

**The Corporation of the District of North Vancouver  
Consolidated Financial Statements  
Year Ended December 31, 2020**

And Independent Auditors' Report thereon

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## INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors of the Corporation of the District of North Vancouver

### ***Opinion***

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

- the consolidated statement of financial position as at December 31, 2020
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- notes to the financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2020 and its consolidated results of operations, its consolidated changes in net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

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

We are independent of the 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 audit opinion.



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

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

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

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

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

*KPMG LLP*

Chartered Professional Accountants

Vancouver, Canada

May 10, 2021

**The Corporation of the District of North Vancouver  
Consolidated Statement of Financial Position  
As of December 31**

	2020	2019
<b>Financial assets</b>		
Cash and cash equivalents (Note 2)	\$ 159,717,708	\$ 62,510,046
Taxes receivable	6,110,364	5,631,044
Accounts receivable	5,816,075	5,313,361
Due from governments (Note 3)	2,925,700	4,172,611
Investments (Note 4)	204,786,080	250,198,752
MFA debt reserve deposit (Note 13 (f))	595,522	583,515
Inventories held for resale	191,231	131,985
	<u>380,142,680</u>	<u>328,541,314</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	28,750,909	20,107,330
Due to governments (Note 5)	57,424,891	22,570,804
Restricted revenue (Note 6)	30,977,981	31,880,289
Deferred revenue (Note 7)	24,589,179	25,033,446
Debt (Note 8)	32,760,765	34,936,873
Post-employment benefits (Note 9)	10,800,096	11,133,360
Deposits and other liabilities	30,672,227	31,417,177
	<u>215,976,048</u>	<u>177,079,279</u>
<b>Net financial assets</b>	<b>164,166,632</b>	<b>151,462,035</b>
<b>Non-financial assets</b>		
Prepaid expenses	1,600,315	1,334,128
Inventories held for consumption	1,396,906	1,204,643
Tangible capital assets (Note 10)	733,439,086	702,089,266
Other assets	55,157	99,576
	<u>736,491,464</u>	<u>704,727,613</u>
<b>Accumulated surplus (Note 11)</b>	<b>\$ 900,658,096</b>	<b>\$ 856,189,648</b>
<b>Commitments and contingencies (Note 13)</b>		

  
 Andy Wardell, CPA, CGA, MA  
 GM, Finance & CFO

**The Corporation of the District of North Vancouver**  
**Consolidated Statement of Operations**  
**Year Ended December 31**

	2020 Budget (Note 16)	2020	2019
<b>Revenue</b>			
Taxation (Note 12)	\$ 111,028,728	\$ 104,703,219	\$ 111,521,856
Sales, fees, and user charges			
Water	29,506,405	28,980,942	27,739,568
Sewer	26,863,050	24,497,227	23,854,209
Solid waste	7,919,577	7,867,638	7,633,345
Parks, recreation and culture	14,562,075	7,844,239	14,568,324
Other	26,931,616	28,901,903	29,003,072
Transfer from governments			
Federal Government	1,321,463	-	473,369
Provincial Government	7,578,752	8,446,059	1,732,782
Regional Government	3,908,867	770,191	1,917,005
Investment income	4,549,339	5,931,940	7,444,115
Land sales and other contributions	11,281,785	15,231,172	6,653,235
	<u>245,451,657</u>	<u>233,174,530</u>	<u>232,540,880</u>
<b>Expenses (Note 15)</b>			
General government	28,045,819	41,765,248	41,808,286
Protective services	50,336,564	49,232,455	48,661,859
Solid waste removal services	8,233,639	7,858,789	7,972,282
Social services	3,489,621	3,002,340	2,749,330
Development services	5,180,467	4,607,849	4,447,143
Transport and other services	10,272,608	10,327,086	11,352,917
Parks, recreation and cultural services	43,014,452	33,943,741	39,860,145
Water utility services	21,512,207	19,758,812	19,582,836
Sewer utility services	18,679,139	18,209,762	17,274,212
	<u>188,764,516</u>	<u>188,706,082</u>	<u>193,709,010</u>
Annual surplus	<u>\$ 56,687,141</u>	<u>44,468,448</u>	<u>38,831,870</u>
Accumulated surplus, beginning of year		<u>856,189,648</u>	<u>817,357,778</u>
Accumulated surplus, end of year (note 11)		<u>\$ 900,658,096</u>	<u>\$ 856,189,648</u>

**The Corporation of the District of North Vancouver**  
**Consolidated Statement of Cash Flows**  
**Year Ended December 31**

	2020	2019
Operating transactions		
Annual surplus	\$ 44,468,448	\$ 38,831,870
Non-cash items:		
Depreciation	20,933,021	20,142,397
Loss on disposal of tangible capital assets	315,402	752,150
Amortization of other assets	44,419	49,631
Contributed tangible capital assets	(12,279,481)	(1,248,066)
Changes in operating assets and liabilities	40,808,051	21,001,721
Cash provided by operating transactions	<u>94,289,860</u>	<u>79,529,703</u>
Capital transactions		
Proceeds on sale of tangible capital assets	80,507	163,217
Cash used to acquire tangible capital assets	(40,399,269)	(46,729,143)
Cash applied to capital transactions	<u>(40,318,762)</u>	<u>(46,565,926)</u>
Investing transactions		
Net change in investments	45,412,672	3,553,192
Cash provided by investing transactions	<u>45,412,672</u>	<u>3,553,192</u>
Financing transactions		
Debt repayment	(2,176,108)	(2,096,988)
Cash applied to financing transactions	<u>(2,176,108)</u>	<u>(2,096,988)</u>
Increase in cash and cash equivalents	97,207,662	34,419,981
Cash and cash equivalents, beginning of year	<u>62,510,046</u>	<u>28,090,065</u>
Cash and cash equivalents, end of year	<u><u>\$ 159,717,708</u></u>	<u><u>\$ 62,510,046</u></u>

