



**COWICHAN VALLEY
REGIONAL DISTRICT**

FINANCIAL STATEMENTS
December 31, 2020

COWICHAN VALLEY REGIONAL DISTRICT

ELECTED AND APPOINTED OFFICIALS 2020

BOARD OF DIRECTORS

City of Duncan	M. Staples
Town of Ladysmith	A. Stone (Chair)
Town of Lake Cowichan	T. McGonigle
District of North Cowichan	K. Marsh
District of North Cowichan	A. Siebring
District of North Cowichan	D. Toporowski
Electoral Area "A" - Mill Bay/Malahat	B. Salmon (Vice-Chair)
Electoral Area "B" - Shawnigan Lake	S. Acton
Electoral Area "C" - Cobble Hill	M. Wilson
Electoral Area "D" - Cowichan Bay	L. Iannidinaro
Electoral Area "E" - Cowichan Station/Sahtlam/Glenora	A. Nicholson
Electoral Area "F" - Cowichan Lake South/Skutz Falls	I. Morrison
Electoral Area "G" - Saltair/Gulf Island	L. Smith
Electoral Area "H" - North Oyster/Diamond	B. Maartman
Electoral Area "I" - Youbou/Meade Creek	K. Kuhn

OFFICERS

Chief Administrative Officer	B. Carruthers
Corporate Legislative Officer	A. Legault
Corporate Financial Officer	N. Wehner

COWICHAN VALLEY REGIONAL DISTRICT

**FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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FINANCIAL STATEMENTS

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Management's Responsibility for Financial Reporting

Management is responsible for the preparation and fair presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors are composed of Directors who are neither management nor employees of the Regional District. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management including internal controls over the financial reporting process, auditing matters and financial reporting issues.

BDO Canada LLP, an independent firm of Chartered Professional Accountants, is appointed by the Board of Directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to management and the Board to discuss their audit findings.

Natalie Wehner, CPA, CMA
Corporate Financial Officer

Brian Carruthers
Chief Administrative Officer

April 28, 2021



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Independent Auditor's Report

To the Board of Directors of the Cowichan Valley Regional District

Opinion

We have audited the financial statements of the Cowichan Valley Regional District ("CVRD") which comprise the Statement of Financial Position as at December 31, 2020 and the Statements Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, CVRD financial statements present fairly, in all material respects, the financial position of CVRD as at December 31, 2020 and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of CVRD 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 CVRD'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 CVRD, or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia

May 4, 2021

**STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020**

	2020	2019
Financial Assets		
Cash & Cash Equivalents (Note 1)	\$ 30,396,877	\$ 35,181,544
Portfolio Investments (Note 2)	15,348,092	5,247,451
Accounts Receivable (Note 3)	4,665,501	3,074,622
Land Held for Resale	-	398,000
Debt Recoverable from Members (Note 4)	<u>37,028,959</u>	<u>39,464,472</u>
	<u>\$ 87,439,429</u>	<u>\$ 83,366,089</u>
Liabilities		
Accounts Payable & Accrued Liabilities (Note 6)	\$ 4,605,148	\$ 4,675,233
Deferred Revenue (Note 7)	1,320,464	2,174,877
Restricted Contributions and Performance Deposits (Note 8)	1,693,399	1,852,910
Employee Future Benefits (Note 9)	191,127	234,606
Landfill Closure and Post Closure Costs (Note 11)	989,481	692,418
Short-term Debt (Note 24 & 12)	2,254,619	3,182,733
Long-term Debt		
Regional District (Note 25 & 12)	14,815,466	16,034,154
Members (Note 4)	<u>37,028,959</u>	<u>39,464,472</u>
	<u>\$ 62,898,663</u>	<u>\$ 68,311,403</u>
Net Financial Assets	<u>\$ 24,540,766</u>	<u>\$ 15,054,686</u>
Non-Financial Assets		
Tangible Capital Assets (Note 23)	\$ 161,006,844	\$ 157,201,155
Inventories	22,987	37,619
Prepaid Expenses	<u>75,716</u>	<u>124,939</u>
	<u>161,105,547</u>	<u>157,363,713</u>
Accumulated Surplus (Note 17)	<u>\$ 185,646,313</u>	<u>\$ 172,418,399</u>



Natalie Wehner, CPA, CMA
Corporate Financial Officer



Aaron Stone
Chairperson

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

**STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	2020 Budget (Note 16)	2020 Actual	2019 Actual
Revenues			
Tax Requisition	\$ 42,696,820	\$ 42,808,496	\$ 40,717,383
User Fees	5,285,663	4,475,660	4,542,802
Parcel Taxes	2,642,020	2,601,250	2,524,310
Government Transfers - Provincial	7,023,553	4,825,965	2,629,452
Government Transfers - Federal	3,739,990	3,353,423	4,313,795
Services Provided to Other Local Governments	59,221	59,221	63,871
Revenue from Own Sources	9,558,116	8,608,159	10,579,222
Other Revenue	1,559,467	1,889,468	1,937,057
Interest Income	101,193	386,942	611,357
Donations	10,060	2,339,461	787,021
	<u>\$ 72,676,103</u>	<u>\$ 71,348,045</u>	<u>\$ 68,706,270</u>
Expenses (Note 26)			
General Government Services	9,149,910	7,897,985	7,832,419
Vancouver Island Regional Library	2,021,109	2,021,109	1,925,176
Transportation Services	3,789,178	2,927,404	3,143,180
Electoral Area Services	5,127,256	4,393,583	4,709,690
Protective Services	3,761,767	3,907,311	3,634,190
Parks and Recreation	17,921,347	17,217,099	19,913,685
Environmental Services	13,957,214	13,418,042	11,839,052
Sewer and Water Utilities	5,454,517	6,337,598	6,077,085
	<u>\$ 61,182,298</u>	<u>\$ 58,120,131</u>	<u>\$ 59,074,477</u>
Annual Surplus	<u>\$ 11,493,805</u>	<u>\$ 13,227,914</u>	<u>\$ 9,631,793</u>
Accumulated Surplus, Beginning of Year	<u>172,418,399</u>	<u>172,418,399</u>	<u>162,786,606</u>
Accumulated Surplus, End of Year (Note 17)	<u><u>\$183,912,204</u></u>	<u><u>\$185,646,313</u></u>	<u><u>\$172,418,399</u></u>

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

**STATEMENT OF CHANGES IN NET DEBT
FOR THE YEAR ENDED DECEMBER 31, 2020**

	2020 Budget (Note 16)	2020 Actual	2019 Actual
Annual Surplus	\$ 11,493,805	\$ 13,227,914	\$ 9,631,793
Additions of Tangible Capital Assets	-	(8,152,922)	(9,277,995)
Contributed Tangible Capital Assets	-	(2,319,205)	(530,231)
Amortization of Tangible Capital Assets	-	6,666,438	6,852,800
(Gain)/Loss on Disposal of Tangible Capital Asset	-	-	24,817
Change in Inventories	-	14,632	(6,864)
Change in Prepaid Expenses	-	49,223	67,803
Increase in Net Assets	11,493,805	9,486,080	6,762,123
Opening Financial Assets	<u>15,054,686</u>	<u>15,054,686</u>	<u>8,292,563</u>
Closing Financial Assets	<u>\$ 26,548,491</u>	<u>\$ 24,540,766</u>	<u>\$ 15,054,686</u>

