

# LAKE COUNTRY

Life. The Okanagan Way.



# 2018

**ANNUAL REPORT**

For the fiscal year ended December 31, 2018

**Lake Country, BC**

# Annual Report

For the fiscal year ended December 31, 2018

Prepared by Administration and Finance  
with contributions from across the organization.

**District of Lake Country**  
10150 Bottom Wood Lake Road  
Lake Country, BC V4V 2M1



# Life. The Okanagan Way

Nestled in the scenic Okanagan Valley between Kelowna and Vernon, Lake Country is part of the fast-growing Central Okanagan region with a population of nearly 210,000—the largest population centre between Vancouver and Calgary. Bisected by Highway 97 and boasting easy air access via the Kelowna International Airport, Lake Country has become a hub of growth and innovation for tourism, agriculture, technology, business and the arts.

Serene Okanagan lakes, exquisite orchards and vineyards, and miles of sun-drenched landscapes: this is **Life, the Okanagan Way**—and it's what makes Lake Country the perfect setting for work and play.

Lake Country is home to four distinct neighbourhood communities which were incorporated as a district municipality in 1995: Carr's Landing, Okanagan Centre, Oyama and Winfield.

## A place to learn

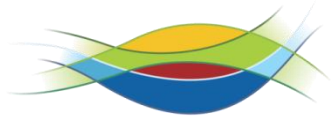
The Okanagan Valley is home to multiple centres of higher learning including Okanagan College, the University of British Columbia's Okanagan campus, Centre for Arts and Technology as well as Sprott Shaw Community College and Vancouver Career College. Accommodating more than 20,000 students and generating an economic impact upwards of \$2 billion per year, the Okanagan's post-secondary institutions are the economic engines driving growth through research, development and job-ready graduates. More than half of Lake Country's workforce holds a trades certificate or college or university degree.

## A place to grow

Central Okanagan and the Okanagan Valley continue to undergo significant urban development, and currently have more than 568 hectares of development-ready, industrially-zoned land available to meet the growing demands of a population expected to reach 250,000 by 2030. In the District of Lake Country, more than ten hectares of commercially-zoned land have been serviced and set aside for the development of the community's commercial and cultural core, a traditional mixed-use commercial and residential neighbourhood. The District of Lake Country is committed to helping business build, work and invest in the area, and offers competitive business tax rates lower than the provincial average.

## A place to prosper

Lake Country isn't just a place to work—it's a place to truly live. Residents enjoy hot summers and temperate winters with boundless opportunities for year-round recreation: from water sports to cycling, golfing, skiing, hiking and much more. Within a one-hour drive of three destination ski resorts and enjoying miles of lake front beaches and parks, Lake Country is an outdoor enthusiast's paradise. The vibrant, tight-knit community is also rich in culture, offering extraordinary arts and entertainment, as well as acclaimed fine and casual dining. A place to learn, grow and prosper, Lake Country offers limitless opportunity set in unspoiled natural beauty.



# LAKE COUNTRY

Life. The Okanagan Way.

## Table of Contents

### INTRODUCTORY SECTION

Message from Mayor	5
Message from Chief Administrative Officer	6
Mayor and Council	7
Community Profile	11
Climate Action Charter	16
Corporate Structure	20
Administration, IT, Human Resources, Finance & Corporate Services	22
Protective Services	29
Engineering & Environmental Services	43
Community Development	47
Infrastructure Services	55

### FINANCIAL SECTION

Report from the Office of the Chief Financial Officer	61
Canadian Award for Financial Reporting	67
Financial Statements	68
Letter from CFO - Responsibility for Financial Reporting -	69
Independent Auditors' Report	70
Statement of Financial Position	72
Statement of Operations and Accumulated Surplus	73
Statement of Change in Net Financial Assets	74
Statement of Cash Flows	75
Notes to the Financial Statements	76
Schedule 1 – Schedule of Tangible Capital Assets	90
Schedule 2 – Schedule of Accumulated Surplus	92
Schedule 3 – Schedule of Segment Disclosure	93

### STATISTICAL SECTION

District of Lake Country Statistical Data	96
---	----

# Message from the Mayor



On behalf of Council I am pleased to present the District of Lake Country Annual Report for 2018.

We were again very busy in all of our infrastructure operations in 2018 especially in cleanup and mitigation work dealing with the effects of fire and floods of previous years. Our aim is to prepare the community as best we can to avoid having to go into emergency operation mode due to the effects of climate change extreme weather events. We are grateful that we are able to take advantage of senior government programs that assist with funding for mitigation work.

With the start of the design work for our new Fire Hall we look forward to construction starting in 2019. The new multigenerational and multiuse recreation and social center building with upgrades for inclusiveness is nearing design completion with funding in place for start of construction in 2019.

Pelmewash Parkway has developed into a well used safe pedestrian and cycling recreation and active transportation route in our community. The Okanagan Rail Trail continues to be extremely busy on most of its entire route through Lake Country which is understandably very popular. Plans for further developments and implementation for education of the natural and cultural history of the route and area will be a part of additional amenities along the rail trail through Lake Country.

The Official Community Plan has been updated and the Parks and Recreation Plan continues to inform us of the anticipated need for totally inclusive park and recreation amenities throughout the District of Lake Country.

We again thank our many volunteers who provide their services in so many ways to make our community a better place. We appreciate the help of our committee advisors and so many people who are involved in assisting with the social, cultural, health, safety and in so many capacities when needed. We have a very pleasant and thoughtful community.

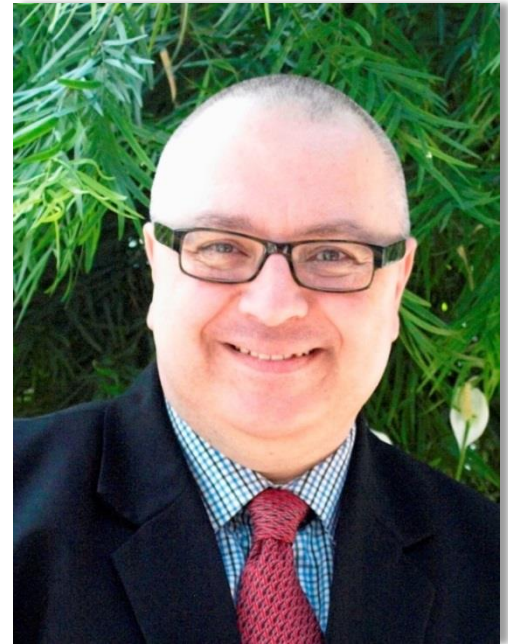
James Baker  
Mayor

# LAKE COUNTRY

# Message from the Chief Administrative Officer

As I present the 2018 District of Lake Country's Annual Report, I wish to first thank our staff who have worked hard to provide an organizational environment where respect and collaboration are paramount. Thanks to them, the District has accomplished much and continues to be a progressive organization that is considered a leader in our field.

I also wish to thank Mayor and Council for their support, vision, and continued dedication, and their desire to make Lake Country one of the most livable communities in BC and Canada. In November 2018, the municipal elections were held throughout the province and, in Lake Country, most of our Council members were reelected. Two new councillors have joined the organization from the wards of Winfield and Carr's Landing and after an intensive orientation, they have begun their work and have already shown the same level of dedication and support that the more "veteran" members have provided through the years.



2018 was another record year for growth. Building statistics were again at a record high. It was also a year when, again, we were busy during wildfire season bringing not only a strong organizational contribution to the region with our staff participation to the Emergency Operations Centre but also to hottest spot of the province through members and apparatus from our fire department.

In addition to all this, we have continued to work on our Official Community Plan amendment and our Parks & Recreation Master Plan – two documents that will greatly assist in fulfilling the future vision of creating a community where people and families desire to come and stay.

Growth has necessitated the creation of new staff positions to face the increased capacity needs of the organization in serving the community. This included bringing the contracted services of the Waste Water Treatment Plant and Sewage in-house to provide a more controlled and targeted service.

While both Council and Departmental priorities can be viewed as part of this report, it is worth noting that Council's focus is still in the following areas: improving the overall quality of life of the residents and managing growth and infrastructure.

I invite you all to take the time to read this document and to provide us with feedback and ideas to make this document better and, more importantly, to make our community a great place to live, work and play. Finally, I wish to thank the community for their feedback and support. Thanks to their many comments, ideas and opinions which we receive on a regular basis, we are able to provide Council with information assisting in the difficult and many times challenging decision making process.

Alberto S. De Feo Ph.D.(Law)  
Chief Administrative Officer

# LAKE COUNTRY

# Mayor and Council 2018 Committee Appointments



## Mayor James Baker

Access & Age-friendly Committee, Joint Advisory Committee (OKIB).

**Regional District:** Board of Directors

**External:** Airport Advisory Committee, UBC External Community Advisory Committee.



## Councillor Jeremy Kozub (Winfield) *(from November 2018)*

Parks and Recreation Advisory Committee; Parks and Recreation Advisory Committee; Parcel Tax Roll Review Panel, Joint Advisory Committee (OKIB), Committee of the Whole

**External:** Lake Country Chamber of Commerce, Municipal Insurance Association, Safe Schools Committee (alternate)



## Councillor Todd McKenzie (Oyama)

Agricultural Advisory Committee, Parks and Recreation Advisory Committee, Water Services Advisory Committee, Parcel Tax Review Panel (alternate), Joint Advisory Committee (OKIB), Committee of the Whole.

**External:** Lake Country Senior Housing Society Board, Lake Country Health Planning Society (alternate), Okanagan Regional Library Board (2019), Winfield Senior Citizens' Society (alternate)



## Councillor Penny Gambell (Councillor-at-Large)

Agricultural Advisory Committee, Economic Development & Tourism Committee, Joint Advisory Committee (OKIB), Committee of the Whole), Parcel Tax Roll Review Panel (alternate), Water Services Advisory Committee.

**Regional District:** Board of Directors (alternate). **External:** Safe Schools Committee, Tourism Kelowna.



## Councillor Rob Geier (Winfield) *(until November 2018)*

Joint Advisory Committee (OKIB), Parks and Recreation Advisory Committee, Public Art Advisory Commission, Parcel Tax Roll Review Panel, Joint Advisory Committee (OKIB), Committee of the Whole.

**External:** Lake Country Health Planning Society, Safe Schools Committee (alternate).



## Councillor Cara Reed (Carr's Landing) *(from November 2018)*

Economic Development & Tourism Committee, Parcel Tax Roll Review Panel, Joint Advisory Committee (OKIB), Committee of the Whole. **External:** Economic Development Commission (RDCO), Lake Country Health Planning Society, Okanagan Regional Library Board (2019 alternate)



## Councillor Jeanette Lambert (Carr's Landing) *(until November 2018)*

Economic Development and Tourism Committee, Parcel Tax Review Panel. Joint Advisory Committee (OKIB), Committee of the Whole. **External:** RDCO Economic Development Commission, Municipal Insurance Association, Okanagan Regional Library Board (alternate)



## Councillor Bill Scarrow (Councillor-at-Large)

Access & Age-friendly Committee, Joint Advisory Committee (OKIB), Committee of the Whole, Parcel Tax Roll Review Panel (alternate). **External:** Economic Development Commission (RDCO) (alternate), Lake Country Senior Housing Society Board (alternate), Winfield Senior Citizens' Society.



## Councillor Blair Ireland (Okanagan Centre)

Parks and Recreation Advisory Committee, Public Art Advisory Commission, Water Services Advisory Committee, Parcel Tax Review Panel, Joint Advisory Committee (OKIB), Committee of the Whole. **External:** Airport Advisory Committee (alternate), Tourism Kelowna (alternate).

# 2014 – 2018 Council



**Councillor  
Todd  
McKenzie  
(Oyama)**

**Councillor  
Jeanette Lambert  
(Carr's Landing)  
*Front row seated***

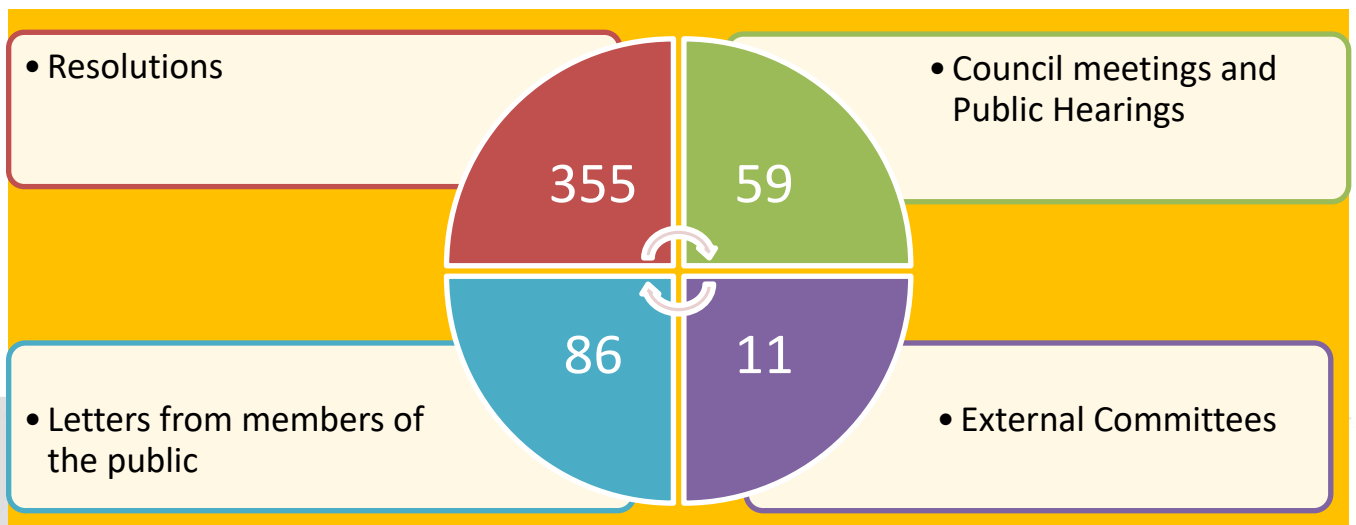
**Councillor  
Bill Scarrow  
(At Large)**

**Mayor  
James  
Baker  
*Front row seated***

**Councillor  
Blair Ireland  
(Okanagan  
Centre)**

**Councillor  
Rob  
Geier  
(Winfield)**

**Councillor  
Penny  
Gambell  
(At Large)  
*Front row seated***





## 2018 – 2022 Council



**Councillor  
Penny  
Gambell  
(At Large)**

**Councillor  
Todd  
McKenzie  
(Oyama)**

**Councillor  
Blair Ireland  
(Okanagan  
Centre)**

**Mayor  
James  
Baker**

**Councillor  
Bill Scarrow  
(At Large)**

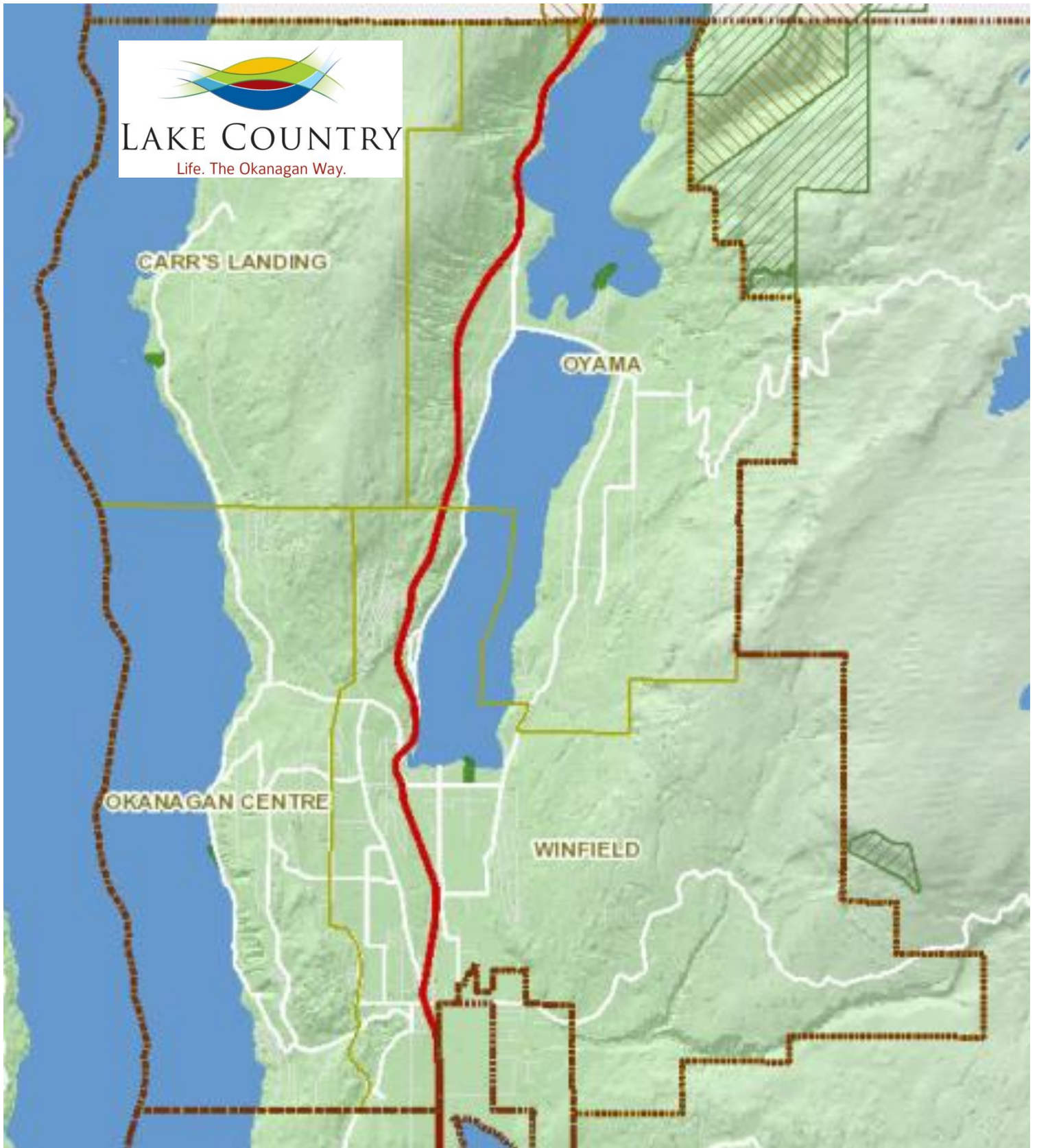
**Councillor  
Cara Reed  
(Carr's Landing)**

**Councillor  
Jeremy Kozub  
(Winfield)**

### **Council's Vision:**

Develop a strong sense of community. Promote a positive community image. Provide housing for all. Encourage responsible economic development. Build a comprehensive and integrated trail network. Create a vibrant social and commercial town centre. Protect and enhance our natural environment. Foster diverse agricultural opportunities. Encourage enjoyment of our unique lake resources. Promote environmental stewardship. Promote an active schedule of cultural and social events. Develop a sustainable financial plan for servicing and growth.

LAKE COUNTRY



# LAKE COUNTRY

# Community Profile

The District of Lake Country, located in the heart of the Okanagan Valley between Kelowna and Vernon, is a beautiful and unique area rich in cultural history. Lake Country has a population of approximately 14,027 according to BC Statistics, and is made up of four distinct communities: Carr's Landing, Okanagan Centre, Oyama and Winfield.

Lake Country is surrounded by lakes, as its name suggests. Okanagan Lake acts as the western boundary while Wood Lake and the southern-most portion of Kalamalka Lake are encompassed by the municipality. Comprising a geographic area of 122.16 square kilometers, Lake Country is home to world-renowned wineries and is only minutes away from the Kelowna International Airport, UBC Okanagan, world-class golf courses and beautiful ski hills. The area offers a balance of rural and urban experiences with major income sources being agriculture and tourism. Forty percent of the District is within the Agricultural Land Reserve and major crops include apples, peaches, pears and cherries. A large portion of apples grown in Canada are from Lake Country's orchards. Since its incorporation on May 2, 1995, the District of Lake Country has continued to grow and thrive.

## Carr's Landing

Carr's Landing was once called Cus-in-so-nook, meaning Place of Fickle Women. The early pioneers called it Sunnywold. By 1901 Andrew Carr, a Civil War veteran from Illinois, and his wife Agnes had built their home just north of where the Geen's fruit packing house stands today. The Carr's Landing wharf was built below the house at R. S. Marshall Park where sailing lessons are now held each summer. Settlers such as the Carrs, Thorlaksons and Gibsons farmed close to the lake and ranchers like Joseph Cools ran cattle into the Charolais area.

## Okanagan Centre

At the height of its success, Okanagan Centre was a thriving community with services that included two packing houses, a hotel, a cannery, a general store and a butcher shop. The settlement of Okanagan Centre began around 1900 when Northcote Caesar and T.F. Valentine purchased Rainbow Ranch. In 1903, Caesar and Valentine sold most of Rainbow Ranch but kept 18 acres of the south-west corner and continued ranching. By 1910, there were two hotels, a general store, a butcher shop with a packing house and cannery under construction. By 1913, orchardists were packing their own fruit and the community was at the height of its development.

## Oyama

Oyama was named after Field Marshall Iwao Oyama who fought in the Japanese-Russian War from 1900 to 1905. Oyama was also the name given to the first post office in the area which was established between 1906 and 1908. As early as 1867 (Canada's Confederation), Tom Wood and Cornelius O'Keefe drove cattle from Washington State, USA to the north end of Okanagan Lake. In 1893 the first white settlers began arriving with ranching and the planting of orchards commencing in the early 1900s. Oyama Lake, located in the mountains to the east, provided irrigation to the fruit growers. After World War I another influx of settlers arrived and many descendants of these first settlers reside in Oyama today. Local stores began opening in 1908 through 1910 decreasing the need for residents to travel to Vernon.

## Winfield

The first land bought by a European settler in Winfield was 160 acres purchased by Ford Brent in 1867. He then sold the land in 1871. Also in 1871, Thomas Alva Wood, the man responsible for the current names of Wood Lake and Winfield, bought 160 acres and started up Winfield ranch. In 1875, Thomas Wood was named Justice of the Peace. In 1872 the Postill family purchased a 300-acre plot to the south of Mr. Wood and within a few years a sawmill started up at the Postill ranch and was running at full capacity. The 1890's were a decade in which Winfield showed many signs of community development. Winfield had its first telephone installed in the 1890's, the first fruit trees were planted, the first church services were held at Winfield Lodge (Thomas Wood's lodge) and more families began settling in Winfield during these years.

LAKE COUNTRY



# LAKE COUNTRY

# Arts, Culture, Amenities

Serene Okanagan lakes, exquisite orchards and vineyards, and miles of sun-drenched landscapes: this is *Life. The Okanagan Way.* – and it’s what makes Lake Country the perfect setting for work and play. Our vibrant, tight-knit community is also rich in culture, offering extraordinary arts and entertainment, a museum, an art gallery, live music open air concerts every Saturday during the summer, festivals/special events, a seasonal Farmers’ Market, as well as acclaimed fine and casual dining.

Lake Country has over 50 kms of beautiful walking trails and is home to many amenities including athletic fields, parks, beaches, an arena, a curling club, waterpark, tennis, pickleball and padel courts as well as a skateboard park. A 16 km section of the Okanagan Rail Trail recreational amenity along the shores of Wood Lake connects Kelowna to Coldstream through Lake Country with an active transportation cycling/walking pathway; and a paved multi-use pathway along Pelmwash Parkway enables cyclists and hikers to complete the approximate 20km loop around Wood Lake. The many community facilities such as the Community Complex, the Creekside Theatre, the Beasley Park Gazebo, various community halls and the Lake Country Seniors’ Activity Centre are all available for public use and host various events throughout the year which are enjoyed by residents from all over the Okanagan valley.



## Community Parks

- Swalwell Park
- Beasley Park
- Jack Seaton Park
- Okanagan Centre Museum Park
- Okanagan Centre Linear Park
- Fourth Street Beach and Pebble Beach
- Pixton Beach Linear Park
- Coral Beach Park
- Pioneer Park
- Creekside Park & Memorial Park

## Regional Parks

- Kaloya Regional Park
- Kopje Regional Park
- Okanagan Centre Safe Harbour
- Reiswig Regional Park

## Neighbourhood Parks

- Apex Drive Park and Shoreline Park (The Lakes)
- McCarthy Park
- Dewar Park
- Coral Beach North & South
- Nuyens Park
- Gable Road End
- R. S. Marshall Park
- Whiskey Cove Road End
- Cemetery Park



# LAKE COUNTRY

# ArtWalk

ArtWalk is a highly successful annual arts festival that features more than 300 Okanagan artists, photographers and sculptors as well as musical entertainment, art demonstrations, paint-offs, live model drawing, children's activities, live theatre productions, prizes, great food, and much more.

ArtWalk began in 1994 and in 1999 became a Lake Country community event which has grown in popularity and now draws thousands of people from all over the country.

The 25<sup>th</sup> annual ArtWalk event took place September 8-9, 2018 on the theme: **“Art of our Times”** in honour of the event’s 25<sup>th</sup> anniversary.

In 2019, the theme for the September 7-8, 2019 event will be **“Art in Fashion”**. <http://lakecountryartwalk.ca/>



# LAKE COUNTRY



Creekside Theatre performance tickets sold

**5821**

Creekside Theatre Shows produced

**22**

Movies shown  
(4 Creekside Theatre + 1 outdoor Canada Day)

**5**

Live! in Lake Country concert attendees

**3950**

LAKE COUNTRY

# Climate Action Charter

The District of Lake Country was one of the 187 local governments, along with the Province of BC and the Union of BC Municipalities (UBCM) that signed the Climate Action Charter (CAC) tackling the challenges posed by climate change, and pledging to take action to significantly cut both corporate and community-wide greenhouse gas emissions; measure and report on the community greenhouse gas emission profile; and work to create compact, more energy efficient communities.