**The Corporation of the District of North Vancouver**  
**Consolidated Statement of Changes in Net Financial Assets**  
**Year Ended December 31**

	2020 Budget	2020	2019
	(Note 16)		
Annual surplus	\$ 56,687,141	\$ 44,468,448	\$ 38,831,870
Contributed tangible capital assets (Note 10(a))	-	(12,279,481)	(1,248,066)
Acquisition of tangible capital assets	(74,296,352)	(40,399,269)	(46,729,143)
Depreciation of tangible capital assets	-	20,933,021	20,142,397
Loss on disposal of tangible capital assets	-	315,402	752,150
Proceeds on disposal of tangible capital assets	-	80,507	163,217
	<u>(74,296,352)</u>	<u>(31,349,820)</u>	<u>(26,919,445)</u>
Amortization of other assets	-	44,419	49,631
Acquisition of inventories held for consumption	-	(1,396,906)	(1,204,643)
Acquisition of prepaid expenses	-	(1,600,315)	(1,334,128)
Use of inventories held for consumption	-	1,204,643	1,194,520
Use of prepaid expenses	-	1,334,128	1,157,740
	<u>-</u>	<u>(414,031)</u>	<u>(136,880)</u>
Change in net financial assets	<u>\$ (17,609,211)</u>	12,704,597	11,775,545
Net financial assets, beginning of year		<u>151,462,035</u>	<u>139,686,490</u>
Net financial assets, end of year		<u>\$ 164,166,632</u>	<u>\$ 151,462,035</u>

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# The Corporation of the District of North Vancouver

## Notes to Consolidated Financial Statements

### December 31, 2020

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The Corporation of the District of North Vancouver (the District) was incorporated in 1891 and operates under the provision of the Community Charter and the Local Government Act of British Columbia. The District's principal activities include the provision of local government services to residents and businesses of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water and sewer services.

The reporting entity is comprised of all organizations that are controlled by the District. The financial statements reflect the consolidation of the District's funds with the financial position and results of operations of the District of North Vancouver Municipal Public Library and the District's proportionate interest in the North Vancouver Recreation & Culture Commission, North Vancouver Museum and Archives Commission, and North Shore Emergency Management Office.

In March 2020, COVID-19 was declared a pandemic by the World Health Organization. Governments worldwide, including the Canadian federal, and provincial governments enacted emergency measures to combat the spread of the virus. The economic conditions resulting from government efforts to reduce the spread of the virus had an impact on the District's operating results and financial position in 2020. The District temporarily closed facilities including recreation and community centers, managed workforce challenges, including the implementation of systems and processes to facilitate remote work, and workforce adjustments, such as delayed hiring, reallocation of staff resources and temporary layoffs and reprioritization of projects. This affected both revenues and expenses for the District that were mitigated through selective measures to reduce the overall financial impact. The situation is still dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the District is not known at this time.

#### 1. Significant accounting policies

##### a) Basis of presentation

The consolidated financial statements have been prepared in accordance with the Canadian public sector accounting standards.

##### b) Basis of consolidation

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and changes in net financial assets of the reporting entity.

Inter-entity and inter-fund balances and transactions have been eliminated on consolidation.

##### c) Segment disclosures

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information. Consolidated financial statements report financial activities by major service. Segment disclosures provide information on the District's services delivered by department.

##### d) Revenue recognition

Revenue is recorded on the accrual basis and is recognized when it is earned. Unearned revenue is reported on the consolidated statement of financial position as either deferred revenue or deposits and other liabilities. Property tax revenue is recognized on the accrual basis using approved tax rates and the tax class assessments related to the each year.

##### e) Expense recognition

Expenses are recognized on an accrual basis by the receipt of goods and services or the creation of an obligation to pay.

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# The Corporation of the District of North Vancouver

## Notes to Consolidated Financial Statements

### December 31, 2020

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#### 1. Significant accounting policies, continued

##### f) Fund accounting

Funds within the consolidated financial statements consist of operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance. All inter-fund assets and liabilities and financial operations have been eliminated in the consolidated financial statements. The funds consist of the following:

##### i) Operating fund

These funds include the General, Water and Sewer Operating funds as well as the operating fund of the District of North Vancouver Municipal Public Library and the District's interest in the operating fund of the North Vancouver Recreation & Culture Commission, North Vancouver Museum and Archives Commission, and North Shore Emergency Management Office. They are used to record the consolidated operating assets, liabilities, revenue and expenses of the District.

##### ii) Capital fund

These funds include the General, Water and Sewer Capital funds as well as the Capital fund of the District of North Vancouver Municipal Public Library. They are used to record the acquisition and construction costs of tangible capital assets and any related debt outstanding.

##### iii) Reserve fund

These funds have been established for a specific purpose and include the following types: 1) Existing Capital Reserves, to enable the District to maintain existing assets in a state of good repair; 2) New Capital, Initiatives and Growth Reserves, to support investments in transportation and mobility, community health and safety, climate mitigation and innovation, and to help smooth financial impacts as the community grows; 3) Land and Housing Reserves, to preserve the value of the District's lands, acquire new lands and support investments in social and supportive housing.

