

District of Coldstream

2019 Annual Report



Coldstream, British Columbia, Canada

For the Fiscal Year Ended
December 31, 2019

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INTRODUCTORY SECTION



Welcome to Coldstream

The District of Coldstream is located just east of Vernon, surrounding the north end of Kalamalka Lake and extending through the beautiful Coldstream Valley.

The District is comprised of two neighbourhoods; Coldstream in the west and Lavington in the east, centering around the Coldstream Ranch, the earliest land claim in the District.

Kalamalka Lake has been called the lake of many colours because of its shimmering blue-green waters - a paradise for swimming, fishing and boating.



Fast Facts

Incorporated: December 21, 1906

Area: 7,645 hectares (18,891 acres)

Population: 11,383 (2019)

Active Parks: 76 acres

123 km paved roads; 11 km unpaved

July mean daily temperature: 19.1°C

Average sunshine: 1,903 hours per year

Average snowfall: 102.2 cm per year

The District has a significant residential component and boasts a substantial inventory of parks - Coldstream Park, Creekside Park, Sovereign Park, Lavington Centennial Park - just to name a few. As well, the District is bordered on the south by beautiful Kalamalka Lake Provincial Park. A skateboard park is located on Kidston Road, and there are numerous biking routes and hiking trails throughout the District, adding to the rural flavor of the area.

There are three elementary schools in Coldstream, a high school, and the Kalamalka Campus of Okanagan College. Shopping is just a few minutes away in the neighbouring communities of Vernon and Lumby. A large portion of the community is mixed agriculture use and ranching. Industrial development is limited to lumber mills and small manufacturing.

The District has professional full-time staff in administration, finance, planning, engineering and public works, building inspection, bylaw enforcement and fire inspection. The Fire Department consists of approximately fifty paid on-call volunteer firefighters and two fire halls.



District of Coldstream Council



Missing from picture Councillor Doug Dirks

The District of Coldstream is governed by an elected Council comprised of a Mayor and six Councillors. Members of Council are elected for a four-year term. During the 2018 Municipal elections, all the incumbent council members were re-elected with the exception of Peter McClean and Gyula Kiss. Ms. Stephanie Hoffman and Ms. Ruth Hoyte were elected as Councillors for the new term. The current term is from 2018 to 2022.

Regular Council meetings are held at 6:00 p.m. on the second and fourth Mondays of every month in Council Chambers at the Municipal Hall, 9901 Kalamalka Road. Public Hearings on development matters are scheduled at the same time and take place just prior to the Regular Council Meeting. Committee of the Whole meetings are generally scheduled twice a month. Members of the public are encouraged to attend all Council and Committee Meetings and Public Hearings. Meeting minutes and agendas are available on the District's website www.coldstream.ca.



Message from the Mayor

On behalf of Council, I would like to take this opportunity to present the Annual Financial Report of the District of Coldstream for 2019. This is a look back at the finances, initiatives and activities of the District for the year. This report is a legislative requirement of the Province. I hope that residents take the time to read this report to gain a better understanding of their community.

The development of the Okanagan Rail Trail continues. A paved parking area for 50 vehicles was completed earlier in the year at the bottom of Kickwillie Loop Road on Westkal Road. The District will continue to develop a plan for the Kalamalka Road parking lot (Coldstream Station) next to Dutch's Campground. Plan options will examine a parking area with washrooms on site with a possible commercial building and an entrance feature to the District of Coldstream.

The District submitted a grant to fund the construction of a new community hall on the Women's Institute Hall site, and another two applications are being completed for submission for two childcare facilities which would be entirely funded by the Province. Both of the childcare facilities, if successful, would be owned by the municipality with the childcare carried out by a nonprofit childcare group from the area.

During the summer Coldstream Council carried out a survey of lakeshore property owners as another step in better understanding people's use of Kalamalka Lake, their views on restrictions for motorized boating, and the impact of boat wakes on properties. While Council has no predetermined direction on gathering this information, the information will assist if conflicts and questions arise.

The District of Coldstream is very fortunate to have a dedicated group of volunteers at our fire halls in Coldstream and Lavington. Coldstream Council is working with our fire department to ensure that they are supported in their efforts. The fire chiefs at these fire halls work very hard with their members to provide much-needed service to Coldstream.

I thank you for showing interest and taking the time to read this report. We would also like to hear any questions or feedback on this report or its contents to help Coldstream Council and staff make improvements as we move forward.



Jim Garlick

Mayor



Corporate Vision

Mission Statement of the District of Coldstream

We, the Council of the District of Coldstream, are committed to a long-range plan for Coldstream, which fosters orderly growth and which enhances rural living at its best. Our mission is to make this a living plan supported by efficient fiscal management, appropriate policy and procedure development, and effective delivery of services.



Council Responsibilities

Every Council member has the following responsibilities:

- To consider the well-being and interests of the municipality and its community;
- To contribute to the development and evaluation of the policies and programs of the municipality respecting its services and other activities;
- To participate in Council meetings, Committee meetings, and meetings of other bodies to which the member is appointed;
- To carry out other duties assigned by the Council;
- To carry out other duties assigned by or under the *Community Charter* and other legislation.



Committees, Boards and Commissions

Advisory Planning Commission

Councillor S. Hoffman
Councillor R. Enns, Alternate

Okanagan Regional Library Board

Councillor P. Cochrane
Councillor S. Hoffman, Alternate

Regional District of North Okanagan

Mayor J. Garlick
Councillor R. Hoyte, Alternate

Greater Vernon Advisory Committee (RDNO)

Mayor J. Garlick
Councillor R. Hoyte
Councillor P. Cochrane, Alternate
Councillor G. Taylor, Alternate

Regional Growth Management Advisory Committee (RDNO)

Mayor J. Garlick
Councillor R. Hoyte, Alternate

Regional Agricultural Advisory Committee (RDNO)

Councillor R. Enns

The District of Coldstream is a member of the Regional District of the North Okanagan, and a Council appointee serves as Coldstream's director on the 14 member Regional District Board, as well as a member the North Okanagan Regional Hospital District.



Message from the Chief Administrative Officer

I am very pleased to provide our residents and taxpayers with the 2019 Annual Report. The report is a wonderful opportunity to describe in detail the District's operations and set out our financial position. We welcome comments on the content and form of this report as we strive to improve communications with our residents about our community.

Delivering effective and efficient services is a key success factor for our community. As our community continues to grow, and services expand, we need to ensure we are providing the appropriate level of resources to meet the needs of the community. We continually strive to find efficiencies in our operations in order to deliver quality services to our community.

There are several key projects and initiatives that have been undertaken in 2019. The Kidston Road realignment project has received approval from BC Parks and we now have the required park use permit. Work has begun to complete the detailed design of the project so that the tender can be issued early in 2020. A consultant has been hired to complete the preliminary design for the Coldstream Station property at 16507 Kalamalka Road. The Coldstream Station will form an important part of the infrastructure to support the Okanagan Rail Trail users as well as the many visitors to the community.

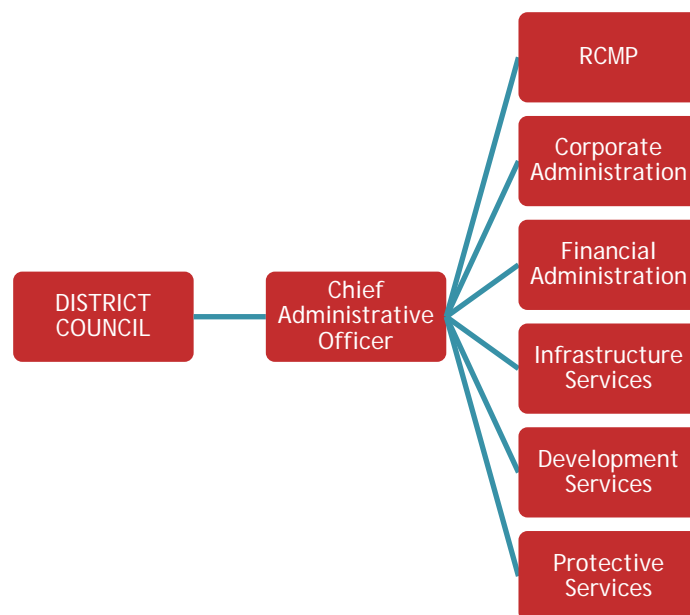
We continue to work with the RCMP to determine the options available to Coldstream for the most beneficial delivery system for police services. Public safety is critically important for both our community and the RCMP, and this will be a paramount consideration in the evaluation of the effective and efficient delivery of police services for Coldstream. We have recently received a draft report that examines the available options. This information will be examined and scrutinized to ensure the best possible outcome for our community.

As we have for many years, we continue to provide proportionate funding for regional initiatives such as recreation facilities, recreation services, police services and the fire training centre. These agreements provide our residents with the necessary services to create an active, safe and secure community that enhances the quality of life for everyone.

There are many accomplishments contained in this report that we are proud to share with the community. I invite you to take the time to read the document and provide us with any feedback and ideas to make this document better.



Trevor Seibel, BBA, CPA, CA
Chief Administrative Officer



Message from the Chief Financial Officer

July 15, 2020

In accordance with Section 98 of the *Community Charter*, I am pleased to present the 2019 Annual Report for the District of Coldstream. The report provides detailed information regarding the financial position and results of operations for the year ended December 31, 2019.

STRUCTURE

The 2019 Annual Report is presented in three sections. These sections are identified as Introductory, Financial and Statistical.

The Introductory Section provides information regarding the organization of the District of Coldstream including the 2019 operating results for each department as well as the 2020 Strategic Priorities. The District's departments consist of Corporate Administration, Financial Administration, Infrastructure Services, Development Services, and Fire Protection.

The Financial Section presents the 2019 audited financial statements along with the Auditor's Report. The audited financial statements contain the following statements:

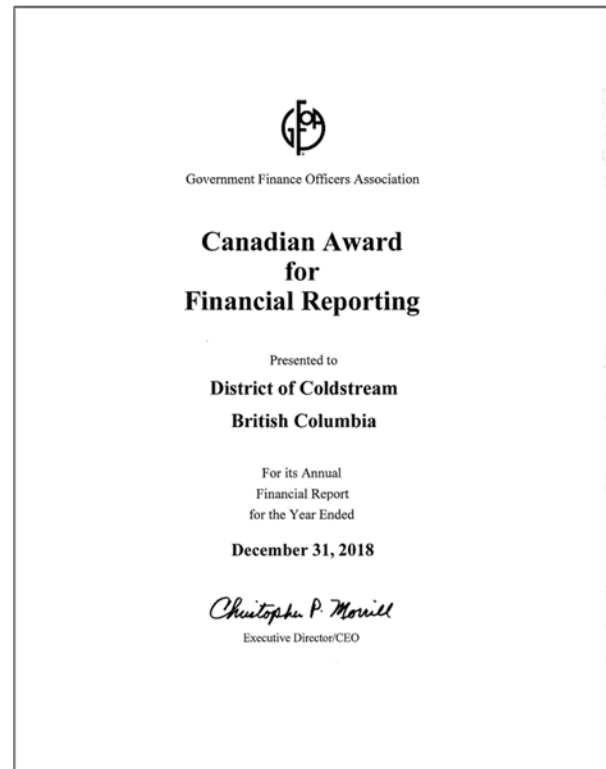
- Statement of Financial Position
- Statement of Operations and Accumulated Surplus
- Statement of Cash Flows
- Statement of Changes in Net Liability

The Statistical Section provides a variety of financial and non-financial statistics for the past five years as well as specific financial information pursuant to the *Financial Information Act* that are not readily apparent from the Financial Statements.

Most recently the Government Finance Officers Association of United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the District for its Financial Report for the fiscal year ended December 31, 2018, the ninth year in a row.



Patricia (Pat) Higgins
Director of Financial Administration



Message from the Chief Financial Officer

2019 OPERATING RESULTS

The District's financial position increased in 2019 with the net financial asset increasing from \$1.833 million to \$2.367 million. The book value of the District's tangible capital assets increased \$2.984 million with a total amortization expense of \$2.330 million recognized in 2019. Consolidated revenues were 93% of budgeted revenues, whereas consolidated expenses were 96.2% of budgeted expenses, resulting in consolidated surplus of \$1.539 million. Highlights from the 2019 Financial Statement include:

- Increase in Cash and Temporary Investments due largely to budgeted transfers to reserves and year end surplus.
- Increase in Development Cost Charges due to various developments approved during the year.
- Decrease in sewer costs in the amount of \$0.410 million due primarily to sewer treatment actual costs less than budgeted.

The District's 25-year Asset Investment Plan highlights the funding issues related to replacing our existing infrastructure. A proactive approach to funding the identified shortfall will put the District on a stronger financial footing in the years to come. During 2019 the District's statutory reserves had a net decrease of \$0.202 million primarily used for funding replacement of the District's fleet and equipment.

The operating reserves had a year-end balance of \$1.62 million down from the \$1.64 million in the previous year. The decrease is due largely to the expended portion of the Community Works (Gas Tax) funds that was used for capital projects. The District of Coldstream continues to take a proactive approach to ensure stable surplus and reserve balances that are adequate for our community in the coming years.

FINANCIAL MANAGEMENT

The financial statements for the year ended December 31, 2019 were prepared by District staff in accordance with generally accepted accounting principles and the *Financial Information Act*, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules included in the Annual Report and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. Management is responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

AUDIT

The financial statements were audited by BDO Canada LLP, and their responsibility was to express an opinion based on the results of their audit. The audit was planned and performed to obtain reasonable assurance as to whether the financial statements were free of material error or misstatement. The external auditors have full and free access to the financial information of the District.

FUTURE OUTLOOK

The operating and financial environment is becoming more complex, and the demand for increasing service levels means the District must be innovative in its search for ways to promote efficiency and effectiveness in the delivery of services.

The District will continue to invest in existing infrastructure renewal in accordance with the long-term capital plan. Investment in new assets will follow the long-term capital plan and decision-making process for new asset investment will be documented, transparent and clearly communicated to Council, staff and the community.

Property taxes will remain as stable as possible over time. Council will continue to adjust any increases to property taxes amongst assessment classes. Property taxes will reflect the infrastructure, services and service levels that the community believes are important.

Municipal Services and Operations

Services provided by the District include:

- Legislative (bylaws, corporate policies and procedures)
- Policing
- Fire protection
- Fire inspection
- Building permits and inspection
- Bylaw enforcement
- Business licensing
- Planning services
- Engineering services
- Street and sidewalk maintenance, construction and reconstruction
- Snow removal
- Drainage system maintenance
- Street lighting
- Parks Maintenance
- Cemetery operations
- Public transit
- Acting as a collection authority for other taxation jurisdictions
- Sanitary sewer collection system, operation, maintenance and construction
- Water system operation as a subcontracted service of the Regional District of North Okanagan



2019 Strategic Priorities

<u>Strategic Direction</u>	<u>Strategic Objective</u>	<u>Target Completion</u>
Corporate Governance		
Collaboration with Other Local Governments	Discussions with RDNO regarding the development of the Okanagan Rail Trail as well as ongoing discussions with implementation of an asset renewal plan to replace aging water utility infrastructure.	2019/2020
Development Procedures Bylaw	Develop a new Development Procedures Bylaw to set out requirements to support rezoning, development permit, and variance application submissions.	2019
RCMP	Determine options to ensure the best policing service for the community.	2019/2020
Community Hall	Identify goals, values and principles for the WI Hall; identify financial strategy for replacement of WI Hall	2019/2020
Active Lifestyle		
Parks & Trail Improvements	Implement projects from the Bicycle Pedestrian Master Plan and Parks Master Plan. Coldstream Creek Bike Path; Lavington Park Improvements; Okanagan Rail Trail parking lot; Lavington Park Washroom upgrades; boat launch upgrading	2019/2020
Infrastructure		
Transportation Network	Implement Pavement Management Program; improve non-vehicular modes of transportation; Kidston Road Realignment; Westkal Road planning; drainage projects	2019/2020
Environment		
Coldstream Creek Water Quality	Implement the findings of the Sensitive Habitat Inventory and Mapping (SHIM) priorities; possible projects from Water Quality and Land Use Study Phase II	Ongoing with new initiatives each year
Lagoon	Identify goals, values and principles for the Lagoon; review rehabilitation options; install carp exclusion fencing.	2019

2020 Strategic Priorities

<u>Strategic Direction</u>	<u>Strategic Objective</u>	<u>Target Completion</u>
Corporate Governance		
Collaboration with Other Local Governments	Discussions with RDNO regarding process to replace the Greater Vernon Cultural Centre. Continue development of the Okanagan Rail Trail.	2020/2021
RCMP	Determine options to ensure the best policing service for the community.	2020
Childcare Facilities	Submit applications for grant funding for childcare facilities in Lavington and Coldstream to provide much needed childcare in the community.	2020
Community Hall	Finalize design for replacement of WI Hall and commence with construction of the new Community Hall.	2020/2021
Active Lifestyle		
Parks & Trail Improvements	Implement projects from the Bicycle Pedestrian Master Plan and Parks Master Plan. Complete Lavington Park washroom improvements; Boat Launch upgrades; Pathway at Lake Accesses; upgrade park irrigation system.	2020
Infrastructure		
Transportation Network	Implement Pavement Management Program; improve non-vehicular modes of transportation; installation traffic calming measures; Kidston Road Red Gate realignment; Sanitary sewer -upgrading Kalavista Lift Station; drainage projects	2020
Kalamalka Lake Road Property	Complete design for the Coldstream Station parking lot on the Kalamalka Lake Road property to support increase in traffic activity to access the new Rail Trail system	2020
Environment		
Coldstream Creek Water Quality	Implement the findings of the Sensitive Habitat Inventory and Mapping (SHIM) priorities; possible projects from Water Quality and Land Use Study Phase II	Ongoing with new initiatives each year

Corporate Administration

The Administration Department is the link between Coldstream residents, Council, staff and outside government agencies.

