



**DISTRICT OF
SUMMERLAND**



The Corporation of the District of Summerland

13211 Henry Ave, Box 159, Summerland BC V0H 1Z0

www.summerland.ca

2019 ANNUAL REPORT

For the year ending December 31, 2019

Table of Contents

Message from the Mayor	3
District of Summerland Council	5
Community Profile	6
2019 Council Committees	8
Organizational Chart	10
District of Summerland 2019 Priorities	11
District of Summerland 2019 Priorities (updated October 2019)	13
District of Summerland 2019-2022 Strategic Priorities	15
Report from Chief Administrative Officer	23
Administration/Corporate Services.....	24
Community Development	26
Climate Action	26
Fire Department	28
Emergency Management	30
Police (RCMP)	30
Development Services	31
Recreation Department	34
Works and Utilities	36
Electrical Utility... ..	38
FINANCIAL SECTION	
Finance Department	40
Message from the CFO	41
Financial Statements	42
Responsibility for Financial Reporting	44
Auditors' Report	45
Consolidated Financial Statements	47
Notes to the Consolidated Financial Statements	51
Statement of Financial Information	68
Statement of Financial Information Approval.....	69
Management Report	70
Unaudited Schedules:	
Schedule of Guarantee and Indemnity Agreements	71
Schedule of Council and Employee Remuneration and Expenses	72
Statement of Severance Agreements	74
Schedule of Payments to Suppliers for the Provision of Goods and Services.....	75
Statement of 2019 Permissive Tax Exemptions	78



Mayor Toni Boot

MESSAGE FROM THE MAYOR

In January 2019, Council began the first full year of the 2018 - 2022 term by reviewing the Strategic Priorities carried through from the previous term. Six themes head the District of Summerland's Strategic Plan: infrastructure investment; community resilience; alternate energy; good governance; active lifestyles; and downtown vibrancy. Each of the Priorities falls within at least one of these themes—many more than one.

Department heads create their annual work plans and finance staff develop District budgets based on the priorities identified by—and in collaboration with—Council. Although the Strategic Plan provides a blueprint over the four-year term, occasionally there are times when a project or initiative comes forward that bears future investigation and (often) allocation of both financial and human resources. One significant example of this in 2019 was the proposed Summerland Recreation and Health Centre project.

In 2018, a facility assessment on the aquatic and fitness centre showed that the structure was nearing the end of its lifecycle and needed to either undergo considerable upgrades and repairs or be replaced.

While the Parks and Recreation Master Plan (2018) identified that developing options for an aquatic and fitness centre was a priority for 2019, the potential to fill other gaps in the community—in collaboration with partners—began to emerge. In September at the annual Union of B.C. Municipalities (UBCM) convention, Council and partner representatives met with relevant Provincial Ministers to gauge interest and support for a multi-use facility. By year-end, the Summerland Recreation and Health Centre Working Committee proposed a municipal facility that would house aquatic amenities, a fitness centre, a primary care (health) centre, the new Summerland Secondary School gymnasium, a child care centre and meeting rooms. Much work needs to be done on this multi-year project; the next steps include a formalized agreement between the partners and a comprehensive consultation process with the community.

Although the District was not tested by fires or floods in 2019, Council and staff were challenged by changes in key positions in local government. In early spring the Chief Administrative Officer (CAO)—head of staff—left the role. An interim CAO was hired on a part-time basis until Council hired Anthony Haddad to take on the position full time. One of Mr. Haddad's many early responsibilities was to hire a new corporate officer, a position that was also vacated. Senior management and staff are to be commended for stepping up and continuing to maintain a high level of productivity despite the upheaval.

Some of the major projects completed or substantially completed in 2019 include the purchase of a new aerial fire truck; the completion and opening of the Summerland Skatepark; the Giant's Head Park Trails Redevelopment (substantially); the docks at Rotary Beach; the flood repairs at Powell Beach; and the design work for the replacement of the Isintok Dam Outlet Pipe.

The District also began work on the Comprehensive Climate Action Planning project; selected a preferred location for the solar+battery project; commenced the review of development bylaws and policies; adopted new net metering policies (for residential electricity generation); and adopted an Asset Management Policy to support and guide the Asset Management Plans.

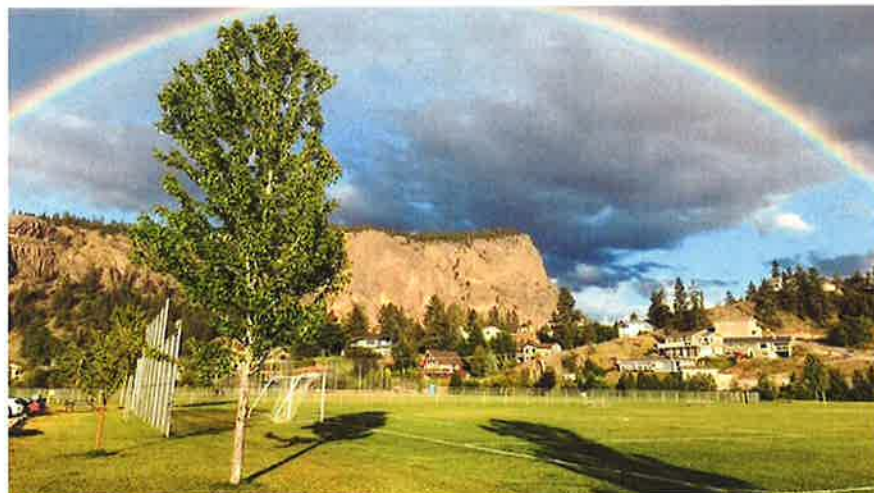
The District was awarded grant funding for the continuation of the South Okanagan Food Hub project (formerly Okanagan Agriculture Innovation Centre) and to begin the work on an Organics Processing Facility at the Summerland Landfill. Grant applications were submitted for an additional 22 electric vehicle charging stations; a voltage conversion project that will upgrade the system and provide long-term sustainability in the electrical utility; and substantial upgrades to the Arts and Culture Centre and Museum.

While a number of new housing starts added to the Summerland housing stock in 2019, much of this housing is not affordable by many in the community. Council and staff will continue to address the lack of attainable housing options in Summerland through a number of means including working with partners and reviewing land use practises, amongst others.

All of Council's strategic priority themes include an element of resilience, whether it be building reserves for future infrastructure investments, developing the opportunities afforded through our electrical utility, creating a lively and vibrant downtown neighbourhood, or ensuring there are recreational and cultural activities and amenities for all ages and abilities.

Our success now and well into the future depends on building relationships through ongoing communication and partnering with organizations, government and—most importantly—the residents of Summerland. The District of Summerland Council and staff look forward with enthusiasm to realizing the many opportunities that lie ahead.

Mayor Toni Boot



DISTRICT OF SUMMERLAND COUNCIL



Mayor: Toni Boot (middle)
Councillors: (left to right) Doug Holmes, Doug Patan, Erin Trainer, Erin Carlson, Richard Barkwill and Marty Van Alphen.

The District of Summerland is governed by an elected Council comprised of a Mayor and six Councillors. The *Community Charter* and *Local Government Act* give Council the authority to establish policies to guide the growth, development, and operation of the District and to levy taxes to provide services.

COMMUNITY PROFILE



Incorporated in 1906, the District of Summerland is an 11,615 person rural municipality in the Okanagan Valley situated between Kelowna and Penticton. A member municipality of the Regional District of Okanagan Similkameen, Summerland has an area of 73.8 square kilometers with vineyards, orchards, mountains and sandy beaches offering breathtaking views in all four seasons.

Summerland has a growing population of young professionals who enjoy outdoor recreation opportunities and the “take your time” ambience that Summerland offers. Families are attracted to parks, programs for children, excellent schools and our vibrant arts and cultural life. Summerland's location near Penticton and Kelowna make Summerland the perfect option for those who want access to big-city amenities and airports, while also enjoying a small town way of life.

The traditional economic driver in Summerland has been the fruit growing industry which has been expanding through related enterprises such as wine and cider production. Tourism, commercial and light industry have also become significant parts of the local economy. Summerland's economy is stable with employment from a range of sectors including agriculture, manufacturing, commercial, retail, tourism and agricultural research.

For the past 100 years, the federally owned Summerland Research and Development Centre has promoted the sustainable and economical production of foods in Canada. The research facility sits on 320 hectares of land, 90 of which are irrigated for horticulture & viticulture research. It is also home to the Summerland Ornamental Gardens, an important botanical resource in the Okanagan region.

VISION

The Summerland Official Community Plan (OCP) policies express the fundamental values and goals of the community and set directions for achieving a collective vision. “Our historic lakeside community has a collective sense of belonging and preserves and enhances its quality of life, agricultural character and its distinctive natural setting in a manner that reflects our strong social values. We respect our traditional small town character and proactively work to ensure balance among our shared values of protecting our natural environment, supporting a sustained local economy, showcasing cultural and historical legacies and providing quality facilities and services for our diverse population both now and for future generations.”

The Summerland Vision tells us where we want to go but not how to get there. The OCP guides our direction while the Strategic Plan provides the priority, allowing us to focus our energy on what is important. By having a Strategic Plan, we have cleared a path to get us from where we are today to where we want to be tomorrow.

MISSION

The following Mission is a statement of the Corporation's core purpose:

To foster a progressive, healthy, and innovative community by continually improving our social, environmental, cultural, and economic well-being for present and future generations.

VALUES

The following corporate values express the core convictions Council and employees share about how they must conduct themselves to fulfill the Corporate Mission:

Honesty - We are trustworthy and tell the truth; we are accountable and follow through on commitments; and, as professionals, we accept no gift nor favour nor misuse of public time or property.

Respect - We treat everyone equally and justly, and we hold each other and those we serve in high regard and have a modest sense of our own importance.

Creativity - We are imaginative, original, innovative, progressive and resourceful in accomplishing our tasks.

Transparency - We communicate clearly and accurately and offer easy public access to information, and our collaborative, thoughtful and nonjudgmental decision-making involves all types of people.



2019 COUNCIL COMMITTEES

- **Advisory Planning Commission**

The Advisory Planning Commission is an 8-member committee established by Council. All members of the Commission are members of the public and at least 2/3 must live in Summerland. The Commission reviews applications for amendments to the Official Community Plan and Zoning Bylaw and also considers matters referred to the Commission by Council. The Commission does not meet on a regular schedule, instead holding meetings when there are items to be considered. All meetings of the Commission are open to the public. Recommendations from the Commission are forwarded to the Development Services Department for inclusion in the staff report to Council on individual development applications.

