworth. I am happy to report this lobbying was successful, and the downloaded costs are being delayed until 2025, allowing municipalities time to budget for this new cost, and to perhaps convince senior

governments of the need for an entirely different funding paradigm for this service.

Housing also continued to be a pressing issue. The supply of housing, both affordable and otherwise, and the increasing need for supportive housing, dominated our agendas and news feeds. BC Assessment dealt an incredible 35 per cent to 52 per cent increase for North Cowichan homes over 2020 assessments. The cost of an average home went from \$489,000 to \$668,000 in just 12 months. Our planning, building, and engineering departments saw a large number of applications for developments, subdivisions, and building permits. BC Housing broke ground on a new 52-unit supportive housing complex on Paddle Road, which is welcome news for the many people on waitlists for this type of housing.

Policing and public safety were focused on increased calls for service in the Corridor – the area along the highway between Duncan’s south boundary to North Cowichan’s South End. North Cowichan

and Duncan established the Corridor Safety Office to coordinate bylaw enforcement and RCMP resources to address public disorder and crime in the area. RCMP quarterly reports highlighted the dramatic increase in mental health calls and Section 28 apprehensions during the pandemic, not just here but throughout B.C. In response to community concerns in Chemainus and Crofton, we also amended the RCMP's Annual Performance Plan to provide increased police visibility and patrols in those communities. Construction on the new RCMP detachment got underway, and the building is expected to be complete in 2023.

After the upcoming election, North Cowichan will have an additional seat at the Cowichan Valley Regional District Board. Our population increase means North Cowichan is now eligible to appoint four directors to the board, up from our current three.

This will be the last Annual Report with a preamble from me as your Mayor. I'm retiring. But it has been a tremendous privilege to serve this community for the past 14 years, both as a Councillor and as Mayor. I want to heartily commend Mr. Swabey and our staff for their continued commitment to excellent service during what was truly another unprecedented year.

A handwritten signature in black ink, appearing to read 'Al Siebring', with a stylized, flowing script.

Mayor Al Siebring

A MESSAGE FROM THE CAO



I am pleased to present the Municipality of North Cowichan's 2021 Annual Report. This past year continued to present challenges for our organization, and like in 2020, some were challenges that we have not seen before. However, as we demonstrated last year, we took the opportunity to be innovative while continuing to provide excellent service to the community during the pandemic and in response to the effects of climate change.

Ever-changing Public Health Orders saw the Senior Leadership Team provide strong and flexible direction for business operations and staff, and for overseeing the service delivery to our citizens. The leadership demonstrated by our Senior Leadership cannot be overstated and I'm grateful to work with such a talented and committed group of individuals.

Our organization demonstrated resiliency and innovation particularly through our transformed business processes developed in 2020 which were further refined in 2021, to ensure seamless service delivery for citizens and partners, and a safe work environment for staff. I commend our Operations and Parks crews, the boots on the ground – those unable to work from home during the pandemic, who without wavering kept our core services functioning during these unprecedented times and our IT staff who worked tirelessly behind the scenes

to enable our “virtual” work and meeting environments. We also didn't miss a beat with delivering often lengthy Council agendas through the dedicated work of our Legislative Services Department. The implementation of a Vaccine Passport at the Cowichan Aquatic Centre was not without its challenges, and Recreation staff showed remarkable leadership while ensuring the safety of patrons and staff at all of our facilities during COVID and in the restarting of full recreation service delivery post COVID lockdown.

We had a particularly challenging tax year because of lost revenues during COVID and our Finance team did a remarkable job of presenting Council with options to keep tax rates as low as possible, while maintaining the desired service levels for the community. Our Planning, Engineering and Environmental staff completed major strategic plan initiatives while also managing unprecedented growth issues and application processing.

Keeping our community safe is always a priority for the organization and our Protective Services departments (i.e. Bylaw, Police and Fire), worked tirelessly on the front lines of COVID and during the many challenges presented by homeless and mental health issues as well as in response to the many climatic events we encountered throughout the year. The North Cowichan Fire Department, B.C.'s largest paid on-call fire department, had a very busy year as first responders to many of the climate-related emergencies, and a continued increase in calls year over year. In total, call numbers for the Fire Department went from 938 in 2020 to 1,238 in 2021, an increase of 32%.

Four separate climate change impacts challenged staff and impacted our communities:

- In late June, we experienced a heat dome, with local temperatures hitting a record 41.9°C. Staff, alongside our regional emergency response partners, opened cooling centres to address sweltering conditions and provide respite for people living in extreme heat conditions.
- The Province declared Drought Stage 4 conditions for eastern Vancouver Island in August, which prompted staff to identify new water conservation measures to be consistent with our regional partners.
- The Copper Canyon wildfire, while not a threat to infrastructure or people, was a reminder of our need to be vigilant, especially during the new normal of hot, dry summers. Fire crews, including members from North Cowichan Fire Department, quickly held the fire to 32 hectares.
- November 13 marked the start of a three-day atmospheric river event that would devastate B.C., and areas of North Cowichan. A record 156.8 millimetres of rain was recorded at the weather station at Municipal Hall, which is located in an area that typically sees less rain than on our surrounding mountains. This one-hundred-year event is now our benchmark as we work to further plan flood mitigation and control solutions. The successful use of the Lakes Road flood gate, as well as newer pumps at Canada Avenue, prevented more severe damage.

We have made great efforts to stay connected with the community during COVID and our incredible Communications department has developed new platforms for engagement with the community, striving to be innovative and to demonstrate transparency and commitment to engage and advise residents of our operations and strategic priorities. A number of engagement projects moved forward in 2021: The Official Community Plan (OCP) draft was presented to the public in late fall, after considerable public and stakeholder input. The Municipal Forest Reserve Review process restarted in the fall, following a year-long pause while a memorandum of understanding was reached with the Quw'utsun Nation on First Nations consultation as part of the review. The update to the Climate Action and Energy Plan reached near completion (with adoption by Council in early 2022), and included public engagement, significant input from the newly formed Environmental Advisory Committee, and incorporation of learnings from the OCP growth management process.

2021 continued to challenge staff, leadership, and Council, to respond and deliver during a year of ever-changing dynamics. Our adaptability and resiliency has been instrumental in our commitment to service delivery excellence. We are a much stronger and resilient organization, and look ahead to applying these pivotal learnings as we move forward.

A handwritten signature in black ink, appearing to read 'Ted Swabey', with a long horizontal flourish extending to the right.

Ted Swabey



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 unique communities that include **Chemainus**, **Crofton**, **Maple Bay**, and the **South End** which is comprised of smaller neighbourhoods that are centered around the greater-Duncan area.

North Cowichan's approximately 30,000 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.



31,990

Total population (2021)



0-14 13.9%



15-64 57.4%



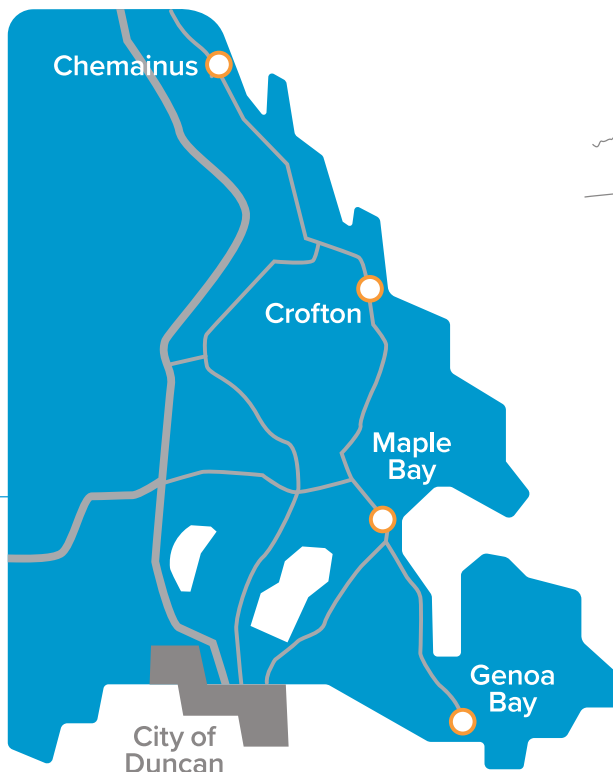
65+ 28.7%

Average
age
47.3



\$64,169 Median family income (2015)

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

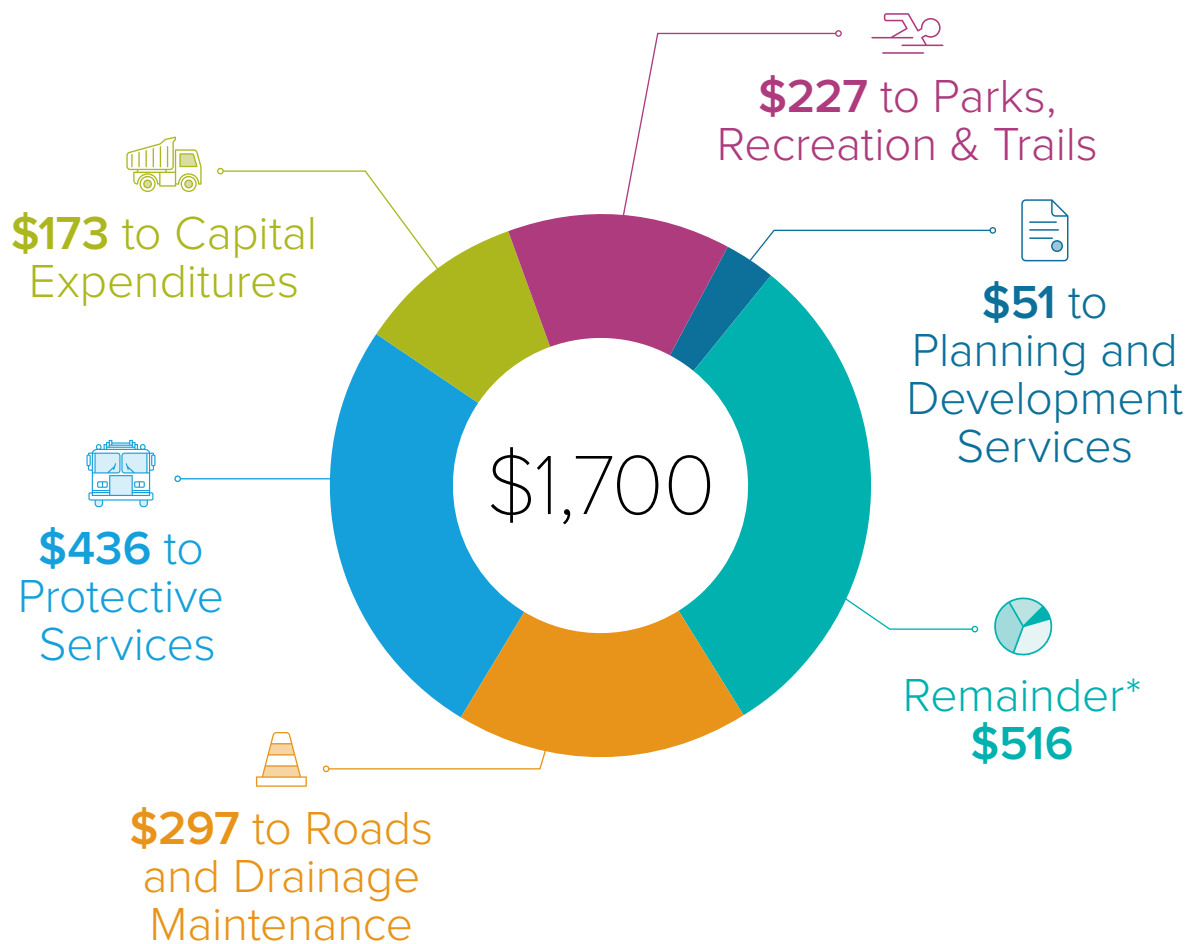
Seaside villages, marinas, beach walking, easy access to hiking and mountain biking at Mount Tzouhalem, Maple Mountain and Stoney Hill Park, and multiple kayak access points.



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 High School. Recreation opportunities at sports fields, Sportsplex, Cowichan Aquatic Centre, and Cowichan Community Centre.

Breakdown of Municipal Tax for 2021:



A homeowner in North Cowichan whose home had an average assessed value of \$506,806 paid **\$1,700** in *municipal* property taxes in 2021.

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



Somenos Lake, Maple Mountain in the background



MAYOR AND COUNCIL

The Municipality of North Cowichan is governed by an elected Mayor and six Councilors, each elected for a four-year term. The current Council was elected in the fall of 2018 for the 2018-2022 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 are encouraged to attend (virtually, for the time being) all open meetings. Council encourages public participation and feedback to foster two-way dialogue and open, participatory governance.



Al Siebring
Mayor



Rob Douglas
Councillor



Christopher Justice
Councillor



Tek Manhas
Councillor



Kate Marsh
Councillor



Rosalie Sawrie
Councillor



Debra Toporowski
Councillor



COUNCIL'S STRATEGIC PLAN

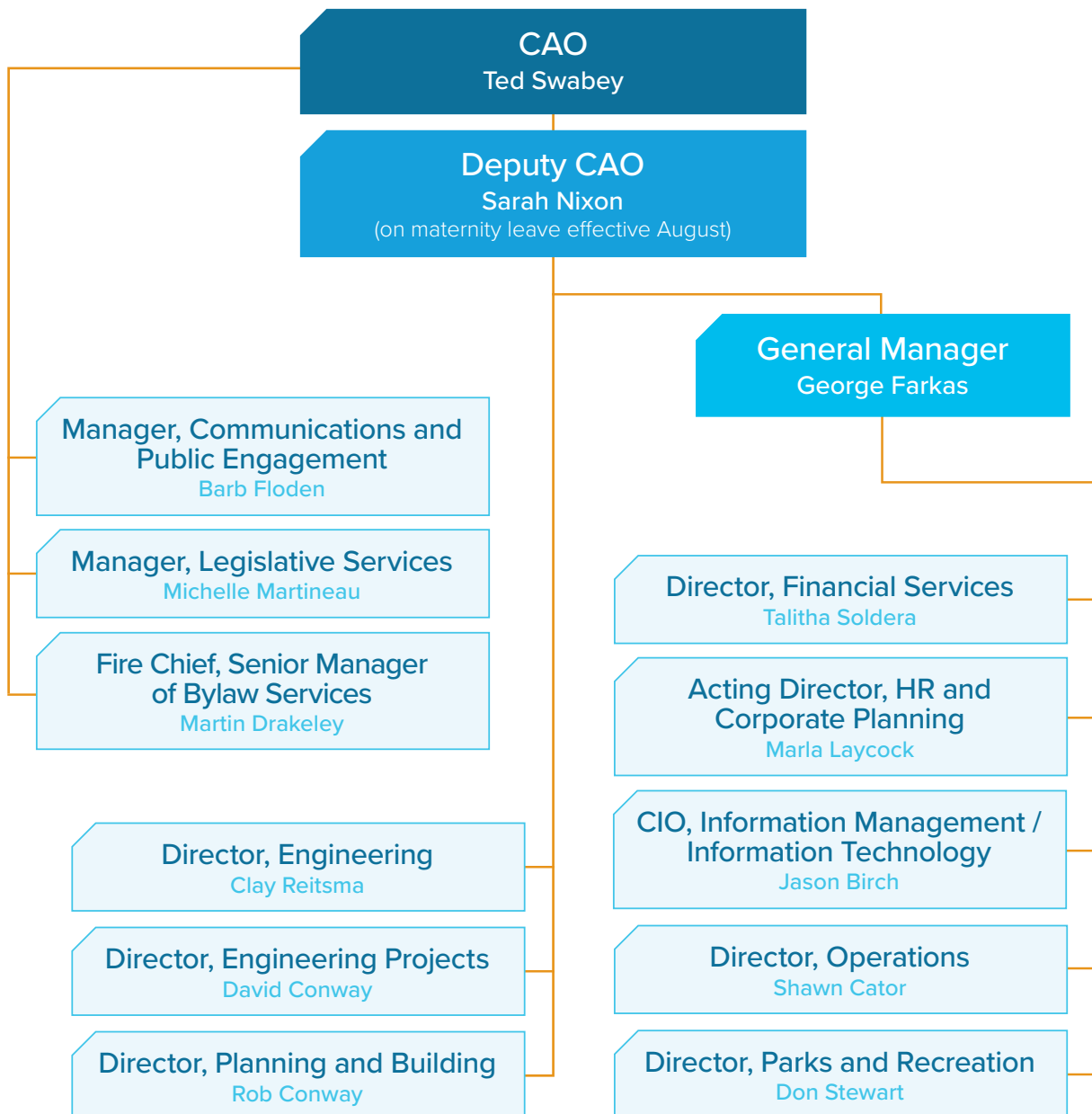
Council's Strategic Plan sets out several years' worth of projects and initiatives to realize Council's vision and objectives for their term, based on the following strategic priorities: **Engagement**, **Housing**, **Environment**, **Economy**, **Community**, **Service**, and **Inclusion**.