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	2020	2019
OPERATING ACTIVITIES		
Annual Surplus	\$ 13,227,914	\$ 9,631,793
Non-cash items included in surplus		
Amortization of Tangible Capital Assets	6,666,438	6,852,800
Contributed Tangible Capital Assets	(2,319,205)	(530,231)
Loss on Disposal of Tangible Capital Asset	-	24,817
Debt Actuarial Adjustment	(491,826)	(460,468)
Employee Future Benefits	(43,479)	(77,433)
Landfill Closure and Post Closure Costs	297,063	(93,940)
Change in non-cash working capital balances related to operations		
Accounts Receivable	(1,590,879)	(739,197)
Inventories	14,632	(6,864)
Prepaid Expenses	49,223	67,803
Accounts Payable and Accrued Liabilities	(70,085)	253,595
Deferred Revenue	(854,413)	101,446
Restricted Contributions and Performance Bonds	(159,511)	(33,353)
Land Held for Resale	398,000	(251,000)
Cash provided by operating activities	15,123,872	14,739,768
CAPITAL ACTIVITIES		
Acquisition of Tangible Capital Assets	<u>(8,152,922)</u>	<u>(9,277,995)</u>
Cash used in capital activities	(8,152,922)	(9,277,995)
INVESTING ACTIVITIES		
Investment in Portfolio Investments	<u>(10,100,641)</u>	<u>(95,876)</u>
Cash provided by investing activities	(10,100,641)	(95,876)
FINANCING ACTIVITIES		
Debt Issued	508,445	5,514,175
Debt Repayment	<u>(2,163,421)</u>	<u>(3,467,393)</u>
Cash provided by (used in) financing activities	<u>(1,654,976)</u>	<u>2,046,782</u>
Increase (Decrease) in cash	(4,784,667)	7,412,679
Cash - Beginning of Year	<u>35,181,544</u>	<u>27,768,865</u>
Cash - End of Year (Statement 1)	\$ <u>30,396,877</u>	\$ <u>35,181,544</u>
Interest Paid	\$ 759,736	\$ 896,204

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

COWICHAN VALLEY REGIONAL DISTRICT

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED DECEMBER 31, 2020

Summary of Significant Accounting Policies

(a) General

The Regional District was incorporated in 1967 under the provisions of the *Local Government Act*, a statute of the Province of B.C. Its principal activities are the provision of district wide local government services to the residents of the nine electoral areas and four municipalities, within its boundaries. These services include general government administration, bylaw enforcement, planning and development services, building inspection, fire protection and emergency response planning, public transportation, parks and recreation, water supply and sewage collection, wastewater disposal, solid waste/recycling collection and disposal, and street lighting.

(b) Basis of Presentation

The Financial Statements of the Cowichan Valley Regional District (the Regional District), are prepared in accordance with Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The Financial Statements reflect the combined results and activities of the reporting entity. The financial statements include the financial position, operations, changes in net debt and cash flows of the regional district. Inter-fund and inter-departmental transactions have been eliminated on consolidation.

(c) Cash and Cash Equivalent

Cash and cash equivalents include cash on hand, demand deposits and reserves. The funds are held for the purpose of meeting short-term cash commitments rather than for investing.

(d) Portfolio Investments

Portfolio investments are comprised entirely of Municipal Finance Authority (MFA) pooled money market funds. The Regional District funds invested with MFA are pooled with other local governments and managed independently by Phillips, Hager & North Ltd and CIBC Mellon Trust. Interest income on investments has been included in deferred revenue and Restricted Reserve Funds based on relative equity in each fund. The investments are carried at market value which approximates cost.

(e) Financial Instruments

Financial instruments consist of cash, portfolio investments, receivables, debt and accounts payable. Unless otherwise noted, it is management's opinion that the Regional District is not exposed to significant interest rate, currency or credit risk from these financial instruments.

COWICHAN VALLEY REGIONAL DISTRICT

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED DECEMBER 31, 2020

Summary of Significant Accounting Policies (continued)

(f) Liability for Contaminated Sites

Governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up, and a reasonable estimate can be made.

Management has assessed its potential liabilities, including sites that are no longer in productive use and sites for which the Regional District accepts responsibility. There is a portion of a site, at Bings Creek Drop Off Depot, which has been determined to have evidence of minor contamination due to historical use of the property. The CVRD continuously monitors the ground water at the site and no contamination in excess of an environmental standard is believed to exist, therefore no liability is recorded.

(g) Landfill Closure and Post Closure

The estimated present value of landfill closure and post-closure costs is recognized as a liability. This liability is recognized based on estimated future expenses, including estimated inflation discounted to current date and accrued based on the proportion of the total capacity of the landfill used as of the date of the statement of financial position. The change in this estimated liability during the year is recorded as an expense in operations. These estimates are reviewed and adjusted annually and any changes are recorded on the prospective basis.

(h) Long-Term Debt

Long-term debt is recorded net of repayment and actuarial adjustments.

(i) Non-Financial Assets

Non-financial assets are held for use in the provision of services and are not normally available to discharge liabilities. 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 net surplus (deficit) for the year, provides the change in the Financial Assets.

COWICHAN VALLEY REGIONAL DISTRICT

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Summary of Significant Accounting Policies (continued)

(j) Tangible Capital Assets

Tangible capital assets are non-financial assets that are to be used on a continuing basis, are not for sale in the ordinary course of operations and have useful economic lives extending beyond a single year. Tangible capital assets are recorded at cost and amortized. Contributed tangible capital assets are reported at their estimated fair market value. The costs of tangible capital assets includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost recorded, less any estimated residual value, is amortized on a straight-line basis over their estimated useful lives as follows:

Asset Category	Useful Life Range (years)
Land	N/A
Building	20 - 50
Vehicles, Machinery & Equipment	5 - 20
Engineering Structures	10 - 60
Parks Infrastructure	10 - 60
Other Tangible Capital Assets	10 - 50

Assets under construction are not amortized until the asset is put into use.

(k) Inventories

Inventories of merchandise held for consumption are recorded at lower of cost and replacement cost on the Statement of Financial Position. Inventories of materials and supplies are included as expenses in the Statement of Operations when consumed.

(l) Deferred Revenue

Funds received for specific purposes which are externally restricted by regulation, legislation or agreement and are not available for general purposes, are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purposes.

COWICHAN VALLEY REGIONAL DISTRICT

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED DECEMBER 31, 2020

Summary of Significant Accounting Policies (continued)

(m) Accrued Employee Benefits

Under the terms of various collection agreements and compensation policies, the District provides paid sick leave to eligible employees and in certain agreements allows for unused sick days to accumulate. There are no payouts of unused sick days at termination. In additions, employees acquire certain employee benefits on termination and retirement. These include days for severance based on years of service, vacation based on years of service, Worker's Compensation top-up, and a full year's vacation entitlement in the year of retirement. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligation under these benefit plans is accrued based on projected benefits as the employees render services necessary to earn the future benefits. Actuarial gains and losses are amortized over the expected average remaining service period of the related employee group, commencing the year after the gain or loss arises.

(n) Pension Liability

The District and its employees participate in the Municipal Pension Plan. The Municipal Pension Plan is a multi-employer contributory defined benefit pension plan. Payments made in the year are expensed.

(o) Revenue Recognition

Revenues are recorded on an accrual basis and are recognized in the period in which they are earned. Property tax revenues in the form of local government requisitions are recognized in the year they are levied. Parcel Taxes are recognized in the year they are levied. Interest income is recognized as earned as income in the Statement of Operations, except interest on restricted liabilities or reserves where the income is deferred until spent. Donations are recorded when received. Grants in lieu of taxes are recorded on an accrual basis when it is possible to reasonably estimate the amounts receivable. User fees, transit, tipping fees, garbage and recycling collection fees are recognized as revenue as earned. Permit fees are recognized as revenue when the permit is approved and payment is collected according to rates set in various fees and charges bylaws.

(p) Government Transfers

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when the transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

When the Regional District is deemed the transferor, the transfer expense is recognized when the recipient is authorized and has met the eligibility criteria.

COWICHAN VALLEY REGIONAL DISTRICT

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED DECEMBER 31, 2020

Summary of Significant Accounting Policies (continued)

(q) Expense Recognition

Expenses are recorded on an accrual basis and are recognized in the period in which the goods and services are acquired and a liability is incurred or transfers are due. Expenses include the accrual of interest payable on debt to the end of the fiscal period.

(r) Segment Disclosure

The Cowichan Valley Regional District is a diversified local government providing a wide range of services to over 83,730 residents, including general government, Vancouver Island Regional Library, Transportation services, Electoral Area services, Protective services, parks and recreation, environmental services and sewer and water utilities.