Key responsibilities include the following:

- Implementing policy direction as determined by District Council;
- Providing leadership and direction to staff in fulfilling the various departmental directives and responsibilities;
- Ensuring timely and appropriate administrative support and information flow to Council;
- Maintaining accessibility to the public through notifications and through a user-friendly website;
- Ensuring timely access to information and records by staff, the public and Council;
- Updating and maintaining bylaws and policies;

2019 Highlights

Discussions with Coldstream's partners in Greater Vernon continued over shared services, including water and parks. The development of a new Master Water Plan is being prepared with Coldstream's partners in the service.

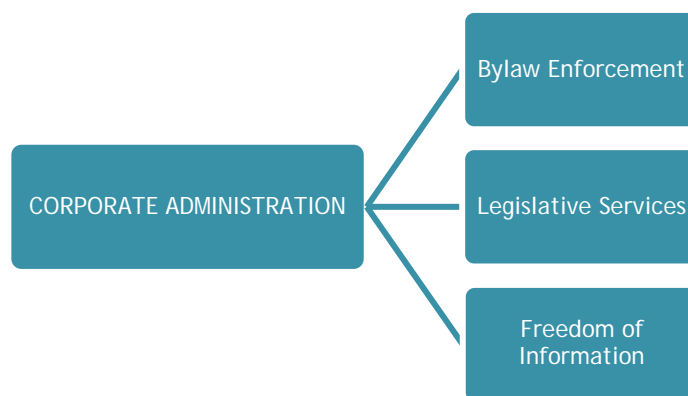
Staff continued with the reorganization of the District's records management system and made improvements to the online Council and Committee agendas to enhance the electronic agenda experience for Council, staff and the public.

2019 Corporate Administration Statistics:

44	Council & Committee Meetings (Open)
27	Council & Committee Meetings (Closed)
13	Freedom of Information Requests
17	Bylaws Adopted
313	Bylaw Complaint Files



Keri-Ann Austin
Director of Corporate Administration



2020 Outlook

Communication continues to be a priority for the department. Planned improvements to the District website will further enhance the online experience of those users seeking information from the District.

Bylaw enforcement will continue to operate on a complaint-based system. There are several issues that continually generate complaints such as the Kalavista Boat Launch and parking lot, non-agricultural activities on agricultural lands, movable storage containers and secondary suites. The Commissionaires further assist the District with additional bylaw enforcement and patrolling responsibilities from the restructuring of the parks.

Financial Administration

The Finance Department is responsible for all matters of financial administration for the District of Coldstream as well as management of the District's information services. Specific responsibilities include the following:

- Financial management, planning, reporting and analysis;
- Administration of the District's assets through budgets, financial and internal control systems and valuations;
- Collection of taxes, utility usage and other revenue sources;
- Cash, portfolio and debt management; expending municipal money as authorized;
- Insurance claims and risk management;
- Purchasing including improving policy and process;
- Information technology management, including hardware and software acquisition and maintenance.

2019 Highlights

The District's operating results were stronger than expected in 2019. Development activity continued to be strong in 2019 and paralleled that of 2018. Building permit fee revenue continued to meet budgeted targets. Additionally, increased revenues from user fees and sales of services continue to help mitigate annual tax increases. Senior government funding continues to play an integral part of the District's overall operations.

The District continues to be proactive in implementing financial policies to better position the District for the future. Of the 3.85% tax rate increase approved by Council, 2.85% was allocated for infrastructure needs and will allow timely replacement of community assets as well as provide funds for future needs of the Community Hall.

The Department is responsible to provide financial reporting which includes long-term planning, annual budget development, accounting, procurement and statutory financial reporting; responsible for presenting an annual five-year financial plan which establishes financial and programming priorities. The Department also keeps Management and Council informed about the District's financial performance on a regular basis, ensuring the District meets its annual budget and targeted savings.



Patricia (Pat) Higgins
Director of Financial Administration



2020 Outlook

Communicating with the public continues to be an important part of delivering local government services. In conjunction with Administration, further implementation of the Corporate Communication Strategy will continue to promote communication with the community.

It is also the Department's focus to provide maximum efficiency and reasonable taxation, while also making provision for future infrastructure and service needs. The Department is committed to sound financial management of its operations, debt and reserve balances and addressing our aging municipal infrastructure. The District will effectively plan and steward the continuance of healthy fiscal management on these issues for current and future generations.

Infrastructure Services

The Infrastructure Services Department is responsible for all operational matters of the District of Coldstream. Specific responsibilities include:

- Planning, design and construction of the District's infrastructure, including roads and sewer;
- Reviewing and inspecting subdivision applications and construction;
- Reviewing all development applications for impact on servicing and infrastructure;
- Planning for capital projects;
- Maintenance of the District's fleet;
- Maintenance of the sewer system;
- Maintenance of the water system under sub-contract to Greater Vernon Water Utility;
- Signage and traffic marking;
- Maintenance of community parks.



Michael Baker
Director of Infrastructure Services

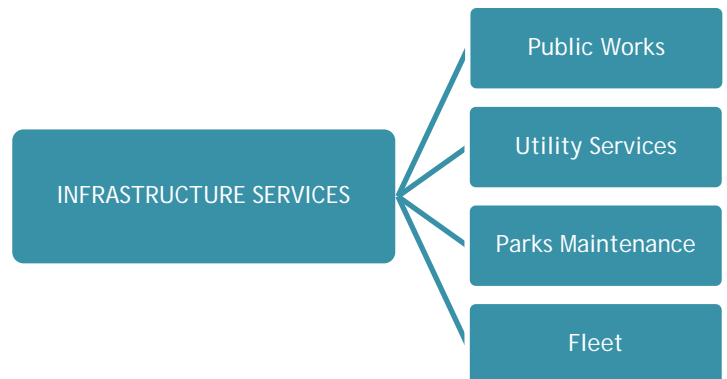
2019 Highlights

Infrastructure Services had another busy year in 2019. The Pavement Management Plan continued in 2019 with asphalt resurfacing and curb replacement. Roads that received asphalt resurfacing and curb replacement included Upper Warren Road, Juniper Drive, Briar Drive, Middleton Drive, College Way, Reid Road and Learmouth Road.

The purpose of this Plan is to ensure that the long-term cost of maintaining roads is minimized. A comprehensive analysis of Coldstream's roads was conducted in 2013 and included an investment/benefit analysis to optimize the monies invested in our roads. The optimal time to rehabilitate roads is quite some time prior to complete failure.

The District completed the construction of an interim, gravel parking area on a District-owned lot adjacent to the Vernon boundary. There will be 60 to 80 parking stalls available at this location. This provides a linkage and safe access for the Okanagan Rail Trail users.

The District also retained services with Urban Systems to produce a detailed design for the asphalt road structure and improved storm works for Westkal Road from Kickwillie Loop Road to the cul-de-sac at the southern terminus. This will produce a shelf ready design for future upgrades in the area.



Infrastructure Services

The District of Coldstream completed the detailed design for the replacement of the Kalavista Sewer Lift Station and the forcemain out to Kalamalka Road. This work is needed to replace aging infrastructure and increase sewer capacity. The work will coincide with the paving for the water main replacement by Greater Vernon Water and is scheduled for 2020.

Staff also worked with consultants and SPPrKL to prepare a work plan to obtain permitting and options for carp fencing and restoration of the Kalavista Lagoon. In May a carp exclusion fence was installed in the channel between Kalamalka Lake and Kalavista lagoon. The purpose of the carp fence is to reduce carp access to the lagoon and subsequently reduce the impact of the carp on aquatic vegetation and water quality. The fence is designed and constructed so that smaller fish species can enter the lagoon while the larger carp would not be able to.

The Westkal and Kinloch boat launches have been identified to be upgraded. The District commenced working through the process to obtain the necessary environmental permits from the Province for the work. The process starts with the District retaining the services of a qualified biologist to conduct a field assessment of the sites to identify any fish, aquatic habitat or vegetation in the area that may be disturbed during the work. Once the assessment has been completed an Environmental Management Plan will be created and submitted to the Ecosystems Section of the Ministry of Forest, Lands and Natural resources for their consideration and approval.



2020 Outlook

There are a number of specific roads identified for roads maintenance in 2020 including an overlay on Hillside Drive and Priest Valley Drive, reconstruction of Reid Road and reclaim on Springfield Road.

Council further approved the realignment of Kidston Road at the Red Gate. Staff have worked with BC Parks to identify a long term solution for the parking area which will include an expanded parking lot into the park boundary.

The District will look at the next phase of the development of public land next to the Alpine Centre entrance. A consultant will be hired to complete the preliminary design of the "Coldstream Station". The Coldstream Station will form an important part of the infrastructure to support the Okanagan Rail Trail users as well as visitors to the community.

There are also a number of projects planned to be completed in the District's parks including washroom upgrades in Lavington Park, ramp and wharf replacement at WestKal boat launch, and replacement of the irrigation system in several parks.



Development Services

Department responsibilities include:

- Assisting and advising Council on growth management, development, long-range policy planning, ongoing improvements and amendments to the Official Community Plan (OCP) and Zoning Bylaw.
- Subdivision review and approvals.
- Review and processing of development applications (i.e., Official Community Plan amendments, Zoning Bylaw amendments, development variance permits, development permits, Agricultural Land Reserve).
- Building inspections and business licensing



Mike Reiley
Director of Development Services

2019 Highlights

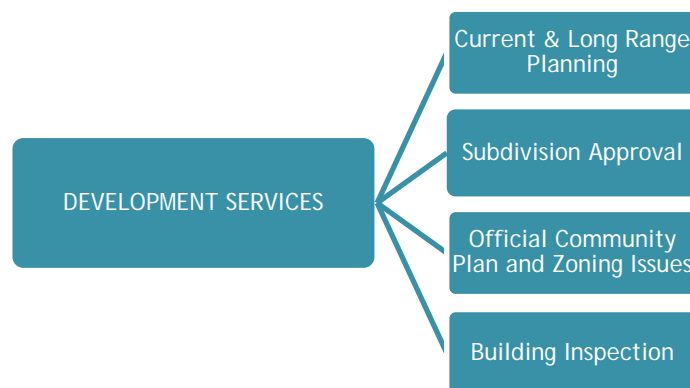
The number of development applications that were submitted in 2019 is similar to the 2018 level of activity.

In 2018, 27 applications were processed and in 2019 staff handled 26 applications consisting of:

- 9 subdivision applications;
- 8 development variance permit applications;
- 4 rezoning applications;
- 2 OCP applications;
- 3 ALR applications.

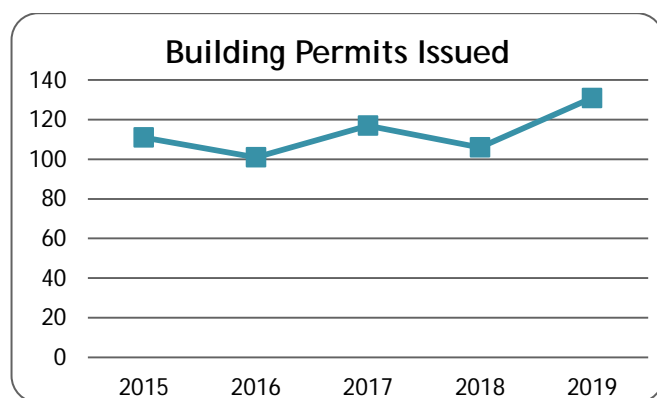
A new Development Procedures Bylaw was reviewed and supported by Council. The purpose of the bylaw is to set out what needs to be provided to the municipality when applying to rezone land, obtain a development permit, require a variance, need approval from the Agricultural Land Commission or would like to obtain a licence from the Liquor and Cannabis Regulation Branch.

In addition to the bylaw the District put together a procedure for the review of development applications. The procedure looks at the sequence of events and milestones for review. It includes matters such as who the application is referred to, potential community engagement, property notices and mail-outs, newspaper ads, and Council decisions.



Development Services

Building permits are issued for activities including, but not limited to, residential buildings, commercial buildings, accessory buildings, renovations, demolitions, swimming pools and mobile homes. The chart below highlights the change in the number of building permits issued over the past five years. The number of housing units has remained fairly consistent between 2015 & 2019 with an increase in 2019 up to 131 permits.



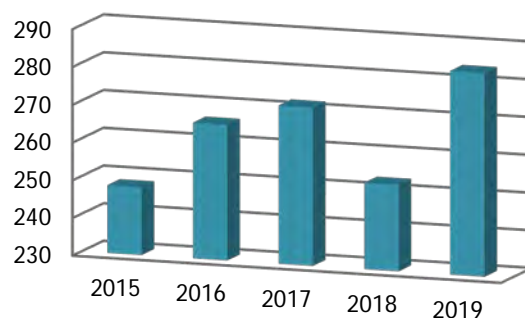
With the retirement of the Building Official in 2018, the District entered into an agreement with the Regional District for Building inspection services.

Bylaw enforcement has continued to operate on a complaint basis to ensure that compliance is maintained at a reasonable cost.

This division is also responsible for parking and traffic enforcement. The Commissionaires have been contracted for the past several years to provide parking enforcement services during the busy tourist season. The Commissionaires perform this function very well, maintaining a consistent daily presence which serves to minimize complaints to the District.

Business License activity has increased, with 284 active business licenses at the end of 2019 compared to 253 at the end of 2018. The number of businesses operating in Coldstream has remained relatively constant over the past several years. Businesses that have been tied to the construction industry have experienced a decline in the past couple of years. Overall, these businesses provide services and jobs for the benefit of the community.

Business Licenses Issued



2020 Outlook

For 2020, development activity is expected to be consistent with 2019. A large amount of renovations and redevelopment continues to take place throughout the District, particularly properties along Kalamalka Lake.

Development Services will continue to review and update various building and maintenance bylaws in the upcoming year.