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

with the Council Strategic Plan Administrative Policy that establishes a clear process to support Council's oversight role of monitoring staff progress towards implementing the Strategic Plan. Under the policy, staff provide quarterly updates to Council each year to outline progress towards meeting the Strategic Plan's objectives. This Annual Report highlights, beginning on page 21, the progress made within each of Council's strategic priority areas, from January 1 through December 31, 2021.

ORGANIZATIONAL STRUCTURE

as of December 31, 2021





COUNCIL'S STRATEGIC PRIORITIES

Our 2021 Annual Report highlights successes of each council priority area, key performance indicators, and progress. Here's a look at what we did in 2021.

ENGAGEMENT

HOUSING

ENVIRONMENT

ECONOMY

COMMUNITY

SERVICE

INCLUSION



ENGAGEMENT

The year saw a number of significant achievements in the areas of public engagement, stakeholder consultation, and Indigenous relations.

A Memorandum of Understanding was reached with the Quw'uts'un Nation in August that outlines the establishment of a Municipal Forest Reserve (MFR) Working Group. The agreement signals the start of government-to-government discussions on stewardship and use of the municipal forest. It also enabled the restart of public engagement on the MFR review. During the fall, the public was invited to participate in one of four facilitated online workshops and a survey that aimed to uncover what people value about the MFR. Round 2 of public engagement is slated to take place in 2022, with the presentation of potential management scenarios that will be prepared by the UBC Partnership Group.

A portion of the Dike Trail was formally renamed 'S'amunu Trail.' Council approved the request by the Somenos Marsh Wildlife Society to rename the trail from the Somenos



151% increase in reach
on social media

Conservation Area to Tzouhalem Road. New signage, created in partnership with Cowichan Tribes, is now installed.

Personal stories and Indigenous culture were shared during a virtual government-to-government session on April 22 which was attended by 48 participants from the City of Duncan, Cowichan Tribes, Cowichan Valley Regional District, North Cowichan and School District 79.

The \$50 administrative fee associated with Indigenous names changes when reclaiming names changed by the residential school system was waived for a period of five years.

The OCP conducted engagement on growth management with a survey that attracted 911 responses. Later in the fall,



38 official media releases
were issued

the draft OCP was shared with the public, stakeholders, partners, and First Nations for initial feedback. The draft was fine-tuned and will see next steps, including a public hearing and consideration of the bylaw adoption by Council later in 2022.

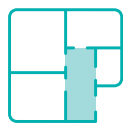
The Master Transportation Plan engaged the public and key organizations in April as part of work to create draft visions and goals which were presented in a technical paper to Council.

Support for community groups and organizations was evident through a total of \$225,250 in Grant-in-Aid funding to 28 local community organizations, and a donation of \$2,000 to the M'akola Housing Society to support traffic control for the September 30 Every Child Matters March.



HOUSING

Council and staff continued to explore opportunities for additional housing that meets the needs of the community through innovative and strategic planning.



68
new lots
created by
Subdivisions

A draft affordable housing policy was presented to Council in June. The policy is now included in Chapter 5 of the new draft Official Community Plan, and includes an incentive option for infill and affordable housing.

An innovative clustered housing project at 3135 Manor Drive received a development permit. Development permits were issued for affordable housing projects at Sherman Road and Willow Street, and for a 52-unit supportive housing project on Paddle Road, and both the development and building permits were issued for a 196-unit housing project at 4111 Crosland Place. Commitments for purpose-built rental housing were negotiated for a proposed residential apartment building at Skinner and Cowichan Lake Roads.



291
new dwelling
units authorized
by building
permit

North Cowichan worked with the Cowichan Housing Association to submit regional Strengthening Communities' Services program grant application for: "It Takes a Village: Housing the Unsheltered Population of the Cowichan Valley. This resulted in the receipt of a \$2.5-million grant for the creation of temporary supported housing sleeping units, located in the City of Duncan, that provides an additional level of wrap-around supports, services and safety for many of the region's unhoused residents.



174
single family building
permits issued.
The remainder were
secondary suites,
duplexes and multi-family
dwellings.

15
subdivision applications
approved



329
building permits
issued



ENVIRONMENT

The new Environmental Advisory Committee was formed in 2021, providing a much needed lens on the environmental impact and implications of major projects and policies.



28,536
trees planted
in the Municipal
Forest Reserve

The new 12-member Environmental Advisory Committee (EAC) met on February 16, and then a further 12 times throughout 2021. The committee made a number of recommendations to Council, in particular around the updates to the Climate Action and Energy Plan (CAEP). The CAEP was adopted by Council in early 2022 following a deadline extension by the Federation of Canadian Municipalities, and included the recommendations made by the EAC.

Staff and community partners continued to evaluate options for environmental improvements to Quamichan and Somenos Lakes. A service agreement was reached with Somenos Marsh Wildlife Society (SMWS), and a 2021 work plan developed. SMWS volunteers completed the constructed wetlands at Beverly Street. These wetlands will help improve water quality from urban



runoff prior to entering Somenos Lake and creek waterways. Quamichan Lake water testing continued, and a renowned blue-green algae specialist was retained for core sampling work in 2022.

Automated curbside collection was considered by the public through an education and engagement campaign aimed to understand how residents feel about a possible change in curbside service. Over 2,300 surveys were returned, with the majority supporting a change to automated curbside collection. Next steps include the development of an implementation plan in 2022, outlining this potential change in service. Automated curbside collection improves worker safety by reducing injuries. It is also expected to increase resident participation and maximize the diversion of material from the landfill through the use of larger recycling carts. Currently, the participation rate for curbside collection for North Cowichan residents is 40 to 60 percent, and the amount

of diversion of organic and recyclable material is 50 percent. It is expected that the specialized carts that will be part of an automated system will achieve improvements in both of these areas.

A recycling contamination remediation plan was launched to reduce the amount of non-accepted recycle material placed at the curb for collection. The goal is to reduce North Cowichan's contamination to three per cent, down from the current eight per cent.

A small step toward reducing excessive paper waste was achieved in December with the discontinuation of printed curbside collection calendars. Residents were encouraged to use automatic text, email, or even voice reminders available through the ReCollect website tool or the MNC Curbside app. Besides eliminating printing and distribution costs, and reducing waste, residents who are signed up for reminders will also learn of service disruptions and schedule changes.



ECONOMY

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

The development of a regional agricultural food hub, led by Cowichan Green Community, was given support and the property successfully rezoned, and a building permit for the commercial kitchen was issued. The food hub will offer a commercial teaching kitchen, processing kitchen and aggregation space to local food producers and processors, giving local and agricultural businesses access to shared processing infrastructure, processing and testing equipment, business advisory services, product development services, analytic service, applied research opportunities, and education and training abilities and facilities related to food processing and food safety. Businesses will have the ability to process a wide variety of food and beverage products, while working in a collaborative environment.



A development permit was issued for a 22,000 square foot medical services office building to be located at Norcross and Drinkwater roads, aligning with Council's goal to create conditions that facilitate the development of specialty services in and around the new Cowichan District Hospital.



241 new business
licences in 2021



COMMUNITY

A large focus for both staff and Council throughout this year was the process around updating the Official Community Plan (OCP).

While the project kicked off in 2020, substantial steps were made this year that included significant contributions from citizens and stakeholders: a survey on community character mapping and community dialogue sessions, public engagement on growth management scenarios, the drafting of land use policies, multiple workshops with Council and other stakeholders, and ending the year with the completion of public engagement on the new draft OCP. The OCP Bylaw will be introduced to Council for first readings and a public hearing in 2022.



89,000
drop-in visits to the
Cowichan Aquatic Centre



Council, and community leaders regionally, have worked diligently with other levels of government and community organizations to provide input into managing and better understanding the opioid crisis, which continues to impact our communities and our most vulnerable residents. A development permit was issued, and construction began, on a supportive housing project located at 6428 Paddle Road. Led and built by B.C. Housing, and operated by Lookout Housing and Health Society, the permanent 52 studio unit building is the community's first supportive

housing building that will offer people experiencing or at risk of homelessness in North Cowichan safe and secure homes, and include on-site staff, resources, and wraparound support services. Staff continue to provide ongoing support and expertise for the development of the new Cowichan Secondary School, and future new Cowichan District Hospital, both to be located within the municipality. In late 2021, Council supported a development variance permit for a height variance to facilitate the design and development of the new hospital.



1,506 rental hours at Fuller Lake Arena



We continued to see increased popularity and usage of North Cowichan's outdoor amenities throughout the year, including our parks and trails. \$690,000 in grant funding was secured for select tourism-dependent projects that will include the sanctioning of trails on Mount Prevost, a washroom rebuild at Chemainus' Kinsmen Beach Park, replacement of the lighting at Waterwheel Park, and improving trail access for Mount Tzouhalem.

FireSmart grant funding in the amount of \$110,000 was received. This funding supported the development of prescription treatments for high-risk areas and wildfire development permit area guideline updating. FireSmart is an ongoing project that increases North Cowichan's resiliency to wildfires.



0.26ha
increase in hectares
of park space







SERVICE

The operation of our recreational facilities remained in flux throughout the year with the frequently changing public health orders.

Despite the restrictions, the “ice-in” season at Fuller Lake Arena completed with close to normal (pre-pandemic) ice usage. After complete closures in 2020, our outdoor aquatic venues, Fuller Lake Park and Crofton Outdoor Pool, were open during the summer 2021 season, although with reduced staffing and hours of operation. Staff worked diligently with every change to adapt and adjust procedures, ensuring facility access and service delivery continued for residents.

At times, our COVID Corporate Safety Plan required a reduction of Operations staff and limited the number of staff traveling together in vehicles, amongst other challenges. Regardless, a number of projects furthering Council’s goals around active transportation were completed in 2021. New sections of sidewalk were constructed on Cowichan Lake Road and Sherman Road,



in the Berkey's Corner neighbourhood, increasing the safe mobility of residents in this growing area of the municipality. A signalized crosswalk was installed at the Cowichan Valley Trail and Cowichan Lake Road, significantly improving this highly used pedestrian and cyclist crossing.

While the pandemic posed many challenges to the organization, it also offered the opportunity to improve services. This was most apparent in our electronic service delivery to residents. Building on the improvements made in 2020, this year, North Cowichan moved to new software for live-streaming all Council meetings and Public Hearings. The new software, WebEx Events, gives residents the ability

to participate in these meetings live, by allowing direct public input and questions by telephone or computer, removing the needs for TELUS managed special event services, reducing cost and increasing flexibility.

An update to our web-based Council and Committee meeting agendas improved access via smartphones and tablets, offering increased usability, and live and recorded closed captioning to improve accessibility for hearing impaired viewers.

Local business owners were given increased options for paying for their business licence renewals, as we expanded our online credit card payment options in 2021 to include accepting payments for business licences.



3,437 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



Road and Sidewalk Maintenance

298.7 kms of roads

239 kms of sidewalks

150 kms of ditching

189 kms of storm pipes

1,105 culverts to maintain



0

work safe
orders



3,223

initial human resources/
health and safety
service requests



63 Freedom
of Information
Requests

100% CLOSED WITHIN 30 DAYS

50 Council and
Committee of the
Whole meetings in
2021, generating over
10,845 pages produced
to support Council and
Committee meetings



4,788 Information Technology
Help Desk Tickets opened

5,196 TICKETS CLOSED



535 job
applications
processed



172 job
interviews
conducted

116
vacant
positions
filled

5%
exempt
employee
turnover



INCLUSION

The addition of inclusion as a strategic priority of Council continued to be a focus in 2021.

Council agreed to remove the municipal coat of arms from corporate use as a way to show ongoing support for the Truth and Reconciliation Report's Calls to Action, as well as for gender equality in the workplace and community. The inclusion of pronouns in email signatures was also implemented by senior leadership staff.

Work towards best practices on diversity and inclusion were reviewed and summarized, resulting in several potential action items, to be reviewed with senior leadership staff for input. Inquiries into training options were conducted and training for staff, including Indigenous Awareness and Engagement training, will take place starting in early 2022. National Day for Truth and Reconciliation

was recognized for the first time as a statutory holiday. Employees were encouraged to participate in the "Every Child Matters March" led by Cowichan Tribes on September 30 and to wear orange shirts throughout the week of September 27 as a show of additional support to Indigenous community members. Council approved a donation of \$2,000 to the M'akola Housing Society (organizers of the September 30 march) to help cover costs for traffic control and flaggers.

Council passed a motion to amend the Flag Protocol Policy to fly the Pride Flag, beginning in 2021, every year from June 1 to June 30 (during Pride Month) at the Cowichan Aquatic Centre.







FINANCIAL REPORT



REPORT FROM THE DIRECTOR OF FINANCIAL SERVICES

May 6, 2022

Mayor and Council

District of North Cowichan

Your Worship and Members of Council,

I am pleased to present the District of North Cowichan's 2021 Annual Financial Report for the fiscal year ended December 31, 2021, as required by section 98 of the Community Charter.

This report includes the auditor's report, the 2021 financial statements, and supplementary information for the District of North Cowichan.

The Consolidated Financial Statements are the responsibility of the management of the District of North Cowichan and were prepared by municipal staff in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, and have been applied on a basis consistent with that of the preceding year.

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

The audit firm 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 the District of North Cowichan and the results of its 2021 operations.