- **Agricultural Advisory Committee**

The Agricultural Advisory Committee (AAC) advises Council on issues important to the agri-business community including land use and economic development matters with respect to agriculture. The AAC acts as a liaison between Council and the agricultural community.

The primary objective of the AAC is to advise Council on sustainable agricultural land use from a multiple bottom line (i.e. cultural, economic, environmental, and social) perspective.

The AAC advises council on ALR applications, OCP and zoning applications affecting lands in the ALR and other matters as referred by Council.

- **Board of Variance**

The Board of Variance is comprised of three members of the community, appointed by Council. The Board considers appeals from property owners who request a minor variance of a bylaw respecting the siting, dimensions or size of a building. The Board can only consider the appeal if they believe the enforcement of the bylaw requirements is causing hardship and the Board can only grant what they consider to be a minor variance. The Board also has other areas of jurisdiction as established in the Local Government Act and the Community Charter. Applications to appeal to the Board of Variance are made at the Development Services Department and the applicant must include the prescribed fee with their appeal. The Administration office will contact the Board members to set up the meeting date for the appeal. Adjacent property owners and residents will be advised of the appeal and are entitled to attend the meeting and address the Board along with the applicant. For further information on the Board of Variance, contact the Administration office.

- **Community Climate Action Advisory Committee**

The Community Climate Action Advisory Committee's mandate is to provide, through staff, a local perspective and advice to Council with respect to achieving the District's community-wide greenhouse gas (GHG) emission reduction targets and accompanying objectives related to Climate Action, as identified in the Official Community Plan.

The Committee is made up of five citizen representatives, one Council member, and the Sustainability/Alternative Energy Coordinator.

- **Cultural Development Committee**

The Cultural Development Committee will provide a local perspective in guiding progress of arts and cultural

development within the community. The group will also advise council on issues relating to arts and culture and support projects like the Arts & Cultural Centre. The committee will consist of artists, arts supporters, cultural entrepreneurs as well professionals from other sectors: business, communications, education, health, finance, among others. The combination of artists from different genres and community members who have expertise in other areas offer Summerland's arts and cultural community advice and support, enabling collaboration and building strength.

- **Development Process Improvement Advisory Committee**

The Development Process Improvement Advisory Committee's mandate is to provide advice and assistance to Council and staff as the Development Services Department look to update bylaws, processes and procedures as they relate planning, development and construction in the community.

- **Heritage Advisory Commission**

The Heritage Advisory Commission advises Council on matters relating to heritage conservation and makes recommendations respecting heritage buildings and lands and the demolition, preservation, alteration or renovation of those buildings. The Commission is made up of members representing a variety of community interests including the Museum and Heritage Society and includes one member of Council. Meetings of the Commission are open to the public.

- **Parks & Recreation Advisory Committee**

The mandate of the Parks & Recreation Advisory Committee is to provide a local perspective and advice to Council and staff on the provision of parks and recreation services, programs and facilities in Summerland with consideration of the District of Summerland Parks & Recreation Master Plan. The Committee consists of a maximum of nine members including six voting representatives from the public and three non-voting members (one representative from Council, one representative from School District #67, one staff liaison).

- **Sister City Advisory Committee**

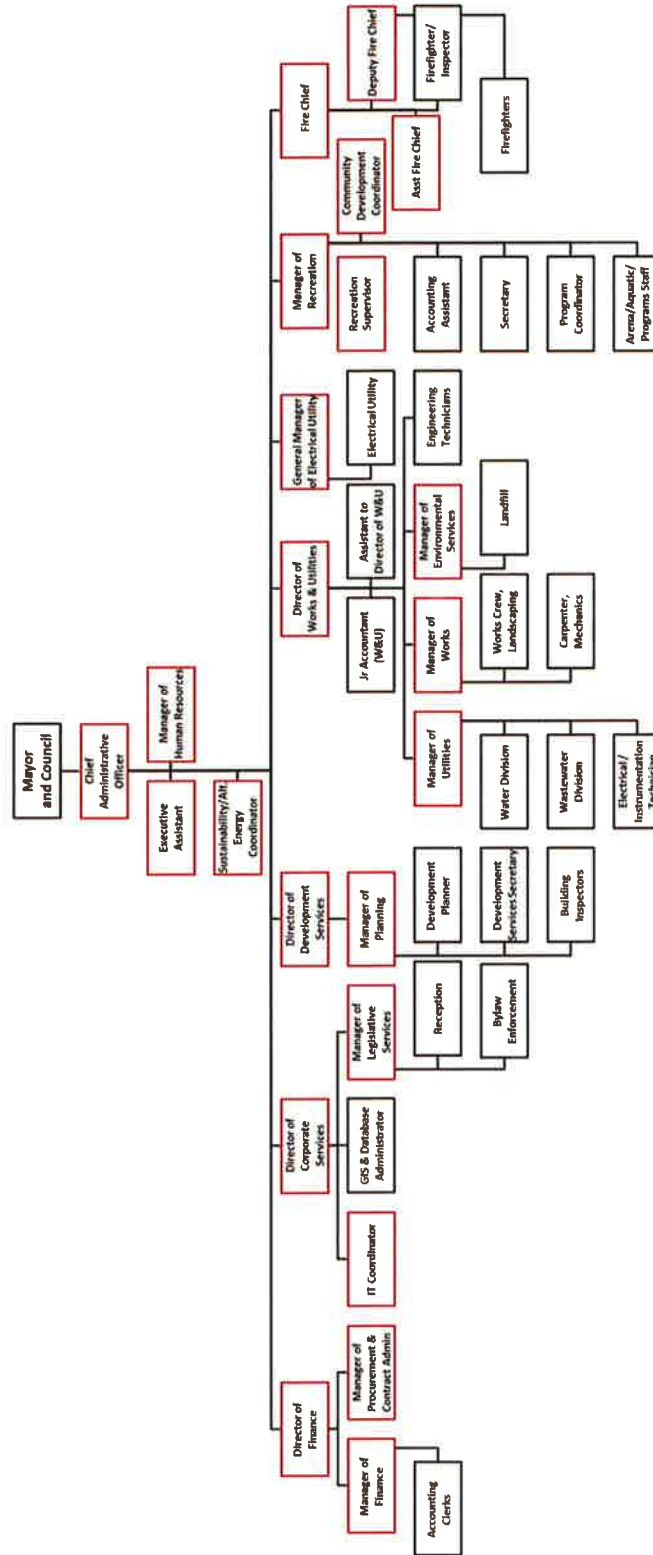
The Sister City Advisory Committee encourages and supports economic stimulation and facilitates the exchange of information and cultural experiences between the District of Summerland and its Sister City, Toyokoro Japan. This committee coordinates and plans official visits to and from Toyokoro (which include student and adult delegations) and acts as an official liaison. Under the direction of the Toyokoro School District and Toyokoro own recruit, they hire and provide ongoing support for a Summerland resident to work as an Assistant English Teacher. This committee is comprised of 10 members of the public and one member of Council.

- **Water Advisory Committee**

The purpose of the Water Advisory Committee is to make recommendations to Council with respect to the quality and quantity of Summerland's water supply and on issues regarding the most efficient, effective use of the commercial, domestic and irrigator water supplied by the District of Summerland.

Priorities for the committee are agricultural irrigation scheduling, potential development of a lake source of water, the impact of activities in our watershed, water conservation, water quality, water rates and other matters referred to the Committee by Council. Projects which have received Council approval are not within the mandate of the committee.

ORGANIZATIONAL CHART



DISTRICT OF SUMMERLAND 2019 PRIORITIES

STRATEGIC PRIORITIES CHART			JANUARY 2019
COUNCIL PRIORITIES (Council / CAO)			
NOW 1. RECREATION CENTRE: Scope 2. SOLAR & BATTERY STORAGE: Location Report 3. ASSET MANAGEMENT: Draft Policy 4. ENEAS CREEK STRATEGY: Assessment 5. 5-YEAR CAPITAL PLAN: 2019 Priorities	TIMELINE April March April February April	ADVOCACY / PARTNERSHIPS <ul style="list-style-type: none"> • Arts/Culture Centre Phase II & III (Province) • Agricultural Tech Centre: Funding (Province) • Voltage Conversion: Funding (Province) • Eneas Creek: Provincial Role 	
NEXT <ul style="list-style-type: none"> • DOWNTOWN PLAN: Scope • ACTIVE TRANSPORTATION PLAN: Adopt • OCP GUIDELINES: Project Charter • UTILITY BUSINESS PLAN: Draft • COMMUNITY ENERGY STRATEGY: Scope • UTILITY RATE REVIEW: Analysis 	<ul style="list-style-type: none"> • PARKS & RECREATION MASTER PLAN: Priorities • MUNICIPAL LAND STRATEGY: Inventory • AGRICULTURAL TECHNOLOGY CENTRE: Next Steps • LONG-TERM FINANCIAL PLAN • RECREATION FACILITY CONDUCT: Policy • HOUSING STRATEGY: Need Assessment 		
ORGANIZATIONAL STRATEGIES (CAO / Staff)			
ORGANIZATION - WIDE 1. RECREATION CENTRE: Options Analysis 2. ASSET MANAGEMENT: System 3. Department Work Program Management: Council Orientation - March 4. Strategic Priority System: Chart, Staff Report & Follow-Up Action List - March			
CHIEF ADMINISTRATION OFFICER 1. HOUSING STRATEGY: Need Assessment - Mar. 2. AGRICULTURAL TECH CENTRE: Next Steps - Feb. 3. IBEW: Collective Agreement: Process - Feb. <ul style="list-style-type: none"> • Recreation Centre Conduct: Policy • ENEAS CREEK STRATEGY: Advocacy 	FINANCE 1. 5-YEAR CAPITAL PLAN: Priorities - April 2. LONG-TERM FINANCIAL PLAN - April 3. Purchasing Policy - April <ul style="list-style-type: none"> • Financial Software: Analysis - Sept. • Utility Billing Timing 		
CORPORATE SERVICES 1. Information Technology Strategy - Feb. 2. Records Management System: Project Scope - Feb. 3. Wharton Property: Sale Complete - Jan. <ul style="list-style-type: none"> • Municipal Hall Renovations: Project Scope • MUNICIPAL LANDS STRATEGY: Inventory Table 	RECREATION 1. REC. CENTRE: Scope for Options Review - April 2. ACTIVE TRANSPORTATION PLAN: Adopt - Mar. 3. PARKS & REC. MASTER PLAN: Priorities - April <ul style="list-style-type: none"> • Giant's Head Mountain Trail: Phase I & II • Skateboard Park 		
DEVELOPMENT SERVICES 1. OCP GUIDELINES: Project Charter - June 2. Zoning Bylaw: Project Charter - June 3. Development Applications Procedure: Review - Feb. <ul style="list-style-type: none"> • DOWNTOWN PLAN: Scope • Building Bylaw 	WORKS & UTILITIES 1. ASSET MANAGEMENT: Draft Policy - Mar. 2. ENEAS CREEK STRATEGY: Assessment - Feb. 3. Subdivision Standards Bylaw: Draft - May <ul style="list-style-type: none"> • 2017 Flood Repair Projects: Tender - April • Water Master Plan: Draft Report - Mar. 		

