The background of the report cover is a scenic photograph of a coastal landscape. In the foreground, there is a rocky beach with wet stones and some fallen leaves. The middle ground shows a calm body of water, likely a bay or fjord, with a forested hill in the background. The sky is blue with some white clouds. The overall mood is peaceful and natural.

District of North Saanich,
British Columbia, Canada

2018 Annual Report

For The Year Ended December 31, 2018



District of North Saanich,
British Columbia, Canada

2018 Annual Report

For The Year Ended December 31, 2018



The Annual Report is produced by the Financial Services department of the District of North Saanich in cooperation with other municipal departments and agencies.

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District Vision

Vision

Council and staff of the District of North Saanich are guided by vision elements that have emerged from significant community review and discussion and are drawn from the Official Community Plan.

The future will ensure that:

1. Diverse neighbourhoods are respected and supported;
2. Rural, marine and agricultural resources are protected, maintained, and enhanced;
3. The needs and priorities of our community are supported;
4. The arts are supported;
5. The community is inclusive, accessible and culturally vibrant;
6. Suitable, appropriately located economic activity is supported;
7. Efficient levels of service commensurate with appropriate taxation are established;
8. Natural environments are protected, and a commitment is made to the preservation and enhancement of regionally significant green and blue spaces; and
9. North Saanich is a sustainable community that plans for the potential impacts of climate change.

Mission

The mission of the District of North Saanich is to provide leadership and good governance that reflect the community vision and protects, promotes and enhances a safe and diverse community for current and future generations.

The Municipal Purposes outlined in the Community Charter further detail the purposes of the District of North Saanich:

The purposes of a municipality include:

- A. Providing for good government of its community,
- B. Providing for services, laws and other matters for community benefit,
- C. Providing for stewardship of the public assets of its community, and
- D. Fostering the economic, social and environmental well-being of its community.

Message From The Mayor

On behalf of Council, I am pleased to present our 2018 Annual Report. The report provides a comprehensive summary of activity and accomplishments in 2018 and also looks ahead to 2019 projects and policy initiatives that align with our recently adopted Strategic Plan.

I would like to recognize the leadership of former Mayor Alice Finall and thank her for many years of dedicated public service on behalf of North Saanich residents. As a Councillor in the 2018 fiscal year I was proud to work alongside my Council colleagues and the former Mayor as we balanced competing demands while adhering to budget constraints and finite staff resources.

I would also like to acknowledge the tireless efforts of our dedicated and capable employees working in Corporate Services, Emergency Services, Engineering, Financial & Information Technology Services, Planning & Community Services, and Public Works. Residents are also very well served by a great group of well-trained volunteer firefighters. I am grateful to all the businesses, non-profit groups, volunteers and community members who offer their time and expertise freely to preserve and enhance the North Saanich we all love and call home.

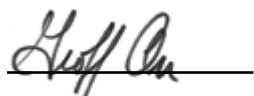
Council's ongoing commitment to sound fiscal management was evident again in 2018. The average increase in property taxes was 0.97% while still being able to add the equivalent of 1% to our reserve funds. In comparison to other municipalities in the Capital Region this modest tax increase was largely attributable to growth in non-market commercial tax revenues. North Saanich is in the enviable position of being one of very few municipalities in Western Canada close to having fully funded reserve balances, a testament to years of annual increases to reserve fund contributions.



2018 was another active year and Council was pleased to see substantial progress on a number of major projects and policy initiatives. Council received the Sandown Community Farm report in October and Canadian Tire, the prime tenant on the Sandown commercial lands, officially opened their doors in November. Homewood Ravensview is renovating the former Dunsmuir Lodge facility and expects to open mid-year 2019 as a mental health and addiction facility. BOKEĆEN XAXE (Sacred) Society now owns the surrounding 30 hectares on the northern slope of LÁU, WELNEW (Mt. Newton).

Council also approved an Affordable Housing Policy in October and made substantial progress on Flood Construction Level policy work. Our cycling network progressed with the construction of bike lanes along West Saanich Road fronting Patricia Bay.

Please take some time to browse the report and review each department's 2018 achievements and plans for 2019. Council is inspired by our strategic vision, motivated by corporate values and fueled by a desire to make the municipality of North Saanich a safe, healthy, and prosperous place to live and play.



Geoff Orr
Mayor

North Saanich Council

Mayor & Council

Elected by the citizens of North Saanich, Council is a legislative body that provides leadership to the District's government. Council is made up of the Mayor and six Councillors. The four year term is from November 2018 to October 2022.

North Saanich Council is committed to ensuring that the priorities of local citizens guide the policies it establishes and the decision it makes on civic matter such as land use and budget levels for operations and capital expenditures.

2018-2022 Council

Mayor:

G. Orr

Councillors:

H. Gartshore

J. McClintock

P. Pearson

B. Smyth

C. Stock

M. Weisenberger

Community Profile

North Saanich is situated on the Saanich Peninsula on Southern Vancouver Island within the Capital Regional District. It is approximately 25 km north of the province's capital city, Victoria. The population is over 11,000.

North Saanich's climate is mild with warm, dry summers, and mild, wet winters with a frost-free season of approximately 211 days, according to Environment Canada. Annual precipitation is approximately 845 millimetres which is much less than Vancouver's annual average of 1153 millimetres.

The District is surrounded on three sides by ocean, with over 40 km of shoreline which is dotted with small beaches and accesses for swimmers and kayakers as well as being home to several Marinas. North Saanich has an extensive park and trails system that links municipal, provincial and Capital Regional District parklands, making it a very popular area for day hiking, cycling and horseback riding.

A large portion of North Saanich land is in the Agricultural Land Reserve. Farming is one of the many important industries located in the District. Another major industry is transportation, as we are the hub for domestic and international travel where we host the Swartz Bay BC Ferry Terminal and the Victoria International Airport.

Most of the residents of North Saanich reside in several rural residential neighbourhoods including Ardmore, Deep Cove, Curteis Point, Cloake Hill/Green Park, Dean Park and the South East Quadrant.

The District of North Saanich is a wonderful community in which to work, play and live.

Please visit us in person, or online at www.northsaanich.ca.

Canadian Award For Financial Reporting

Canadian Award For Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the District of North Saanich for its annual financial report for the fiscal year ended December 31, 2017. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

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

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



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**District of North Saanich
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2017



Executive Director/CEO

Message From The Chief Administrative Officer

We are pleased to present the 2018 Annual Report for the District of North Saanich. 2018 was a busy and successful year for North Saanich municipal staff. Every year we take direction from Council's Strategic Plan goals to inform our work and projects. While these accomplishments are important, it must be noted that a majority of staff's time and effort goes into providing day-to-day services to residents. Staff take pride in the high level of service we achieve, and appreciate the many residents that take time to say thank you for our work.

Please take note of the achievements in each department's reporting in this Annual Report. Some very notable achievements include:

1. Receipt of the Canadian Award for Financial Reporting for the District's 2017 Annual Report;
2. Completion of new east-west trail at former Dunsmuir Lodge property;
3. Installation of bike lanes on West Saanich Road from Willingdon Road to the Tseycum First Nation;
4. Creation of Emergency Notification System jointly with Sidney and Central Saanich;
5. North Saanich ranked the safest community in BC by Maclean's Magazine;
6. Rezoning of a 32 acre parcel of land adjacent to Horth Hill, with 12 acres becoming public park;
7. Approval of Lochside Development, including 10 lots for Habitat for Humanity;
8. Construction of Canadian Tire on McDonald Park Road; and
9. Reclamation of 83 acre agricultural lands at Sandown property.

We are looking forward to our work in 2019, and will continue to be very busy addressing Council's Strategic Plan goals and providing service that our residents appreciate.



Tim Tanton
Chief Administrative Officer

Organizational Structure

Mayor & Council



Chief Administrative Officer: Tim Tanton



Corporate Services:
Curt Kingsley, Director

**Financial & Information
Technology Services:**
Stephanie Munro, Director

Infrastructure Services:
Eymond Toupin, Director

**Planning & Community
Services:** Anne Berry, Director

Emergency & Fire Services:
John Trelford, Director



MUNICIPAL AUDITORS
BDO Canada LLP



BANKERS
Toronto Dominion Bank



Strategic Plan Priorities & Highlights

The Strategic Plan sets out Council's focus and strategic priorities for at least three years and beyond. The Strategic Plan sets the context for all that the District does and is the basis for Departments' business plans and annual budget submissions. Council reviewed and updated the plan with new strategies to achieve long-term goals in late 2018 and early 2019. These new general strategies can be found in the 2019 Strategic Plan at www.northsaanich.ca.

Protect & Enhance Rural, Agricultural, Heritage, Marine and Environmental Resources:

- Preserve and protect significant and sensitive environmental areas and ecosystems;
- Preserve and protect sensitive marine and inter-tidal habitats;
- Mitigate climate change impacts; and
- Enhance parks and trails.