(s) Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Significant areas requiring management estimates are the determination of landfill closure and post closure liabilities, provisions for contingencies, estimation of employee future benefits, estimated useful life of tangible capital assets, and provisions for contaminated sites. Actual results may vary from those estimates and adjustments will be reported in operations as they become known.

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

1) Cash & Cash Equivalents

	2020	2019
Restricted Cash		
Statutory Reserves	\$ 9,248,719	\$ 6,841,602
Restricted Contributions and Performance Deposits	<u>1,693,399</u>	<u>1,852,910</u>
	10,942,118	8,694,512
Unrestricted Cash	<u>19,454,759</u>	<u>26,487,032</u>
Total Cash	<u><u>\$ 30,396,877</u></u>	<u><u>\$ 35,181,544</u></u>

2) Portfolio Investments

Portfolio investments are MFA Money Market funds and BC Fossil Fuel Free bond funds. The Money Market fund balance at December 31, 2020 is \$5,291,899 (2019 - \$5,247,451). The yield on funds for 2020 was 0.85% (2019 - 1.86%). The BC Fossil Fuel bond funds balance at December 31, 2020 is \$10,056,193 (2019 - nil). The yield on funds for 2020 was 0.56% (2019 - n/a).

3) Accounts Receivable

	2020	2019
Federal Governments	\$ 1,288,009	\$ 671,726
Provincial Governments	2,160,584	1,331,856
Local Governments	47,940	45,689
Other Trade Receivables	<u>1,168,968</u>	<u>1,025,351</u>
	<u><u>\$ 4,665,501</u></u>	<u><u>\$ 3,074,622</u></u>

4) Debt Recoverable from Members

Pursuant to the Local Government Act, the Regional District acts as the agent through which its members borrow funds from the Municipal Finance Authority. The annual cost of servicing the debt is recovered entirely from the borrowing member. However, the Regional District is jointly and severally liable for member debt in the event of default.

	2020	2019
City of Duncan	\$ 683,651	\$ 782,756
District of North Cowichan	17,206,277	18,630,115
Town of Ladysmith	16,156,313	16,962,428
Vancouver Island Regional Library	<u>2,982,718</u>	<u>3,089,173</u>
	<u><u>\$ 37,028,959</u></u>	<u><u>\$ 39,464,472</u></u>

COWICHAN VALLEY REGIONAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

5) Municipal Finance Authority Debt Reserve Fund

The Municipal Finance Authority (Authority) of British Columbia provides capital financing for Regional Districts and their Members. The Authority is required to establish a Debt Reserve Fund into which each Regional District and Members, who share in the proceeds of a debt issue through the District, are required to pay certain amounts set out in the debt agreements.

Interest earned on these funds (less administrative expenses) becomes an obligation of the Authority to the Regional District. If at any time insufficient funds are provided by the Regional District or their Members, the Authority will then use these funds to meet payments on its obligations. When this occurs, the Regional District may be called upon to restore the fund. These amounts are not reported in the financial statements.

	2020	2019
Cash Deposits - Cowichan Valley Regional District	\$ 367,517	\$ 372,980
Cash Deposits - Members	682,078	668,326
Demand Notes - Cowichan Valley Regional District	711,792	739,820
Demand Notes - Members	<u>1,332,811</u>	<u>1,332,811</u>
	<u>\$ 3,094,198</u>	<u>\$ 3,113,937</u>

6) Accounts Payable & Accrued Liabilities

	2020	2019
Federal Governments	\$ 28,506	\$ 3,780
Provincial Governments	6,178	101,801
Local Governments	227,856	229,847
Accrued Payroll	1,043,824	1,200,049
Trade Payables	<u>3,298,784</u>	<u>3,139,756</u>
	<u>\$ 4,605,148</u>	<u>\$ 4,675,233</u>

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

7) Deferred Revenue

	2019	Externally restricted receipts	Revenue earned	2020
Trail Project Grants	\$ 575,477	\$ -	\$ (575,477)	\$ -
Clean Water & Wastewater Grant	100,150	-	(100,150)	-
Flood Mitigation Grant	270,627	-	(270,627)	-
Recreation Deposits	229,431	164,696	(257,517)	136,611
Developer Capital Contributions	82,527	-	-	82,527
Other	242,764	3,780	(109,908)	136,635
	<u>1,500,976</u>	<u>168,476</u>	<u>(1,313,679)</u>	<u>355,773</u>
Subtotal (Schedule A)				
Parkland Cash-in-lieu Contributions	673,901	290,790	-	964,691
	<u>\$ 2,174,877</u>	<u>\$ 459,266</u>	<u>\$ (1,313,679)</u>	<u>\$ 1,320,464</u>

- Trail Project Grants consists of grants for the Cowichan Valley and Trans Canada Trail, funded by Bike BC and the Trans Canada Trail Foundation.
- Clean Water & Wastewater Grant is for the Mesachie Lake Wastewater Treatment and Collection upgrade project (Area F), funded by the Federal Government & Province of BC.
- Flood Mitigation Grant from Emergency Management BC for an assessment of Koksilah Village (Cowichan Bay) area to determine options to reduce flooding and opportunities to reduce risk of failure.
- Recreation Deposits consists of payments in advance for recreation programs, unredeemed recreation program awards, and facility rental deposits.
- Developer Capital Contributions were contributed for improvements to the Shawnigan Lake Water System.
- Other funds include dog licenses, bus passes, and miscellaneous deferred revenue.
- Parkland Cash-in-Lieu Contributions consists of funds collected from developers under the authority of Section 941 of the *Local Government Act*, in lieu of land for parkland purposes as a condition of the subdivision. These funds are restricted for future purchases of parkland.

COWICHAN VALLEY REGIONAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

8) Restricted Contributions and Performance Deposits

	2020	2019
Warranty Deposits	\$ 1,053,403	\$ 959,804
Kinsol Trestle Donations	65,347	65,297
Holdbacks	37,523	270,598
Cowichan Lake Water Protection	76,000	76,000
Arts & Sports Scholarship Fund	37,600	38,623
Nature and Habitat	50,567	50,567
Cowichan Performing Arts	58,109	53,242
Soil Security Deposits	204,868	181,728
Other	109,982	157,051
	<u>\$ 1,693,399</u>	<u>\$ 1,852,910</u>

- Warranty Deposits are funds received from the developer for warranty and deficiencies on various infrastructure projects and also includes developer landscape bonds. Should the funds be required they are recognized in the year of the applicable expenditure. Upon successful completion of the warranty period funds will be returned to the developer.
- Kinsol Trestle Donations are funds received for major restoration work on the Kinsol Trestle.
- Holdback funds are monies held from payments to contractors for work on the North Oyster Fire Hall, Arbutus Ridge WWTP, Kerry Park Recreation HVAC and Saltair Rail with Trail project to ensure completion of said projects.
- Cowichan Lake Water Protection funds are received when a lot is sold at Creekside Development. The interest earned on these deposits is used to fund projects for the protection of waters and riparian areas on Cowichan Lake.
- The Arts & Sports Scholarship Fund was established by monies received from the Province of B.C. as a Legacy of Appreciation for hosting the BC Festival of Arts and monies received from BC Hydro Cowichan and Chemainus Valley's Commonwealth Games Power Smart Sport and Culture Tour Committee. The interest earned is added to the fund and annually two Arts and two Sports Scholarships are provided to deserving local students.
- Nature and Habitat funds are received through voluntary contributions for projects that environmentally enhance Electoral Area I-Youbou/Meade Creek.
- Cowichan Performing Arts are funds received through a capital improvement fee on ticket sales at the Cowichan Performing Arts Centre.
- Soil Security Deposits are funds received through issuance of Soil Deposit permits.