The 2021 audited financial statements were presented to and approved by Council.

As of December 31, 2021, the District had accumulated surplus of \$333 million, an increase of \$4 million for the year. This is largely composed of net investments in tangible capital assets (\$293 million), which includes land, roads, buildings, utility assets and park infrastructure. Debenture debt decreased by \$1 million to \$16.6 million. Principal repayments were \$1 million and the actuarial adjustment to debt was \$0.4 million.

Consolidated revenues decreased by \$11 million from \$70 million to \$59 million. The decrease is largely due to developer contributions. Expenses increased by \$5.8 million from \$48.8 million to \$54.7 million, and were just slightly over budget by \$600,000.

Capital expenditures for the year were \$17 million (2020 - \$12.1 million). Overall capital expenditures were under budget primarily due to the timing of construction expenses on the new civic building for the RCMP.

In 2021, North Cowichan's budget for tax-supported capital was \$3.5 million. This amounted to 10.7% of 2021 property taxes allocated to general capital compared to 9% in 2020. Council had deferred capital contributions for 2020 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,

A handwritten signature in black ink, appearing to read 'Talitha Soldera', with a stylized flourish at the end.

Talitha Soldera, CPA, CGA
Director of Financial Services

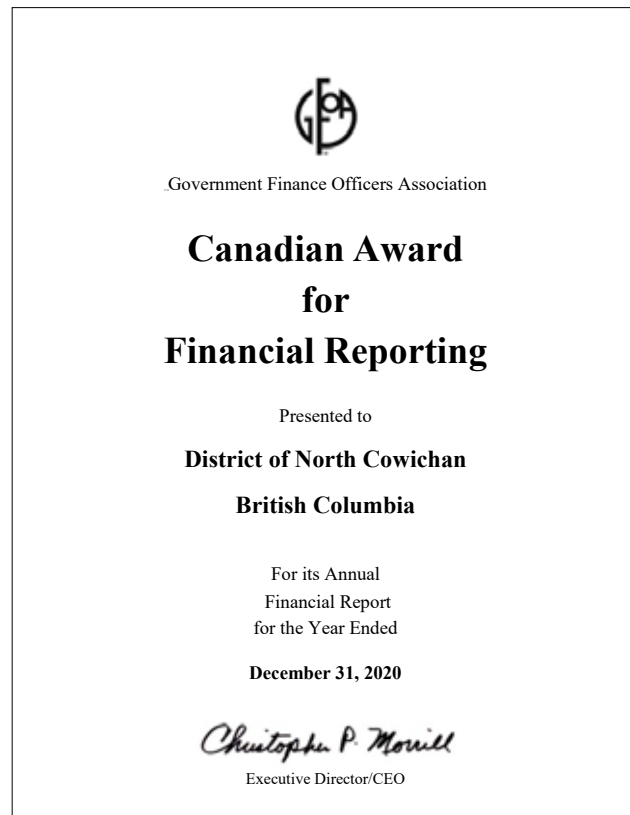
FINANCIAL REPORTING AWARD

Canadian Award For Financial Reporting

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the District of North Cowichan for its Annual Report of the fiscal year ended December 31, 2020. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

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

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



**The Corporation of
The District of North Cowichan**

CONSOLIDATED FINANCIAL STATEMENTS

(Audited) December 31, 2021



STATEMENT OF RESPONSIBILITY

The accompanying consolidated financial statements are the responsibility of the management of the District of North Cowichan and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada.

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

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

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, CPA, CGA
Director of Financial Services
May 13, 2021



KPMG LLP
800 – 730 View Street
Victoria BC V8W 3Y7
Canada
Telephone 250-480-3500
Fax 250-480-3539

INDEPENDENT AUDITORS' 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, 2021
- 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, 2021 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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' 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.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.

Auditors' 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 auditors' 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.

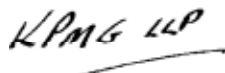
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

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 auditors' 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 auditors' 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 6, 2022



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2021, with comparative figures for 2020

	2021 ACTUAL	2020 ACTUAL
Financial Assets		
Cash (Note 4)	\$ 13,432,104	\$ 2,251,706
Temporary investments (Note 4)	82,067,554	84,720,075
Accounts receivable (Note 5)	4,336,943	5,809,101
	99,836,601	92,780,882
Financial Liabilities		
Accounts payable and Accrued liabilities (Note 6)	7,898,807	9,066,329
Employee future benefits and compensation payable (Note 7)	3,897,036	3,719,981
Unearned revenue (Note 8)	8,652,907	7,230,049
Restricted reserves (Note 12)	14,979,078	13,599,768
Debt (Note 14)	16,572,074	17,563,984
Temporary financing (Note 15)	11,100,000	-
	63,099,902	51,580,056
Net Financial Assets	36,736,699	41,600,771
Non-Financial Assets	293,335,991	284,742,467
Tangible capital assets (Note 10)	544,905	525,752
Inventory of supplies	312,745	203,425
Prepaid items	2,416,867	2,341,177
Property acquired for taxes	296,610,508	287,812,812
	\$ 333,347,207	\$ 329,413,583
Accumulated Surplus (Note 17)		

Commitments and Contingent Liabilities (Notes 16 and 19)

Approved by:



T. Soldera
Director, Financial Services

See accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF OPERATIONS

As at December 31, 2021, with comparative figures for 2020

	2021 BUDGET (Note 17)	2021 ACTUAL	2020 ACTUAL
Revenues			
Taxation	\$ 38,546,760	\$ 38,519,675	\$ 37,240,736
Sales of services	8,926,770	10,728,853	9,268,220
Other revenue from own sources	1,762,760	2,230,498	1,699,830
Return on investments	1,015,670	192,667	1,126,420
Grants and government transfers	8,297,244	4,546,075	8,977,994
Collections from developers and others	2,228,320	1,889,214	11,080,199
Actuarial adjustments to debt	-	480,087	433,412
	60,777,524	58,587,069	69,826,811
Expenses			
General government services	6,935,450	6,573,706	6,002,079
Protective services	11,371,050	10,902,877	10,370,277
Engineering and public works	11,222,490	12,090,247	10,643,521
Environmental health services	2,292,030	2,116,811	1,990,348
Forestry	742,250	640,730	849,501
Community development	1,440,530	1,393,651	1,168,202
Recreation and cultural services	10,854,970	12,103,772	9,449,782
Water	4,579,910	5,092,167	4,687,674
Sewer	4,634,200	3,739,484	3,660,999
	54,072,880	54,653,445	48,822,383
Annual Surplus	\$ 6,704,644	3,933,624	21,004,428
Accumulated surplus, beginning of year (Note 17)		329,413,583	308,409,155
Accumulated surplus, end of year (Note 17)		\$ 333,347,207	\$ 329,413,583

See accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

As at December 31, 2021, with comparative figures for 2020

	2021 BUDGET (Note 18)	2021 ACTUAL	2020 ACTUAL
Annual Surplus	\$ 6,704,644	\$ 3,933,624	\$ 21,004,428
Acquisition of tangible capital assets	-	(17,058,247)	(12,203,177)
Contributed tangible capital assets	-	(1,767,497)	(10,866,949)
Amortization of tangible capital assets	9,514,540	10,101,494	9,852,916
Net (gain) loss on sale of tangible capital assets	-	97,740	(3,144)
Proceeds on sale of tangible capital assets	-	10,285	15,842
Write-downs of tangible capital assets	-	22,701	28,032
	9,514,540	(8,593,524)	(13,176,480)
Increase in prepaids	-	(109,329)	(81,934)
(Increase) decrease in inventories	-	(19,153)	14,191
(Increase) decrease in property acquired for taxes	-	(75,690)	328
	-	(204,172)	(67,415)
Change in net financial assets	16,219,184	(4,864,072)	7,760,533
Net financial assets at beginning of year	-	41,600,771	33,840,238
Net financial assets at end of year	\$ 16,219,184	\$ 36,736,699	\$ 41,600,771

See accompanying notes to the financial statements.



CONSOLIDATED STATEMENT OF CASH FLOWS

As at December 31, 2021, with comparative figures for 2020

	2021 ACTUAL	2020 ACTUAL
Operating transactions		
Annual surplus	\$ 3,933,624	\$ 21,004,429
Non-cash items included in surplus:		
Amortization	10,101,494	9,852,916
Actuarial adjustment to debt	(480,087)	(433,412)
Write-downs of tangible capital assets	22,701	28,032
Net loss on sale of tangible capital assets	97,740	(3,144)
Contributed tangible capital assets	(1,767,497)	(10,866,949)
	11,907,975	19,581,872
Non-cash items included in surplus:		
Accounts receivable	1,472,158	(2,339,691)
Inventory of supplies	(19,153)	14,191
Prepaid items	(109,329)	(81,935)
Property acquired for taxes	(75,690)	328
Accounts payable	(1,167,522)	4,409,070
Employee future benefits and compensation payable	177,055	(181,239)
Unearned revenue	1,422,858	1,403,957
Restricted reserves	1,379,310	1,750,875
Cash provided by operating transactions	14,987,662	24,557,428
Capital transactions		
Proceeds on sale of tangible capital assets	10,285	15,842
Cash applied to acquire tangible capital assets	(17,058,247)	(12,203,177)
Cash applied to capital transactions	(17,047,962)	(12,187,335)
Investing transactions		
Temporary investments	2,652,521	(11,369,293)
Cash applied to investing transactions	2,652,521	(11,369,293)
Financing transactions		
Proceeds from debt	516,700	-
Proceeds from temporary debt	11,100,000	-
Repayment of debenture debt	(1,028,523)	(1,015,555)
	10,588,177	(1,015,555)
Change in cash	11,180,398	(14,755)
Cash, beginning of year	2,251,706	2,266,461
Cash, end of year	\$ 13,432,104	\$ 2,251,706

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

1. GENERAL

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

2. SIGNIFICANT ACCOUNTING POLICIES

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

a) BASIS OF PRESENTATION

These consolidated financial statements consolidate the following operations:

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

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

Duncan-North Cowichan Joint Utilities Board	53.69%
--	---------------

Interfund transactions and balances have been eliminated

b) BASIS OF ACCOUNTING

The Corporation follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of the delivery of goods or services and/or upon the creation of a legal obligation to pay. Expenses paid in the current period and attributable to a future period are recorded as prepaid.

c) CASH AND CASH EQUIVALENTS

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) INVESTMENTS

Investments are recorded at cost which at December 31, 2021, 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 the Corporation.
- 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

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

Sick leave and other retirement benefits are also available to the Corporation'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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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. The Corporation 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 the Corporation, water, and other natural resources, are not recognized as tangible capital assets.

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

Land and infrastructure assets contributed to the Corporation in 2021 totaled \$1,767,497 (2020 -\$10,866,949) 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 the Corporation'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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

The Corporation'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 Corporation is not exposed to significant interest or credit risks arising from these financial instruments.

4. CASH AND INVESTMENTS

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

	2021	2020
Cash	\$ 13,432,104	\$ 2,251,706
Temporary investments	82,067,554	84,720,075
	\$ 95,499,658	\$ 86,971,781

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 0.80%.

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.

	2021	2020
Restricted investments	\$ 36,910,496	\$ 34,997,998

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. ACCOUNTS RECEIVABLE

	2021	2020
Property taxes	\$ 1,896,035	\$ 1,965,667
Water rates	342,353	325,810
Federal government	663,757	420,226
Provincial government	538,108	2,667,788
Local government	682,952	278,973
General	213,738	150,637
	\$ 4,336,943	\$ 5,809,101

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
General	\$ 7,138,769	\$ 8,323,295
Wages and salaries	626,553	616,705
Accrued interest	133,485	126,329
	\$ 7,898,807	\$ 9,066,329

7. EMPLOYEE FUTURE BENEFITS AND COMPENSATION

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

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

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

	2021	2020
Lieu time payable	\$ 1,099,536	\$ 981,281
Sick leave cash-out and severance benefits	2,797,500	2,738,700
	\$ 3,897,036	\$ 3,719,981

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.

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

The liabilities for sick leave cash-out and severance benefits are based on an actuarial valuation as at December 31, 2021.

	2021	2020
Accrued benefit obligation	\$ 3,300,000	\$ 2,947,800
Unamortized actuarial gain/(loss)	(502,500)	(209,100)
Accrued benefit liability	\$ 2,797,500	\$ 2,738,700
Benefit expense:		
Current service cost	\$ 322,200	\$ 289,500
Interest cost	47,200	67,000
Amortization of net actuarial (gain)/loss	4,300	(13,600)
	\$ 373,700	\$ 342,900

Significant actuarial assumptions as at December 31st include:

	2021	2020
Valuation interest rate	2.50%	1.60%
Rate of compensation increase	3.00%	2.25%
Expected coverage remaining service life (in years)	10	11

8. UNEARNED REVENUE

	2020	Contributions and interest	Revenue earned or refunded	2021
Prepaid taxes and licenses	\$ 2,690,055	\$ 6,079,893	\$ 5,856,489	\$ 2,913,459
Service fees and deposits	4,055,079	1,867,583	2,145,785	3,776,877
Aquatic Centre unearned revenue	42,747	102,087	60,277	84,557
General unearned revenues	442,168	1,187,781	54,935	1,575,014
Tax sale property subject to redemption	-	334,296	31,296	303,000
	\$ 7,230,049	\$ 9,571,640	\$ 8,148,782	\$ 8,652,907

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. MUNICIPAL FINANCE AUTHORITY - RESERVE DEPOSITS

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

As at December 31, 2021, there were cash deposits held by MFA of \$406,747 (2020 - \$399,945). If at any time insufficient funds are provided by the Corporation or any other MFA borrower, the MFA may then use these funds to meet payments on its obligations. Should this occur, the Corporation may be called upon to restore the fund. The MFA has not yet required the debt reserve fund to meet obligations. If the debt is repaid without default, the deposits are refunded to the Corporation. Upon the maturity of a debt issue, the demand notes are released and deposits refunded to the Corporation. As at December 31, 2021, there were contingent demand notes of \$838,024 (2020 - \$838,024).

The cash deposits and contingent demand notes are not recorded in these financial statements.

10. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

	2020	Additions	Disposals and Writedowns	2021
Cost				
Land	\$ 53,093,957	\$ 681,877	\$ -	\$ 53,775,834
Land improvements	14,636,380	865,889	-	15,502,269
Buildings - Cost	48,547,514	3,795,498	-	52,343,012
Eng. Struct. - Cost	302,836,583	6,825,044	(165,890)	309,495,737
Machinery - Cost	46,239,313	1,376,092	(80,000)	47,535,405
WIP - Cost	9,027,833	12,192,280	(7,034,369)	14,185,744
Total cost	\$ 474,381,580	\$ 25,736,680	\$ (7,280,259)	\$ 492,838,001
Accumulated amortization				
Land Imp. - Accum Amort	\$ 7,010,930	\$ 667,536	\$ -	\$ 7,678,466
Buildings - Accum Amort	21,478,125	1,314,141	-	22,792,266
Eng. Struct. - Accum Amort	135,696,411	6,199,402	(158,597)	141,737,216
Machinery - Accum Amort	25,453,647	1,920,415	(80,000)	27,294,062
Total accumulated amortization	\$ 189,639,113	\$ 10,101,494	\$ (238,597)	\$ 199,502,010

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. TANGIBLE CAPITAL ASSETS (continued)

	2021	2020
Net book value		
Land	\$ 53,775,834	\$ 53,093,957
Land improvements	7,823,803	7,625,450
Buildings	29,550,746	27,069,389
Engineered structures	167,758,521	167,140,172
Machinery	20,241,343	20,785,666
Work in progress	14,185,744	9,027,833
Total net book value	\$ 293,335,991	\$ 284,742,467

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 the Corporation's Consolidated Financial Statements. A summary of trust fund activities by the Corporation is as follows:

	2021	2020
Assets		
Cash and short term investments	\$ 439,979	\$ 423,707
Equity	423,707	406,419
Opening balances	16,272	17,288
Contributions	\$ 439,979	\$ 423,707

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.