Carbon neutrality is based on “traditional services” which include administration and governance; drinking, storm and waste water; solid waste collection, transportation and diversion; road and traffic operations; arts, recreation and cultural services and fire protection. Emissions related to new construction, business travel, employee commuting and the external production of goods used for the services are not included. As a general guideline for measuring emissions, if the District pays for the service the District must account for the emissions related to that service.

Communities that have signed onto the CAC and thereby agree to publicly report on their climate action progress are eligible for the Climate Action Revenue Incentive Program (CARIP) grant. The following report meets the CARIP requirements to publicly report on climate actions undertaken by the District in 2018 and outlines our intended actions for 2019.



## Corporate Measure

The District has updated its Corporate Carbon Neutral Action Plan which calculates the energy that is used corporately by the District and which provides for the conversion to calculate the GHG emissions produced. The final output for 2018 in GHG Emissions was 1549 tCO<sub>2</sub>e.

## Community-Wide Measure

In addition to using the Community Energy and Emissions Inventory (CEEI) to measure progress, a Community Energy & Emissions Plan was prepared in 2012 by the District of Lake Country in consultation with BC Hydro and the Community Energy Association.





# Climate Action Charter

The District's Official Community Plan (OCP), which was adopted in August 2010 and updated in 2018, outlines the following policies and actions to reach the goals of achieving carbon neutrality in municipal operations as per the CAC; and reducing community wide greenhouse gas emissions by 33% below 2007 levels by 2020, and by 80% by the year 2050 as per the *Local Government Act* (LGA):

- Inventory operational greenhouse gas emissions.
- Adopt a municipal sustainable purchasing policy.
- Reduce or offset operational greenhouse gas emissions.
- Identify opportunities for alternative energy creation.
- Further develop and implement the greenhouse gas emissions reduction strategy.
- Implement a greenhouse gas emissions strategy to reduce community wide emissions.
- Complete an air quality assessment and inventory.
- Participate in the Regional Air Quality Management Program.
- Investigate the feasibility of requiring major new District buildings to achieve a Leadership in Energy and Environmental Design (LEED) or equivalent green building standard.



## Corporate Actions 2018

- Continued compliance to the Carbon Neutral Action Plan as adopted in 2011 and updated annually.
- Continued issuance of Development Permits for Greenhouse Gas Reduction and Energy Conservation, as well as, Environmental protection.
- Continued funding will be used from the Climate Action Reserve Fund where required and appropriate.
- Continued research and analysis for green options for corporate building upgrades where applicable.
- Continue to ensure energy efficiency considered on all renewal and new construction projects.
- Continued operation and maintenance of existing hydroelectric generation plan.
- Continued maintenance of existing parks. Continued tree planting.
- Continued discussion with province regarding acquisition of Pelmeash Parkway as an active transportation corridor and greenspace.
- Okanagan Rail Trail acquired and plans to use as multi-modal transportation and greenspace underway.
- 5% parkland dedication as part of subdivisions (legislated).
- Continued adherence to landscape guidelines for Development Permits. \*Continue tree replacement program.\*Continue planting drought tolerant plants as part of park development.
- New Parks and Recreation Master Plan.
- Solid Waste in partnership with the Regional District of the Central Okanagan.
- Continued fleet replacement including adding electric hybrids to the fleet, where appropriate.
- Continued work towards Transportation for Tomorrow Plan - road renewal and construction of active transportation networks.
- Anti-idling policy
- New Waste Water Treatment Plan completed includes:- Switch in fuel source from propane to natural gas-Heat reclamation system from sewage used to heat buildings.-Construction of more efficient operations building. Currently using trailers.-Use of high efficiency technology for infrastructure to treat sewage (i.e. high efficiency bioreactors).
- Continued liquid waste management plan.
- Continued adherence to the Water Master Plan (WMP) adopted 2013.
- Continued watering restrictions enforced.

# Climate Action Charter

## Community Wide Actions 2018

- Continued implementation of Integrated Community Sustainability Plan and of the Community Energy and Emissions Plan.
- Continued progress towards meeting Official Community Plan targets and continued issuance of Development Permits.
- Continued issuance of Greenhouse Gas Reduction and Energy Conservation Development Permits.
- Continued implementation of "Transportation for Tomorrow".
- Continued funding will be used from the Climate Action Reserve Fund where required and appropriate. Opportunities for grant funding will be pursued where found to exist for any particular project.
- Continued growth management through the Official Community Plan.
- Continued issuance of Development Permits.
- Continued support for utility Energy Demand Management programs.
- Continued staff teamwork towards goals.
- The District will continue to seek grant funding opportunities on a case by case basis.
- Continued requirement for new developments through the Subdivision and Development Servicing Bylaw to have LED lighting standards.
- Continued maintenance of existing hydroelectric generation plant.
- Continued communication regarding the project and the community benefits.
- Continued maintenance of existing parks. Continued tree planting.
- Continued work in securing Pelmeash Parkway as greenspace and active transportation corridor.
- Okanagan Rail Trail acquired and plans to use as multi-modal transportation underway.
- 5% parkland dedication as part of subdivisions (legislated).
- Continued adherence to landscape guidelines for Development Permits. \*Continue tree replacement program.\*Continue planting drought tolerant plants as part of park development.
- New Parks and Recreation Master Plan in progress.
- Solid Waste in partnership with the Regional District of the Central Okanagan.
- Continued work towards Transportation for Tomorrow Plan - road renewal and construction of active transportation networks.
- Anti-idling policy
- New Waste Water Treatment Plan completed includes:- Switch in fuel source from propane to natural gas-Heat reclamation system from sewage used to heat buildings.-Construction of more efficient operations building. Currently using trailers.-Use of high efficiency technology for infrastructure to treat sewage (i.e. high efficiency bioreactors).
- Continued liquid waste management plan.
- Continued adherence to the Water Master Plan (WMP) adopted 2013.
- Continued watering restrictions enforced.

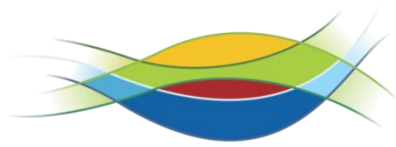


LAKE COUNTRY

# Climate Action Charter

## 2019 Proposed Corporate and Community Wide Actions

- Continued implementation of Integrated Community Sustainability Plan and of the Community Energy and Emissions Plan.
- Continued progress towards meeting Official Community Plan targets and continued issuance of Development Permits.
- Continued issuance of Development Permits for Greenhouse Gas Reduction and Resource Conservation, as well as, environmental protection.
- Continued implementation of "Transportation for Tomorrow".
- Continued funding will be used from the Climate Action Reserve Fund where required and appropriate. Opportunities for grant funding will be pursued where found to exist for any particular project.
- Continued compliance to the Carbon Neutral Action Plan as adopted in 2011 and updated annually.
- Continued funding will be used from the Climate Action Reserve Fund where required and appropriate.
- Continued growth management through the Official Community Plan (New OCP to be adopted in 2019)
- Continued issuance of Development Permits.
- Continued support for utility Energy Demand Management programs.
- Continued staff teamwork towards goals.
- The District will continue to seek grant funding opportunities on a case by case basis.
- Continued requirement for new developments through the Subdivision and Development Servicing Bylaw to have LED lighting standards.
- Continued research and analysis for green options for corporate building upgrades where applicable.
- Continue to ensure energy efficiency considered on all renewal and new construction projects.
- Continued maintenance of existing hydroelectric generation plant.
- Continued communication regarding the project and the community benefits.
- Continued maintenance of existing parks. Continued tree planting.
- Okanagan Rail Trail acquired and plans to use as multi-modal transportation underway.
- 5% parkland dedication as part of subdivisions (legislated).
- Continued adherence to landscape guidelines for Development Permits. \*Continue tree replacement program.\*Continue planting drought tolerant plants as part of park development.
- New Parks and Recreation Master Plan in progress.
- Solid Waste in partnership with the Regional District of the Central Okanagan.
- Continued work towards Transportation for Tomorrow Plan - road renewal and construction of active transportation networks.
- Anti-idling policy
- Continued fleet replacement including adding electric hybrids to the fleet, where appropriate.
- New Waste Water Treatment Plan completed includes:- Switch in fuel source from propane to natural gas-Heat reclamation system from sewage used to heat buildings.-Construction of more efficient operations building. Currently using trailers.-Use of high efficiency technology for infrastructure to treat sewage (i.e. high efficiency bioreactors).
- Continued liquid waste management plan.
- Continued adherence to the Water Master Plan (WMP) adopted 2013.
- Continued watering restrictions enforced.



# LAKE COUNTRY

Life. The Okanagan Way.

MAYOR & COUNCIL

CHIEF ADMINISTRATIVE OFFICER (CAO)

Community Development

Engineering & Environmental Services

Administration & Corporate Services

Protective Services

Infrastructure Services

## 2018 SENIOR MANAGEMENT

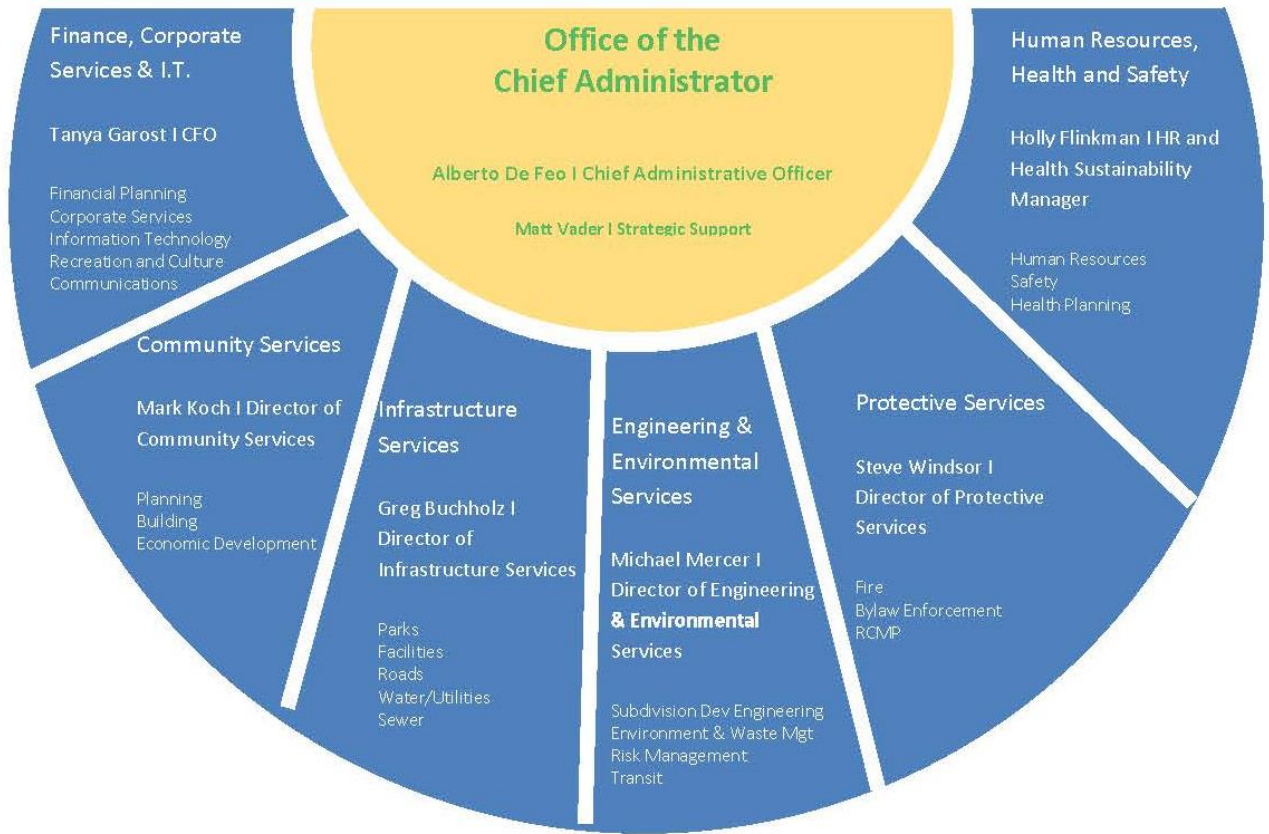
Chief Administrative Officer (CAO).....	Alberto De Feo
Chief Financial Officer.....	Tanya Garost
Director of Community Development.....	Mark Koch
Director of Engineering & Environmental Services.....	Michael Mercer
Director of Infrastructure Services.....	Greg Buchholz
Director of Protective Services.....	Steve Windsor
Corporate Services Manager.....	Reyna Seabrook
Manager of HR and Health Sustainability.....	Holly Flinkman
IT Support and Network Administrator.....	Jakub Tokarowski
Community Development Manager.....	Jamie McEwan
Strategic & Support Services Manager.....	Matt Vader

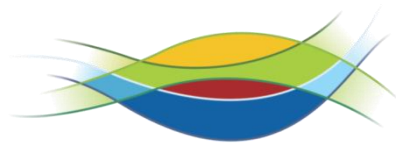


Corporate Structure

**COMMUNITY**

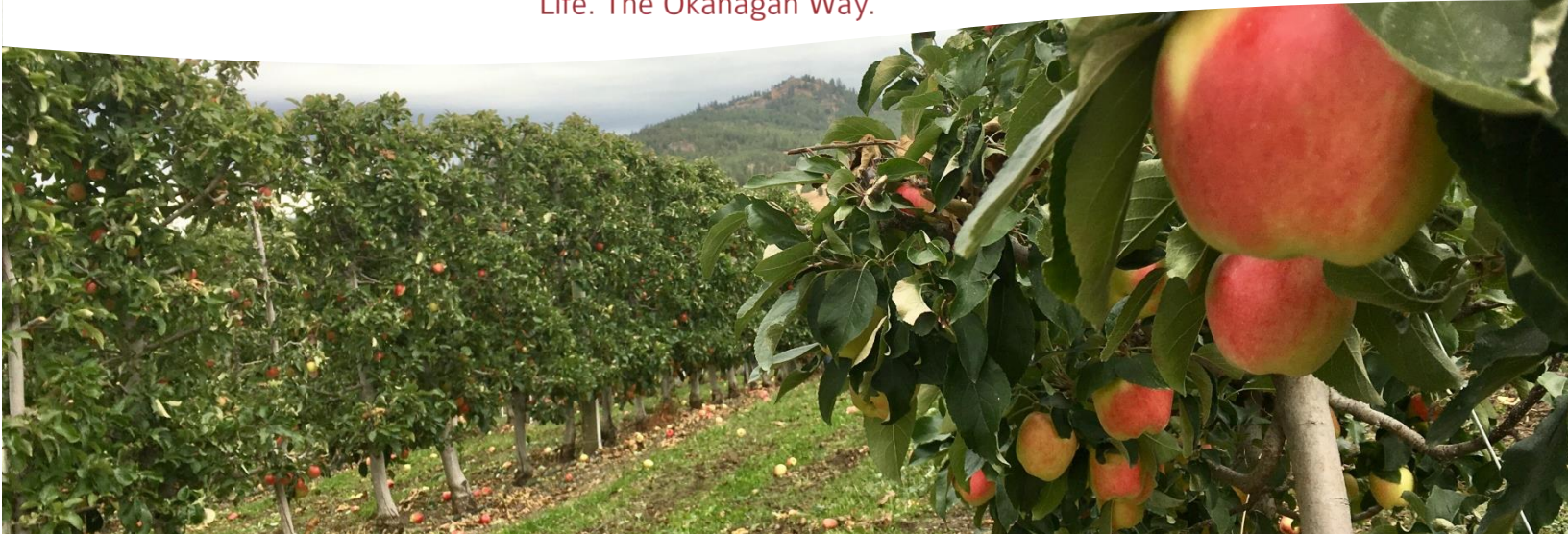
**COUNCIL**





# LAKE COUNTRY

Life. The Okanagan Way.



Administration is responsible for the daily operations of the organization, communications, legal matters and organizational oversight working in cooperation with Mayor and Council. The Chief Administrative Officer, Strategic and Support Services Manager, Manager of HR and Health Sustainability, Human Resources and Safety Advisor, Corporate Services Manager, Cultural Development Coordinator, Communications Officer and Executive Assistant, along with the Customer Services Supervisor and two Customer Service Clerks comprise the Administration Department.

Human Resources is responsible for recruiting and staff development, wellness and safety, public planning of health and wellness.

Information Technology (IT) is responsible for computer network maintenance and support services and information technology.

The Finance Department is responsible for financial management and planning; policy development; cash, portfolio and debt management; accounting and payroll services; collection of tax and utility fees; and financial reporting and analysis. The Finance Department consists of the Chief Financial Officer and five staff.

Corporate Services is responsible for the preparation of bylaws, land negotiations, Freedom of Information requests, agendas and minutes and District events, performance and cultural community events, customer service and recreational programming.

Strategic and Support Services is responsible for land acquisition and disposition, special projects (e.g. Okanagan Rail Trail), intergovernmental relationships and communications.

Fall 2018 saw a rearrangement of the reporting structure within the Administration, Corporate Services and Strategic & Support Services to streamline the number of direct reports to any one director or manager.

Administration,  
Corporate Services,  
Finance,  
Strategic & Support  
Services,  
Human Resources,  
& Information  
Technology

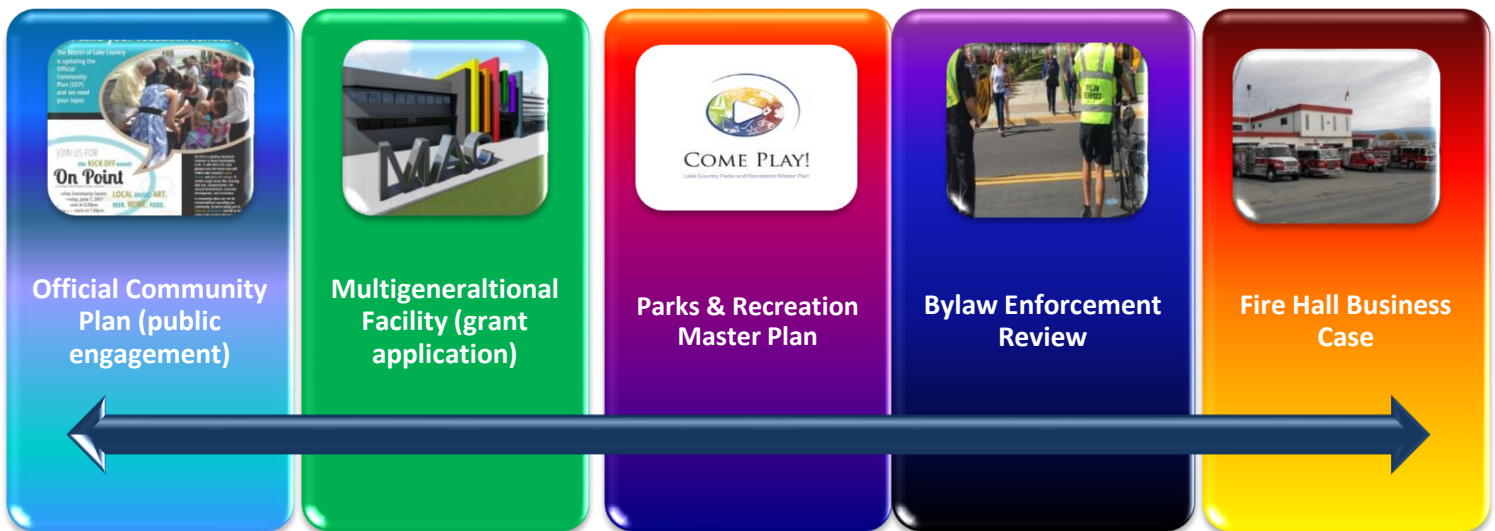
# 2018 Achievements

## Administration, Human Resources, IT, Finance & Corporate Services

### Strategic Priorities

Council and senior staff continue to use a Strategic Priorities Chart detailing the organization's top priorities, acknowledging the foundation laid by planning efforts, and identifying Council's ongoing commitment to strategic governance. The periodic updating of the chart ensures that everyone is 'on the same page', roles are clear, focus is defined and progress is monitored.

Council identified five (5) principal priorities to be accomplished:



**Budget:** In 2018 Lake Country saw a 3.5 percent tax increase, which equated to approximately \$76.00 to an average single-family home. This consisted of a 1.5% increase for Transportation for Tomorrow and 2% general tax increase. There were no increases in water, sewer or garbage/recycling fees for 2018.

The District's total operating budget for 2018 was \$19.3 million with \$12.2 million raised through property taxes, \$5 million from user fees and charges and \$2.1 million from parcel taxes. While Lake Country is predominantly residential, there has been significant growth in some classes of properties. The total capital spending forecast was \$22.8 million (\$14 million in new capital projects and \$8.8 in carry forward projects) with offsetting funding from reserves, developer contributions and potential grant funding. The capital projects are the big ticket items or assets that are typically long term in nature such as land, buildings, roads, pipes and large equipment.

Some significant capital projects approved were:

- Eldorado Treated Water Reservoir (\$4,136,963 2017 carry forward from Grant funding and Water DCC)
- Rail Trail construction (\$1.1 million carry forward from 2017 funded from contributions)
- Reimche Road Bridge Replacement (\$414,366 carry forward from 2017 funded from Capital Works Reserve)
- Swalwell Skate Park (\$125,378 carry forward funded from Capital Works Reserve and Parks DCCs)

Some capital projects budgeted for in 2017 were not even started due to the length of emergency events (e.g. flooding) and the need for recovery projects; and therefore a number of carry forward requests were included in the 2018 Budget.

LAKE COUNTRY

# 2018 Achievements

## Administration, Human Resources, IT, Finance & Corporate Services

### Lake Country redesigned website launch and award

A redesigned citizen-focused, responsive website redesign project was undertaken the last half of 2017 and launched in January 2018. The District of Lake Country website is now mobile friendly, platform agnostic, simple, intuitive and easy to use by citizens wishing to do business with the District beyond regular office hours – right time, right device, right information. Lake Country was a Gold Winner of the Hermes Creative Awards – an international competition administered and judged by the association of Marketing and Communication Professionals recognizing outstanding work in contributing unique talents to public service. The District is committed to effectively using technology to communicate with citizens and other interested audiences.



### Election and fire hall referendum

A local government election was held to elect a Mayor, six members of Council and school board representative. Thirteen candidates filed nomination papers and the results are shown on the chart below. In conjunction with the election, a referendum was held to determine voter assent on borrowing up to \$6.6 million to fund the building of a new fire hall to replace Station 71 and Fire Administration in Winfield.

Referendum and general election voting was held on Saturday, October 20<sup>th</sup> in addition to two advance voting opportunities October 10 and October 16. Of the 10,550 estimated eligible voters in Lake Country there was a 26% turnout rate, or 2791 votes cast. For comparison purposes, the 2014 General Election has a 24% turnout rate and the 2011 General election had a 30% voter turnout.

In order to ensure an accurate election is conducted, it is critical each elector’s ward is verified. In 2018 the registration process was streamlined and improved by eliminating the use of laptops for registration and instead using a hard copy spreadsheet listing roads and the wards in which they are located. This process shortened the registration time to just over two minutes per elector. There was an increase in staffing (21 election officials in 2018 compared to 10 election officials in 2014) for the 2018 election to ensure shorter line ups and a more positive voter experience.

	ADVANCE VOTING (Machine 1) October 10 & 15, 2018 Municipal Hall	GENERAL VOTING (Machine 1) October 20, 2018 GESS	GENERAL VOTING (Machine 2) October 20, 2018 GESS	RDCO TOTAL Advance and General Voting	TOTAL
<b>MAYOR</b>					
BAKER, James	512	508	459	N/A	1479
RHODES, Barry	398	499	369	N/A	1266
<b>Councillor at Large</b>					
BARNES, D. Oscar	407	469	394	N/A	1270
Gambell, Penny	683	710	608	N/A	2001
Scarrow, Bill	525	511	420	N/A	1456
<b>Councillor - Carr's Landing</b>					
LAMBERT, Jeanette	26	24	15	N/A	65
REED, Cara	93	47	43	N/A	183
<b>Councillor - Oyama</b>					
MCKENZIE, Todd	78	91	70	N/A	239
NEUFELD, Justin	61	81	50	N/A	192
<b>School Trustee</b>					
BUTLER, Deb	429	439	351	43	1262
GEISTLINGER, Amy	417	501	435	119	1472
<b>Assent Voting</b>					
Yes	629	598	497	N/A	1724
No	282	409	335	N/A	1026



# 2018 Achievements

## Administration, Human Resources, IT, Finance & Corporate Services

### Service capacity review

Amidst increased public expectations and dwindling resources, proactive local governments are investigating ways to ensure service expectations match organizational capacity. Council and management participated in a workshop May 2018 to explore ways to maximize service effectiveness and delivery efficiency. Revenue sources, level of service, alternate delivery/providers and efficiency efforts were the key topics discussed with consideration to: increase revenue, reduce costs, workload relief, enhanced customer service, strategic alignment and legislative compliance. A list of “Now” and “Next” service adjustment actions was developed in addition to a process for a service capacity review prior to the annual budget process.

### Council orientation

The program for Council orientation was delivered following the October 2018 General Election with a refresher to be held annually.

### Community Building Award – Jostle (intranet)

The District of Lake Country won the Community Building category of the Jostle Awards recognizing extraordinary use of the intranet as part of the District’s customer service focus and organizational culture. The award is the result of the collective effort of everyone in the organization.



### Health hub feasibility study funding

Thanks to funding provided by the Province of BC, through Interior Health, the Lake Country Health Planning Society (LCHPS), along with Urban Matters consulting firm, began working on a Lake Country Health Hub Feasibility Study. This community-driven project has involved hundreds of Lake Country residents, passionate community volunteers and partners such as the District of Lake Country, MLA Norm Letnick, United Way, Interior Health, School District 23, Lake Country RCMP, and over 30 organizations involved with the Lake Country inter-agency group.

The goal of the study is to propose how local primary health care needs will be addressed from a community asset-driven approach. The Lake Country Health Hub will support the delivery of client-centred services that promote health and wellness while improving population health outcomes. The completed feasibility study will be provided to the Ministry of Health and the Central Okanagan Collaborative Services Committee by May 31, 2019.