Maintain a Safe and Healthy Community:

- Protect resident safety and be prepared for emergencies; and
- Encourage and support an active lifestyle.

Encourage Compatible Commercial and Local Business Development:

- An operating environment supportive of local business; and
- A vibrant and sustainable agricultural economy.

Maintain a Strong Sense of Community:

- A strong sense of pride, identity and belonging in North Saanich;
- Engaging the community;
- Housing policies that support local and regional demand; and
- Positive and constructive relations with First Nations.

Ensure Strong Leadership, Fiscal Responsibility and Transparent Government:

- Efficient and cost effective management of corporate assets and financial services;
- Efficient and effective administrative and regulatory processes;
- Effective governance and leadership; and
- Be an employer of choice.

Department Overviews: Corporate Services

The department's primary role is processing all business as it relates to Council, performing all statutory requirements of the Local Government Act and the Community Charter as well as providing a variety of support services to other District Departments.

The Department is responsible for:

- Providing advice with respect to Council procedures, policies, and functions;
- Coordinating all local government elections and other voting opportunities;
- Administering requests for access to information through the Freedom of Information and Protection of Privacy Act;
- Coordinating the management and maintenance of all vital records of the municipality;
- Executing legal documents on behalf of the District;
- Providing administrative support to Council, Committee of the Whole and the Chief Administrative Officer and various advisory bodies;
- Human Resource functions; and
- Internal and external corporate communications.

2018 Results:

- Continued implementation of improved records and document management processes;
- Implemented approved Communications Strategy update recommendations;
- Began implementation of human resources management plan recommendations; and
- Began development of new website for the District.

2019 Goals and Major Projects:

- Continue implementation of improved records and document management processes;
- Improve communications and public engagement practices;
- Develop guidelines for Council attendance at events;
- Continue implementation of human resources plan recommendations; and
- Complete and launch new fully functioning website for the District.

Department Overviews: Financial & Information Technology Services

The department's primary role is to manage the District's finances and computer network systems.

The Department is responsible for:

- Budgeting, accounting, financial planning and reporting;
- Collection services including property taxes and utility billing;
- Cash and debt management;
- Payroll and benefits administration;
- Accounts payable;
- Risk management;
- Overseeing the RCMP contract;
- Management and support of the District's computer network; and
- Management and support of the District's telephone and cellular communications.

2018 Results:

- Maintained positive audit opinion on annual financial statements;
- Implemented accounting reporting improvements;
- Continued staff cross-training and improved succession planning;
- Met all statutory requirements;
- Began work on development of new municipal website;

- Brought fiber cable internet to the Municipal Hall and Fire Hall;
- Completed Audio Visual improvements in the Committee Room and Emergency Operations.
- Improved Purchasing Policy reporting;
- Improved budget reporting process;
- Completed network security audit;
- Began testing of electronic billing for Property Taxes; and
- Received the Canadian Award for Financial Reporting.

2019 Goals and Major Projects:

- Complete reserve and surplus review;
- Complete website redevelopment project;
- Implement recommendations from network security audit;
- Prepare Invitation to Tender and award new janitorial contract;
- Develop Council Conferences policy;
- Develop Long-Term Taxation policy;
- Work with Corporate Services to develop work flow procedures for Purchasing Policy;
- Continue testing of electronic billing for Property Taxes; and
- Work towards inclusion of the GFOA budget award criteria in the 2020 Budget.

Department Overviews: Infrastructure Services

The department is responsible for the planning, construction, maintenance and records management of the District's infrastructure. This includes issuing permits for any works proposed on District roads or property. This department reviews designs for new subdivisions within the District and manages the design and construction of all new infrastructure projects.

The Department is responsible for:

- Planning and designing the District's infrastructure for roads, water mains, sanitary sewers, drainage and parks;
- Processing requests for service, municipal service information, addressing, soil permits, external utility permits, and permits for work on municipal property;
- Reviewing the engineering servicing of subdivision and building permit applications;
- Management of municipal trees, parks, trails, beach accesses and bike lanes within the District;
- All operational and maintenance activities for assets relates to roads, drainage, water utility, sewer utility, parks, buildings and fleet;
- Customer service requests both internally for different departments and externally for the public and other agencies; and
- Providing support to many volunteer initiatives and organizations that have relationships with the District including the Friends of Dominion Brook Park, Friends of the Bike Jump Park, Friends of North Saanich Parks, Greater Victoria Green Team, Peninsula Baseball, and Peninsula Soccer.

2018 Results:

- Construction of shade, airplane climbing structure and saucer swing at Jubilee Park;
- Renewal of 700 m of asbestos cement (AC) water main on Lands End Road;
- Construction of 1.5km of bike lanes on West Saanich Road; and
- Pedestrian safety review of East Saanich Road.

2019 Goals and Major Projects:

- Design and construction of 400 m of water main upgrade on Lands End Road;
- Construction of 1.6 km of bike lanes on West Saanich Road (McTavish to Frizell);
- Construction of accessible parking at Hospital Hill;
- Construction of pedestrian safety upgrades on East Saanich Road;
- Finalize design of North Section of Scoter Trail;
- Initiate review and update of Parks Master Plan;
- Initiate review and update of Drainage Master Plan; and
- Initiate review and update of Bike Master Plan.

Department Overviews: Planning & Community Services

Planning and Community Services provides advice and services related to the regulation and administration of development activity and community growth. This includes policy review and development, development application processing, building permits, business licensing, and bylaw enforcement.

The department is also responsible for the provision of services to other departments, including:

- Facilitating inter-departmental meetings regarding development applications which may impact the operations of other departments;
- Budget preparation and review in cooperation with the Finance Department; and
- Municipal hall building maintenance.

2018 Results: 2018 was a successful year for the Department, resulting in the completion of several projects:

- Adoption of Official Community Plan and Zoning Bylaw amendments for Affordable Housing;
- Preparation and presentation of a draft Coastal Flood Hazard Bylaw for sea level rise;
- Adoption of bylaw amendments to the notification process for Board of Variance applications;
- Processed and approved the subdivision application for the Dunsmuir Lodge site;
- Introduction and adoption of a new Parks Bylaw;
- Continued sea level rise review and public consultation in order to guide the preparation of marine and shoreline development policies;
- Acceptance of the Capital Regional District Regional Growth Strategy following successful completion of the 2017 mediation process;
- Issuance of Final Occupancy for the Canadian Tire store on the Sandown Commercial lands;
- Approval of the Lochside rezoning application which will result in the creation of 17 new single

family market lots, and 10 multi-family units for Habitat for Humanity;

- Approval of the rezoning of the Baldwin property which will result in the contribution of 12 acres of undeveloped lands to the District for park purposes, and the creation of 30 single family lots;
- Successfully recruited a new time-durated Planning Technician; and
- Introduction and adoption of the new Energy Step Code Regulations.

2019 Goals and Major Projects: In keeping with Council's strategic vision for the District, key 2019 Planning and Community Services projects include the following:

- Review and update of the District's subdivision bylaw;
- Facilitate necessary planning applications for proposed VURL Library at Panorama;
- Bring forward marine and shoreline development policies for sea level rise;
- Review of the District's Zoning Bylaw for consistency with new Agricultural Land Commission regulations;
- Alignment of the District's Official Community Plan Regional Context Statement with the Capital Regional District Regional Growth Strategy;
- Review and prepare report for Council regarding the District's Agriculture Economic Development Strategy; and
- Preparation of an implementation plan for the District's Whole Community Agricultural Strategy.

Department Overviews: Emergency & Fire Services

The North Saanich Fire Department is a composite, career / volunteer department consisting of four career employees and thirty-nine volunteers operating out of two fire halls. The department's main priority is to protect lives and property of North Saanich residents and visitors.

The fire department is responsible for providing fire suppression, medical first responder services, auto extrication, rescue, commercial building and solid fuel/oil burning appliance inspections, and fire cause investigations within the District of North Saanich. Other actions include: hazardous materials awareness response, disaster planning, fire prevention, and public education. The North Saanich Fire Department jointly operates the Peninsula Emergency Measures Program with the Town of Sidney and the District of Central Saanich.

2018 Results:

Calls:

Duty	153
Fire	263
Medical	270
Rescue	4
2018 Total	690

Volunteer Hours **9,487**

Solid Fuel and Oil Appliance Inspections	33
Burning Permits Issued	500
Commercial Inspections	257
Total Inspections	790

- Started renovation of SCBA / laundry space at Wain Road Fire Hall;
- Transitioned dispatch to Surrey Fire;
- Purchased new air packs and bottles;
- Applied successfully for FireSmart Grant - \$10,000;
- Applied successfully for EOC Grant (enhancement) - \$25,000;
- Performed Business Continuity Planning;
- Continued recruit class training, to be completed in the fall of 2019; and
- Painted interior of McTavish Fire Hall.