	2021	2020
Development Cost Charges		
Opening	\$ 13,599,768	\$ 11,848,893
Contributions	1,380,664	1,586,744
Return on investment	(1,354)	260,131
Amount spent	-	(96,000)
	\$ 14,979,078	\$ 13,599,768

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

13. FEDERAL GAS TAX AGREEMENT FUNDS

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

	2021	2020
Federal Gas Tax Agreement Funds		
Opening balance of unspent funds	\$ 1,675,173	\$ 1,641,753
Add: Amount received during the year	2,668,820	1,304,840
Add: Return on investment	(2,243)	33,420
Less: Amount spent	(1,363,979)	(1,304,840)
	\$ 2,977,771	\$ 1,675,173

14. DEBENTURE DEBT

The Corporation 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	2021 Net Unmatured	2020 Net Unmatured
General Capital Fund						
Maple Bay Fire Hall	95	1.80%	Apr 12, 2025	\$ 1,600,000	\$ 420,767	\$ 518,413
Maple Bay Fire Hall	103	2.65%	Apr 23, 2028	500,000	220,821	247,703
Cowichan Aquatic Ctr	104	2.90%	Nov 20, 2028	15,000,000	6,624,625	7,431,107
Cowichan Aquatic Ctr	106	2.25%	Oct 12, 2029	2,265,500	1,122,345	1,239,466
Duncan Curling Club	N/A	4.00%	Jan 15, 2032	551,500	331,556	357,708
Tier 2 Flood Protection	121	2.90%	Oct 4, 2032	745,475	480,542	514,803
Tier 2 Flood Protection	124	3.15%	Apr 8, 2033	1,000,000	690,570	734,761
Municipal Hall Expansion	126	3.85%	Sep 26, 2033	1,500,000	1,035,855	1,102,142
Stoney Hill Road	131	2.20%	Apr 8, 2040	2,000,000	1,663,662	1,724,648
Tier 4 Flood Protection	137	2.60%	Apr 19, 2036	1,700,000	1,377,642	1,446,624
Tier 4 Flood Protection	141	2.80%	Apr 7, 2037	200,000	168,861	176,994
Fire Equipment loan	N/A	1.05%	Dec 31, 2024	516,700	516,700	-
				27,579,175	14,653,946	15,494,369
Water Capital Fund						
Crofton	106	2.25%	Oct 13, 2029	530,000	262,566	289,965
Chemainus	110	4.50%	April 8, 2030	1,750,000	955,396	1,044,425
Chemainus	137	2.60%	Apr 19, 2036	864,000	700,166	735,225
				3,144,000	1,918,128	2,069,615
				\$ 30,723,175	\$ 16,572,074	\$ 17,563,984

14. DEBENTURE DEBT (continued)

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

	General	Water	Total
Principal repayments:			
2022	\$ 1,087,198	\$ 112,683	\$ 1,199,881
2023	1,090,001	112,683	1,202,684
2024	1,093,588	112,683	1,206,271
2025	920,369	112,683	1,033,052
2026	856,421	112,683	969,104
Thereafter	3,592,968	616,247	4,209,215
	8,640,545	1,179,662	10,244,486
Actuarial adjustments (estimated):			
2022	492,814	44,243	537,057
2023	546,342	49,878	596,220
2024	601,976	55,715	657,691
2025	659,766	61,764	721,530
2026	671,808	68,030	739,838
Thereafter	3,040,695	458,836	3,499,531
	6,013,401	738,466	6,751,867
	\$ 14,653,946	\$ 1,918,128	\$ 16,572,074

Interest paid during the year was \$819,130 (2020 - \$845,205).

15. TEMPORARY FINANCING

The Corporation 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	2021 Net Unmatured	2020 Net Unmatured
General Capital Fund	580-1	0.97%	N/A	\$ 48,000,000	\$ 11,100,000	\$ -
				\$ 48,000,000	\$ 11,100,000	\$ -

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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 the Corporation and other local governments within the Cowichan Valley Regional District.

b) Loan agreements with the Cowichan Valley Regional District and the Municipal Finance Authority provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Municipal Finance Authority's obligations in respect to such borrowings, the resulting deficiencies become a liability of the Corporation.

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

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

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

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

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

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

The Corporation paid \$1,378,066 (2020 - \$1,278,094) for employer contributions while employees contributed \$1,221,440 (2020 - \$1,135,522) to the Plan in fiscal 2021.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. ACCUMULATED SURPLUS

Operating Funds

Unappropriated:

	2021	2020
General	\$ 4,348,526	\$ 4,426,264
Water Systems	5,698,822	4,989,435
Sewer Systems	18,383,18	16,840,437
	28,430,535	26,256,136

Appropriated:

Reserves for property acquired for taxes	2,341,177	2,341,177
Reserves for future expenditures	11,984,684	9,314,633
Reserve for uncollected taxes	1,295,091	1,295,091
Reserve for Joint Utilities Board	1,105,246	1,034,693
	16,726,198	13,985,594
	45,156,733	40,241,730

Capital Funds

General Capital	210,674,860	212,023,583
Water Capital	32,160,965	31,986,242
Sewer Capital	21,234,302	22,022,196
Joint Utilities Board Capital	2,188,930	1,741,601
	\$ 266,259,057	\$ 267,773,622



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. ACCUMULATED SURPLUS (continued)

	2021	2020
Reserve Funds		
Land Sales	4,210,978	4,211,105
Machinery and Equipment	5,220,108	4,124,170
Local Area Service	1,257,457	1,152,699
Forest	1,250,600	1,740,130
Park Development	225,689	225,696
Parkland Purchase	734,755	621,099
Chemainus Parking	178,531	170,540
Agriculture	330,417	300,426
Self-Insurance	226,163	176,169
Climate Action and Energy Plan	603,355	542,814
Maple Bay Sewer	93,686	93,689
Cowichan Aquatic Centre	711,618	586,636
Evans Park	174,822	174,827
Fuller Lake Arena	74,011	74,013
Harbours Crofton	75,721	57,973
Harbours Chemainus	416,523	408,535
Mural Protection	31,990	21,431
Gas Tax (Note 13)	2,977,771	1,675,173
Quamichan Lake	418,744	318,754
IT Asset Management	301,998	62,000
COVID-19 Safe Restart Grant	951,635	2,750,808
Infrastructure Replacement	830,878	1,299,858
Gravel Pits	558,647	534,363
Affordable Housing	75,320	75,323
	21,931,417	21,398,231
Accumulated Surplus	\$ 333,347,207	\$ 329,413,583

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

18. BUDGET DATA

The budget data presented in these financial statements is based upon the 2021-2025 Financial Plan Bylaw adopted by council May 11, 2021. The chart below reconciles the approved budget to the budget figures reported in these financial statements

	2021
Financial Plan Bylaw surplus for the year	\$ -
Add back:	
Principal debt repayment	1,095,550
Capital expenditures	54,407,100
Less:	
Amortization	(9,514,540)
Proceeds from borrowing	(28,600,000)
Budgeted transfers to reserve funds	(4,688,266)
Budgeted transfers from accumulated surplus	(5,995,200)
Adjusted Annual Surplus	\$ 6,704,644

19. JOINT UTILITIES BOARD

Financial results for the Joint Utilities Board are consolidated into the Corporation's financial statements proportionately based on the units owned by each partner. In 2021, the Corporation's proportion for consolidation purposes was 53.69% (2020 – 53.69%). Condensed financial information for the Joint Utilities Boards is as follows:

	2021	2020
Net Financial Assets	\$ 2,058,836	\$ 1,927,423
Non-Financial Assets	4,077,130	3,243,929
Accumulated Surplus	6,135,966	5,171,352
Revenues	\$ 2,296,773	\$ 1,609,455
Expenses	1,332,158	1,322,234
Annual Surplus	964,615	277,221
North Cowichan Proportionate Share:		
Net Financial Assets	\$ 1,105,246	\$ 1,034,6933
Non-Financial Assets	2,188,930	1,741,601
Accumulated Surplus	3,294,176	2,776,294
Revenues	\$ 1,233,088	\$ 864,082
Expenses	715,207	715,248
Annual Surplus	\$ 517,881	\$ 148,834

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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. The Corporation's proportionate share of the lease payments for 2022 is \$217,445 and has an annual increase of 2.2%. the proportionate share of the the total lease payments over the remaining term are estimated at \$13.0 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 2021 the Corporation recorded a write up of assets in the amount of \$0 (2020 - \$0).

20. SEGMENT REPORTING

The Corporation's operations and activities are organized and reported by fund. Services are provided by departments and their activities are reported in these funds. Certain departments have been separately disclosed in the segmented information, which is outlined in Schedule 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 the Corporation's infrastructure, including drainage and transportation systems.

Environmental Health Services

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

Forestry Services

This segment is responsible for the maintenance and management of the Municipal Forest Reserve.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

20. SEGMENT REPORTING (continued)

Community Development

This segment includes planning and development, which includes processing development applications and developing related policies and regulations.

Recreation and Culture Services

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

Water

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

Sewer

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

Reserve Funds

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

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

OPERATIONS BY SEGMENT

For the year ended December 31, 2021

SCHEDULE I

	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
Revenues												
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	-	307,664	2,611,996	-	-	1,294,166	132,249	200,000	-	-	-	4,546,075
Collections from developers and others	-	-	-	-	-	-	-	-	-	-	1,889,214	1,889,214
Actuarial adjustments to debt	15,914	42,539	39,032	-	-	-	343,798	38,804	-	-	-	480,087
	6,760,856	11,385,229	10,049,279	2,325,470	120,040	2,895,591	10,001,335	5,759,356	4,845,467	2,330,454	2,113,991	58,587,069
Expenses												
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 tranfers	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
Excess of revenues over expenses	\$ 187,150	\$ 482,352	\$ (2,040,968)	\$ 208,659	\$ (520,690)	\$ 1,501,940	\$ (2,102,437)	\$ 667,189	\$ 1,105,983	\$ 2,330,454	\$ 2,113,991	\$ 3,933,624

OPERATIONS BY SEGMENT

For the year ended December 31, 2020
SCHEDULE I

	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
Revenues												
Taxation	\$ 5,305,067	\$ 8,735,216	\$ 5,567,938	\$ 234,022	\$ -	\$ 1,256,636	\$ 8,135,520	\$ 2,145,121	\$ 2,631,708	\$ 1,976,524	\$ 1,252,984	\$ 37,240,736
Sales of services	258,786	518,855	271,914	1,574,053	384,443	-	1,340,828	2,887,262	2,032,079	-	-	9,268,220
Other revenue from own sources	374,860	1,029,951	169,803	-	-	90,853	22,646	11,717	-	-	-	1,699,830
Return on investments	68,183	112,268	71,561	3,008	-	16,151	104,561	79,462	307,227	334,999	-	1,126,420
Grants and government transfers	-	420,354	5,644,691	-	-	5,000	2,373,433	200,000	-	-	334,506	8,977,994
Collections from developers and others	-	-	-	-	-	-	-	-	-	-	11,080,199	11,080,199
Actuarial adjustments to debt	13,365	43,644	31,383	-	-	-	308,274	36,746	-	-	-	433,412
	6,020,261	10,860,288	11,757,290	1,811,083	384,443	1,368,640	12,285,272	5,360,308	4,971,014	2,340,523	12,667,689	69,826,811
Expenses												
Salaries, wages and benefits	4,817,932	3,489,008	2,981,830	676,403	312,563	846,700	3,585,217	1,315,562	788,646	-	-	18,813,861
Contract services	1,169,065	5,606,145	1,351,943	805,661	413,767	282,018	2,545,159	608,844	1,044,740	-	-	13,827,342
Materials and supplies	(249,998)	739,077	592,533	432,363	111,957	39,484	1,580,147	1,459,188	753,420	-	-	5,458,171
Amortization	207,330	497,079	5,556,033	75,921	11,214	-	1,238,472	1,214,846	1,052,021	-	-	9,852,916
Interest	57,750	38,968	146,919	-	-	-	500,787	79,905	20,877	-	-	845,206
Expenditures before losses, write downs and tranfers	6,002,079	10,370,277	10,629,258	1,990,348	849,501	1,168,202	9,449,782	4,678,345	3,659,704	-	-	48,797,496
Loss on sale, write downs and transfer of TCA	-	-	14,263	-	-	-	-	9,329	1,295	-	-	24,887
	6,002,079	10,370,277	10,643,521	1,990,348	849,501	1,168,202	9,449,782	4,687,674	3,660,999	-	-	48,822,383
Excess of revenues over expenses	\$ 18,182	\$ 490,011	\$ 1,113,769	\$ (179,265)	\$ (465,058)	\$ 200,438	\$ 2,835,490	\$ 672,634	\$ 1,310,015	\$ 2,340,523	\$ 12,667,689	\$ 21,004,428

SUPPLEMENTARY SCHEDULES

(Unaudited)

COVID-19 SAFE RESTART GRANT

For the year ended December 31, 2020

SCHEDULE II

	2021	2020
Balance, beginning of year	\$ 2,750,808	\$ -
Receipt of funds	-	4,419,000
Interest earned	34	1,901
Uses of funds:		
Revenue shortfall - Cowichan Aquatic	1,149,130	844,471
Centre Revenue shortfall - Fuller Lake Arena	-	144,222
Unplanned pandemic expenses	-	681,400
General government operating expenses	88,390	-
Bylaw enforcement	119,400	-
IT operating expenses	201,227	-
Parks and recreation operating expenses	79,760	-
Capital expenses	161,300	-
	1,799,207	1,670,093
Balance, end of year	\$ 951,635	\$ 2,750,808

TAXATION

For the year ended December 31, 2021

SCHEDULE III

	2021 BUDGET	2021	2020
Municipal Purposes:			
General taxation	\$ 32,165,170	\$ 32,133,370	\$ 30,960,005
Business Improvement Area	116,000	113,559	116,522
Local Area Service	95,350	95,348	95,348
Utilities	981,450	981,451	1,079,159
Grants-in-lieu of taxes	214,880	218,002	212,873
Water systems	2,248,910	2,256,161	2,145,121
Sewer systems	2,725,000	2,721,784	2,631,708
Total Municipal Taxes	38,546,760	38,519,675	37,240,736
Collections for Other Governments:			
School	12,000,000	13,910,383	11,828,581
Cowichan Valley Regional Hospital District	4,100,000	4,103,334	4,107,571
Cowichan Valley Regional District	9,300,000	9,621,701	9,335,402
BC Assessment	394,000	410,462	394,024
Municipal Finance Authority	1,500	1,703	1,592
Total Collections for Other Governments	25,795,500	28,047,583	25,667,170
	64,342,260	66,567,258	62,907,906
Deduct: requisitions remitted to other taxing authorities	(25,795,500)	(28,047,583)	(25,667,170)
Total Taxes Levied	\$ 38,546,760	\$ 38,519,675	\$ 37,240,736