# 2018 Achievements

## Administration, Human Resources, IT, Finance & Corporate Services

### Permissive Tax Exemption Policy

The Permissive Tax Exemption Policy was reviewed and various options developed for further consideration of Council in 2019 in order to ensure consistency with Council objectives, improve reporting and communication with impacted property owners request permissive tax emptions and reflect current processes for applying for exemptions.

### Phone system upgrades

Business workflow process improvements were identified and a phone system hardware upgrade and transition to a VOIP telephone system was completed in September 2018.

### Okanagan Rail Trail grand opening

Residents and visitors were invited to join the District of Lake Country, City of Kelowna, Regional District of North Okanagan, Okanagan Indian Band and funding partners for a grand opening celebration September 27, 2018 held at the Oyama boat launch on Wood Lake. The completion of Phase 1 of the Okanagan Rail Trail would not have been possible without the generous support of the community, the collaborative work of the municipal and regional partners, and funding from the Government of Canada and Province of BC. More than 24 km of the trail follows lakeshore, creeks and unique natural environments.

“In addition to supporting health, intergenerational activities and connecting communities, we are confident the Okanagan Rail Trail will become a magnificent tourism amenity adding to the local economy,” said Mayor Baker. “The trail will provide an alternative multimodal transportation system, improving the livability of our communities. We are grateful for the various contributions that allowed us to take advantage of this unparalleled opportunity to create a legacy for our communities.”



# LAKE COUNTRY

# 2018 Achievements

## Administration, Human Resources, IT, Finance & Corporate Services

### Free Summer FEST for teens and young adults

In addition to the regular Saturday evening free concerts in the parks during July and August, Live! in Lake Country hosted a Summer FEST for teens and young adults on July 14<sup>th</sup> at Swalwell Park. The event featured a skateboard and BMX competition showcasing upgrades to the skate park completed in the spring. Free food including pizza, ice cream treats, juice and water were provided for attendees. Activities such as Zorb soccer, HydroBlast, obstacle course, Art Alley, air brush tattoos, henna contributed to the festival atmosphere, with Lake Country Gymnastics providing activities for the younger ones in attendance. A DJ kept the tunes going during the skate and BMX competition, then local performers Victoria Waller and Reason to Wake took the stage, followed by Bdice and Neon Dreams for the evening entertainment.



### Cultural Conversations

During 2018 “Cultural Conversations” were held to bring together cultural leaders in the art, music and performance sectors of community to discuss next steps for empowering performing arts non-profit organizations and leveraging funding available through various foundations and organizations. One of the outcomes was the formation of the Lake Country Arts Council with the mandate to promote, foster and encourage the arts within the community, along with a Film subcommittee coordinating movie nights at the Creekside Theatre. Arrangements were made to leverage legacy funds from the Open Air Performance Society to create an arts grant program open to creatives, event producers and others.

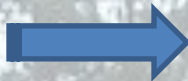


# 2019 Objectives

## Administration, IT, Human Resources, Finance & Corporate Services

- Media policy review
- Public education campaign for recycling
- Grant distribution policy
- Social Plan (Strategy Session with Council)
- Purchasing policy and process review
- Information Technology - IT Strategic Plan
- Staff succession plan
- Public engagement policy to guide public consultation
- Purchasing process review
- Advisory committee review
- Bylaw review and update

Provincial State of Emergency



Telegraph Creek August 10-29

**1255 Hours**

Central Okanagan Mutual Aid

Mt. Eneas Peachland July 19-20

**245 Hours**

Burns Lake 12 – September 4

**825 Hours**

# 2018 Significant Events

## 2019 Objectives

- BC Volunteer Firefighter Spring Training May 24-26  
350 firefighters, 100 support and instructors
- Fire Engine replacement ordered
- Converting firefighters to wildland clothing
- Repurpose FD ATV to Bylaw enforcement on Okanagan Rail Trail – stationed in Oyama

LAKE COUNTRY



# LAKE COUNTRY

Life. The Okanagan Way.



Protective Services consists of the Director of Protective Services/Fire Chief, Deputy Fire Chief, a maintenance operator, a fire inspector and a clerical position supporting 65 paid on-call fire fighters operating out of three fire stations: Station 71 (Winfield), Station 81 (Carr's Landing) and Station 91 (Oyama); in addition to two clerical positions at the RCMP station and a Bylaw Enforcement Officer.

As well as providing clerical support to the local RCMP detachment and Bylaw Enforcement services, the department provides emergency services, participates in the regional emergency and rescue programs and is responsible for fire inspections on commercial and industrial buildings, businesses, daycares and schools.

## Protective Services

# 2018 Achievements

## Emergency & Fire

### Capital Project - Fire Equipment

- Fire Computer Equipment (\$8,000)
- Rescue Truck (\$420,000)
- SCBA Packs (\$35,000)
- Fire hall pre-design (\$130,000)
- Stn 81 Radio room & gear locker reno (\$5,000)



### Service Awards

Chief Steve Windsor won an award for the Governor General second Bar to the Fire Services Exemplary Service Medal. Deputy Chief Brent Penner won an award for the Governor General Fire Services Exemplary Service Medal and a 20 year award for firefighting. Fire Inspector Pete Whitfield receive an award for 20 years of firefighting .

At the annual awards ceremony, LCFD fire fighter of the Year awards went to Karl Featherstone (Stn 71), John Baxter (Stn 81) and Uriah Stene (Stn 91), while Best Attendance recognition went to Geoff Evans (Stn 71), Patrick Schryburt (Stn 81) and Ryan Murdain (Stn 91). Mike Gesi, Bob Smith, David Whitfield, Ken Raine, Nick Casper and Larissa Tress were recognized as Honorary Members with 10 or more years of service, and 5-year pins went to Tyson Attrell and Lesli Matsuda.

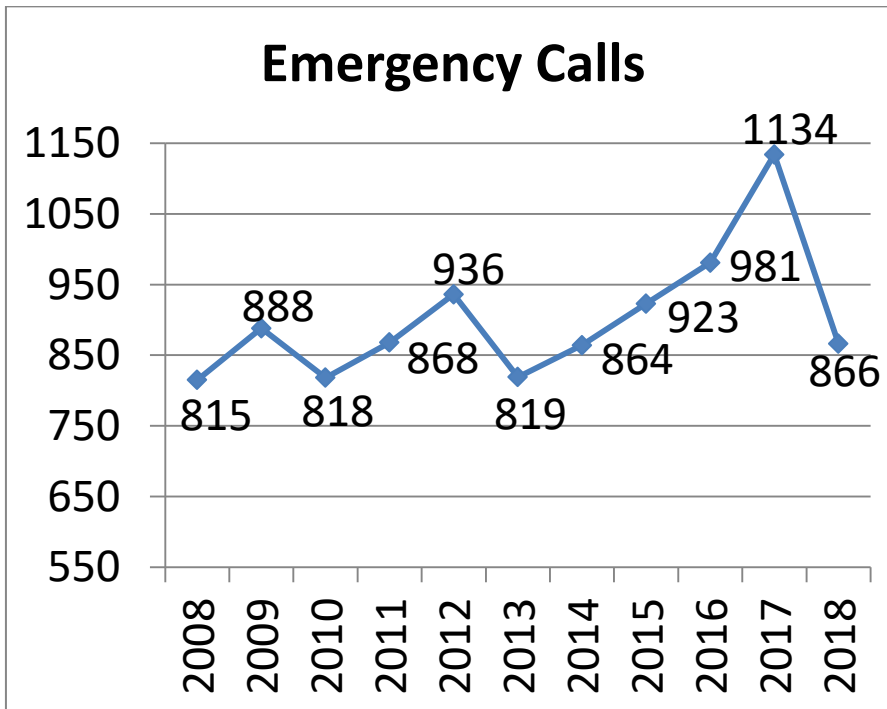
The Fire Prevention Program team leaders Cory Drinkwater and Tim Kim acknowledged all firefighters that had participated in delivering public education through various initiatives including the SAFE Program for Grade 3 students in Lake Country; and GESS Fire Fighter Work Experience Program (Junior Firefighter Program) team leaders Eric DeGelder and Ryan Murdain expressed appreciation to all firefighters that dedicated time to assisting with delivery of the program through 2018.



## CALL VOLUME

Incidents by Station	71 Winfield	81 Carr's Landing	91 Oyama	Total
Structure Fires	11	1	3	15
Vehicle Fires	15	0	0	15
Wild Fires	12	3	3	18
Motor Vehicle Accidents	70	3	10	83
Alarm	95	8	7	110
Medical Calls	430	15	31	476
Burn Permit Complaints	60	4	2	66
Other (airport, lift assist, electric, gas, marine, public service, campfires)	70	8	5	83
<b>TOTAL</b>	<b>763</b>	<b>42</b>	<b>61</b>	<b>866</b>

## CALL-OUT



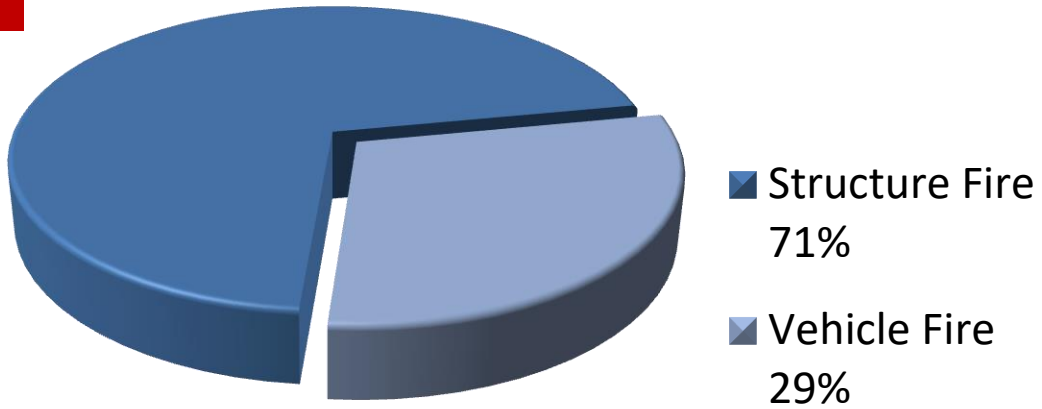
### Emergency Call-Out Hours

	2017	2018
JAN	1,356	1,043
FEB	1,060	1,036
MAR	1,109	1,188
APR	1,133	1,113
MAY	1,269	934
JUN	1,439	1,185
JUL	2,606	957
AUG	1,405	1,084
SEP	974	738
OCT	1,219	859
NOV	1,074	478
DEC	1,497	1,196
<b>Total</b>	<b>16,141</b>	<b>11,909</b>

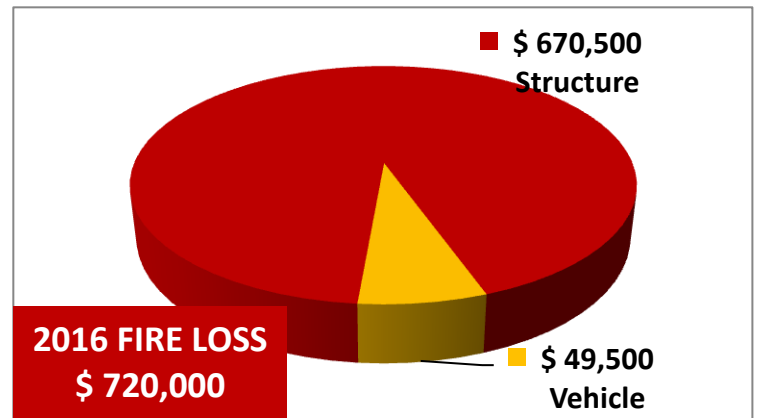
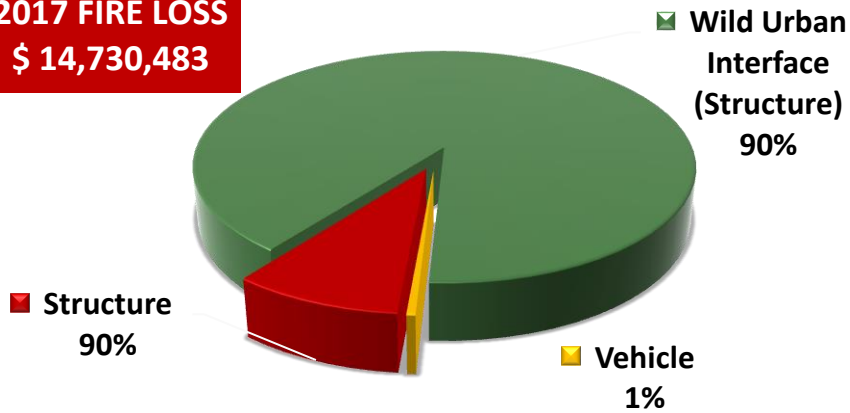
LAKE COUNTRY

## Fire Loss 2018

**TOTAL**  
**\$ 243,800**



**2017 FIRE LOSS**  
**\$ 14,730,483**





# Emergency & Fire Training

## Recruit Class #8:

- Oct 2018 - ongoing
- 7 new recruits
- Full Service Level Accreditation process

## Ice Rescue: (Regional program)

- Recertification – 22 members

## Live Structure Fire Training: Vernon

- 30 members participated in two sessions

## First Medical Responder

- 10 members recertified
- 4 new recruits certified

## Wildland Urban Interface Symposium

- Engine Company Strategy & Tactics – 7 members
- Wildfire Operations: Boots on the Ground – 4 members
- Command & Control – 1 officer

## Ammonia Awareness

- 4 members

## Fire Apparatus Driver/Operator NFPA 1002

- 3 senior members passed their Driver written & practical
- 4 senior members passed their Driver & Pump operator

## Full Service Level (Accredited)

- 4 members completed

## Flawed Situational Awareness

- 14 members

## Officer Training:

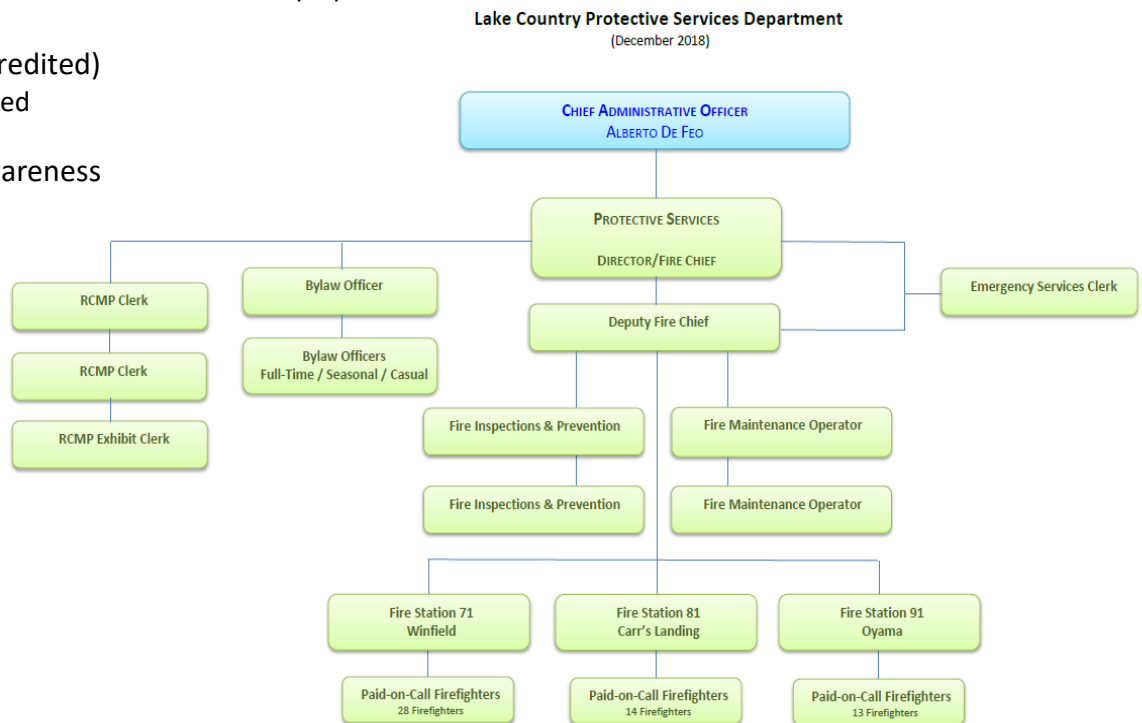
- Fire Service Instructor – 1 officer
- Emergency Scene Management II – 2 officers
- Live Fire Evaluator – 2 officers
- Chainsaw Operator – 2 officers
- Fire Officer I – 3 officers
- Incident Command System Level 300 – 2 officers

## Fire Officer Accreditation

- Fire Officer 1 (IFSAC & ProBoard Accredited) – 3 Lieutenants

## Conferences:

- Wildfire Cause & Origin – Steve Windsor
- Southern Interior Silviculture Committee (SISCO) Winter Workshop – Brent Penner
- Fire Department Instructor’s Conference (FDIC) International – Steve Windsor, Brent Penner
- FireSmart Canada Local FireSmart Representative Workshop – Brent Penner, Eric DeGelder





<b>Inspections</b>	
<b>Required by Fire Services Act</b>	
◆◆◆◆ New Business License	43
◆◆◆◆ Regular Inspections	381
◆◆◆◆ Follow Up/Other	7
◆◆◆◆ Public Education Events	29
<b>TOTAL:</b> (2017 – 363 Inspections)	<b>460</b>

### **Halloween Fireworks Display**

Every year, the District of Lake Country puts on a fantastic event at Beasley Park for the residents (who are invited to come out in costume if they like), who enjoy hot chocolate, hot dogs, and a bonfire. Fireworks are a highlight! The Lake Country Fire Department oversees the bonfire and the detonation of fireworks for the safety and enjoyment of all.



## Municipal Tickets

	BYLAW	RCMP
Highways & Traffic	322	32
Burning	8	
Building Regulation	1	
Business Licensing	65	
Fire Prevention	1	
Parks, Public Spaces	1	1
Nuisance	10	3
Soil Regulation	4	
Zoning	5	
<b>TOTAL:</b>	<b>417</b>	<b>35</b>
<b>2018 TOTAL:</b>	<b>452</b>	
<b>2017 TOTAL:</b>	<b>263</b>	

## Bylaw Complaints Reported

Zoning Bylaw Issues	38
Traffic Related	141
Nuisance	67
Development / Business	4
Burning / Fire Prevention	17
Signage	0
Weeds/Trees	11
Dumping / Soil Issue	3
Animals/Dogs	14
Building	9
Civil Issue	1
Parks	42
<b>2018 TOTAL:</b>	<b>347</b>
<b>2017 TOTAL</b>	<b>333</b>



# LAKE COUNTRY

# Public Education

## SAFE Program

Grade 3 (140 kids annually)

Emphasis on Home Escape Planning

Children's Festival (350 kids)

Pre-school fire prevention program (260 kids)

Fire extinguisher training for adults



# LAKE COUNTRY

# Royal Canadian Mounted Police 2018 Achievements



## Staffing Levels

Throughout the majority of 2018 RCMP staffing levels for the detachment were twelve (12) regular members. This includes nine (9) Constables, two (2) Corporals and the Detachment Commander Sergeant. The three Police Clerk positions are part of the District of Lake Country municipal staff.

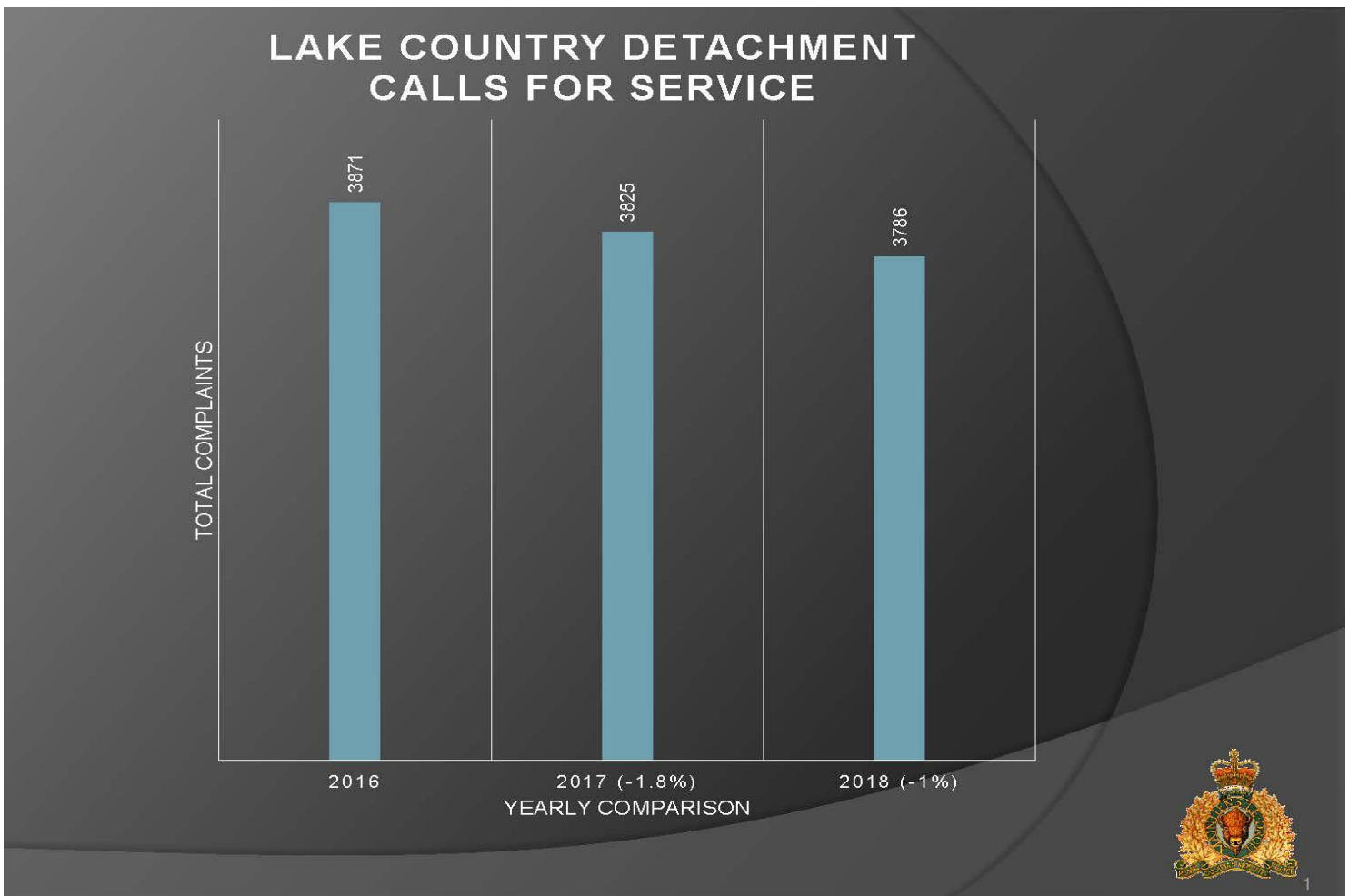
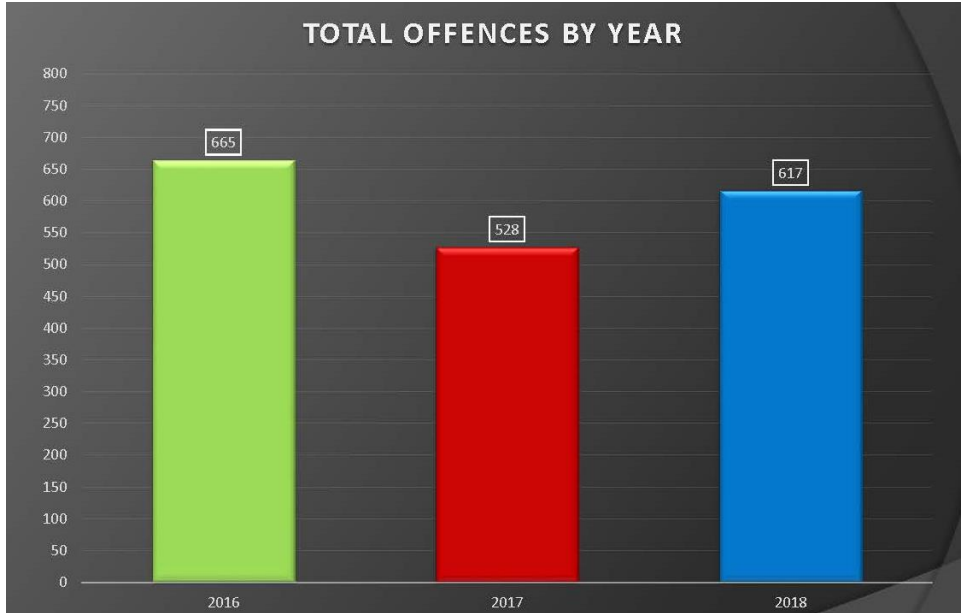


# LAKE COUNTRY

# Royal Canadian Mounted Police

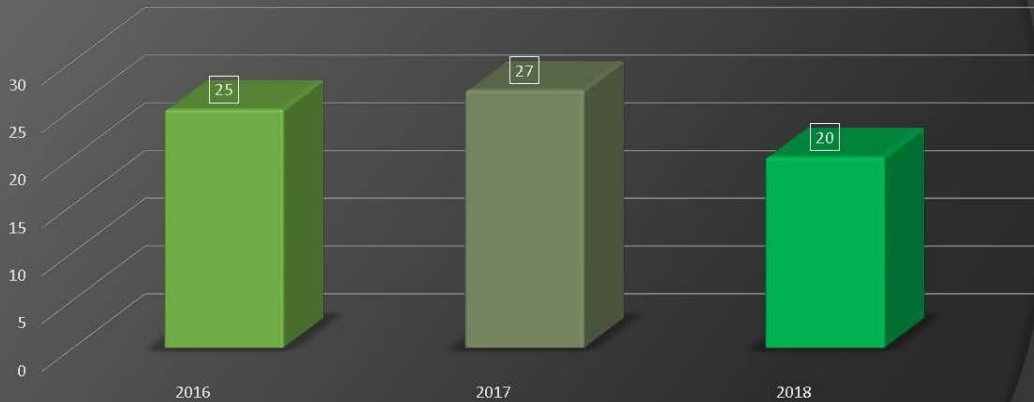
## 2018 Achievements

Lake Country detachment aims to reduce reported property-related offences through enhanced enforcement and prosecution; reduce serious motor vehicle accidents; increase monitoring and enforcement on identified prolific and chronic repeat offenders.



