

# 2018

## ANNUAL MUNICIPAL REPORT

### CITY OF NORTH VANCOUVER



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CITY OF NORTH VANCOUVER  
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Led by Mayor and Council, the City of North Vancouver works to balance the needs of the community, ensuring a livable and sustainable City for all.



## City Council

Your dedicated Mayor and Councillors are responsible for providing community leadership and establishing administrative policies that ensure the social, economic and environmental health of our municipality.



Left to right: Councillor Tony Valente, Mayor Linda Buchanan, Councillor Tina Hu, Councillor Jessica McIlroy, Councillor Holly Back, Councillor Angela Girard, Councillor Don Bell.

# Chief Administrative Officer

The Chief Administrative Officer provides organizational leadership to all City staff and its divisions provide critical support services for the organization.

## KEY RESPONSIBILITIES

- Acts as liaison between Mayor, Council, and City staff
- Oversees the affairs and operations of the City and its departments
- Serves as liaison between the City and news media, and manages external communications and City website
- Delivers customer-focused technology services and solutions
- Provides a complete range of real estate and facilities management services
- Leads large scale public development projects
- Provides progressive, client-focused Human Resources services



## DIVISIONS

- Communications
- Information Technology
- Facilities and Real Estate
- Strategic Initiatives and Services
- Human Resources

### 2018 KEY MEASURES

- Completed Foot of Lonsdale plaza
- Completed PeopleSoft HCM 9.2 software upgrade
- Established governance and staffing model for Central Waterfront

### 2019 OBJECTIVES

- Develop Corporate and Strategic Plans
- Complete Central Waterfront revitalization
- Deliver new telephony and resident and client focused technology services

## City Clerk's and Mayor's Office

The City Clerk's office is responsible for the preparation of Council and Committee meeting agendas and minutes, the administration and certification of City bylaws, administration of local elections and managing corporate records, protection of privacy and access for information requests.

The Mayor's office provides administrative, communications and research support for the Mayor.

### KEY RESPONSIBILITIES

- Deliver information to Council and Council Committees
- Administer corporate records management services
- Provide information to the public regarding Council business
- Respond to requests for information under the *Freedom of Information and Protection of Privacy Act*
- Administer the general local election
- Coordinate the Mayor's schedule, commitments and speaking engagements
- Draft media communications
- Provide administrative support to the Office of the Mayor



### 2018 KEY MEASURES

- Administered the 2018 General Local Election and completed session with new Council
- Completed Phase 2 of the digitization of Council reports and resolutions
- Implemented a City-wide Protection of Privacy Policy

### 2019 OBJECTIVES

- Complete review of City policies and establish a corporate policy framework
- Review and implement new Council agenda management software
- Complete Phase 3 of the digitization of Council reports and resolutions

# Finance

Finance provides financial services to citizens, City departments and City Council.

## KEY RESPONSIBILITIES

- Accounting and reporting
- Financial planning
- Internal control and performance
- Payroll
- Purchasing
- Revenue
- Administration



## 2018 KEY MEASURES

- Completed competitive bidding process to secure insurance brokerage services
- Reviewed signing limits and PeopleSoft approval framework
- Reviewed Utility Rate Model

## 2019 OBJECTIVES

- Complete the review of the City's Purchasing Policy
- Initiate review of Long Term Property Tax Strategy
- Four-year cycle review of Permissive Tax Exemptions

# Engineering, Parks and Environment

Engineering, Parks and Environment provide and maintain essential municipal services and infrastructure.

## KEY RESPONSIBILITIES

To create safe, resilient, inviting and cost effective public infrastructure that supports our community and enables it to thrive.

## DIVISIONS

- Operations
- Engineering Planning and Design
- Public Realm Design and Delivery
- Parks and Environment
- Administration



## 2018 KEY MEASURES

- Completed construction of the Green Necklace and Spirit Trail
- Designed Marine-Main corridor improvements for B-Line including Mosquito Creek bridge
- Designed Moodyville Park Master Plan and completion of Heywood Park / Mackay Creek habitat enhancement

## 2019 OBJECTIVES

- Develop and implement an asset management strategy
- Complete Moodyville Park
- Complete key protected bike facilities and improve the sidewalk network with a focus on missing sections and improved accessibility

# Community Services

Community Services takes direction from Mayor and Council, the Official Community Plan, the Economic Development Strategy, and other civic policies in order to provide excellent customer service.

## KEY RESPONSIBILITIES

- Business licensing and compliance
- Economic and tourism development
- Construction approvals
- Public works related to development
- Code interpretation and regulation
- Place-making and events
- Parking and bylaw enforcement
- Department management and administration



## DIVISIONS

- Building
- Bylaws
- Business
- Engineering Development Services
- Administration

## 2018 KEY MEASURES

- Advanced the implementation of the new permits system (CityPAL) in conjunction with IT and other departments
- Updated Business License Bylaw
- Closed illegal marijuana operations as per Council direction

## 2019 OBJECTIVES

- Create the Community and Partner Engagement department with a new vision and undertake team building efforts
- Launch the new Shipyard Commons to manage and program the Central Waterfront
- Work with the Leadership Team to create an engagement strategy for the Corporation, including a suite of engagement methods

# Planning

Planning assists Mayor and Council in setting community goals and objectives, creating plans, and implementing these plans through policies, regulations and development.

## KEY RESPONSIBILITIES

- Long range and land use planning
- Community and social planning
- Transportation planning
- Environmental planning and sustainability
- Development planning
- Building permits
- Zoning administration

## DIVISIONS

- Development and Community Planning
- Transportation Planning
- Environmental Sustainability



## 2018 KEY MEASURES – PLANNING DEPARTMENT

- Completed the Electric Vehicle Strategy
- Completed the Harry Jerome Neighbourhood Lands Rezoning and Development Guidelines
- Supported and completed the Integrated North Shore Transportation Planning Project and advanced key transportation planning priorities

## 2019 OBJECTIVES – PLANNING AND DEVELOPMENT

- Complete revised Social Plan with integrated childcare strategy
- Launch Balanced Housing Innovation Lab
- Begin Long Range Transportation Plan and great streets design work

# RCMP

The RCMP serves and protects citizens of the City.