FIRE SERVICES

1. Emergency Management: District Training - Mar.
2. EOC Grant Submission - Feb.
3. Emergency Operations Centre: Review - May
 - Aerial Apparatus Purchase
 - Recruitment Class Certification

ELECTRICAL

1. UTILITY RATE REVIEW: Analysis - June
2. Voltage Conversion: Grant - Jan.
3. **SOLAR & BATTERY: Location Report** - Mar.
 - UTILITY BUSINESS PLAN: Draft
 - COMMUNITY ENERGY STRATEGY: Scope

BOLD CAPITALS = Council NOW Priorities; **CAPITALS** = Council NEXT Items; *Italics* = Advocacy; **Title Case Bold** = Organizational Excellence, Title Case = Departmental Strategic Initiatives



2019 STRATEGIC PRIORITIES CHART (Oct 2019 Update)

CORPORATE PRIORITIES (Council/CAO)

NOW

1. Recreation Centre: Scope - Dec
- ✓ 2. Solar & Battery: location report – March
- ✓ 3. Asset Management: Policy - April
- ✓ 4. Eneas Creek Strategy: Assessment Draft– Feb
- ✓ 5. Five Year Capital Plan: 2019 Priorities – April (not including Electrical)
6. Five Year Electrical Capital Plan - Sept

Next

- Downtown Plan: Scope
- Active Transportation Plan: Adopt
- OCP Guidelines: Project Charter
- Electric Utility Energy Strategy: Scope
- Utility Rate Review: Analysis
- Parks & Recreation Master Plan: Priorities
- Municipal Land Strategy: Inventory
- Agricultural Tech: Next Steps
- Long Term Financial Plan
- Recreation Facility Conduct: Policy
- Housing Strategy: Need Assessment

OPERATIONAL STRATEGIES (CAO/Staff)

ORGANIZATION-WIDE

1. Recreation Centre: Options Analysis - December
2. Asset Management: System - Ongoing
3. Department Work Program Management: Council Orientation - Oct
4. Strategic Priority System: Chart, Staff Report & Follow-Up Action List - ongoing

CHIEF ADMINISTRATIVE OFFICER

1. Housing Strategy: Need Assessment – Oct
2. Agricultural Tech. Centre.: Next Steps – Jan
- ✓ 3. IBEW: Collective Agreement - Done
- ✓ Recreation Centre Conduct: Policy - Done
 - Eneas Creek Strategy: Advocacy - Oct

FINANCE

- ✓ 1. Five Year Capital Plan: Priorities -Done
- ✓ 2. Long Term Financial Plan – 5Year Plan - Done
- 3. Purchasing Policy – January
 - Financial Software: Analysis – June
 - Utility Billing Timing - April

CORPORATE

1. Information Technology Strategy - March
2. Records Management System: Project Scope -March
- ✓ 3. Wharton Property: Sale Complete - Done
 - Municipal Hall Renovations: Project Scope- on hold
 - ✓ Municipal Lands Strategy: Inventory Table - Done

RECREATION

- ✓ 1. Recreation Centre: Scope for Options Review – Done
- ✓ 2.Active Transportation Plan: Adopt Done
- ✓ 3.Parks & Rec Master Plan: Priorities - Done
 - ✓ Giant Head Mountain Trail: Phase I & II – Done – additional works currently underway
 - ✓ Skateboard Park -June 22 - Done

DEVELOPMENT

1. Development Application Procedure Review- Consultation Plan - January
- 2.Zoning Bylaw: Project Charter - January
- 3.OCP Guidelines: Project Charter - January
 - Downtown Plan: Scope - January
 - Building Bylaw – Consultation Plan - January

WORKS & UTILITIES

- 1.Asset Management: Business Case & Project Prioritization Framework - Jan
 - ✓ Policy, Strategy & Road Map – Done
2. Eneas Creek Strategy: DFA & Section 11 Apps - Dec
 - ✓ Assessment Report & Open House - Done
3. Subdivision Standards Bylaw: Draft - Jan
 - 2017 Flood Repair - Powell & Gartrell: Construct – Nov
 - 2017 Flood Repair - PO/Rotary & Lakeshore: Tender - Feb
 - Water Master Plan: Draft Report – Dec

FIRE

- ✓ 1. Emergency Management: District Training – Done
- ✓ 2. EOC Grant Submission – Done
- 3. Emergency Options Centre Review – Dec
- ✓ Aerial Apparatus Purchase - Done
- ✓ Recruitment Class Certification - Done

ELECTRICAL

- ✓ **1. Utility Rate Review: Analysis – September**
- ✓ 2. Voltage Conversion: Grant - Done
- ✓ **3. Solar & Battery: Location Report – Done**
 - **Electric Utility Energy Strategy: Scope -December**
 - **5 Year Electrical Capital Plan - September**

✓ Completed



Corporate Priorities (Council/CAO)



Changes/Updates

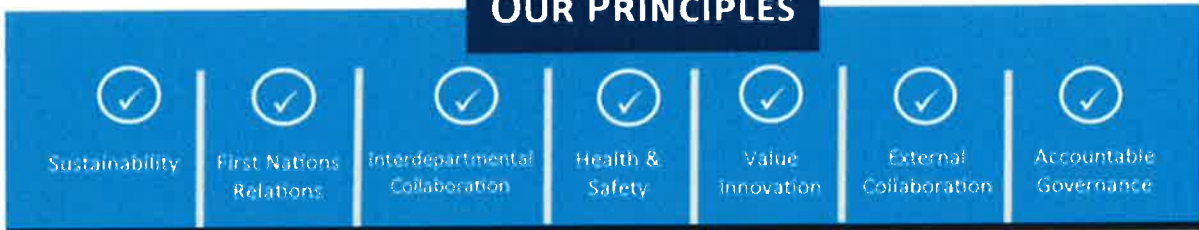


DISTRICT OF SUMMERLAND 2019-2022

STRATEGIC PRIORITIES



OUR PRINCIPLES



EXISTING AND EMERGING PRIORITIES

Infrastructure Investment	Good Governance	Community Resiliency	Alternative Energy	Active Lifestyles	Downtown Vibrancy
Asset Management	Process Improvement	Affordable / Supportive Housing Opportunities & Partnerships	Solar & Battery Project (G)	Community Health & Wellness Centre	Downtown Plan
Capital Plan / Priorities Road and water main 10yr plan	Penticton Indian Band Relationship / Priorities	Chamber of Commerce – Industry Engagement / 5yr Plan	Climate Action Plan Implementation	Parks & Recreation Master Plan Implementation	Arts & Culture Centre renovations (G)
Giants Head Road – road and water system	Municipal Lead Strategy	Cultural Plan Implementation	Community Energy Strategy	Giants Head Mountain	Main Street Outdoor Patio Design Guidelines
Voltage Conversion Project (G)	Bylaw Updates	South Okanagan Agricultural Food Hub		Arena Assessment	Downtown Infrastructure
Road Condition Assessment		Utility Rate Review			
Eneas Creek Strategy					
Isintok dam upgrades					
Trout Creek Flume (G)					

(G) – Grant dependent

Capital Projects



Infrastructure Investment	
Asset Management	<ul style="list-style-type: none"> Continue moving forward with Asset Management Strategy Direction required from Council around Asset Management investments Capital project prioritization framework underdevelopment for use in 2020 Road and water main 10 year capital plan being developed and will be brought forward for Council review
Capital Plan / Priorities Road and water main 10yr plan	
Giants Head Road – road and water system	<ul style="list-style-type: none"> Continue to investigate grant opportunities and funding options for this project – if considered a priority within the Capital Plan. Design and separation of areas upstream to ensure Giants Head water is separated
Voltage Conversion Project (G)	<ul style="list-style-type: none"> Waiting for grant funding announcement in November 2019. 2020 budget is \$2,446,667 (1/3) of total project costs. <ul style="list-style-type: none"> \$2,202,000 (90%) of this is from the Investing in Canada Infrastructure Program Grant \$244,666 (10%) is from Bylaw Reserves. This is to cover project design, material purchase and procurement for installation in 2021.
Road Condition Assessment	<ul style="list-style-type: none"> Assessment completed in September and results are expected to be received by mid December. This information will be used in formulating the 10 year Road Capital Plan.
Eneas Creek Strategy	<ul style="list-style-type: none"> DFA application approved. Work plan and detailed design to be submitted once finalized. CEPF funding application submitted. If approved designs will be completed in 2020 with construction in 2021.
Isintok dam upgrades	<ul style="list-style-type: none"> Detailed design underway. Council will be updated as design progresses. Determination needed, before design moves too far forward around how the project fits within the larger Water priorities for the District.
Trout Creek Flume (G)	<ul style="list-style-type: none"> Assessment needed of how this project fits in with the long term capital priority plan Possible 3rd grant funding application in the future (Infrastructure Planning Grant Program)



Good Governance	
Process Improvement	<ul style="list-style-type: none"> The organization will work through Process Improvement as part of 2020 workplans. Development Process Improvement Advisory Committee created to assist with processes in Development Services
Penticton Indian Band Relationship / Priorities	<ul style="list-style-type: none"> Continue to move forward with Council to Council meetings Identify joint areas of interest for partnership development
Municipal Land Strategy	<ul style="list-style-type: none"> This project will be deferred to 2021 Assess municipal land downtown as part of 2020 Downtown Plan process
Bylaw Updates	<ul style="list-style-type: none"> Corporate Officer will bring forward a bylaw priority plan as part of the 2020 workplan for Council consideration.