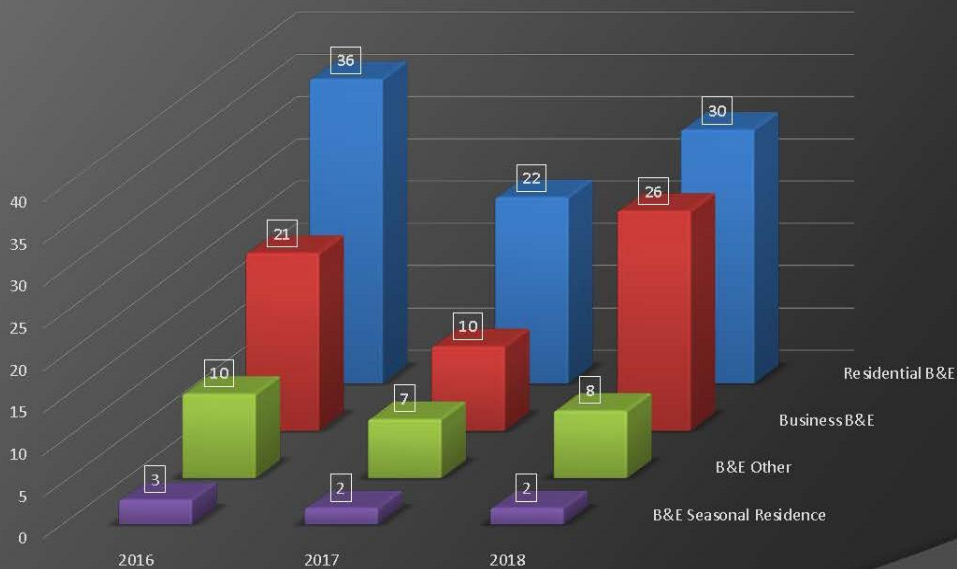
# Lake Country Yearly Comparison Charts Controlled Drugs & Substances Act (CDSA)

CONTROLLED DRUGS & SUBSTANCES ACT OFFENCES BY YEAR



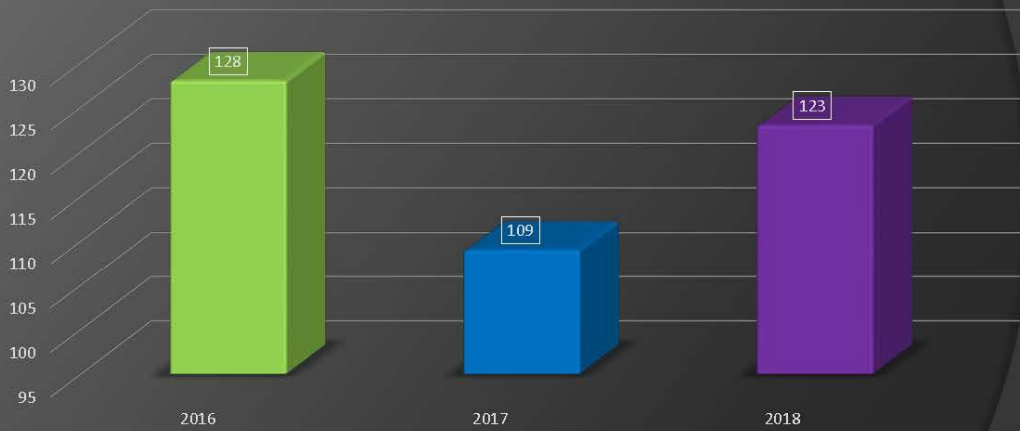
# Lake Country Yearly Comparison Charts Break & Enters

BREAK & ENTERS BY YEAR



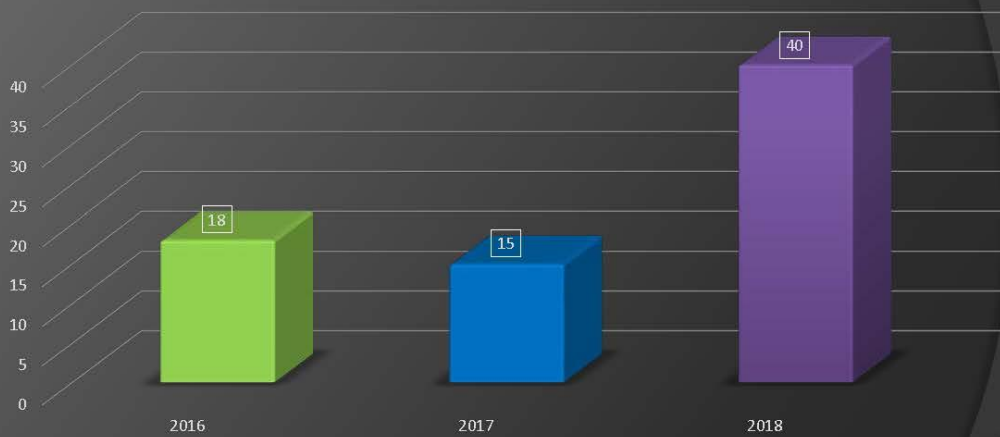
# Lake Country Yearly Comparison Charts Theft from Auto

THEFT FROM AUTO BY YEAR



# Lake Country Yearly Comparison Charts Theft of Motor Vehicles

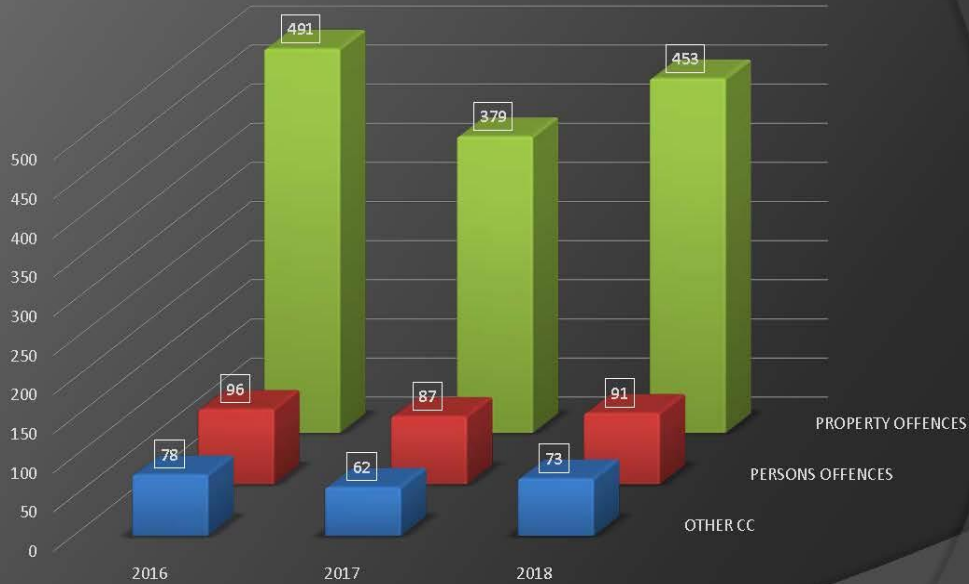
THEFT OF MOTOR VEHICLE BY YEAR





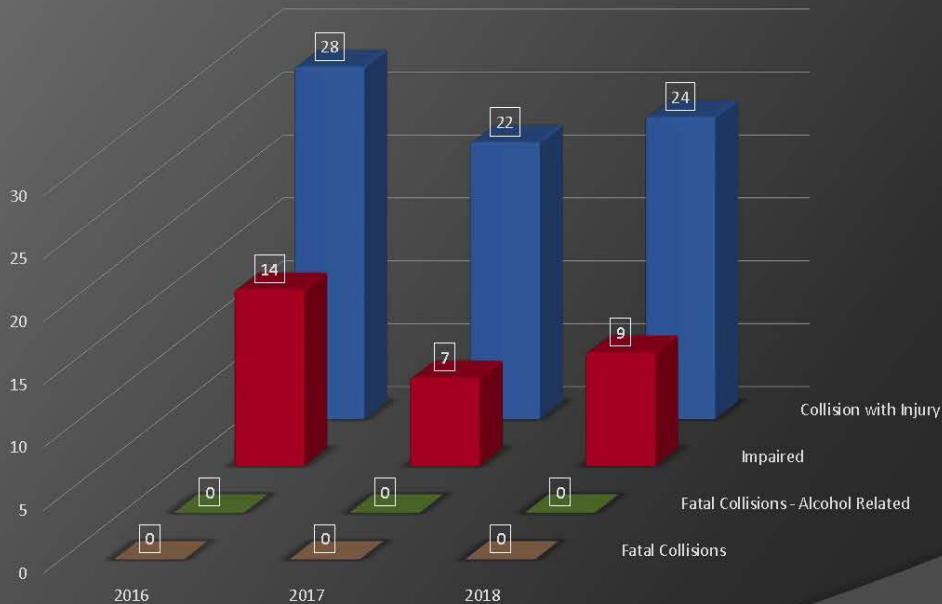
# Lake Country Yearly Comparison Charts

## YEARLY COMPARISON OF TOTAL CRIMINAL CODE OFFENCES

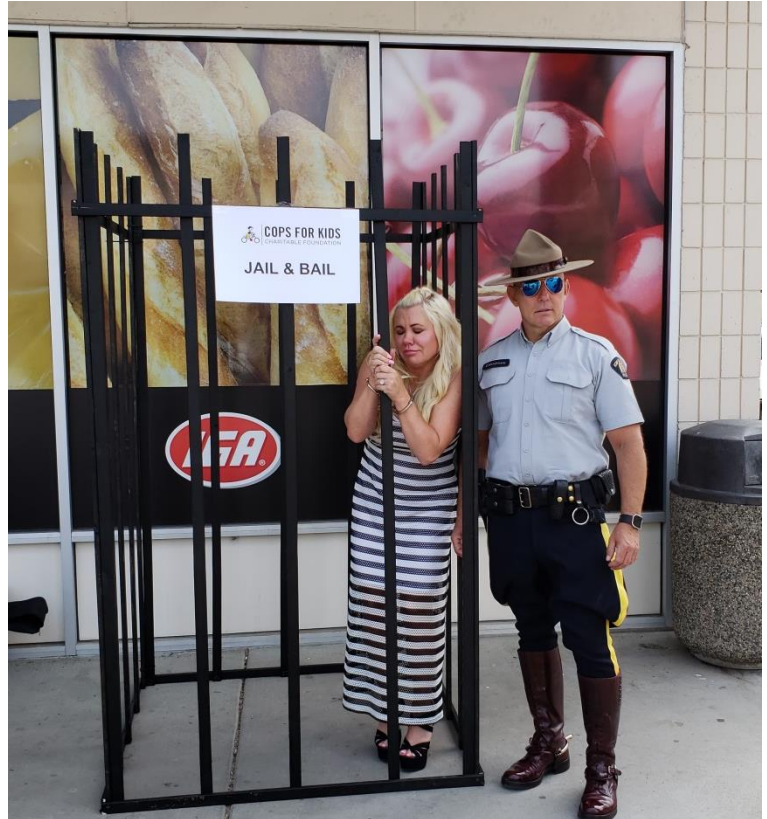


# Lake Country Yearly Comparison Charts Road Safety

## ROAD SAFETY OCCURRENCES BY YEAR



# Royal Canadian Mounted Police

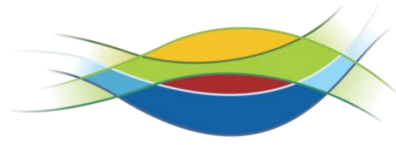


## 2019 Objectives

- Crime reduction – reduce property-related offences through enhanced enforcement and prosecution
- Road safety – reduce fatal collisions; reduce alcohol-related fatal collisions; reduce serious injury collisions; enhanced traffic enforcement including speed related issues
- Reduce files associated with domestic violence – reduce repeat offences; reduce number of partner-related assaults



LAKE COUNTRY



# LAKE COUNTRY

Life. The Okanagan Way.



The Engineering & Environmental Services Department works on various special projects with other neighbouring jurisdictions; provides engineering and technical expertise to the Community Development department and oversees the application of District bylaws for subdivisions and developments; works with the Regional District and neighbouring municipalities for operations of solid waste, recycling and transit services.

Staff includes: a Director of Engineering & Environmental Services, an Engineering Technician II and a clerk.

## Engineering & Environmental Services

# 2018 Achievements

## Engineering and Environmental Services

Provided Community services with referral responses for over 108 files including 40 development permit and 14 subdivision files.

Major construction and subdivision servicing projects included:

- The Uplands subdivision on Chase Road
- Northview subdivision on Glenmore Road
- Lakestone Phase 3 – The Benchlands and Highlands
- Oceola Road
- Pretty Road
- Okanagan Centre Road East
- Woodsdale area

### Okanagan Rail Trail

Development of the Okanagan Rail Trail continued through the District's participation in the Inter-Jurisdictional Development Team along with the City of Kelowna, the Okanagan Indian Band and the Regional District of North Okanagan. With community funding donations reaching \$7.8 million, phase I of development of a basic, continuous gravel trail along the length of the corridor was mostly completed during 2018. An official Opening Celebration was held September 27, 2018 in Lake Country, and while the majority of the trail is open, the access between the Kelowna International Airport and Duck Lake is not open for public use. These lands are being reviewed by senior government through the federal reserve process and Agricultural Land Commission.



With phase I of development undertaken, the IDT has transitioned to a new role providing recommendations to the owner jurisdiction Councils/Boards now known as the Okanagan Rail Trail Committee. The Strategic and Support Services Manager participates as Chairperson on the Okanagan Rail Trail Committee to represent the interests of Lake Country.

### Hydroelectric Generating Station

The hydroelectric generating station was completed in 2009 and has now been operating for 10 years. The station reached 92% of anticipated power production in 2018. The plant was offline all of January to maintain the Vernon Creek intake pond. Smokey skies in August and fall rain caused lower than usual water consumption. For these reasons the power production was slightly lower than expected. The plant completed 2018 with total revenue of \$333,000, total expenses of \$147,500 for a net revenue of \$185,500. The anticipated net revenue was \$204,000.



# LAKE COUNTRY

# 2018 Achievements

## Engineering and Environmental Services

Referral responses for **107** files including:

**7** Agricultural Land Reserve

**40** Development Permits

**12** Zoning files

**16** Development Variance Permits

**2** Area Structure Plan

**14** Subdivision

**1** Road Closure

**13** Temporary Use Permits

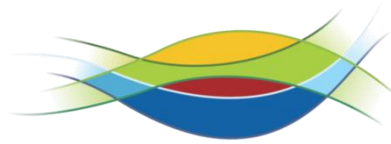
**2** Official Community Plan

# 2019 Objectives

## Engineering and Environmental Services

- Risk Management policies
- Upland reservoir safety
- Subdivision and Development Servicing Bylaw Amendment
- Highway Access and Driveway Regulation Bylaw review and update
- Highways and Traffic Regulation Bylaw review and update
- Public education to reduce curbside contamination in recycling (non-PPP, plastic bags, flexible plastics)





# LAKE COUNTRY

Life. The Okanagan Way.



The Community Development Department is responsible for ensuring the community develops gracefully by providing all planning, policy, building inspection, sustainability, economic development, subdivision, and development approval services, including: official community plan amendments, zoning amendments, soil removal, temporary use permits and Agricultural Land Reserve applications. This team is also responsible for business licensing and support for the Agricultural Advisory Committee and Economic Development and Tourism Committee. The Department consists of a Director, two Planners, one Development Services Technical Clerk, Chief Building Inspector, two Building Inspectors, a Planning Technician, Development Services Clerk and a Building Clerk.

## Community Development



# LAKE COUNTRY



# 2018 Achievements

## Community Development

Yearly Building Statistics						
Category	2018		2017		2016	
	Permit	Value	Permit	Value	Permit	Value
Single Family Dwelling	113	62,859,632	126	\$59,699,056	148	\$64,106,213
Commercial	15	3,011,500	17	\$4,880,653	29	\$7,075,400
Agriculture	9	547,708	7	\$543,700	9	\$634,090
Industrial	0	0	3	\$2,044,000	1	\$350,000
Institutional	7	436,000	3	\$217,077	0	0
Multi-Family Dwelling*	24	19,107,398	16	\$12,994,325	15	\$10,050,892
*Other	210	8,982,279	208	\$9,057,567	230	\$10,615,634
<b>Total Permits/Values</b>	<b>378</b>	<b>\$94,944,517</b>	<b>380</b>	<b>\$89,436,378</b>	<b>432</b>	<b>\$92,832,229</b>

*\*Multi-family dwelling permits represent the number of permits issued rather than the number of units constructed. One multi-family dwelling permit may consist of two or more units.*



LAKE COUNTRY

# 2018 Achievements

## Community Development

### Lake Country wins National Municipal Innovation Award

The District of Lake Country received national recognition for its **Lake Country Frog Talks and On Point Engagement Series** from the Canadian Association of Municipal Administrators (CAMA). The District of Lake Country was presented with the 2018 CAMA Willis Award for Innovation, in the Under 20,000 population category, during CAMA’s national conference in Fredericton, NB.

The program encouraged residents to pick up frog figurines with questions attached to take home to help stimulate discussions with family and friends about Lake Country’s future. In addition to Frog Talks, Lake Country also hosted the On Point Engagement Series, a departure from the traditional Open House model. Sessions featured craft beer, music, poetry, and local art. Speakers included local youth, businesspeople, and social justice representatives.

“These organic outreach events, facilitated by the creative planning team at Urban Systems, prompted a more meaningful discussion on the community and provided strong direction for the Official Community Plan and the future of Lake Country,” said Mark Koch, District of Lake Country Community Development Director.

### Building and Development community engagement on steps towards increased energy efficiency

The District of Lake Country engaged the community on implementation of the BC Energy Step Code – a new provincial standard that provides an incremental and consistent approach to achieve energy efficient construction.

“On July 5, 2018, the District held an industry engagement session for members of the development and construction community to ask questions and participate in a discussion about the Step Code with an expert panel,” said Mark Koch, Director of Community services. ”

An online survey July 25 to August 6, 2018 gathered community member responses and Facebook outreach raised awareness of the BC Energy Step Code for hundreds more. The District asked three questions to inform the development of an implementation strategy:

1. Why is the Step Code significant to you or your business?
2. What should the District consider leading up to implementation of the Step Code?
3. How do you feel about the proposed Step Code implementation timeline?

**What are your thoughts on the BC Energy Step Code?**

Get in touch with the District and provide your comments or ask questions about implementation of the Step Code. We want to know:

*Why is the Step Code significant to you or your business?*

*What should the District consider leading up to implementation of the Step Code?*

*How do you feel about the proposed timeline for Step Code implementation?*

Take the survey online or respond to [building@lakecountry.bc.ca](mailto:building@lakecountry.bc.ca) by August 6<sup>th</sup> and enter to win a \$50 Gift Certificate to L’Isola Bella Bistro.



CONTACT US ABOUT OUR STEP CODE STRATEGY  
In Person: Municipal Hall – 10150 Bottom Wood Lake Rd  
Email: [building@lakecountry.bc.ca](mailto:building@lakecountry.bc.ca) Phone: 250.766.6674



**LAKE COUNTRY’S PROPOSED TIMELINE:**

Building Type	Apr 1, 2019	Oct 1, 2020	Jan 1, 2022
Single Family 2/3/4-plex	STEP 1	STEP 3	STEP 3
Accessory Suite	STEP 1	STEP 2	STEP 3
Townhouses/ Low-Rise Apartments	STEP 1	STEP 3	STEP 3



# 2018 Achievements

## Community Development

### Carr's Landing Waterfront Access

Community engagement on the important topic of waterfront access included a public workshop for citizens to provide input on the opportunities, strategies, issues, solutions and priorities surrounding waterfront access in Carr's Landing.

The District of Lake Country and the Carr's Landing Community & Recreation Association organized a workshop on waterfront access in Carr's Landing Thursday, May 24, 2018. An online survey mirrored the interactive survey stations that attendees at the workshop were invited to provide input on. This survey allowed members of the public who were not able to attend the workshop in person to provide their input on the topic of waterfront access in Carr's Landing.



### Business Licensing Amendment Bylaw

The District of Lake Country solicited the views of residents and businesses that could be affected by the proposed Business Licensing Amendment (DLC) Bylaw 1055, 2018; and passed the new bylaw in September 2018. An innovative approach to business licensing was taken by offering the first year's business licence free.

### Lake Country approved Vacation Rental Zoning

Following extensive community engagement starting in 2015, Council approved Zoning Bylaw changes that allow for short term vacation rentals to legally operate in certain zones. Becoming licensed is free in the first calendar year of operation as a business. Licensing includes proof of fire and safety requirements that tourists are increasingly wishing to verify. Visitors to communities can seek out short term vacation rentals that are fully licensed.

"Council aimed to preserve neighbourhood character, while balancing the need for rental housing and tourism development," said Mayor James Baker. "With this zoning amendment we aimed to meet the needs of the community."

Short Term Vacation Rentals must operate from a principal residence and may be established in many of the same zones where Bed & Breakfasts have long been allowed. These amendments make it easier for vacation rentals to operate in Lake Country and strive to ensure that tourism is a net benefit to the community.

# 2018 Achievements

## Community Development

### Online Building Inspection Requests

With the launch of a new citizen-focused website in 2018 came the opportunity to add more interactive components, including an online building inspection request system. Builders can now request a morning or afternoon inspection for the following day from the convenience of their mobile smart phone.

### Lake Country Recognized for accelerating progress on Climate Action commitments to reduce corporate GHG emissions

Lake Country was awarded Level 3 recognition by the Joint Provincial-Union of British Columbia Municipalities (UBCM) Green Communities Committee for its progress on Climate Action Charter commitments for efforts in reducing corporate greenhouse gas emissions for the 2017 reporting year.

Lake Country achieved Level 3 by setting up a Climate Action Reserve Fund where the District deposits the same amount of money that would otherwise be required to purchase carbon offsets in order to become GHG neutral under the Climate Action Charter. The funds become available to the District in additional Climate Action initiatives such as energy retrofits to buildings or designing additional municipal infrastructure to be more sustainable and reduce GHGs.

### Official Community Plan

The Lake Country Official Community Plan (OCP) is a 20-year visioning document to guide all decisions on planning and land use management. OCPs are intended to be updated every five years to reflect the changes and priorities of the community.

A series of community events on the theme: “Choosing Our Future Lake Country” were held to engage the community in providing input in to the Official Community Plan update. The OCP public engagement included a casual conversation opportunity promoted as: “Pint with a Planner”

The Draft OCP update was informed by the feedback gathered from Lake Country residents and presented to Council in 2018 with further updates and final adoption being an objective for 2019.



# 2018 Achievements

## Community Development

### Legalization of cannabis consumption

The Government of Canada legalized cannabis consumption, effective October 17, 2018. From then on, provincial legislation permits cannabis consumption wherever tobacco consumption is lawful in public.

To conform to provincial regulations, the same District of Lake Country bylaws that presently apply to smoking or vaping in public areas also apply to smoking cannabis. Smoking is allowed on private properties that permit smoking. (Smoking Bylaw 954, 2016) Smoking is not permitted in parks, public spaces and within six metres of doorways (Provincial regulation) – this includes sidewalk patios, bus shelters and boat launches.

Cannabis remains a controlled substance with strict rules around distribution, therefore sale of cannabis in unapproved retail locations is unlawful

The first step for applicants wishing to sell recreational cannabis is to have a property appropriately zoned to sell cannabis. The District of Lake Country has allowed for this principal use within the C1 – Town Centre Commercial and DC12-Turtle Bay Crossing Zones.

The second step is to obtain a licence to operate a non-medical cannabis retail store from the provincial government. This licence requires input and a positive recommendation from the District of Lake Country.

An application under the Cannabis Control and Licensing Branch to obtain a licence to sell Recreational Cannabis for a location on Oceola Road was considered by Council.

### Zoning for Micro-breweries and distilleries

Council adopted changes to its Zoning Bylaw to make it easier for breweries, distilleries, and meaderies to open up in Lake Country. This work was done in response to increased interest in this sector, which would complement Lake Country's well-known Scenic Sip wine route.

### Public Engagement on Building Bylaw Revisions

Proposed Revised Building Bylaw also includes revisions/additions to:

- District Fee's Bylaw,
- Bylaw Enforcement Notice Bylaw,
- Municipal Amendment Bylaw,
- Building Permit Security Deposit Policy.



## 2018 Highlights

Highest construction value of Building Permits since Lake Country's incorporation

**2330** Building Inspections

**378** New Building Permits at a value of \$94,944,517

**95** Letters to property owners

**62** Expired Building Permits

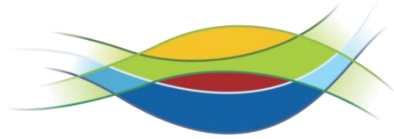
**19** Building Files Closed

**13** Building files extended

**15** Commercial Building Permits

## 2019 Objectives

- ✓ Housing Needs Assessment
- ✓ Farm Worker Housing policy review
- ✓ Regional growth Strategy (RGS) Implementation Strategy with partners
- ✓ Official Community Plan (OCP) Update Adopted
- ✓ Tree Bylaw
- ✓ Community Amenity Charges Bylaw
- ✓ Addressing Policy
- ✓ Step Code Implementation



# LAKE COUNTRY

Life. The Okanagan Way.