SALES OF SERVICES

For the year ended December 31, 2020

SCHEDULE IV

	2021 BUDGET	2021	2020
General government service	\$ 83,570	\$ 145,057	\$ 128,387
Protective services	329,710	387,724	307,886
Fire protection	239,170	203,713	210,969
Engineering and public works	196,380	1,096,183	271,914
Residential garbage - municipal	1,529,500	1,555,193	1,438,958
Forestry	209,150	120,040	384,443
Cowichan Aquatic Centre	1,112,000	1,143,162	950,331
Fuller Lake Arena	151,630	167,730	154,775
Other recreation	54,410	33,232	44,691
Wharves	191,240	210,568	191,031
Miscellaneous	95,510	123,933	130,399
Cemetery	129,140	168,344	135,095
Water	2,710,900	3,249,780	2,887,262
Sewer	1,894,460	2,124,194	2,032,079
	\$ 8,926,770	\$ 10,728,853	\$ 9,268,220

OTHER REVENUE FROM OWN SOURCES

For the year ended December 31, 2021

SCHEDULE V

	2021 BUDGET	2021	2020
Licences and permits	\$ 1,111,140	\$ 1,442,810	\$ 1,014,153
Tax penalties and interest	343,400	273,538	308,933
Fines	4,550	199,234	29,056
Rentals	289,580	300,164	335,971
Water	14,090	14,752	11,717
	\$ 1,762,760	\$ 2,230,498	\$ 1,699,830

GRANTS AND GOVERNMENT TRANSFERS

For the year ended December 31, 2021

SCHEDULE VI

	2021 BUDGET	2021	2020
Operating Grants			
Traffic fines revenue	\$ 295,000	\$ 299,702	\$ 294,973
Other grants	152,000	1,503,052	4,634,272
	<u>447,000</u>	<u>1,802,754</u>	<u>4,929,245</u>
Capital Grants			
Fuel tax	<u>1,304,000</u>	<u>2,718,321</u>	<u>3,632,343</u>
Infrastructure Grants (Prov/Fed)			
Water	700,000	-	-
Sewer	1,124,200	-	-
Other	4,722,044	-	334,506
Provincial and Other Grants			
ICBC grants	-	25,000	81,900
	<u>-</u>	<u>25,000</u>	<u>81,900</u>
	<u>\$ 8,297,244</u>	<u>\$ 4,546,075</u>	<u>\$ 8,977,994</u>



GENERAL GOVERNMENT SERVICES

For the year ended December 31, 2021

SCHEDULE VII

	2021 BUDGET	2021	2020
Legislative	\$ 369,190	\$ 339,895	\$ 299,736
Administrative	4,916,840	4,530,003	4,137,375
Financial services	1,141,320	1,192,326	1,038,317
Common services	984,830	942,533	797,145
Miscellaneous	162,650	152,002	160,996
Administration recoveries	(889,290)	(885,150)	(876,570)
Interest	57,550	57,750	57,750
Amortization	192,360	244,347	207,330
	\$ 6,935,450	\$ 6,573,706	\$ 6,002,079



PROTECTIVE SERVICES

For the year ended December 31, 2021

SCHEDULE VIII

	2021 BUDGET	2021	2020
Police protection:			
R.C.M.P. contract	\$ 5,380,780	\$ 4,794,859	\$ 5,005,848
Municipal employees	1,646,080	1,684,481	1,520,969
Crime prevention	7,720	7,100	7,100
Building maintenance	246,770	207,596	250,696
Bylaw enforcement	762,300	775,875	578,333
	8,043,650	7,469,911	7,362,946
Fire protection:			
General fire protection	335,190	385,062	263,867
Chemainus fire hall	362,540	386,615	346,853
Crofton fire hall	336,630	342,293	310,946
Maple Bay fire hall	357,940	337,758	343,546
South End fire hall	474,010	614,475	432,398
	1,866,310	2,066,203	1,697,610
Other protection:			
Building and plumbing inspections	581,500	614,719	570,324
Animal control	178,150	179,233	178,569
Weed control	9,290	2,430	2,951
Mosquito control	15,150	17,952	21,830
	784,090	814,334	773,674
Interest	189,950	35,012	38,968
Amortization	487,050	517,417	497,079
	677,000	552,429	536,047
	\$ 11,371,050	\$ 10,902,877	\$ 10,370,277

ENGINEERING AND PUBLIC WORKS

For the year ended December 31, 2021

SCHEDULE IX

	2021 BUDGET	2021	2020
Administration	\$ 2,459,640	\$ 2,253,293	\$ 1,602,256
Small tools and equipment	57,810	51,831	55,796
Workshop and yard maintenance	196,590	235,326	248,564
Roads - construction	50,620	55,447	61,744
Roadway and surfaces maintenance	1,461,600	1,367,659	1,400,727
Snow and ice removal	385,310	707,847	502,553
Bridge - maintenance	6,010	8,956	4,089
Street lighting	502,460	447,489	458,497
Signs and line painting	335,560	293,560	297,006
Drainage	712,700	950,067	795,555
Sidewalk maintenance	21,160	49,238	18,378
Other transportation	268,970	642,320	222,421
Administration recoveries	(730,830)	(746,916)	(741,280)
Loss on sale, write downs and transfer of TCA	-	16,455	14,263
Interest	146,920	146,919	146,919
Amortization	5,347,970	5,610,756	5,556,033
	\$ 11,222,490	\$ 12,090,247	\$ 10,643,521



ENVIRONMENTAL HEALTH SERVICES

For the year ended December 31, 2021

SCHEDULE X

	2021 BUDGET	2021	2020
Garbage collection and recycling	\$ 1,419,560	\$ 1,482,726	\$ 1,436,058
Cemetery	162,700	210,128	205,134
Environmental	633,850	348,036	273,235
Amortization	75,920	75,921	75,921
	\$ 2,292,030	\$2,116,811	\$ 1,990,348



RECREATION AND CULTURAL SERVICES

For the year ended December 31, 2021

SCHEDULE XI

	2021 BUDGET	2021	2020
Administration	\$ 280,780	\$ 243,012	\$ 189,723
Crofton swimming pool	77,720	38,534	19,428
Cowichan Aquatic Centre	3,526,560	3,342,882	2,651,852
Fuller Lake Arena	999,440	1,062,096	954,055
Parks common services	158,890	164,446	66,120
Community recreation program	137,880	105,617	81,211
Chemainus parks and playgrounds	483,110	497,702	376,698
Crofton parks and playgrounds	200,820	228,162	189,641
South End parks and playgrounds	1,305,940	1,393,257	1,245,148
Wharves	183,600	152,915	169,002
Library	1,560,300	1,577,297	1,533,901
Grants-in-aid	228,410	1,460,336	233,744
Interest	500,840	499,760	500,787
Amortization	1,210,680	1,337,756	1,238,472
	\$ 10,854,970	\$ 12,103,772	\$ 9,449,782







**Duncan - North Cowichan
Joint Utilities Board**

FINANCIAL STATEMENTS

(Audited) December 31, 2021



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, CPA, CGA
Director, Financial Services
May 4, 2022



KPMG LLP
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Victoria BC V8W 3Y7
Canada
Telephone 250-480-3500
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INDEPENDENT AUDITORS' 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, 2021
- 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, 2021, 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 “Auditors’ Responsibilities for the Audit of the Financial Statements” section of our auditors’ 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.

KPMG LLP, is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. KPMG Canada provides services to KPMG LLP.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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.



Chartered Professional Accountants

Victoria, Canada
May 6, 2022

STATEMENT OF FINANCIAL POSITION

As at December 31, 2021, with comparative figures for 2020

	2021 ACTUAL	2020 ACTUAL
Financial Assets		
Investments (Notes 3 and 5)	\$ 4,255,217	\$ 4,401,600
Financial Liabilities		
Unearned revenue	2,196,381	2,483,177
Net Financial Assets	2,058,836	1,927,423
Non-Financial Assets		
Tangible capital assets (Schedule I)	4,077,130	3,243,928
Accumulated Surplus (Note 6)	\$ 6,135,966	\$ 5,171,351

Approved by:



T. Soldera, CPA, CGA
Director, Financial Services

See accompanying notes to the financial statements.

STATEMENT OF OPERATIONS

As at December 31, 2021, with comparative figures for 2020

	2021 BUDGET (Note 8)	2021 ACTUAL	2020 ACTUAL
Revenues			
Contributions from:			
The Corporation of the District of North Cowichan	\$ 1,020,580	\$ 880,554	\$ 676,435
The Corporation of the City of Duncan	599,980	498,824	395,448
Cowichan Valley Regional District	254,530	249,043	201,710
Cowichan Tribes	36,540	36,774	27,008
Return on investments	-	16,212	36,154
Grants and government transfers	1,124,200	615,366	272,700
	3,035,830	2,296,773	1,609,455
Expenses			
Administration	59,180	59,155	59,161
Amortization	89,850	89,849	89,849
Sewer lagoon operations and maintenance	1,183,540	1,183,154	1,183,224
	1,332,570	1,332,158	1,332,234
Annual Surplus	\$ 1,703,260	964,615	277,221
Accumulated surplus, beginning of year	5,171,351	5,171,351	4,894,130
Accumulated surplus, end of year	\$ 6,874,611	\$ 6,135,966	\$ 5,171,351

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)

2. 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.

3. INVESTMENTS

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.

4. OPERATING LEASE

The Board leases the sewage lagoon lands under an operating lease which expires July 31, 2060. Lease payments for 2022 are \$405,000 and have an annual increase of 2.2%. The total lease payments over the remaining term are estimated at \$24.2 million.

NOTES TO THE FINANCIAL STATEMENTS (continued)

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:

	2021	2020
Balances, beginning of year	\$ 1,927,423	\$ 2,058,836
Add: transfers from current operations	131,413	151,354
Balance, end of year	\$ 2,058,836	\$ 1,927,423

7. LISTING OF OPERATING EXPENSES BY OBJECT TYPE

The following provides a summary of operating expenses by object:

	2021	2020
Salaries, wages and benefits	\$ 267,849	\$ 236,577
Contract services	54,758	48,192
Amortization	89,849	89,849
Materials and supplies	523,361	569,807
Land rent	396,341	387,809
Total expense	\$ 1,332,158	\$ 1,332,234

8. BUDGET DATA

The budget data presented in these financial statements is based upon the 2021-2025 Financial Plan Bylaw. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	2021
Financial Plan Bylaw surplus for the year Add back:	\$ -
Capital expenditures	1,677,910
Less:	
Amortization	(89,850)
Budgeted transfers to reserve funds	115,200
Adjusted Annual Surplus	\$ 1,703,260

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, 2021
SCHEDULE I

	COST				ACCUMULATED AMORTIZATION				NET BOOK VALUE		
	BALANCE December 31, 2020	2021 Additions	2021 Disposals	2021 Write-downs	BALANCE December 31, 2021	BALANCE December 31, 2020	2021 Additions	2021 Disposals	BALANCE December 31, 2021	2020	2021
Buildings	\$ 192,388	\$ -	\$ -	\$ -	\$ 192,388	\$ 14,830	\$ 4,810	\$ -	\$ 19,640	\$ 177,558	\$ 172,748
Engineering Structures	2,485,489	-	-	-	2,485,489	426,676	49,709	-	476,385	2,058,813	2,009,104
Machinery & Equipment	706,581	-	-	-	706,581	108,931	35,329	-	144,260	597,650	562,321
Work In Progress	409,907	923,050	-	-	1,332,957	-	-	-	-	409,907	1,332,957
	\$ 3,794,365	\$ 923,050	\$ -	\$ -	\$ 4,717,415	\$ 550,437	\$ 89,849	\$ -	\$ 640,285	\$ 3,243,928	\$ 4,077,130







STATISTICAL INFORMATION

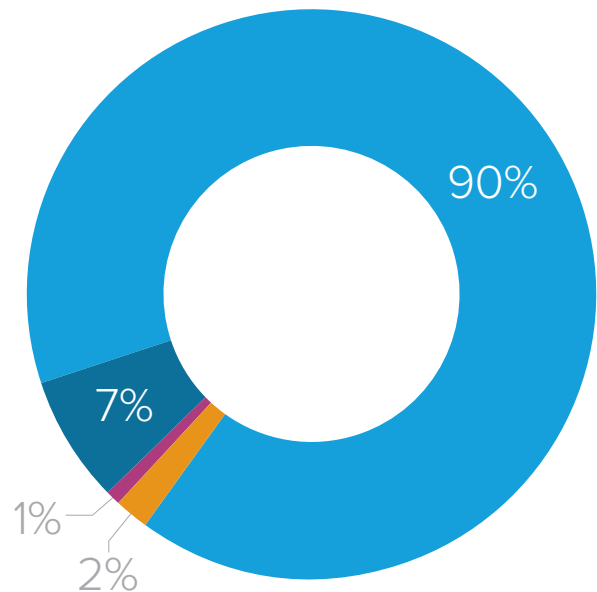
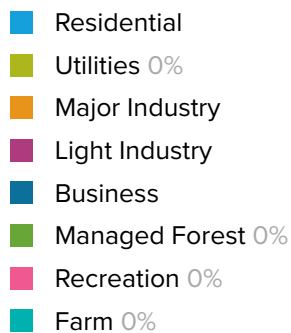
Five-Year Statistical Review 2017-2021

TAXABLE ASSESSMENTS OF LAND AND IMPROVEMENTS

(in thousands)

	2017	2018	2019	2020	2021
Property Class					
Residential	\$ 4,210,437	\$ 4,796,482	\$ 5,550,950	\$ 5,999,969	\$ 6,509,352
Utilities	4,945	5,074	6,711	7,160	7,345
Major Industry	138,082	140,525	144,613	149,278	152,940
Light Industry	50,965	55,577	62,067	77,075	84,007
Business	381,765	416,935	415,602	454,800	463,139
Managed Forest	2,665	2,956	3,299	3,344	3,278
Recreation	18,044	16,389	17,328	20,682	20,663
Farm	8,605	8,805	8,795	8,777	8,776
	\$ 4,815,508	\$ 5,442,743	\$ 6,209,365	\$ 6,721,085	\$ 7,249,500