##### g) Other taxing jurisdictions

The assets, liabilities, taxation, other revenue and expenses with respect to the operations of other taxing jurisdictions including the provincial school system and the Metro Vancouver Regional District are not reflected in these consolidated financial statements.

##### h) Cash and cash equivalents

Cash and cash equivalents consist of cash, highly liquid money market investments and short-term investments with maturities of less than 90 days from the date of acquisition.

##### i) Investments

Investments are recorded at cost plus accrued interest receivable and net of amortized discounts or premiums.

##### j) Inventories held for resale

Inventories held for resale are valued at the lower of cost or net realizable value. Cost is determined on a weighted average basis.

##### k) Restricted revenue

Revenues which are restricted by legislation or by agreement with external parties are deferred and reported as restricted revenue. When qualifying expenses are incurred, restricted revenue is recognized as revenue at amounts equal to the qualifying expenses.

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# The Corporation of the District of North Vancouver

## Notes to Consolidated Financial Statements

### December 31, 2020

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#### 1. Significant accounting policies, continued

##### l) Deferred revenue

Revenues received in advance of services to be provided are deferred until they are earned by the provision of those services.

##### m) 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. They include prepaid expenses, inventories held for consumption, tangible capital assets and other assets.

##### i) Inventories held for consumption

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost. Cost is determined on a weighted average basis.

##### ii) Tangible capital assets

Tangible capital assets are initially recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of assets. The cost, less residual value, of the tangible capital assets, excluding land, is depreciated on a straight-line basis over their estimated useful lives as follows:

<u>Asset Category</u>	<u>Useful Lives (Years)</u>
Land improvements	5 - 100
Buildings and building improvements	2 - 50
Vehicles	2 - 25
Furniture and equipment	4 - 30
Water and waste water infrastructure	15 - 100
Road infrastructure	
- Base	75
- Surface	16 - 80
- Other infrastructure	12 - 100
Library Collection	2 - 10

Assets under construction are not depreciated until the asset is placed in service.

##### a) Contributions of tangible capital assets

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

##### b) Natural resources

Natural resources are not recognized as assets in these consolidated financial statements.

##### c) Works of art and historic assets

The District manages and controls various works of art and non-operational historical cultural assets including artifacts, paintings and sculptures located at District sites and public display areas. These assets are not recorded as tangible capital assets and are not depreciated.

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**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

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**ii) Tangible capital assets, continued**

**d) 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 leases and the related payments are charged to expenses as incurred.

**iii) Other assets**

Commissions, free rent and lease inducements are deferred and amortized over the first term of the lease agreement, which is typically five years. Any expenses related to a tenant that vacates prior to the end of their lease are written off immediately.

**n) Capitalization of interest**

Interest is capitalized whenever external debt is issued to finance the construction of assets. When internal funds are utilized as an interim measure prior to issuing the authorized debt, interest is capitalized based on a weighted average cost of borrowing.

**o) Contaminated Sites**

A liability for contaminated sites is recognized when a site is not in productive use and 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 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 post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site. As at December 31, 2020, no liability for contaminated sites was recognized.

**p) Government Transfers**

Government transfers that are restricted are deferred as restricted revenue and then recognized as revenue as the related expenditures are incurred or the stipulations in the related agreements are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

**q) Post-employment benefits**

Post-employment benefits also accrue to the District's employees. The liabilities related to these benefits are actuarially determined based on the service and best estimates of retirement ages and expected future salary and wages increases. The liabilities under these benefits plans are accrued based on projected benefits prorated as employees render services necessary to earn the future benefits.

**r) Pension fund**

The District and its employees make contributions to the Municipal Pension Plan. As this plan is a multi-employer plan, contributions are expensed as incurred.

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**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

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**1. Significant accounting policies, continued**

**s) Use of accounting estimates**

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of post-employment benefits. Actual results could differ from those estimates. Adjustments, if any, will be reflected in the consolidated financial statements in the year that the change in estimate is made, as well as in the year of settlement if the amount is different.

**t) Related parties**

Transactions with organizations that are controlled by the District are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

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**2. Cash and cash equivalents**

	2020	2019
Cash	\$ 8,198,729	\$ 10,757,291
Business Investment Savings Account	1,359,756	1,342,835
Pooled High Interest Saving Account	150,159,223	50,409,920
	<u>\$ 159,717,708</u>	<u>\$ 62,510,046</u>

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**3. Due from governments**

	2020	2019
Due from Federal Government	\$ 1,411,059	\$ 1,084,102
Due from Provincial Government	197,300	926,935
Due from Regional Government	1,317,341	2,161,574
	<u>\$ 2,925,700</u>	<u>\$ 4,172,611</u>

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**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

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**4. Investments**

	<u>2020</u>	<u>2019</u>
Investments consist of:		
(average rate of return 1.99% (2019 - 2.73%))		
Bank and Credit Union notes & deposits	\$ 194,440,168	\$ 239,883,888
Provincial Government Notes	10,345,912	10,314,864
	<u>\$ 204,786,080</u>	<u>\$ 250,198,752</u>