The Infrastructure Services Department encompasses five main areas: water, roads, sewer, parks, and drainage. The Infrastructure Services team is responsible for roads & traffic control, sewer, water systems quality and conservation, drainage and street lighting, parks and facilities. The largest department in the organization consists of a Director, a Roads Superintendent, Utility Superintendent, Parks & Facilities Superintendent, Water Quality Technician, Landscape Design Technician, Utility Operators (5), Wastewater Operators (4), Engineering Technicians (3), Public Works Operators (3), Parks & Facilities Crew Leader, Parks & Facilities Operators (4), Gardener, and Clerks (3) as well as seasonal Skate Patrol/cashier, Water Quality Assistant, and summer student positions.

## Infrastructure Services

# 2018 Achievements

## Infrastructure Services

### Flood mitigation and preplanning work

District staff extended themselves in addressing the significant flood-related damage throughout the community from 2017. Improvements to the drainage system were made. Beaver Lake and Oyama Lake levels were drawn down by staff in preparation for freshet and with consideration to the snow pack level of 150% of normal. Oyama Creek and Vernon Creek intakes were cleaned and repaired – projects funded by Emergency Management BC. An assessment of Middle Vernon Creeks as it flows through Lake Country identified areas of creek bank erosion and large woody debris obstructions.

Maintaining daily operations, while working with specialist contractors and coordinated response. Crews did regular assessments on flood protection works and evaluated the need for repairs and additional measures. Property owners were encouraged to do the same with flood defenses on private property. Coordinated work was done with the Ministry of Transportation and Infrastructure, Ministry of Forests, Lands and Natural Resource Operations, the River Forecast Centre, as well as liaison with the Okanagan Indian Band and City of Kelowna so all could do their part to ensure collaborative approach to mitigate risks.

May 15, 2018 Lake Country declared a state of local emergency as a precautionary measure due to potential high lake levels, stream flows on local creeks and high ground water levels. This proactive approach provided crews access to specific private properties in order to protect public infrastructure.

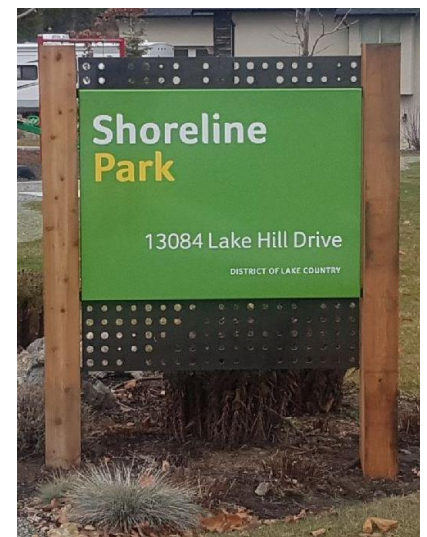


### Park identification signs

A park identification sign program was developed to include four types of signs that range in sized based on classification, status and size of the park. The sign design was done in collaboration with local artist and outdoor enthusiast, Yolanda Robinson. Design and construction of the signage program was based on the following principles:

- To effectively identify public areas,
- To communicate civic addresses for emergency vehicles
- To minimize encroachment and unwanted activity such as illegal dumping
- To facilitate public wayfinding throughout the community and to key destinations.

Material choices such as timber and corten steel invoke the rural and natural characteristics of our community and the history of the land that our parks are derived from. Installation began in fall 2018 and will continue through 2019.





# 2018 Achievements

## Infrastructure Services

### Wastewater Operations and Management

An assessment and review of wastewater operations and management was done to consider the cost/benefit of internal versus contracted services. Recommendations within the service delivery assessment began to be implemented during 2017 and the wastewater/sewer operations were brought inside and became part of regular District of Lake Country operations during 2018.



### Water Conservation

Through increased public outreach and information sharing – via Okanagan Basin Water Board (OBWB) Make Water Work campaign – work is ongoing to achieve widespread adoption of a conservation ethic regarding water use. Additionally, implementation of universal water metering in Lake Country will contribute to conservation of water based on the user pay principle wherein households that use less water will pay less on their quarterly utility bill.

### Liquid Waste Management Plan Amendment Update

The District went through a multi-year process of updating and revising its Liquid Waste Management Plan to chart the course of future action with respect to stormwater and other wastewaters – including management, collection, treatment and return of effluent to the environment. The focus during 2018 was to find a solution for effluent disposal.

### Woodsdale Packinghouse Park

Resurfacing of all four existing tennis courts in Woodsdale Packinghouse Park was accomplished.



### Transportation for Tomorrow

The Transportation for Tomorrow 20 year plan for *'getting around Lake Country in safe and enjoyable ways'* sets the framework for street improvements. During 2018 important projects were delivered with a focus on providing safe routes to schools and connecting neighbourhoods as follows:

- 1) Okanagan Centre Rd East
- 2) Pelmewash Parkway
- 3) Talbot Road resurfacing
- 4) Todd Road resurfacing
- 5) Carr's Landing Road patching

# 2018 Achievements

## Infrastructure Services

### Tree planting projects

Lake Country appreciated receiving grant funding through the Tree Canada Foundation for some planting projects completed in the fall of 2018. With a \$4,500 grant contribution from the BC Hydro Community Tree Planting Program there were 21 new drought tolerant, salt and urban pollution tolerant street trees planted in the Highway 97 medians with an awareness and sensitivity to the proximity of power lines. Additionally, with a \$5,000 grant contribution through Operation ReLeaf: BC Fires Program, 29 new Fire Smart trees were provided to help restore community greenspaces and planted as part of Oyama Isthmus Park enhancements.

### Reimche Road Bridge Replacement

Reimche Road bridge was subject to weight restrictions since March 2017 after a structural assessment found elements of the bridge to be deteriorating. A new two-lane bridge crossing was constructed (using District forces due to market forces inflating prices) over Vernon Creek on Reimche Rd during late summer 2018. The project include a new pedestrian pathway across the bridge as a continuation of the sidewalk. A large arch-culvert system was used to minimize impacts to the creek flow during assembly and construction; and the flow of the creek was maintained for fish and wildlife. The project started at the end of July to take into consideration the need to schedule work during the period of lowest risk to fish and wildlife species and habitat.



### Multi-generational Activity Centre funding announced

March 9<sup>th</sup>, 2018, it was announced that the District of Lake Country will receive \$5 million through the Federal Gas Tax Fund as administered by UBCM for a Multi-Generational Activity Centre (MAC). This project will create new and enhance existing community space to provide a place for complementary activities and groups in the heart of the Lake Country town centre at the NEXUS. The NEXUS means hub; and is the home for the Winfield Arena, Curling Rink, Seniors' Centre as well as the Food Bank and McCarthy Park.

The innovative purpose-built, flexible community facility will provide a centrally-located place for the Lake Country Boys and Girls Club and sustainable community activity programming for the growing municipality. The project consists of a new two storey, 7,000 sq. ft. multi-functional building (the MAC) as well as renovations to the Winfield Arena and Senior's Centre. The improvements will serve to better integrate the distinct spaces contributing to a vibrant healthy community. The MAC will include daycare spaces with outdoor play areas, youth activity spaces, washrooms, office, reception, tech lab, maker lab, art studio and kitchen, plus parking. Additionally, renovations are planned for the existing Seniors' Centre and Winfield Arena to address accessibility issues and create dynamic places for people to gather, recreate and socialize.



# 2018 Achievements

## Infrastructure Services

### Application for Licence of Occupation at north end of Wood Lake

The District of Lake Country applied to the Ministry of Forests, Lands and Natural Resource Operations (MFLNRO), Thompson-Okanagan, for a licence of occupation for swimming and recreational purposes situated on Provincial Crown land located at Wood Lake over unsurveyed Crown land being the foreshore and bed of Wood Lake



### Skatepark Expansion

The construction of an expansion of the existing skatepark located in Swalwell Park was completed in the spring of 2018 and a Summer FEST event for teens and young adults held in July offered an opportunity to showcase the park with a skateboard and BMX competition.

### Pelmewash Parkway Construction

Construction works based on the design prepared for Pelmewash Parkway to refurbish and improve the corridor to realize the full potential as both an important part of the local transportation network to connect the community, and as a linear park with a paved multi-use pathway along the west shoreline of Wood Lake. This unique corridor promotes healthy lifestyles, with recreation and social opportunities for people of all ages and abilities. It also protects and enhances the natural habitat, supports economic and cultural development, connects trail networks, and strengthens communities.



## 2019 Objectives

### Infrastructure Services

- Parks and Recreation Master Plan Report
- Multi-generational Activity Centre
- Off-Leash Dog Parks
- Glenmore Booster Station and Eldorado Treated Water Reservoir completion
- Oceola/Okanagan Centre Rd East – Phase 3 - Oceola Roundabout and The Lakes Emergency Egress
- Marshall Sanitary System Improvements and Nuyens Sanitary System Improvements
- Okanagan Centre Dock Replacements
- Shoreline Park – Phase 2 washroom and multisport court completion
- Okanagan Lake Pump House Upgrades

## Vernon Creek Intake Cleaning Project Highlights

(May 2017 flooding inundated water intake with large amounts of debris and rock)

**1500**

Dump truck loads of material removed  
(one load = 10-14 cubic yards)

**20,000** gallons of water  
(7 hydro vac loads of material over 2 nights)

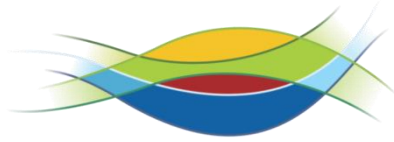
**1** month with crews working 7 days/week

**\$220,761**

Project cost



LAKE COUNTRY



# LAKE COUNTRY

Life. The Okanagan Way.



This report, provided by the Chief Financial Officer, summarizes the District of Lake Country's 2018 operating and capital results, as well as provides an analysis on reserves and outstanding debt.

This report is intended to be read in conjunction with, and as a supplement to, the Annual Financial Statements.

Report  
from the Office of the  
Chief Financial Officer

# Report from the Chief Financial Officer

I am pleased to present the District of Lake Country's 2018 Annual Report, which includes the District's audited 2018 financial statements and statistical information.

The 2018 financial statements have been prepared by District staff pursuant to Section 167 of the Community Charter and are the responsibility of management. Management's responsibilities also include maintaining a system of internal controls for financial statement reliability purposes and for the protection of the District's assets. The financial statements have been prepared in accordance with generally accepted accounting principles for local governments, as established by the Public Sector Accounting Standards (PSAS) of the Canadian Institute of Chartered Accountants.

Grant Thornton LLP, the District's independent external auditors, have examined the District's financial statements in accordance with generally-accepted auditing standards. In their opinion, as expressed in their audit report, the District's financial statements present fairly in all material respects the financial position of the District of Lake Country as at December 31, 2018, and the results of operations and cash flows for the year then ended.

In compliance with PSAS, the following financial statements were presented for Council's review at a meeting of Council May 7, 2019.

In compliance with Public Sector Accounting Standards (PSAS), the following financial statements (Attachment 1) are presented for Council's review.

## **Statement of Financial Position**

Some items that are unique to PSAS financial reporting are as follows:

- **Separation of financial assets and non-financial assets** – in typical financial statements of a business, a balance sheet is separated into three main categories – assets, liabilities and shareholders' equity. In public sector financial statements, total assets are not specifically presented. Assets are separated between "financial" assets and "non-financial" assets:
  - Financial Assets are assets that generate cash flow and can be used to repay liabilities. Financial Assets include cash and cash equivalents and accounts receivables.
  - Non-Financial Assets generally do not provide cash flow and include tangible capital assets and other assets that are utilized on a continuing basis for public purposes having a useful life beyond one year. These assets are reflected at net book value (initial cost less amortization to date) and not intended to be sold in the normal course of operations.

- **Net Debt or Net Financial Assets** – With this separation of financial assets and non-financial assets, a performance measure unique to public sector financial statements results. The difference between financial assets and liabilities either reflects a “net debt” or “net financial asset” position.
  - Net Debt – A net debt position indicates the extent that debt and other liabilities have been taken on by the municipality to fund the delivery of services, investments in tangible capital assets and other transactions. Future revenue streams need to contemplate the requirement to repay debt obligations as they come due based on established repayment terms.
  - Net Financial Assets – A net financial asset position indicates the extent that net financial resources are available to fund future operations and spending. In 2018 the District had moved to a net financial asset position of \$11,170,539. This is an increase over the prior year net financial assets of \$8,717,709. This increase is due to repayment of debt as well as an increase in the amount of accounts receivable due to the amount of grant money receivable at year end from grant projects completed.
  - The net debt and net financial assets will fluctuate from year to year depending on how much is spent on capital and how much surplus is recognized. However, the District should see a net financial asset position more as the reserves are held in line with the Reserve Policy adopted by Council.
  
- **Accumulated Surplus or Deficit** – the accumulated sum of non-financial assets and net financial assets. The District is in a “surplus” position. The surplus position reflects that net financial and physical resources are available to provide future services. In the event that an entity would be in a net deficit position, this would reflect that future revenues are required to finance historical operations.

### **Statement of Operations and Accumulated Surplus**

This statement provides the budgeted and actual revenues and expenses of the District for the fiscal year. Revenues are presented by their sources of funds (i.e. taxation, user fees, government transfers, etc.) Expenses are presented by function or major program (i.e. Protective services, Water, sewer, etc.) The accumulated surplus represents the accumulated results experienced by the City over the years.

2018 revenues were very close to budget with 2018 actual being \$42.2 million and 2018 budget being \$42.1 million. Most lines were close to budget with the exception of government transfers (\$6.4 million under budget) and developer contributions (\$7.2 million over budget). Government transfers are under budget due to the capital budgeting of grant projects in 2018 that were not completed and therefore the government funding was not recognized or received (Multigenerational Facility, Eldorado reservoir and the Rail Trail). Developer contributions were over budget due to the amount of development in the community and the transfer of assets including roads, sidewalks, water and sewer infrastructure as well as land.

In comparison to 2017, revenues were stable with 2018 being approximately \$485K more than 2017. This is mostly due to the increase in taxation revenue.

2018 expenses were \$1.5 million or 6.6% under budget (\$24.4M\* budgeted and \$22.9M\* actual).

2018 Expenses Budget to Actual						
Expenses	F/S Budget	Budget net of Admin Charges*	Actual *	\$ Difference	% Difference	Explanation
General Government Services	2,673,761	2,634,744	3,136,742	\$501,998	19.1%	-Unbudgeted amounts relating to the 2017 spring freshet and lake flooding recovery projects and 2018 EOC costs \$470K -Overspent legal expenses \$45K
Protective Services	4,238,823	3,699,629	3,423,043	(\$276,886)	-7.5%	-Savings in RCMP budget
Transportation Services	4,848,237	4,328,603	4,883,351	\$554,748	12.8%	- Amortization was more than budgeted due to the addition of developer contributed assets (\$400K) - New roads contract higher than budgeted (\$106K) offset by revenues from the contract of \$35K - Over on storm sewer maintenance (\$45K)
Environmental Services	1,684,032	1,481,461	1,565,092	\$83,631	5.6%	- additional wages and legal costs in Engineering (\$139K) offset by additional revenues of \$120K - offset by under budget in Hydro operations by \$33K
Community services	1,356,790	1,175,163	1,174,326	(\$837)	(0.0%)	On budget
Parks and recreation Services	3,492,211	3,211,538	3,367,980	156,442	4.9%	-Wages over due to coverage for employees off sick (\$107K) -Amortization higher than anticipated (\$57K)
Water Services	3,422,487	3,082,207	2,851,136	(\$231,071)	-7.5%	- Water system maintenance under budget
Sewer Services	1,886,754	1,699,004	1,710,803	\$11,799	0.7%	- Amortization was \$25K more than had been budgeted for

\*Admin allocation not included; expense values would be overstated

It should be noted that although some of these line items are over budget because amortization exceeded budgeted amounts. Amortization is a non-cash line item (it is added to the expenses but an offsetting equal amount is added to the revenue side) that is estimated for the purposes of the budget. Amortization is accounted for as it is required under PSAS, however at the District we do not fund it. Instead the District has chosen to undertake a series of master plans for major infrastructure and deal with the funding of renewal of those assets under those plans (i.e. Transportation for Tomorrow, Water Master Plan, etc.)



Expenses - 2018 Actual to 2017 Actual					
Expenses	2018 Actual	2017 Actual	\$ Difference	% Difference	Explanation
General Government Services	3,136,742	3,297,654	(\$160,912)	-4.9%	-Less expenses in 2018 related to emergency and recovery project costs
Protective Services	3,423,043	3,331,648	\$91,395	2.7%	-additional fire inspector added in 2018
Transportation Services	4,883,351	4,342,584	\$540,767	12.4%	- Amortization more than prior year - new public works operator position - portion of new public works manager position - Increased road maintenance contract costs
Environmental Services	1,565,092	1,352,179	\$212,913	15.7%	- additional wages in Engineering - additional costs related to solid waste collection
Community services	1,174,326	1,168,022	\$6,304	0.5%	Comparable to prior year
Parks and recreation Services	3,367,980	3,051,463	\$316,517	10.3%	-additional wages -Amortization higher than anticipated (\$57K)
Water Services	2,851,136	2,574,544	\$276,592	10.7%	- additional water operator position in 2018 - Increased amortization due to addition of assets - increased vehicle maintenance costs
Sewer Services	1,710,803	1,676,954	\$33,849	2.1%	-portion of new public works manager and clerk added in 2018

### **Statement of Changes in Net Debt**

Explains the changes in net debt, reconciling the opening to the closing balance of net debt reported in the Statement of Financial Position.

### **Statement of Cash Flows**

Explains the changes to cash and cash equivalents, reconciling the opening to the closing balance of cash and cash equivalents reported in the Statement of Financial Position.

### **Notes to Financial Statements and Schedules**

Provides further details on information provided in the financial statements noted above. The full listing of debt including what it is for has been provided in Attachment 2.

### **Schedule 1 – Schedule of Tangible Capital Assets**

Summary of changes to the net book value of all District tangible capital assets and work in progress held by category.

### **Schedule 2 – Schedule of Accumulated Surplus**

Summary of changes to reserves as well as the net investment in tangible capital assets.

### **Schedule 3 – Schedule of Segment Disclosure**

Further details of the use of financial resources (revenue and expenses) by the District by function or segment.

#### **DISCUSSION/ANALYSIS:**

##### **Applicable Policies, Resolutions, and Legislation:**

Section 167 of the Community Charter describes the financial reporting requirements for local governments. Municipal financial statements for a fiscal year must be prepared by the Financial Officer and presented to Council for its acceptance. The financial statements are to be submitted to the Inspector of Municipalities by May 15<sup>th</sup> of the year following the end of the fiscal year.

##### **Adherence to Strategic Priorities:**

Not applicable – the requirement for annual financial statements is legislated.

##### **Interagency and Interdepartmental Implications:**

The District's financial statements, along with all the other local government statements in the Province, are used to establish the credit rating for the Municipal Finance Authority which in turn provides security for the borrowing and investing needs of local governments. This is why there is a legislated date requirement for the statements.

##### **Consultation, Feedback, and Communication Strategy:**

The financial statements are available publicly on website and as well are included in the annual report that is released in June.

##### **Legal Implications:**

Could be legal liability if Council did not approve the financial statements as the District would be in contravention of legislation.

##### **Organizational Capacity Impact:**

The financial statements are produced annually and the processes and procedures for the completion of year end work and the audit are included in annual work plans.

Respectfully Submitted,

Tanya Garost, CPA, CA  
Chief Financial Officer  
District of Lake Country



Mayor James Baker and Finance department team

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

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

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



**LAKE COUNTRY**

Life. The Okanagan Way.

**DISTRICT OF LAKE COUNTRY  
2018  
FINANCIAL  
STATEMENTS**



**Municipal Hall**  
**Finance Department**  
10150 Bottom Wood Lake Road  
Lake Country, BC V4V 2M1  
Tel: 250-766-5650  
Fax: 250-766-0116

May 7, 2019

The Mayor and Council  
District of Lake Country

Mayor Baker and Council:

In accordance with Section 167 of the Community Charter, I am pleased to present the 2018 Annual Financial Statements of the District of Lake Country for the fiscal year ended December 31, 2018. These statements include the Independent Auditors' Report, the financial statements and the notes and schedules to the financial statements for the District of Lake Country.

The financial statements for the year ended December 31, 2018 were prepared by the District in accordance with Canadian Public Sector Accounting Standards. The integrity and objectivity of these statements are management's responsibility. Management is also responsible for implementing and maintaining a system of good internal controls to safeguard the District's assets and to provide reasonable assurance that reliable and consistent financial information is provided.

Council is responsible for ensuring management fulfills its responsibility for financial reporting and internal control.

The auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion regarding the Annual Financial Statements. The audit was planned and performed to obtain reasonable assurance as to whether the financial statements are free from material error or misstatement.

The District strives to ensure that services are effectively and efficiently delivered to meet Council's and the community's goals and vision. The District is committed to providing sound financial management and long-term strategic planning to achieve these objectives.

Respectfully submitted,

Tanya Garost, CPA, CA  
Chief Financial Officer

# LAKE COUNTRY

# Independent Auditor's Report

---

Grant Thornton LLP  
200-1633 Ellis Street  
Kelowna, BC  
V1Y 2A8

T +1 250 712 6800  
F +1 250 712 6850

To the Mayor and  
**Council of the District of Lake Country**

## Opinion

We have audited the financial statements of the District of Lake Country ("the District"), which comprise the statement of financial position as at December 31, 2018, and the statements of operations and accumulated surplus, the statement of changes in net financial assets and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

## Basis for opinion

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

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

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

In preparing the financial statements, management is responsible for assessing the District's ability to continue as a going concern, disclosing, as applicable, matters related to a 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 to do so.

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

## Auditor's responsibilities for the audit of the financial statements

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

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

We also:

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

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

Kelowna, Canada  
May 7, 2019

*Grant Thornton LLP*

Chartered Professional Accountants

# District of Lake Country

## Statement of Financial Position

As at December 31	2018	2017
<b>Financial assets</b>		
Cash and cash equivalents (Note 3)	\$ 23,980,441	\$ 24,419,418
Accounts receivable (Note 4)	16,797,228	12,308,840
	<u>40,777,669</u>	<u>36,728,258</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 5)	2,477,802	4,267,885
Security deposits	11,398,857	6,049,263
Deferred revenue (Note 6)	1,935,859	1,911,471
Restricted revenue (Note 7)	5,028,202	5,870,774
Long-term debt (Note 8)	8,766,410	9,911,156
	<u>29,607,130</u>	<u>28,010,549</u>
<b>Net financial assets</b>	11,170,539	8,717,709
<b>Non-financial assets</b>		
Tangible Capital Assets (Schedule 1)	157,606,557	140,842,517
<b>Accumulated surplus (Schedule 2)</b>	<u>\$ 168,777,096</u>	<u>\$ 149,560,226</u>
Contingent liabilities and commitments (Note 9)		



Tanya Garost, CPA, CA  
Chief Financial Officer



James Baker  
Mayor

See accompanying notes to the financial statements



# District of Lake Country

## Statement of Operations and Accumulated Surplus

For the year ended December 31	<u>2018 Budget</u>	<u>2018 Actual</u>	<u>2017 Actual</u>
<b>Revenue</b>			
Taxation (Note 10)	\$ 14,706,381	\$ 14,718,857	\$ 13,693,420
Utility revenues	4,930,000	4,464,269	4,452,530
Services provided to other governments	736,611	777,740	715,408
Sale of services	2,676,460	3,474,319	3,298,240
Permits and licences	773,100	1,500,584	1,277,358
Interest on Investments	613,768	812,154	690,195
Government transfers (Note 11)	11,009,529	4,645,319	6,186,210
Developer contributions	2,762,409	10,033,209	10,181,692
Other revenue	3,912,586	1,726,821	1,172,694
	<u>42,120,844</u>	<u>42,153,272</u>	<u>41,667,747</u>
<b>Expenses</b>			
General Government Services	2,673,761	3,136,742	3,297,654
Protective Services	4,238,823	3,423,043	3,331,648
Transportation Services	4,848,237	4,883,351	4,342,584
Environmental Services	1,684,032	1,565,092	1,352,179
Community Services	1,356,790	1,174,326	1,168,022
Parks and Recreation Services	3,492,211	3,367,980	3,051,463
Water Services	3,422,487	2,851,136	2,574,544
Sewer Services	1,886,754	1,710,803	1,676,954
Interest expense	857,853	823,929	831,871
	<u>24,460,948</u>	<u>22,936,402</u>	<u>21,626,919</u>
<b>Annual surplus</b>	17,659,896	19,216,870	20,040,828
Accumulated surplus, beginning of year	149,560,226	149,560,226	129,519,398
<b>Accumulated surplus, end of year</b>	<u><u>\$ 167,220,122</u></u>	<u><u>\$ 168,777,096</u></u>	<u><u>\$ 149,560,226</u></u>

See accompanying notes to the financial statements

# District of Lake Country

## Statement of Changes in Net Financial Assets

For the Year Ended December 31	2018 Budget	2018 Actual	2017 Actual
<b>Unrestricted annual surplus</b>	<b>\$ 17,659,896</b>	<b>\$ 19,216,870</b>	<b>\$ 20,040,828</b>
Acquisition of tangible capital assets	(22,870,380)	(13,598,643)	(10,636,855)
Developer contribution of tangible capital assets	-	(6,863,247)	(7,944,018)
Amortization of tangible capital assets	3,261,617	3,692,351	3,411,674
Net (gain)/loss on disposal of tangible capital assets	-	(14,561)	2,940
Proceeds from disposal of tangible capital assets	10,300	20,060	3,060
(Decrease)/increase in net financial assets	(1,938,567)	2,452,830	4,877,629
Net financial assets, beginning of year	8,717,709	8,717,709	3,840,080
<b>Net financial assets, end of year</b>	<b>\$ 6,779,142</b>	<b>\$ 11,170,539</b>	<b>\$ 8,717,709</b>

*See accompanying notes to the financial statements*

# District of Lake Country

## Statement of Cash Flows

For the year ended December 31	2018	2017
<b>Net inflow (outflow) of cash and cash equivalents related to the following activities</b>		
<b>Operating activities</b>		
Annual surplus for the year	\$ 19,216,870	\$ 20,040,828
<b>Adjustment for non-cash items</b>		
Amortization of tangible capital assets	3,692,351	3,411,674
Developer contribution of tangible capital assets	(6,863,247)	(7,944,018)
Net (gain)/loss on disposal of tangible capital assets	(14,561)	2,940
Actuarial adjustment on long-term debt	(414,557)	(391,639)
<b>(Increase)/decrease in</b>		
Accounts Receivable	(4,488,390)	(7,653,876)
<b>Increase/(decrease) in</b>		
Accounts Payable	(1,790,083)	1,824,880
Security deposits	5,349,596	2,107,789
Deferred revenue	24,388	629,824
	<u>14,712,367</u>	<u>12,028,402</u>
<b>Financing activities</b>		
Restricted revenue development cost charges, net	(658,007)	1,140,666
Restricted revenue parkland acquisition funds	(184,565)	2,781
Repayment of long-term debt	(730,189)	(860,078)
	<u>(1,572,761)</u>	<u>283,369</u>
<b>Capital activities</b>		
Acquisition of tangible capital assets	(13,598,643)	(10,636,855)
Proceeds from disposal of tangible capital assets	20,060	3,060
	<u>(13,578,583)</u>	<u>(10,633,795)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>	(438,977)	1,677,976
Cash and cash equivalents, beginning of year	<u>24,419,418</u>	<u>22,741,442</u>
<b>Cash and cash equivalents, end of year</b>	<u><u>\$ 23,980,441</u></u>	<u><u>\$ 24,419,418</u></u>
<b>Supplementary cash flow information</b>		
Interest expense	<u>\$ 823,929</u>	<u>\$ 831,871</u>

See accompanying notes to the financial statements

# District of Lake Country

## Notes to the Financial Statements

For the year ended December 31

---

The notes to the financial statements are an integral part of the statements. They explain the significant accounting and reporting policies and principles underlying these statements. They also provide relevant supplementary information and explanations which cannot be conveniently expressed in the financial statements.