2021 Assessment by Property Class

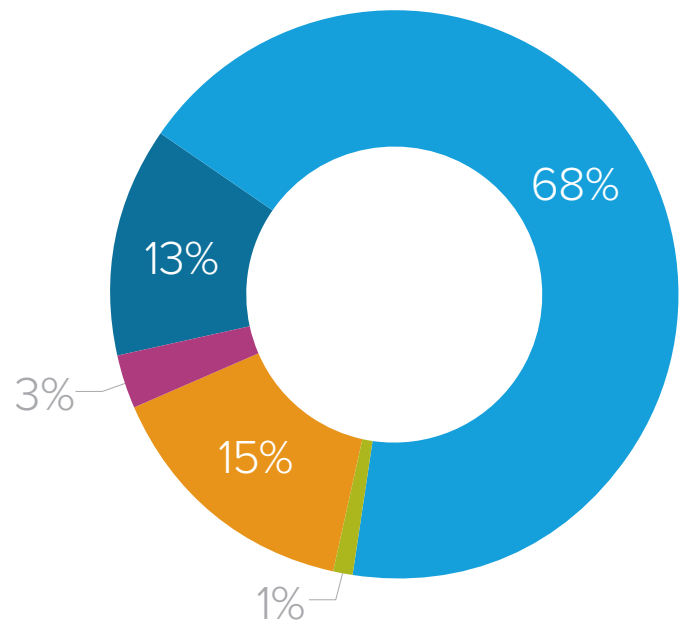
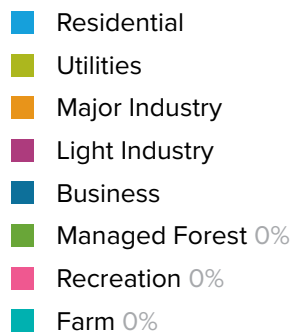


Source: North Cowichan Financial Services

TAX REVENUE BY PROPERTY CLASS

Property Class	2017	2018	2019	2020	2021
Residential	\$ 18,581,552	\$ 19,349,627	\$ 20,237,836	\$ 20,968,476	\$ 21,849,015
Utilities	184,022	188,430	200,314	203,131	208,252
Major Industry	4,221,578	4,336,947	4,473,299	4,522,661	4,636,703
Light Industry	929,968	923,638	983,708	1,026,503	1,041,584
Business	3,694,795	3,796,950	3,974,130	4,088,352	4,246,377
Managed Forest	45,153	45,603	47,333	47,831	49,037
Recreation	66,083	66,121	63,183	72,274	72,815
Farm	37,992	35,684	32,187	30,777	29,587
	\$ 27,761,143	\$ 28,743,000	\$ 30,011,990	\$ 30,960,005	\$ 32,133,370

2021 Tax Revenue by Property Class

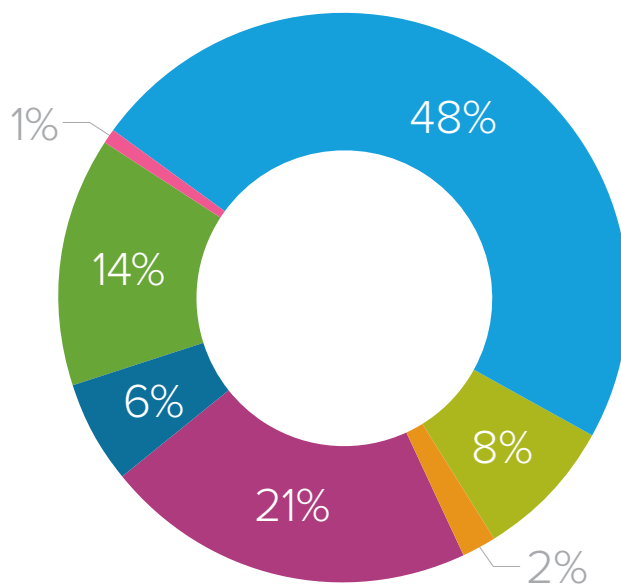
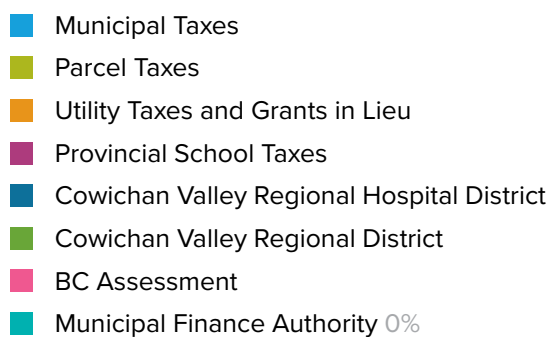


Source: North Cowichan Financial Services

PROPERTY TAX LEVIED AND COLLECTED

	2017	2018	2019	2020	2021
Municipal Taxes	\$ 27,761,143	\$ 28,743,000	\$ 30,011,990	\$ 30,960,005	\$ 32,133,370
Parcel Taxes	4,411,862	4,609,904	4,784,116	4,988,698	5,186,852
Utility Taxes and Grants in Lieu	1,240,958	1,236,218	1,306,970	1,292,031	1,199,453
Provincial School Taxes	11,697,782	11,892,401	12,286,609	11,828,581	13,910,383
Cowichan Valley Regional Hospital District	3,122,486	3,394,360	3,703,379	4,107,571	4,103,334
Cowichan Valley Regional District	7,827,059	8,120,734	8,750,061	9,335,402	9,621,701
BC Assessment	320,973	332,048	345,836	394,024	410,462
Municipal Finance Authority	1,176	1,312	1,469	1,592	1,703
	\$ 56,383,439	\$ 58,329,977	\$ 61,190,430	\$ 62,907,904	\$ 66,567,258
Total Current Taxes Levied	\$ 56,383,439	\$ 58,329,977	\$ 61,190,430	\$ 62,907,904	\$ 66,567,258
Total Current Taxes Collected	55,203,987	57,052,819	59,868,904	61,571,743	65,119,490
Outstanding	\$ 1,179,452	\$ 1,277,158	\$ 1,321,526	\$ 1,336,161	\$ 1,447,768
Percentage Collected	97.9%	97.8%	97.8%	97.9%	97.8%

2021 Property Tax by Type

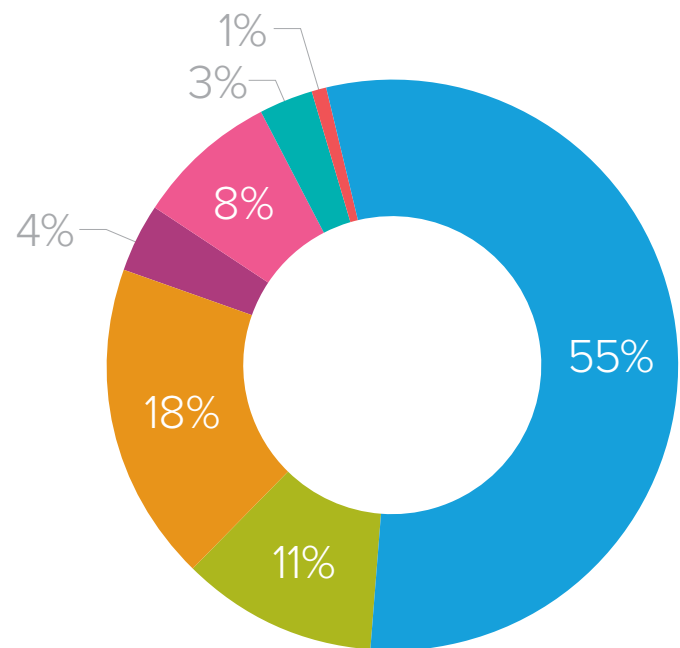
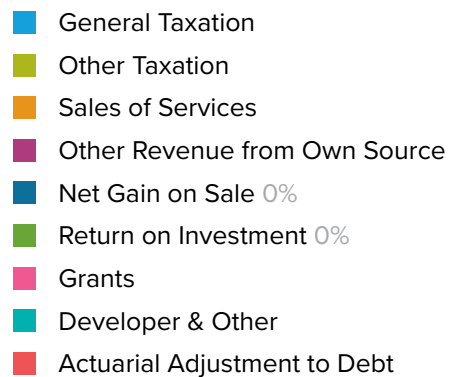


Source: North Cowichan Financial Services

SOURCES OF REVENUE

	2017	2018	2019	2020	2021
General Taxation	\$ 27,761,143	\$ 28,743,000	\$ 30,011,990	\$ 30,960,005	\$ 32,133,370
Other Taxation	5,652,820	5,846,122	6,091,086	6,280,731	6,386,305
Sales of Services	10,765,559	11,036,880	11,525,631	9,268,220	10,728,853
Other Revenue from Own Source	3,364,980	1,802,377	1,964,092	1,699,830	2,230,498
Net Gain on Sale	-	2,561,425	63,759	-	-
Return on Investment	490,440	1,070,860	1,401,890	1,126,420	192,667
Grants	3,417,282	2,774,959	3,286,917	8,977,994	4,546,075
Developer & Other	1,551,330	4,230,918	2,595,164	11,080,199	1,889,214
Actuarial Adjustment to Debt	368,446	328,399	379,897	433,412	480,087
	\$ 53,372,000	\$ 58,394,940	\$ 57,320,426	\$ 69,826,811	\$ 58,587,069

2021 Sources of Revenue

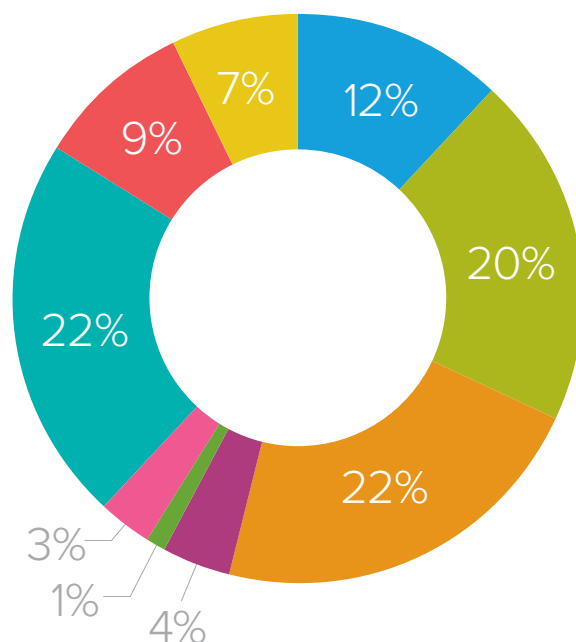
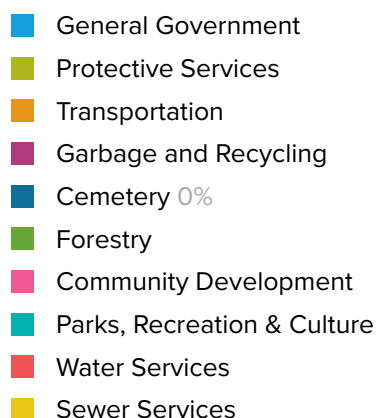


Source: North Cowichan Financial Services

EXPENSES BY FUNCTION

	2017	2018	2019	2020	2021
General Government	\$ 4,640,908	\$ 5,176,681	\$ 6,043,676	\$ 6,002,079	\$ 6,573,706
Protective Services	9,017,816	9,449,524	10,015,012	10,370,277	10,902,877
Transportation	10,724,931	10,154,122	10,400,514	10,643,521	12,090,247
Garbage and Recycling	1,288,498	1,339,946	1,572,133	1,785,214	1,906,683
Cemetery	148,941	172,982	173,935	205,134	210,128
Forestry	1,116,165	1,185,156	1,328,549	849,501	640,730
Community Development	1,031,805	1,295,591	1,168,797	1,168,202	1,393,651
Parks, Recreation & Culture	11,009,482	10,826,990	10,832,245	9,449,782	12,103,772
Water Services	4,395,652	4,518,752	4,614,828	4,687,674	5,092,167
Sewer Services	3,455,356	3,751,477	3,978,588	3,660,999	3,739,484
	\$ 46,829,554	\$ 47,871,221	\$ 50,128,277	\$ 48,822,383	\$ 54,653,445

2021 Expenses by Function

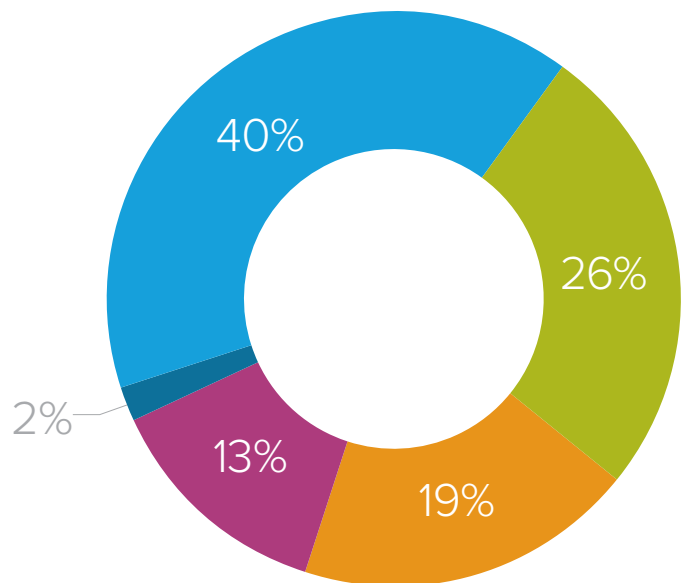
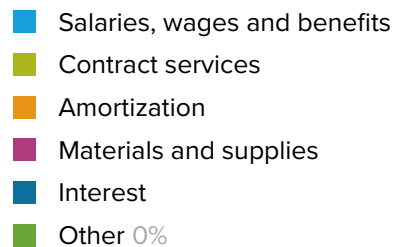


Source: North Cowichan Financial Services

EXPENSES BY OBJECT

	2017	2018	2019	2020	2021
Salaries, wages and benefits	\$ 17,515,182	\$ 18,535,062	\$ 19,350,926	\$ 18,813,861	\$ 21,886,551
Contract services	12,569,146	13,055,682	14,008,575	13,713,891	14,409,164
Amortization	9,048,503	9,452,760	9,569,240	9,852,916	10,101,494
Materials and supplies	6,188,939	5,489,563	6,122,027	5,571,622	7,316,666
Interest	1,334,321	1,257,162	936,729	845,205	819,130
Other	173,463	80,992	140,780	24,887	120,440
	\$ 46,829,554	\$ 47,871,221	\$ 50,128,277	\$ 48,822,382	\$ 54,653,445