2019 Goals and Major Projects:

- Prepare RFP for Chief vehicle;
- Prepare RFP for two Fire Apparatus;
- Prepare RFP for utility trailer;
- Perform back room renovation at Wain Road Fire Hall;
- Upgrade exhaust system for McTavish Fire Hall; and
- Four grants received:
 - ESS;
 - Evacuation Route Planning;
 - Community Emergency Preparedness Fund and EOC Training; and
 - Community Resiliency Investment Program and CWPP.

Department Overviews: Police Services

Sidney/North Saanich RCMP-GRC

Policing Services:

Policing services are provided to the municipalities of Sidney and North Saanich by the RCMP-GRC through a Federal/Provincial/Municipal contract. A detachment centrally located at 9895 Fourth Street in Sidney, provides diverse policing services to the surrounding Northern Saanich Peninsula and First Nation communities as well as the Willis Point region and fifty-two islands and coastal waters extending to the USA boundary. Within the detachment boundaries, policing services are also provided to the Victoria International Airport, and the Swartz Bay and Anacortes ferry terminals.

Detachment Resources:

Sidney/North Saanich Detachment is comprised of thirty-two police officers and nine civilian support staff. Uniform officers are divided into four Watches providing a twenty-four hour, seven day a week on-duty response to emergencies and calls for service. Specialized units within the detachment are organized into a four officer Major Crime Unit, two officer Traffic Unit, one Community Policing officer and two First Nations Policing officers. On average, the detachment responds to 7000 calls for service annually, many involving extensive investigation.

A management team is responsible for administration, planning, budget and operations for the detachment. Business hours for inquiries, assistance and service is Monday to Friday from 8:30 am – 4:15 pm.

Strategic Policing Priorities:

Detachment policing priorities are established through consultation with key partners within the community and in alignment with regional, provincial and national public safety initiatives. In 2019, annual policing priorities for traffic enforcement, property crime reduction, organized crime, Community and First Nation policing were implemented. Specific objectives for each priority were developed to focus policing efforts. Impaired and distracted driving enforcement is given priority to enhance road safety and help in the prevention of motor vehicle incidents. Drug trafficking enforcement is aimed at the intervention of prolific offenders who repeat crimes that support their substance abuse addictions.

A quarterly policing report provides details on crime trends and statistical comparison over a five year period. The Detachment Commander provides a review of these reports to Mayor and Council with details on how the detachment is managing crime and meeting the objectives of the policing priorities. Under the leadership of the Detachment Commander, officers participate in crime prevention, investigation and proactive policing objectives while working closely with volunteers and policing partners to reduce crime and harm in the community.

Community Policing and Volunteer Programs:

The detachment is complimented by a number of dedicated volunteers who donate many hours of their time each month to help make North Saanich a safe and desirable community to live and work.

Programs which citizens can volunteer to enhance policing services in the community include Victim Services, Restorative Justice, Citizens on Patrol, Speed Watch and the Auxiliary Constable Program. A Community Consultative Group comprised of dedicated volunteers from both Sidney and North Saanich act as an advisory committee to the Detachment.

Department Overviews: Police Services

Police Services (Continued)

The Community Policing officer and Auxiliary Constables are actively involved in the delivery of crime prevention and education programs to help prevent community members from becoming victims of theft and fraud crimes. The Detachment currently has six Auxiliary Constables, some of whom are bike trained and may be observed in the community on foot or bike patrol. During the past year the Community Policing officer, Media Liaison and Auxiliary Constables have assisted in the delivery of programs which enhance safety and the prevention of crime.

The Block Watch program has been expanded to include new neighbourhoods. The Auxiliary Constable coordinator forwards safety alerts, tips, and recent crime incidents to Block Watch Captains who utilize email to distribute the information to neighbouring residents.

A new initiative to build a partnership in prevention for theft from vehicle crimes provides “All Valuables Removed” stickers to vehicle owners. This initiative serves a dual purpose. To remind vehicle owners and to extinguish a theft opportunity from theft offenders. The stickers can be obtained at the Detachment, Motor Vehicle Branch and Save-On Foods.

An enhanced police engagement initiative was implemented by the Detachment to identify multiple locations to be given priority for regular police patrols. These locations were identified as public spaces where a policing presence provides enhanced safety to the community where they enjoy parks, walking trails, recreation and the waterfront.

Each summer both locals and tourists frequent the popular Sidney Street Market on Thursday evenings from June to the end of August. The Community Policing officer assisted by Auxiliary Constables participate in the market where they greet the community offering crime prevention advice and information on safety programs for adults and children. Stop by the RCMP booth to meet our Community Policing officer.

“Coffee with a Cop” provides an informal opportunity to meet local officers and to share concerns or provide feedback regarding policing services. Our community is growing, traffic is increasing, more pedestrians and cyclists are on our roadways and following motor vehicle regulations has never been more important. Please join us for a conversation at our next “Coffee with a Cop”.

Our Community Policing officer visits our local schools to establish a connection with local youth and provide some sound safety awareness and education. Messaging to the youth continues to include instruction from the Drug Awareness and Resistance Program to positively influence the choices of our youth.

Crime Rates/Crime Prevention:

Both Sidney and North Saanich enjoy a relatively low crime rate in comparison to many other communities in British Columbia. The support of the community in preventing and reporting criminal activity has been instrumental in solving criminal offences quickly, contributing to safe streets and safe homes. To continue this trend, the RCMP-GRC encourage community members to take measures to protect themselves from crime, not leaving valuables in vehicles, securing their homes and immediately reporting suspicious activity.



A Message From The Chief Financial Officer

May 15, 2019



As Chief Financial Officer for the District, I am pleased to present the District of North Saanich's annual financial report for the year ended December 31, 2018. The purpose of the report is to publish the District of North Saanich's financial statements, Auditor's Report and to provide an update on the District.

The financial statements are the responsibility of the District's management. The statements have been prepared in compliance with Section 167 of the Community Charter, and in accordance with generally accepted accounting principles approved by the Public Sector Accounting Board (PSAB). The financial statements have been audited by BDO Canada LLP, who have expressed their opinion that the statements present fairly, in all material aspects, the financial position of the District as at December 31, 2018. The District maintains a system of internal accounting controls designed to safeguard the assets of the District and provide reliable financial information.

The District relies heavily on property taxes, water and sewer charges to fund all of the services it provides. Of the \$21.6 million of revenue reported by the District for 2018, 58% of it came from property taxes, and 21% from water and sewer fees and charges. Over 14% of the property tax revenue comes from the Airport Land alone and that will continue to grow as the Airport lands are developed. The significant decrease in revenue in 2018 is related to contributed assets recognized as contributions from developers in 2017. These are non-cash contributions of assets that the District is required to record at their fair market value.

The District spends the revenues it collects on a variety of services. Transportation and protective services, which includes policing and fire protection, account for 37% of the expenses. Recreation, cultural and parks expenses are services that the District provides directly, or contracts with directly such as Library services. The Panorama Recreation Centre is funded through the Capital Regional District and its property tax levy.

In 2018 the District continued the practice of closing the infrastructure funding gap as tax funded capital reached \$1.85 million or 17% of municipal tax revenue. The infrastructure funding gap is the gap between what the District has saved for future capital works replacement projects and what will need to be spent to replace existing assets. Capital expenditures are amortized over the life of the assets and this is the expense seen on the Statement of Operations.

The majority of the debt that the District holds is for sewer infrastructure. The total debt for the District has decreased from \$7.3 million at the end of 2017 to \$6.5 million in 2018 as principal payments are made. Operating results for 2018 exceeded budgeted expectations. The District's net investment in capital assets increased by \$1.5 million and total accumulated surplus increased by \$4.3 million.

Under the direction and guidance of the District's Council the District of North Saanich is well positioned to continue delivering quality services to its residents now and in the future. I am very proud to have received the Canadian Award for Financial Reporting for 2017 and look forward to the year ahead.

Stephanie Munro
Director of Financial Services

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⋮
⋮


Financial Information: 2018 Permissive Property Tax Exemptions

In accordance with Section 98 (2) (b) of the Community Charter, we disclose that the following properties were provided permissive property tax exemptions by the District of North Saanich Council in 2018. Permissive tax exemptions are those exemptions granted by bylaw in accordance with Section 224 of the Community Charter.