Protective Services



Lavington fire hall on school road



Coldstream fire hall on aberdeen road

Protective Services responsibilities include:

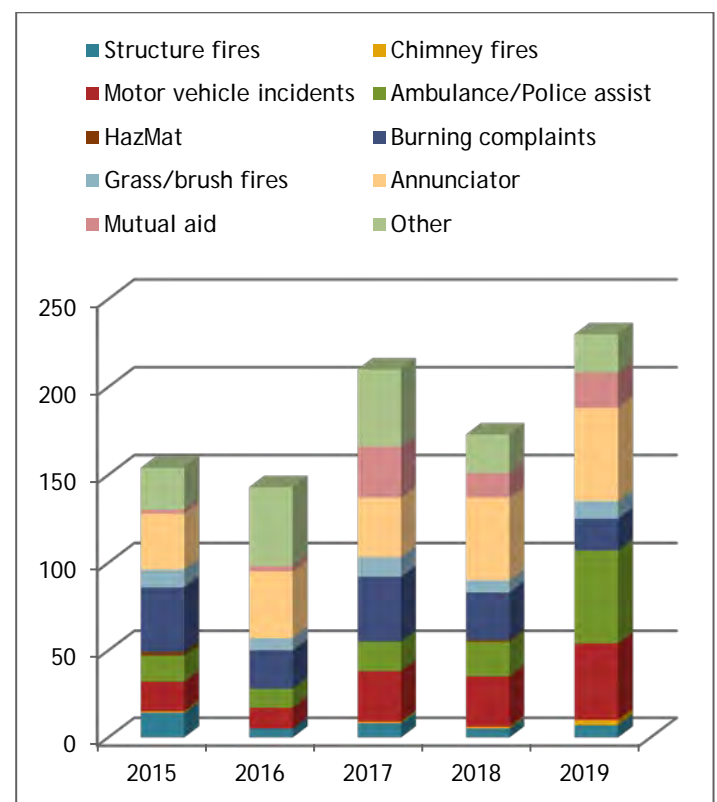
- Prevention, control and extinguishment of fires
- Protection of life and property
- Enforcement of all municipal bylaws respecting fire prevention
- Overseeing the District's Emergency Management Occupational Health and Safety, Fire inspections and fire investigation programs and services
- Provide traffic control and safety to citizens

2019 Highlights

The primary goal of 2019 for the Coldstream and Lavington Fire Departments was to continue implementing the BC Structure Firefighter Competency and Training Playbook and provide training to deliver the highest level of service as possible. Certification based training model will ensure consistent training standards are implemented at both fire halls. It also provides greater efficiencies and cooperation when interacting with other fire departments within the North Okanagan Regional District.

The District's Fire Department was called out a total 230 times in 2019. There were a total of 173 callouts in 2018.

The following table identifies the number and type of callouts for the Fire Department over the past five years.



Additionally the District continued to use the services of Davies Wildfire to assist the District in working to reduce the risk to homes due to the impact of wildfires. The District, with the assistance of Davies Wildfire, is currently moving forward with two programs: a FireSmart Program and a Fuel Management Program.

Protective Services

The District of Coldstream also continued their review of the police service delivery model and how it affects our community. As a community with a population of over 5,000 we are required to directly fund 70% of our police costs. Coldstream resources have been integrated within the Vernon detachment as part of the Regional Policing model.

The support services review undertaken between the RCMP, District of Coldstream, City of Vernon, Township of Spallumcheen and City of Armstrong looked at the level and funding of the support services to deliver the current policing model. Through the process it was determined that the RCMP support services should be de-centralized. Additionally, there was a need for Coldstream to review the various police service models available to our community to ensure that we are receiving the best value for the tax dollars spent.

Below are a few key points about our police service:

- Coldstream funds 7 police officers
- Coldstream funds 2 support staff
- Our police officers and support staff are stationed at the Vernon detachment
- The 2019 police budget was \$1,110,198



2020 Outlook

Training will continue to be a major focus going forward for the Fire Departments. Goals for 2020 are to continue implementing the “Passport” accountability system that will enable safe and effective accountability on the fire ground as well as an added level of record and reporting when it comes to investigation.

Occupational Health and Safety will continue to guide the direction of safe effective fire service management. Equipment testing will take place to ensure 100% compliance in 2020.

The District of Coldstream will continue to work with the RCMP to determine the options available to Coldstream for the most beneficial delivery system for police services. Public safety is critically important for both our community and the RCMP, and this will be a paramount consideration in the evaluation of the effective and efficient delivery of police services for Coldstream.





FINANCIAL SECTION



Management's Statement of Responsibility

These financial statements and accompanying schedules of the District of Coldstream are the responsibility of management and have been prepared in accordance with generally accepted accounting principles for local governments as established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Management is responsible for implementing and maintaining a system of internal controls that are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are regularly monitored and evaluated by management.

These financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the District of Coldstream. The following Independent Auditors' Report describes their responsibilities, scope of examination, and opinion on the District's financial statements. The external auditors have full access to Council.



Patricia (Pat) Higgins
Director of Financial Administration



Trevor Seibel, CPA, CA
Chief Administrative Officer

March 23, 2020



Tel: 250 545 2136
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BDO Canada LLP
2706 - 30th Avenue, Suite 202
Vernon BC V1T 2B6 Canada

Independent Auditor's Report

To the Mayor and Council of the District of Coldstream

Opinion

We have audited the financial statements of District of Coldstream (the District), which comprise the statement of financial position as at December 31, 2019, and the statement of operations and accumulated surplus, change in net financial asset/(liability), and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



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

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

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.

BDO Canada LLP

Chartered Professional Accountants

Vernon, British Columbia
March 23, 2020

**District of Coldstream
Statement of Financial Position**

December 31	2019	2018
Financial assets		
Cash (Note 1)	\$ 4,587,320	\$ 3,419,326
Portfolio Investments (Note 1)	3,684,602	3,595,609
Accounts receivable (Note 2)	2,503,975	2,580,534
Deposit - Municipal Finance Authority	207,624	205,888
	<u>10,983,521</u>	<u>9,801,357</u>
Liabilities		
Accounts payable and accrued liabilities (Note 3)	3,065,883	2,309,776
Reserve - Municipal Finance Authority	207,624	205,888
Development cost charges	1,669,954	1,522,412
Debt (Note 5)	3,672,737	3,929,564
	<u>8,616,198</u>	<u>7,967,640</u>
Net financial asset	<u>2,367,323</u>	<u>1,833,717</u>
Non-financial assets		
Inventory	9,737	11,586
Prepaid expenses	129,513	85,339
Tangible capital assets (Note 4)	69,611,753	68,648,346
	<u>69,751,003</u>	<u>68,745,271</u>
Accumulated surplus (Note 6)	<u>\$ 72,118,326</u>	<u>\$ 70,578,988</u>
Contingent Liabilities (Note 12)		
Commitments (Note 13)		



Director of Financial Administration

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

District of Coldstream
Statement of Operations and Accumulated Surplus

For the year ended December 31	2019	2019	2018
	Budget	Actual	Actual
Revenues			
Taxation-net	\$ 6,689,645	\$ 6,688,705	\$ 6,362,447
Grants in lieu of taxes	175,100	175,583	157,443
Sale of services	1,781,435	1,824,231	1,961,927
Licenses, fines and rentals	642,150	844,297	985,308
Return on investments	37,020	235,705	197,045
Unconditional grants	437,008	437,853	443,003
Conditional grants	2,699,157	1,037,216	1,331,577
Development cost charges	316,000	-	-
Developer contributions	-	633,209	4,376,100
	12,777,515	11,876,799	15,814,850
Expenses (Schedule 1)			
General government services	937,588	965,559	853,058
Protective services	2,331,858	2,214,119	2,353,460
Transportation services	3,761,395	3,860,264	3,624,970
Environmental health services	113,523	120,771	111,486
Development services	371,169	353,779	344,275
Park services	1,351,548	1,384,929	1,299,746
Sewer services	1,691,659	1,280,982	1,279,777
Interest	191,100	155,952	152,017
	10,749,840	10,336,355	10,018,789
Annual surplus	2,027,675	1,540,444	5,796,061
Gain (Loss) on disposal of tangible capital assets	-	(1,106)	27,003
Annual surplus (Note 11)	2,027,675	1,539,338	5,823,064
Accumulated surplus, beginning of year	70,578,988	70,578,988	64,755,924
Accumulated surplus, end of year	\$ 72,606,663	\$ 72,118,326	\$ 70,578,988

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

District of Coldstream
Statement of Cash Flows

For the year ended December 31	2019	2018
Operating activities		
Cash received from:		
Taxation	\$ 6,683,059	\$ 6,514,807
Fees, permits, licenses and fines	2,926,316	2,795,982
Grants	1,475,069	1,774,580
Investments	235,705	197,045
	<u>11,320,149</u>	<u>11,282,414</u>
Cash paid for:		
Wages and benefits	(3,399,359)	(3,493,568)
Materials and supplies	(866,611)	(846,649)
Contracted services	(2,750,336)	(1,447,180)
Interest charges	(155,951)	(152,017)
Other	(120,169)	(2,131,692)
	<u>(7,292,426)</u>	<u>(8,071,106)</u>
Cash provided by operating activities	<u>4,027,723</u>	<u>3,211,308</u>
Capital activities		
Proceeds on sale of tangible capital assets	6,050	26,868
Purchase of tangible capital assets	(2,667,501)	(2,908,575)
	<u>(2,661,451)</u>	<u>(2,881,707)</u>
Financing activities		
Development cost charges	147,542	46,381
Repayment of debt	(256,827)	(248,872)
	<u>(109,285)</u>	<u>(202,491)</u>
Increase in cash and portfolio investments during year	1,256,987	127,110
Cash and portfolio investments, beginning of year	7,014,935	6,887,825
Cash and portfolio investments, end of year (Note 1)	\$ 8,271,922	\$ 7,014,935

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

District of Coldstream
Statement of Change in Net Financial Asset/(Liability)

For the year ended December 31	2019	2019	2018
	Budget	Actual	Actual
Annual surplus	\$ 2,027,675	\$ 1,539,338	\$ 5,823,064
Acquisition of tangible capital assets	(7,710,979)	(3,300,710)	(7,284,675)
Amortization of tangible capital assets	2,286,419	2,330,147	2,204,376
Gain on disposal of tangible capital assets	-	1,106	(27,003)
Proceeds on disposal of tangible capital assets	-	6,050	26,868
Acquisition of inventory	-	1,849	2,344
Acquisition (use) of prepaid expense	-	(44,174)	13,134
	(5,424,560)	(1,005,732)	(5,064,956)
Decrease (increase) in net financial asset/(liability)	(3,396,885)	533,606	758,108
Net financial asset, beginning of year	1,833,717	1,833,717	1,075,609
Net financial asset/(liability), end of year	\$ (1,563,168)	\$ 2,367,323	\$ 1,833,717

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

District of Coldstream Summary of Significant Accounting Policies

December 31, 2019

The District of Coldstream (the "District") was incorporated in 1906 under statute of the Province of British Columbia. Its principal activities include the provision of local government services to residents of the incorporated area. These include cemetery, civic operations, community services, corporate administration, development, engineering and sustainability, protective services - fire, bylaw and police and utilities - sewer and water.

Basis of Accounting

The financial statements of the District are prepared by management in accordance with local government accounting standards established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. The resources and operations of the District are segregated into various funds for accounting and financial reporting purposes, each being treated as a separate entity with responsibility for the stewardship of the assets allocated to it.

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or creation of a legal obligation to pay.

Revenue Recognition

Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year. Sale of services and user fee revenues are recognized when the service or product is provided by the District. Grant revenues are recognized when the funding becomes receivable.

Deferred Revenue

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal 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 purpose.

Portfolio Investments

Portfolio investments consist of guaranteed investment certificates with a chartered bank and deposits with the Municipal Finance Authority pooled investment money market funds. These investments are recorded at cost, which approximates their quoted market value. When, in the opinion of management, there is a permanent decline in value, investments are written down to their market value.

Budget

The budget figures are from the Annual Budget Bylaw to be adopted by May 15 of each year. They have been reallocated to conform to PSAB financial statements. Subsequent amendments have been made by Council to reflect changes in the budget as required by law.

District of Coldstream Summary of Significant Accounting Policies

December 31, 2019

Financial Instruments	It is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from its financial instruments, unless otherwise noted. The fair values of the District's financial instruments approximate their carrying values, unless otherwise noted.
Use of Estimates	The financial statements of the District have been prepared by management in accordance with Canadian generally accepted accounting principles. As such, management is required to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.
Government Transfers	Government transfers, which include legislative grants, are recognized in the financial statements in the period in which the 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.
Non-Financial Assets	Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They 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 liability for the year.
Development Cost Charges	Development Cost Charge (DCC) levies are restricted by by-law in their use for road, drainage and sewer expenses and the revenue is deferred until the expenses are incurred. When DCC expenses are made, a corresponding amount is recorded as "Development cost charges" in revenues.
Contaminated Sites Liability	A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the organization is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. The liability is recorded net of any expected recoveries.

District of Coldstream
Summary of Significant Accounting Policies

December 31, 2019

Employee Future Benefits Employees are entitled to sick leave benefits, accrued monthly, to a maximum of 180 days. Employees are entitled to a payout of their unused sick leave balance upon satisfaction of pre-established criteria. The District's cost of the sick leave benefits are accounted for based on the actuarial valuation. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the employee group.

Tangible Capital Assets Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset. The cost, less residual value, of the tangible capital asset is amortized on a straight line basis over their estimated useful life as follows:

Land	not amortized
Land improvements	15 - 40 years
Buildings	20 - 50 years
Vehicles	10 - 30 years
Equipment	5 - 15 years
Road infrastructure	10 - 75 years
Drainage infrastructure	30 - 70 years
Sewer infrastructure	30 - 70 years

Assets under construction, work in progress, are not amortized until the asset is available for productive use.

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

District of Coldstream
Notes to Financial Statements

December 31, 2019

1. Cash and Portfolio Investments

Cash and Portfolio investments are comprised of the following:

	2019	2018
Cash	\$ 4,587,320	\$ 3,419,326
Municipal Finance Authority - temporary investments	190,748	187,020
Guaranteed Investment Certificates	3,493,854	3,408,589
	<u>\$ 8,271,922</u>	<u>\$ 7,014,935</u>

The restricted and unrestricted balances are as follows:

	2019	2018
Restricted cash and cash equivalents		
Restricted revenues	\$ 1,669,954	\$ 1,522,412
Statutory reserves (Note 6)	4,746,583	4,948,544
	<u>6,416,537</u>	<u>6,470,956</u>
Unrestricted cash and cash equivalents	1,855,385	543,979
	<u>\$ 8,271,922</u>	<u>\$ 7,014,935</u>

Guaranteed Investment Certificates bear interest ranging from 2.08% to 2.57% (2018 - 1.95% to 2.80%) with maturities ranging from September 2020 to September 2023. Portfolio investments are recorded at cost.