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

9) Employee Future Benefits

	2020	2019
Discount rates	2.10%	2.50%
Expected future inflation rates	2.00%	2.00%
Expected wages/salary increase	1.00 - 2.00%	2.08 - 4.00%

Accrued Benefit Obligation as at December 31, 2020

	2020	2019
Accrued benefit obligation - beginning	\$ 126,215	\$ 120,760
Current service cost	12,414	11,275
Interest on accrued benefit obligation	3,902	2,980
Benefits paid during the year	(8,178)	(8,800)
Actuarial loss	8,397	-
Ending benefit obligation	<u>142,750</u>	<u>126,215</u>
Unamortized net actuarial gain	<u>48,377</u>	<u>108,391</u>
Accrued Unfunded Benefit Liability	<u><u>\$ 191,127</u></u>	<u><u>\$ 234,606</u></u>

The total expense related to these benefits was:

	2020	2019
Current service costs	\$ 12,414	\$ 11,275
Interest on accrued benefit obligation	3,902	2,980
Amortization of actuarial gain	<u>(51,617)</u>	<u>(82,888)</u>
Total recovery	<u><u>\$ (35,301)</u></u>	<u><u>\$ (68,633)</u></u>

The total recovery is included in wages and benefits expense.

10) Pension Liability

The Regional District and its employees contribute to the Municipal Pension Plan (the Plan), a jointly-trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the 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, 2019 the Plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 contributors from local government.

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

COWICHAN VALLEY REGIONAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

10) Pension Liability (continued)

contribution rate to fund the plan. The actuary's calculated contribution rate is based on the 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 the employer contributions made during the fiscal year (defined contributions 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 Cowichan Valley Regional District paid \$1,563,544 (2019 - \$1,592,969) for employer contributions, while employees contributed \$1,387,405 (2019 - \$1,410,889) to the plan in fiscal 2020.

11) Landfill Closure and Post Closure Costs

The provincial Environmental Management Act, as well as the BC Landfill Criteria for Municipal Solid Waste (LCMSW), sets out the regulatory requirements to close and maintain active and inactive landfill sites.

Several solid waste program initiatives are included in the Cowichan Valley Regional District (CVRD) Solid Waste Management Plan (SWMP) Amendment No. 3, which was approved by the Minister of Environment in 2007. The CVRD is committed to ensuring landfills the CVRD has taken responsibility for are managed in a fiscally responsible manner, which includes setting aside funds to pay for landfill post-closure activities. During 2011, the CVRD instituted a \$2 per tonne tipping fee surcharge on all municipal solid waste received for disposal in order to fund borrowing for closure of historic landfill and ash landfill sites. These funds are held in the Remediation Reserve fund.

Although the CVRD does not operate an active landfill site, the Regional District is responsible for four former landfills, three of which are associated with old Thermal Reduction Plants (TRPs, municipal solid waste incinerators).

At the Meade Creek ashfill site, the Regional District has completed the works to consolidate and encapsulate the ash waste on site which allows for on-site risk management. There will be \$12,000 per year of post closure monitoring requirements for the landfill beginning 2019, for up to 24 years (2019 - \$12,000 annually).

The Peerless Road remediation and closure works were completed in 2015. The post-closure maintenance costs are estimated at \$12,000 annually for 23 years (2019 - \$12,000 annually).

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

11) Landfill Closure and Post Closure Costs (continued)

The Regional District currently maintains an inactive landfill site on Koksilah Road which has been closed for 20 years. The Regional District is responsible for long-term groundwater monitoring at this location at a cost estimated at \$14,500 annually for 23 years (2019 - \$12,000 annually).

Also on Koksilah Road is a former ash landfill site. This site is on Cowichan Tribes land and was closed by Cowichan Tribes with funding provided by Aboriginal Affairs and Northern Development Canada (AANDC). A portion of the ash waste was exported to an out-of-region landfill with the remainder being encapsulated on-site. Long term monitoring is being undertaken by Cowichan Tribes. The CVRD is of the opinion that it will not be required to contribute towards any long term monitoring costs and therefore has reported no liability in respect of this site.

The table below sets out the closure and post closure liability based on consultant and senior staff estimates.

	2020	2019
Meade Creek TRP	\$ 464,192	\$ 300,149
Peerless Road TRP	384,158	300,149
Koksilah Road	<u>403,118</u>	<u>311,600</u>
Gross liability	1,251,468	911,898
Less: cash held in Remediation Reserve Fund	<u>(261,987)</u>	<u>(219,480)</u>
	<u><u>\$ 989,481</u></u>	<u><u>\$ 692,418</u></u>

The provision is determined using the following assumptions:

	2020	2019
Inflation Rates	4.20%	2.20%
Discount Rates	2.76%	2.57%
Koksilah Road Monitoring	\$14,500 per annum	\$12,000 per annum
Peerless Road Monitoring	\$12,000 per annum	\$12,000 per annum
Meade Creek Monitoring	\$12,000 per annum	\$12,000 per annum

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

12) MFA Debt

Debt is recorded and payable in Canadian dollars. It is the current policy of the Municipal Finance Authority to secure debt repayable only in Canadian dollars. Details of Short-term debt are summarized in Note 24. Details of Long-term debt, including debt issue numbers, maturity dates, interest rates and outstanding amounts are summarized in Note 25.

Payments of principal on issued debt of the Regional District, not including other members debt, for the next five years are:

	Short-term Debt	Long-term Debt
2021	\$ 791,927	\$ 917,160
2022	648,664	913,834
2023	615,813	822,501
2024	148,301	752,943
2025	49,914	673,172
Thereafter	-	10,735,856
	<u>\$ 2,254,619</u>	<u>\$ 14,815,466</u>

13) Consolidated Schedule of Expense by Object

	2020 BUDGET	2020 ACTUAL	2019 ACTUAL
Operations and Maintenance	\$21,260,226	\$ 14,991,359	\$ 15,587,663
Wages and Benefits	25,966,596	23,085,498	23,832,530
Contract for Services	8,230,815	8,166,484	8,021,055
Landfill Closure and Post Closure Costs	-	297,063	(93,940)
Debt Charges - Interest	979,457	759,736	896,204
Contributions to Community Facilities	125,685	125,685	168,006
Grants to Organizations	1,066,615	905,685	815,563
Library Services	2,021,109	2,021,109	1,925,176
Fire & Recreation Services Provided by Other Governments	1,141,795	1,080,283	1,028,621
Amortization	-	6,666,438	6,852,800
Contributions to Third Party Capital	390,000	20,791	40,799
	<u>\$61,182,298</u>	<u>\$ 58,120,131</u>	<u>\$ 59,074,477</u>

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

14) Contingent Liabilities

As at December 31, 2020 there existed outstanding claims against the Regional District. These claims have been referred to legal counsel and the Regional District's liability insurers. It is not possible to determine the Regional District's potential liability, if any, with respect to these matters. However, at such time that a liability becomes likely and can be reasonably estimated, it will be reflected in the Regional District's financial statements.

15) Tangible Capital Assets

	2020	2019
Land	\$ 55,048,908	\$ 53,791,488
Building	24,177,475	25,562,868
Vehicles, Machinery and Equipment	5,485,518	5,168,555
Engineering Structures	52,341,918	51,857,923
Parks	6,909,020	7,548,268
Other Tangible Capital Assets	9,312,110	9,808,959
Work in Progress	<u>7,731,895</u>	<u>3,463,094</u>
	<u>\$ 161,006,844</u>	<u>\$ 157,201,155</u>

For additional information, see the Schedule of Tangible Capital Assets (Note 23).

During the year land, and sewer/water/drainage systems built by others valued at \$2,319,205 (2019 - \$530,231) were accepted and recorded as contributed assets.

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

16) Budget Figures

Budget figures represent the 2020 Financial Plan Bylaw adopted by the Board on December 11, 2020. The financial plan was performed on cash/funding basis, which budgeted for capital expenditures rather than amortization expense, and reflects the use of prior year operating surpluses as part of its annual budget. The carry forward of operating surpluses by the department is a requirement under the Local Government Act of BC. The financial plan forms the basis of taxation and fees and charges rates which may be required for a particular year. The following reconciliation of the "Surplus for the year" is provided to show which items must be added or removed from the budget on Statement 2 to reflect the financial plan.