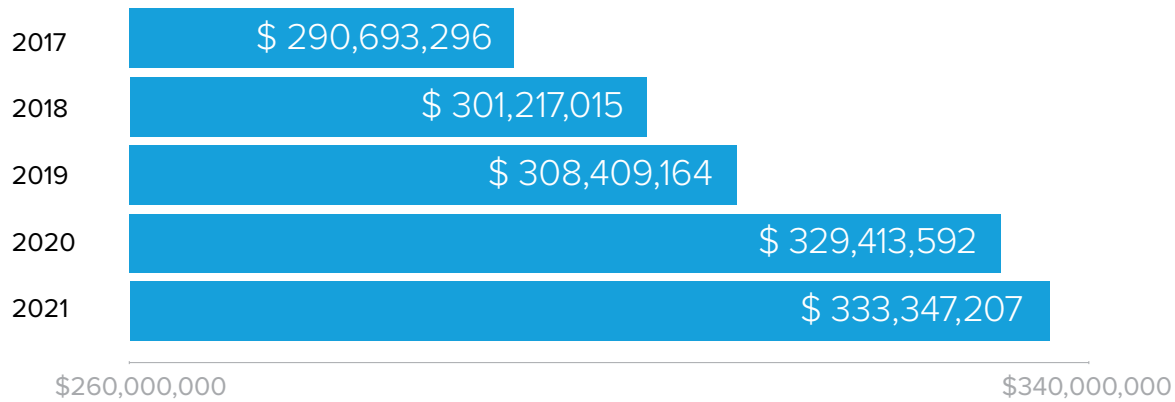
2021 Expenses by Object



Source: North Cowichan Financial Services

ACCUMULATED SURPLUS

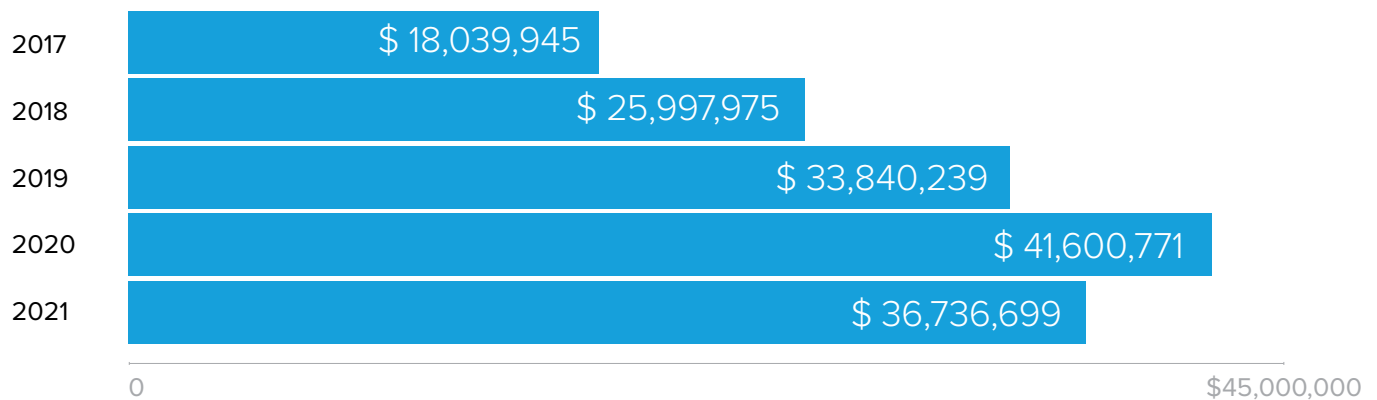
	2017	2018	2019	2020	2021
Accumulated Surplus	\$ 290,693,296	\$ 301,217,015	\$ 308,409,164	\$ 329,413,592	\$ 333,347,207
Annual Surplus	\$ 6,542,446	\$ 10,523,719	\$ 7,192,149	\$ 21,004,428	\$ 3,933,624



Source: North Cowichan Financial Services

NET FINANCIAL ASSETS

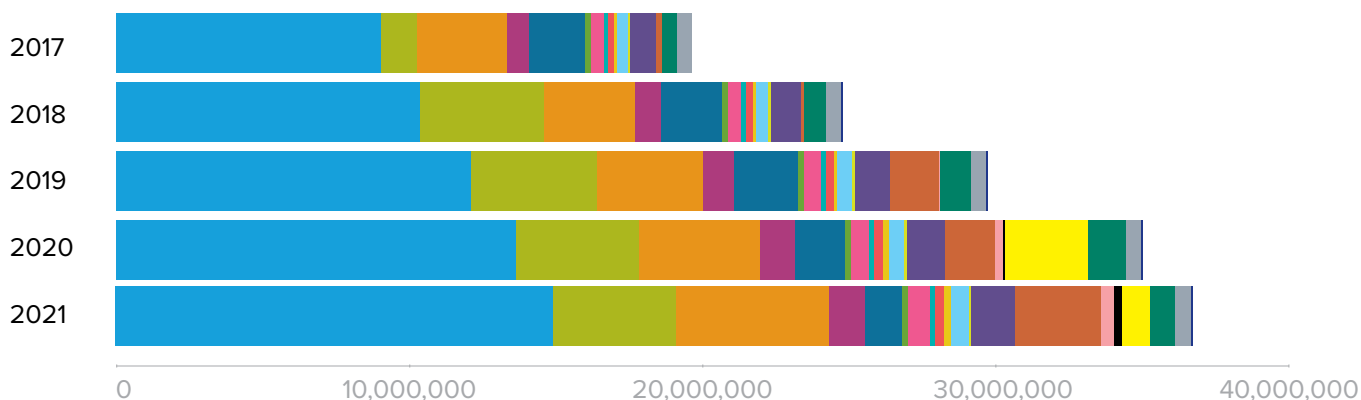
	2017	2018	2019	2020	2021
Net Financial Assets	\$ 18,039,945	\$ 25,997,975	\$ 33,840,239	\$ 41,600,771	\$ 36,736,699



Source: North Cowichan Financial Services

RESERVE FUND BALANCES

	2017	2018	2019	2020	2021
DCC Restricted Reserves	\$ 8,839,639	\$ 10,168,279	\$ 11,848,893	\$ 13,599,768	\$ 14,979,078
Land Sales	1,232,543	4,146,465	4,217,773	4,211,105	4,210,978
Machinery and Equipment	2,982,186	3,030,045	3,558,998	4,124,170	5,220,108
Local Area Service	752,833	882,701	1,019,925	1,152,699	1,257,457
Forest	1,864,667	2,012,439	2,145,499	1,740,130	1,250,600
Park Development	212,218	216,215	221,194	225,696	225,689
Parkland Purchase	405,359	442,143	553,755	621,099	734,755
Chemainus Parking	152,547	155,419	167,137	170,540	178,531
Agriculture	193,142	226,779	265,031	300,426	330,417
Self-Insurance	118,634	120,868	123,652	176,169	226,163
Climate Action & Energy Plan	348,593	398,762	494,610	542,814	603,355
Maple Bay Sewer	88,094	89,753	91,820	93,689	93,686
Recreation Facilities	863,910	996,470	1,169,136	1,323,415	1,484,685
Gas Tax Reserve	201,114	104,901	1,641,753	1,675,173	2,977,771
Quamichan Lake	-	-	52,511	318,754	418,744
IT Asset Management	-	-	-	62,000	301,998
COVID-19 Safe Restart Grant	-	-	-	2,750,808	951,635
Infrastructure Replacement	501,928	761,380	1,028,913	1,299,858	830,878
Gravel Pits	474,363	490,996	523,702	534,363	558,647
Affordable Housing	22,081	39,497	42,918	75,323	75,320
	\$ 19,253,851	\$ 24,283,112	\$ 29,167,220	\$ 34,997,999	\$ 36,910,495



Source: North Cowichan Financial Services

DEBENTURE DEBT

	2017	2018	2019	2020	2021
Local Area Service Debt *	\$ 4,380,790	\$ 4,192,470	\$ 3,997,051	\$ 3,794,263	\$ 3,581,790
Tax Supported Debt	17,368,656	16,214,950	15,015,901	13,769,721	12,990,284
Total Debenture Debt	\$ 21,749,446	\$ 20,407,420	\$ 19,012,952	\$ 17,563,984	\$ 16,572,074
Debt per Capita	696	642	592	541	504

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

Source: North Cowichan Financial Services

LIABILITY SERVICING

	2017	2018	2019	2020	2021
Liability Servicing Limit	\$ 12,079,962	\$ 12,200,913	\$ 12,821,970	\$ 12,417,282	\$ 13,003,525
Total Liability Servicing Cost	2,583,908	2,631,766	2,021,114	1,945,042	6,093,492
Liability Servicing Capacity Available	\$ 9,496,054	\$ 9,569,147	\$ 10,800,856	\$ 6,675,440	\$ 6,910,033

Source: North Cowichan Financial Services

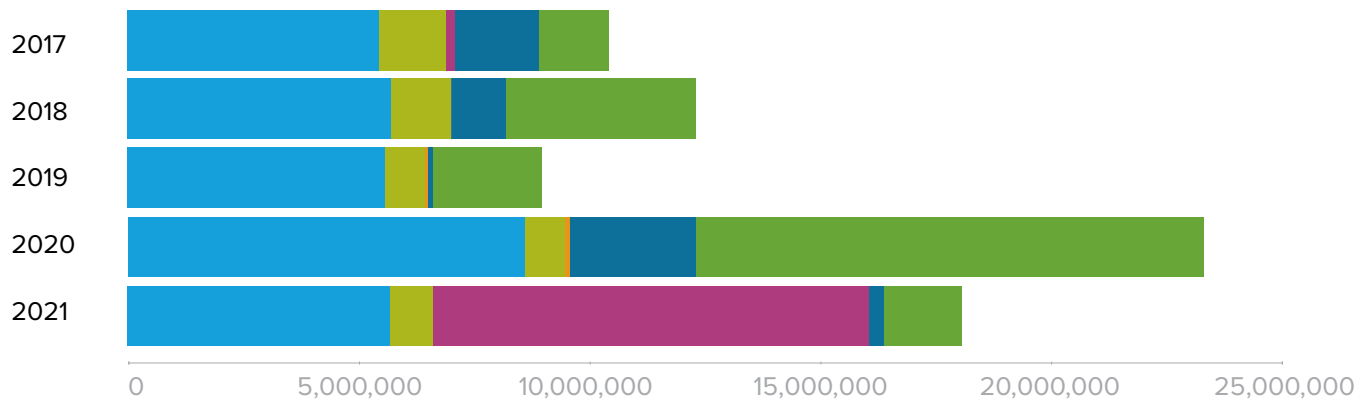
TAXES COLLECTED FOR OTHER AGENCIES

	2017	2018	2019	2020	2021
School	\$ 11,697,782	\$ 11,892,401	\$ 12,286,609	\$ 11,828,581	\$ 13,910,383
CVRHD	3,122,486	3,394,360	3,703,379	4,107,571	4,103,334
CVRD	7,827,059	8,120,734	8,750,061	9,335,402	9,621,701
BC Assessment	320,973	332,048	345,836	394,024	410,462
MFA	1,176	1,312	1,469	1,592	1,703
Total	\$ 22,969,476	\$ 23,740,855	\$ 25,087,354	\$ 25,667,170	\$ 28,047,583

Source: North Cowichan Financial Services

CAPITAL EXPENDITURES BY SOURCES OF FINANCING

	2017	2018	2019	2020	2021
Operating Funds	\$ 5,541,462	\$ 5,802,144	\$ 5,668,683	\$ 8,514,182	\$ 5,920,289
Reserve Funds	1,457,148	1,314,598	868,674	868,386	954,392
DCC	-	-	64,000	96,000	-
Debt	200,000	-	-	-	9,861,612
Grants	1,840,781	1,191,968	106,600	2,724,609	321,935
Developer / Other Contribution	1,549,520	4,191,180	2,411,588	10,866,949	1,767,497
	\$ 10,588,911	\$ 12,499,890	\$ 9,119,545	\$ 23,070,126	\$ 18,825,725



Source: North Cowichan Financial Services

NEW CONSTRUCTION

	2017	2018	2019	2020	2021
Building Permits Issued	324	336	277	301	329
Construction Value	\$ 47,344,829	\$ 67,257,000	\$ 85,833,000	\$ 64,246,000	\$ 116,931,000

Source: North Cowichan Financial Services

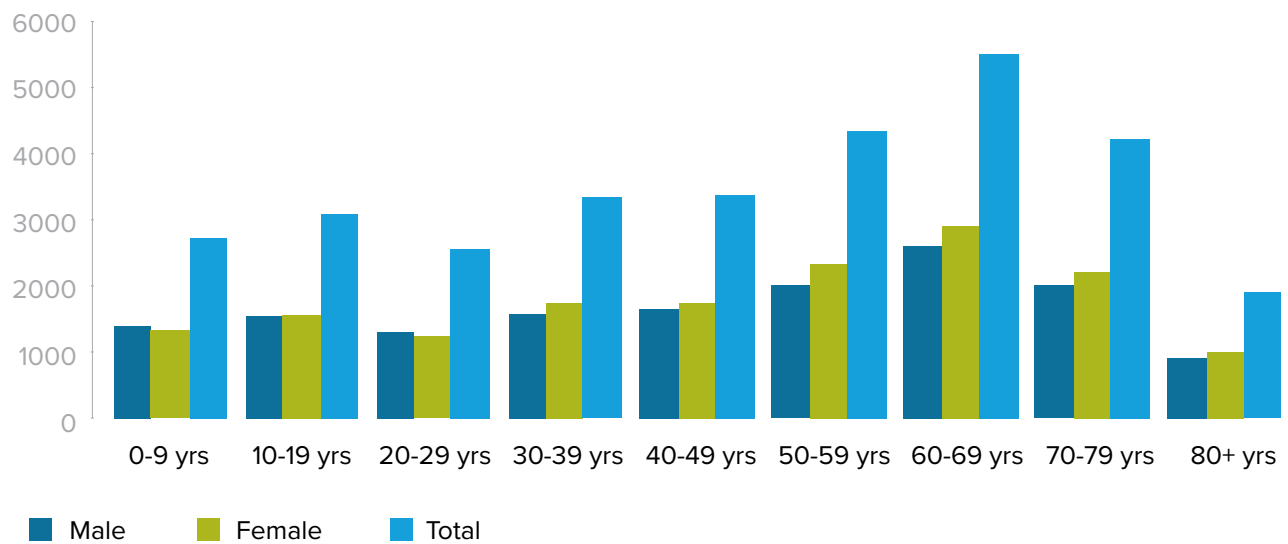
TOTAL POPULATION

	2017	2018	2019	2020	2021
Total population estimates	31,236	31,782	32,120	32,475	32,850
% Change from prior year	1.5%	1.7%	1.1%	1.1%	1.2%

Source: BC Stats

2021 Population by Age Group

Median age of population 47.3 years



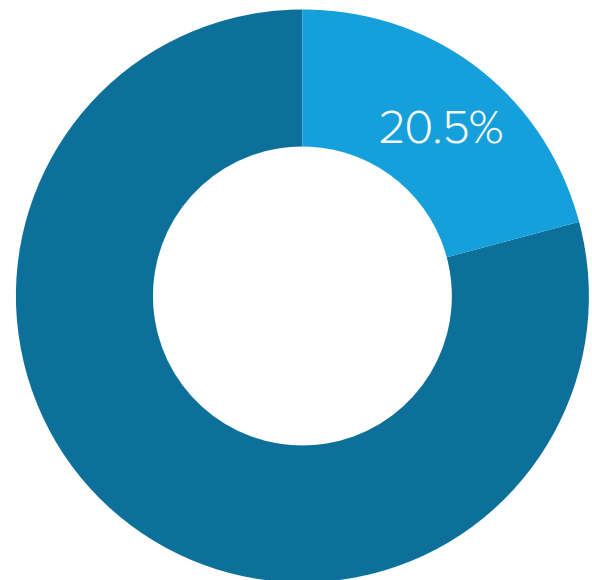
Source: Statistics Canada Census

2021 TOP 10 PRINCIPAL CORPORATE TAXPAYERS

Taxpayer	INDUSTRY	TAX CONTRIBUTION
Catalyst Paper Corp	Industry	\$ 4,191,831
Western Forest Products Inc	Industry	614,478
Calloway Reit (Cowichan) Inc	Retail	505,790
Fiera Properties Core Fund GP Inc	Retail	398,757
Beverly Corners Management Ltd	Retail	304,990
Chemainus Village Square Ltd	Retail	145,893
Baljet Car Co. Ltd	Retail	131,907
Centra Gas BC Inc	Utility	113,884
Island Timberlands GP Ltd	Industry	110,405
1909988 Ontario Ltd	Industry	82,283
Total Tax Contribution from Top 10 Taxpayers		\$ 6,600,220
Total Municipal Tax		\$ 32,133,370
Proportion of municipal tax paid by top ten		20.5%