2. Accounts Receivable

	2019	2018
Federal Government	\$ 118,249	\$ 101,603
Taxes - current	392,545	291,479
- arrears	251,968	171,805
Utility billings	1,495,489	1,443,164
Trade	245,724	572,483
	<u>\$ 2,503,975</u>	<u>\$ 2,580,534</u>

3. Accounts Payables and Accrued Liabilities

	2019	2018
Accounts payable and accrued liabilities	\$ 2,781,892	\$ 2,031,112
Employee future benefits (Note 10)	283,991	278,664
	<u>\$ 3,065,883</u>	<u>\$ 2,309,776</u>

District of Coldstream
Notes to Financial Statements

December 31, 2019

4. Tangible Capital Assets

	HISTORICAL COST				ACCUMULATED AMORTIZATION				NET BOOK VALUE
	Opening	Additions	Disposals	Closing	Opening	Additions	Disposals	Closing	
2019									
Land	\$ 13,984,754	\$ 400,309	\$ -	\$ 14,385,063	\$ -	\$ -	\$ -	\$ -	\$ 14,385,063
Land improvements	4,078,273	91,441	7,500	4,162,214	1,016,056	165,525	1,500	1,180,081	2,982,133
Buildings	8,477,236	-	-	8,477,236	1,615,568	188,562	-	1,804,130	6,673,106
Vehicles	5,245,385	581,487	69,226	5,757,646	2,578,260	218,184	69,226	2,727,218	3,030,428
Equipment	2,852,467	579,565	239,693	3,192,339	1,731,993	128,553	238,537	1,622,009	1,570,330
Road infrastructure	37,990,198	1,439,226	-	39,429,424	15,964,875	1,052,063	-	17,016,938	22,412,486
Drainage infrastructure	13,555,503	196,527	-	13,752,030	4,763,095	243,276	-	5,006,371	8,745,659
Sewer infrastructure	17,131,922	67,214	-	17,199,136	7,252,201	333,984	-	7,586,185	9,612,951
Work in progress	254,657	67,018	122,078	199,597	-	-	-	-	199,597
	\$103,570,395	\$ 3,422,787	\$ 438,497	\$106,554,685	\$ 34,922,048	\$ 2,330,147	\$ 309,263	\$ 36,942,932	\$ 69,611,753
2018									
Land	\$ 10,519,754	\$ 3,465,000	\$ -	\$ 13,984,754	\$ -	\$ -	\$ -	\$ -	\$ 13,984,754
Land improvements	3,373,263	705,009	-	4,078,272	875,997	140,059	-	1,016,056	3,062,216
Buildings	7,845,685	631,551	-	8,477,236	1,444,496	171,072	-	1,615,568	6,861,668
Vehicles	4,942,084	371,341	68,040	5,245,385	2,457,851	188,449	68,040	2,578,260	2,667,125
Equipment	2,752,648	155,882	56,063	2,852,467	1,631,065	157,126	56,198	1,731,993	1,120,474
Road infrastructure	35,905,226	2,084,972	-	37,990,198	14,994,465	970,410	-	15,964,875	22,025,323
Drainage infrastructure	13,555,503	-	-	13,555,503	4,519,819	243,276	-	4,763,095	8,792,408
Sewer infrastructure	17,131,922	-	-	17,131,922	6,918,217	333,984	-	7,252,201	9,879,721
Work in progress	383,738	220,384	349,465	254,657	-	-	-	-	254,657
	\$ 96,409,823	\$ 7,634,139	\$ 473,568	\$103,570,394	\$ 32,841,910	\$ 2,204,376	\$ 124,238	\$ 34,922,048	\$ 68,648,346

In 2019, the District received contributed assets from a developer in the amount of \$206,265 Roadworks; \$67,214 Sewerworks and \$196,527 Drainage and NORD Contribution for purchase of land \$163,203.
Where an estimate of fair value is not determinable, the tangible capital asset is recognized at a nominal value.

District of Coldstream
Notes to Financial Statements

December 31, 2019

5. Debt

Bylaw	Purpose	Maturity Date	Interest Rate	2019	2018
Debenture debt outstanding:					
2214	Buildings	2032	4.52%	2,556,804	2,704,665
2513	Retaining Wall	2031	3.25%	34,791	37,018
2535	Building	2032	3.40%	981,142	1,037,881
				<u>3,572,737</u>	<u>3,779,564</u>
Other debt outstanding:					
1689	General Capital	2021	1.38%	100,000	150,000
				<u>\$ 3,672,737</u>	<u>\$ 3,929,564</u>

Future principal requirements are due as follows:

Year	Amount
2020	\$ 192,582
2021	192,582
2022	142,582
2023	142,582
2024	142,582
Thereafter	1,138,964
Actuarial adjustments	<u>1,720,863</u>
	<u>\$ 3,672,737</u>

District of Coldstream
Notes to Financial Statements

December 31, 2019

6. Accumulated Surplus

The accumulated surplus consists of individual fund balances and reserves as follows:

	2019	2018
Surplus		
Invested in tangible capital assets	\$ 65,939,017	\$ 64,718,782
General surplus (deficit)	(4,112,793)	(3,181,311)
Sewer surplus	2,891,939	2,467,769
	<u>64,718,163</u>	<u>64,005,240</u>
Operating reserves		
Building stabilization	25,000	25,000
Community amenity	21,619	21,619
Community Works (Gas Tax)	1,396,142	466,789
Election	6,000	-
Fire equipment	25,000	25,000
Future expenditures	624,757	672,194
Parks	163,800	163,800
Police stabilization	327,771	177,311
Road improvement	13,780	13,780
Snow removal	-	10,000
Water devolution	49,711	49,711
	<u>2,653,580</u>	<u>1,625,204</u>
Statutory reserves		
Building Reserve Fund	784,755	574,489
Community Hall Reserve Fund	177,562	116,716
Drainage Reserve Fund	613,351	439,533
Equipment Replacement Reserve	633,069	1,259,497
Land Sale Reserve Fund	57,723	161,417
Road Reserve Fund	1,191,571	1,298,845
Sewer Improvement Fund	1,288,552	1,098,047
	<u>4,746,583</u>	<u>4,948,544</u>
	<u>\$ 72,118,326</u>	<u>\$ 70,578,988</u>

District of Coldstream
Notes to Financial Statements

December 31, 2019

7. Trust Funds

The District has excluded the following trust funds and associated cash from the Statement of Financial Position and related interest earnings and transactions from the Statement of Operations and Accumulated Surplus:

a) Cemetery Trust Fund

The District operates and maintains the Coldstream Cemetery. As required under Provincial legislation, a portion of the plot sales and marker installation fees must be retained for the future maintenance of the cemetery.

	<u>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 140,802	\$ 134,912
Interest income	1,195	2,469
Care fund contributions	5,865	5,890
Contribution to maintenance	<u>(1,195)</u>	<u>(2,469)</u>
Balance, end of year	<u>\$ 146,667</u>	<u>\$ 140,802</u>

b) Highlands Crossing Trust Fund

The District received funds in advance from a developer to prepay a twenty-year railroad crossing lease. These funds are held in trust until required annually to meet the District's commitment.

	<u>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 2,118	\$ 2,623
Interest income	53	43
Contribution to operations	<u>-</u>	<u>(548)</u>
Balance, end of year	<u>\$ 2,171</u>	<u>\$ 2,118</u>

District of Coldstream
Notes to Financial Statements

December 31, 2019

8. Taxation Revenue

The District is required to collect taxes on behalf of and transfer these amounts to the government agencies noted below:

	2019	2018
Tax Collected:		
General Purposes	\$ 6,688,705	\$ 6,362,447
Collections for other Governments	8,805,509	8,349,121
	<u>15,494,214</u>	<u>14,711,568</u>
Breakdown of Collections to Other Governments:		
School Tax	4,963,314	4,784,409
North Okanagan Regional Hospital District	819,855	665,886
North Okanagan Regional District	2,444,670	2,342,824
Municipal Finance Authority	571	533
British Columbia Assessment Authority	117,631	114,253
Okanagan Regional Library	459,468	441,216
	<u>\$ 8,805,509</u>	<u>\$ 8,349,121</u>

9. Government Transfers

	2019	2018
Federal		
Community Works Fund - Gas Tax	\$ 1,014,190	\$ 510,858
Provincial		
Community Emergency Preparedness Fund	20,862	9,354
Strategic Priorities Fund	-	64,130
Infrastructure Planning Grant	-	695,800
Climate Action Revenue Incentive Program	11,202	11,543
Strategic Community Investment Funds	415,311	419,453
BC Highways - Street Lighting	2,164	1,336
Clean Water & Waste Water Fund Program	-	50,100
Total Provincial	<u>449,539</u>	<u>1,251,716</u>
Other		
Okanagan Basin Water Board	11,340	12,007
Municipal Insurance Association	-	-
Community Wildfire Planning Grant	-	-
Total Other	<u>11,340</u>	<u>12,007</u>
	<u>\$ 1,475,069</u>	<u>\$ 1,774,581</u>

District of Coldstream
Notes to Financial Statements

December 31, 2019

10. Employee Future Benefits

The District provides certain post-employment benefits in the form of vested sick leave benefits to its employees.

	<u>2019</u>	<u>2018</u>
Accrued Benefit Obligation, beginning of year	\$ 253,499	\$ 235,856
Service cost	23,929	25,323
Interest cost	8,110	7,145
Actual benefits paid	(19,880)	(28,590)
Actuarial (Gain)/Loss	(17,684)	13,765
Accrued Benefit Obligation, end of year	<u>\$ 247,974</u>	<u>\$ 253,499</u>

An actuarial valuation for these benefits was performed to determine the District's accrued benefit obligation as at December 31, 2019. The new valuation, along with actual benefit payments differing from expected, created an actuarial gain at December 31, 2019. The actuarial gain is being amortized over a period equal to the employees' average remaining service lifetime (9.5 years).

Reconciliation of funded status:

	<u>2019</u>	<u>2018</u>
Deficit at end of year	\$ (247,974)	\$ (253,499)
Unamortized net actuarial (gain)/loss	(36,017)	(25,165)
Accrued Benefit Liability	<u>\$ (283,991)</u>	<u>\$ (278,664)</u>

Actuarial assumptions used to determine the District's accrued benefit obligation are as follows:

	<u>2019</u>	<u>2018</u>
Discount rate	3.20%	3.20%
Expected future inflation rate	2.50%	2.50%
Expected wage and salary range increases	2.50%	2.50%

District of Coldstream
Notes to Financial Statements

December 31, 2019

11. Financial Plan

The Financial Plan anticipated use of surpluses accumulated in previous years to balance against current year expenditures in excess of current year revenues. The following shows how these amounts were combined:

	2019	2018
Addback:		
Capital expenditures	7,710,979	4,934,950
Debt principal payments	192,581	192,582
Less:		
Amortization	(2,286,419)	(2,248,410)
Debt proceeds	(300,000)	(300,000)
Budgeted transfers from accumulated surplus	(3,289,466)	(2,706,802)
Adjusted Annual Surplus (Deficit)	<u>\$ 2,027,675</u>	<u>\$ (127,680)</u>

12. Contingent Liabilities

a) Commencing December 31, 1987, the District entered into a self-insurance plan with other British Columbia municipalities. The District is obliged under the plan to pay a percentage of its fellow insurers' losses. The District pays an annual premium, which is anticipated to be adequate to cover any losses incurred.

b) The District is responsible as a member of the Regional District of North Okanagan for its proportion of any operating deficits related to the functions in which it participates.

The Regional District of North Okanagan debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the District and each member Municipality within the district, including the Corporation of the District of Coldstream.

The Municipal Finance Authority debentures are covered by a loan agreement with the Municipal Finance Authority which provides that, if at any time the payments provided for in the agreement are not sufficient to meet the Authority's obligations in respect of such borrowings, the resulting deficiency becomes a liability of the District.

c) The District is the defendant in various lawsuits. In the opinion of management, the overall estimation of loss is not determinable. These claims have not been provided for in the financial statements. Settlement, if any, made with respect to these actions would be expected to be accounted for as a change to expenditures in the period in which realization is known.

d) The bank has issued, on behalf of the District of Coldstream, letters of guarantee with respect to the College Way Extension (Grid Road). The aggregate amount outstanding at December 31, 2019 was approximately \$40,000 (2018 - \$40,000).

December 31, 2019

13. Commitments

- a) The District has entered into a lease agreement with the City of Vernon to accommodate the RCMP positions for which the District is responsible. The lease is for a five year term and expired December 31, 2016. Annual lease payments are based on the proportion of the District's detail strength to the total detachment strength. The payment for the next year will be approximately \$60,000.
- b) The District of Coldstream has entered into a 5 year agreement with the Regional District of the North Okanagan whereby the District operates the portion of the water system that is located within and east of the District borders. Under the agreement the District is responsible for the day to day operation of the water system, and is wholly reimbursed for the operating expenditures made to undertake these duties. The lease is for a five year term and expired December 31, 2018.
- c) The District of Coldstream has an operating line of credit with the Bank of Montreal for an authorized amount of \$800,000, bearing interest at bank prime rate. At December 31, 2019, the balance outstanding on the operating line of credit was \$nil (2018 - \$nil).

14. Municipal Pension Plan

The District of Coldstream and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2018 the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from the District of Coldstream.

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 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 is then adjusted to the extent there is amortization of any funding deficit.

The most recent valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,886 million funding surplus for basic pension benefits on an ongoing concern basis. The next valuation will be as at December 31, 2021, with results available in 2022.

The District of Coldstream paid \$250,752 (2018 - \$258,264) for employer contributions while employees contributed \$221,571 (2018 - \$228,210) to the plan in fiscal 2019.

District of Coldstream Schedule 1 - Segment Disclosure and Object Reporting

December 31, 2019

The District of Coldstream is a diversified municipal government institution that provides a wide range of services to its citizens. The District services are provided by departments and their activities are reported in these Service Areas. Departments disclosed in the Segmented Information, along with the services they provide are as follows:

General Government Services - Mayor & Council, Administration and Finance Departments

The Departments within General Government Services are responsible for adopting bylaws; adopting administrative policy; levying taxes; acquiring, disposing and managing District assets; ensuring effective financial management; monitoring performance and ensuring that District service standards are met.

Protective Services - Police Department and Fire Department

The mandates of the Police and Fire Departments are to enforce laws, prevent crime, and maintain peace, order, and security by protecting life, property and the environment through the provision of emergency response.

Infrastructure Services - Engineering Department and Public Works Department

The Infrastructure Department is responsible for the planning and design of the District's infrastructure. The Public works department is responsible for the maintenance of the District infrastructure.

Development Services - Planning and Development Department

The Planning and Development Department is responsible for preparing land use plans, bylaws and policies for development in the District and for reviewing and approving new development.

Building and Bylaw Services - Building Department and Bylaw Department

The Building and Bylaw department is responsible for conducting inspections of construction projects, including both new and renovation projects, fire inspections, business licensing and ensuring compliance with existing regulations.

	General Government	Protective Services	Infrastructure Services	Development Services	Building & Bylaw	2019	2018
Revenues							
Taxation - net	\$ 6,864,288	\$ -	\$ -	\$ -	\$ -	\$ 6,864,288	\$ 6,519,890
Sale of services	227,145	-	1,597,086	-	-	1,824,231	1,956,926
License, fines & rentals	521,008	-	-	-	323,289	844,297	990,308
Return on investments	235,705	-	-	-	-	235,705	197,045
Grants	32,064	31,988	1,411,017	-	-	1,475,069	1,774,581
Developer Contribution	-	-	633,209	-	-	633,209	4,376,100
	7,880,210	31,988	3,641,312	-	323,289	11,876,799	15,814,850
Expenses							
Advertising	33,685	-	-	4,967	-	38,652	58,119
Amortization	53,436	211,836	2,064,875	-	-	2,330,147	2,204,376
Equipment/facilities	68,862	131,597	329,909	-	-	530,368	486,620
Insurance	146,769	10,753	2,103	-	-	159,625	149,997
Interest	155,952	-	-	-	-	155,952	152,017
Memberships	14,560	1,381	3,416	1,069	1,220	21,646	17,621
Miscellaneous	24,796	20,606	8,365	-	1,030	54,797	60,254
Office supplies	61,706	2,873	-	-	-	64,579	62,914
Policing costs	-	797,496	-	-	-	797,496	874,853
Professional Dev.	33,753	117,408	9,699	2,172	114	163,146	184,116
Professional Serv.	218,272	38,978	1,307,833	20,658	148,358	1,734,099	1,576,041
Sewer contract	-	-	426,814	-	-	426,814	452,177
Supplies	-	-	211,664	-	-	211,664	271,047
Telephone & utilities	47,885	30,796	270,225	559	706	350,171	335,681
Wages & benefits	261,835	536,910	2,012,043	324,354	162,057	3,297,199	3,132,958
	1,121,511	1,900,634	6,646,946	353,779	313,485	10,336,355	10,018,790
Annual surplus (deficit)	6,758,699	(1,868,646)	(3,005,634)	(353,779)	9,804	1,540,444	5,796,060
Gains (losses) on disposal of tangible capital assets	-	-	(1,106)	-	-	(1,106)	27,003
Annual surplus (deficit)	\$ 6,758,699	\$ (1,868,646)	\$ (3,006,740)	\$ (353,779)	\$ 9,804	\$ 1,539,338	\$ 5,823,063