### 1. Nature of business

The District of Lake Country (“the District”) was incorporated under the laws of British Columbia in 1995 and is engaged in the operation of a municipality.

### 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards.

The following is a summary of the District’s significant accounting policies:

#### **Basis of presentation**

The District’s resources and operations are segregated into General, Water, Sewer and Statutory Reserve Funds for accounting and financial reporting purposes. Each of these funds is further segregated into operating and capital funds, where applicable. The financial statements include all of the accounts of these funds.

#### **Accrual accounting**

The financial statements are prepared using the accrual basis of accounting.

#### **Cash and cash equivalents**

Management classifies all term deposits and highly liquid investments that are cashable on demand as cash equivalents.

#### **Tangible capital assets**

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

# District of Lake Country

## Notes to the Financial Statements

For the year ended December 31

---

### 2. Significant accounting policies (continued)

#### Tangible capital assets (continued)

The estimated useful lives are as follows:

<u>Tangible capital assets</u>	<u>Estimated useful life</u>
Land	Indefinite
Land improvements	10 - 50 years
Buildings	50 years
Furniture and equipment	5 - 20 years
Vehicles and machinery	8 - 20 years
IT Infrastructure	5 years
Road surface	20 years
Road base	80 - 99 years
Other road structures	20 - 50 years
Water, sewer, and other structures	25 - 80 years

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal.

Work in Progress is valued at cost and represents capital projects under construction but not yet ready for use. Amortization commences once the individual projects are capitalized.

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

The District has numerous works of art located throughout the District which are not reflected in these financial statements due to the subjectivity as to their value.

#### Supplies on hand

Supplies are charged to operations when purchased.

#### Capitalization of interest

The District capitalizes interest on temporary borrowing until the completion of the project that is to be financed by debenture debt at the current rate of the District's short-term borrowing.

#### Debenture debt

Outstanding debenture debt is reported net of sinking fund balances.

#### Debt charges

Interest on debt is charged to current operations. Interest charges are accrued for the period from the date of the latest interest payment to the end of the year.

# District of Lake Country

## Notes to the Financial Statements

For the year ended December 31

---

### 2. Significant accounting policies (continued)

#### Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

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

The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring.

#### Municipal Finance Authority debt reserve deposits

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 fund. The District also executes demand notes in connection with each debenture whereby the District may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature, and are detailed as follows:

	<u>Demand Notes</u>	<u>Cash Deposits</u>	<u>Total 2018</u>	<u>Total 2017</u>
General Fund	\$ 224,705	\$ 108,109	\$ 332,814	\$ 330,512
Water Fund	71,511	25,024	96,535	113,587
Sewer Fund	<u>316,340</u>	<u>190,347</u>	<u>506,687</u>	<u>502,634</u>
	<u>\$ 612,556</u>	<u>\$ 323,480</u>	<u>\$ 936,036</u>	<u>\$ 946,733</u>

#### Reserve funds

Non-statutory reserves represent an appropriation of surplus for specific purposes. Reserves for future capital expenditures represent funds to finance incomplete capital projects. Statutory reserves are restricted by the Community Charter and the associated municipal bylaws that established the reserves.

#### Budget figures

The budget figures are from the 5-Year Financial Plan Bylaw, adopted before May 15<sup>th</sup> of each year. Subsequent amendments have been made by Council to reflect changes in the budget as required by law.

# District of Lake Country

Notes to the Financial Statements  
For the year ended December 31

---

## 2. Significant accounting policies (continued)

### Revenue recognition

Taxes are recognized as revenue in the year they are levied. Through the BC Assessment appeal process property assessment values may be adjusted through a supplementary roll. Decreases or increases of taxation as a result of these re-assessments are recognized at the time they are awarded.

Fees and charges for protective, transportation, environmental, development, community and customer services, water and sewer fees are recorded on the accrual basis and recognized as earned, which is usually when services are provided.

Investment income is recorded on the accrual basis and recognized when earned.

Government transfers are recognized as revenue in the period that the transfer is authorized, eligibility criteria, if any, have been met by the District, and a reasonable estimate of the amount to be received can be made.

Developer contributions are recognized as revenue during the period in which the related costs are incurred or when infrastructure is turned over to the District.

### Expenses

Expenses are recorded in the period in which the goods or services are acquired and a liability is incurred.

### Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of employee benefit plans, allowance for doubtful accounts receivable, provision for contingencies and tangible capital assets estimated useful life and related amortization. Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

# District of Lake Country

## Notes to the Financial Statements

For the year ended December 31

---

### 3. Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term investments with maturities of 90 days or less from the date of acquisition. Cash and cash equivalents are recorded at cost and are comprised of the following:

	<u>2018</u>	<u>2017</u>
Cash	\$ 4,798,710	\$ 3,875,694
Term Deposits	9,098,482	12,292,025
Municipal Finance Authority Investment Funds	-	3,924,053
Chartered Bank Accrual Notes and Debentures	<u>10,083,249</u>	<u>4,327,646</u>
Total Cash and Cash Equivalents	<u>\$ 23,980,441</u>	<u>\$ 24,419,418</u>

Included in 2018 cash and cash equivalents is \$1,328,264 (2017 - \$1,063,931) relating to performance deposits, the use of which is subject to certain restrictions.

#### Operating line of credit

The District has an operating line of credit with the Toronto Dominion Commercial Bank for an authorized amount of \$1,500,000, bearing interest at bank prime rate. At December 31 the balance outstanding on the operating line of credit was \$nil (2017 - \$nil).

### 4. Accounts receivable

Accounts receivable are recorded net of allowance and is comprised of the following:

	<u>2018</u>	<u>2017</u>
Property tax receivables	\$ 860,720	\$ 851,106
Trade receivables	1,621,650	1,637,536
Performance deposit letters of credit	10,046,044	4,963,171
Due from other governments	3,108,186	3,788,883
Water utility fees	1,021,286	992,221
Prepaid expenses	<u>139,342</u>	<u>75,923</u>
	<u>\$ 16,797,228</u>	<u>\$ 12,308,840</u>



# District of Lake Country

Notes to the Financial Statements  
For the year ended December 31

## 5. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are comprised of the following:

	<u>2018</u>	<u>2017</u>
Accounts payable	\$ 993,413	\$ 2,481,197
Due to other governments	761,922	793,372
Trade contract holdbacks	244,560	551,270
Wages and benefits	477,907	442,046
	<u>\$ 2,477,802</u>	<u>\$ 4,267,885</u>

## 6. Deferred revenue

The District records deferred revenue for funds received in advance on services not yet rendered and is recognized as revenue during the period in which the services are provided. Because these funds are restricted in nature, they are shown as a liability.

	<u>2017</u>	<u>Deferred revenue received</u>	<u>Deferred revenue recognized</u>	<u>2018</u>
Prepaid taxes	\$ 1,257,700	\$ 1,399,689	\$ (1,257,700)	\$ 1,399,689
Prepaid water utility fees	23,341	15,858	(23,341)	15,858
Prepaid leisure service fees	21,049	29,884	(21,049)	29,884
Deferred parcel tax	26,166	-	-	26,166
Other	583,215	464,262	(583,215)	464,262
	<u>\$ 1,911,471</u>	<u>\$ 1,909,693</u>	<u>\$ (1,885,305)</u>	<u>\$ 1,935,859</u>

## 7. Restricted revenue

### Development cost charges and parkland acquisition funds

Pursuant to the provisions of the Local Government Act, development cost charges ("DCC's") and parkland acquisition funds are held in statutory reserve funds for the purposes for which the charges have been imposed. When the related costs are incurred, the DCC's and parkland acquisition funds are recognized as revenue. Because these funds are restricted in nature they are shown as a liability.

# District of Lake Country

Notes to the Financial Statements  
For the year ended December 31

## 7. Restricted revenue (continued)

	Development cost charge restricted revenue 2018	Parkland acquisition restricted revenue 2018	Total 2018	Total 2017
<b>Financial assets:</b>				
Cash	\$ 5,028,202	\$ -	\$ 5,028,202	\$ 5,870,774
	<u>5,028,202</u>	<u>-</u>	<u>5,028,202</u>	<u>5,870,774</u>
Balance, beginning of year	5,686,209	184,565	5,870,774	4,727,327
Contributions from developers	1,815,268	-	1,815,268	2,897,422
Interest on investments	110,561	3,839	114,400	80,458
Capital financing	(2,583,836)	(184,565)	(2,768,401)	(1,611,205)
Operational financing	-	(3,839)	(3,839)	(223,228)
Balance, end of year	<u>\$ 5,028,202</u>	<u>\$ -</u>	<u>\$ 5,028,202</u>	<u>\$ 5,870,774</u>

In accordance with Section 562 of the Local Government Act, no DCC's were waived or reduced for eligible development as defined under Section 563 of the Act.

The balances of the DCC reserves can be itemized as follows:

	<u>2018</u>	<u>2017</u>
Roads DCC	\$ 2,590,597	\$ 2,509,378
Drainage DCC	600,492	539,149
Park DCC	1,611,981	1,929,323
Water DCC	20,403	564,880
Sewer DCC	<u>204,729</u>	<u>143,479</u>
	<u>\$ 5,028,202</u>	<u>\$ 5,686,209</u>

# District of Lake Country

## Notes to the Financial Statements For the year ended December 31

### 8. Long-term debt

	<u>Interest rate</u>	<u>Year of maturity</u>	<u>Balance, beginning of year</u>	<u>Additions</u>	<u>Principal payment</u>	<u>Actuarial adjustment</u>	<u>Balance, end of year</u>
<b>General Fund</b>							
MFA Issue 70	5.720%	2019	\$ 234,834	\$ -	\$ 53,039	\$ 61,780	\$ 120,015
MFA Issue 78	5.850%	2022	197,166	-	17,164	18,518	161,484
MFA Issue 104	5.150%	2028	1,081,013	-	56,316	23,840	1,000,857
MFA Issue 105	4.900%	2029	345,285	-	16,791	6,189	322,305
MFA Issue 109	1.830%	2020	125,000	-	50,000	-	75,000
MFA Issue 133	2.750%	2035	2,426,825	-	92,469	6,586	2,327,770
			<u>4,410,123</u>	<u>-</u>	<u>285,779</u>	<u>116,913</u>	<u>4,007,431</u>
<b>Water Fund</b>							
MFA Issue 104	5.150%	2018	29,519	-	20,740	8,779	-
MFA Issue 105	4.900%	2024	499,536	-	46,213	17,033	436,290
MFA Issue 114	3.650%	2026	246,118	-	23,592	-	222,526
MFA Issue 114	3.650%	2026	160,845	-	15,418	-	145,427
MFA Issue 127	3.300%	2029	375,901	-	22,240	2,777	350,884
			<u>1,311,919</u>	<u>-</u>	<u>128,203</u>	<u>28,589</u>	<u>1,155,127</u>
<b>Sewer Fund</b>							
MFA Issue 70	5.745%	2024	2,058,365	-	145,899	110,562	1,801,904
MFA Issue 73	6.345%	2020	66,597	-	10,276	10,953	45,368
MFA Issue 73	6.345%	2020	157,470	-	24,298	25,899	107,273
MFA Issue 75	3.050%	2021	711,341	-	75,607	89,433	546,301
MFA Issue 78	2.100%	2022	277,927	-	24,194	26,104	227,629
MFA Issue 126	3.850%	2033	917,414	-	35,933	6,104	875,377
			<u>4,189,114</u>	<u>-</u>	<u>316,207</u>	<u>269,055</u>	<u>3,603,852</u>
Total long-term debt			<u>\$ 9,911,156</u>	<u>\$ -</u>	<u>\$ 730,189</u>	<u>\$ 414,557</u>	<u>\$ 8,766,410</u>

# District of Lake Country

## Notes to the Financial Statements

For the year ended December 31

---

### 8. Long-term debt (continued)

The principal repayments on long-term debt required in each of the next five years are as follows:

	2019	2020	2021	2022	2023	Total
General Fund	\$ 285,780	\$ 207,741	\$ 182,741	\$ 182,741	\$ 165,577	\$ 1,024,580
Water Fund	108,887	110,363	111,893	113,478	115,121	559,742
Sewer Fund	316,206	316,206	281,632	206,025	181,831	1,301,900
	<u>\$ 710,873</u>	<u>\$ 634,310</u>	<u>\$ 576,266</u>	<u>\$ 502,244</u>	<u>\$ 462,529</u>	<u>\$ 2,886,222</u>

### 9. Contingent liabilities and commitments

#### Regional District of Central Okanagan

Regional District debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the District and each electoral area and member municipality within the Regional District, including the District of Lake Country. The loan agreements with the Regional District of Central Okanagan and the Municipal Finance Authority provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligation with respect to such borrowing, the resulting deficiency becomes a liability of the member municipalities.

#### Legal actions

The District is currently engaged in certain legal actions, the outcome of which is not determinable at this time. Accordingly, no provision has been made in the accounts for these actions. The amount of loss, if any, arising from these actions will be recorded in the accounts in the period in which the loss becomes estimable and likely.

#### Pension liability

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 the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, the plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 contributors from local government.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member 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. The rate is then adjusted to the extent there is amortization of any funding deficit.

# District of Lake Country

## Notes to the Financial Statements

For the year ended December 31

---

### 9. Contingent liabilities and commitments (continued)

#### Pension liability (continued)

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

The District paid \$511,205 (2017 - \$477,282) for employer contributions, while employees contributed \$438,915 (2017 - \$390,810) to the plan in fiscal 2018.

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

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

#### Commitments

The District has entered into various agreements and contracts for services with periods ranging from one to twenty years.

#### Employee benefit obligations

Unionized Employees of the District are entitled to accumulate earned benefits related to sick leave. Regular full and part time unionized employees accumulate sick leave on a pro-rata basis at a rate of 12 days per year to a maximum of 100 days.

Upon leaving the District, unionized employees with 10 years of service are entitled to 25% of their accumulated sick leave to a maximum of 25 days. After fifteen years of service, or where the combination of an employee's age plus years of service is a minimum of 70, employees are entitled to 50% of their accumulated sick leave to a maximum of 50 days.

The deferred liability related to sick leave is valued at management's best estimate, which is based on past experience and assumptions about retirement, wage and salary increases and employee turnover. At December 31 the total accrued sick bank liability is \$96,670 (2017 - \$98,104).

# District of Lake Country

## Notes to the Financial Statements

For the year ended December 31

---

### 10. Taxation

In 2018 the District collected \$9,813,550 (2017 - \$9,444,212) on behalf of other taxing jurisdictions and transferred this amount to those other authorities. The collections and transfers are itemized as follows:

	<u>2018</u>	<u>2017</u>
<b>Collections for and transfers to other governments</b>		
<b>Taxes collected</b>		
Property taxes	\$ 21,655,788	\$ 20,544,297
Special assessments	2,439,212	2,189,248
1% utility tax	213,305	202,264
Penalties and interest on taxes	192,007	173,571
Grant in lieu of taxes	32,095	28,252
	<u>24,532,407</u>	<u>23,137,632</u>
<b>Less transfer to other governments</b>		
Province of BC (school taxes)	6,514,675	6,212,260
BC Assessment Authority	181,139	167,859
Municipal Finance Authority	852	732
Regional Hospital District	1,123,203	1,106,156
Okanagan Regional Library	607,575	602,897
Regional District of Central Okanagan	1,386,106	1,354,308
	<u>9,813,550</u>	<u>9,444,212</u>
<b>Net taxes available for municipal purposes</b>	<u>\$ 14,718,857</u>	<u>\$ 13,693,420</u>

# District of Lake Country

Notes to the Financial Statements  
For the year ended December 31

## 11. Government transfers

In 2018 the District received and recorded as revenue the following transfers:

	<u>2018</u>	<u>2017</u>
<b>Federal Conditional Transfers</b>		
Federal EcoEnergy	\$ 20,872	\$ 41,112
Federal Gas Tax Strategic Priorities Fund	161,377	-
Federal Canadian Waste Water Fund	<u>1,095,919</u>	<u>2,404,083</u>
	<u>1,278,168</u>	<u>2,445,195</u>
<b>Provincial Unconditional Transfers</b>		
Traffic Fine Revenue Sharing Grant	74,574	76,814
Small Community Grant	299,270	299,237
Climate Action Revenue Incentive Program	<u>18,976</u>	<u>17,039</u>
	<u>392,820</u>	<u>393,090</u>
<b>Provincial Conditional Transfers</b>		
Building Canada Fund	787,125	1,825,702
Other Conditional Transfers	<u>1,332,302</u>	<u>679,737</u>
	<u>2,119,427</u>	<u>2,505,439</u>
<b>Regional and Other External Conditional Transfers</b>		
Gas Tax Community Works Fund	572,453	553,262
Okanagan Basin Water Board	<u>282,451</u>	<u>289,224</u>
	<u>854,904</u>	<u>842,486</u>
<b>Total government transfers</b>	<u>\$ 4,645,319</u>	<u>\$ 6,186,210</u>

## 12. Letters of credit

As of December 31, the District is holding letters of credit in the amount of \$10,046,044 (2017 - \$4,963,171), which are received as security related to performance deposits.

# District of Lake Country

## Notes to the Financial Statements

For the year ended December 31

---

### 13. Segmented information

The District of Lake Country is a diversified municipal government that provides a wide range of services to its citizens. For management reporting purposes the District's operations and activities are organized and reported by funds and departments. The General Fund reports on property tax supported operations, which include services provided by the District to citizens such as general government, protective, transportation, environmental, planning and development and community and customer services. The utility operations are comprised of the water and sewer systems, each accounting for its own operations and programs within their own funds. Operating results reported by the following segments is included in Schedule 3.

#### **General government services**

General Government operations are primarily funded by property taxation and business tax revenues. The expenses within the department are for legislative, general administration, human resources and finance functions within the municipality. The general revenue reported under the department includes revenues associated with taxation, business licence revenues and payments in-lieu of taxes. These revenues have not been apportioned to other departments supported by the General Fund.

#### **Protective services**

Protective services are comprised of police services provided by the Royal Canadian Mounted Police and fire services. The mandate of the police is to ensure the safety of the lives and property of citizens, preserve peace and good order, prevent crimes from occurring, detect offenders, and enforce the law. The fire department is responsible for effective fire protection and public safety services to the District. This includes fire prevention, fire safety inspections, fire control and/or suppression. Bylaw enforcement is also reported under this department.

#### **Transportation services**

Transportation services are responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway and drainage systems and street lighting.

#### **Environmental services**

Environmental services are comprised of transit, garbage and recycling services, as well as the Lake Country hydroelectric generating station.

#### **Community services**

Community Services monitor compliance with Council policies governing subdivision, land use and building inspection. This department also provides economic development services within the municipality.

#### **Parks & recreation**

Parks & Recreation services provide services related to recreation, leisure and culture. The facilities managed within this department include parks, arena, seniors centre, community theatre and the community complex.



# District of Lake Country

Notes to the Financial Statements

For the year ended December 31

---

## 13. Segmented information (continued)

### Water systems

The Water department provides safe drinking water to citizens of Lake Country. Revenue and expenses represent the amounts that are directly attributable to the function of the water department. Water is accounted for in its own fund.

### Sewer system

The Sewer department manages the wastewater treatment plants and sewer collection system. Sewer is accounted for in its own fund.

## 14. Expenses by object

Total expenses by object are itemized in Schedule 3 – Segment Disclosure.

## 15. Comparative figures

Certain comparative figures have been reclassified to conform to the presentation format adopted for the current year.

# District of Lake Country

## Schedule 1 - Schedule of Tangible Capital Assets

For the Year Ended December 31	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings</u>	<u>Furniture &amp; Equipment</u>	<u>Vehicle &amp; Machinery</u>	<u>IT Infrastructure</u>
<b>COST</b>						
<b>Opening Balance</b>	\$ 24,133,730	\$ 3,879,928	\$ 24,957,330	\$ 2,043,520	\$ 4,489,932	\$ 424,848
Add: additions	1,560,057	531,804	145,389	208,115	1,103,785	227,192
Add: contributed capital	4,366,521	-	854,877	-	-	-
Less: disposals/transfers	-	-	-	-	(46,800)	(43,075)
<b>Closing balance</b>	<u>30,060,308</u>	<u>4,411,732</u>	<u>25,957,596</u>	<u>2,251,635</u>	<u>5,546,917</u>	<u>608,965</u>
<b>ACCUMULATED AMORTIZATION</b>						
<b>Opening Balance</b>	-	930,433	5,895,186	1,129,243	2,373,114	258,836
Add: amortization	-	158,942	550,098	131,355	298,418	77,371
Less: accumulated amortization on disposals	-	-	-	-	(41,800)	(42,575)
<b>Closing balance</b>	<u>-</u>	<u>1,089,375</u>	<u>6,445,284</u>	<u>1,260,598</u>	<u>2,629,732</u>	<u>293,632</u>
<b>Net book value, December 31, 2018</b>	<u>30,060,308</u>	<u>3,322,357</u>	<u>19,512,312</u>	<u>991,037</u>	<u>2,917,185</u>	<u>315,333</u>
<b>Net book value, December 31, 2017</b>	<u>\$ 24,133,730</u>	<u>\$ 2,949,495</u>	<u>\$ 19,062,144</u>	<u>\$ 914,277</u>	<u>\$ 2,116,818</u>	<u>\$ 166,012</u>

# District of Lake Country

## Schedule 1 - Schedule of Tangible Capital Assets

For the Year Ended December 31	Engineering Structures					2018 Total	2017 Total
	Water	Sewer	Roads	Environmental & Other	Work-in- Progress		
<b>COST</b>							
<b>Opening Balance</b>	\$ 39,297,458	\$ 18,202,957	\$ 48,029,474	\$ 4,118,791	\$ 7,810,573	\$177,388,541	\$ 158,969,556
Add: additions	226,456	344,265	817,145	-	10,333,530	15,497,738	13,947,092
Add: contributed capital	308,268	334,347	999,234	-	-	6,863,247	7,944,018
Less: disposals/transfers	-	-	-	-	(1,899,095)	(1,988,970)	(3,472,125)
<b>Closing balance</b>	<u>39,832,182</u>	<u>18,881,569</u>	<u>49,845,853</u>	<u>4,118,791</u>	<u>16,245,008</u>	<u>197,760,556</u>	<u>177,388,541</u>
<b>ACCUMULATED AMORTIZATION</b>							
<b>Opening Balance</b>	8,130,951	3,815,817	13,137,201	875,243	-	36,546,024	33,290,238
Add: amortization	823,088	328,395	1,221,713	102,970	-	3,692,350	3,411,674
Less: accumulated amortization on disposals	-	-	-	-	-	(84,375)	(155,888)
<b>Closing balance</b>	<u>8,954,039</u>	<u>4,144,212</u>	<u>14,358,914</u>	<u>978,213</u>	<u>-</u>	<u>40,153,999</u>	<u>36,546,024</u>
<b>Net book value, December 31, 2018</b>	<u>30,878,143</u>	<u>14,737,357</u>	<u>35,486,939</u>	<u>3,140,578</u>	<u>16,245,008</u>	<u>157,606,557</u>	
<b>Net book value, December 31, 2017</b>	<u>\$ 31,166,507</u>	<u>\$ 14,387,140</u>	<u>\$ 34,892,273</u>	<u>\$ 3,243,548</u>	<u>\$ 7,810,573</u>		<u>\$ 140,842,517</u>