## KEY RESPONSIBILITIES

- Municipal traffic enforcement
- Investigative services
- Crime reduction and prevention
- Community policing
- Youth intervention



## 2018 KEY MEASURES

- Established specific measures in the RCMP Service Plan that support the stated goals and objectives of the North Vancouver RCMP detachment
- Requested a Communications Strategist in the 2019 budget to improve visibility and enhance service
- Introduced front counter security upgrade and enhanced customer service features

## 2019 OBJECTIVES

- Increase road awareness and safety
- Reduce crime through proactive and intelligence-led policing
- Increase operational readiness, advocate for the renovation and upgrade of the General Duty interview room to current technological standards

## Fire and Rescue

Fire and Rescue safeguard and serve our community through the promotion and provision of education, emergency medical and fire services in order to protect life, property and the environment.

### KEY RESPONSIBILITIES

- Administration
- Operations
- Fire prevention and public education
- General emergency planning



### 2018 KEY MEASURES

- Completed Tri-Municipal Emergency Operations Plan and Exercises
- Finalized Blue Card Incident Command Certification for all Fire Officers
- Completed Metro Vancouver Mobile Food Vendor Inspection Program

### 2019 OBJECTIVES

- Complete CityPal Integration for Fire Inspections
- Complete North Shore Shipboard Firefighting Training
- Complete Emergency Planning Program Review and Development

# North Vancouver Museum and Archives Commission

The Museum and Archives Commission is the sole custodian of the City's cultural, archival and museum collections.

## KEY RESPONSIBILITIES

- Manages and preserves artifacts and records of municipal, historical and cultural significance to the community
- Develops and delivers interpretative and educational programs
- Identifies, documents and preserves local history



## 2018 KEY MEASURES

- Completed architectural plans for new museum tenant improvements and detailed research, text, graphics and design of exhibits
- Launched the 'quiet phase' of a \$2.5M fundraising campaign for the new museum and met the 2018 year-end goal to fund exhibit enhancements
- Completed a Transition Business Plan (2019-2023) for the entire NVMA organization including the Archives

## 2019 OBJECTIVES

- Complete new museum fundraising campaign and develop a marketing and communications plan (2019-2020)
- Move Streetcar #153 into the new museum, begin exhibit fabrication, start construction of museum tenant improvements, and create new educational and public programs
- Create new mobile exhibits for the Lions Gate Community Centre and two District libraries; and strengthen the vision for the Community History Centre in the areas of programming and exhibits

# North Vancouver Recreation and Culture Commission

The Recreation and Culture Commission improves the health and well-being of all North Vancouver individuals, families and communities and inspires residents through quality recreation and culture opportunities.

## KEY RESPONSIBILITIES

- Community recreation and culture service, program and event planning and delivery
- Community recreation and culture facility management, operations and maintenance and facility planning
- Management of the public art programs and oversight of community arts grants
- Capacity building of relevant recreation and culture organizations



## 2018 KEY MEASURES

- Program participation increased by 10% for a total of 85,000 registrations
- Fitness memberships increased by 6% for a total of 25,000 units
- Participation in public admissions and drop-ins increased by 13% for a total of 310,150 units

## 2019 OBJECTIVES

- Incorporate findings from Community Needs Assessment and Fitness, Health and Wellness review into service, program and facility planning
- Support and/or lead Community Recreation Centre renewal, replacement and future facility planning
- Implement new program registration management software

# North Shore Emergency Management (NSEM)

NSEM is the lead municipal agency responsible for coordinating work to build resilience to disasters, capacity for emergency response, and strategies for community recovery.

## KEY RESPONSIBILITIES

- Operationally-ready Emergency Operations Centre
- Emergency plans and strategies for disaster resilience
- Trained municipal staff and volunteers for emergency response and recovery
- Provision of public education programs
- Administrative support to North Shore Rescue



## 2018 KEY MEASURES

- Participated in Emergency Operations Centre, Rapid Damage Assessment and Shoreline Cleanup Assessment Technique training courses
- Delivered emergency preparedness information to 3,248 people over 36 free workshops and events
- Undertook critical infrastructure interdependency planning work in response to the Enbridge natural gas pipeline rupture

## 2019 OBJECTIVES

- Implement phase one of the Operational Readiness Strategy - install disaster supply caches, complete technology upgrade to the Emergency Operations Centre, conduct emergency exercises
- Complete phase one of the North Shore Resilience Strategy – baseline assessment of the North Shore’s resilience activities in accordance with the international Sendai Framework for Disaster Risk Reduction
- Complete disaster debris management plan, convergent volunteer management plan, and Emergency Support Services reception center guidelines



**The Corporation of the City of  
North Vancouver**  
Consolidated Financial Statements  
For the year ended December 31, 2018

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## Statement of Management Responsibility

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The Council of the Corporation of the City of North Vancouver ("City") has delegated the responsibility for the integrity and objectivity of the financial information contained in the consolidated financial statements to the management of the City. The consolidated financial statements which, in part, are based on informed judgments and estimates, have been prepared by management in accordance with Canadian public sector accounting standards, which have been applied on a basis consistent with that of the preceding year.

To assist in carrying out their responsibility, management maintains an accounting system and internal controls to provide reasonable assurance that transactions are executed and recorded in accordance with authorization, and that financial records are reliable for preparation of financial statements.

The Mayor and Council oversee management's responsibilities for the financial reporting and internal control systems. Council annually reviews and approves the consolidated financial statements.

The City's independent auditors, BDO Canada LLP, are engaged to express an opinion as to whether the City's consolidated financial statements present fairly in all material respects the financial position of the City as at December 31, 2018, and the results of operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian generally accepted auditing standards.

The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and in accordance with Canadian public sector accounting standards.



Director of Finance

May 6, 2019



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## Independent Auditor's Report

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To the Mayor and Council of the Corporation of the City of North Vancouver

### Opinion

We have audited the consolidated financial statements of Corporation of the City of North Vancouver and its controlled entities (the "City"), which comprise the consolidated statement of financial position as at December 31, 2018 and the consolidated statement of operations, the consolidated statement of changes in net financial assets and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2018, and its consolidated operations 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the City'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 City or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 City'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 City'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 consolidated 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 City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the City to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the City audit. We remain solely responsible for our audit opinion.