Property/Organization	Address	Municipal Taxes (\$)
Air Cadets (676 Kittyhawk Sponsoring Committee Society)	1979 De Havilland Way	2,855
BC Aviation Museum	1910 Norseman Road	16,189
Holy Trinity Anglican Church	1319 Mills Road	8,105
Holy Trinity Anglican Church	1325 Mills Road	2,225
Kiwanis Elderly Citizens Village	10585 McDonald Park Road	10,662
Navy League of Canada (Saanich Peninsula Branch)	9565 B Hurricane Road	1,385
Saanich Peninsula Chamber of Commerce	10382 Pat Bay Highway	2,833
Saanich Peninsula Presbyterian Church	9296 East Saanich Road	10,432
Seventh Day Adventist Church	9300 Willingdon Road	13,119
Sidney & North Saanich Memorial Park Society	10640 McDonald Park Road	5,835
Sidney & North Saanich Memorial Park Society	10714 McDonald Park Road	11,312
Sidney Pentecostal Church	10364 McDonald Park Road	6,538
St. John's United Church	10990 West Saanich Road	4,184
Town of Sidney	1665 McTavish Road	8,355
Capital Regional District	1717 McTavish Road	27,994
McTavish Academy of Art	1720 McTavish Road	4,549
Total(\$)		136,572

District of North Saanich

Financial Statements

Year Ended December 31, 2018

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District of North Saanich

December 31, 2018

Management's Responsibility for the Financial Statements

The accompanying financial statements of the District of North Saanich (the "District") are the responsibility of the District's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The District's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Mayor and Council meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the District. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the District's financial statements.



Chief Administrative Officer

Director of Financial Services



Tel: 604 688 5421
Fax: 604 688 5132
vancouver@bdo.ca
www.bdo.ca

BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

Independent Auditor's Report

To the Mayor and Council of the District of North Saanich

Opinion

We have audited the financial statements of the District of North Saanich ("the District") which comprise the Statement of Financial Position as at December 31, 2018 and the Statements Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the District financial statements present fairly, in all material respects, the financial position of the District at December 31, 2018 and its results of operations, changes in net debt, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any for of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.



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Independent Auditor's Report

of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the financial statements, management is responsible for assessing the 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. 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.

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Independent Auditor's Report

- 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.

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

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
May 6, 2019

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District of North Saanich

Statement of Financial Position

December 31, 2018, with comparative information for 2017

	2018	2017
Financial assets		
Cash	\$ 11,686,080	\$ 10,630,111
Portfolio investments (note 2)	21,799,050	21,324,121
Accounts receivable		
Taxes	865,954	418,181
Other (note 3)	2,262,742	1,838,276
Debt reserve deposits (note 4)	127,459	205,320
	\$ 36,741,285	\$ 34,416,009
Liabilities		
Accounts payable and accrued liabilities (note 5)	3,705,910	3,481,651
Prepaid property taxes	610,048	553,966
Deferred revenue (note 6)	2,631,834	2,738,662
Deposits	1,065,744	1,737,584
Employee future benefit liability (note 7)	414,700	421,500
Debt (note 8)	6,527,000	7,294,890
	\$ 14,955,236	\$ 16,228,253
Net financial assets	\$ 21,786,049	\$ 18,187,756
Non-financial assets		
Tangible capital assets (note 9)	75,048,741	74,350,262
Materials and supplies	159,267	205,580
Prepaid expenses	152,856	147,774
	\$ 75,360,864	\$ 74,703,616
Accumulated surplus (note 10)	\$ 97,146,913	\$ 92,891,372

Contingencies and commitments (notes 4 and 11)

Contractual rights (note 12)


 Director of Financial Services

 Mayor

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

District of North Saanich

Statement of Operations

Year ended December 31, 2018, with comparative information for 2017

	Budget (note 16)	2018	2017
Revenues: (note 15)			
Taxes available for municipal purposes (note 13)	\$ 12,561,650	\$ 12,605,993	\$ 12,372,030
Sale of services			
General	931,800	1,441,410	1,389,628
Water utility fees and charges	3,211,000	3,373,598	3,091,335
Sewer utility fees and charges	1,208,700	1,259,601	1,201,569
Income from portfolio investments	152,700	674,321	427,741
Contributed assets (note 9)	200,000	-	9,403,461
Government transfers (note 14)	1,144,100	1,691,452	1,017,843
Other revenue	201,800	538,328	891,733
	\$ 19,611,750	\$ 21,584,703	\$ 29,795,340
Expenses: (note 15)			
General government	4,090,630	3,538,244	3,181,884
Protective services	3,296,837	3,354,312	2,884,825
Solid waste management and environment	70,000	63,348	60,376
Planning and community	1,262,578	934,938	947,189
Transportation	3,823,697	3,096,641	3,229,727
Parks, recreation and culture	1,684,527	1,491,495	1,419,985
Water utility	3,390,953	3,152,176	2,855,996
Sewer utility	2,083,428	1,698,008	1,874,494
	\$ 19,702,650	\$ 17,329,162	\$ 16,454,476
Annual surplus (deficit)	(90,900)	4,255,541	13,340,864
Accumulated surplus, beginning of year	92,891,372	92,891,372	79,550,508
Accumulated surplus, end of year	\$ 92,800,472	\$ 97,146,913	\$ 92,891,372

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

District of North Saanich

Statement of Change in Net Financial Assets

Year ended December 31, 2018, with comparative information for 2017

	Budget (note 16)	2018	2017
Annual surplus (deficit)	\$ (90,900)	\$ 4,255,541	\$ 13,340,864
Acquisition of tangible capital assets	(6,433,600)	(3,364,437)	(2,920,275)
Amortization of tangible capital assets	3,015,200	2,665,958	2,419,228
Gain on sale of capital assets	-	(29,030)	(24,928)
Proceeds on sale of capital assets	-	29,030	180,968
Contributed capital assets	-	-	(9,403,461)
	(3,509,300)	3,557,062	3,592,396
Acquisition of materials and supplies	-	(81,384)	(155,585)
Consumption of materials and supplies	-	127,697	129,876
Acquisition of prepaid expenses	-	(141,586)	(160,021)
Use of prepaid expenses	-	136,504	95,528
Change in net financial assets	(3,509,300)	3,598,293	3,502,194
Net financial assets, beginning of year	18,187,756	18,187,756	14,685,562
Net financial assets, end of year	\$ 14,678,456	\$ 21,786,049	\$ 18,187,756

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

District of North Saanich

Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used in):		
Operating transactions:		
Annual surplus	\$ 4,255,541	\$ 13,340,864
Items not involving cash:		
Contributed tangible capital assets	-	(9,403,461)
Gain on sale of capital assets	(29,030)	(24,928)
Amortization of tangible capital assets	2,665,958	2,419,228
Actuarial sinking fund earnings	(271,470)	(295,211)
	6,620,999	6,036,492
Change in non-cash operating assets and liabilities		
Decrease (increase) in accounts receivable - taxes	(447,773)	52,939
Increase in accounts receivable - other	(424,466)	(432,855)
Decrease (increase) in debt reserve deposits	77,861	(3,927)
Increase in prepaid expenses	(5,082)	(64,493)
Increase in accounts payable and accrued liabilities	224,259	105,965
Increase in prepaid property taxes	56,082	26,516
(Decrease) increase in deferred revenue	(106,828)	1,075,822
(Decrease) increase in employee future benefit obligations	(6,800)	44,800
Decrease (increase) in materials and supplies	46,313	(25,709)
Decrease (increase) in deposits	(671,840)	80,153
	5,362,725	6,895,703
Capital transactions:		
Acquisition of tangible capital assets	(3,364,437)	(2,920,275)
Proceeds on disposal of tangible capital assets	29,030	180,968
	(3,335,407)	(2,739,307)
Financing transactions:		
Repayment of debt	(496,420)	(496,420)
Investing transactions:		
Change in portfolio investments, net	(474,929)	(11,054,738)
Increase (decrease) in cash and cash equivalents	1,055,969	(7,394,762)
Cash and cash equivalents, beginning of year	10,630,111	18,024,873
Cash and cash equivalents, end of year	\$ 11,686,080	\$ 10,630,111

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

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

The District of North Saanich (the "District") is a municipality in the Province of British Columbia that was created on August 19, 1965 pursuant to the Local Government Act of British Columbia and Community Charter of British Columbia. The District provides municipal services such as police, fire, public works, planning, parks and recreation, library, and general government operations.

1. Significant accounting policies

The financial statements of the District are prepared by management in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants Canada. Significant accounting policies adopted by the District are as follows:

(a) Basis of presentation

The financial statements reflect the assets, liabilities, revenues and expenses of the District and its cost sharing arrangements.

The District participates in the cost sharing agreements with the Town of Sidney for RCMP police services, Library building maintenance and capital improvements, and the Shoal Senior Centre. Only the District's portion of these costs are recorded in the financial statements. Refer to Note 11 for additional details.

Interdepartmental and inter-fund transactions have been eliminated. The District does not administer any trust activities on behalf of external parties.

(b) Basis of accounting

The District follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation a legal obligation to pay.

(c) Government transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made, except when and to the extent the transfer gives rise to an obligation that meets the definition of a liability. Transfers received for which expenses are not yet incurred are included in deferred revenue and will be recognized over the period the liability is settled.

(d) Deferred revenue

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired.

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

1. Significant accounting policies (continued)

(e) Taxation revenue

Taxation revenue is recorded at estimated amounts when it has been authorized and the taxable event occurs. Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal services in the year they are levied. Taxes receivable are recognized, when they meet the definition of an asset, net of an allowance for anticipated uncollectable amounts. Levies imposed by other taxing authorities are not included as taxes for municipal purposes.