2021 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
24001-000	3790 Gibbins Rd	744 (Cowichan) Squadron Admin Society	\$ 1,467
00403-000	5905 Indian Rd	Abbeyfield Houses Society of Duncan	3,462
15117-000	Victoria Rd	Anglican Synod Diocese of BC (St. Michael's and All Angels' Anglican Church)	2,046
16124-000	2852/2858 Mill St	Anglican Synod Diocese of BC (St. Michael's and All Angels' Anglican Church)	1,523
00001-000	5800 Church Rd	Anglican Synod Diocese of BC (St. Peter's Anglican Church)	1,922
00362-000	5795 Church Rd	Anglican Synod Diocese of BC (St. Peter's Anglican Church)	8,917
01881-000	3441 Gibbins Rd	BC Corporation of Seventh-Day Adventist Church (Duncan)	4,492
05469-001	2892 Drinkwater Rd	BC Forest Discovery Centre	3,892
05977-000	Drinkwater Rd	BC Forest Discovery Centre	1,723
05105-060	7550 Bell McKinnon Rd	BC S.P.C.A.	6,247
08076-000	PID 009-625-399	Camp Qwanoes	6,266
08630-000	1148 Barnes Rd	Camp Qwanoes	3,848
08630-001	Water Licence 106188	Camp Qwanoes	3
08630-002	Water Licence 108939	Camp Qwanoes	604
08630-050	1148 Barnes Rd	Camp Qwanoes	803
08633-000	1148 Smith Rd	Camp Qwanoes	15,267
08633-001	1 - 1148 Smith Rd	Camp Qwanoes	131
09542-000	1186 Barnes Rd	Camp Qwanoes	2,156
16487-000	3318 River Rd	Canadian Baptists of Western Canada (Calvary Baptist Church)	6,986
01313-000	#2 - 5855 York Rd	Canadian Red Cross	2,954
15152-100	9867 Maple St	Chemainus Health Care Auxiliary	10,238
15004-005	Rifle Range	Chemainus Rod & Gun Club	491
15798-101	9758 Chemainus Rd	Chemainus Rotary Club	752
15656-000	9824 Willow St	Chemainus Seniors Drop-In Centre Society	10,330
15103-001	9745 Chemainus Rd	Chemainus Theatre Festival Foundation	2,771
15086-200	9574 Bare Point Rd	Chemainus Theatre Festival Society	18,623
15105-100	9737 Chemainus Rd	Chemainus Theatre Festival Society	26,348
15054-115	9799 Waterwheel Cres	Chemainus Valley Historical Society	359
01038-001	Beverly St	Chesterfield Sports Society	1,679
01038-002	5847 Chesterfield Ave	Chesterfield Sports Society	3,603
06503-000	6118 Lane Rd	Christian Science Society, Duncan	836
00477-000	1815 Tzouhalem Rd	Church of Jesus Christ of Latter-day Saints	3,165
00977-000	5814 Banks Rd	Clements Centre Society	3,847
01095-000	5848 Clements St	Clements Centre Society	1,157
05359-005	6124 Ryall Rd	Clements Centre Society	2,079
05359-006	6124 Ryall Rd	Clements Centre Society	3,519
01791-020	5855 Clements St	Cowichan Agricultural Society & Farmers Institute	3,622
01081-012	101-5822 Garden St	Cowichan District Hospital Foundation	2,349
05099-000	7380 Trans Canada Hwy	Cowichan Exhibition	42,203
00206-100	Beverly St	Cowichan Green Community	1,654
15644-001	Units 1 & 3 Willow St	Cowichan Neighbourhood House Association	3,706

PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
08548-000	1860 Herd Rd	Cowichan Rugby Club	4,563
01587-000	5856 Clements St	Cowichan Valley Association for Community Living	17,394
01082-000	5810 Garden St	Cowichan Valley Basket Society	2,080
02310-000	3036 Sherman Rd	Cowichan Valley Church of the Nazarene	1,885
02197-001	3045 Gibbins Rd	Cowichan Valley Division of Family Practice	785
01920-000	5860 Banks Rd	Cowichan Valley Hospice Society	1,177
05567-000	6137 Somenos Rd	Cowichan Valley Soccer Assn.	1,726
05999-000	3253 Sherman Rd	Cowichan Valley Soccer Assn.	4,464
08333-020	Morgan St	Crofton Community Centre Society	2,716
08333-100	8003 York Ave	Crofton Community Centre Society	3,680
08338-000	8104 Musgrave St	Crofton Community Centre Society	5,514
12395-000	1675 Robert St	Crofton Community Centre Society	1,908
12316-010	1507 Joan Ave	Crofton Old School Museum	2,320
12316-011	1507 Joan Ave	Crofton Seniors Society	5,211
13951-003		Ducks Unlimited	1,635
17849-001		Ducks Unlimited	1,696
17849-002		Ducks Unlimited	128
00947-000	2246 & 2244 Moose Rd	Duncan Community Lodge Society (Loyal Order of the Moose)	5,453
06000-000	3191 Sherman Rd	Duncan Curling Club	7,624
05469-005	2896 Drinkwater Rd	Duncan-Cowichan Chamber of Commerce	2,572
06038-000	2382 Calais Rd	Franciscans of Western Canada	3,405
02246-005	2731 Boys Rd	Freshwater Fisheries Society of B.C.	428
08314-000	6722 Beaumont Ave	Friends of Cowichan Cadets Society	1,347
15791-000	2828 Pine St	Harbour View Housing Society	1,932
16273-000	9877 Esplanade St	Harbour View Housing Society	10,138
00172-001	Rail Corridor	Island Corridor Foundation	850
00180-001	Rail Corridor	Island Corridor Foundation	484
00180-002	Rail Corridor	Island Corridor Foundation	863
00184-001	Rail Corridor	Island Corridor Foundation	648
00184-002	Rail Corridor	Island Corridor Foundation	554
00186-001	Rail Corridor	Island Corridor Foundation	187
00899-001	Rail Corridor	Island Corridor Foundation	601
00900-001	Rail Corridor	Island Corridor Foundation	416
01180-025	Rail Corridor	Island Corridor Foundation	336
01180-050	Rail Corridor	Island Corridor Foundation	426
01232-003	Rail Corridor	Island Corridor Foundation	588
01232-004	Rail Corridor	Island Corridor Foundation	507
01232-005	Rail Corridor	Island Corridor Foundation	84
01232-006	Rail Corridor	Island Corridor Foundation	134
01232-007	Rail Corridor	Island Corridor Foundation	1,545
01232-008	Rail Corridor	Island Corridor Foundation	79
01232-009	Rail Corridor	Island Corridor Foundation	6
01232-010	Rail Corridor	Island Corridor Foundation	1,469

PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
01232-011	Rail Corridor	Island Corridor Foundation	2,010
02222-001	Rail Corridor	Island Corridor Foundation	484
03995-000	Rail Corridor	Island Corridor Foundation	10,803
03995-001	Rail Corridor	Island Corridor Foundation	461
03995-002	Rail Corridor	Island Corridor Foundation	3,232
03995-003	Rail Corridor	Island Corridor Foundation	4,168
03995-004	Rail Corridor	Island Corridor Foundation	2,010
03995-007	Rail Corridor	Island Corridor Foundation	3,913
03995-008	Rail Corridor	Island Corridor Foundation	4,026
03995-009	Rail Corridor	Island Corridor Foundation	3,006
03995-010	Rail Corridor	Island Corridor Foundation	1,999
03995-011	Rail Corridor	Island Corridor Foundation	3,034
03995-012	Rail Corridor	Island Corridor Foundation	3,686
03995-013	Rail Corridor	Island Corridor Foundation	4,622
03995-014	Rail Corridor	Island Corridor Foundation	709
03995-015	Rail Corridor	Island Corridor Foundation	3,317
03995-016	Rail Corridor	Island Corridor Foundation	3,261
03995-017	Rail Corridor	Island Corridor Foundation	2,504
03995-018	Rail Corridor	Island Corridor Foundation	1,755
03995-019	Rail Corridor	Island Corridor Foundation	4,452
03995-020	Rail Corridor	Island Corridor Foundation	9
03995-021	Rail Corridor	Island Corridor Foundation	1,500
03995-022	Rail Corridor	Island Corridor Foundation	715
03996-000	Rail Corridor	Island Corridor Foundation	8,846
18008-002	Rail Corridor	Island Corridor Foundation	53
01640-005	5990 Indian Rd	Maple Bay Rowing Club	1,796
08328-000	6735 Beaumont Ave	Maple Bay Rowing Club	2,268
09119-000	6337 Genoa Bay Rd	Maple Bay Yacht Club	1,985
16321-020	2816 Henry Rd	Mount Brenton Golf Course Ltd	3,969
01242-210	Beverly St	Nature Trust of BC	2,443
00022-200	1501 Khenipson Rd	Nature Conservancy of Canada	5,229
08595-000	Maple Bay Rd	Nature Conservancy of Canada	9,317
08595-001	1241 Maple Bay Rd	Nature Conservancy of Canada	1,916
08597-000	Aitken Rd	Nature Conservancy of Canada	3,677
00197-100	Trans Canada Hwy	Nature Trust of BC	3,032
00197-101	Trans Canada Hwy	Nature Trust of BC	2,398
03931-010	Cowichan Bay	Nature Trust of BC	66
05084-000	Trans Canada Hwy	Nature Trust of BC	2,560
00200-000	6045 Trans Canada Hwy	Nature Trust of B.C. & Ducks Unlimited	1,380
01049-001	Beverly St	Nature Trust of BC	618
00476-000	1839 Tzouhalem Rd	New Life Community Baptist Church	5,038
24018-000	3039 Sprott Rd	Parkside Academy Society	23,834
12266-200	Tsussie Rd	Penelukut Development Society	561

PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
15592-000	9471 Chemainus Rd	Pentecostal Assemblies (Chemainus Tabernacle)	564
15736-000	9775 Chemainus Rd	Royal Canadian Legion (Chemainus Legion)	5,785
05373-000	3248 Cowichan Valley Hwy	Somenos Community Association	1,657
00433-000	2004 & 2030 Crescent Rd	Peter's Crescent Society	1,454
15148-020	9910 Esplanade St	Steeple Housing Society	12,180
05038-012	3540 Auchinachie Rd	The Oasis Church Society	1,847
01572-001	2704 James St	Trinity Evangelical Lutheran Church	1,226
15646-000	9814 Willow St	Trustees of the Chemainus/Crofton Pastoral Charge	843
00016-000	1843 Tzouhalem Rd	Vancouver Island Providence Community Assoc	5,050
00016-002	Donnay Dr	Vancouver Island Providence Community Assoc	3,798
00830-000	3210 Sherman Rd	Vancouver Island Sikh Cultural Soc	3,267
06355-000	Wicks Rd	Vancouver Island Vipassana Assn.	49
06474-000	2359 Calais Rd	Vancouver Island Vipassana Assn.	258
02227-000	3968 Gibbins Rd	Vimy Community Club	2,027
24017-000	2558 Mt Sicker Rd	Westholme School Society	2,807
TOTAL			\$ 510,070



REVITALIZATION TAX EXEMPTIONS

ROLL #	PROPERTY ADDRESS	EXTENT OF EXEMPTION	TERM	TAXES
05319-575	6157 Scott Rd	Class 5 or 6 improvements	2015 - 2024	11,357
05319-610	6200 Scott Rd	Class 5 or 6 improvements	2016 - 2025	4,816
12117-102	201-1533 Joan Ave	Class 1 improvements	2017 - 2021	571
12117-103	202-1533 Joan Ave	Class 1 improvements	2017 - 2021	604
12117-104	203-1533 Joan Ave	Class 1 improvements	2017 - 2021	547
12117-105	204-1533 Joan Ave	Class 1 improvements	2017 - 2021	608
12117-106	205-1533 Joan Ave	Class 1 improvements	2017 - 2021	544
12117-107	301-1533 Joan Ave	Class 1 improvements	2017 - 2021	625
12117-108	302-1533 Joan Ave	Class 1 improvements	2017 - 2021	604
12117-109	303-1533 Joan Ave	Class 1 improvements	2017 - 2021	571
12117-110	304-1533 Joan Ave	Class 1 improvements	2017 - 2021	608
12117-111	305-1533 Joan Ave	Class 1 improvements	2017 - 2021	544
12117-112	401-1533 Joan Ave	Class 1 improvements	2017 - 2021	625
12117-113	402-1533 Joan Ave	Class 1 improvements	2017 - 2021	604
12117-114	403-1533 Joan Ave	Class 1 improvements	2017 - 2021	571
12117-115	404-1533 Joan Ave	Class 1 improvements	2017 - 2021	611
12117-116	405-1533 Joan Ave	Class 1 improvements	2017 - 2021	544
16522-002	3400 Smiley Rd	Class 5 or 6 improvements	2018 - 2022	8,656
TOTAL				\$ 33,611

CHEMAINUS OFF-STREET PARKING

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

January 1, 2021	\$ 170,539
Interest	10
Current Year Contributions	8,000
Current Year Expenditures	0
December 31, 2021	<u>\$ 178,529</u>



DEVELOPMENT COST CHARGES

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

	Jan. 1, 2021	Interest	Current Year Contributions	Current Year Expenditures	Current Year Amounts Waived	Dec. 31, 2021
Roads	\$ 2,266,282	\$ - 435	\$ 564,063	\$ -	\$ -	\$ 2,829,910
Parks	1,055,294	- 135	141,138	-	-	1,196,297
Chemainus						
Water	571,103	- 45	57,306	-	-	628,364
Sewer	286,218	- 21	25,376	-	-	311,573
	857,320	- 65	82,682	-	-	939,937
Crofton						
Water	139,457	- 4	9,291	-	-	148,745
Sewer	81,745	6	13,365	-	-	95,116
	221,203	2	22,656	-	-	243,861
South End						
Drainage	441,064	- 42	68,365	-	-	509,387
Water	2,433,010	- 272	254,030	-	-	2,686,768
Sewer	6,325,595	- 407	247,730	-	-	6,572,918
	9,199,669	- 721	570,125	-	-	9,769,073
Total	\$ 13,599,768	\$ - 1,354	\$ 1,380,664	\$ -	\$ -	\$ 14,979,078

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*.

A handwritten signature in black ink, appearing to read 'Michelle Martineau', with a long horizontal flourish extending to the right.

Michelle Martineau
Corporate Officer
May 18, 2022



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