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

*BDO Canada LLP*

Chartered Professional Accountants

Vancouver, British Columbia

May 6, 2019

**The Corporation of the City of North Vancouver  
Consolidated Statement of Financial Position  
As at December 31, 2018 with comparative figures for 2017  
(in thousands of dollars)**

	<u>2018</u>	<u>2017</u>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 6,796	\$ 7,747
Temporary investments (note 3(a))	43,918	44,888
Portfolio investments (note 3(b))	139,902	118,413
Investment in Lonsdale Energy Corp. (note 4)	2,114	1,534
Due from other governments	3,542	3,853
Accounts receivable	10,727	8,954
Loan to Lonsdale Energy Corp. (note 5)	23,294	19,242
Interest receivable	14,210	12,741
	<u>244,503</u>	<u>217,372</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	17,066	19,098
Deferred revenue	27,735	27,724
Deferred development cost charges	22,282	19,266
Long-term debt (note 6)	895	1,098
Employee future benefits (note 7)	8,121	8,258
Advances and other liabilities	10,493	10,772
	<u>86,592</u>	<u>86,216</u>
<b>NET FINANCIAL ASSETS</b>	<u>157,911</u>	<u>131,156</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 8)	402,540	381,939
Inventories	656	693
Prepaid expenses	1,619	1,480
	<u>404,815</u>	<u>384,112</u>
<b>ACCUMULATED SURPLUS</b> (note 9)	<u>\$ 562,726</u>	<u>\$ 515,268</u>

Contractual obligations (note 10)  
See accompanying notes to the consolidated financial statements

  
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Director of Finance

**The Corporation of the City of North Vancouver**  
**Consolidated Statement of Operations**  
**Year ended December 31, 2018 with comparative figures for 2017**  
**(in thousands of dollars)**

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
	(notes 2(h) and 14)		
<b>REVENUE</b>			
Property value tax	\$ 58,930	\$ 58,775	\$ 56,218
Parcel taxes	2,910	2,940	2,811
Licences and permits	3,900	6,493	5,797
Fines and fees	4,651	6,418	5,102
Rent	1,640	2,213	2,100
Interest and penalties	2,114	5,924	5,315
Sale of services	26,455	27,767	26,996
Rebate and recoveries	85	62	118
Grants and other	6,900	10,850	9,261
Developer contributions and other transfers	263	34,856	28,692
Gains on disposition of assets	-	1,626	3,304
Lonsdale Energy Corp. income (note 4)	-	580	800
	<u>107,848</u>	<u>158,504</u>	<u>146,514</u>
<b>EXPENSES</b>			
General government	16,688	19,293	16,821
Transportation and transit	5,767	7,173	7,161
Health, social services and housing	2,614	2,637	2,718
Development services	5,588	5,926	5,216
Protective services	26,897	25,319	24,617
Parks, recreation and culture	27,094	27,790	26,489
Water utilities	9,975	9,618	10,009
Sewer utilities	8,809	9,139	8,404
Solid waste	4,361	4,151	3,945
	<u>107,793</u>	<u>111,046</u>	<u>105,380</u>
Total expenses (note 12)			
Annual surplus	55	47,458	41,134
Accumulated surplus beginning of year	<u>515,268</u>	<u>515,268</u>	<u>474,134</u>
Accumulated surplus end of year	<u>\$ 515,323</u>	<u>\$ 562,726</u>	<u>\$ 515,268</u>

See accompanying notes to the consolidated financial statements

**The Corporation of the City of North Vancouver**  
**Consolidated Statement of Change in Net Financial Assets**  
**Year ended December 31, 2018 with comparative figures for 2017**  
**(in thousands of dollars)**

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
	(notes 2(h) and 14)		
Annual surplus	\$ 55	\$ 47,458	\$ 41,134
Acquisition of tangible capital assets	(82,690)	(32,071)	(27,488)
Non-cash developer contributed assets and found assets	-	(3,918)	(15,176)
Proceeds on sale of tangible capital assets	-	2,187	9,128
Depreciation of tangible capital assets	13,900	14,827	13,967
Loss (gain) on disposition of tangible capital assets	-	(1,626)	(3,304)
	<u>(68,790)</u>	<u>(20,601)</u>	<u>(22,873)</u>
Acquisition of inventories	-	(1,243)	(1,123)
Acquisition of prepaid expenses	-	(1,693)	(1,983)
Use of inventories	-	1,280	1,072
Use of prepaid expenses	-	1,554	2,837
	<u>-</u>	<u>(102)</u>	<u>803</u>
Increase (decrease) in net financial assets	(68,735)	26,755	19,064
Net financial assets, beginning of year	<u>131,156</u>	<u>131,156</u>	<u>112,092</u>
Net financial assets, end of year	<u>\$ 62,421</u>	<u>\$ 157,911</u>	<u>\$ 131,156</u>

See accompanying notes to the consolidated financial statements

**The Corporation of the City of North Vancouver  
Consolidated Statement of Cash Flows  
Year ended December 31, 2018 with comparative figures for 2017  
(in thousands of dollars)**

	<u>2018</u>	<u>2017</u>
<b>Cash provided by (used for):</b>		
<b>Operating Transactions</b>		
Annual surplus	\$ 47,458	\$ 41,134
Items not involving cash:		
Depreciation expense	14,827	13,967
Gain on disposal of tangible capital assets	(1,626)	(3,304)
Non-cash developer contributed assets and found assets	(3,918)	(15,176)
Lonsdale Energy Corp. income	(580)	(800)
Changes in non-cash operating items:		
Decrease (increase) in due from other governments	311	(432)
(Increase) decrease in accounts receivable	(1,773)	403
Increase in loan to Lonsdale Energy Corp.	(4,052)	(4,197)
Increase in interest receivable	(1,469)	(1,315)
Decrease in accounts payable and accrued liabilities	(2,032)	(4,349)
Increase increase in deferred revenue	11	3,984
Increase in deferred development cost charges	3,016	909
Decrease in accrued employee future benefits	(137)	(93)
(Increase) decrease in advances and other liabilities	(279)	871
(Decrease) increase in inventories	37	(51)
(Increase) decrease in prepaid expenses	(139)	854
	<u>49,655</u>	<u>32,405</u>
<b>Capital Transactions</b>		
Cash used to acquire tangible capital assets	(32,071)	(27,488)
Proceeds from sale of tangible capital assets	2,187	9,128
	<u>(29,884)</u>	<u>(18,360)</u>
<b>Investing Transactions</b>		
Decrease (increase) in temporary investments	970	(1,340)
(Decrease) increase in portfolio investments	(21,489)	(11,479)
	<u>(20,519)</u>	<u>(12,819)</u>
<b>Financing Transactions</b>		
Repayment of long-term debt	(203)	(195)
(Decrease) increase in cash	(951)	1,031
Cash, beginning of year	<u>7,747</u>	<u>6,716</u>
Cash, end of year	<u>\$ 6,796</u>	<u>\$ 7,747</u>