Community Resiliency	
Affordable / Supportive Housing Opportunities & Partnerships	<ul style="list-style-type: none"> The District's role as a local government will be to facilitate and bring groups together and raising awareness of different housing models and resources available Data provided by housing needs assessment will provide more information to make decisions Staff to bring forward budget requests for 2020, to host a housing forum in Summerland.
Chamber of Commerce – Industry Engagement / 5yr Plan	<ul style="list-style-type: none"> Commence working with Chamber and Business community as part of 2020 workplan and Council direction. Business Climate Survey to commence to set direction for Chamber of Commerce 5 Year Plan
Cultural Plan Implementation	<ul style="list-style-type: none"> Implementation plan to be brought forward for Council review. Determination as to where Culture and Heritage fit within the organization is needed
South Okanagan Agricultural Food Hub	<ul style="list-style-type: none"> Council update scheduled for Q4 2019, in advance of any grant applications. Existing Rural Dividend Funding in place for contractor to lead projects January 2020 Grant application in preparation
Utility Rate Review	<ul style="list-style-type: none"> Presentation to Council as part of Utility budget



<p>Alternative Energy</p>	<p>Solar & Battery Project (G)</p> <ul style="list-style-type: none"> Contaminated soils assessment and geotechnical investigation to be completed early 2020 (funded by grant) Results of detailed site analysis to be presented to council for further direction (no funding required) if council provides direction to continue work at preferred site, detailed engineering, procurement, and site preparation work will begin (grant/DoS funded – already budgeted) if council provides direction to investigate other sites, staff will require direction on funding sources
<p>Climate Action Plan Implementation</p>	<ul style="list-style-type: none"> Coming to Council for approval in early 2020. Implementation to form part of workplan for 2020 (until plan is finalised, no extra budget requests can be made. Some implementation may be possible through existing budget requests and/or through existing reserve funds following council approval)
<p>Electric Utility Energy Strategy</p>	<ul style="list-style-type: none"> Outline to go to council early 2020 for approval on content and direction Two funding sources: <ul style="list-style-type: none"> General Manager salary (GM to write initial draft) Contracted Services \$25k (Contracted Services to complete subsequent drafts and finalize)



<p>Active Lifestyles</p>	<p>Community Health & Wellness Centre</p> <ul style="list-style-type: none"> • Workplan to be developed to consider District capacity to lead this project • Partnership with SD67, Interior Health, PIB, SOS Div. Family Practice and other partners to be the focus of early discussions on this project. • Ensuring the Aquatic Centre project is not unreasonably impacted by the larger conceptual project will be important as the process moves ahead. • A project manager dedicated to run the process may be required. • Discussion fits required around future capital costs and the potential for establishing a swimming pool reserve.
<p>Parks & Recreation Master Plan Implementation</p>	<ul style="list-style-type: none"> • Bring forward implementation items for 2020 budget discussion. • Include dog park / tennis court / pickle ball
<p>Giants Head Mountain</p>	<ul style="list-style-type: none"> • Identify projects for this priority as part of 2020 budget
<p>Arena Assessment</p>	<ul style="list-style-type: none"> • Continue moving ahead with arena assessment consultancy.



Downtown Vibrancy	
Downtown Plan	<ul style="list-style-type: none"> • Staff will prepare a report for Council to discuss the scope of what should be included in a Downtown Plan • Current budget of \$50,000 exists
Arts & Culture Centre renovations (G)	<ul style="list-style-type: none"> • Grant application will determine scope of works proposed for the building renovation • Council to consider management framework with Arts Council
Main Street Outdoor Patio Design Guidelines	<ul style="list-style-type: none"> • Report to come to Council in early 2020 to develop policy and/or bylaw for Storefront Use / Sidewalk Patios • Discussion will also need to be included as part of Downtown Plan
Downtown infrastructure	<ul style="list-style-type: none"> • Analysis to be completed as part of Downtown Plan • Potential use of \$10,000 Rural Dividend funds for this work



Anthony Haddad, CAO

REPORT FROM THE CHIEF ADMINISTRATIVE OFFICER

The annual report provides an opportunity to summarize the operations of the District for the past year and set the scene for a strong 2020. As CAO, it is my responsibility to ensure we provide an outstanding level of customer service, delivering efficient and cost-effective services and programs for the benefit of our community.

2019 was a year of significant change for the District of Summerland. Changes to the Senior Management team and structure of the organization saw the beginnings of moving all departments in line to achieve the priorities of Council and the community.

Council's Strategic Priorities for Infrastructure Investment, Good Governance, Community Resilience, Alternative Energy, Active Lifestyles and Downtown Vibrancy provided staff with the direction for completion of the actions needed to implement these priorities. Even with significant changes in leadership through 2019, staff were able to accomplish many priorities for the year. The District's commitment to sustainability saw the Solar+Battery Storage continue to move forward in addition to completing the LED streetlight conversion project. Development activity in 2019 saw over \$45M in construction value resulting from the issuance of over 200 building permits. It was a record year for Summerland's construction industry, and we look forward to continuing on with that momentum.

Major Infrastructure projects for 2019 included the F&I Dock construction, Powell Beach Park reconstruction and key strategic downtown infrastructure upgrades to support new development along Kelly Avenue and Wharton Street. Investment in the development of an Asset Management strategy was also a priority for 2019 and staff were able to move this initiative forward, which will set our community up for future investment into our community assets.

I began my role as CAO in August 2019 and began a process with the entire organization to identify priorities and develop principles for Organizational Culture & Direction; including a focus on delivering a high level of customer service and enhancing communications within the organization and throughout the community. Key principles included working with Mayor and Council to achieve the community's vision and a shared commitment from all District staff to build a culture of Organizational Excellence. We have much work ahead of us in 2020 to build upon the work undertaken in 2019, working alongside Council and our community to continue to make Summerland a great place to live, work and invest.

Anthony Haddad
Chief Administrative Officer – District of Summerland

ADMINISTRATION/CORPORATE SERVICES

- Corporate Administration –Policy, legal, privacy, risk & claims
- Legislative Services –Council, records/FOI & bylaw development
- Information Services –GIS, information technology & business systems
- Bylaw Services –Enforcement & business licenses
- Reception –Customer service, municipal hall maintenance & supplies

Accomplishments in 2019

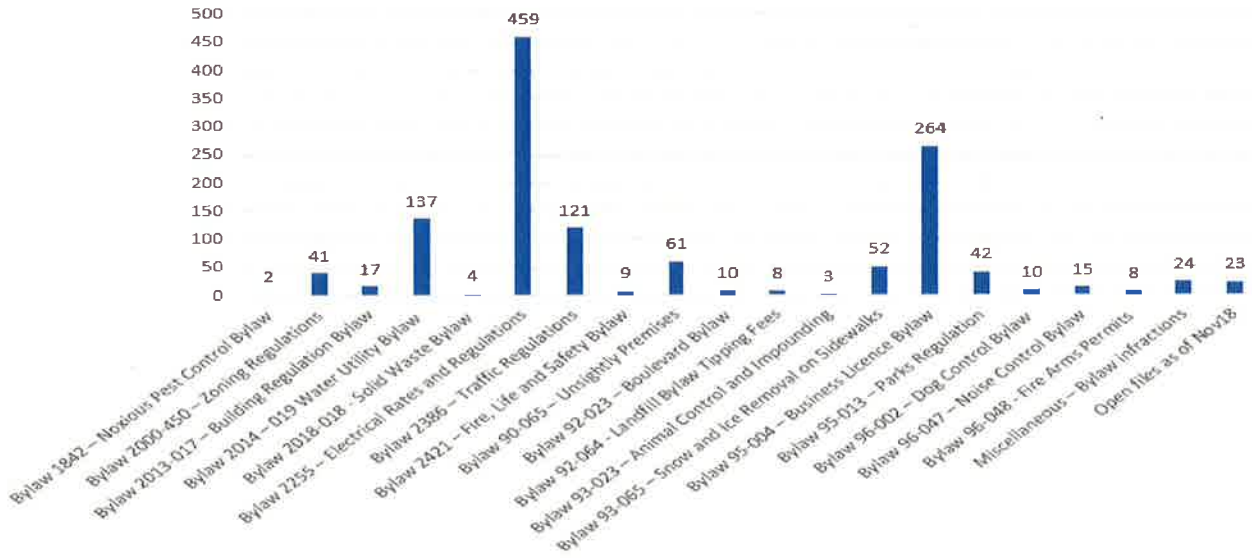
- New Council term orientation, strategic planning sessions and committee orientations;
- New process and procedure for Business Licensing & False Alarm Bylaw tracking and collection;
- IBEW Collective Bargaining
- Casual Bylaw Enforcement Officer – new position hired and trained to provide leave coverage for Bylaw Enforcement;
- Official Community Plan and Zoning map audit;
- GIS Day – corporate-wide education and awareness event.

2020 Priorities:

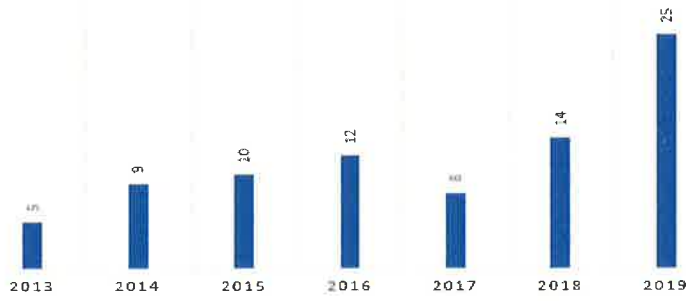
- Good Neighbour Bylaw – new regulations to meet community needs;
- Mapping system upgrades – public, utilities, fire department and land use;
- Digital asset management strategy – IT, Systems and RIM road map information management – systems, corporate records, business needs;
- Technology network improvements – security, service and stability;
- Business continuity-documented policies, procedures and processes;
- Corporate Services Team – support and develop staff resources.