Through the British Columbia Assessments' appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded or can be reasonably estimated.

(f) Portfolio Investments

All other investments are recorded on an amortized cost basis. Investment premiums and discounts are amortized over the term of the respective investment, using the effective interest method. Investments are written down when there is, in the opinion of management, a permanent decline in value.

(g) Investment income

Investment income is reported as revenue in the period earned except when restricted in use by the funding government or related legal statute. In that event, the investment income earned is added to the deferred revenue balance.

(h) Debt

Debt is recorded net of principal repayments and actuarial earnings.

(i) Employee future benefits

The District and its employees make contributions to the Municipal Pension Plan and the Greater Victoria Labour Relations Association (GVLRA) Long-Term Disability Trust. As these are multi-employer plans, contributions are expensed as incurred.

Sick, personal, emergency, and family leave benefits and other retirement benefits are also available to the District's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligation under this benefit plan is accrued based on projected benefits as the employees render services necessary to earn the future benefits. Long-term disability income benefits are disclosed according to the Greater Victoria Labour Relations Associations' policy.

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

1. Significant accounting policies (continued)

(j) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. Liabilities are recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) the District is directly responsible or accepts responsibility;
- (iv) it is expected that the future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of remediation and post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

(k) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset.

The cost, less residual value, of the tangible capital assets, excluding land are amortized on a straight line basis over their estimated useful lives.

The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

Estimated useful life for tangible capital assets is as follows:

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

1. Significant accounting policies (continued)

(k) Non-financial assets (continued)

(i) Tangible capital assets (continued)

Asset	Useful life range in years
Buildings	25 to 50
Land improvements	10 to 40
Vehicles, machinery, and equipment	5 to 25
Engineering Structures:	
Roads	10 to 75
Drainage	25 to 80
Water	20 to 80
Sewer	20 to 80
Other	10 to 80

Land has an infinite life and is not amortized. Work in progress is not amortized until the project is substantially completed and put into use.

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

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions, including tangible capital assets in lieu of developer cost charges, are recorded as revenue at their estimated fair value at the date of receipt.

(iii) Natural resources

Natural resources that have not been purchased are not recognized as assets in the financial statements.

(iv) Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(v) Leased tangible capital assets

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

1. Significant accounting policies (continued)

(k) Non-financial assets (continued)

(v) Leased tangible capital assets (continued)
leases and the related payments are charged to expenses as incurred.

(vi) Inventories of supplies

Inventories of supplies are recorded at the lower of cost and replacement cost.

(l) Deposits

Receipts restricted by third parties for future services or repayment are deferred as deposits and are refundable under certain circumstances. Deposits are recognized as revenue when qualifying expenditures are incurred.

(m) Allocation of expenses

Salary, wages and employee benefit expenses include the costs for District employees. The cost of certain finance personnel are allocated to the water and sewer utility segments based on an estimate of time spent on those segments.

(n) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expensed during the period. Significant estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets, estimating the fair value of contributed assets, estimating allocation of expenses, provisions for accrued liabilities and in performing actuarial valuations of employee future benefits, assessment of contaminated sites and provision for contingencies. Actual results could differ from these estimates.

2. Portfolio investments

The District's portfolio of investments consist of term deposits in credit unions. Term deposits in credit unions have varying maturity dates from March 2019 to November 2020 and have rates of return ranging from 2.10% to 3.30% (2017 - 1.45% to 2.45%).

	2018	2017
Term Deposits	\$ 21,799,050	\$ 21,324,121

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

3. Other accounts receivable

Other accounts receivable consists of the following:

	2018	2017
Utility fees and charges	\$ 1,127,930	\$ 1,175,071
BikeBC grant receivable	719,775	-
Other grants receivable	24,284	-
GST rebate	240,826	153,237
Trade accounts receivable	50,113	74,464
Fire protection - wildfire response	-	269,703
Insurance proceeds	-	150,000
Deferred property taxes due from the Province of BC	87,065	2,133
Miscellaneous	12,749	13,668
	\$ 2,262,742	\$ 1,838,276

4. Municipal Finance Authority debt reserve fund

Under borrowing arrangements with the Municipal Finance Authority ("MFA"), the District is required to lodge security by means of contingent demand notes and interest bearing cash deposits based on the amount of borrowing. As debt principal is retired, demand notes are released and the cash deposits are refunded.

As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are held by the MFA to act as security against the possibility of debt repayments default. If the debt is returned without default, the deposits are refunded to the District. At December 31, 2018, deposits of \$127,459 (2017 - \$205,320) are recorded as debt reserve deposits.

At December 31, 2018 there were contingent demand notes of \$255,076 (2017 - \$436,602) which are not included in the financial statements of the District.

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

5. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities consist of the following:

	2018	2017
Trade accounts payable	\$ 1,407,801	\$ 899,652
Accrued liabilities	1,493,519	1,060,868
Grant in lieu payable	472,479	1,102,295
Accrued payroll liability	232,111	318,836
Contaminated sites liability (a)	100,000	100,000
	\$ 3,705,910	\$ 3,481,651

(a) A liability for contaminated sites has been recorded in the amount of \$100,000 (2017 - \$100,000). The existence of metals above the BC Contaminated Sites standards has been identified in the soil at Bazan Bay Park. The source of the contamination is a decommissioned sewage treatment plant clarifier tank on the property.

6. Deferred revenue

	2017	Contributions received	Recognized as revenue	2018
Amenity Fee Contributions	\$ 1,705,367	\$ -	\$ (158,840)	\$ 1,546,527
Prepaid Building Permits	348,921	207,776	(348,921)	207,776
Prepaid Utility Billings	40,566	29,412	(40,566)	29,412
Sewer Parcel Tax	-	204,311	-	204,311
Sewer Upgrade Contributions	155,903	-	-	155,903
Specified Area Charges	482,905	-	-	482,905
Sign Contribution	5,000	-	-	5,000
	\$ 2,738,662	\$ 441,499	\$ (548,327)	\$ 2,631,834

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

7. Employee future benefit liability

The District provides sick leave and certain other benefits to its employees in addition to contributions to the Municipal Pension Plan and the GVLRA. These amounts and other employee-related liabilities will require funding in future periods and are set out below:

	2018	2017
Accumulated sick leave	\$ 227,185	\$ 232,060
Retirement benefit payment	187,515	189,440
	\$ 414,700	\$ 421,500

Information about the District's benefit plan for sick leave, retirement benefits and family leave is as follows:

	2018	2017
Accrued benefit obligation - opening:		
Balance, beginning of year	\$ 462,300	\$ 405,200
Current service cost	48,400	42,500
Interest cost	14,000	14,000
Benefits paid	(78,300)	(65,900)
Past service cost	-	47,000
Actuarial loss	5,200	19,500
Accrued benefit obligation - closing	451,600	462,300
Unamortized net actuarial gain	(36,900)	(40,800)
Accrued employee future benefit liability	\$ 414,700	\$ 421,500

The significant actuarial assumptions adopted in measuring the District's accrued benefit obligations are as follows:

	2018	2017
Discount rates	3.30 %	2.90 %
Expected inflation rate	2.50 %	2.50 %

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

7. Employee future benefit liability (continued)

The expected average remaining service life is 10 years (2017 - 10 years). The expected wage and salary increases (including 2.50% inflation estimate) are 2.58% - 4.50% (2017 - 2.58% - 4.50%). The total expense recorded in the financial statements in respect of obligations under this plan amounts to \$71,500 (2017 - \$110,700).

Accumulated sick leave

Accumulated sick leave represents the liability for sick leave banks accumulated for possible draw down at future dates.

Retirement benefit payments

Retirement benefit payments represent the District's share of the cost to provide employees with various benefits upon retirement including lump sum retirement payments and death benefits.

The amount recorded for these benefits is based on a benefit actuarial valuation. The most recent valuation was as at December 31, 2017. The actuarial valuation and assumptions upon which it is based are reviewed on a periodic basis.

Municipal pension plan

The District and its employees contribute to the Municipal Pension Plan (plan), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer contributory pension plan. Basic pension benefits are based on a formula. As at December 31, 2017, the plan had about 182,000 active members and approximately 75,000 retired members. Active members include approximately 36,000 contributors from local governments.

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

The most recent valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The District paid \$411,253 for employer contributions to the plan in fiscal 2018 (2017 - \$438,065) and District employees paid \$347,827 (2017 - \$348,919).

The next valuation will be as at December 31, 2018, with results available in fall 2019.