See accompanying notes to the consolidated financial statements

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2018  
(tabular amounts in thousands of dollars)**

**1. OPERATIONS**

The City of North Vancouver (the “City”) was incorporated in 1907 and operates under the provisions of the Community Charter and the Local Government Act of British Columbia. The City’s principal activity is the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water and sanitary services.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the City have been prepared in accordance with Canadian public sector accounting standards, as prescribed by the Public Sector Accounting Board (“PSAB”) of CPA Canada. The significant accounting policies are summarized below:

**(a) Basis of Presentation**

The consolidated financial statements include the accounts of all the funds of the City, the accounts of the North Vancouver City Library, which is controlled by the City, the City’s 33% proportionate share of the operations of the North Vancouver Recreation Commission, and the City’s 50% proportionate share of the operations of the North Vancouver Museum and Archives Commission. The City’s investment in Lonsdale Energy Corporation (“LEC”), a wholly owned government business enterprise, is accounted for using the modified equity method.

The City participates with the District of North Vancouver in the operation and management of the North Vancouver Recreation Commission, and the City includes its proportionate share in the City’s consolidated financial statements. The current agreement specifies that the operating costs shall be paid 33% (2017 – 33%) by the City and 67% (2017 – 67%) by the District of North Vancouver. Each municipality is responsible for its own facilities and pays 100% of all capital costs relating to improvement, expansion and replacement of buildings or facility equipment.

The City also participates with the District of North Vancouver in the operation and management of the North Vancouver Museum and Archives Commission, and the City includes its proportionate share in the City’s consolidated financial statements. The current agreement specifies that the operating costs shall be paid 50% (2017 – 50%) by the City and 50% (2017 – 50%) by the District of North Vancouver. Each municipality is responsible for its own facilities and pays 100% of all capital costs relating to improvement, expansion and replacement of buildings or facility equipment.

**(b) Basis of Accounting**

Revenue is recorded on an accrual basis and recognized when earned. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2018  
(tabular amounts in thousands of dollars)**

**2. SIGNIFICANT ACCOUNTING POLICIES (con't)**

**(c) Revenue Recognition**

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized.

Charges for sewer, water and solid waste usage are recorded as user fees. Connection fees revenues are recognized when the connection has been established.

Sale of service and other revenue are recognized on an accrual basis.

**(d) Deferred Revenue**

Deferred revenue consists of prepaid property taxes, prepaid business licenses, and fees paid in advance for services yet to be provided.

**(e) Development Cost Charges**

Development cost charges collected to pay for future capital projects are deferred upon receipt and recognized as revenue when the capital costs for which they were collected are incurred.

**(f) Temporary Investments**

Temporary investments include bank issued notes and bonds and provincial bonds and debentures maturing in the subsequent year and are valued at the lower of cost or market value.

**(g) Portfolio Investments**

Portfolio investments include bank issued notes and bonds and provincial bonds and debentures maturing after the subsequent year end. Securities are recorded at their cost and written down to reflect losses in value that are other than temporary.

**(h) Budget Figures**

The budget figures are based on the ten year financial plan adopted on May 7, 2018.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2018  
(tabular amounts in thousands of dollars)**

**2. SIGNIFICANT ACCOUNTING POLICIES (con't)**

**(i) Government Transfers**

Unrestricted government transfers are recognized as revenue in the year that the transfer is authorized by the issuing government and any eligibility criteria have been met. Restricted government transfers, in the way of grants or other transfers, are recognized as revenue in the year in which any stipulations that create liabilities are met.

**(j) Employee Future Benefits**

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

Sick leave and post-employment benefits also accrue to the City's employees. The liabilities related to these benefits are actuarially determined based on services and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

**(k) Long-term Debt**

Long-term debt is recorded in the consolidated financial statements net of repayments and sinking fund adjustments.

**(l) Non-Financial Assets**

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

**(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, is amortized on a straight line basis over their estimated useful lives as follows:

Land improvements	Straight line over useful life of each asset unit	10 – 100 years
Parks	Straight line over useful life of each asset unit	10 – 75 years
Buildings	Straight line over useful life of each asset unit	10 – 100 years
Machinery & equipment	Straight line over useful life of each asset unit	3 – 25 years
Vehicles	Straight line over useful life of each asset unit	6 – 25 years
Infrastructure	Straight line over useful life of each asset unit	7 – 100 years
Library materials	Straight line over useful life of each asset unit	2 – 5 years
Work in progress	Not depreciated until put into use	

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2018  
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**(l) Non-Financial Assets (cont'd)**

**(ii) Contributions of Tangible Capital Assets**

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

**(iii) Works of Art and Historic Assets**

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

**(iv) Natural Resources**

Horticultural assets such as treed areas, grassy areas and gardens are not recognized as assets in the consolidated financial statements.

**(v) Interest Capitalization**

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

**(vi) Leased Tangible Capital Assets**

Leases that 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 payments are charged to expenses as incurred.

**(vii) Inventories**

Inventories held for consumption are recorded at the lower of weighted average cost and replacement cost.

**(m) Estimates**

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and the disclosure of contingent liabilities. Areas requiring significant estimation are post-employment benefits, compensated absences and termination benefits and estimated useful life of tangible capital assets. Actual results could differ from these estimates.

**(n) Segment Disclosure**

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 related to expenses. See note 12.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2018  
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**2. SIGNIFICANT ACCOUNTING POLICIES (con't)**

**(o) Contaminated Sites**

A liability for contaminated sites is recognized when a site is not in productive use or an unexpected event has occurred and the following criteria are met:

- i) An environmental standard exists;
- ii) Contamination exceeds the environmental standard;
- iii) The City 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.

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2018**  
**(tabular amounts in thousands of dollars)**

**3. INVESTMENTS**

**(a) Temporary Investments**

The fair value of temporary investments at December 31, 2018 was \$46,769,729 (2017 - \$45,656,327). These investments range in maturity date from January 4, 2019 to December 18, 2019, and range in yield from 1.82% to 5.13%.