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**5. Due to governments**

	<u>2020</u>	<u>2019</u>
Due to Federal Government		
RCMP police contract	\$ 9,470,450	\$ 8,961,942
Other	113,776	31,073
	<u>9,584,226</u>	<u>8,993,015</u>
Due to Provincial Government		
Taxes collected on behalf of other jurisdictions	39,065,216	990,694
Ministry of Transportation & Infrastructure Capital Project	682,824	625,423
Workers Compensation Board	140,466	99,002
Other	214,474	8,472
	<u>40,102,980</u>	<u>1,723,591</u>
Due to Other Regional Entities		
Metro Vancouver	3,043,525	3,773,494
Due to partner organizations	2,369,128	2,464,207
School District No. 44	216,069	2,217,559
District of West Vancouver	727,791	1,436,154
City of North Vancouver	617,306	1,186,747
DCC collected on behalf of other jurisdictions	1,210,890	707,036
Taxes collected on behalf of other jurisdictions	(486,162)	45,637
Other	39,138	23,364
	<u>7,737,685</u>	<u>11,854,198</u>
	<u>\$ 57,424,891</u>	<u>\$ 22,570,804</u>

**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

**6. Restricted revenue**

(a) Restricted revenue are comprised mainly of Development Cost Charges (DCC) that are collected to pay for the general capital and utility expenses due to development. In accordance with the Community Charter, these funds are deposited into separate accounts. When the related expenses are incurred, the DCC are then recognized as revenue.

	2020	2019
Development cost charges (1)		
Water	\$ 2,314,923	\$ 2,676,969
Sewer	3,985,201	3,801,379
Drainage	2,181,346	1,900,082
Roads	6,734,004	7,096,993
Parks	11,207,948	11,950,016
	<u>26,423,422</u>	<u>27,425,439</u>
Restricted donations and other	3,747,590	3,663,627
Community amenity contribution	515,932	505,865
Developer parkland reserve contributions	291,037	285,358
	<u>\$ 30,977,981</u>	<u>\$ 31,880,289</u>

(1) Development cost charges:

In accordance with section 569 of the Local Government Act, 2020 Annual Development Cost Charges include the following, reported for each purpose under section 559 (2) and (3) for which the local government imposes the DCC in the applicable year:

- i. The amount of DCC received;
- ii. The expenditures from the DCC reserve funds;
- iii. The balance in the DCC reserve fund at the start and at the end of the applicable year;
- iv. Any waivers and reductions under section 533 (2).

	Water	Sewer	Drainage	Roads	Parks	Total
Balance, Beginning of year	\$ 2,676,969	3,801,379	1,900,082	7,096,993	11,950,016	\$27,425,439
Add:						
Interest Income	49,180	76,713	40,210	136,263	228,152	530,518
DCC collected	515,141	255,181	241,054	1,299,485	1,041,988	3,352,849
Deduct:						
Acquisition of tangible capital assets	926,367	148,072	-	1,798,737	2,012,208	4,885,384
Balance, End of year	<u>\$ 2,314,923</u>	<u>3,985,201</u>	<u>2,181,346</u>	<u>6,734,004</u>	<u>11,207,948</u>	<u>\$26,423,422</u>

No DCC Waivers were provided in 2020

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**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

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**7. Deferred revenue**

	2020	2019
Prepaid taxes	\$ 17,164,698	\$ 16,748,217
Contributions for future use	2,245,228	2,069,286
Memberships, fees and other revenue	5,179,253	6,215,943
	<u>\$ 24,589,179</u>	<u>\$ 25,033,446</u>

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**8. Debt**

The District finances certain tangible capital asset acquisitions through the Municipal Finance Authority in accordance with the Community Charter. The District makes payments to sinking funds related to its debt. Sinking fund balances, managed by the Municipal Finance Authority, are netted against related debt.

	<b>Borrowed</b>	<b>Sinking Fund</b>	<b>Net Debt 2020</b>	<b>Net Debt 2019</b>
General Capital Fund	\$ 47,745,000	\$ 14,984,235	\$ 32,760,765	\$ 34,936,873

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

<u>Year</u>	
2021	\$ 2,218,250
2022	2,301,101
2023	2,387,060
2024	2,476,244
2025	2,568,774
Thereafter	20,809,336
	<u>\$ 32,760,765</u>

The District paid \$1,108,563 (2019 - \$1,108,563) in interest on long-term debt during the year. Interest rates on debt range from 2.20% to 3.30%.

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**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

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**9. Post-employment benefits**

As per the terms of the various collective agreements and compensation policies, the District provides its employees with sick days and certain employee benefits on termination and retirement. These include service severance pay based on years of service and a full year's vacation entitlement in the year of retirement.

The District uses an actuarial valuation to determine the estimated value of post-employment benefits. The most recent full actuarial valuation was completed as at December 31, 2020.

	2020	2019
Accrued benefit obligation:		
Balance, beginning of year	\$ 10,800,039	\$ 10,373,368
Current service cost	974,373	891,740
Interest cost	303,402	341,436
Benefits paid	(1,692,775)	(944,739)
Actuarial loss	2,225,244	138,234
Balance, end of year	<u>\$ 12,610,283</u>	<u>\$ 10,800,039</u>

Actuarial gains and losses are amortized over 8 to 10 years, being the expected average remaining service period of the related employee group, commencing the year after the gain or loss arises.