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

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

7. Employee future benefit liability (continued)

GVLRA/CUPE Long-Term Disability Trust

The Trust was established January 1, 1987 as a result of negotiations between the Greater Victoria Labour Relations Association representing a number of employers and the Canadian Union of Public Employees representing a number of CUPE locals. The Trust's sole purpose is to provide a long-term disability income benefit plan. Employers and employees each contribute equal amounts into the Trust. The total plan provision for approved and unreported claims was actuarially determined as of December 31, 2016. At December 31, 2016, the total plan provision for approved and unreported claims was \$18,937,267 with an accumulated surplus of \$392,313. The total plan provision for approved and unreported claims and net surplus or deficit at December 31, 2018 will be available later in 2019. The District paid \$57,526 (2017 - \$56,534) for employer contributions and District employees paid \$57,526 (2017 - \$56,534) for employee contributions to the plan in 2018.

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

8. Debt

	Interest rate	Year of maturity	Gross Debt	Repayments and actuarial earnings	Net debt 2018	Net debt 2017
MFA Issue #80	2.40%	2018	\$ 4,900,000	\$(4,900,000)	\$ -	\$ 395,339
MFA Issue #102	2.25%	2032	7,722,907	(2,509,160)	5,213,747	5,489,149
MFA Issue #127	3.30%	2029	1,680,000	(366,747)	1,313,253	1,410,402
			\$14,302,907	\$(7,775,907)	\$ 6,527,000	\$ 7,294,890

The District issues debt instruments through the MFA, pursuant to security issuing bylaws under authority of the Local Government Act, to finance certain capital expenditures. MFA invests the District's principal payments so that the payments plus the investment income earned on repayments (actuarial earnings), will equal the original outstanding debt amount at the end of the repayment period.

The loan agreements with the MFA provide that if, at any time, the scheduled payments provided for in the agreements are not sufficient to meet the MFA's obligations in respect of such borrowings, the resulting deficiency becomes a liability of the District.

Interest expense on long-term debt for 2018 was \$318,130 (2017 - \$528,971).

The aggregate amount of payments required on the District's debt during each of the next five years and thereafter is as follows:

	2018
2019	\$ 269,343
2020	269,343
2021	269,343
2022	269,343
2023	269,343
Thereafter	1,346,716
Future actuarial interest	3,833,569
	\$ 6,527,000

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

9. Tangible capital assets

Work in progress having a value of \$370,312 (2017 - \$65,148) has not been amortized as items are not yet in use.

There are no significant art nor historic treasures owned and held by the District. No tangible capital assets were written down in 2018 or 2017.

In 2017 \$9,403,461 of asset contributions were received related to various developments within the District. The fair market value of these assets is shown as revenue as well as tangible capital asset additions. This was comprised of land - \$4,057,410; land improvements - \$620,187; roads - \$2,684,209; drainage - \$1,091,935; water - \$519,670; and sewer - \$430,050. There were no such contributions in 2018.

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

9. Tangible capital assets (continued)

2018	Engineering Structures										Total 2018	Total 2017
	Land	Land Improvement	Buildings	Vehicles, Machinery & Equipment	Roads	Drainage	Water	Sewer	Other	Work in Progress		
Cost												
Opening balance	\$ 17,508,531	\$ 2,562,991	\$ 8,212,945	\$ 7,245,474	\$ 34,860,831	\$ 5,971,262	\$ 11,694,552	\$ 27,569,331	\$ 65,381	\$ 65,148	\$115,756,446	\$103,666,806
Add: Additions	-	184,715	14,811	771,369	1,336,218	28,900	499,750	158,362	-	370,312	3,364,437	12,323,736
Less: Disposals	-	-	-	(117,090)	-	-	-	-	-	-	(117,090)	(234,098)
Less: Completed work in progress	-	-	-	-	45,481	-	11,856	7,811	-	(65,148)	-	-
Closing balance	17,508,531	2,747,706	8,227,756	7,899,753	36,242,530	6,000,162	12,206,158	27,735,504	65,381	370,312	119,003,793	115,756,444
Accumulated Amortization												
Opening balance	-	714,317	2,127,431	4,669,171	20,356,648	1,590,916	5,298,969	6,606,129	42,604	-	41,406,185	39,065,012
Add: Additions	-	95,352	204,623	524,268	1,053,981	91,879	153,818	540,808	1,229	-	2,665,958	2,419,228
Less: Disposals	-	-	-	(117,090)	-	-	-	-	-	-	(117,090)	(78,058)
Closing balance	-	809,669	2,332,054	5,076,349	21,410,629	1,682,795	5,452,787	7,146,937	43,833	-	43,955,053	41,406,182
Net book value	\$ 17,508,531	\$ 1,938,037	\$ 5,895,702	\$ 2,823,404	\$ 14,831,901	\$ 4,317,367	\$ 6,753,371	\$ 20,588,567	\$ 21,548	\$ 370,312	\$ 75,048,741	\$ 74,350,262

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

10. Accumulated surplus

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2018	2017
Surplus		
Invested in tangible capital assets	\$ 68,521,741	\$ 67,055,372
Unallocated surplus	11,080,119	9,419,323
Total surplus	79,601,860	76,474,695
Reserves set aside by Council		
Working funds	8,665,086	8,052,472
Federal Gas Tax Agreement funds	2,511,279	2,446,422
	11,176,365	10,498,894
Reserve funds set aside for specific purposes by Council		
Replacement reserves	2,513,330	2,334,141
Growth and opportunity reserves	1,522,082	1,319,690
Local improvement reserve	1,008,636	986,921
Parks capital and acquisition reserves	1,324,640	1,277,031
Total reserve funds	6,368,688	5,917,783
	\$ 97,146,913	\$ 92,891,372

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

11. Contingencies and commitments

(a) RCMP

The District has entered into a five-year renewable agreement with the Town of Sidney, effective January 1, 2018, for the use of the RCMP facilities located in the Town of Sidney. This agreement requires that the District reimburse the Town of Sidney for a share of facility, equipment and staffing costs, based upon the ratio of staff assigned to the District and the total number of staff assigned to the detachment under the Policy Agreement. The annual estimated cost of this contract is \$430,000.

(b) Insurance

The District is a defendant in various lawsuits and historical circumstances may result in additional legal claims. The District records an accrual in respect of legal claims that are likely to be successful and for which a liability amount is reasonably determinable.

The District is self-insured through membership in the Municipal Insurance Association of British Columbia. Under this program, member municipalities are to share jointly for general liability claims against any member in excess of their deductible. Should the Association pay out claims in excess of premiums received, it is possible that the District, along with the other participants, would be required to contribute towards the deficit.

(c) CREST

The District is a shareholder and member of the Capital Regional Emergency Service Telecommunications (CREST) Incorporated, which provides centralized emergency communications and related public safety information services to municipalities, regional districts, the provincial and federal governments and their agencies, and emergency service organizations throughout the Greater Victoria region and the Gulf Islands. Members' obligations to share in funding ongoing operations and any additional costs relating to capital assets are to be contributed pursuant to a Members' Agreement.

(d) Regional District debt

Regional District debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the Regional District and each member municipality within the Regional District, including the District.

(e) Fire Dispatch

In September 2018 the District entered into a five-year agreement for fire dispatch services. The estimated 2019 cost of this agreement is \$45,400.

(f) Shoal Centre

The District renewed a five-year cost sharing agreement with the Town of Sidney for the operating costs of the Seniors' Centre, located at the Shoal Centre, on January 1, 2018. The District's share of the 2019 operating costs is estimated to be \$21,300.

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

11. Contingencies and commitments (continued)

(g) Shaw agreements

In January 2017 the District entered into a five-year agreement with Shaw for SmartVoice telephone services. The 2019 estimated cost of this agreement is \$18,923.

In March 2018 the District entered into a five-year agreement with Shaw for Fibre Internet services. The 2019 estimated cost of this agreement is \$25,000.

(h) Software agreement

In October 2016 the District entered into a three-year agreement with ESRI Canada for GIS software. The 2019 estimated cost of this agreement is \$18,618.

12. Contractual rights

Certain developers are required to provide development contributions in order to build within the District. Contributions can include real assets, such as land dedicated for park use, or cash-in-lieu of real assets. Upon completion of the development, contributed assets are turned over to the District. Tangible capital assets received as contributions are recorded at their fair value as revenue. Cash contributions are recorded as revenue upon completion of the development.

The District will receive a cash contribution of \$100,000 in 2019.

13. Taxes available for municipal purposes

	Budget	2018	2017
Taxes collected for general municipal purposes:			
Property and business taxes	\$ 10,256,700	\$ 10,403,014	\$ 9,622,091
Grants in lieu of taxes	1,199,550	1,287,871	1,375,470
Water and sewer system parcel taxes	1,105,400	915,108	1,374,469
Total	12,561,650	12,605,993	12,372,030
Taxes collected on behalf of and paid to other governments:			
School Authorities	-	8,258,509	7,780,438
Regional Hospital District	-	1,386,145	1,346,566
Municipal Finance Authority	-	1,217	1,044
British Columbia Assessment Authority	-	258,312	238,568
BC Transit Authority	-	1,304,342	1,277,308
Regional District	-	2,991,746	2,895,546
Total	-	14,200,271	13,539,470
Gross taxes collected	\$ 12,561,650	\$ 26,806,264	\$ 25,911,500

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

14. Government transfers

The following government transfers have been included in revenues:

	Budget	2018	2017
Transfers			
Provincial	\$ 589,000	\$ 1,124,030	\$ 412,506
Federal	545,100	546,269	587,487
Regional and other	10,000	21,153	17,850
	\$ 1,144,100	\$ 1,691,452	\$ 1,017,843

15. Segmented information

The District is a diversified government organization that provides a wide range of services to its citizens as follows:

Protective Services - RCMP, Fire Department and Animal Control

The mandates of the RCMP 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 thus, ensuring safe homes and community. The District cost shares with the Town of Sidney to provide policing services through the Royal Canadian Mounted Police (RCMP). District animal control services are provided under contract by the Capital Regional District.