**(b) Portfolio Investments**

The fair value of portfolio investments at December 31, 2018 was \$149,587,369 (2017 - \$130,643,198). These investments range in maturity from January 23, 2020 to May 15, 2031, and range in yield from 2.2% to 7.52%.

**4. INVESTMENT IN LONSDALE ENERGY CORPORATION (“LEC”)**

The City owns all the issued and outstanding shares of LEC, which was incorporated under the British Columbia Company Act on July 7, 2003. LEC operates a district energy system providing hydronic energy to residential, institutional and commercial buildings in the Lower and Central Lonsdale, Moodyville and Marine Drive – Harbourside areas of the City of North Vancouver.

Summarized financial information relating to LEC is as follows:

	<u>2018</u>	<u>2017</u>
Cash and accounts receivable	\$ 1,874	\$ 2,701
Tangible capital assets	31,777	26,517
Other assets	612	520
Total assets	<u>\$ 34,263</u>	<u>\$ 29,738</u>
Accounts payable and accrued liabilities	\$ 1,449	\$ 1,496
Deferred contributions	6,511	6,368
Debt	24,189	20,340
Total Liabilities	<u>\$ 32,149</u>	<u>\$ 28,204</u>
Shareholder's equity	<u>\$ 2,114</u>	<u>\$ 1,534</u>
Total revenue	\$ 4,770	\$ 4,300
Total expenses	4,190	3,500
Net income	<u>\$ 580</u>	<u>\$ 800</u>

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2018  
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**4. INVESTMENT IN LONSDALE ENERGY CORPORATION (“LEC”) (con’t)**

Included in the City’s consolidated statement of financial position is “Investment in Lonsdale Energy Corp.” in the amount of \$2,114,000 (2017 - \$1,534,000) and a loan receivable, see note 5. Also, included in accounts receivable in the City’s consolidated statement of financial position are receivables from LEC in the amount of \$559,000 (2017 - \$416,000).

**5. LOAN TO LONSDALE ENERGY CORPORATION (“LEC”)**

The loan receivable balance of \$23,293,926 (2017 - \$19,241,926) consists of the following interest bearing promissory notes:

On August 1, 2018, the City converted amounts due from LEC whereby LEC issued a 5 year promissory note to the City in the amount of \$33,661,966 bearing interest at 2.65%. The promissory note to the City has been partially drawn upon with a balance owing at December 31, 2018 of \$23,293,926 (2017 demand term loan and promissory notes \$19,241,926).

All loans are due on demand and bear interest at 2.65% (2017 – 2.1%). Interest revenue of \$492,448 (2017 - \$351,790) has been included in the consolidated statement of operations.

At the maturity date of the loan to LEC, the City may, at its discretion, extend the terms of the loan in whole or in part or LEC may repay the loan in whole or in part using either internal or external financing.

**6. LONG-TERM DEBT**

The City has financed the expansion of LEC by assuming debt on behalf of LEC through the Municipal Finance Authority in accordance with the Community Charter. Debt principal is reported net of repayments and actuarial adjustments. The City carries no other long-term debt. The total debt issued and outstanding as at December 31, 2018 was \$895,067 (2017 - \$1,097,739).

Future principal re-payments and actuarial adjustments on net outstanding debt over the next five years are as follows:

	<u>2018</u>
2019	\$ 210,779
2020	219,210
2021	227,979
2022	<u>237,099</u>
	<u>\$ 895,067</u>

Interest expense of \$6,000 (2017 - \$6,000) has been included in the Consolidated Statement of Operations. The interest rate on long-term debt is 0.3% per annum.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2018  
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**7. EMPLOYEE FUTURE BENEFITS**

**(a) Sick and Severance**

Employees of the City are entitled to payments related to unused sick leave and severance upon retirement or resignation after ten years of service. The amount recorded for these benefits is based on an actuarial valuation done by an independent firm of actuaries using a projected benefit actuarial valuation method pro-rated on services. The most recent actuarial valuation of the City's future benefits was completed as at December 31, 2018.

Information regarding the City's obligations for these benefits, including its proportionate share of the North Vancouver City Library, North Vancouver Recreation Commission, and North Vancouver Museum and Archives Commission, is as follows:

	<u>2018</u>	<u>2017</u>
Benefit obligation - beginning of the year	\$ 7,862	\$ 7,380
Add: Current service costs	655	607
Interest on accrued benefit obligation	239	254
Less: Actuarial (gain) loss	(154)	495
Benefits paid	<u>(998)</u>	<u>(874)</u>
Benefit obligation - end of the year	\$ 7,604	\$ 7,862
Add: Unamortized actuarial gain	<u>517</u>	<u>396</u>
Accrued benefit liability - end of the year	<u>\$ 8,121</u>	<u>\$ 8,258</u>

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

	<u>2018</u>	<u>2017</u>
Discount rates	3.30%	2.90%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increases	2.58% to 4.63%	2.58% to 4.63%

The unamortized actuarial gain is amortized over a period equal to the employees' average remaining service lifetime of ten years for the City.

**(b) Council Retirement Stipend**

Starting 2005, Council Members are entitled to a retirement stipend based on 10.08% of the individual's total indemnity received subsequent to 2002. These amounts are accrued as earned and recorded in accounts payable and accrued liabilities.

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2018**  
**(tabular amounts in thousands of dollars)**