	2020
Surplus for the year (Statement 2)	\$ 11,493,805
Add:	
Transfer from Reserves	5,143,556
Prior Year Operating Surplus	2,896,854
MFA Funding - proceeds from debt	7,991,634
Less:	
Debt Principal Repayments/Actuarial Adjustments	(2,515,980)
Debt Principal recorded as operating on bylaw	(2,167,150)
Purchase of Tangible Capital Assets	(23,082,719)
Difference between capital and bylaw	<u>240,000</u>
Surplus, per Cowichan Valley Regional District Financial Plan Bylaw No. 4299	<u><u>\$ -</u></u>

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

17) Accumulated Surplus

Accumulated Surplus consists of individual fund surpluses (deficits) and reserves as follows:

	2020	2019
Surplus		
Operating Fund Reserve Fund - Operating Surplus	\$ 24,184,719	\$ 18,011,792
Operating Fund Reserve Fund - Community Works	5,169,890	6,390,123
Operating Fund - Employee Future Benefit	(191,127)	(234,606)
Operating Fund - Landfill Post Closure Costs	(989,481)	(692,418)
Equity in Tangible Capital Assets	<u>143,936,759</u>	<u>138,382,268</u>
Total Surplus	172,110,760	161,857,159
Statutory Reserve Funds	13,797,540	10,780,721
Less: Restricted Remediation Reserve	<u>(261,987)</u>	<u>(219,481)</u>
Accumulated Surplus (Statement 1)	<u>\$ 185,646,313</u>	<u>\$ 172,418,399</u>

The Regional District tracks the unspent amounts received under the Renewed Gas Tax Agreement in the Community Works Reserve Fund. The continuity of this fund is presented in the table below:

	2020	2019
Community Works Reserve, opening balance	\$ 6,390,123	\$ 4,371,487
Add:		
Community works funds received in year	1,628,092	3,259,857
Interest earned	91,130	120,827
Less:		
Amounts spent on projects	<u>(2,939,455)</u>	<u>(1,362,048)</u>
Community Works Reserve, Ending Balance	<u>\$ 5,169,890</u>	<u>\$ 6,390,123</u>

COWICHAN VALLEY REGIONAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

18) Segment Disclosure

Segmentation has been determined on a functional basis with consideration to service delivery and departmental accountabilities. Categories of service that have been separately disclosed in the segmented information on Note 26 provide the following services:

General Government

General Government is comprised of electoral area governance, general administration which includes legislative services, finance, human resources and information systems, feasibility studies and economic development.

Vancouver Island Regional Library

Vancouver Island Regional Library is comprised of the Vancouver Island Regional Library.

Transportation Services

Transportation Services is comprised of local, Handydart, and Commuter transit.

Electoral Area Services

Electoral Area Services is comprised of grants in aid, animal control, building inspection, planning, bylaw enforcement, Cowichan and South Cowichan policing, environmental fund and all street lighting.

Protective Services

Protective Services is comprised of emergency planning, victim services, and all the fire departments.

Parks and Recreation

Parks and Recreation is comprised of all parks, all recreation centres, halls and societies, and the theatre.

Environmental Services

Environmental Services is comprised of the curbside garbage/recycling collection, solid waste site and environmental initiatives.

Sewer & Water Utilities

Sewer and Water utilities are comprised of all the drainage, water and sewer systems within the Regional District.

COWICHAN VALLEY REGIONAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

19) Commitments

911 Agreement

The tri-party 5 year agreement with the Regional District of Nanaimo and the City of Nanaimo commenced January 1, 2016 to provide for emergency answering and fire dispatch service. The net operating costs are shared based on the populations of the jurisdictions of the parties. The Regional District's commitment for 2021 is 500,000 or 44% of the 911 Central Island call centre expenses.

BC Transit Corporation

The Regional District's transit includes Handydart, Commuter, Youbou, Ladysmith and local service. The remainder due on the 2020/2021 annual transit operating agreement for these services is \$559,862.

City of Duncan

A five year agreement for the delivery of fire protection services to the Eagle Heights Fire Service Area, commenced December 2003 and is currently running year to year. Termination of this agreement requires 12 months notice prior to expiration. The 2021 commitment is \$257,738.

Town of Lake Cowichan

A five year agreement for the delivery of fire protection services to the Cowichan Lake Fire Service Area, commenced March 2005 and is currently running year to year. Termination of this agreement requires 12 months notice prior to expiration. The 2021 commitment is \$330,670.

Island Corridor Foundation

The Board committed to a \$488,100 contribution for bridge and trestle upgrades along the rail line between Victoria and Courtney. The parties entered into an agreement in 2014 setting out the payment terms. The 2020 budget includes a \$488,100 that continues to be held in surplus.

Town of Ladysmith and Municipality of North Cowichan

A five year agreement for the delivery of fire protection services to Saltair Fire Service Area commenced July 1972 and is currently running year to year. Termination of this agreement requires 12 months notice prior to expiration. The 2021 commitment is \$170,429.

Regional Disposal

A three year agreement for the transportation of CVRD municipal solid waste, commencing March 2019. Termination of this agreement requires 180 days notice. The 2021 commitment is \$2,675,000.

Easy Living Landscape Ltd

COWICHAN VALLEY REGIONAL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

19) Commitments (continued)

A two year agreement for landscaping service for CVRD parks commencing November 2019. The 2021 commitment is \$ 613,653.

20) Cowichan Valley Regional Hospital District

The Cowichan Valley Regional Hospital District is related to the Cowichan Valley Regional District since the same individuals are members of the board of directors of both organizations. As legislated by the Hospital District Act, the officers and employees of the Regional District are the corresponding officers and employees of the hospital district. The Regional District and the Hospital District are separate legal entities as defined by the separate letters patent and authorized by separate legislation.

During the year, management and administrative support services supplied to the Hospital District by the Regional District totaled \$60,000 (2019 - \$60,000).

21) Environmental Regulations

The Regional District is subject to environmental regulations, which apply to a number of its operations. These regulations may require future expenditures to meet applicable standards and subject the Regional District to possible penalties for violations. Amounts required to meet these obligations will be charged to operations when incurred and/or when they can be reasonably estimated.

22) Subsequent Events

Subsequent to year end, the Cowichan Valley Regional District had a flood in the main Administration building that required a full evacuation of staff and will require substantial repair and renovation costs. All costs are expected to be fully covered through insurance claims, and therefore management does not anticipate a material impact to the District.

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

23) Consolidated Schedule of Tangible Capital Assets

	Engineering Structures										2020	2019
	Land	Buildings	Vehicles, Machinery and Equipment	Water Engineering Structures	Sewer Engineering Structures	Other Engineering Structures	Parks	Other Tangible Capital Assets	Work in Progress	2020 Total	2019 Total	
Cost												
Opening Balance	\$ 53,791,488	\$ 52,201,297	\$ 25,213,766	\$ 47,406,684	\$ 40,347,944	\$ 1,173,151	\$ 22,086,158	\$ 15,632,108	\$ 3,463,095	\$ 261,315,691	\$ 251,787,573	
Add: Additions	1,257,420	272,568	1,188,742	1,537,353	1,116,002	-	568,751	262,492	7,731,895	13,935,223	17,105,871	
Less: Completed W.I.P.	-	-	-	-	-	-	-	-	(3,463,095)	(3,463,095)	(7,297,645)	
Less: Disposals	-	-	(107,407)	-	-	-	(41,714)	-	-	(149,121)	(280,105)	
Closing Balance	55,048,908	52,473,865	26,295,101	48,944,037	41,463,946	1,173,151	22,613,195	15,894,600	7,731,895	271,638,698	261,315,694	
Accumulated Amortization												
Opening Balance	-	26,638,429	20,045,211	20,020,222	16,763,657	285,977	14,537,890	5,823,151	-	104,114,537	97,517,027	
Add: Amortization	-	1,657,961	871,779	1,043,129	1,079,457	46,776	1,207,999	759,339	-	6,666,438	6,852,800	
Less: Disposals	-	-	(107,407)	-	-	-	(41,714)	-	-	(149,121)	(255,288)	
Closing Balance	-	28,296,390	20,809,583	21,063,351	17,843,114	332,753	15,704,175	6,582,490	-	110,631,854	104,114,539	
Net Book Value for the year ended December 31, 2020	<u>\$ 55,048,908</u>	<u>\$ 24,177,475</u>	<u>\$ 5,485,518</u>	<u>\$ 27,880,686</u>	<u>\$ 23,620,832</u>	<u>\$ 840,398</u>	<u>\$ 6,909,020</u>	<u>\$ 9,312,110</u>	<u>\$ 7,731,895</u>	<u>\$ 161,006,844</u>		
Net Book Value for the year ended December 31, 2019	<u>\$ 53,791,488</u>	<u>\$ 25,562,868</u>	<u>\$ 5,168,555</u>	<u>\$ 27,386,462</u>	<u>\$ 23,584,288</u>	<u>\$ 887,173</u>	<u>\$ 7,548,268</u>	<u>\$ 9,808,957</u>	<u>\$ 3,463,094</u>		<u>\$ 157,201,155</u>	