Parks, Recreation and Cultural Services

The Parks division of the Infrastructure Services Department is responsible for providing and facilitating high quality parks and recreational facilities. The District cost shares with the Town of Sidney to provide access to recreation and cultural services through the Mary Winspear Centre and Shoal Centre located nearby in the Town of Sidney. The District is a member of the Vancouver Island Regional Library which provides access to information through the library facility located in the Town of Sidney.

General Government Services - Legislative; Corporate Services; Financial and Information Technology Services

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

Transportation Services - Engineering and Public Works; Roads; Drainage

The Infrastructure Services Department is responsible for the delivery of municipal transportation and storm drainage systems and services and for approving subdivision plans.

Solid Waste Management and Environmental Services

The management of garbage pickup on municipal public property is the responsibility of the Infrastructure Services

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

Department. Council, through the establishment of Commission and Committees of the District, are provided with feedback and advice to assist in providing policy direction to protect and enhance rural, agricultural, heritage and environmental characteristics.

Planning and Community Services

The Planning and Community Services Department is responsible for preparing land use plans, bylaws and policies for sustainable development of the District; and conducting building inspections and bylaw enforcement.

Water Utility - Infrastructure Services, Utilities

The Utilities Division of the Infrastructure Services Department installs and maintains the water mains and pump stations and oversees the distribution of water purchased from the Capital Regional District.

Sewer Utility - Infrastructure Services, Utilities

The Utilities Division of the Infrastructure Services Department installs and maintains the sewer mains and pump stations of the District.

Statement of Segmented Information

The following statement provides additional information for the foregoing functions. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

December 31, 2018	General Government	Protective Services	Solid Waste Management & Environment	Planning and Community	Parks, Recreation and Cultural	Water Utility	Sewer Utility	2018
Revenues								
Taxes available for municipal purposes	\$ 11,690,885	\$ -	\$ -	\$ -	\$ -	\$ 467,874	\$ 447,234	\$ 12,605,993
Sale of services	132,917	104,628	44,522	945,425	180,118	3,373,598	1,259,601	6,074,609
Income from portfolio investments	643,435	-	-	-	-	3,089	27,797	674,321
Government transfers	1,691,452	-	-	-	-	-	-	1,691,452
Other revenue	197,070	-	-	-	-	5,175	336,083	538,328
	14,355,759	104,628	44,522	945,425	180,118	3,849,736	2,070,715	21,584,703
Expenses								
Salaries, wages and employee benefits	1,861,119	606,538	31,576	844,094	1,365,881	499,787	219,531	5,659,934
Contracted services	1,227,270	2,347,369	31,131	78,131	300,748	96,245	539,343	5,767,835
Supplies and materials	128,861	134,923	641	9,740	143,493	2,365,867	107,259	2,906,915
Interest and bank charges	10,388	55,440	-	-	-	-	262,690	328,518
Amortization	310,606	210,042	-	2,973	1,286,519	190,277	569,185	2,665,960
	3,538,244	3,354,312	63,348	934,938	3,096,641	3,152,176	1,698,008	17,329,162
Annual surplus (deficit)	\$ 10,817,515	\$ (3,249,684)	\$ (18,826)	\$ 10,487	\$ (2,916,523)	\$ 697,560	\$ 372,707	\$ 4,255,541

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

December 31, 2017	General Government	Protective Services	Solid Waste Management & Environment	Planning and Community	Parks, Recreation and Cultural	Water Utility	Sewer Utility	2017
Revenues								
Taxes available for municipal purposes	\$ 10,997,561	\$ -	\$ -	\$ -	\$ -	\$ 461,939	\$ 912,530	\$ 12,372,030
Sale of services	90,600	252,427	47,080	742,790	220,702	3,091,335	1,201,569	5,682,532
Income from portfolio investments	406,238	-	-	-	-	1,618	19,885	427,741
Contributed assets	8,453,741	-	-	-	-	519,670	430,050	9,403,461
Government transfers	1,007,843	-	-	-	-	10,000	-	1,017,843
Other revenue	455,276	-	-	-	-	-	436,457	891,733
	21,411,259	252,427	47,080	742,790	220,702	4,084,562	3,000,491	29,795,340
Expenses								
Salaries, wages and employee benefits	1,822,182	559,186	30,073	831,722	1,480,450	499,121	206,336	5,663,958
Contracted services	1,009,925	1,981,300	29,833	103,863	385,306	95,718	539,802	5,252,013
Supplies and materials	107,337	107,141	470	6,574	171,049	2,084,754	87,767	2,581,508
Interest and bank charges	8,794	55,440	-	-	-	-	473,531	537,765
Amortization	233,646	181,758	-	5,030	1,192,922	62,411	567,058	2,419,228
	3,181,884	2,884,825	60,376	947,189	3,229,727	2,855,996	1,874,494	16,454,476
Annual surplus (deficit)	\$ 18,229,375	\$ (2,632,398)	\$ (13,296)	\$ (204,399)	\$ (3,009,025)	\$ 1,228,566	\$ 1,125,997	\$ 13,340,864

District of North Saanich

Notes to the Financial Statements

Year ended December 31, 2018

16. Budget data

The budget data presented in these financial statements is based upon the 2018 budget in Financial Plan Bylaw #1444, Schedule A passed by Council on May 14, 2018.

	2018
Revenues	
Taxes available for municipal purposes	\$ 12,561,650
Water utility fees and charges	3,211,000
Sewer utility fees and charges	1,208,700
General sale of services	931,800
Income from portfolio investments	152,700
Contributed assets	200,000
Government transfers	1,144,100
Other revenue	201,800
Total revenue	19,611,750
Expenses	
Interest and bank charges	545,300
Amortization	3,015,200
General operating fund	11,955,450
Water operating fund	3,180,500
Sewer operating fund	1,006,200
	19,702,650
Annual deficit before transfers	(90,900)
ALLOCATIONS	
Add	
Amortization expense	3,015,200
Transfers to reserve funds	4,005,800
Total additions	7,021,000
Deduct	
Principal payments on debt	496,500
Capital expenditures	6,433,600
Total deductions	6,930,100
Financial Plan balance	\$ -

District of North Saanich

Notes to the Financial Statements

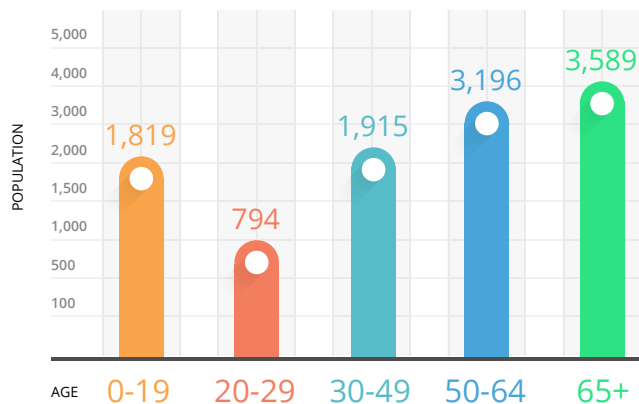
Year ended December 31, 2018

17. Comparative figures

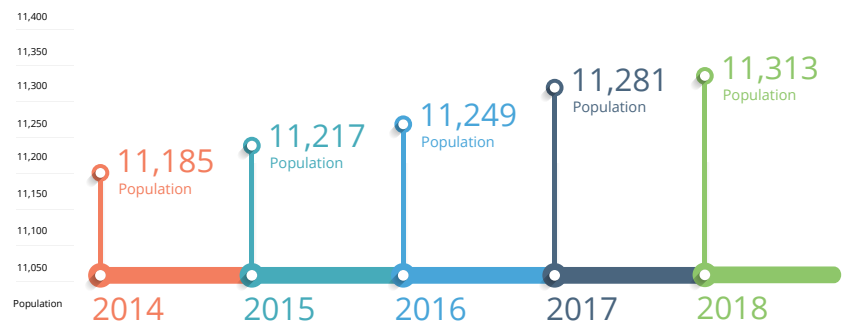
Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

Statistical Information

Population by Age (2018)



Population by Year



Education of population aged 25-64

245	No certificate, diploma or degree
1305	High school diploma or equivalent
765	Apprenticeship or trades certificate or diploma
1215	College, CEGEP or other non-university certificate or diploma
310	University certificate or diploma below bachelor level
1935	University certificate, diploma or degree at bachelor level or above

Pop. Occupation

120	Operations unique to primary industry
850	Management
815	Business, finance and administration
555	Natural and applied sciences
540	Health
495	Education, law and social, community & government
200	Art, culture, recreation and sport
1055	Sales and service occupations
710	Trades, transport and related occupations
140	Natural resources, agriculture & related occupations

Source: Numbers and graphs on this page are updated from the Census information available every 5 years. Population numbers are estimated based on 2011/2016 Census information.