STATISTICAL SECTION



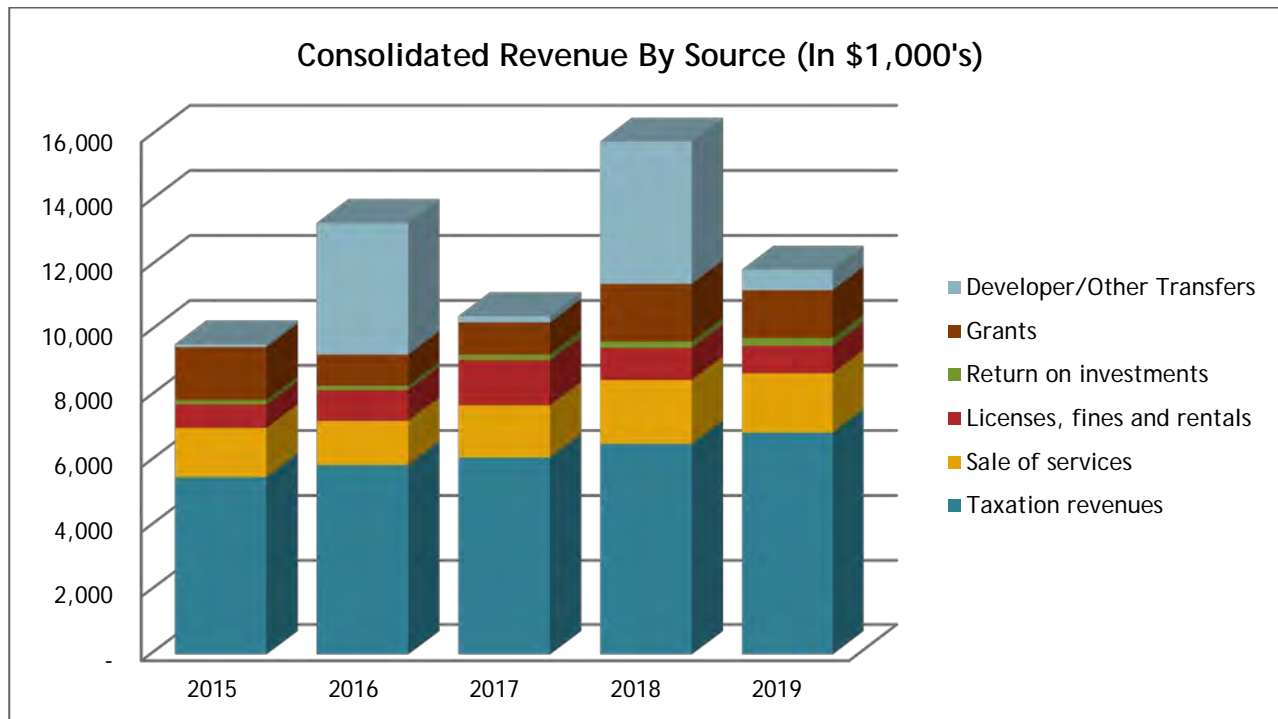
Revenue by Source

(in \$1,000's except per capita figures)

	2019	2018	2017	2016	2015
Taxation revenues	\$ 6,865	\$ 6,519	\$ 6,097	\$ 5,868	\$ 5,493
Sale of services	1,824	1,962	1,603	1,354	1,514
Licenses, fines and rentals	844	985	1,392	951	720
Return on investments	236	197	174	133	132
Grants	1,475	1,775	983	956	1,633
Developer/Other Transfers	633	4,376	200	4,050	91
	\$ 11,877	\$ 15,814	\$ 10,449	\$ 13,312	\$ 9,583

TOTAL REVENUE PER CAPITA	\$ 1,043	\$ 1,388	\$ 943	\$ 1,217	\$ 886
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PROPORTION OF TAXATION REVENUE TO TOTAL REVENUE	57.8%	41.2%	58.4%	44.1%	57.3%
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Expenses by Function

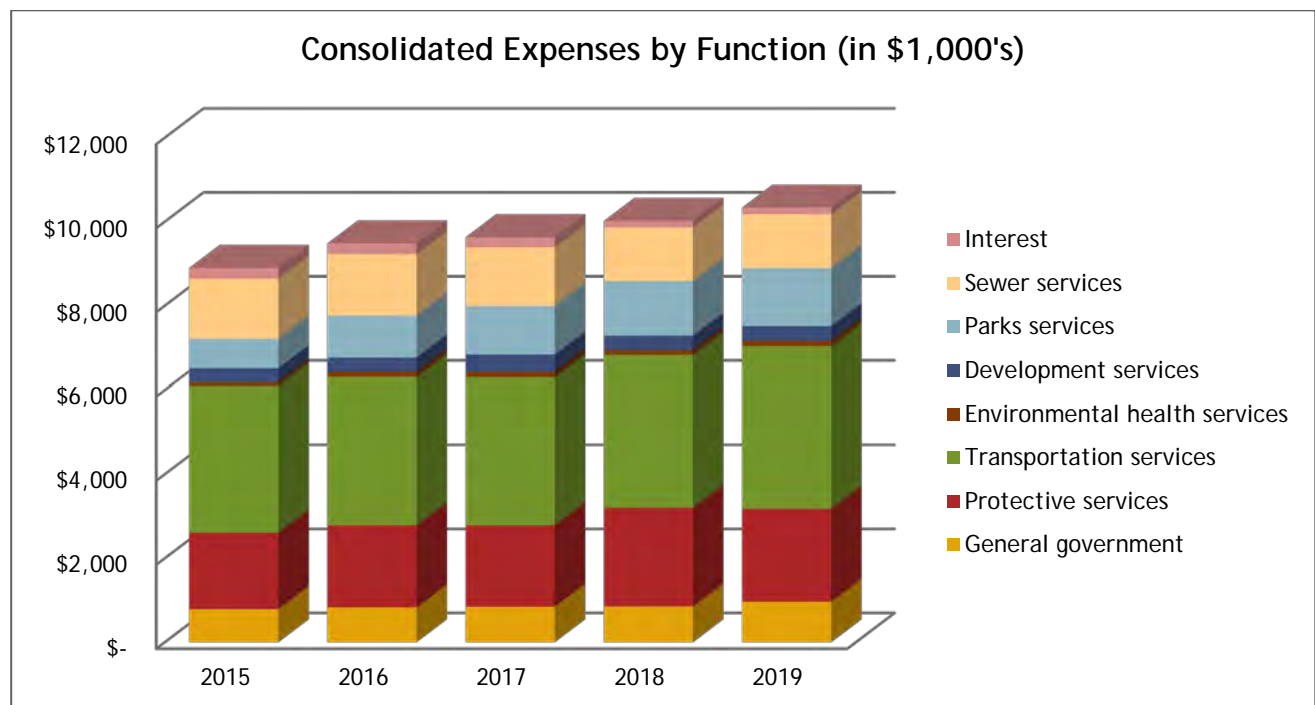
(in \$1,000's except per capita figures)

	2019	2018	2017	2016	2015
General government	\$ 965	\$ 853	\$ 848	\$ 831	\$ 790
Protective services	2,214	2,354	1,935	1,951	1,818
Transportation services	3,860	3,625	3,519	3,529	3,495
Environmental health services	121	111	127	118	80
Development services	354	344	407	338	330
Parks services	1,385	1,300	1,158	999	699
Sewer services	1,281	1,280	1,402	1,462	1,429
Interest	156	152	237	256	260
	<u>\$ 10,336</u>	<u>\$ 10,019</u>	<u>\$ 9,633</u>	<u>\$ 9,484</u>	<u>\$ 8,901</u>

TOTAL EXPENSES PER CAPITA	\$ 908	\$ 879	\$ 869	\$ 867	\$ 823
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PERCENTAGE CHANGE IN PER-CAPITA

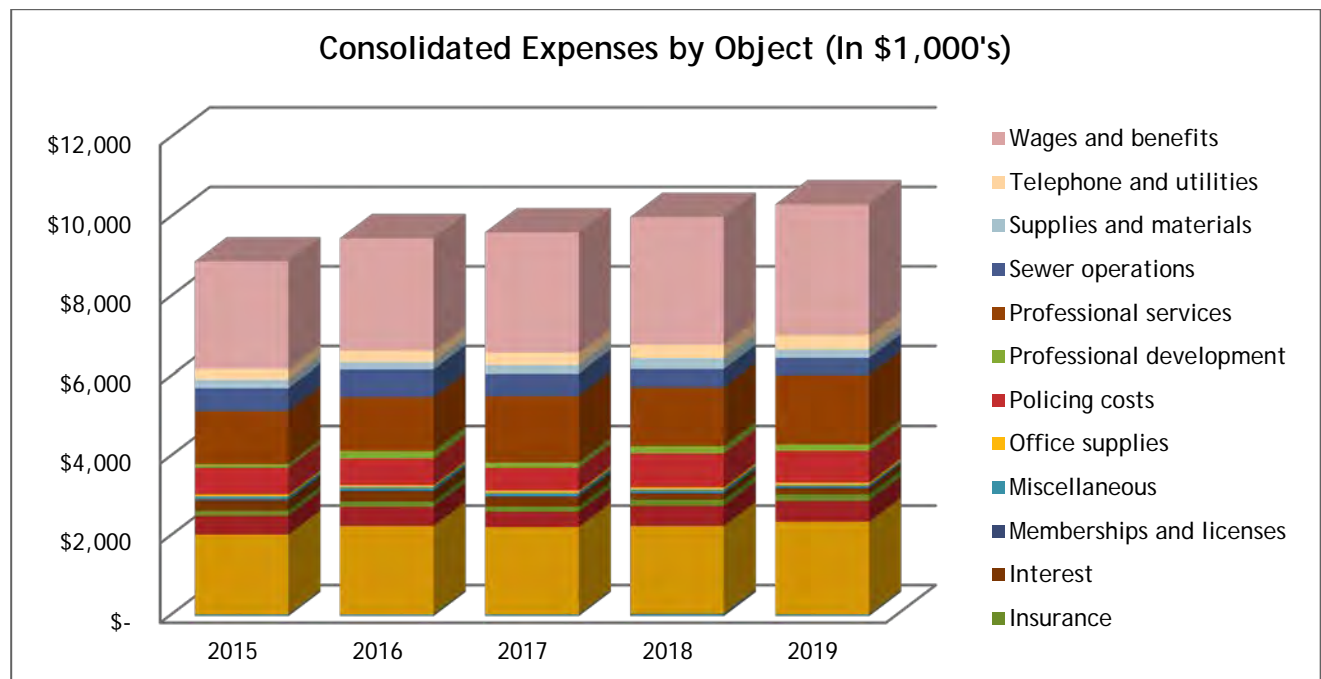
EXPENSES FROM PRIOR YEAR	3.3%	1.2%	0.2%	5.4%	2.0%
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Expenses by Object

(in \$1,000's except per capita figures)

	2019	2018	2017	2016	2015
Advertising and promotion	\$ 39	\$ 58	\$ 38	\$ 35	\$ 38
Amortization	2,330	2,204	2,201	2,233	2,011
Equipment and facilities	530	513	380	475	470
Insurance	160	150	138	137	134
Interest	156	152	237	256	260
Memberships and licenses	22	18	19	19	19
Miscellaneous	55	80	83	85	76
Office supplies	64	63	60	50	49
Policing costs	797	849	571	669	670
Professional development	163	184	132	188	96
Professional services	1,734	1,476	1,669	1,353	1,334
Sewer operations	427	452	557	685	570
Supplies and materials	212	271	214	191	210
Telephone and utilities	350	336	307	276	263
Wages and benefits	3,297	3,213	3,027	2,832	2,701
	<u>\$ 10,336</u>	<u>\$ 10,019</u>	<u>\$ 9,633</u>	<u>\$ 9,484</u>	<u>\$ 8,901</u>



Statement of Reserve Funds and Surplus

(in \$1,000's except per capita figures)

Statement of Annual & Accumulated Surplus

	2019	2018	2017	2016	2015
Accumulated surplus, beginning	\$70,579	\$64,756	\$64,474	\$60,620	\$59,935
Annual surplus	1,539	5,823	282	3,854	685
Accumulated surplus, ending	\$72,118	\$70,579	\$64,756	\$64,474	\$60,620

Statement of Annual and Accumulated Surplus

Statutory reserves	\$4,747	\$4,949	\$4,243	\$3,524	\$2,754
Operating reserves	2,653	1,625	1,645	1,527	1,293
Surplus (deficit)	(1,221)	(714)	(521)	(247)	65
Equity in tangible capital assets	65,939	64,719	59,389	59,670	56,508
	\$72,118	\$70,579	\$64,756	\$64,474	\$60,620

Net Financial Debt (Detail)

Financial assets	\$10,984	\$9,802	\$9,517	\$9,113	\$8,393
Financial liabilities	8,616	7,968	8,441	8,702	8,843
Net financial asset (liability)	2,368	1,834	1,076	411	(450)
Non-financial assets	69,750	68,745	63,680	64,063	61,070
Accumulated surplus, ending	\$72,118	\$70,579	\$64,756	\$64,474	\$60,620

Statutory Reserve Funds (Detail)

Equipment replacement reserve	\$633	\$1,260	\$1,339	\$749	\$649
Sewer improvement reserve	1,289	1,098	930	777	646
Land sale reserve	58	161	107	103	136
Building reserve	785	574	564	467	360
Road reserve	1,192	1,299	946	1,235	748
Drainage reserve	613	440	299	193	215
Community Hall Reserve	177	117	58	-	-
	\$4,747	\$4,949	\$4,243	\$3,524	\$2,754

Operating Reserve Funds (Detail)

Police stabilization	\$327	\$177	\$333	\$180	\$217
Election	6	-	15	10	5
Snow removal	-	10	10	10	10
Library	-	-	-	1	1
Parks	164	164	9	326	339
Fire equipment	25	25	25	10	35
Community amenity	22	22	22	21	29
Fire Training Centre	-	-	-	-	19
Building stabilization	25	25	25	25	25
Road improvement	14	14	14	14	14
Water devolution	50	50	50	50	50
Future capital - general	2,020	1,138	1,142	865	509
Planning	-	-	-	15	40
	\$2,653	\$1,625	\$1,645	\$1,527	\$1,293

Statement of Surplus

General operating fund - deficit	(4,113)	(3,181)	(2,618)	(1,972)	(1,454)
Sewer operating fund - surplus	2,892	2,467	2,096	1,725	1,519
	(1,221)	(714)	(522)	(247)	65

TOTAL RESERVES AND SURPLUSES

	\$6,179	\$5,860	\$5,366	\$4,804	\$4,112
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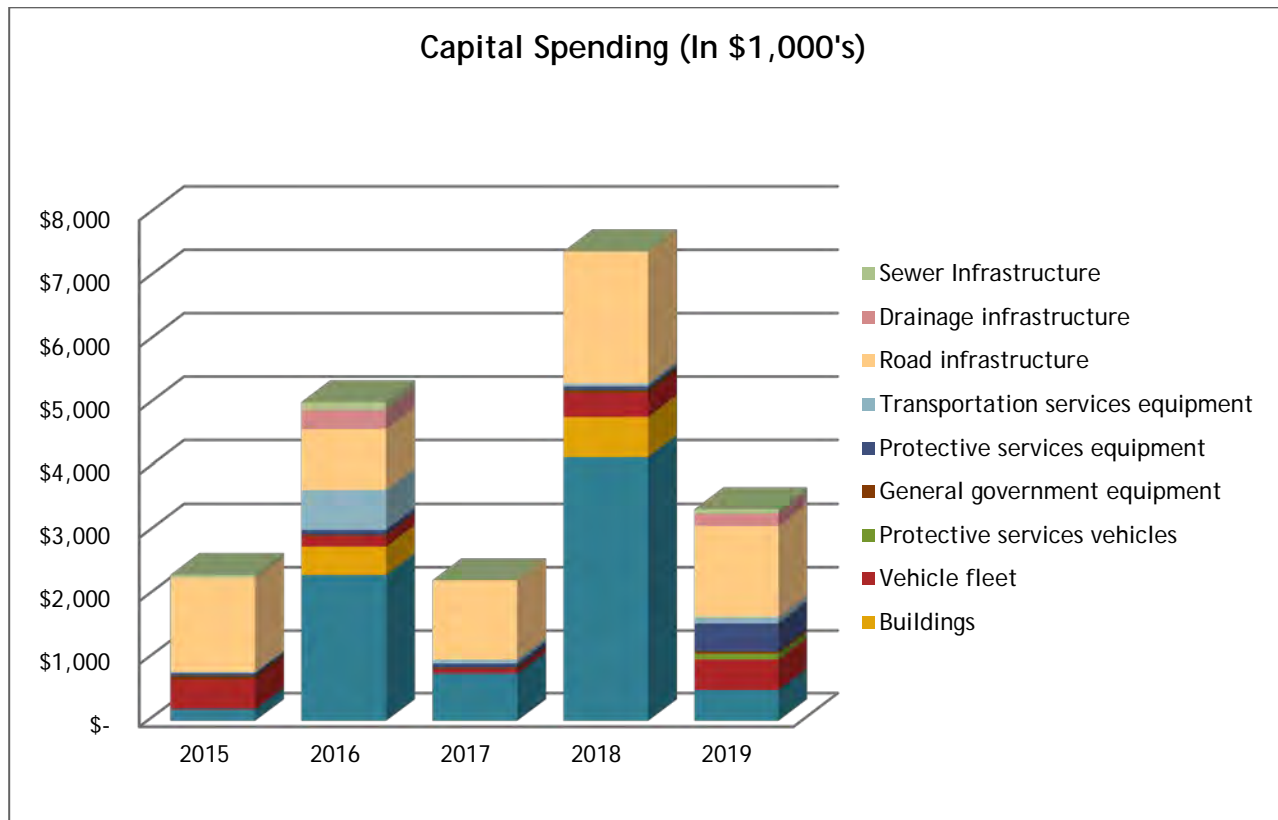
ACCUMULATED SURPLUS (FINANCIAL EQUITY) PER CAPITA