**8. TANGIBLE CAPITAL ASSETS**

2018	Land	Land Improvements	Parks	Buildings	Machinery & Equipment	Vehicles	Infrastructure	Library Materials	Work in Progress	Total
<b>Cost</b>										
Balance as at December 31, 2017	\$ 35,365	\$ 55,813	\$ 42,766	\$ 123,057	\$ 19,225	\$ 11,082	\$ 227,567	\$ 936	\$ 39,874	\$ 555,685
Additions	4,467	7,535	6,934	2,657	1,005	410	6,671	219	46,888	76,786
Disposals	923	-	-	5	522	591	1,507	225	39,874	43,647
Balance as at December 31, 2018	\$ 38,909	\$ 63,348	\$ 49,700	\$ 125,709	\$ 19,708	\$ 10,901	\$ 232,731	\$ 930	\$ 46,888	\$ 588,824
<b>Accumulated Depreciation</b>										
Balance as at December 31, 2017	\$ -	\$ 10,458	\$ 12,513	\$ 52,352	\$ 12,427	\$ 5,859	\$ 79,666	\$ 471	\$ -	\$ 173,746
Depreciation expense	-	1,761	1,613	4,823	1,739	587	4,090	214	-	14,827
Disposals	-	-	-	5	522	502	1,035	225	-	2,289
Balance as at December 31, 2018	\$ -	\$ 12,219	\$ 14,126	\$ 57,170	\$ 13,644	\$ 5,944	\$ 82,721	\$ 460	\$ -	\$ 186,284
<b>Net Book Value</b>										
December 31, 2018	\$ 38,909	\$ 51,129	\$ 35,574	\$ 68,539	\$ 6,064	\$ 4,957	\$ 150,010	\$ 470	\$ 46,888	\$ 402,540
<b>2017</b>										
2017	Land	Land Improvements	Parks	Buildings	Machinery & Equipment	Vehicles	Infrastructure	Library Materials	Work in Progress	Total
<b>Cost</b>										
Balance as at December 31, 2016	\$ 30,251	\$ 50,259	\$ 38,822	\$ 116,849	\$ 17,476	\$ 9,241	\$ 223,757	\$ 943	\$ 34,443	\$ 522,041
Additions	5,685	5,554	4,515	11,352	2,317	2,044	6,123	211	36,402	74,203
Disposals	571	-	571	5,144	568	203	2,313	218	30,971	40,559
Balance as at December 31, 2017	\$ 35,365	\$ 55,813	\$ 42,766	\$ 123,057	\$ 19,225	\$ 11,082	\$ 227,567	\$ 936	\$ 39,874	\$ 555,685
<b>Accumulated Depreciation</b>										
Balance as at December 31, 2016	\$ -	\$ 8,934	\$ 11,438	\$ 47,719	\$ 11,441	\$ 5,476	\$ 77,496	\$ 471	\$ -	\$ 162,975
Depreciation expense	-	1,524	1,447	4,657	1,554	542	4,025	218	-	13,967
Disposals	-	-	372	24	568	159	1,855	218	-	3,196
Balance as at December 31, 2017	\$ -	\$ 10,458	\$ 12,513	\$ 52,352	\$ 12,427	\$ 5,859	\$ 79,666	\$ 471	\$ -	\$ 173,746
<b>Net Book Value</b>										
December 31, 2017	\$ 35,365	\$ 45,355	\$ 30,253	\$ 70,705	\$ 6,798	\$ 5,223	\$ 147,901	\$ 465	\$ 39,874	\$ 381,939

**(a) Work in Progress**

Work in progress having a value of \$ 46,888,000 (2017 - \$39,874,000) has not been amortized. Amortization of these assets will commence when the asset is in service.

**(b) Developer Contributed Tangible Capital Assets and Other Transfers**

Developer contributed tangible capital assets and other transfers have been recognized at their estimated fair value at the date of contribution. Developer contributed tangible capital assets and other transfers of \$3,918,000 (2017 - \$15,176,000) have been recognized during the year.

**(c) Works of Art and Historic Assets**

The City manages and controls various works of art and non-operational historic assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded in the consolidated financial statements of the City.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2018  
(tabular amounts in thousands of dollars)**

**8. TANGIBLE CAPITAL ASSETS (con't)**

**(d) Write-Down of Tangible Capital Assets**

There were no write-downs of tangible capital assets during the current or prior year.

**9. ACCUMULATED SURPLUS**

	<u>2018</u>	<u>2017</u>
Current Funds – general, water and sewer	\$ 35,877	\$ 30,826
Reserve fund	112,153	91,918
Capital fund	<u>414,696</u>	<u>392,524</u>
Accumulated surplus, end of year	<u>\$ 562,726</u>	<u>\$ 515,268</u>

**(a) Current Funds – general, water and sewer**

	<u>2018</u>	<u>2017</u>
Appropriated:		
General funds	\$ 14,162	\$ 11,781
Water fund	1,096	761
Sewer fund	10,722	9,197
Unappropriated:		
General funds	9,128	8,273
Sewer funds	745	814
Water fund	24	-
	<u>\$ 35,877</u>	<u>\$ 30,826</u>

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2018**  
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**9. ACCUMULATED SURPLUS (con't)**

**(b) Reserve Funds**

	Balance	Contributions	Earnings	Less	Balance
	December 31, 2017	& Transfers		Expenditures	December 31, 2018
Machinery and Equipment					
Engineering	\$ 3,577	\$ 439	\$ 146	\$ 248	\$ 3,914
Fire	175	716	37	224	704
General	103	-	18	22	99
Computer	1,079	38	30	586	561
Building	820	-	20	301	539
Local Improvements	782	5	23	5	805
Affordable Housing	4,299	467	132	30	4,868
Tax Sale Lands	33,668	-	1,921	661	34,928
Waterworks	6,229	-	181	366	6,044
Parking	405	70	13	298	190
Civic Amenity	35,961	29,753	2,662	13,605	54,771
Justice Administration Accommodation	151	-	4	13	142
Streets DCC	-	328	-	328	-
Parks DCC	-	3,695	-	3,695	-
Lower Lonsdale Amenity	546	-	9	485	70
Lower Lonsdale Legacy	2,661	-	76	77	2,660
Infrastructure	73	-	508	249	332
Public Art	437	95	14	44	502
Marine Drive Community Amenity	336	-	10	-	346
Sustainable Transportation	284	88	8	31	349
Carbon Fund	332	85	10	98	329
Water DCC	-	-	-	-	-
Sanitary DCC	-	-	-	-	-
Drainage DCC	-	-	-	-	-
<b>Total</b>	<b>\$ 91,918</b>	<b>\$ 35,779</b>	<b>\$ 5,822</b>	<b>\$ 21,366</b>	<b>\$ 112,153</b>

**(c) Capital Fund**

	2018	2017
Capital fund		
Invested in tangible capital assets	\$ 402,540	\$ 381,939
Appropriated Capital funds	12,156	10,585
	<u>\$ 414,696</u>	<u>\$ 392,524</u>

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
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**10. CONTRACTUAL OBLIGATIONS**

**(a) Property Taxes**

The City is obliged to levy, collect and remit property taxes on behalf of, and to finance the arrears of property taxes of, other bodies as follows:

Collections for and remittances to other bodies	2018	2017
Provincial Government - Schools	\$ 36,026	\$ 34,368
Greater Vancouver Regional District	1,340	1,152
Greater Vancouver Transportation Authority	7,992	7,572
British Columbia Assessment Authority	1,367	1,300
Municipal Finance Authority	6	5
BIA Lower Lonsdale Society	498	507
	<u>\$ 47,229</u>	<u>\$ 44,904</u>

**(b) Pension Liability**

The City 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, 2017, the plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 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 City paid \$4,112,000 (2017 - \$3,895,000) for employer contributions to the plan in fiscal 2018.