# District of Lake Country

## Schedule 2 - Schedule of Accumulated Surplus

For the year ended December 31, 2018	Balances, Beginning of Year	Withdrawals	Contributions	Transfer to Capital	Interest & Actuarial Adjustments	Balances, End of Year
<b>Surplus and Non-Statutory Reserves</b>						
General fund surplus	\$ 2,705,231	\$ (84,788)	\$ -	\$ -	\$ 241	\$ 2,620,684
Water fund surplus	1,099,623	-	-	-	22,872	1,122,495
Sewer fund surplus	421,634	-	-	-	8,770	430,404
General capital reserve	2,358,948	-	1,332,980	(1,462,501)	47,719	2,277,146
Water capital reserve	2,412,186	-	1,644,804	(283,441)	64,332	3,837,881
Sewer capital reserve	1,306,500	-	669,516	(538,470)	28,537	1,466,083
Climate action reserve	891,094	-	227,850	(35,077)	20,540	1,104,407
Community works gas tax reserve	500,914	-	572,453	(750,000)	8,573	331,940
Equipment acquisition and replacement reserve	795,818	-	165,406	(522,519)	12,839	451,544
Facilities reserve	101,036	(22,142)	90,824	(11,113)	2,199	160,804
Financial stabilization reserve	305,614	(8,000)	-	(30,290)	5,959	273,283
Fire facilities and equipment reserve	1,251,930	-	638,392	(403,952)	28,479	1,514,849
Future servicing works reserve	1,172,749	(127,051)	35,888	-	-	1,081,586
Future capital expenditures reserve	799,377	-	-	(246,350)	-	553,027
Information technology reserve	160,834	-	100,000	(167,409)	2,663	96,088
Policing reserve	886,501	-	252,052	-	21,060	1,159,613
Solid waste reserve	650,722	-	36,698	-	13,917	701,337
Transportation infrastructure reserve	578,600	-	922,332	(898,623)	12,281	614,590
	<u>18,399,311</u>	<u>(241,981)</u>	<u>6,689,195</u>	<u>(5,349,745)</u>	<u>300,981</u>	<u>19,797,761</u>
<b>Statutory Reserves</b>						
Access to body of water reserve	183,573	-	-	(183,573)	1,909	1,909
Land sale reserve	45,979	-	-	(45,286)	485	1,178
Parkland acquisition reserve	-	-	134,739	-	1,362	136,101
	<u>229,552</u>	<u>-</u>	<u>134,739</u>	<u>(228,859)</u>	<u>3,756</u>	<u>139,188</u>
<b>Investment in Non Financial Assets</b>						
Equity in tangible capital assets	130,931,363	(3,697,850)	21,192,077	-	414,557	148,840,147
Accumulated surplus	<u>\$ 149,560,226</u>	<u>\$ (3,939,831)</u>	<u>\$ 28,016,011</u>	<u>\$ (5,578,604)</u>	<u>\$ 719,294</u>	<u>\$ 168,777,096</u>

# District of Lake Country

## Schedule 3 - Schedule of Segment Disclosure

	General Government Services		Protective Services		Transportation Services	
	2018 Budget	2018 Actual	2018 Budget	2018 Actual	2018 Budget	2018 Actual
For the year ended December 31						
<b>Revenue</b>						
Taxation	\$ 11,681,673	\$ 11,690,333	\$ 1,702,676	\$ 1,701,653	\$ -	\$ -
Utility revenues	-	-	-	-	-	-
Services provided to other governments	-	-	353,269	353,269	-	-
Sale of services	41,500	42,656	31,000	293,468	275,000	268,367
Permits and licences	117,500	116,310	16,000	25,445	84,500	111,818
Interest on Investments	302,925	482,869	-	-	-	-
Government transfers	876,398	1,223,001	88,000	74,574	1,000,000	1,000,000
Developer contributions	-	68,127	-	-	1,034,000	6,644,044
Other revenue	2,434,324	4,940	25,100	-	100	41,077
<b>Total revenue</b>	<b>15,454,320</b>	<b>13,628,236</b>	<b>2,216,045</b>	<b>2,448,409</b>	<b>2,393,600</b>	<b>8,065,306</b>
<b>Expenses</b>						
Salaries, wages and benefits	1,791,126	1,830,354	1,335,854	1,310,255	663,661	606,953
Contract services	558,195	1,041,531	1,932,863	1,673,734	2,498,286	2,692,784
Grants to community organizations	51,050	43,100	8,500	7,000	-	-
Materials and supplies	139,517	91,822	724,093	200,061	629,339	117,100
Utilities	-	-	26,600	22,521	83,000	91,411
Amortization	133,873	129,435	210,913	209,472	973,951	1,375,103
Loss on disposal of tangible capital assets	-	500	-	-	-	-
Interest expense	2,000	6,155	-	-	33,201	33,201
<b>Total expenses</b>	<b>2,675,761</b>	<b>3,142,897</b>	<b>4,238,823</b>	<b>3,423,043</b>	<b>4,881,438</b>	<b>4,916,552</b>
<b>Annual surplus (deficit)</b>	<b>\$ 12,778,559</b>	<b>\$ 10,485,339</b>	<b>\$ (2,022,778)</b>	<b>\$ (974,634)</b>	<b>\$ (2,487,838)</b>	<b>\$ 3,148,754</b>

# District of Lake Country

## Schedule 3 - Schedule of Segment Disclosure

	Environmental Services		Community Services		Parks and Recreation	
	2018 Budget	2018 Actual	2018 Budget	2018 Actual	2018 Budget	2018 Actual
For the year ended December 31						
<b>Revenue</b>						
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility revenues	-	-	-	-	-	-
Services provided to other governments	-	-	-	-	55,000	86,694
Sale of services	1,400,450	1,519,052	90,500	133,417	605,800	709,081
Permits and licences	-	-	555,100	1,247,011	-	-
Interest on Investments	-	-	-	-	-	-
Government transfers	36,000	20,872	-	-	5,000,000	161,377
Developer contributions	-	-	-	-	248,964	948,500
Other revenue	-	-	-	3,038	1,447,762	1,644,758
<b>Total revenue</b>	<b>1,436,450</b>	<b>1,539,924</b>	<b>645,600</b>	<b>1,383,466</b>	<b>7,357,526</b>	<b>3,550,410</b>
<b>Expenses</b>						
Salaries, wages and benefits	315,807	441,379	985,963	967,587	1,155,076	1,219,238
Contract services	973,373	966,798	244,494	189,119	808,468	954,039
Grants to community organizations	-	-	-	-	117,100	119,124
Materials and supplies	227,566	11,439	126,333	17,620	725,148	312,189
Utilities	4,000	4,339	-	-	270,700	297,519
Amortization	163,286	141,137	-	-	415,719	465,871
Loss on disposal of tangible capital assets	-	-	-	-	-	-
Interest expense	26,171	26,170	-	-	249,799	245,560
<b>Total expenses</b>	<b>1,710,203</b>	<b>1,591,262</b>	<b>1,356,790</b>	<b>1,174,326</b>	<b>3,742,010</b>	<b>3,613,540</b>
<b>Annual surplus (deficit)</b>	<b>\$ (273,753)</b>	<b>\$ (51,338)</b>	<b>\$ (711,190)</b>	<b>\$ 209,140</b>	<b>\$ 3,615,516</b>	<b>\$ (63,130)</b>

# District of Lake Country

## Schedule 3 - Schedule of Segment Disclosure

	Water Systems		Sewer System		Totals		
	2018 Budget	2018 Actual	2018 Budget	2018 Actual	2018 Budget	2018 Actual	2017 Actual
<b>For the year ended December 31</b>							
<b>Revenue</b>							
Taxation	\$ 110,232	\$ 109,296	\$ 1,211,800	\$ 1,217,575	\$ 14,706,381	\$ 14,718,857	\$ 13,693,420
Utility revenues	4,190,000	3,674,963	740,000	789,306	4,930,000	4,464,269	4,452,530
Services provided to other governments	-	-	328,342	337,777	736,611	777,740	715,408
Sale of services	176,810	460,828	55,400	47,450	2,676,460	3,474,319	3,298,240
Permits and licences	-	-	-	-	773,100	1,500,584	1,277,358
Interest on Investments	40,789	51,461	270,054	277,824	613,768	812,154	690,195
Government transfers	3,721,863	1,883,044	287,268	282,451	11,009,529	4,645,319	6,186,210
Developer contributions	991,840	1,608,627	487,605	763,911	2,762,409	10,033,209	10,181,692
Other revenue	5,200	33,008	100	-	3,912,586	1,726,821	1,172,694
<b>Total revenue</b>	<b>9,236,734</b>	<b>7,821,227</b>	<b>3,380,569</b>	<b>3,716,294</b>	<b>42,120,844</b>	<b>42,153,272</b>	<b>41,667,747</b>
<b>Expenses</b>							
Salaries, wages and benefits	1,024,966	797,303	532,472	457,788	7,804,925	7,630,857	6,687,520
Contract services	407,760	388,960	403,414	474,346	7,826,853	8,381,311	8,458,497
Grants to community organizations	-	-	-	-	176,650	169,224	155,668
Materials and supplies	788,764	458,130	312,450	117,758	3,673,210	1,326,119	1,161,698
Utilites	321,340	345,330	154,200	150,991	859,840	912,111	917,051
Amortization	879,657	861,413	484,218	509,920	3,261,617	3,692,351	3,411,674
Loss on disposal of tangible capital assets	-	-	-	-	-	500	2,940
Interest expense	87,733	85,195	458,949	427,648	857,853	823,929	831,871
<b>Total expenses</b>	<b>3,510,220</b>	<b>2,936,331</b>	<b>2,345,703</b>	<b>2,138,451</b>	<b>24,460,948</b>	<b>22,936,402</b>	<b>21,626,919</b>
<b>Annual surplus (deficit)</b>	<b>\$ 5,726,514</b>	<b>\$ 4,884,896</b>	<b>\$ 1,034,866</b>	<b>\$ 1,577,843</b>	<b>\$ 17,659,896</b>	<b>\$ 19,216,870</b>	<b>\$ 20,040,828</b>



# LAKE COUNTRY

Life. The Okanagan Way.



District of  
Lake Country  
Statistical  
Data



# 2018 Tax Exemptions Provided by Council

Year ended December 31, 2018

	Municipal Taxes	Other Taxes	Total Taxes
<b>Church Buildings</b>			
BC Association of 7th Day Adventists	2,996	1,444	4,440
Christian and Missionary Alliance	3,245	1,564	4,809
Kelowna Christian Centre Society	2,565	1,236	3,801
Roman Catholic Bishop of Nelson	6,555	3,151	9,706
St. Francis Anglican Church	1,526	735	2,261
The Missionary Church	2,439	1,175	3,614
Winfield Jehovah's Witness Trustees	4,767	2,296	7,063
Winfield United Church	3,159	1,522	4,681
<b>Camps</b>			
BC Lions Society for Children with Disabilities	7,131	5,312	12,443
Camp Hatikvah Foundation	28,846	19,706	48,552
Girl Guides Association Central Okanagan Division	22,044	13,859	35,903
<b>Community Halls</b>			
Community Hall Association of OK Centre	5,934	3,555	9,489
Oyama Community Club	10,103	4,856	14,959
Oyama Community Club (Royal Canadian Legion Branch 189)	2,013	1,721	3,734
Winfield Memorial Hall	10,146	4,870	15,016
<b>Not for Profit Service Organizations</b>			
Central Okanagan Rebroadcast Society	219	187	406
Central Okanagan SD #23, Boys & Girls Club	16,084	12,042	28,126
District of Lake Country, Land Fire Hall Site	1,581	1,256	2,837
Lake Country Seniors Housing Society	11,321	6,355	17,676
Lake Country/LC Heritage & Cultural Society	9,656	7,717	17,373
Oceola Fish & Game Club	7,667	4,020	11,687
BC Teen Challenge	2,667	2,110	4,777
Winfield Curling Club & Horseshoe Club & Seniors Society	11,870	9,915	21,785

\* Church buildings and the land beneath the buildings are statutorily exempt and is not included in total

# Statistics

	2018	2017	2016	2015	2014
Population	14,027	13,294	14,183	14,035	13,015

Link to BC Stats [demographic detail](#) for Lake Country.

Number of Taxable Properties	6,469	6,264	6,108	5,695	5,624
------------------------------	-------	-------	-------	-------	-------

Assessments by Class					
Residential	3,844,959,194	3,275,359,485	2,832,981,454	2,579,727,151	2,453,579,788
Utilities	3,732,686	3,733,782	3,691,981	4,183,373	4,143,918
Light Industry	17,652,100	16,100,000	14,108,500	12,579,100	12,573,500
Business	145,415,057	130,593,106	115,147,605	101,214,954	97,068,105
Recreational	10,617,900	10,517,900	10,738,600	9,677,700	10,607,900
Farm	8,138,861	8,097,264	8,072,076	7,931,818	7,878,410
	<b>4,030,515,798</b>	<b>3,444,401,537</b>	<b>2,984,740,216</b>	<b>2,727,501,496</b>	<b>2,585,851,621</b>

Average Residential Single Family Dwelling	656,000	571,000	507,000	492,000	475,000
--	---------	---------	---------	---------	---------

Municipal Mill Rates by Class (including fire)	2018	2017	2016	2015	2014
Residential	2.7642	2.9929	3.2389	3.4035	3.397
Utilities	43.9792	43.5394	42.3068	42.4906	42.4057
Light Industry	14.3453	15.1029	16.7582	17.6397	15.5469
Business	7.0509	7.4435	7.5286	8.3348	8.3198
Recreational	7.1959	6.9902	6.6256	6.8051	6.7286
Farm	0.9184	0.9338	0.8704	0.8990	0.9034

Revenues by Class (including fire)	2018	2017	2016	2015	2014
Residential	10,622,612	9,794,433	9,169,152	8,773,517	8,328,527
Utilities	163,167	161,618	155,463	176,990	174,960
Light Industry	252,969	242,909	236,198	221,637	195,287
Business	1,025,307	972,070	866,901	843,607	807,587
Recreational	76,406	73,522	71,149	65,858	71,376
Farm	7,280	7,355	6,846	6,937	6,920
	<b>12,147,741</b>	<b>11,251,907</b>	<b>10,505,709</b>	<b>10,088,546</b>	<b>9,584,657</b>

# Statistics

% of Overall Tax Revenue by Class	2018	2017	2016	2015	2014
Residential	87.45%	87.04%	87.2%	86.9%	86.9%
Utilities	1.34%	1.44%	1.5%	1.8%	1.8%
Light Industry	2.08%	2.16%	2.3%	2.2%	2.0%
Business	8.44%	8.64%	8.2%	8.4%	8.4%
Recreational	0.63%	0.65%	0.7%	0.6%	0.7%
Farm	0.06%	0.07%	0.1%	0.1%	0.1%

Total property tax collections	21,655,788	20,544,297	19,787,481	19,029,881	18,398,646
--------------------------------	------------	------------	------------	------------	------------

Taxes per capita	866	846	741	719	736
------------------	-----	-----	-----	-----	-----

Debt per capita	625	746	787	881	832
-----------------	-----	-----	-----	-----	-----

Reserves per capita	1,780	1,843	1,391	1,066	872
---------------------	-------	-------	-------	-------	-----

Consolidated Revenues (see notes)	42,153,272	41,667,747	31,720,879	25,204,632	31,339,389
--------------------------------------	------------	------------	------------	------------	------------

Consolidated Expenses (see notes)	22,936,402	21,626,919	19,601,379	18,439,610	18,778,412
--------------------------------------	------------	------------	------------	------------	------------

Annual Surplus	19,216,870	20,040,828	12,119,500	6,765,022	12,560,977
----------------	------------	------------	------------	-----------	------------

Business License Revenue									
Year	Change of Name/Location		Partial year License		Full Year License		Inter-Municipal License		Total Revenue
	\$ / unit	Units	\$ / unit	Units	\$ / unit	Units	\$ / unit	Units	
2018	\$60.00	4	\$0	0	\$75.00	203	\$150.00	198	\$94,275.00
"	-	-	-	-	\$90.00	239	-	-	-
"	-	-	-	-	\$100.00	276	-	-	-
2017	\$25.00	10	\$45.00	0	\$75.00	107	\$150.00	168	\$83,415.00
"	-	-	-	-	\$90.00	281	-	-	-
"	-	-	-	-	\$100.00	243	-	-	-
2016	\$25.00	20	\$45.00	10	\$90.00	669	\$150.00	172	\$86,960.00
2015	\$25.00	13	\$45.00	13	\$90.00	620	\$150.00	148	\$78,160.00
2014	\$25.00	12	\$45.00	13	\$90.00	609	\$150.00	126	\$74,595.00
2013	\$25.00	14	\$45.00	9	\$90.00	610	\$150.00	141	\$76,805.00
2012	\$25.00	5	\$45.00	10	\$90.00	634	\$150.00	140	\$78,885.00
2011	\$25.00	14	\$45.00	11	\$90.00	612	\$150.00	127	\$74,975.00
2010	\$25.00	10	\$45.00	11	\$90.00	637	\$150.00	135	\$78,325.00
2009	\$25.00	9	\$45.00	17	\$90.00	621	\$150.00	106	\$72,780.00

# Statistics

Yearly Building Statistics						
Category	2018		2017		2016	
	Permit	Value	Permit	Value	Permit	Value
Single Family Dwelling	113	62,859,632	126	\$59,699,056	148	\$64,106,213
Commercial	15	3,011,500	17	\$4,880,653	29	\$7,075,400
Agriculture	9	547,708	7	\$543,700	9	\$634,090
Industrial	0	0	3	\$2,044,000	1	\$350,000
Institutional	7	436,000	3	\$217,077	0	\$0
Multi-Family Dwelling*	24	19,107,398	16	\$12,994,325	15	\$10,050,892
Other	210	8,982,279	208	\$9,057,567	230	\$10,615,634
<b>Total Permits/Values</b>	<b>378</b>	<b>94,944,517</b>	<b>380</b>	<b>\$89,436,378</b>	<b>432</b>	<b>\$92,832,229</b>

*\*Multi-family dwelling permits represent the number of permits issued rather than the number of units constructed. One multi-family dwelling permit may consist of two or more units.*

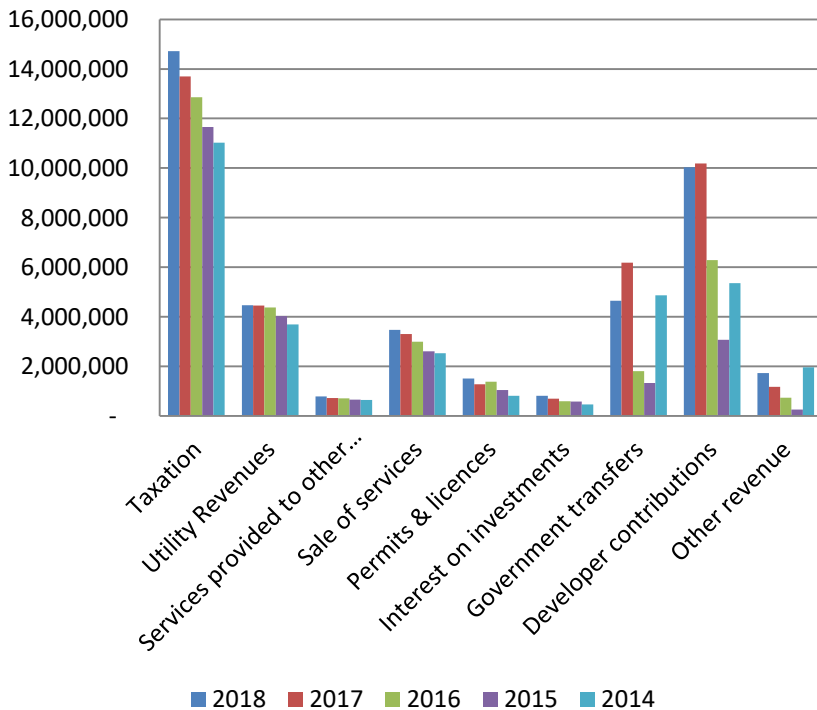


# Statistics

Revenues by Source	2018	2017	2016	2015	2014
Taxation	14,718,857	13,693,420	12,862,902	11,659,707	11,027,339
Utility Revenues	4,464,269	4,452,530	4,378,676	4,026,799	3,689,719
Services provided to other governments	777,740	715,408	708,023	655,713	635,877
Sale of services	3,474,319	3,298,240	2,984,831	2,607,783	2,528,815
Permits & licenses	1,500,584	1,277,358	1,377,013	1,038,624	802,460
Interest on investments	812,154	690,195	593,542	574,867	464,972
Government transfers	4,645,319	6,186,210	1,802,712	1,321,902	4,868,777
Developer contributions	10,033,209	10,181,692	6,285,559	3,068,747	5,357,014
Other revenue	1,726,821	1,172,694	727,621	250,490	1,964,416
	42,153,272	41,667,747	31,720,879	25,204,632	31,339,389

Expenses by function	2018	2017	2016	2015	2014
General government services	3,136,742	3,297,654	2,416,380	2,065,821	2,446,228
Protective services	3,423,043	3,331,648	3,152,718	3,035,750	2,996,264
Transportation services	4,883,351	4,342,584	4,063,207	3,474,075	3,386,829
Environmental services	1,565,092	1,352,179	1,351,201	1,724,377	1,614,304
Community services	1,174,326	1,168,022	1,059,391	1,006,228	921,514
Parks and recreation	3,367,980	3,051,463	2,636,116	2,373,243	2,213,099
Water systems	2,851,136	2,574,544	2,515,110	2,391,520	2,276,600
Sewer system	1,710,803	1,676,954	1,527,398	1,524,858	2,105,941
Interest expense	823,929	831,871	879,858	843,738	817,633
	22,936,402	21,626,919	19,601,379	18,439,610	18,778,412