	\$543	\$514	\$484	\$439	\$380
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Capital Spending

(in \$1,000's except per capita figures)

	2019	2018	2017	2016	2015
Land & Land Improvements	\$ 491	\$ 4,170	\$ 753	\$ 2,315	\$ 183
Buildings	-	632	-	450	-
Vehicle fleet	484	371	72	162	478
Protective services vehicles	98	-	-	-	-
General government equipment	35	53	20	26	53
Protective services equipment	446	58	69	78	44
Transportation services equipment	98	45	58	625	20
Road infrastructure	1,439	2,085	1,262	952	1,489
Drainage infrastructure	197	-	-	305	-
Sewer Infrastructure	67	-	-	124	53
	\$ 3,355	\$ 7,414	\$ 2,234	\$ 5,037	\$ 2,320
TOTAL CAPITAL SPENDING PER CAPITAL	\$ 295	\$ 651	\$ 202	\$ 461	\$ 214



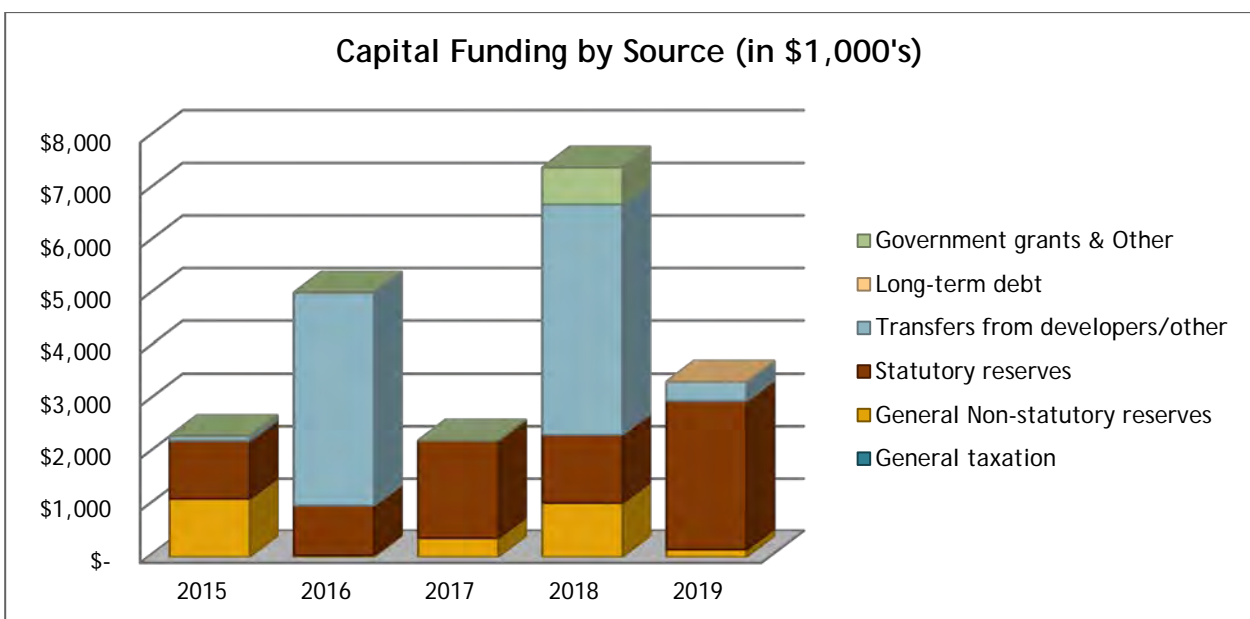
Capital Funding by Source

(in \$1,000's except per capita figures)

	2019	2018	2017	2016	2015
General taxation	\$ -	\$ -	\$ -	\$ -	\$ -
General Non-statutory reserves	145	1,039	365	37	1,118
Sewer revenues	-	-	-	-	-
Sewer non-statutory reserves	-	-	-	-	-
Statutory reserves	2,841	1,302	1,869	950	1,111
Development cost charges	-	-	-	-	-
Transfers from developers/other	369	4,377	-	4,050	91
Long-term debt	-	-	-	-	-
Short-term borrowing	-	-	-	-	-
Government grants & Other	-	696	-	-	-
	\$ 3,355	\$ 7,414	\$ 2,234	\$ 5,037	\$ 2,320

PROPORTIONAL BREAKDOWN OF CAPITAL FUNDING

	2019	2018	2017	2016	2015
General taxation	0.0%	0.0%	0.0%	0.0%	0.0%
Sanitary Sewer revenues	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves	89.0%	31.6%	100.0%	19.6%	96.1%
Developers	11.0%	59.0%	0.0%	80.4%	3.9%
Long-term debt	0.0%	0.0%	0.0%	0.0%	0.0%
Short-term borrowing	0.0%	0.0%	0.0%	0.0%	0.0%
Government grants & Other	0.0%	9.4%	0.0%	0.0%	0.0%
	100.0%	100.0%	100.0%	100.0%	100.0%



Long-Term Debt By Function

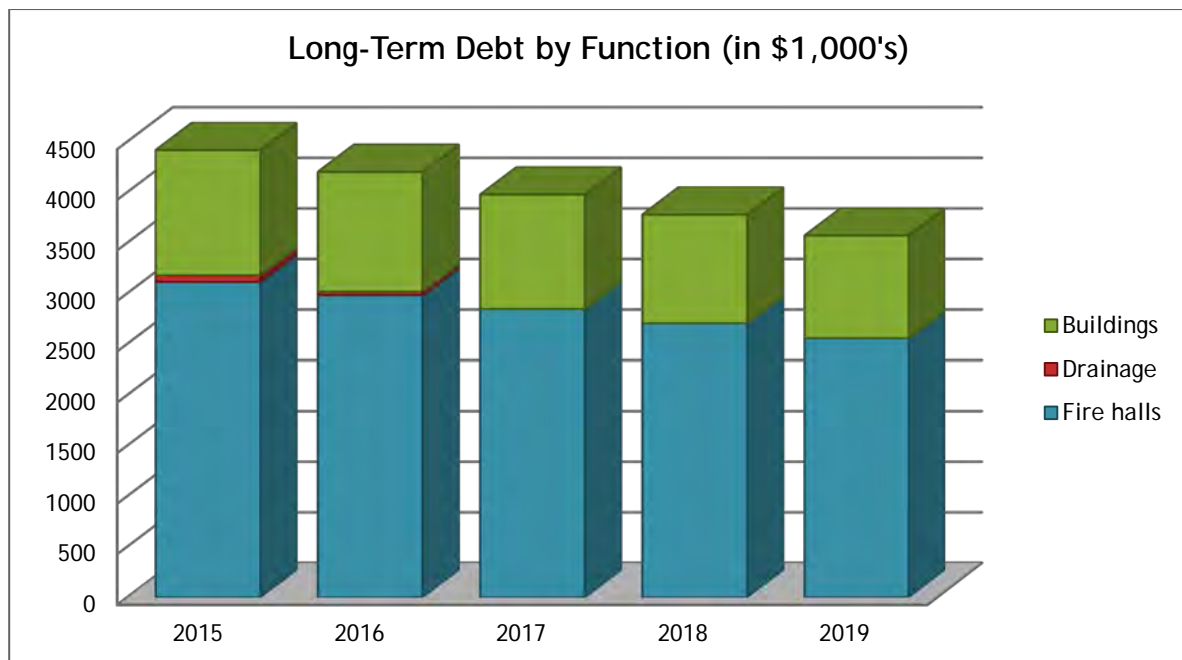
(in \$1,000's except per capita figures)

Long-Term Debt by Function

	2019	2018	2017	2016	2015
Fire halls	\$ 2,557	\$ 2,705	\$ 2,847	\$ 2,984	\$ 3,115
Drainage	-	-	-	33	65
Buildings	1,016	1,075	1,131	1,186	1,238
	<u>\$ 3,573</u>	<u>\$ 3,780</u>	<u>\$ 3,978</u>	<u>\$ 4,203</u>	<u>\$ 4,418</u>

The long-term debt of the municipality is funded 99.9% from general taxation and 0.1% from parcel tax.

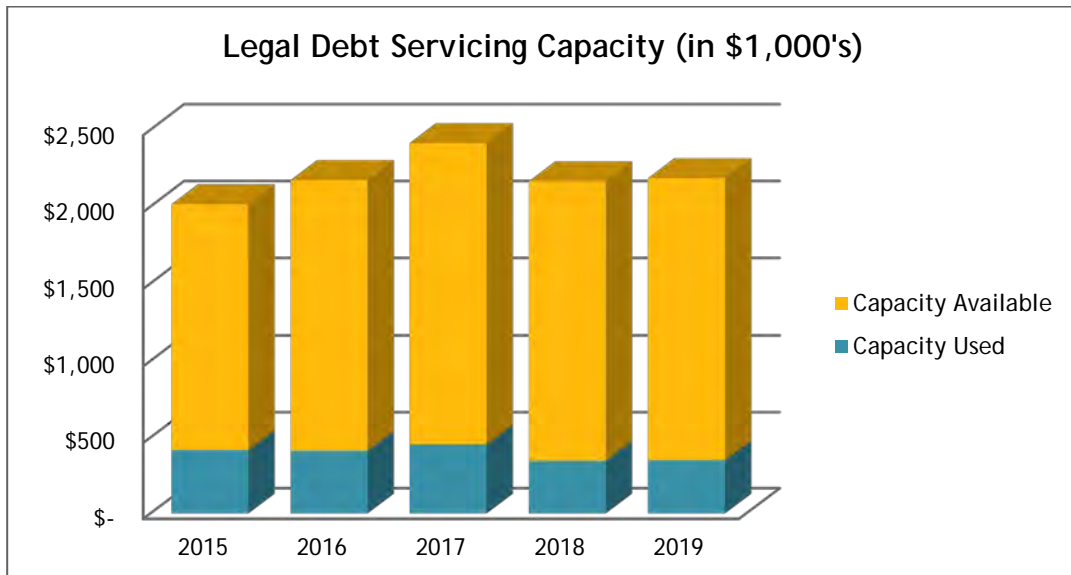
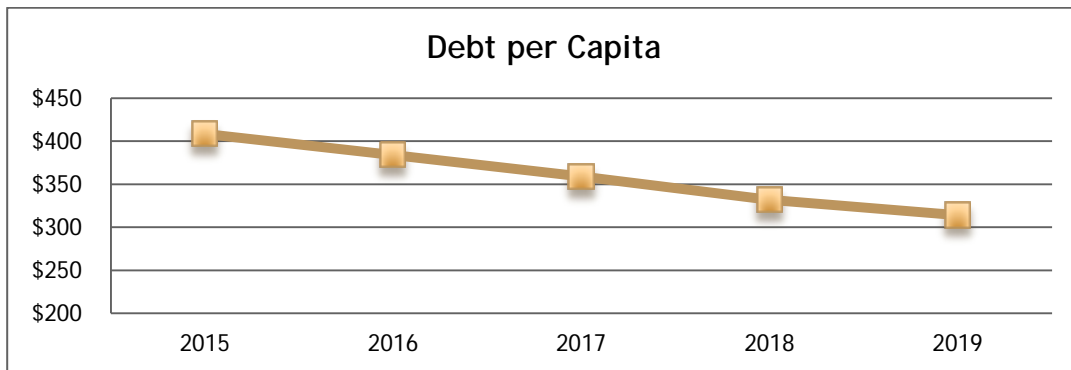
LONG-TERM DEBT PER CAPITA	\$ 314	\$ 332	\$ 359	\$ 384	\$ 408
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Long-Term Debt Capacity

(in \$1,000's except per capita figures)

	2019	2018	2017	2016	2015
Long- Term Debt Per Capital	\$ 314	\$ 332	\$ 359	\$ 384	\$ 408
Annual Debt Servicing	349	345	454	412	416
% of Annual Debt Servicing to Total Expenses and principal payments	3.38%	3.44%	4.71%	4.34%	4.67%
LEGAL DEBT SERVICING LIMIT	\$ 2,184	\$ 2,164	\$ 2,413	\$ 2,172	\$ 2,073
REMAINING DEBT SERVICING CAPACITY	\$ 1,835	\$ 1,819	\$ 1,959	\$ 1,760	\$ 1,657



Taxable Property Assessments

(in \$1,000's)

	2019	2018	2017	2016	2015
Residential	\$ 2,734,143	\$ 2,551,812	\$ 2,227,336	\$ 2,081,956	\$ 1,958,907
Utility	1,722	1,693	1,520	1,180	1,491
Major industry	9,201	8,973	8,312	8,327	8,296
Light industry	11,385	11,588	9,934	9,734	5,496
Commercial	21,824	20,350	17,989	17,007	19,416
Recreation and non-profit	5,247	4,950	4,737	4,678	4,300
Farm land	9,483	9,136	9,375	9,261	9,238
	\$2,793,005	\$2,608,502	\$2,279,203	\$2,132,143	\$2,007,144

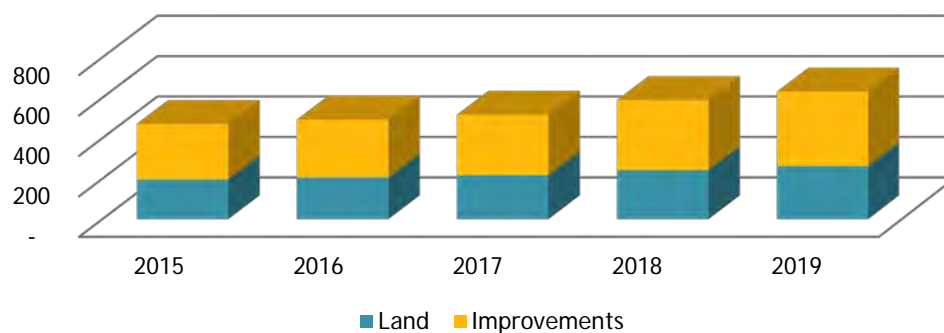
% change from prior year	7.07%	14.45%	6.90%	6.23%	5.61%
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AVERAGE SINGLE FAMILY RESIDENTIAL