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

24) Schedule of Short-term Debt

	Board Resolution	Maturity Dates	Originally Authorized	Principal Payment 2020	Net Balance December 31, 2020	Net Balance December 31, 2019
Building Inspection - Vehicle	19-265.6.1	2024	\$ 29,410	\$ 5,832	\$ 21,266	27,097
Bylaw	19-265.6.2	2024	28,820	5,714	20,840	26,554
Com Parks - Area B - Land	15-521.2.2	2020	1,259,903	301,605	-	301,605
Com Parks - Area C - Boatswain	14-555-1	2021	169,500	35,437	-	35,437
Com Parks - Area E	18-224.2	2023	263,840	51,083	161,212	212,295
CLR - Truck/Sports Court Flooring	15-246	2020	57,132	11,741	-	11,741
CLR - Dehumidifier	16-131	2020	141,483	28,296	-	28,296
CLR - Chiller & Digital Sign	17-24	2022	249,947	50,125	51,258	101,383
Cowichan Lake Recreation	20-63.1.3	2025	168,445	-	168,445	-
Community Planning - Renovations	18-77	2023	178,680	34,081	110,603	144,684
Eng Utilities - Vans	16-69.1	2020	85,956	16,400	16,437	32,837
Eng Utilities - Equipment	18-81.12	2023	98,400	19,714	55,365	75,079
Eng Utilities - Equipment	18-81.12	2023	45,000	9,016	25,318	34,334
Fire Protection - North Oyster Fire Hall	19-345.6	2024	644,690	171,370	473,320	644,690
ISC - Theatre	18-85.1	2023	349,000	70,197	206,769	276,966
KPR - Utility Vehicle	19-159	2024	34,120	6,727	27,393	34,120
KPR - Ice Resurfacers	19-159	2024	173,420	34,190	139,230	173,420
KPR - Interior Upgrades	19-159	2024	75,000	14,287	60,713	75,000
Parks & Trails - Portable	16-554-2	2021	18,567	3,758	-	3,758
Regional Parks - Portable	16-554-2	2021	18,567	2,270	-	2,270
Regional Parks - CVT Malahat	16-393.3	2022	450,000	47,672	49,880	97,552
Reg Parkland - CVT	17-502	2023	344,000	66,429	213,096	279,525
Sahtlam Fire - Fire Truck	15-187-10.2	2020	184,085	38,415	-	38,415
Saltair Rec - New Roof	17-472.2	2023	137,000	27,558	70,485	98,043
SWM - Roll off Truck and Bins	17-54.4	2022	192,397	38,814	39,694	78,508
SWM	20-63.1.3	2025	90,000	-	90,000	-
SWM - Bings Solar Project	16-75.2.3	2020	47,622	9,309	-	9,309
SWM - Bings Energy Project	16-75.2.2	2020	72,784	15,045	-	15,045
SWM - Loader	18-125.2.1	2024	147,550	29,256	106,692	135,948

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

24) Schedule of Short-term Debt (continued)

	Board Resolution	Maturity Dates	Originally Authorized	Principal Payment 2020	Net Balance December 31, 2020	Net Balance December 31, 2019
SWM - Vehicle	18-125.2.2	2024	41,010	8,131	29,654	37,785
Public Safety - SPU	19-225.2.2	2024	128,000	25,273	98,716	123,989
Shawnigan Beach Sewer - Upgrades	16-366-12	2022	44,097	8,815	18,233	27,048
				<u>\$ 1,186,560</u>	<u>\$ 2,254,619</u>	<u>\$ 3,182,733</u>

Debt bears interest at variable rates which are paid monthly.

The weighted average interest rate at December 31, 2020 was 1.64% (December 31, 2019 - 2.50%).

Regular principal payments are not required but debt must be paid within five years of borrowing.

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

25) Schedule of Long-term Debt

	L/A Bylaw	Term	Maturity Dates	Originally Authorized	Principal Payment 2020	Net Balance December 31, 2020	Interest Rate
Issued by the Municipal Finance Authority for the Regional District							
Administration Building	2339	20	2022	3,020,000	\$ 209,336	\$ 450,596	2.10 %
Cowichan Lake Recreation	3197	20	2029	2,500,000	124,273	1,367,762	4.13 %
Cowichan Lake Recreation	3197	20	2030	3,700,000	176,852	2,208,209	4.50 %
Kerry Park Recreation	2439	20	2023	1,700,000	112,227	371,485	4.90 %
Cowichan Community Centre	2501	20	2024	2,500,000	157,180	711,341	4.90 %
Malahat Fire	3630	15	2028	265,000	16,746	160,471	3.15 %
Sahtlam Fire	3272	10	2020	130,000	15,411	-	4.50 %
Curbside Collection	3607	15	2028	1,600,000	101,106	968,881	3.15 %
Curbside Collection	3607	15	2029	175,000	10,633	117,030	3.30 %
Solid Waste Mgmt Complex	4178	20	2038	709,700	27,204	656,084	3.15 %
Solid Waste Mgmt Complex	4174	20	2038	300,000	11,499	277,336	3.10 %
Solid Waste Mgmt Complex	4178	20	2039	1,258,300	62,915	1,163,928	4.00 %
Solid Waste Mgmt Complex	2011	20	2020	600,000	44,870	-	4.50 %
Solid Waste Mgmt Complex	3277	20	2030	590,000	28,201	352,120	4.50 %
Solid Waste Mgmt Complex	3278	20	2030	720,000	34,414	429,706	3.73 %
Solid Waste Mgmt Complex	3277	20	2033	780,000	33,143	573,114	3.85 %
Solid Waste Mgmt Complex	3727	20	2034	871,000	35,587	676,987	3.30 %
Arbutus Ridge Water	3287	20	2031	100,000	4,596	64,461	3.25 %
Carlton Water	3628	10	2024	50,000	5,066	22,377	3.00 %
Central Youbou Water	2665	25	2033	488,000	18,039	311,930	5.15 %
Dogwood Ridge Water	3281	25	2036	94,000	3,089	70,113	3.25 %
Douglas Hill Water	3383	20	2031	150,000	6,894	96,692	4.20 %
Fern Ridge Water	2995	20	2029	23,175	1,152	12,679	4.13 %

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

25) Schedule of Long-term Debt (continued)

	L/A Bylaw	Term	Maturity Dates	Originally Authorized	Principal Payment 2020	Net Balance December 31, 2020	Interest Rate
Honeymoon Bay Water	2973	20	2030	37,000	1,769	22,082	3.73 %
Honeymoon Bay Water	4284	15	2034	325,000	17,474	307,526	2.24 %
Lambourn Water	3062	20	2030	100,000	4,780	59,681	3.73 %
Satellite Park Water	3029	20	2029	160,000	7,953	87,537	4.13 %
Burnum Water	4313	25	2045	250,000	-	250,000	1.99 %
Shellwood Water	3625	20	2036	85,000	3,333	72,331	2.10 %
Youbou Water	2092	20	2030	120,000	5,735	71,618	3.73 %
Arbutus Mt Sewer	4233	20	2039	153,855	5,726	148,129	2.66 %
Arbutus Ridge Sewer	3289	20	2031	125,000	5,745	80,576	3.25 %
Arbutus Ridge Sewer	4284	25	2044	2,475,000	67,884	2,407,116	2.24 %
Brulette Place Sewer	3297	15	2029	24,713	1,501	16,527	3.00 %
Cowichan Bay Sewer	2439	10	2013	600,000	39,610	131,112	4.90 %
Kerry Village Sewer	3019	20	2030	80,000	51,569	-	4.50 %
Lambourn Sewer	3063	20	2030	150,000	7,170	89,522	3.73 %
Shawnigan Lake Sewer	2194	20	2021	110,000	8,006	8,407	3.05 %
Grand Total					<u>\$1,468,688</u>	<u>\$14,815,466</u>	