	2020	2019
Accrued benefit obligation balance, end of year	\$ 12,610,283	\$ 10,800,039
Unamortized actuarial gain (loss)	(1,830,637)	280,971
Other employee benefit liabilities	20,450	52,350
Accrued benefit liability, end of year	<u>\$ 10,800,096</u>	<u>\$ 11,133,360</u>

The significant actuarial assumptions used in estimating the District's accrued benefit obligation are as follows:

	2020	2019
Discount rate	2.10%	2.70%
Expected future inflation rates	2.50%	2.50%
Expected wage increases	2.58 - 4.63%	2.58 - 4.63%

**The Corporation of the District of North Vancouver**  
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**10. Tangible capital assets**

<b>Cost</b>	<b>Balance at December 31, 2019</b>	<b>Additions, net of transfers</b>	<b>Disposals</b>	<b>Balance at December 31, 2020</b>
Land and improvements	\$ 204,052,743	\$ 4,771,618	(264,655)	\$ 208,559,706
Buildings	198,814,349	8,722,451	(95,335)	207,441,465
Furniture, Equipment and vehicles	48,938,888	7,274,179	(1,425,690)	54,787,377
Roads	245,958,511	7,943,517	(1,719,809)	252,182,219
Water	143,620,081	6,749,909	(254,145)	150,115,845
Sewer	71,519,175	332,683	-	71,851,858
Drainage	117,148,015	2,333,935	(82,676)	119,399,274
Library Collection	4,505,692	549,554	(489,078)	4,566,168
Assets Under Construction	25,050,445	14,000,904		39,051,349
<b>Total</b>	<b>\$ 1,059,607,899</b>	<b>\$ 52,678,750</b>	<b>\$ (4,331,388)</b>	<b>\$ 1,107,955,261</b>

<b>Accumulated depreciation</b>	<b>Balance at December 31, 2019</b>	<b>Depreciation for the year</b>	<b>Disposals</b>	<b>Balance at December 31, 2020</b>
Land and improvements	\$ 38,003,551	\$ 2,117,199	(264,452)	\$ 39,856,298
Buildings	79,528,712	4,805,440	(89,313)	84,244,839
Furniture, Equipment and vehicles	26,399,047	3,571,060	(1,329,946)	28,640,160
Roads	106,696,121	6,008,189	(1,527,955)	111,176,355
Water	29,650,596	1,633,111	(241,489)	31,042,218
Sewer	30,559,036	987,966	-	31,547,002
Drainage	43,804,052	1,436,108	(75,426)	45,164,733
Library Collection	2,877,518	373,949	(406,898)	2,844,570
<b>Total</b>	<b>\$ 357,518,633</b>	<b>\$ 20,933,021</b>	<b>\$ (3,935,479)</b>	<b>\$ 374,516,175</b>

	<b>Net book value, December 31, 2019</b>	<b>Net book value, December 31, 2020</b>
Land and improvements	\$ 166,049,192	\$ 168,703,408
Buildings	119,285,637	123,196,626
Furniture, Equipment and vehicles	22,539,841	26,147,217
Roads	139,262,390	141,005,864
Water	113,969,485	119,073,627
Sewer	40,960,139	40,304,856
Drainage	73,343,963	74,234,541
Library Collection	1,628,174	1,721,598
Assets Under Construction	25,050,445	39,051,349
<b>Total</b>	<b>\$ 702,089,266</b>	<b>\$ 733,439,086</b>

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**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
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**10. Tangible capital assets, continued**

**a) Contributed tangible capital assets**

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The value of contributed assets received during the year is as follows:

	2020	2019
Land and Buildings	\$ 11,593,792	\$ 184,290
Roads	422,349	372,806
Water	105,967	321,623
Sewer	74,594	169,120
Drainage	82,779	200,227
	<u>\$ 12,279,481</u>	<u>\$ 1,248,066</u>

**b) Tangible capital assets disclosed at nominal value**

Where an estimate of fair value can not be made, the tangible capital asset is recognized at a nominal value.

**c) Write-down of tangible capital assets**

The write-down of tangible capital assets during the year was \$nil (2019 - \$nil).

**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
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**11. Accumulated surplus**

**a) Reserves are comprised of the following:**

	2020	2019
Operating and Risk Management:		
Assessment appeal and property tax	\$ 3,572,474	\$ 10,530,991
Development stabilization	6,670,755	7,140,126
General municipal operations	6,500,000	6,775,528
Utilities – Water working capital	1,111,727	-
Utilities – Sewer working capital	2,800,000	-
COVID-19 safe restart	3,250,660	-
Human Resources	763,418	802,768
Auto, fire and liability insurance	1,248,040	1,188,657
Operating projects in progress (future expenditures)	2,184,247	2,112,818
Partner Organizations:		
District of North Vancouver Municipal Public Library	354,362	121,021
North Vancouver Recreation & Culture Commission	-	100,005
North Vancouver Museum and Archives	39,599	38,662
North Shore Emergency Management Office	143,881	45,595
	<u>28,639,164</u>	<u>28,856,171</u>
Existing Capital		
Infrastructure	32,004,770	35,603,932
Utilities – Water	8,389,285	9,467,099
Utilities – Sewer and Drainage	18,404,114	25,935,071
Utilities – Solid Waste	4,984,557	4,139,710
Vehicles and Equipment	4,003,169	3,955,669
	<u>67,785,895</u>	<u>79,101,481</u>
New Capital, Initiatives and Growth		
Transportation and Mobility	3,648,875	2,182,156
Community Health and Safety	6,203,469	6,475,291
Climate and Innovation	535,865	-
Other development charges	500,513	489,251
Community amenity contributions	16,645,101	16,840,415
Local improvement	303,997	4,110,506
Tax Growth	2,843,492	-
	<u>30,681,312</u>	<u>30,097,619</u>
Land and Housing:		
Land	4,666,103	4,575,060
Land income	3,256,068	-
Housing	2,604,484	5,696,701
	<u>10,526,655</u>	<u>10,271,761</u>
<b>b) Capital projects in progress:</b>		
Land and improvements	4,197,146	5,149,932
Buildings	21,669,509	17,618,829
Furniture, equipment and vehicle	10,606,681	8,411,361
Roads	6,986,087	2,026,733
Water	189,114	-
Sewer	620,953	1,276,148
Drainage	8,296,093	881,183
Future major repair and maintenance	9,150,944	4,917,650
Other	630,222	428,387
Total capital funds	<u>62,346,749</u>	<u>40,710,223</u>
<b>c) Equity in tangible capital assets:</b>		
Equity in tangible capital assets	700,678,321	667,152,393
Accumulated surplus	<u>\$ 900,658,096</u>	<u>\$ 856,189,648</u>