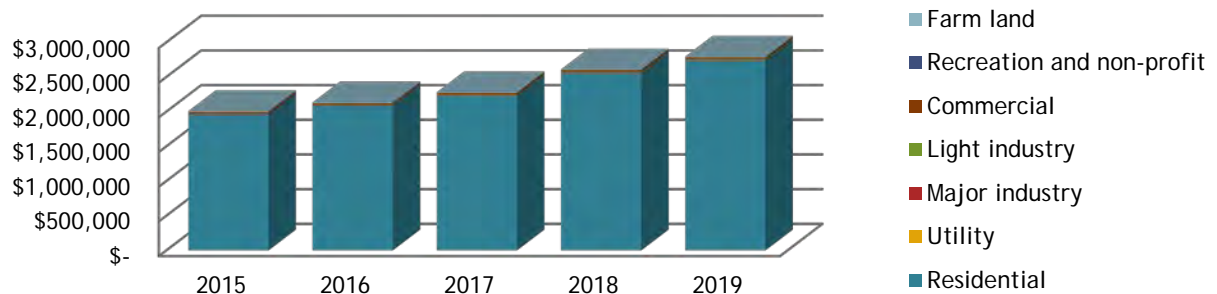
ASSESSED VALUES (in \$1,000's)	2019	2018	2017	2016	2015
Land	\$ 260	\$ 241	\$ 215	\$ 204	\$ 195
Improvements	370	347	300	287	275
	\$ 630	\$ 588	\$ 515	\$ 491	\$ 470

% change from prior year	7.14%	14.17%	4.89%	4.47%	4.91%
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Average Single Family Residential Assessed Value (in \$1,000's)



Assessment Values (in \$1,000's)



Property Tax Revenue

(in \$1,000's except per capita figures)

	2019	2018	2017	2016	2015
Residential	\$ 6,117	\$ 5,809	\$ 5,423	\$ 5,204	\$ 4,827
Utility	64	63	57	44	55
Major industry	212	211	200	204	215
Light industry	87	78	71	72	40
Business	117	111	105	102	115
Recreation and non-profit	11	11	12	12	11
Farm land	81	79	87	88	102
	<u>\$ 6,689</u>	<u>\$ 6,362</u>	<u>\$ 5,955</u>	<u>\$ 5,726</u>	<u>\$ 5,365</u>

PROPERTY TAX REVENUE PER CAPITA

\$ 588 \$ 558 \$ 537 \$ 523 \$ 496

TAXES COLLECTED IN THE YEAR

\$ 6,296 \$ 6,071 \$ 5,717 \$ 5,418 \$ 5,059

PERCENTAGE OF TAXES COLLECTED IN THE YEAR

94.12% 95.43% 96.00% 94.62% 94.30%

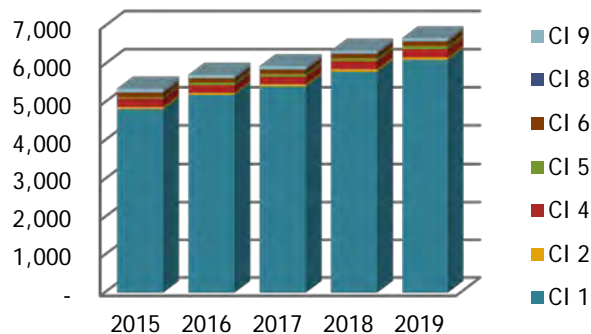
RATIO OF TAXES - RESIDENTIAL TO TOTAL
PROPERTY (GENERAL TAXES ONLY)

91.45% 91.31% 91.07% 90.88% 89.97%

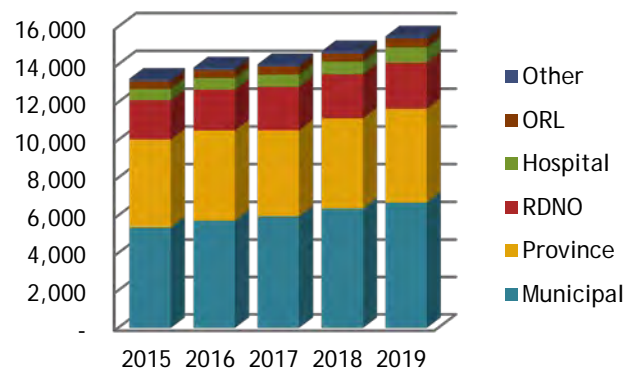
TAXES LEVIED FOR OTHER AGENCIES

	2019	2018	2017	2016	2015
Provincial School Tax	\$ 4,963	\$ 4,784	\$ 4,558	\$ 4,776	\$ 4,659
Regional District of North Okanagan	2,445	2,343	2,312	2,164	2,081
Regional Hospital Districts	820	666	641	618	602
Okanagan Regional Library	459	441	441	429	413
Other	118	115	108	125	128
	<u>\$ 8,805</u>	<u>\$ 8,349</u>	<u>\$ 8,060</u>	<u>\$ 8,112</u>	<u>\$ 7,883</u>

Revenue by Assessment Class (In \$1,000's)



Total Taxes Levied (In \$1,000's)



Principal Corporate Tax Payers

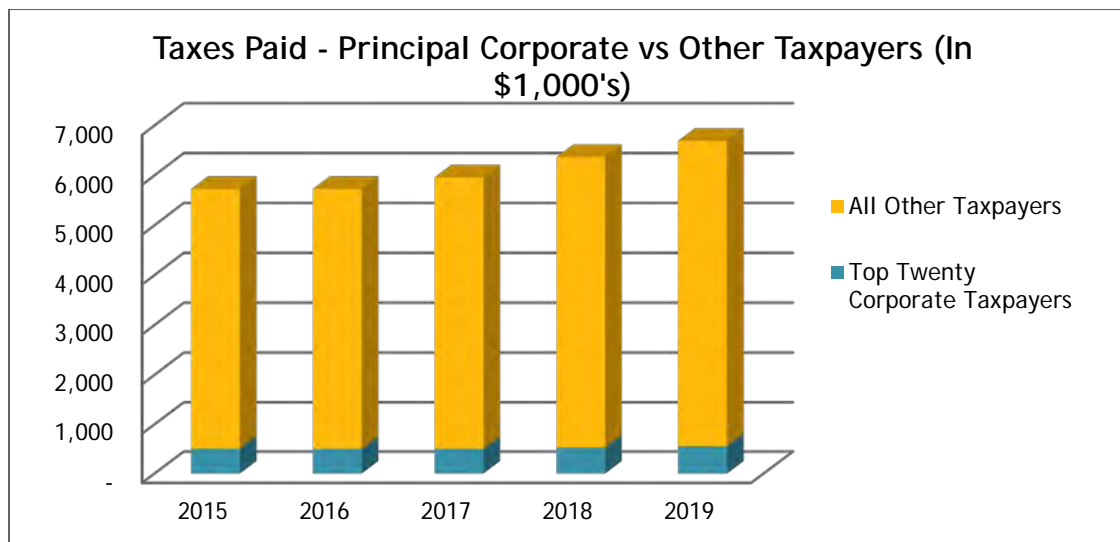
(in \$1,000's)

Rank	Property Owner	Category	General Taxes Levied	2018
1	Tolko Industries Ltd.	Industrial	\$ 212	1
2	Timber Investments	Residential	45	2
3	Canadian National Railway Ltd.	Utility	38	3
4	O-I Canada Corp/Restoration Lands	Commercial	37	4
5	Coldstream Ranch (2002) Ltd.	Farm & Industrial	37	5
6	West Kootenay Power & Light Co.	Utility	28	6
7	Scenic Valley Trailer Park Ltd.	Residential	20	7
8	Coldstream Court Resort Ltd.	Commercial	18	8
9	Gestion Pro Veg Inc	Farm & Industrial	18	10
10	Coldstream Meadows Pty Mngt. Ltd.	Residential	18	9
11	Highridge Homes Ltd	Residential	14	16
12	Trintec Enterprises Ltd.	Commercial	11	11
13	Coldstream Lumber Remanufacturing Ltd.	Industrial	10	12
14	673291 Alberta Ltd.	Residential	8	14
15	MNB Holdings Ltd.	Residential	9	15
16	INC. NO. BC0850137	Industrial	7	16
17	Avillia Developments	Residential	6	0
18	Kalview Estates Ltd.	Residential	6	18
19	David Regehr Holdings Ltd.	Residential	5	19
20	1691353 Alberta Ltd	Residential	5	0

Total General Tax Revenue - Top Twenty \$ 552

Total General Tax Revenue - District Wide \$ 6,689

Proportion of Taxes Paid by Top Twenty 8.3%



Permissive Tax Exemptions

(Foregone Tax Revenues - Coldstream Portion Only)

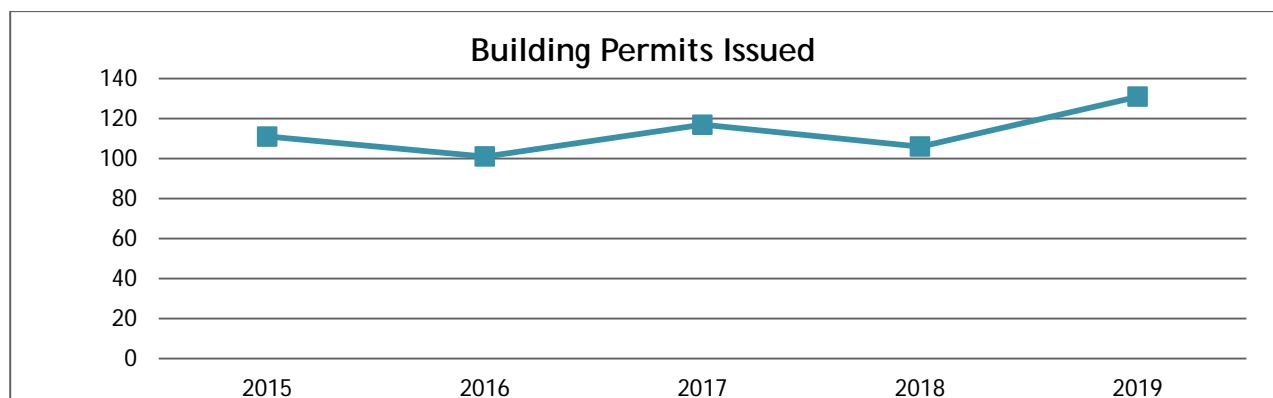
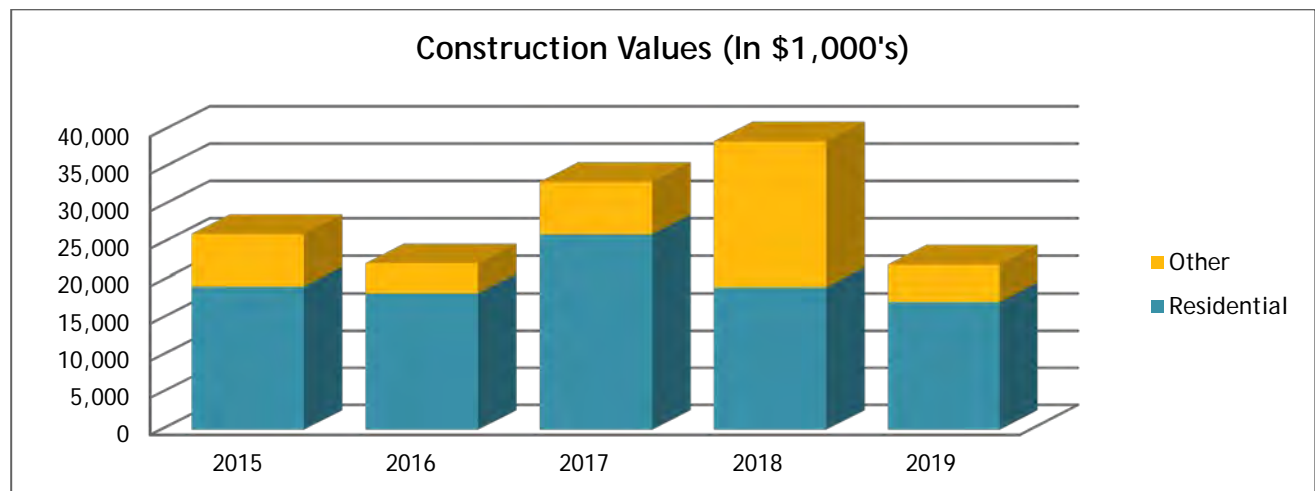
LEGAL	ROLL #	NAME	Class	Assessment	Taxes
Non-profit Organizations					
Plan B5453; N/E 1/4	1228.000	Lavington Community Association - old hall site - vacant land	8L	227,000	\$ 508
Lot 5, Plan 10026	954.000	Canadian Mental Health Association	1L&I	823,000	1,841
Lot 7, Plan 2122	656.000	Kindale Developmental Association	IL&I	1,112,000	2,488
Lot 55, Plan KAP76946	179.358	Kindale Developmental Association	IL&I	675,000	1,510
Lot 1, Plan 9735	728.000	Vernon & District Riding Club	8L	467,000	1,045
Lot 1, Plan KAP72589	448.000	Mackie Lake House Foundation	8L	4,478,000	10,020
			1I	502,000	1,123
Lot 1, Plan 16554	568.000	Bishop Wild Bird Foundation	1L&I	3,157,000	7,064
Moorage Folio	568.001	Bishop Wild Bird Foundation	1L&I	5,600	13
Lot 6, Blk 4, Plan KAP9714	63.000	North Okanagan Foundation for the Mentally Handicapped Inc. #S-0035674	1L&I	576,000	1,289
Places of Worship					
Lot 1, Plan EPP18765, DL 57	831.015	Coldstream Christian Church	8L&I	1,170,200	2,406
L.1&2;Plan 3026	681.000	Ukrainian Catholic Eparchy	8L&I	336,500	753
	682.000	Ukrainian Catholic Eparchy	6L	269,000	1,445
PCL.A, Plan B6907	1227.000	Lavington Fellowship Baptist Church	8L&I	939,700	2,103
Lot 1, Plan 40254	680.050	Roman Catholic Bishop of Kamloops - Our Lady of the Valley	8L&I	2,311,500	5,172
					<u>\$38,779</u>

Building Permits and Business Licenses

Building Permit Construction Values (in \$1,000's)	2019	2018	2017	2016	2015
Residential	\$ 17,170	\$ 19,135	\$ 26,188	\$ 18,325	\$ 19,225
Other	4,997	19,514	7,027	3,998	7,010
	\$ 22,167	\$ 38,649	\$ 33,215	\$ 22,323	\$ 26,235
Building Permit Fees (in \$1,000's)	\$ 289	\$ 441	\$ 391	\$ 281	\$ 292
Number of Building Permits Issued	131	106	117	101	111
Business License Fees (in \$1,000's)	\$ 47	\$ 42	\$ 42	\$ 41	\$ 39
Number of Licensed Businesses	284	253	272	266	248
Number of Land Use Applications *	26	27	24	17	11

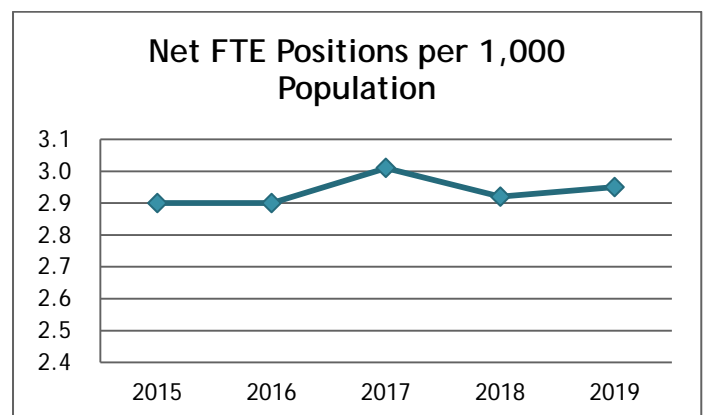
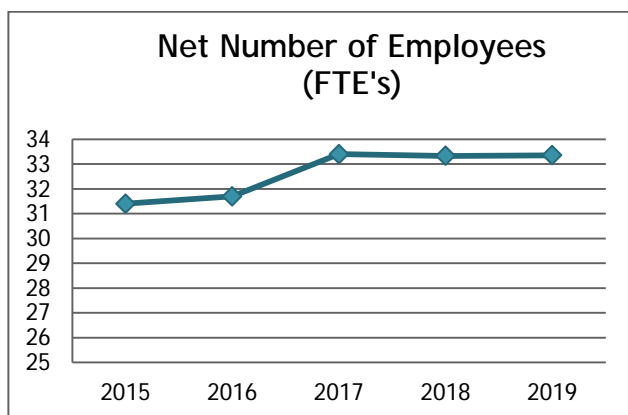
* Includes applications for rezoning, OCP Amendments, Development Permit, ALR and Subdivision