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

26) Consolidated Schedule of Segment Disclosure

	General Government Services	Vancouver Island Regional Library	Transportation Services	Electoral Area Services	Protective Services	Parks and Recreation	Environmental Services	Sewer and Water Utilities	2020 Consolidated
Revenues									
Tax Requisition	\$ 3,814,473	\$ 2,058,125	\$ 3,005,994	\$ 5,011,459	\$ 4,217,666	\$ 17,310,233	\$ 7,322,815	\$ 67,731	\$ 42,808,496
User Fees	-	-	-	1,731	-	(22,251)	1,247,591	3,248,589	4,475,660
Parcel Taxes	-	-	-	34,100	-	16,000	33,070	2,518,080	2,601,250
Government Transfers - Provincial	942,459	-	434,927	91,634	201,213	771,330	448,384	1,936,018	4,825,965
Government Transfers - Federal	1,719,785	604	485	5,550	299	112,151	1,147,133	367,416	3,353,423
Services Provided Other Local Govt	-	-	-	-	59,221	-	-	-	59,221
Revenue from Own Sources	326,164	-	589,127	1,319,202	11,800	2,136,126	4,198,194	27,546	8,608,159
Other Revenue	74,411	-	2,062	9,037	137,707	270,892	1,043,613	351,746	1,889,468
Interest Income	234,372	-	-	2,934	22,082	72,429	15,689	39,436	386,942
Donations	-	-	-	-	2,250	857,426	-	1,479,785	2,339,461
Services Provided to Other Functions	49,042	-	-	19,871	-	(26,871)	(584,974)	542,932	-
	<u>7,160,706</u>	<u>2,058,729</u>	<u>4,032,595</u>	<u>6,495,518</u>	<u>4,652,238</u>	<u>21,497,465</u>	<u>14,871,515</u>	<u>10,579,279</u>	<u>71,348,045</u>
Expenses									
Operations and Maintenance	2,074,737	-	28,992	1,230,780	1,329,146	4,292,006	4,213,635	1,822,063	14,991,359
Wages and Benefits	5,166,379	-	105,006	2,531,639	633,557	9,002,079	3,558,697	2,088,141	23,085,498
Contract for Services	94,463	-	2,793,406	98,519	745,741	258,469	4,147,526	28,360	8,166,484
Landfill Closure/Post Closure Costs	-	-	-	-	-	-	297,063	-	297,063
Debt Charges - Interest	67,950	-	-	3,117	22,746	281,682	238,958	145,283	759,736
Contributions to Community Facilities	-	-	-	-	-	125,685	-	-	125,685
Grants to Organizations	300,000	-	-	468,739	-	104,396	32,550	-	905,685
Library Services	-	2,021,109	-	-	-	-	-	-	2,021,109
Fire and Recreation Services Provided by Other Governments	-	-	-	-	718,817	361,466	-	-	1,080,283
Amortization	194,456	-	-	60,789	457,304	2,791,316	929,613	2,232,960	6,666,438
Contributions to Third Party Capital	-	-	-	-	-	-	-	20,791	20,791
	<u>7,897,985</u>	<u>2,021,109</u>	<u>2,927,404</u>	<u>4,393,583</u>	<u>3,907,311</u>	<u>17,217,099</u>	<u>13,418,042</u>	<u>6,337,598</u>	<u>58,120,131</u>
Net Annual Surplus/(Deficit)	<u>\$ (737,279)</u>	<u>\$ 37,620</u>	<u>\$ 1,105,191</u>	<u>\$ 2,101,935</u>	<u>\$ 744,927</u>	<u>\$ 4,280,366</u>	<u>\$ 1,453,473</u>	<u>\$ 4,241,681</u>	<u>\$ 13,227,914</u>

COWICHAN VALLEY REGIONAL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

26) Consolidated Schedule of Segment Disclosure (continued)

	General Government Services	Vancouver Island Regional Library	Transportation Services	Electoral Area Services	Protective Services	Parks and Recreation	Environmental Services	Sewer and Water Utilities	2019 Consolidated
Revenues									
Tax Requisition	\$ 3,637,260	\$ 1,960,811	\$ 2,747,708	\$ 4,850,203	\$ 4,097,428	\$ 16,697,246	\$ 6,658,996	\$ 67,731	\$ 40,717,383
User Fees	-	-	-	2,272	-	(25,396)	919,310	3,646,616	4,542,802
Parcel Taxes	-	-	-	34,400	-	16,000	26,418	2,447,492	2,524,310
Government Transfers - Provincial	299,348	-	77,622	622	40,847	669,904	474,245	1,066,864	2,629,452
Government Transfers - Federal	3,381,256	-	410	1,305	267	85,109	410,784	434,664	4,313,795
Services Provided Other Local Govt	-	-	-	-	63,871	-	-	-	63,871
Revenue from Own Sources	413,864	-	966,477	1,048,036	33,702	4,297,677	3,810,520	8,946	10,579,222
Other Revenue	96,120	-	1,501	15,455	129,104	199,234	1,011,072	484,571	1,937,057
Interest Income	368,082	-	-	4,022	42,573	99,418	25,273	71,989	611,357
Donations	-	-	-	-	256,500	340,290	-	190,231	787,021
Services Provided to Other Functions	43,080	-	-	24,371	-	(26,371)	(555,829)	514,749	-
	<u>8,239,010</u>	<u>1,960,811</u>	<u>3,793,718</u>	<u>5,980,686</u>	<u>4,664,292</u>	<u>22,353,111</u>	<u>12,780,789</u>	<u>8,933,853</u>	<u>68,706,270</u>
Expenses									
Operations and Maintenance	2,275,549	-	(6,202)	1,156,993	1,240,694	5,450,600	3,666,369	1,803,660	15,587,663
Wages and Benefits	4,795,157	-	101,831	2,969,339	582,304	9,912,753	3,437,800	2,033,346	23,832,530
Contract for Services	277,110	-	3,047,551	96,046	696,088	294,771	3,604,081	5,408	8,021,055
Landfill Closure/Post Closure Costs	-	-	-	-	-	-	(93,940)	-	(93,940)
Debt Charges - Interest	69,384	-	-	4,773	16,893	431,103	259,583	114,468	896,204
Contributions to Community Facilities	-	-	-	-	-	168,006	-	-	168,006
Grants to Organizations	250,000	-	-	428,643	-	110,920	26,000	-	815,563
Library Services	-	1,925,176	-	-	-	-	-	-	1,925,176
Fire and Recreation Services Provided by Other Governments	-	-	-	-	683,990	344,631	-	-	1,028,621
Amortization	165,219	-	-	53,896	414,221	3,200,901	939,159	2,079,404	6,852,800
Contributions to Third Party Capital	-	-	-	-	-	-	-	40,799	40,799
	<u>7,832,419</u>	<u>1,925,176</u>	<u>3,143,180</u>	<u>4,709,690</u>	<u>3,634,190</u>	<u>19,913,685</u>	<u>11,839,052</u>	<u>6,077,085</u>	<u>59,074,477</u>
Net Annual Surplus/(Deficit)	<u>\$ 406,591</u>	<u>\$ 35,635</u>	<u>\$ 650,538</u>	<u>\$ 1,270,996</u>	<u>\$ 1,030,102</u>	<u>\$ 2,439,426</u>	<u>\$ 941,737</u>	<u>\$ 2,856,768</u>	<u>\$ 9,631,793</u>