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**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

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**12. Taxation**

In addition to levying and collecting property tax for municipal purposes, the District is required to levy and collect taxes on behalf of other jurisdictions.

	2020 Budget	2020 Actual	2019 Actual
Gross taxes levied on property	\$ 176,780,433	\$ 170,685,861	\$ 186,843,738
Deduct:			
Taxes levied and collected on behalf of other jurisdictions			
Province of B.C. – school taxes	51,316,440	51,375,214	61,906,607
Translink	14,792,129	14,828,746	13,983,856
B.C. Assessment	2,522,309	2,527,308	2,425,436
GVRD	2,725,066	2,730,941	2,354,654
Municipal Finance Authority	10,662	10,685	11,156
	<u>71,366,606</u>	<u>71,472,894</u>	<u>80,681,709</u>
Add:			
Payment in lieu of taxes	5,614,901	5,490,252	5,359,827
Net taxes for municipal purposes	<u>\$ 111,028,728</u>	<u>\$ 104,703,219</u>	<u>\$ 111,521,856</u>

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**13. Commitments and contingencies**

**a) Contingent liabilities**

As a member of the Metro Vancouver Regional District, the Greater Vancouver Sewerage and Drainage District and the Greater Vancouver Water District, the District is jointly and severally liable for the net capital liabilities of these Districts. Any liability which may arise as a result will be accounted for in the period in which the required payment is made.

**b) Municipal Pension Plan**

The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 901 contributors from the District.

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.

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**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

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**b) Municipal Pension Plan, continued**

The most recent valuation for the Municipal Pension Plan as of December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2021, with results available in 2022. Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the plan.

The District paid \$6,802,370 (2019 - \$6,795,673) for employer contributions to the plan in fiscal 2020.

**c) Third party claims and property tax appeals**

Several claims have been initiated against the District in varying or unspecified amounts. In addition, several property tax appeals have been filed with BC Assessment and are pending at December 31, 2020. Any amounts payable in addition to the accrued amounts, if any, arising from the claims and the appeals will be recorded in the year in which the amount is determinable. Reserves have been established to fund potential additional unfavourable results.

**d) Insurance**

In the ordinary course of business, claims are asserted or made against the District, and the District is currently involved in various legal actions. The outcome of these actions cannot be determined at this time. A provision has been made in the accounts for any possible unfavourable outcome of these actions. The amount of any loss in excess of the provision and insurance coverage will be recorded when determinable.

**e) Contractual obligations**

The District has entered into an agreement with a facility manager to manage a recreational facility for a period of 5 years commencing September 1, 1998 and renewable at the option of the facility manager for further 5-year terms to August 31, 2048. As part of the agreement the District has committed to the payment of 2,800 hours of facility rental for each year ended August 31st. For the year ended December 31, 2020, the District's liability is estimated at \$632,451. For succeeding years, this amount will be adjusted by any change in the Vancouver average all-in consumer price index for the previous year.

**f) Municipal Finance Authority demand notes**

The District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the Municipal Finance Authority as a debt reserve deposit. The District also executes demand notes in connection with each debenture whereby the District may be required to lend certain amounts to the Municipal Finance Authority. Demand notes have been executed in the amount of \$1,099,485 (2019 - \$1,099,485). These demand notes are contingent in nature and are therefore not recorded as liabilities.

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**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

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**13. Commitments and contingencies, continued**

**g)E-Comm Emergency Communications for British Columbia Incorporated (“E-Comm”)**

The District is a shareholder and member of E-Comm Emergency Communications for British Columbia Incorporated (E-Comm), whose services include: regional 911 call centre for the Greater Vancouver Regional District, Area Wide Radio emergency communications network, dispatch operations and records management. The District holds 1 Class A share and 1 Class B share (of a total 35 Class A and 20 Class B shares issued and outstanding at December 31, 2020). As a Class A shareholder, the District is committed to paying levies for services received under a cost-sharing formula to fund operating and capital costs of the E-Comm operations. In addition, the District is contingently liable to cover its proportionate share of such costs should any member be unable to fulfill its funding obligations. Annual levy amounts fluctuate based on various factors under the cost-sharing formula, and amounted to \$309,496 during 2020 (2019 - \$310,415).

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**14. Performance deposits**

In addition to cash deposits, the District is holding irrevocable Letters of Credit in the amount of \$111,831,647 (2019 - \$93,574,827), which were received from depositors to ensure their performance of works to be undertaken within the District. These amounts are not reflected in these consolidated financial statements.