Statistical Information

Taxable Assessment of Land & Improvements (thousands)

	2014	2015	2016	2017	2018
Residential	\$3,208,316	\$3,226,868	\$3,514,071	\$4,232,893	\$4,875,157
Utilities	710	697	688	709	699
Light Industrial	27,201	26,831	26,577	30,427	25,775
Business / Other	212,861	211,369	216,738	222,614	306,895
Recreation / Non-profit	43,485	45,104	54,668	55,922	56,239
Farm	3,120	3,158	3,124	3,119	3,102
	\$3,495,694	\$3,514,028	\$3,815,865	\$4,545,684	\$5,267,867

Property Tax Levies (thousands)

	2014	2015	2016	2017	2018
District of North Saanich	\$11,273	\$11,720	\$12,090	\$12,372	\$12,606
School Authorities	7,962	7,912	7,925	7,780	8,259
Regional Hospital District	1,277	1,248	1,296	1,346	1,386
Municipal Finance Authority	1	1	1	1	1
BC Assessment Authority	263	256	251	239	258
BC Transit Authority	1,293	1,293	1,322	1,277	1,304
Regional District	2,645	2,652	2,783	2,896	2,992
	\$24,714	\$25,081	\$25,668	\$25,911	\$26,806

Top Five Principal Corporate Taxpayers:

Victoria Airport Authority
BC Ferry Services Inc.

Sobeys Capital Inc.
Sandown Properties Ltd.

Canoe Cove Marina Ltd.

Source: District of North Saanich Financial Services Department

Statistical Information

Debenture Debt

2014

2015

2016

2017

2018

(in thousands except for population, households and per capita/per household data)

Gross Outstanding Debt \$9,804 \$9,308 \$8,811 \$8,315 \$7,818

Actuarial Allocation (236) (464) (725) (1,020) (1,291)

Net Outstanding Debt \$9,568 \$8,844 \$8,087 \$7,295 \$6,527

Net Debt - Property Tax Supported \$1,680 \$1,594 \$1,504 \$1,410 \$1,313

Net Debt - Specified Area 7,888 7,250 6,583 5,884 5,214

Net Outstanding Debt \$9,568 \$8,844 \$8,087 \$7,295 \$6,527

Debt Servicing Cost*

2014

2015

2016

2017

2018

Property Tax Supported \$0 \$139 \$139 \$139 \$139

Specified Area 902 902 902 902 675

Total Debt Servicing Cost \$902 \$1,042 \$1,042 \$1,042 \$814

Debt Capacity Available \$6,432 \$7,156 \$7,913 \$9,705 \$10,473

Population 11,185 11,217 11,249 11,281 11,313

Households 4,580 4,605 4,630 4,655 4,680

Net Debt per Capita \$855 \$788 \$719 \$647 \$577

Net Debt per Household \$2,089 \$1,920 \$1,747 \$1,567 \$1,395

Debt Servicing per Capita \$81 \$93 \$93 \$92 \$72

Debt Servicing per Household \$197 \$226 \$225 \$224 \$174

*Debt servicing cost includes principal and interest payments made during the year.

Source: District of North Saanich Financial Services Department. Population and household information is an estimate based on 2011/2016 Census

Statistical Information

Construction	2014	2015	2016	2017	2018
Building Permits	152	146	169	224	192
Construction Value (thousands)	\$20,008	\$31,342	\$33,344	\$69,596	\$55,146

Source: District of North Saanich Financial Services Department. Population and household information is an estimate based on 2011/2016 Census

Consolidated Revenues by Type (thousands)	2014	2015	2016	2017	2018
Net taxes available for municipal purposes	\$11,273	\$11,720	\$12,090	\$12,372	\$12,606
Sale of services	4,437	4,705	5,553	5,683	6,075
Other revenue	200	100	58	605	538
Contributed assets	-	-	860	9,403	-
Investment earnings	499	576	02	714	674
Government transfers	1,512	1,182	941	1,018	1,691
Other contributions	-	-	-	-	-
Net gain on disposal of tangible capital assets	-	218	-	-	-
	\$17,921	\$18,502	\$20,104	\$29,795	\$21,584

Source: District of North Saanich Financial Services Department. Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year

Statistical Information

Consolidated Expenses by Function (thousands)

	2014	2015	2016	2017	2018
General government	\$2,811	\$2,981	\$3,264	\$3,182	\$3,538
Protective services	2,827	2,904	2,699	2,885	3,355
Solid waste management and environment	61	65	61	60	63
Planning and community	879	872	934	947	935
Transportation	3,497	3,269	2,909	3,230	3,097
Parks, recreation and culture	1,235	1,254	1,287	1,420	1,491
Water utility	2,607	2,833	3,007	2,856	3,152
Sewer utility	1,949	1,936	1,938	1,874	1,698
	\$15,865	\$16,114	\$16,099	\$16,454	\$17,329

Consolidated Expenses by Object (thousands)

	2014	2015	2016	2017	2018
Salaries, wages and employee benefits	\$5,399	\$5,349	\$5,465	\$5,664	\$5,660
Contracted services	5,222	5,234	4,859	5,252	5,768
Supplies and materials	2,409	2,562	2,683	2,581	2,907
Interest and bank charges	545	559	558	538	328
Amortization	2,289	2,409	2,534	2,419	2,666
Loss on disposal of capital assets	-	-	-	-	-
	\$15,865	\$16,114	\$16,099	\$16,454	\$17,329

Source: District of North Saanich Financial Services Department. Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year

Statistical Information

Net Financial Assets (millions)	
2014	\$8.07
2015	\$11.97
2016	\$14.69
2017	\$18.19
2018	\$21.79

Acquisition of Tangible Assets (millions)	
2014	\$1.04
2015	\$1.21
2016	\$3.76
2017	\$12.32
2018	\$3.40

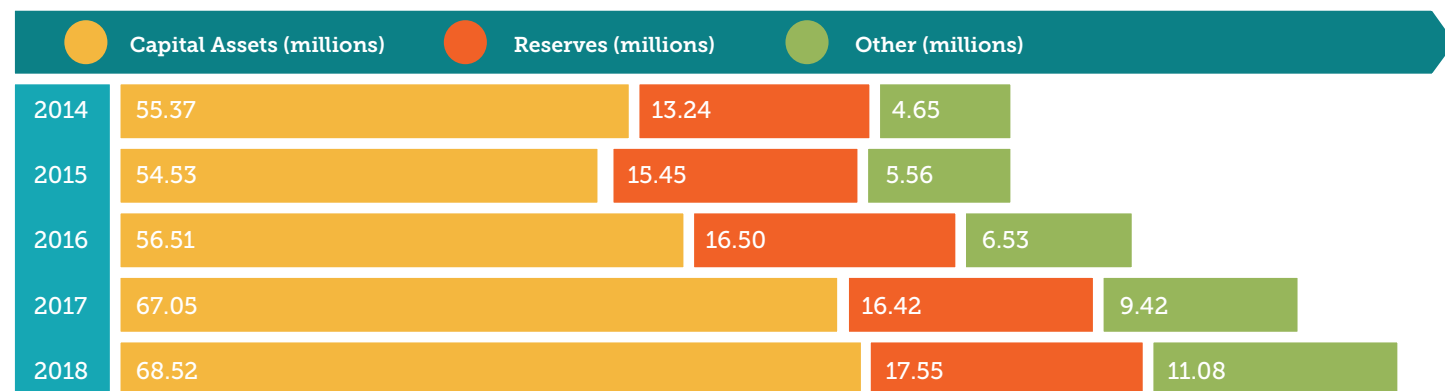
Total Accumulated Surplus (millions)	
2014	\$73.26
2015	\$75.55
2016	\$79.55
2017	\$92.89
2018	\$97.15

Revenues (millions)	
2014	\$17.92
2015	\$18.50
2016	\$20.10
2017	\$29.80
2018	\$21.58

Expenses (millions)	
2014	\$15.86
2015	\$ 16.11
2016	\$ 16.10
2017	\$ 16.45
2018	\$17.33

Annual Surplus (millions)	
2014	\$2.06
2015	\$2.39
2016	\$ 4.00
2017	\$ 13.34
2018	\$4.26

Total Accumulated Surplus Breakdown:



Source: District of North Saanich Financial Services Department. Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year