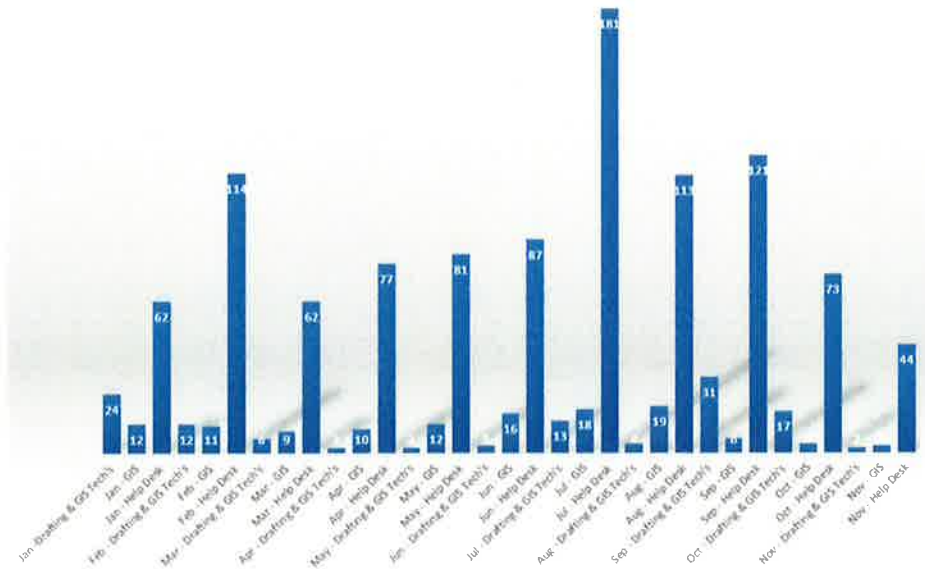
Bylaw Complaints 2019



FOI REQUESTS



2019 Ticket Count per Month by Type



COMMUNITY DEVELOPMENT

- Arts & Cultural Centre: Capital/Fundraising
 - Cultural Hub: Capacity Building, Networking, Governance (Museum and SCAC)
- Events, BC Transit, Age Friendly & Indigenous Liaison
- Grants in Aid/Permissive Tax Exemptions
 - 5 summer students @19 Cultural Events ran 250 surveys and captured 20 minutes of video and 200 photos

2019 Accomplishments:

- 25K Age-Friendly Funding: Assessment Phase 1 completed
- Investing in Canada Infrastructure Program 1.3M submission (Arts & Cultural Centre)
- 20K Rick Hansen Accessibility Funding: Arts & Cultural Centre
- BC Transit Kelowna service expansion
- 15K Fee-for-Service Banner program established (Arts Council)
- 5 Cultural Ambassadors recruited, onboarded and supervised

2020 Priorities:

- Arts and Cultural Centre renovation
- Museum Capital upgrades
- Transit contract obligations – Facilitating BC Transit Engagement/Service Expansion
- Coordinating Trout Creek MOTI Minor Betterments Project
- Indigenous Awareness: Staff and Council education and training

CLIMATE ACTION

- Measure and Report Community and Corporate Green House Gas (GHG) Emissions;
- Reduce Fuel and Energy Use and Waste to Landfill;
- Integrate Climate Adaptation into Planning, Policy, Programs;
- Pursue Renewable Energy Generation Opportunities and Funding;
- Coordinate Special Projects and Events;
- Engage Council, Community, and staff;
- Participate in working groups and networks;
- Over 300 subscribers to climate action and solar energy email lists;
- Annually complete CARIP reporting for over 175 fuel usage points (buildings, fleet, equipment);
- Vast majority of expenses covered by grant funding and rebates.

2019 Accomplishments:

- Completed LED streetlight conversion project;
- Re-launched Distributed Generation program;
- Awarded \$60,000 from Community Energy Leadership Program to install heat pumps in Wastewater Treatment Plant (WWTP);
- Integrated climate action into Asset Management Policy, Strategy, Governance Framework;
- Significant progress made on Solar+Storage Project, including preferred site selection, open houses, site-specific studies;
- Building energy audits completed on all 12 major buildings;
- Draft Community Energy and Emissions Reduction Plan completed.

2020 Priorities:

- Solar+Storage Project
- EV Charging Station expansion (grant-dependent)
- Community and Corporate Climate Action Plans – complete and implement
- CARIP Reporting/Transition
- Asset Management System
- Event Planning





FIRE DEPARTMENT

- Fire Department established in 1949
- Fire hall constructed in 1966/1967
- Average age of firefighting force – 46 years, 6 months.
- 285 emergency response incidents per year.*
- 572 property inspections conducted per year.*
- 49 public education sessions per year.* (1,296 individuals in 2019)
- 232 firefighter training events per year.* (735 training hours)
- 470 Open burning permits issued per year.*

(*Statistic based on 5-year averages)

2019 Accomplishments:

- Took delivery of new aerial apparatus;
- Completed the construction of a new sprinkler protection unit;
- Firefighter II certification completed (2018) recruit class);
- Municipal Emergency Management Training of 24 district staff;
- Emergency Support Services (ESS) equipment grant project completed;
- 34 individual certifications obtained by firefighters in 2019.



New Ladder 231 delivered to Summerland Fire Department in 2019 at a cost of \$975,000.

2020 Priorities:

- NFPA Firefighter II certification of 6 recruit auxiliary firefighters – 13 month certification process.
- Completion of wildfire fuel modification project in Deer Ridge.
- Completion of the Community Wildfire Protection Plan (revision).
- Issue of RFP and construction of bush truck (capital project).
- Fire Hall office area renovation (capital project).

INCIDENTS

SUMMERLAND FIRE DEPARTMENT					
Incident Statistics January 2015 - December 2019					
	2019	2018	2017	2016	2015
Fire Alarm - All Types	54	39	40	48	51
Ambulance Assist	14	6	14	8	9
Burning Bylaw Violation	21	21	16	14	14
Carbon Monoxide Alarm	11	9	7	9	5
Elect./Mechanical Failure	13	21	42	12	14
Fire - Campfire	8	4	19	12	23
Fire - Chimney	5	2	2	2	3
Fire - Dollar Loss	10	12	10	10	15
Fire - Electrical	2	2	1	0	2
Fire - Grass, Forest	14	28	17	21	29
Fire - Motor Vehicle	2	4	5	4	7
Hazmat/Chemical Spills	7	6	4	4	5
Mutual Aid	0	2	4	0	1
Motor Vehicle Accidents - RDOS	11	18	10	21	19
Motor Vehicle Accidents	47	32	66	42	56
Natural Gas Leak	7	5	12	10	8
Public Service	11	11	12	10	5
Rescue/Non-MVA	3	5	4	4	5
Response/Investigations	27	43	62	19	27
TOTAL	267	270	347	250	298
# Auxiliary Firefighters Paged (Daytime calls 0700hrs - 1700hrs)	2019	2018	2017	2016	2015
# times paged	113	112	155	130	133
average # firefighters paged	24.96	26.78	22.90	24.74	21.94
average # firefighters responding	7.57	8.58	7.63	9.20	8.62
average % firefighters responding	30.31%	32.02%	33.31%	31.17%	39.27%
# Auxiliary Firefighters Paged (All hours)	2019	2018	2017	2016	2015
# times paged	206	172	254	204	241
average # firefighters paged	25.23	26.63	22.83	24.2	21.01
average # firefighters responding	8.42	9.45	8.27	9.14	9.03
average % firefighters responding	33.38%	35.49%	36.22%	37.76%	42.98%
Average Response Time	2019	2018	2017	2016	2015
Duty Officer on scene	8 min 46 sec	7 min 58 sec	8 min 8 sec	8 min 49 sec	8 min. 32 sec
Turn out time (first apparatus in service)	7 min 16 sec	6 min 48 sec	6 min 41 sec	7 min 24 sec	7 min. 10 sec
1st apparatus on scene	12 min 17 sec	12 min 13 sec	12 min 7 sec	12 min 35 sec	12 min. 32 sec
2nd apparatus on scene	15 min 0 sec	15 min 31 sec	15 min 11 sec	15 min 10 sec	15 min. 36 sec



EMERGENCY MANAGEMENT

There were no major events in the District of Summerland in 2019.

Two emergency management training sessions for Municipal staff;

- 17 staff attended a 2 day Emergency Operations Centre (EOC) essential training course on February 26th & 27th
- 22 staff attended a 1 day EOC applied training course on March 28th
-



POLICE (RCMP)

The Royal Canadian Mounted Police (RCMP) is Canada's national police service, an agency of the Ministry of Public Safety Canada, providing law enforcement services in

detachments across the country. The District of Summerland contracts the RCMP to provide police services for its citizens.

The Summerland RCMP Detachment is committed to keeping our community safe. We have a partnership with our community, providing safety and security through professional service based on our traditions of fairness and equality. Our mandate is multi-faceted in that we prevent and investigate crime, maintain order, enforce laws on matters as diverse as health, the protection of government revenues, contribute to national security, and provide vital operational support services to other agencies.

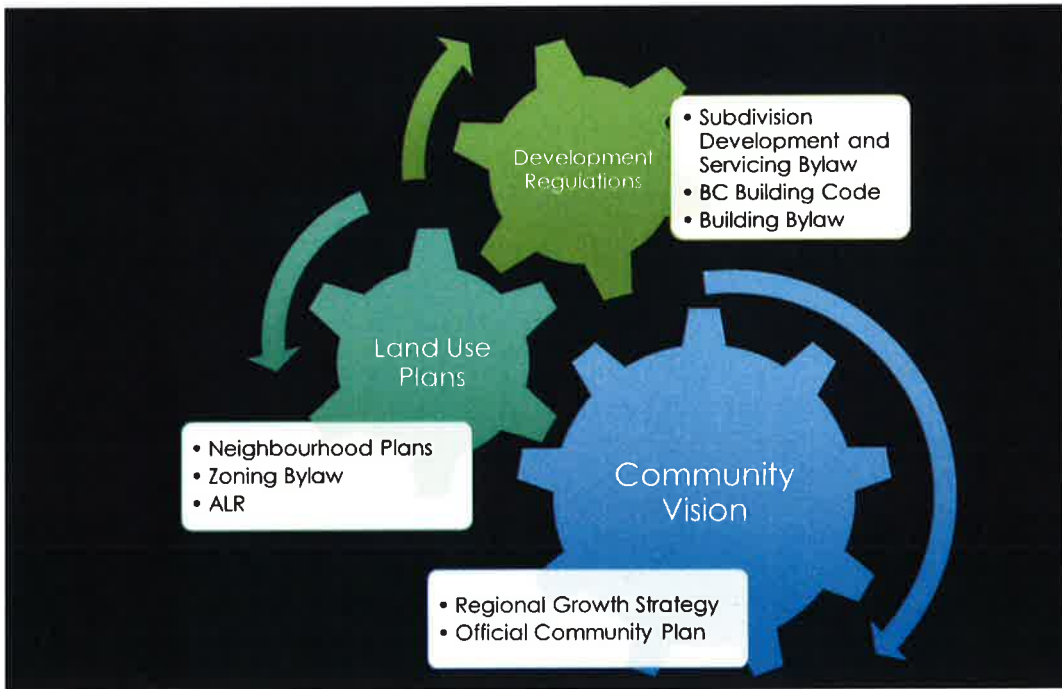
The Summerland RCMP Detachment administers and supports the Citizens on Patrol program and works closely with the South Okanagan Similkameen Crime Stoppers organization.