**15. Segment disclosures**

District services are provided by departments and their activities are reported in the District's funds as described in Note 1(c). The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

Revenues not directly attributable to a specific segment are included in General Government & Admin.

Amounts shown for operating expenses are the gross amounts including inter-fund eliminations incurred by departments for all segmented activity.

The segments include the following:

**General Government & Admin** provides internal support services to Council and the community and other departments who provide direct services to its residents. These internal departments include the City Manager's Office, Corporate Services, Financial services, Information Technology, Legal and Human Resources.

**Utility services** provide planning, design, construction and maintenance for water distribution, sewage collection, drainage, neighbourhood energy utilities and refuse removal services.

**Transportation & Engineering** provides planning, design, construction and maintenance of the District's streets, street lighting, traffic control, transportation planning, utility and communication corridors and project delivery services.

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**The Corporation of the District of North Vancouver**  
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**15. Segment disclosures, continued**

**Protective services** includes Police, fire and rescue, natural hazards mitigation, bylaws and emergency management. Emergency Management is a shared service provided by the District of North Vancouver, the District of West Vancouver and the City of North Vancouver.

**Community services** includes programs that foster sustainable, creative and inclusive communities for living and working. It also includes North Vancouver Museum and Archives Commission (NVMA) and North Vancouver Recreation & Cultural Commission (NVRC) which are shared services provided by the District of North Vancouver and the City of North Vancouver.

**Planning and Development** creates plans, programs and policies required for District wide and community planning, zoning and subdivision. It also includes Real Estate and Properties.

**Library services** includes the District of North Vancouver Municipal Public Library (the "Library") which enriches our community by connecting people, sharing knowledge and inspiring stories. The Library is a welcoming community hub that provides free access to a wide range of public resources and services to the residents of the District of North Vancouver.

**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

**15. Segment disclosures, continued**

	General Government & Admin	Utility Services	Transportation & Engineering	Protective Services	Community Services	Planning & Development	Library Services	Eliminations	2020 Consolidated	2019 Consolidated
<b>Revenues</b>										
Taxation	104,703,219	-	-	-	-	-	-	-	104,703,219	111,521,856
Sales, fees and user charges										
Water	-	29,309,809	-	-	-	-	-	(328,867)	28,980,942	27,739,568
Sewer	-	24,588,269	-	-	-	-	-	(91,042)	24,497,227	23,854,209
Solid waste	-	8,029,355	-	-	-	-	-	(161,717)	7,867,638	7,633,345
Parks, recreation and culture	76	-	-	-	7,743,600	-	100,563	-	7,844,239	14,568,324
Other	8,299,992	661,837	249,896	1,533,636	174,352	16,594,482	-	1,387,708	28,901,903	29,003,072
Transfers from government										
Federal Government	-	-	-	-	-	-	-	-	-	473,369
Provincial Government	6,534,000	-	363,266	437,051	38,431	-	7,473,285	(6,399,974)	8,446,059	1,732,782
Regional Government	(38,394)	68,843	193,813	25,863	33,852	15,620	-	470,594	770,191	1,917,005
Investment income	6,414,013	-	-	-	54,124	-	-	(536,197)	5,931,940	7,444,115
Land, sales and other contributions	2,891,570	193,796	24,000	44,658	81,156	3,224	21,329	11,971,439	15,231,172	6,653,235
	128,804,476	62,851,909	830,975	2,041,208	8,125,515	16,613,326	7,595,177	6,311,944	233,174,530	232,540,880
<b>Operating expenses</b>										
Salaries and benefits	13,695,897	7,702,152	7,010,263	21,927,956	18,710,844	9,818,361	4,597,360	-	83,462,833	88,460,671
Goods and materials	1,297,559	1,281,994	862,076	262,493	1,066,612	91,323	-	-	4,862,057	5,112,996
Building and grounds	1,487,581	2,001,986	713,713	928,951	3,456,141	207,542	521,766	(498,265)	8,819,415	9,781,064
Equipment costs	(2,778,266)	3,164,962	984,009	907,290	1,434,518	263,021	252,592	(9,105)	4,219,021	4,056,497
Service costs	-	-	774,774	-	-	-	-	-	774,774	744,648
Administrative costs	2,754,444	1,772,738	1,147,057	1,063,240	2,909,375	1,598,978	791,826	(110,955)	11,926,703	13,081,706
Contract services	(282,076)	29,903,530	10,902	19,575,823	7,747,920	644,783	35,955	(7,208,604)	50,428,233	49,018,676
Grants	-	-	-	-	2,077,002	2,478	-	-	2,079,480	2,090,744
Debt interest	1,200,545	-	-	-	-	-	-	-	1,200,545	1,219,611
	17,375,684	45,827,362	11,502,794	44,665,753	37,402,412	12,626,486	6,199,499	(7,826,929)	167,773,061	173,566,613
<b>Depreciation</b>	7,243,323	4,548,167	5,833,681	309,146	2,482,008	-	516,696	-	20,933,021	20,142,397
	24,619,007	50,375,529	17,336,475	44,974,899	39,884,420	12,626,486	6,716,195	(7,826,929)	188,706,082	193,709,010
<b>Annual (Surplus) Deficit</b>	104,185,469	12,476,380	(16,505,500)	(42,933,691)	(31,758,905)	3,986,840	878,982	14,138,873	44,468,448	38,831,870

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**The Corporation of the District of North Vancouver**  
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**16. Budget figures**

The operating and capital budget figures, presented on a basis consistent with that used for actual results, were approved by Council as the "2020 - 2024 Consolidated Financial Plan Approval Bylaw 8435, 2020 Amendment Bylaw 8479, 2020 (Amendment 2)" on December 7, 2020. Depreciation was not included on development of the budget and, as such, has not been included.