Source: District of Coldstream Development Services and Building divisions



Number of Employees

Number of Employees (Full Time Equivalents)*	2019	2018	2017	2016	2015
Administration	5.0	5.0	5.0	5.0	5.0
Finance	4.8	4.8	4.8	4.8	4.8
Building Inspection & Bylaw Enforcement	1.0	1.0	2.0	2.0	2.0
Development services	2.0	2.0	2.0	2.0	2.0
Engineering	2.0	2.0	2.0	2.0	2.4
Police (civilian staff) & Protective Services	3.0	3.0	3.0	2.3	2.0
Operations:					
Sanitary Sewer	1.3	1.0	1.0	1.0	1.0
Public Works	9.0	9.0	9.0	9.0	9.0
Parks	5.5	5.5	4.6	3.6	3.2
Water **	6.7	6.2	6.0	6.0	6.0
	40.3	39.5	39.4	37.7	37.4
* Full-time equivalent is based on the total number of hours worked as a function of standard full-time hours					
** Less: Number of employees for which full employment costs are recovered by the Regional District of North Okanagan for Water.					
	(6.7)	(6.2)	(6.0)	(6.0)	(6.0)
Net number of Employees (relating to employment costs recorded by the District of Coldstream)	33.6	33.3	33.4	31.7	31.4
Gross FTE Positions per 1,000 of population	3.54	3.47	3.55	3.45	3.46
Net FTE positions per 1,000 of population	2.95	2.92	3.01	2.90	2.90

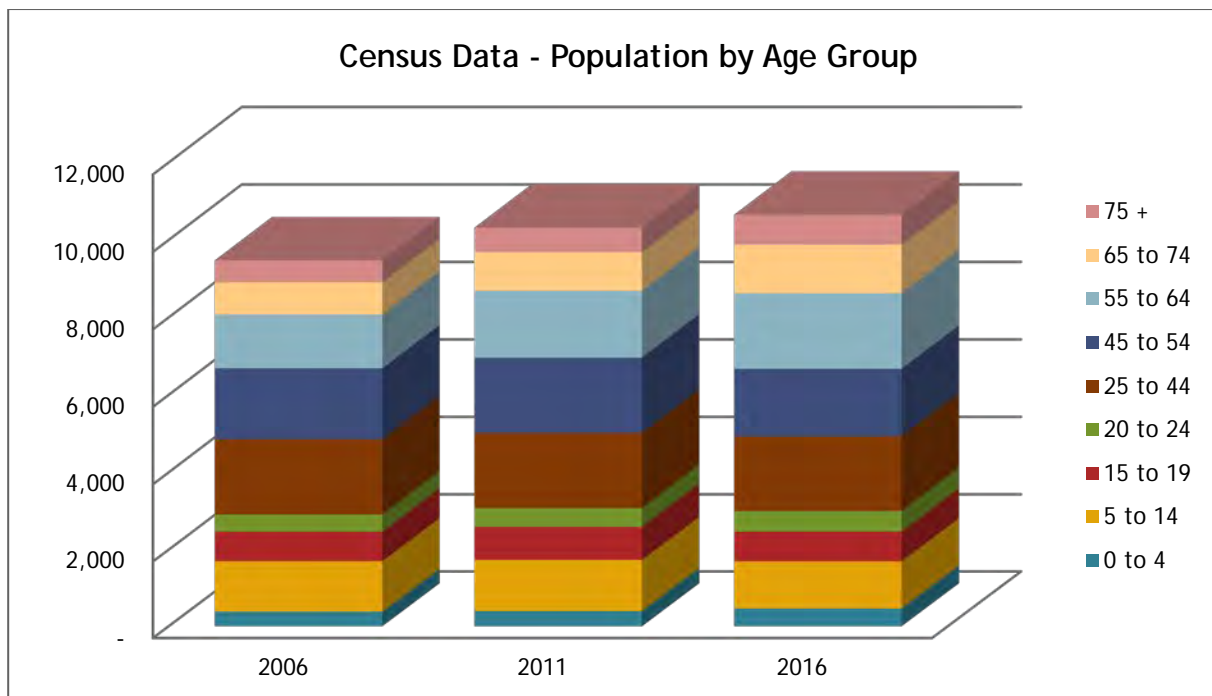


Population Demographics

	2019	2018	2017	2016	2015
Annual Estimated Population (Source: BC Statistics)	11,383	11,395	11,083	10,938	10,821
Population Growth Rate	-0.11%	2.74%	1.33%	1.08%	2.56%

Statistics Canada Census Data (last three census years)

		2016	2011	2006
Census Population		10,648	10,315	9,470
Population by Age Group	0 to 4	460	395	375
	5 to 14	1,235	1,335	1,325
	15 to 19	770	855	765
	20 to 24	535	495	445
	25 to 44	1,930	1,935	1,945
	45 to 54	1,745	1,945	1,830
	55 to 64	1,945	1,730	1,385
	65 to 74	1,255	995	835
	75 +	773	630	565
		10,648	10,315	9,470



Statement of Financial Information

SCHEDULE OF DEBTS

Purpose	Date of Issue	Term in Years	Maturity Date	Interest Rate	Original Debt	2019	2018
						Balance Outstanding	Balance Outstanding
Debenture Debt							
Buildings	2007	25	2032	4.52%	4,000,000	\$2,556,803.70	\$2,704,664.95
Capital	2011	20	2031	3.25%	50,381	34,791.31	37,017.70
Buildings	2012	20	2032	3.40%	1,335,320	981,141.67	1,037,881.59
						3,572,736.68	3,779,564.24
Other Debt							
Capital	2016	5	2021	1.40%	250,000.00	100,000.00	150,000.00
						\$3,672,736.68	\$3,929,564.24

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

Information on all guarantees and indemnities for the District of Coldstream is included in Note 11 to the Financial Statements.

Statement of Financial Information

SCHEDULE OF REMUNERATION AND EXPENSES

Elected Officials

Name	Position	Remuneration	Expenses	Total
Garlick Jim	Mayor	\$ 34,000.08	\$ 2,104.51	\$ 36,104.59
Dirk Douglas	Councillor	20,662.24	-	20,662.24
Hoyte Ruth	Councillor	18,160.32	2,251.41	20,411.73
Cochrane Patrick	Councillor	17,765.28	-	17,765.28
Enns Richard	Councillor	15,000.00	1,955.14	16,955.14
Hoffman Stephanie	Councillor	15,000.00	555.35	15,555.35
Taylor Glen	Councillor	15,263.36	-	15,263.36
		<u>\$ 135,851.28</u>	<u>\$ 6,866.41</u>	<u>\$ 142,717.69</u>

Employees earning more than \$75,000 per year

Name	Position	Remuneration	Expenses	Total
Austin Keri-Ann	Director of Corporate Admin.	\$ 105,722.40	\$ 4,567.80	\$ 110,290.20
Baker Michael	Director of Infrastructure Services	109,820.64	3,098.44	112,919.08
Blundell Neil	Parks Foreman	77,683.31	3,076.97	80,760.28
Breitkreutz Irma	Deputy Municipal Clerk	75,885.33	2,381.82	78,267.15
Comeau Brent	Utilities Foreman	88,043.44	204.00	88,247.44
Higgins Patricia	Director of Financial Admin.	121,189.66	5,623.19	126,812.85
Lerbeck Ron	Utilities Operator I	78,910.09	430.00	79,340.09
Mazereeuw Jack	Utilities Operator II	82,526.34	109.00	82,635.34
McKay Gord	Roads Foreman	93,649.88	189.00	93,838.88
Nicholson Cory	Equipment Operator II	77,009.75	334.43	77,344.18
Pethick Michael	Operations Superintendent - Parks & PW	100,652.58	1,390.78	102,043.36
Reiley Michael	Director of Development Services	112,818.36	858.14	113,676.50
Scherck James	Utilities Operator II	87,518.88	2,295.22	89,814.10
Segert Terry	Equipment Operator II	76,574.93	150.00	76,724.93
Seibel Trevor	Chief Administrative Officer	152,255.43	7,757.89	160,013.32
Ullrich Jan	Mechanic	77,774.85	150.00	77,924.85
Whiteley Keith	Operations Superintendent - Utilities	<u>99,567.62</u>	<u>9,328.31</u>	<u>108,895.93</u>
		1,617,603.49	41,944.99	1,659,548.48

Employees earning less than \$75,000 per year

Consolidated total of other employees with remuneration less than \$75,000

1,603,317.10 30,232.46 1,633,549.56

Total Remuneration

\$ 3,356,771.87 \$ 79,043.86 \$ 3,435,815.73

There were no Council disqualifications in 2019 as per Section 110 of the *Community Charter*.

STATEMENT OF SEVERANCE AGREEMENTS

There were no severance agreements entered into during 2019.

Statement of Financial Information

SCHEDULE OF SUPPLIERS OF GOODS AND SERVICES (GREATER THAN \$25,000)

Vendor Name	2019	2018 Comparative Amount
1 & 2 ELECTRIC LTD	\$ 107,798.71	\$ 95,306.03
A & D ASPHALT SOLUTIONS	90,701.63	132,592.45
A-MAIS TECHNOLOGIES INC.	39,760.84	-
AARDVARK PAVEMENT MARKING SERVICES	75,540.68	84,673.96
AI HONG CHEAY	-	89,845.00
ALL SAFE TRAFFIC CONTROL INC	-	36,090.08
ANDREW SHERET LTD	114,578.87	170,342.47
ASPHALT VALLEY PAVING SERVICES	25,420.50	59,220.00
ASSOCIATED ENVIRONMENTAL CONSULTANTS INC	53,949.56	46,979.61
ATLAS POWERSWEEPING LTD	34,272.00	-
ATS TRAFFIC-BRITISH COLUMBIA LTD	29,481.07	-
BANK OF MONTREAL/MASTERCARD	37,994.53	59,991.59
BC ASSESSMENT AUTHORITY	117,464.32	115,367.39
BC COMMISSIONAIRES	93,808.72	81,361.76
BC HYDRO & POWER AUTHORITY	183,547.94	182,015.07
BC TRANSIT	124,856.24	114,657.25
BLACK PRESS GROUP LTD	33,092.24	41,069.78
BRINKMAN JUDY-LEE	25,885.72	-
BRANDT TRACTOR LTD	-	238,064.28
C.U.P.E.	39,136.70	36,809.70
CAPRI INSURANCE	135,873.43	71,099.00
CINTAS LOCATION 889	27,859.15	-
CO-OP ARMSTRONG REGIONAL COOPERATIVE	103,523.80	127,380.19
COLDSTREAM CREEK ROAD HOLDINGS LTD	66,210.00	-
COLDSTREAM MECHANICAL LTD	-	27,223.35
CORBETT OFFICE EQUIPMENT LTD.	-	27,187.65
D W McMULLEN & ASSOCIATES LIMITED	31,815.82	-
DAVIDSON LAWYERS LLP IN TRUST	204,396.81	-
DEAN TOOP EXCAVATING	-	255,769.98
DEL EQUIPMENT	-	44,978.08
DOWN UNDER PIPE INSPECTION LTD	-	26,536.14
EAGLE INDUSTRIES LTD	26,301.18	-
EVERGREEN BUILDING MAINTENANCE	39,577.55	33,930.64
FIREWORKS CONSULTING INC	28,439.25	26,386.50
FORMA CONSTRUCTION LTD	-	46,444.65
FORTIS BC	28,378.05	25,464.43
FP TELESET	25,200.00	-
FRED SURRIDGE LTD.	49,405.64	139,628.04
FREIGHTLINER OF RED DEER INC	233,826.56	-
GILBERT PARTS DEPOT	27,524.10	37,144.21
GUILLEVIN INTERNATIONAL INC	-	63,354.12

Statement of Financial Information

Vendor Name	2019	2018 Comparative Amount
HILLTOP TIRECRAFT	-	31,501.03
INSURANCE CORPORATION OF BC	-	37,003.00
INLAND KENWORTH VERNON	117,598.88	-
INTERIOR COMMUNICATIONS LTD.	28,861.05	-
IRL INTERNATIONAL TRUCK CENTRES LTD	-	31,193.47
KLL CONSTRUCTION INC	-	1,043,571.30
LAWSON ENGINEERING & DEVELOPMENT	-	90,328.85
LYNN'S EXECUTIVE CLEANING SERVICE INC	35,200.62	33,729.89
MINISTER OF FINANCE	86,285.70	27,000.00
MINISTRY OF PROVINCIAL REVENUE	2,007,601.05	1,924,844.09
MONAGHAN ENGINEERING & CONSULTING	-	90,522.34
MUNICIPAL INSURANCE ASSOC OF BC	86,275.18	67,279.36
MUNICIPAL PENSION PLAN	472,322.79	486,474.06
NANAIMO, CITY OF	32,256.00	-
NORTH OKANAGAN (SHUSWAP) REG HOSPITAL	819,111.52	666,889.27
NORTH OKANAGAN REGIONAL DISTRICT	6,022,235.92	5,647,364.13
NORTHERN COMPUTER	56,060.65	62,843.57
OKANAGAN AGGREGATES LTD	-	139,092.96
OKANAGAN REGIONAL LIBRARY	459,076.20	442,408.88
ORCHARD FORD SALES LTD	122,033.12	-
PACIFIC BLUE CROSS	201,263.43	209,561.96
PACIFIC FLOW CONTROL LTD	41,787.90	-
PETER'S BROS. CONSTRUCTION LTD.	809,254.15	-
POSTILL NIXON EARTHWORKS	-	155,721.92
POSTILL, R.E. & SONS LTD	89,943.57	160,668.99
RECEIVER GENERAL FOR CANADA	1,580,098.71	1,673,619.70
RL WALKER CONTRACTING LTD	33,129.08	30,657.64
ROCKY MOUNTAIN PHOENIX	329,501.43	46,158.57
ROYAL BANK OF CANADA	27,587.53	88,000.00
SCV CONTRACTORS	-	42,951.57
SEAL TEC INDUSTRIES LTD	62,578.03	62,519.44
SMITH CLIFFORD AND DIANE	64,115.84	-
SPECIAL T CLEANING	141,793.12	196,365.75
SUPER SAVE DISPOSAL INC	38,572.46	36,887.12
TELUS COMMUNICATIONS (B.C.) INC.	32,417.87	32,449.52
THE GROUNDS GUYS	339,996.37	332,665.19
URBAN SYSTEMS LTD	40,374.76	30,456.31

Statement of Financial Information

Vendor Name	2019	2018 Comparative Amount
VERNON PAVING	63,562.25	572,060.19
VERNON, CITY OF	463,758.07	631,473.03
VIMAR EQUIPMENT LTD.		28,861.32
WASP MANUFACTURING LTD	134,617.96	-
WATKIN MOTORS LIMITED	48,038.67	-
WESTERN ROAD DISTRIBUTION INC	48,595.26	-
WESTERRA EQUIPMENT LP	59,074.40	-
WHITEVALLEY CONSTRUCTION LTD	29,400.00	-
WORK TRUCK WEST	-	102,088.34
WORKSAFE BC	54,000.51	50,414.83
Payments to Vendors over \$25,000	17,334,001.66	17,842,540.99
Payments to Vendors under \$25,000	1,495,294.83	1,473,396.73
TOTAL PAYMENTS MADE	\$ 18,829,296.49	\$ 19,315,937.72

NOTE: 2018 Comparative Amounts are only those amounts appearing in the 2018 vendor payment report over \$25,000.

Vendors showing 2018 amounts as zero may have received payments from the District in 2018 but were below the threshold of \$25,000.

Statement of Financial Information

STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, Subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.



Patricia (Pat) Higgins

Director of Financial Administration



Jim Garlick

Mayor, District of Coldstream

April 14, 2020



Photos for this report have been provided primarily by the late Debbie Gibson

For additional copies of the 2019 Annual Report contact:

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