DEVELOPMENT SERVICES

Development Application processing is our core service

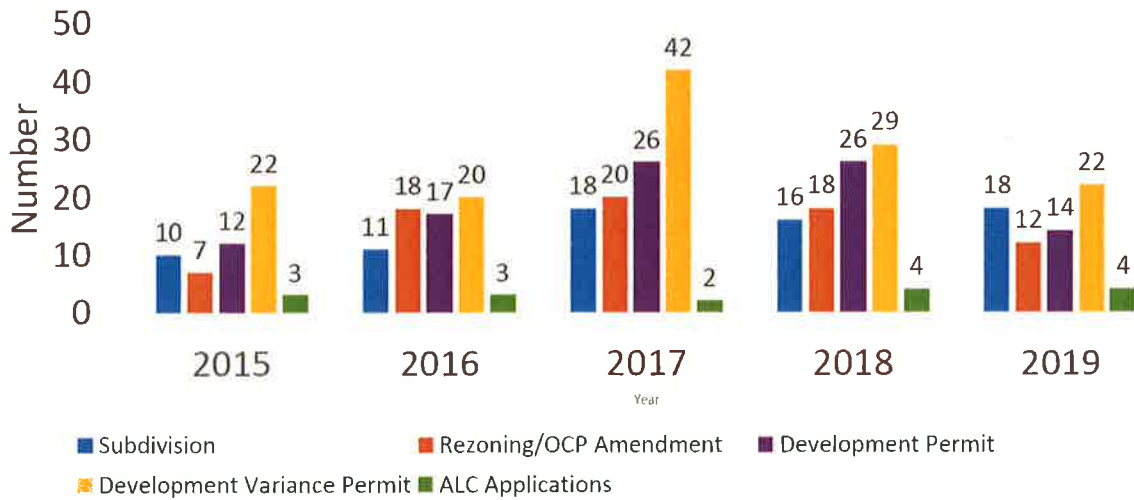
We also create and administer plans, bylaws and programs to realize the community's vision for the future.



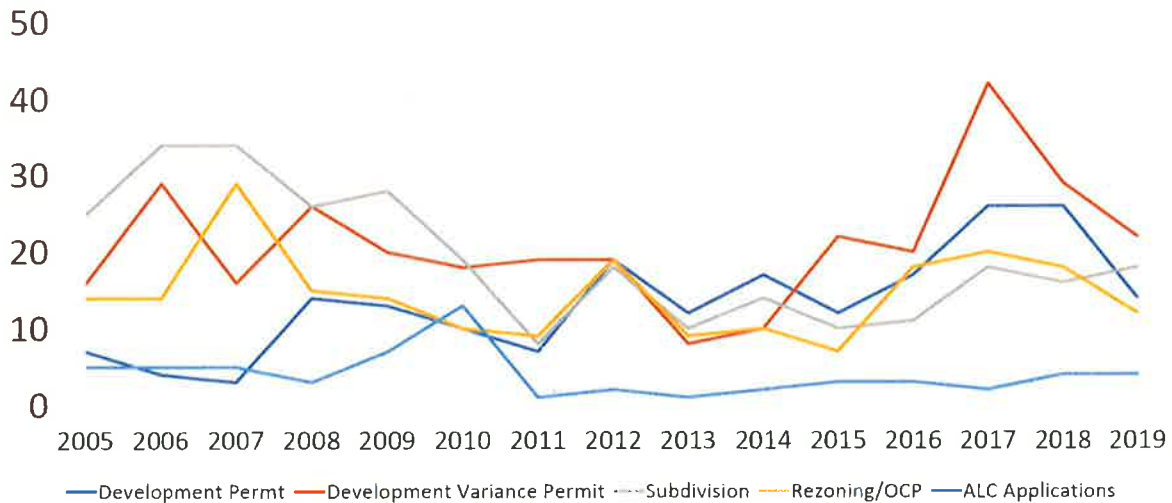
2019 Accomplishments:

Statistics and Facts	2014	2015	2016	2017	2018	2019
ALC Applications	2	3	3	2	4	0
Rezoning Applications	10	7	18	20	18	2
Development Variance Permits	10	22	20	42	29	4
Development Permits	17	12	17	26	26	2
Subdivision Applications	14	10	11	18	16	1
Total Land Use Applications	53	54	69	108	93	9
Total Building Permits Issued	141	197	178	195	190	206
Total Building Permit Value	\$13,590,599	\$24,634,950	\$28,841,233	\$32,113,882	\$28,043,100	\$45,879,300

Development Application Activity Comparison



Development Applications 2005 to 2019



2020 Priorities:

- Downtown Plan
 - Outdoor Patio Program and Design Guidelines
- Processing systems and analysis and update
- Development Process Improvement
- Building Bylaw (BC Energy Step Code implementation)
- Development Approval Procedures Bylaw
- Zoning Bylaw Amendments
- Subdivision and Development Servicing Bylaw
- Official Community Plan Development Permit Area Guidelines
- Short Term Rental Analysis and Options for consideration
- Regional Growth Strategy Context Statement Update





RECREATION DEPARTMENT

- Operates the Summerland Aquatic and Fitness Centre
- Operates the Summerland Arena Complex
- Implements a variety of recreation programs and services
- Conducts pool, arena, park and facility bookings
- Provides reception services and program marketing
- Supports community partnerships and initiatives
- Implements parks and recreation capital projects

2019 Statistics:

- 5,211 Aquatic and Fitness Centre clients
- 306 recreation programs offered
- 2,753 program registrations
- 447 participants in the Giant's Head Run
- 7,995 visits in Recope program (adapted fitness)
- 97 class school visits for skating
- 130 Orca Swim Club members



2019 Accomplishments (top 3):

- Giant's Head Mountain Trails Project (Phases 1 and 2)
- Active Transportation Plans (Trails, Cycling, Sidewalks)
- Summerland Skatepark

2020 Priorities:

- Summerland Recreation and Health Centre
- Pickleball/Tennis/Dog-in-Parks (final report and implementation)
- Memorial Park Master Plan
- Arena Condition Assessment
- Recreation Health and Safety Program





WORKS AND UTILITIES

Roads & Parks:

- Pothole & Patch repairs
- Sweeping Roadside mowing
- Snow removal
- Line Painting and signage
- Drainage and creeks
- Banners and decorations
- Beaches and playgrounds
- Parks/Sports fields

Water & Sewer:

- Water & sewer connections
- Watermain breaks repairs
- Sewer flushing
- Hydrants repairs & flushing
- Treatment facilities
- Pump houses
- Lift stations
- Reservoirs & dams

Solid Waste:

- Landfill
- Recycling & Diversion
- Compost
- Curbside Collection
- Hazardous waste
- Public education
- Regulatory reporting

Engineering:

- Project management
- Construction inspections
- Survey and drafting
- Development reviews
- Cost estimates
- Maintenance Agreements
- Asset Management
- GIS data updates
- Grant applications

Facts and Stats:

- Average years of service in Works Division dropped by 38% due to 4 retirements
- Empty 250 garbage cans and refill 40 dog bag dispensers per week
- Over last 5 years, repaired 32 watermain breaks (not including service leaks)
- 2019 landfill scale crossing = 112,865
- Average resident produces 495 kg/year of solid waste



2019 Accomplishments:

- F & I Docks reconstruction
- Powell Beach Park reconstruction
- AM Policy and Strategy
- Wharton, Kelly and Brown projects



2020 Priorities:

- Flood recovery projects
- Road and watermain projects
- Subdivision and Development Servicing Bylaw
- Fleet Purchases
- Landfill 2nd scale, DOC Plan, Organics processing facility
- Asset data quality improvements



ELECTRICAL UTILITY

Power History

Summerland is one of only five municipalities in BC that owns its electrical utility. For around 110 years the District has proudly served the community with safe, reliable, and economical energy. Summerland Electrical Utility's six employees all live within the community and are dedicated to keeping your lights on no matter the weather, temperature, or time of day.

Power Generation

Currently, the Electric Utility purchases most of its electrical energy from the local transmission wholesaler and small amounts from individual customers with solar installations. This is a traditional model for Municipal Electric Utilities; however, Summerland's Electric Utility will soon be generating its own electricity through its innovative Solar and Battery Energy Storage project. This is in keeping with Summerland's roots as an electrical generator when one of the first hydro plants in BC was commissioned by Summerland around 100 years ago.

Power Distribution

Our electrical distribution network is the backbone of our power delivery system and is currently meeting the needs of existing customers. This electric distribution system consists of over 3,000 power poles, 2,500 transformers, 5,000 revenue meters and over 330 km of wire!

Our Future

The future is full of opportunities for our Electrical Utility. With the many developments occurring in the community (subdivisions and large commercial customers) it is expected our loads will increase over the next 5 years by approximately 20% from 97MWh in 2019 to 124MWh in 2024. This increase, coupled with expected energy savings from our Solar and Battery Energy Storage project of around 0.7MWh per year, will result in an increase in improved financial performance for Summerland's Electrical Utility.

Continuous Improvement

As the Electrical Utility looks towards the future it is focusing on improving existing process and work practices. 2019 has seen the start of initiatives to streamline and modernize processes around new customer connections, bylaw updates, safety improvements and engineering standards. This year we had the opportunity to bring on young and energetic employees who care deeply for customer service and safety. Our focus on prudent Asset Management will ensure the utility is positioned for another 110 years of successfully providing safe, reliable, and economical energy to our customers.