	Original Budget	Amended Budget	Change
Revenue			
Taxation	\$ 112,886,528	\$ 111,907,728	\$ (978,800)
Sales, Fees, and Other User Charges	98,298,710	98,007,842	(290,868)
Developer Contributions	14,932,366	14,932,366	-
Grants and Other Contributions	5,550,542	14,330,211	8,779,669
Investment Income	4,963,076	4,963,076	-
Penalties & Interest on Taxes	825,000	825,000	-
	<u>237,456,222</u>	<u>244,966,223</u>	<u>7,510,001</u>
Proceeds from Borrowing	3,625,000	3,625,000	-
Appropriations from:			
Operating Reserves	7,692,211	7,792,211	100,000
Capital Reserves	70,688,427	79,680,602	8,992,175
	<u>78,380,638</u>	<u>87,472,813</u>	<u>9,092,175</u>
Source of Funds	<u>319,461,860</u>	<u>336,064,036</u>	<u>16,602,176</u>
Operating Expenditures			
Community Services	40,801,327	40,854,326	52,999
Planning and Development	13,084,790	14,137,063	1,052,273
Protective Services	43,938,983	43,965,224	26,241
Transportation and Engineering	9,800,814	9,344,998	(455,816)
Utilities	48,427,340	48,427,340	-
Governance and Admin	17,226,282	16,339,886	(886,396)
	<u>173,279,536</u>	<u>173,068,837</u>	<u>(210,699)</u>
Capital Expenditures	78,130,057	89,237,732	11,107,675
Debt Service	2,761,745	2,761,745	-
Contributions to:			
Operating Reserves	114,042	6,598,042	6,484,000
Capital Reserves	65,176,480	64,397,680	(778,800)
	<u>65,290,522</u>	<u>70,995,722</u>	<u>5,705,200</u>
Use of Funds	<u>\$ 319,461,860</u>	<u>\$ 336,064,036</u>	<u>\$ 16,602,176</u>

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**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

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**16. Budget figures, continued**

The chart below reconciles the amended budget to the budget figures reported in these consolidated financial statements.

Revenue		
Operating budget	\$	321,131,670
Capital budget		14,932,366
Total revenue per approved budget		<u>336,064,036</u>
Less:		
Transfers from other funds		(87,472,813)
Capital funding less repair and maintenance		
Inter-agency eliminations		485,434
Proceeds from debt		(3,625,000)
Total revenues, as reported		<u>245,451,657</u>
Expenses		
Operating budget		246,826,304
Capital budget		89,237,732
Total expenses per approved budget		<u>336,064,036</u>
Less:		
Transfers to other funds		(70,995,722)
Inter-agency eliminations		(354,264)
Capital expenses, including major repair and maintenance		(89,237,732)
Debt principal repayment		(1,653,182)
Operating repair and maintenance funded as capital expenses		14,941,380
Total expenses as reported		<u>188,764,516</u>
Annual surplus, per Consolidated Statement of Operations	\$	<u><u>56,687,141</u></u>

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**The Corporation of the District of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**December 31, 2020**

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**17. Contractual rights**

The District has entered into contracts or agreements in the normal course of operations that it expects will result in the realization of revenue and assets in future fiscal years. The District's contractual rights arise because of contracts entered into for leases, and various agreements. The following table summarizes the expected revenue from the contractual rights of the District for future assets for the next four years:

	2021	2022	2023	2024	Total
Development Agreements	\$ 17,138,478	\$ 23,379,098	\$ 5,369,922	\$ 3,030,069	\$ 48,917,567
Leases	3,102,512	1,896,094	1,300,993	837,269	7,136,868
	<u>\$ 20,240,990</u>	<u>\$ 25,275,192</u>	<u>\$ 6,670,915</u>	<u>\$ 3,867,338</u>	<u>\$ 56,054,435</u>

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**18. Comparative figures**

Certain 2020 comparative figures have been reclassified to conform with the consolidated financial statement presentation adopted in the current year.

### BC Safe Restart Grant Received – (Unaudited)

Due to the COVID-19 pandemic in 2020, the District received the BC Safe Restart Grant of \$6.4 million from the Province to help with COVID-19 financial impacts to the District's operations. The schedule below details how the District utilized the grant funds in 2020. The remainder of the funds have been placed in the COVID-19 safe restart reserve to be utilized to offset ongoing COVID-19 impacts.

<b>COVID Safe Restart Grant</b>	<b>2020</b>
Opening Balance	\$ 6,484,000
Less Operating costs:	
Communcations and public safety	69,892
Cleaning Supplies & Services	130,531
Modifications to workplace and facilities	360,795
Staff Pandemic Response	137,162
	<u>698,380</u>
Less Facility and Technology Capital Costs:	
Fire equipment	105,013
IT equipment	354,215
Police equipment	24,648
	<u>483,875</u>
Less Revenue not Collected	
TransLink MRN Grant	950,750
Parks revenue decline	414,443
Sewer and Drainage revenue decline	722,800
	<u>2,087,993</u>
Add: Interest Allocation	36,908
Ending Balance	<u><u>\$ 3,250,660</u></u>