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

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
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**(b) Pension Liability (con't)**

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.

**(c) Contingent Liabilities**

The City is currently engaged in or party to certain legal actions, assessment appeals and other existing conditions involving uncertainty which may result in material loss. A reasonable estimate of these future liabilities has been made where possible and is recorded in the financial statements as a liability. Where the outcomes of amounts or losses are uncertain, no amounts have been recorded.

**(d) E-Comm**

The City is a member of Emergency Communications for British Columbia, Incorporated ("E-Comm"), an organization comprised predominately of member municipalities, for the purpose of providing emergency dispatch services. The City is represented on the board and as a class "A" shareholder has voting rights should the organization want to incur additional debt.

The E-Comm facility was constructed using debt as a financing mechanism and members are liable for a proportionate share of that debt. This debt is repaid by members through annual fees charged by E-Comm. Should E-Comm dissolve, the members would be liable for a proportionate share of any residual debt. Alternatively, should members choose to opt out of E-Comm they would be liable for a proportionate share of debt at the time of withdrawal.

The City holds 2 class "A" shares and one class "B" share.

**(e) Other contractual Obligations**

During 2014 the City, in conjunction with the District of North Vancouver and the District of West Vancouver, entered into a new contract for recyclables collection for a period of five years commencing July 1, 2015. The City's portion of the annual contract costs is expected to be approximately \$1,100,000 for the years 2015 to 2020. The City is also eligible to receive an incentive from Multi-Materials BC (MMBC) of approximately \$65,000 per month (\$780,000 annually).

As at December 31, 2018 the City had entered into various construction contracts for a total outstanding value of \$13.5M

**11. TRUST FUNDS**

Certain assets have been conveyed or assigned to the City to be administered as directed by an agreement or statute. The City holds the assets for the benefit of, and stands in a fiduciary relationship to, the beneficiary. The Cemetery Trust Fund, totaling \$2,918,000 (2017 - \$2,750,000), which is administered by the City, has not been included with the City's accounts.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
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**12. SEGMENTED INFORMATION**

The City is a diversified municipal government entity in the Province of British Columbia that provides a wide range of services to its citizens. Certain functional areas have been combined and separately disclosed in the segmented information. The segments and the services they provide are as follows:

**General Government**

General Government provides the administrative and legislative services that support the various sectors of the City. Functions include financial planning and reporting, economic development and legislative services.

**Transportation and Transit**

The Transportation department aims to provide enhanced access to public transit, safe pedestrian and cyclist routes, enable accessible transportation for people with limited mobility and maintain existing infrastructure. These goals are achieved through street design, traffic signals and signs, street lighting and road maintenance activities.

**Health, Social Services and Housing**

Health, Social Services and Housing encompasses a wide variety of City funded initiatives aimed at supporting the social structure and sustainability of the community. Included are cemetery operations, youth and family support services, seniors programs and homeless prevention initiatives.

**Development Services**

Development Services' focus is community planning, which includes land use guidelines, the management of City owned lands, heritage planning and development of the City's official community plan.

**Protective Services**

Protective Services is comprised of the North Vancouver RCMP detachment, the North Vancouver City Fire Department and bylaw enforcement. The North Vancouver RCMP detachment plays an integral role in the protection of North Vancouver residents and their property through crime prevention and detection, emergency response and victim services. The North Vancouver City Fire Department is responsible to provide fire suppression service, fire prevention services and fire safety education.

**Parks, Recreation and Culture**

Parks, Recreation and Culture provides access to recreation facilities, the operation and maintenance of the City's many parks and trails, the North Vancouver City Library and the City's participation in the North Vancouver Museum and Archives and the North Vancouver Office of Cultural Affairs.

**Water Utilities**

The Water Utility, in conjunction with Metro Vancouver, provides safe, clean, reliable water to the residents and businesses of the City of North Vancouver.

**Sewer Utilities**

The Sewer Utility collects waste water and transports it to trunk water mains and wastewater treatment plants operated by Metro Vancouver. In addition to the collection of wastewater, the Sewer Utility also manages the City's 150km storm sewerage system which diverts rainfall runoff from private property with an emphasis on flood prevention.

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
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**(tabular amounts in thousands of dollars)**

**12. SEGMENTED INFORMATION (con't)**

**Solid Waste**

The Solid Waste department provides curbside garbage, recycling and yard trimmings collection to the residents of the City of North Vancouver.

	Revenues	Expenses					Total	Annual Surplus(Deficit)
		Wages & Benefits	Goods & Supplies	Services	Depreciation	Capitalized		
General Government	\$ 107,070	\$ 13,150	\$ 3,113	\$ 6,634	\$ 4,580	\$ (8,184)	\$ 19,293	\$ 87,777
Transportation and transit	2,293	2,432	636	6,097	2,763	(4,755)	7,173	(4,880)
Health, social services and housing	441	453	84	2,100	-	-	2,637	(2,196)
Development services	8,622	5,601	47	278	-	-	5,926	2,696
Protective Services	1,683	17,493	850	6,600	637	(261)	25,319	(23,636)
Parks, recreation and culture	10,465	14,194	1,142	20,878	5,290	(13,714)	27,790	(17,325)
Water utilities	11,706	2,037	7,550	2,090	829	(2,888)	9,618	2,088
Sewer utilities	12,054	1,466	302	8,739	682	(2,050)	9,139	2,915
Solid waste	4,170	1,307	47	2,751	46	-	4,151	19
2018	\$ 158,504	\$ 58,133	\$ 13,771	\$ 56,167	\$ 14,827	\$ (31,852)	\$ 111,046	\$ 47,458
2017	\$ 146,514	\$ 54,048	\$ 15,615	\$ 52,500	\$ 13,967	\$ (30,750)	\$ 105,380	\$ 41,134

**13. CONTRACTUAL RIGHTS**

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. As at December 31, 2018 the significant contractual rights of the City consisted of developer contributions. These rights exist as the City has entered into a number of public works development agreements which require the developers to contribute various infrastructure assets to the City, including roads and underground utilities. The timing and extent of these future contributions vary depending on development activity and fair value of the assets received at time of contribution. The contributions will be recorded as revenue based on the fair value of the assets received at the time that the City assumes the risks and responsibilities related to the assets.