2019 Accomplishments:

- Solar & Battery Site Selection and Resource Monitoring
- Distributed Generation/Net Metering process
- Design and Estimating Standards
- Rate Harmonization through Fees and Charges Bylaw Amendment

2020 Priorities:

- Energy Strategy
- Bylaw updates
- Utility Rate Review
- Business Process Improvements
- Asset Condition Assessments





FINANCE

- Operational and Capital Budgeting
- Financial Reporting (Annual audit, quarterly reporting, etc.)
- Procurement and Contract Administration
- Grant Administration
- Payroll
- Property Taxation
- Monthly Utility and Receivable Billing
- Invoice Processing and Payment

Interesting facts/statistics for 2019:

- 7,050 Vendor invoices processed annually
- 78,950 invoices issued
- 6,597 property tax notices issued

2019 Accomplishments:

- Process Automation
- Agricultural Water
- Annual Budgeting
- Purchasing Policy

2020 Priorities:

- Timesheet Entry Module
- Overall Revenue Assessment
 - DCC Bylaw Review
 - Fees and Charges Review
- Net metering billing automation
- Process efficiencies (incl. consistent application of bylaws)

MESSAGE FROM THE CFO

I am pleased to present the District of Summerland audited financial statements for the year ended December 31, 2019. As noted in the management report, Council has delegated the responsibility for the accuracy, integrity and objectivity of the financial information presented in the financial statements to the management staff of the District. The consolidated financial statements, as required by the *Community Charter*, have been prepared and meet the reporting standards for local governments.

The financial statements reflect a continued improvement in the financial position of the District of Summerland. 2019 Net Financial Assets, which measures a municipalities ability to cover its financial liabilities with its financial assets, increased by \$6.65 million. Overall, revenues increased by \$2.29 million. User fees increased approximately \$817,000 as the District continued to adjust fees to maintain services at appropriate levels, as well as transferring funds into capital reserves for future capital projects. Additionally, the District had \$777,000 in gains from disposals of capital assets throughout the year, with the most significant sale totaling \$2.00 million for a vacant piece of property.

2019 Expenses of \$32.0 million increased \$815,000 over 2018. As in previous years some departments saw expenditures increase, while other departments had expenditures decrease. The most significant increase saw the District's landfill closure amount increase by \$528,300. This increase was primarily due to a decrease in the discount rate that is used to calculate the Net Present Value of the overall landfill closure liability.

The District ended the year with a \$6.60 million increase to accumulated surplus, which has an overall balance of \$119.87 million. Accumulated surplus includes investment in tangible capital assets, funds held in reserve and unappropriated surplus. The General Fund ended the year with \$1.52 million unappropriated surplus, a decrease of \$65,400. The Water Fund ended the year with \$1.93 million unappropriated surplus, an increase of \$821,100 primarily due to budgeted capital items not being completed in 2019. The Sewer Fund ended the year with \$624,700 unappropriated surplus, an increase of \$51,100. The Electric Fund ended the year with \$3.43 million unappropriated surplus, an increase of \$1,207,200.

Funds held in reserve increased \$5.0 million and total \$21.4 million. The primary reason for this increase was due to the District not moving forward with budgeted 2019 capital acquisitions funded through reserves in addition to Council's commitment of putting additional funds into reserves. The 2019 capital budget was \$26.9 million with \$4.8 million being expended, thereby increasing the District's investment in tangible capital assets to a total of \$98.4 million.

Council's ongoing commitment to ensure the financial stability of the District will provide a strong framework in meeting community needs in future years.

Respectfully submitted,
David Svetlichny, CPA, CA - Director of Finance

The Corporation of the District of Summerland
Financial Statements
For the year ended December 31, 2019

The Corporation of the District of Summerland
Contents
For the year ended December 31, 2019

	Page
Management's Responsibility	
Independent Auditor's Report	
Financial Statements	
Statement of Financial Position	1
Statement of Operations and Accumulated Surplus	2
Statement of Changes in Net Financial Assets (Debt)	3
Statement of Cash Flows	4
Notes to the Financial Statements	5

Management's Responsibility

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian Public Sector Accounting Standards for local governments and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Mayor and Council are composed entirely of individuals who are neither management nor employees of the District. The Mayor and Council are responsible for overseeing management in the performance of its financial reporting responsibilities. The Mayor and Council fulfill these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Mayor and Council are also responsible for appointing the District's external auditors.

BDO Canada LLP, an independent firm of Chartered Professional Accountants, is appointed by the Mayor and Council to audit the financial statements in accordance with Canadian generally accepted auditing standards and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically with, both the Council and management to discuss their audit findings.

April 27, 2020



Director of Finance



Tel: 250 763 6700
Fax: 250 763 4457
www.bdo.ca

BDO Canada LLP
1631 Dickson Avenue, Suite 400
Kelowna, BC V1Y 0B5

Independent Auditor's Report

To the Members of Council, inhabitants and ratepayers of the District of Summerland

Opinion

We have audited the financial statements of the District of Summerland (the "Entity"), which comprise the statement of financial position as at December 31, 2019, and the statement of operations, the statement of change 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 Entity as at December 31, 2019, and its results of operations, its change in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The financial statements for the period ended December 31, 2018 were audited by another auditor who expressed an unmodified opinion on those statements on April 8, 2019.

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

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

BDO Canada LLP

Chartered Professional Accountants
Kelowna, British Columbia
April 27, 2020

The Corporation of the District of Summerland
Statement of Financial Position

As at December 31, 2019

	2019	2018
Financial assets		
Cash and cash equivalents	\$ 17,077,079	\$ 9,480,319
Accounts receivable (Note 2)	4,494,817	7,982,531
Portfolio investments (Note 3)	11,149,998	8,466,138
Deposit - Municipal Finance Authority (Note 4)	613,013	640,511
	33,334,907	26,569,499
Financial liabilities		
Accounts payable and accrued liabilities (Note 5)	4,688,042	3,986,488
Landfill closure and post closure liability (Note 6)	1,385,985	650,658
Deferred revenue (Note 7)	6,287,857	6,026,085
Deposits	1,241,905	734,963
Long-term debt (Note 8)	15,409,866	17,507,422
	29,013,655	28,905,616
Net financial assets (debt)	4,321,252	(2,336,117)
Non-financial assets		
Tangible capital assets (Note 9)	113,838,425	114,330,368
Prepays	291,776	235,158
Inventories of supplies	1,415,717	1,043,926
	115,545,918	115,609,452
Accumulated surplus (Note 10)	\$119,867,169	\$113,273,334

Contingent liabilities and commitments (Note 14)



 Director of Finance



 Mayor

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

The Corporation of the District of Summerland
Statement of Operations and Accumulated Surplus

For the year ended December 31, 2019

	Budget (Note 16)	2019	2018
Revenue			
Taxation - net (Note 12)	\$ 11,443,463	\$ 11,448,838	\$ 11,045,167
Government transfers (Note 13)	16,617,699	2,959,365	3,254,546
User fees, sales and rentals	19,820,029	20,029,503	19,212,224
Permits, licenses and fines	600,250	570,659	559,679
Investment income	140,000	345,831	202,275
Actuarial earnings (Note 8)	899,873	899,874	815,174
Penalties and interest on taxes	93,500	95,975	97,533
Franchise	98,261	98,261	107,366
Contributions	1,360,650	967,631	754,011
Other	1,340,410	434,135	276,039
Gain on disposal of tangible capital assets	-	777,079	11,269
	52,414,135	38,627,151	36,335,283
Expenses			
General government services	2,209,397	2,095,912	1,577,112
Protection services	3,118,152	2,775,173	2,848,766
Transportation services	4,664,909	3,221,331	3,450,384
Environmental services	1,835,346	2,225,915	1,673,318
Health services	127,048	82,723	89,186
Planning and development	1,049,817	774,023	688,842
Parks and recreation	3,612,763	3,341,868	3,148,411
Water services	5,578,720	4,552,156	4,365,995
Sewer services	2,900,740	2,527,583	2,439,602
Electrical services	12,480,850	10,436,632	10,936,709
	37,577,742	32,033,316	31,218,325
Annual surplus	14,836,393	6,593,835	5,116,958
Accumulated surplus, beginning of year	113,273,334	113,273,334	108,156,376
Accumulated surplus, end of year	\$128,109,727	\$119,867,169	\$113,273,334

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

The Corporation of the District of Summerland
Statement of Changes in Net Financial Assets (Debt)
For the year ended December 31, 2019

	Budget (Note 16)	2019	2018
Annual surplus	\$ 14,836,393	\$ 6,593,835	\$ 5,116,958
Acquisition of tangible capital assets	(26,962,419)	(4,767,330)	(5,018,300)
Amortization of tangible capital assets	4,738,000	4,034,262	3,685,092
Gain on disposal of tangible capital assets	-	(777,079)	(11,269)
Proceeds on sale of tangible capital assets	-	2,002,090	14,592
	(7,388,026)	7,085,778	3,787,073
Change in prepaids	-	(56,617)	55,199
Change in inventory of supplies	-	(371,792)	(92,136)
Decrease in net debt	(7,388,026)	6,657,369	3,750,136
Net debt, beginning of year	(2,336,117)	(2,336,117)	(6,086,253)
Net financial assets (debt), end of year	\$ (9,724,143)	\$ 4,321,252	\$ (2,336,117)

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

The Corporation of the District of Summerland
Statement of Cash Flows

For the year ended December 31, 2019

	2019	2018
Operating transactions		
Annual surplus	\$ 6,593,835	\$ 5,116,958
Items not involving cash		
Amortization	4,034,262	3,685,092
Gain on disposal of tangible capital assets	(777,079)	(11,269)
Landfill closure and post closure costs	735,327	207,062
Contributed tangible capital assets	(8,150)	(12,500)
	3,984,360	3,868,385
Changes in non-cash operating balances		
Accounts receivable	3,487,714	386,927
Prepays	(56,617)	55,199
Inventories of supplies	(371,792)	(92,136)
Accounts payable and accrued liabilities	701,554	(1,356,037)
Deferred revenue	261,772	879,140
Actuarial reduction of long-term debt	(899,874)	(815,174)
Deposit - Municipal Finance Authority	27,498	(13,639)
Deposits	506,942	(9,113)
	3,657,197	(964,833)
	14,235,392	8,020,510
Capital transactions		
Acquisition of tangible capital assets	(4,759,180)	(5,005,800)
Proceeds on disposal of tangible capital assets	2,002,090	14,592
	(2,757,090)	(4,991,208)
Investing transactions		
Acquisition of portfolio investments	(2,683,860)	(1,796,999)
Financing transactions		
Repayment of long-term debt	(1,197,682)	(1,409,153)
Net change in cash and cash equivalents	7,596,760	(176,850)
Cash and cash equivalents, beginning of year	9,480,319	9,657,169
Cash and cash equivalents, end of year	\$ 17,077,079	\$ 9,480,319

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

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

The Corporation of the District of Summerland (the "District") was incorporated under the laws of the Province of British Columbia in 1906 and operates under the provisions of the Local Government Act and the Community Charter of British Columbia. Its principal activities include the provision of local government services to residents of the incorporated area. These include general government, fire protection, planning and development, parks and cultural services, utilities, and fiscal services. Under Section 149(1)(c) of the Income Tax Act, the District is exempt from taxation.