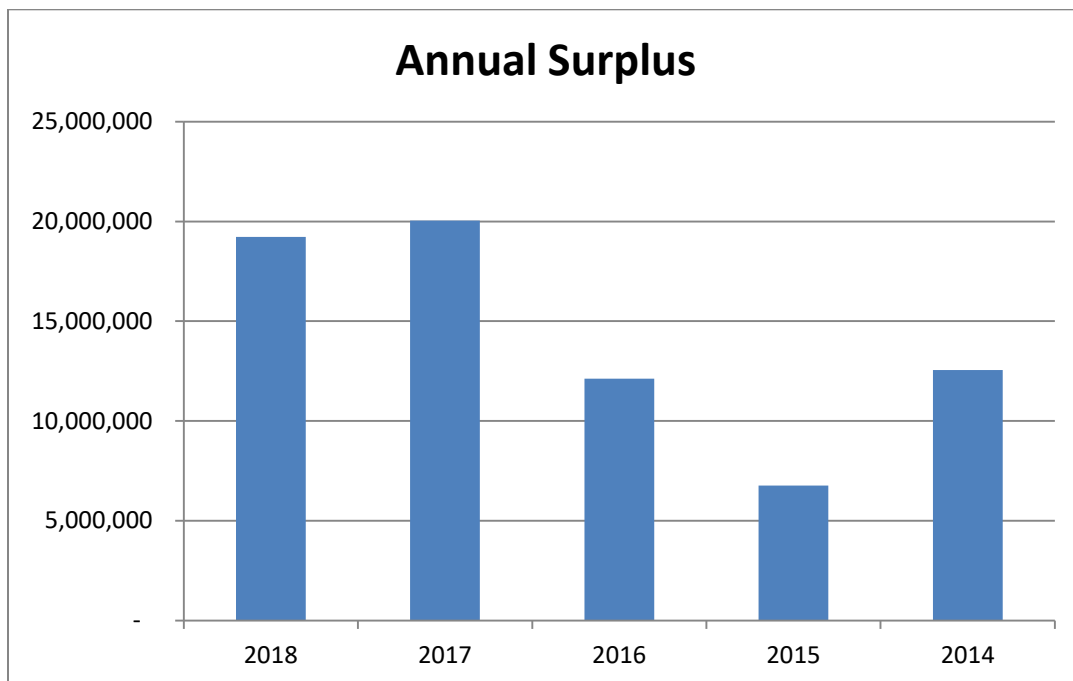
## Revenue by Source



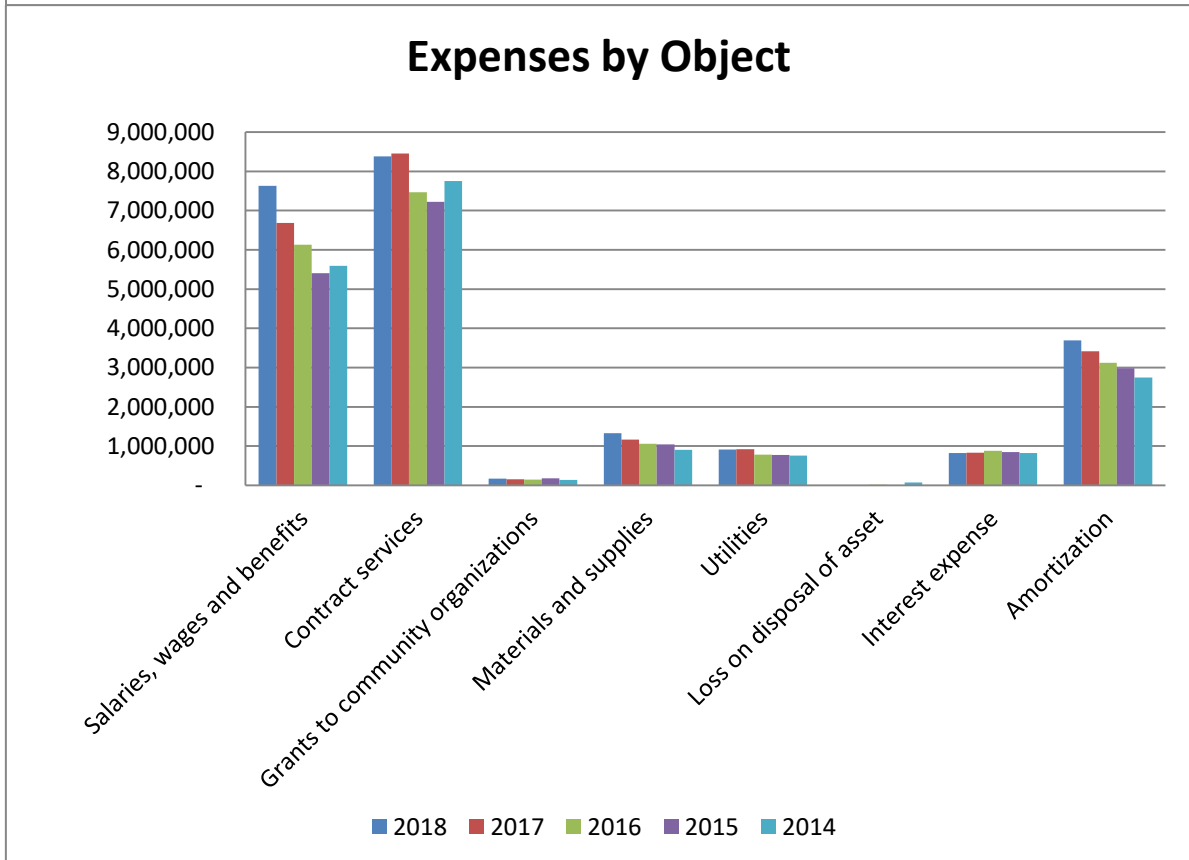
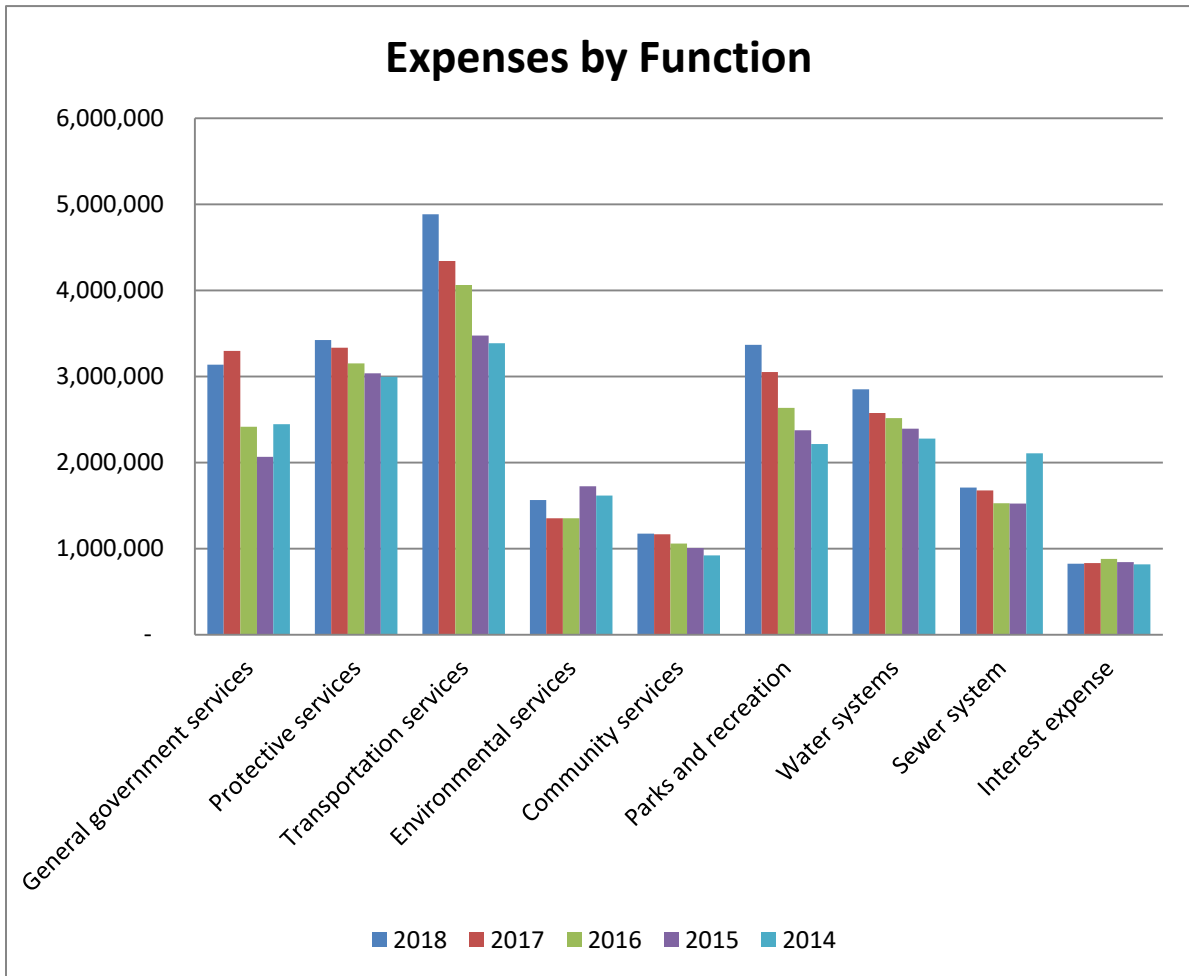
# Statistics

Annual Surplus	2018	2017	2016	2015	2014
	19,216,870	20,040,828	12,119,500	6,765,022	12,560,977

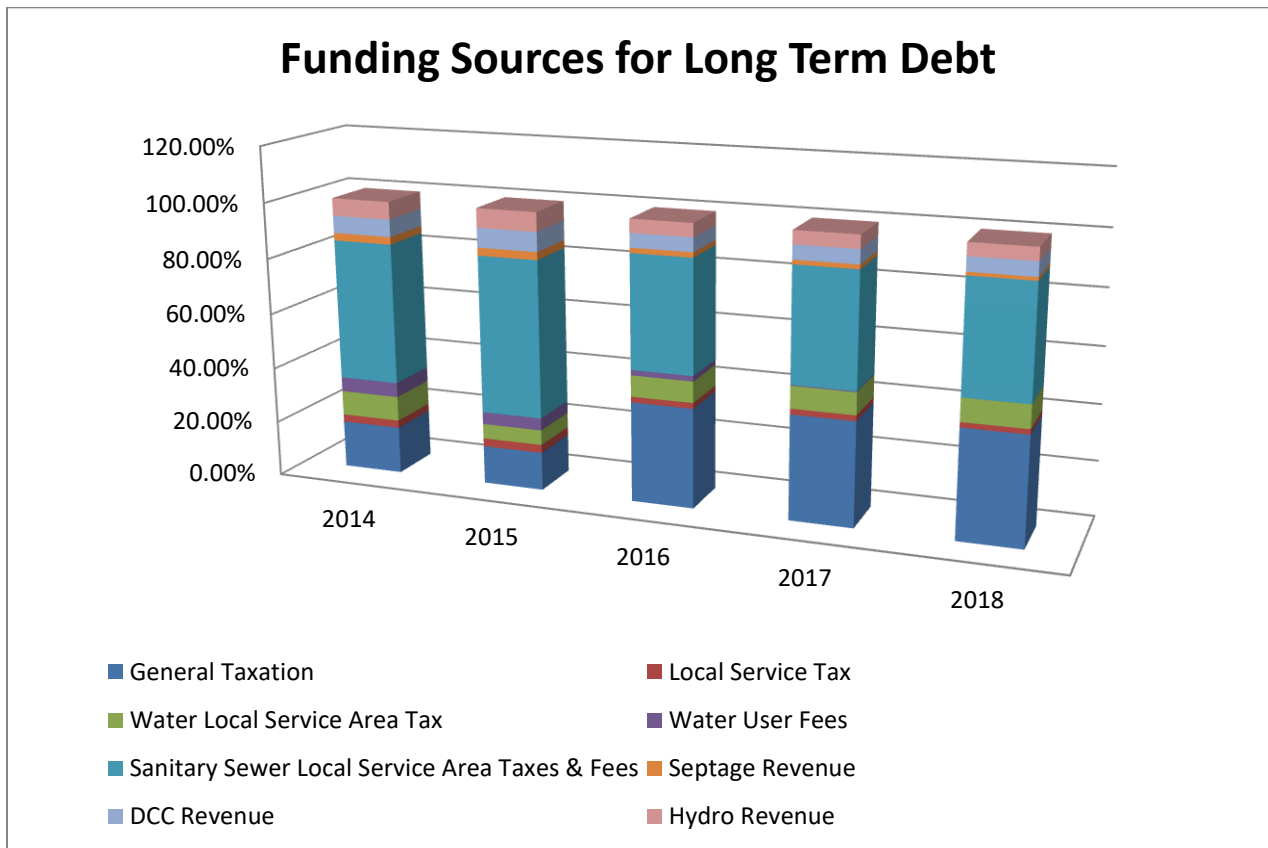
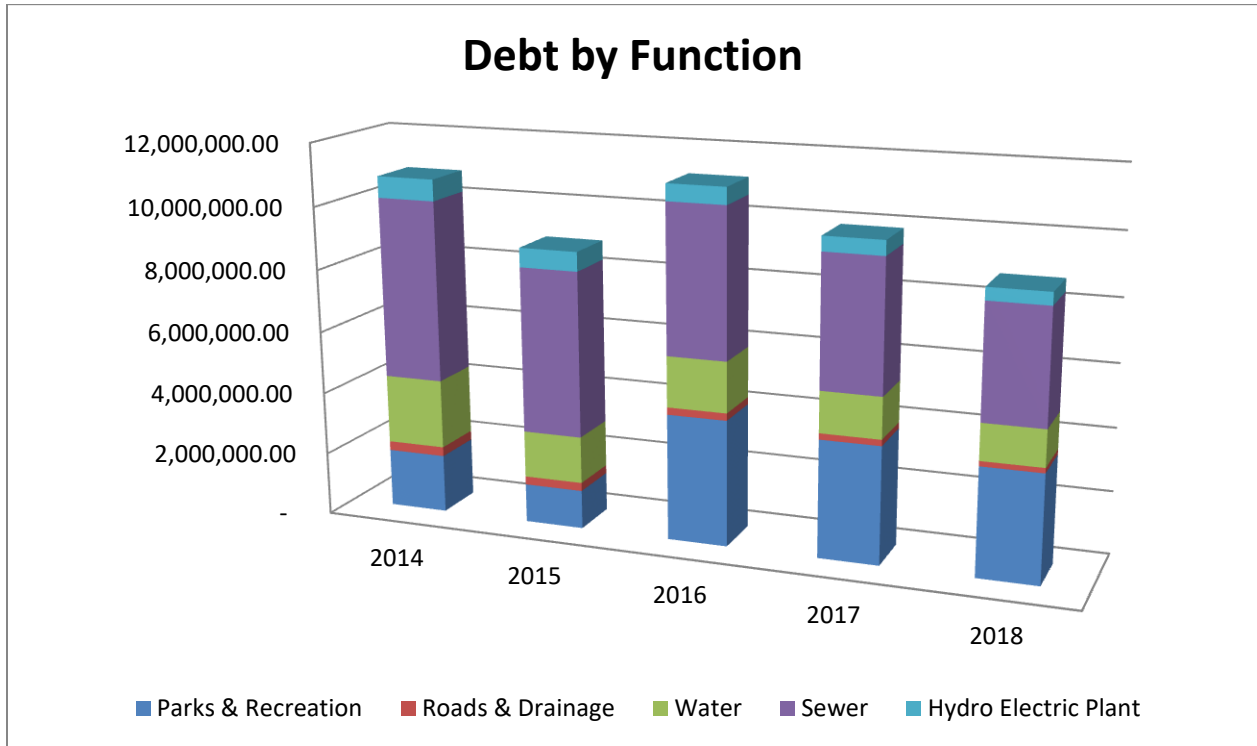
Expenses by Object	2018	2017	2016	2015	2014
Salaries, wages and benefits	7,630,857	6,687,520	6,134,798	5,402,111	5,590,648
Contract services	8,381,311	8,458,497	7,470,094	7,224,028	7,757,771
Grants to community organizations	169,224	155,668	145,085	173,964	135,870
Materials and supplies	1,326,119	1,161,698	1,055,862	1,042,019	904,769
Utilities	912,111	917,051	776,918	768,796	753,477
Loss on disposal of asset	500	2,940	13,532	N/A	71,744
Interest expense	823,929	831,871	879,858	843,738	817,633
Amortization	3,692,351	3,411,674	3,125,232	2,984,954	2,746,500
	22,936,402	21,626,919	19,601,379	18,439,610	18,778,412



# Statistics



# Statistics

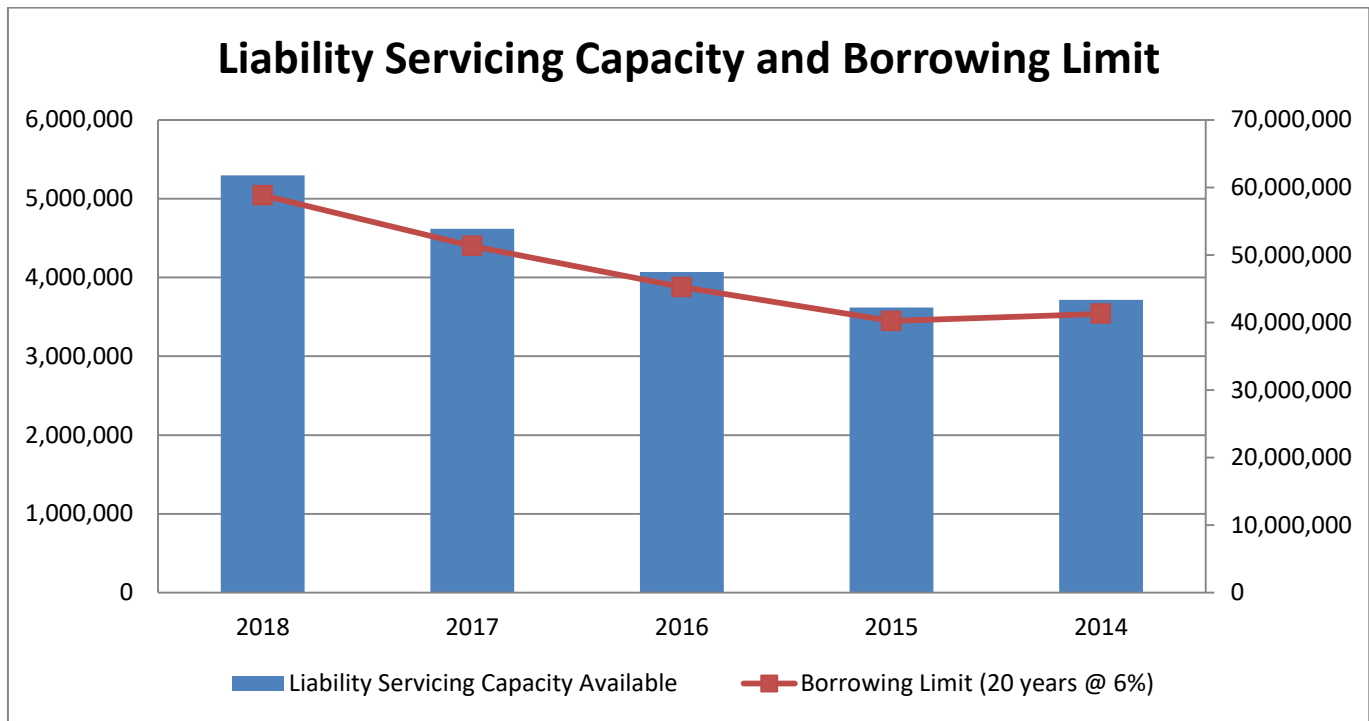




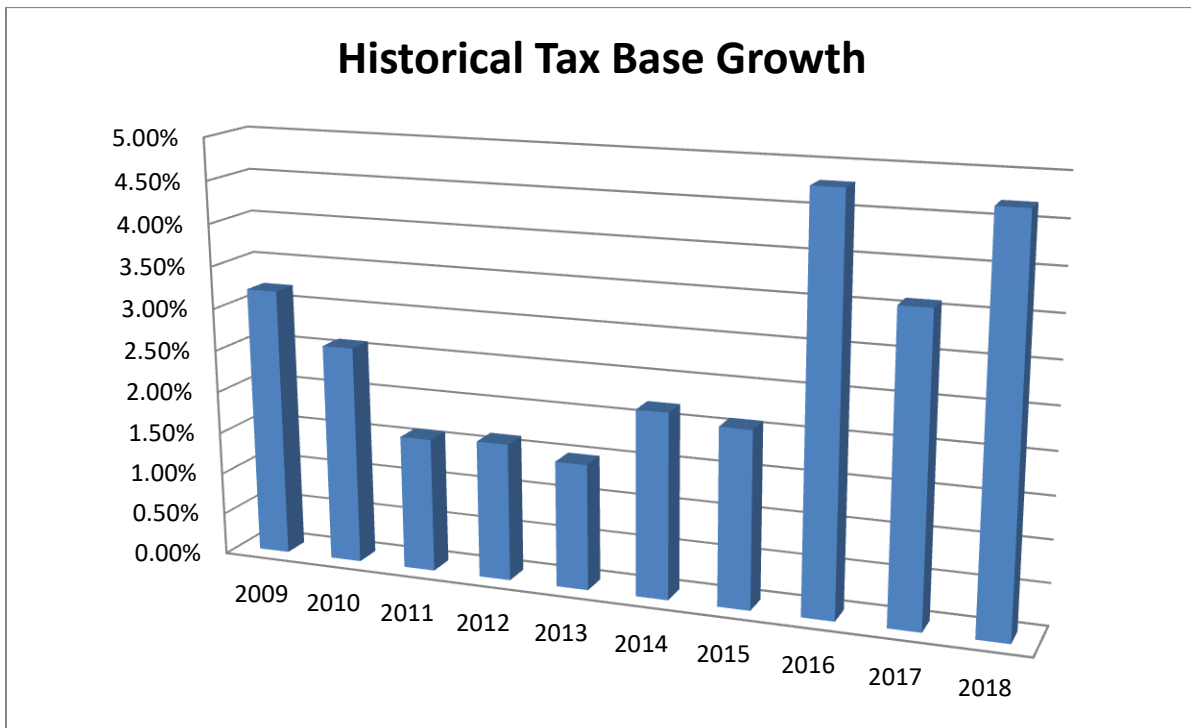
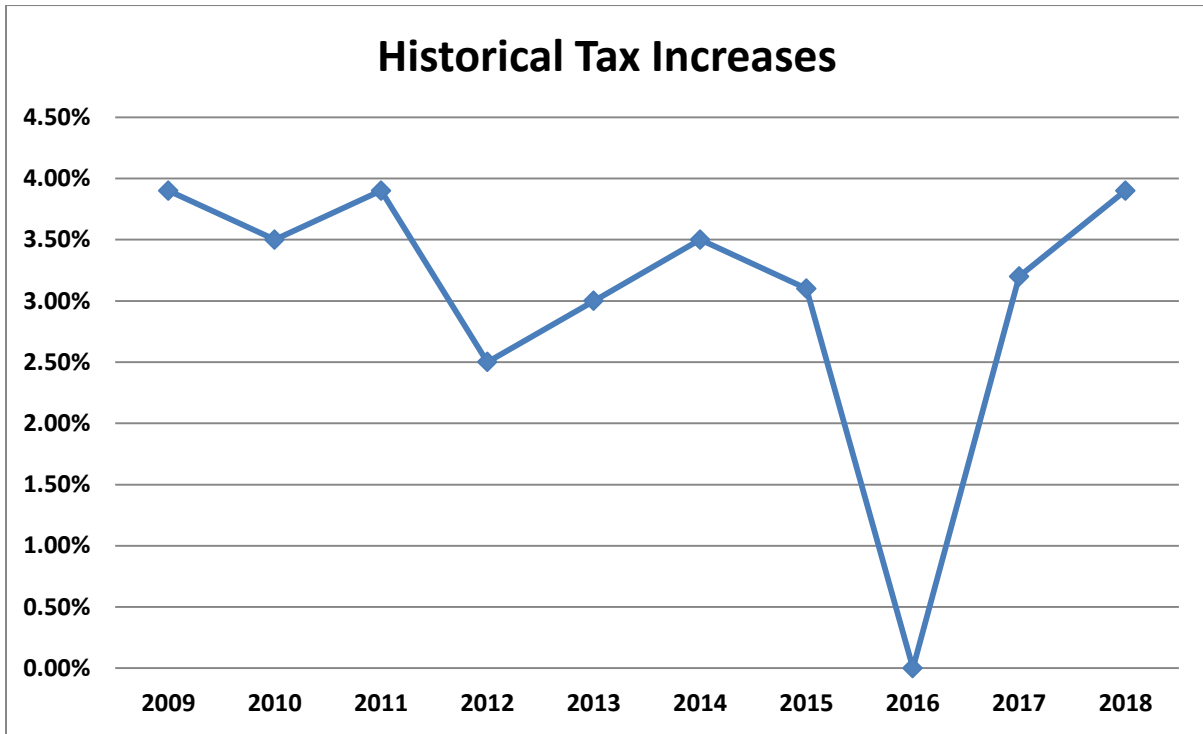
# Statistics

Debt Capacity Last 5 years					
	2018	2017	2016	2015	2014
Total Revenue for Purposes of Limit	27,437,946	25,304,236	23,277,638	20,952,008	21,137,414
Liability Servicing Limit	6,859,487	6,326,059	5,819,410	5,238,002	5,284,354
Actual Debt Servicing Cost	1,554,118	1,696,758	1,738,613	1,608,728	1,559,059
Additional Debt Servicing Cost	9,556	9,556	9,556	9,556	9,556
Liability Servicing Capacity Available	5,295,813	4,619,745	4,071,241	3,619,718	3,715,739
Borrowing Limit (20 years @ 6%)	58,842,367	51,330,500	45,236,011	40,219,089	41,285,989
Accumulated Surplus/(Deficit)	168,777,096	149,560,226	129,519,398	117,399,898	110,634,876
Net Assets(Debt)	11,170,539	8,717,709	3,840,080	(1,573,953)	(1,530,168)

## 602.1 - Liability Servicing Limit



# Statistics



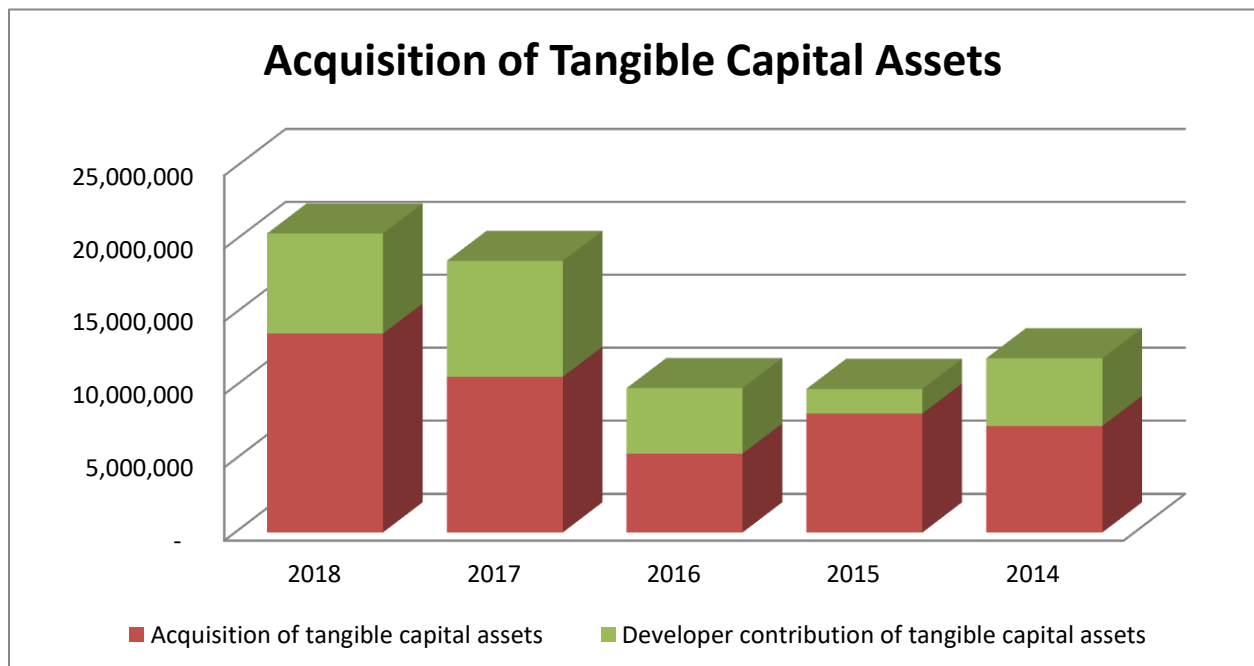
# Statistics

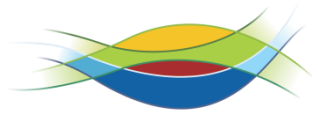
## 2018 Principal Corporate Tax Payers (Top 10)

Company	Sector	Property
TERASEN GAS INC	Utility	Gas Utility
MACDONALD LAKESHORE PROPERTIES LTD	Development	Multiple Properties
0713065 BC LTD	Retail	Coopers Village
TURTLE BAY CROSSING DEVELOPMENT LTD	Retail	Turtle Bay Crossing
MARKUI CONTRACTING LTD	Retail	Winfield Shopping Centre
BC TREE FRUITS CO-	Agricultural	Grower Coop
BRITISH COLUMBIA HYDRO & POWER AUTHORITY	Utility	Hydro Utility
KON KAST (OYAMA) HOLDINGS LTD	Industrial	Gravel Pit
OK BUILDERS SUPPLIES LTD	Industrial	Gravel Pit
O'ROURKE FAMILY VINEYARDS LTD	Hospitality	Peak Cellars

## Acquisition of Tangible Capital Assets Last 5 Years

	2014	2015	2016	2017	2018
Acquisition of tangible capital assets	7,269,450	8,117,562	5,379,953	10,636,855	13,598,643
Developer contribution of tangible capital assets	4,633,941	1,683,199	4,478,491	7,944,018	6,863,247
	11,903,391	9,800,761	9,858,444	18,580,873	20,461,890





# LAKE COUNTRY

Life. The Okanagan Way.



[www.lakecountry.bc.ca](http://www.lakecountry.bc.ca)