**STATEMENT OF OPERATING SURPLUS BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2020**

Function	2020	2019
General Government Services	\$ 3,472,400	\$ 2,380,526
Community Health Network	44,570	106,759
Administration Office	330,032	317,138
I.T. / H.R. / M.I.A. / G.I.S	395,236	395,236
Vancouver Island Regional Library	605	-
Commuter Transit	520,939	410,318
Transit	1,119,270	412,568
9-1-1	284,829	235,153
Grant in Aid	139,408	101,557
Environmental Services	640,294	475,858
Emergency Planning	568,538	491,747
Economic Development	346,344	184,469
Regional Tourism	849	643
Electoral Feasibility Studies	44,296	45,657
Electoral Area Services	534,344	388,550
Victim Services	206	201
Victim Services - West	22	6
Community Parks	820,711	682,467
Parks & Trails	107,231	95,328
Regional Parks	383,772	57,804
Kinsol Trestle	408,408	322,415
Bright Angel Park	20,739	20,575
South Cowichan Community Parks	18,346	16,405
Regional Parkland Acquisition	688,034	1,224,996
Animal Control	53,565	39,058
Building Inspection	247,607	154,782
Bylaw Enforcement	803,942	628,207
Community Planning	709,954	314,171
North Oyster Fire Protection	59,084	59,415
Mesachie Lake Fire Protection	53,086	41,642
Saltair Fire Protection	-	(1)
Sahtlam Fire Protection	181,094	143,504
Malahat Fire Protection	142,799	187,947
Eagle Heights Fire Protection	42	(114)
Honeymoon Bay Fire Protection	76,983	76,213
Youbou Fire Protection	191,970	384,371
GM Community Services/Facilities	238,249	186,681
Arts & Culture	64,375	61,414
Cowichan Lake Recreation	382,833	1,301
Kerry Park Recreation	525,072	97,255
Island Savings Centre	934,332	522,788

**STATEMENT OF OPERATING SURPLUS BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2020**

Function	2020	2019
Theatre - Area A	12	-
Theatre - Area B	56	-
Cowichan Sportsplex - Area A	5	5
Mill Bay Recreation	508	553
Saltair Recreation	12,856	10,842
Lake Cowichan Activity Centre	80	20
Cowichan Aquatic Centre - Area F	6	4
Shawnigan Lake Community Centre	574,683	330,499
Cobble Hill Historical Society	3	3
Cobble Hill Hall Recreation	-	(1,731)
Shawnigan Lake Historical Society	19	16
Senior Centre Grant	35	7
Kaatza Historical Society	45	12
Mill Bay/Malahat Historical Society	5	4
Cowichan Station Assoc - Area B	6	5
Shawnigan Basin Society	-	1
Nature and Habitat - Area I	2,436	1,790
Thetis Island Wharf	74,410	77,398
Thetis Island Boat Launch	7,159	6,158
Cowichan Lake Water Protection	7,100	6,087
Cowichan Housing Association	842,977	392,966
Safer Futures	55	55
Social Planning	101	105
South Cowichan Community Policing	37	24
Cowichan Community Policing	389	398
Cowichan Valley Hospice	114	118
Curbside Collection Garbage/Recycling	406,083	197,010
Solid Waste Management Complex	1,779,073	1,164,324
Cowichan Flood Management	301,072	283,958
South Cowichan Water Study Plan	62,671	73,530
Drinking Water & Watershed Protection	604,174	169,080
Liquid Waste Plan - Central Sector	412,829	320,397
Liquid Waste Plan - South Sector	23,243	1,688
Critical Street Lighting "A"	259	(1,355)
Critical Street Lighting "B"	3,769	3,258
Critical Street Lighting "C"	3,212	3,470
Critical Street Lighting "D"	3,612	3,589
Critical Street Lighting "E"	1,297	1,045
Critical Street Lighting "I"	792	730
Mesachie Lake Street Lighting	1,535	1,167
Youbou Street Lighting	14,128	12,360

**STATEMENT OF OPERATING SURPLUS BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2020**

Function	2020	2019
Brentwood College Street Lighting	17	(20)
Cowichan Bay Street Lighting	2,251	559
Honeymoon Bay Street Lighting	8,674	6,566
Mill Bay Street Lighting	(245)	(210)
Cobble Hill Street Lighting	2,433	151
Wilmot Road Street Lighting	12,065	9,182
Sentinel Ridge Street Lighting	10,174	7,710
Twin Cedars Street Lighting	5,394	709
Arbutus Mtn. Street Lighting	12,460	6,625
Mill Springs Street Lighting	25,878	17,481
Engineering Services	230,372	247,500
Engineering - Utilities	370,361	153,027
Asset Manager	4,830	5,639
Wilmot Road Drainage System	15,049	14,163
Sentinel Ridge Drainage System	19,206	17,518
Shawnigan Lake East Drainage System	6,729	6,688
Arbutus Mtn. Drainage System	27,585	25,567
Lanes Road Drainage System	18,168	15,985
Bald Mtn. Drainage System	14,037	13,119
Cobble Hill Drainage System	28,304	27,012
Arbutus Ridge Drainage System	15,455	14,673
Shawnigan Creek Cleanout System	13,408	13,758
Satellite Park Water System	43,332	22,552
Douglas Hill Water System	22,039	7,958
Lambourn Water System	37,925	25,252
Arbutus Mtn. Water System	20,208	13,475
Malahat Water System	(1,330)	(1,569)
Fern Ridge Water System	22,311	17,843
Bald Mtn. Water System	61,538	123,212
Dogwood Ridge Water System	21,475	15,129
Arbutus Ridge Water System	63,116	112,111
Carlton Water System	20,431	20,386
Shellwood Water System	820	9,478
Woodley Range Water System	16,713	17,091
Burnum Water System	51,006	32,407
Mesachie Lake Water System	12,799	14,401
Saltair Water System	242,451	297,279
Central Youbou Water Debt	23,194	12,214
Youbou Water System	178,558	273,899
Honeymoon Bay Water System	65,018	(11,542)
Honeymoon Bay (S.C.) Water System Debt	215	1

**STATEMENT OF OPERATING SURPLUS BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2020**

Function	2020	2019
Honeymoon Bay Water (well 2) Debt	990	77,232
Cherry Point Estates Water System	26,571	24,674
Shawnigan Lake North Water System	183,160	186,628
Shawnigan Lake Weir	4,894	4,060
Kerry Village Water System	12,875	6,282
Cowichan Bay Sewer System	321,051	897,102
Brulette Place Sewer System	41,452	31,037
Sentinel Ridge Sewer System	16,426	10,630
Twin Cedar Sewer System	27,126	27,126
Lambourn Sewer System	(5,992)	(33,507)
Arbutus Mtn. Sewer System	7,009	7,008
Malahat Sewer System	(1,512)	(1,879)
Cobble Hill Village Sewer System	-	518
Mesachie Lake Sewer System	123,552	58,187
Bald Mtn. Sewer System	44,497	29,600
Cobble Hill Sewer	37,733	48,366
Mill Springs Sewer System	164,699	143,026
Arbutus Ridge Sewer System	313,562	316,683
Eagle Heights Sewer System	63,677	(4,574)
Maple Hill Sewer System	57,536	53,367
Shawnigan Beach Estates Sewer System	196,785	116,656
Kerry Village Sewer System	24,056	14,594
Youbou Sewer System	84,914	69,423
Operating Fund Surplus Balance	<u>24,184,719</u>	<u>18,011,793</u>
Community Works Reserve Balance	<u>5,169,890</u>	<u>6,390,123</u>
Operating Fund Balance	<u>\$ 29,354,609</u>	<u>\$ 24,401,916</u>

**SCHEDULE OF SAFE RESTART GRANT
FOR THE YEAR ENDED DECEMBER 31, 2020**

	2020
Safe Restart Grant received November 2020	\$ 903,000
Elible Costs Incurred:	
Computer and technology costs to improve connectivity and virtual communications	(51,401)
Revenue shortfalls	(219,481)
General Government Services	(32,210)
Transportation Services	(570)
Electoral Area Services	(5,065)
Protective Services	(9,842)
Parks and Recreation	(209,851)
Environmental Services	(25,740)
Sewer and Water Utilities	<u>(16,323)</u>
Total Eligible Costs Incurred	<u>(570,483)</u>
Balance December 31, 2020	<u><u>\$ 332,517</u></u>