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
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**14. BUDGET FIGURES**

The budget figures presented in these consolidated financial statements are based upon the financial plan approved by Council as the Financial Plan for the Years 2018 to 2027 Bylaw, 2017, No. 8637 May 7, 2018. The table below reconciles the approved budget to the budget figures reported.

		Financial Plan Bylaw
Revenue per Statement of Operations		\$ 107,848
Less:		
Budget Adjustments for Consolidation	(547)	
Transfers from Reserve	(1,843)	
Interagency Funds	<u>(4,752)</u>	(7,142)
Revenue per financial plan bylaw 8637		<u>100,706</u>
Expenses per Statement of Operations		107,793
Add:		
Transfer to other funds		(2,203)
Less:		
Budget Adjustments for Consolidation	1,821	
Interagency payments	<u>(4,752)</u>	(2,931)
Expenses per financial plan bylaw 8637		<u>102,659</u>
Deficit for the year		(1,953)
Reserves and capital:		
Capital expenditures		(82,690)
Depreciation		13,900
Equity		(8,074)
Transfers from reserves		57,442
External contributions		<u>21,375</u>
Annual budgeted Surplus per financial plan bylaw		<u>\$ -</u>

# 2018 Permissive Tax Exemptions

ORGANIZATION	PROPERTY ADDRESS	MUNICIPAL TAXES EXEMPT PORTION
Anavets Senior Citizens' Housing	245 3rd St. East	\$40,236
Army, Navy Air Force Veterans in Canada	119 East 3rd Street	\$15,888
The Auxillary to the Lions Gate Hospital	128 15th Street West	\$10,213
BC Photography and Media Arts Society	105 Carrie Cates Court	\$76,680
Canadian Mental Health Association	300-1835 Lonsdale Ave	\$14,188
The Cascadia Society for Social Working	325 West 19th Street	\$3,601
The Cascadia Society for Social Working	351 West 19th Street	\$3,367
The Cascadia Society for Social Working	348 West 19th Street	\$3,217
Community Living Society	317 & 319 East Keith Road	\$3,852
Community Living Society	1003-555 West 28th Street	\$1,077
City of North Vancouver (Pipe Shop)	115 Victory Ship Way	\$30,319
Family Services North Shore	1109-1117 Lonsdale Avenue	\$20,867
Fraternal Order of Eagles, North West Aerie 2638	170 West 3rd Street	\$13,604
Hollyburn Family Services Society	210 West 13th Street	\$5,633
HYAD Housing for Young Adults with Disabilities	2130 Chesterfield Avenue	\$2,436
Kiwanis North Shore Housing Society	170 West 2nd Street	\$42,575
Kiwanis North Shore Housing Society	1480 St. Andrews	\$2,818
Lighthouse Harbour Ministries	1 - 260 East Esplanade	\$3,725
The Lonsdale Creek Daycare Society	230 West 21st Street	\$6,434
Lookout Emergency Aid Society, NS Shelter	705 West 2nd Street	\$12,198
Marineview Housing Society	1415 Chesterfield Ave	\$3,224
Marineview Housing Society	1057 Cloverley Street	\$2,597
Metro Vancouver Philippine Arts & Culture Exposition Society	111 East 3rd Street	\$5,021
North Shore Connexions Society	1924 Jones Avenue	\$2,606
The North Shore Disability Resource Centre Association	2412 Wilding Way	\$2,788
North Shore Multicultural Society	123 East 15th Street (Various Units)	\$53,253
North Shore Neighbourhood House	225 East 2nd Street	\$39,121
North Shore Neighbourhood House (Centre View Childcare)	143 East 14th Street	\$2,816
North Shore Neighbourhood House (Community Garden)	207 East 2nd Street	\$3,782
North Vancouver Chamber of Commerce	102-124 West 1st Street	\$6,608
North Vancouver Lawn Bowling Club	2160 Lonsdale Avenue	\$104,337
North Vancouver Masonic Temple	1140 - 1144 Lonsdale Avenue	\$6,618
Presentation House Cultural Society	333 Chesterfield Avenue	\$60,445
North Vancouver Royal Canadian Legion	121/123 West 15th Street	\$16,324
Silver Harbour Centre	144 East 22nd Street	\$19,377
St. Edmund's Parish	613 Mahon Avenue	\$5,776
St Leonard's Society of North Vancouver	312 Bewicke Avenue	\$2,380
Vancouver Coastal Health Authority- Magnolia House	720 East 17th Street	\$2,907
Vancouver Coastal Health Authority- Margaret Fulton Adult Day Care	1601 Forbes Avenue	\$28,363
Young Women's Christian Association	125 East 14th Street	\$5,109
Assembly of Christians (Gospel Hall)	133 East 4th Street	\$3,308
North Shore Bethel Christian Mennonite Brethern Church	185 East Keith Road	\$1,832
Holy Trinity Catholic Church	2705 Lonsdale Avenue	\$3,608
North Shore Alliance Church	201 East 23rd Street	\$20,514
King's Temple Missionary Society (NS Christian Centre)	1400 Sutherland Avenue	\$1,958
Parish of St. Agnes Anglican Church	530 East 12th Street	\$741
Parish of St. John The Evangelist Anglican Church	209 West 13th Street	\$13,869
Salvation Army North Vancouver Community Church	105 West 12th Street	\$8,393
St. Andrew's & St. Stephen's Presbyterian Church	2641 Chesterfield Avenue	\$4,765
St. Andrew's United Church	1044 St. Georges Avenue	\$2,992
Sutherland Church	630 East 19th Street	\$4,317
<b>Total</b>		<b>\$752,677</b>

## Declaration of Council Disqualifications

No Councillors were disqualified from holding office in 2018 under the provisions set out in the Community Charter.







**city**  
**of north**  
**vancouver**

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