1. Significant accounting policies

The financial statements of the District are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the District are as follows:

(a) Basis of consolidation

i) Consolidated entities

The District does not control any significant external entities and accordingly no entities have been consolidated in the financial statements.

ii) Accounting for other government organizations and School Board transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the other government entities and the School Boards with which the District interacts are not reflected in these financial statements. Funds collected by the District on behalf of these other entities and transmitted to them are summarized in Note 12. Funds received by the District as transfers from other government entities are summarized in Note 13.

(b) Basis of accounting

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

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

1. Significant accounting policies (continued)

(c) Revenue recognition

Taxation revenues are recorded on an accrual basis and recognized as revenue in the year they are levied. Charges for electric, sewer and water usage are recorded as user fees when the service or product is provided. Connection fee revenues are recognized when the connection has been established. Sales of service and other revenue is recognized when the service or product is provided.

The District recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the District recognizes revenue as the liability is settled.

Non-government conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable. Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.

(d) Deferred revenue

Funds received from non-government sources for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purpose.

(e) Investment income

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(f) Reserves

Non-statutory reserves represent an appropriation of surplus for specific purposes. Statutory reserves are restricted by the Community Charter and the associated municipal bylaws that established the reserves.

(g) Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments with a term to maturity of 90 days or less at acquisition and readily convertible to cash.

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

1. Significant accounting policies (continued)

(h) Portfolio investments

Portfolio investments are recorded at cost. When there is a decline in the market value, which is other than temporary in nature, investments are written down to the market value.

(i) Inventory

Inventory is valued at the lower of cost and replacement cost. Cost is determined principally on a weighted average and specific item basis, or replacement cost.

(j) Long-term debt

Long-term debt is recorded net of related sinking fund balances.

(k) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the District is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2019.

At each financial reporting date, the District reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The District continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As of December 31, 2019, the District had no contaminated sites (2018 - none).

(l) Landfill closure and post-closure

The District is required to fund the closure of its landfill sites and to provide for the post-closure care of the facilities. Closure and post-closure activities include the final cover, landscaping, surface and groundwater monitoring, leachate control and visual inspection. The requirement is being provided for over the estimated life of the landfill sites based on the respective usage of each facility. The estimated costs to close and maintain the closed solid waste landfill sites are based on estimated future expenses in current dollars, discounted, adjusted for estimated inflation, and are recognized and charged to expense as the landfill site's capacity is used.

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

1. Significant accounting policies (continued)

(m) Non-financial assets

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

(i) Tangible capital assets

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

Asset	Useful life - years
Buildings	20-50
Roads and sidewalks	20-50
Machinery and equipment	5-20
Water utility	10-80
Sewer utility	10-50
Electric utility	10-50

Annual amortization is charged in the year following acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets

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

(iii) Works of art and cultural and historic assets

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

(iv) Interest capitalization

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

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

1. Significant accounting policies (continued)

(n) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period.

Significant estimates include assumptions used in estimating provisions for useful lives of tangible capital assets, liability for landfill closure and post-closure and liability for contaminated sites.

2. Accounts receivable

	2019	2018
Property taxes	\$ 563,414	\$ 563,960
Utilities	1,741,161	1,637,716
Other governments	1,095,199	5,122,198
Trade and other	1,152,043	713,200
Allowance for doubtful accounts	(57,000)	(54,543)
	\$ 4,494,817	\$ 7,982,531

3. Portfolio investments

	2019	2018
MFA short-term bond fund	\$ 9,566	\$ 9,365
MFA money market fund	68,665	67,410
Guaranteed Investment Certificates, interest ranging from 2.10% to 2.87% and maturing March, 2020 to September, 2020	11,071,767	8,389,363
	\$ 11,149,998	\$ 8,466,138

The income from portfolio investments and bank deposits for the year was \$429,159 (2018 - \$285,031), where \$69,473 (2018 - \$64,314) has been deferred. The market value of the District's portfolio investments was \$11,149,768 (2018 - \$8,465,848).

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

4. Municipal Finance Authority debt reserve

The District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld as cash deposits 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 not reflected in the accounts. The details of the cash deposits and demand notes at the end of the year are as follows:

		Demand Notes		Cash Deposits		2019		2018
General fund	\$	179,202	\$	85,875	\$	265,077	\$	263,122
Water fund		532,310		273,668		805,978		855,770
Sewer fund		348,812		253,470		602,282		652,533
	\$	1,060,324	\$	613,013	\$	1,673,337	\$	1,771,425

5. Accounts payable and accrued liabilities

		2019		2018
Trade and other	\$	3,626,046	\$	2,937,371
Wages and benefits		689,602		661,546
Due to funds held in trust		372,394		387,571
	\$	4,688,042	\$	3,986,488

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

6. Landfill closure and post closure liability

	2019	2018
Landfill closure costs	\$ 818,917	\$ 413,112
Landfill post closure costs	567,068	237,546
	\$ 1,385,985	\$ 650,658

In accordance with PS 3270, liabilities with respect to permanently closing and monitoring a landfill are incurred as landfill capacity is used. Landfill closure costs include placing a permanent cover over the face of the landfill. Post closure costs include landfill gas monitoring and general site maintenance for a period of 25 years after the landfill is closed.

Landfill closure costs are estimated based on the unused capacity of the landfill site. Management, with the assistance of an engineering firm, has projected the remaining life of the 950,000 m³ of airspace in the landfill to be 48 years, closing in the year 2067. Landfill closure costs are estimated at \$818,917 (2018 - \$413,112). As at December 31, 2019, \$874,495 (2018 - \$709,647) has been set aside in reserves for this purpose. The balance of the landfill closure costs are expected to be funded by a combination of future reserve account contributions and borrowing.

Post closure costs are estimated to manage the closed landfill for a period of 25 years, the statutory period required by the Province, using a number of factors including the unused capacity of the landfill, the probable closure date, the annual maintenance costs and the present value discount rate. The discount rate is the difference between the long-term Municipal Financing Authority borrowing rate and the current Consumer Price Index. The estimate of the annual costs is \$150,000. Total post closure costs are estimated to be \$567,068 for 2019 (2018 - \$237,546) based on 17.6% (2018 – 15.9%) of the landfill capacity used to this date and a 48-year lifespan to 2067 and a discount rate of 0.24% (2018 – 1.46%). Post closure costs are expected to be funded by annual budget appropriations in the years in which they are incurred.

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

7. Deferred revenue

	Opening balance	Deferred transactions	Externally restricted investment income	Revenue recognized	2019 Ending balance
Development cost charges	\$ 4,264,281	\$ 761,536	\$ 69,473	\$ (106,918)	\$ 4,988,372
Property taxes and business licenses	1,761,804	1,381,579	-	(1,843,898)	1,299,485
	\$ 6,026,085	\$ 2,143,115	\$ 69,473	\$(1,950,816)	\$ 6,287,857

8. Long-term debt

	2019	2018
Outstanding debt, beginning of year	\$ 17,507,422	\$ 19,731,749
Repayment of debt	(1,197,682)	(1,409,153)
Actuarial reduction of principal	(899,874)	(815,174)
Outstanding debt, end of year	\$ 15,409,866	\$ 17,507,422

Future payments on net outstanding debt for the next five years and thereafter are as follows:

	General Fund	Water Fund	Sewer Fund	Total
2020	\$ 311,999	\$ 1,008,359	\$ 708,715	\$ 2,029,073
2021	325,206	1,046,941	741,935	2,114,082
2022	258,736	1,087,007	776,734	2,122,477
2023	269,086	1,128,611	813,187	2,210,884
2024	279,849	1,171,813	212,803	1,664,465
2025 and thereafter	2,151,581	2,473,879	643,425	5,268,885
	\$ 3,596,457	\$ 7,916,610	\$ 3,896,799	\$ 15,409,866

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

8. Long-term debt (continued)		Bylaw Number	Purpose	Year Maturing	%	2019 Cash Payments		Balance Outstanding	
						Interest	Principal	2019	2018
		General fund							
	00-083	Road Improvements	2026	1.750	\$ 17,500	\$ 30,243	\$ 149,204	\$ 218,520	
	00-083	Road Improvements	2030	4.500	90,000	67,163	1,289,222	1,381,140	
	00-399	RCMP Building	2030	4.200	131,250	104,943	2,158,032	2,296,130	
					238,750	202,349	3,596,458	3,895,790	
		Water fund							
	99-039	Water works upgrade	2019	2.100	21,000	33,150	-	75,009	
	00-161	Water works upgrade	2025	1.800	108,000	220,570	2,294,316	2,632,741	
	00-213	Thirsk Dam Expansion	2026	1.750	105,000	201,490	2,649,850	2,972,443	
	00-195	Water works upgrade	2027	2.250	135,000	201,491	2,972,443	3,282,629	
					369,000	656,701	7,916,609	8,962,822	
		Sewer fund							
	98-034	Sewer System construction	2023	2.650	238,500	188,572	2,264,345	2,764,683	
	99-040	Sewer System construction	2019	2.100	21,000	33,149	-	75,009	
	00-192	Sewer System construction	2025	1.800	14,400	29,409	305,909	351,032	
	00-207	Sewer System construction	2026	1.750	35,000	67,164	883,283	990,814	
	00-192	Sewer System construction	2029	2.250	8,260	6,717	119,363	128,922	
	16-023	Sewer System construction	2036	2.100	7,686	13,621	323,899	338,350	
					324,846	338,632	3,896,799	4,648,810	
					\$ 932,596	\$ 1,197,682	\$ 15,409,866	\$ 17,507,422	

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

9. Tangible capital assets

	Land	Land Improvements	Buildings	Machinery and Equipment	Roads and Sidewalks	Water Utility	Sewer Utility	Electric Utility	Work in Progress	2019 Total	2018 Total
Cost, beg. of year	\$ 15,730,029	\$ 4,334,998	\$ 12,115,286	\$ 11,429,171	\$ 33,243,464	\$ 53,110,895	\$ 37,871,297	\$ 9,987,370	\$ 2,213,564	\$ 180,036,074	\$ 175,108,779
Additions	-	619,257	45,296	1,519,593	462,465	257,426	246,119	468,896	3,448,324	7,067,376	15,632,413
Disposals	(1,220,098)	-	-	(274,159)	-	-	-	-	(2,300,047)	(3,794,304)	(10,705,118)
Cost, end of year	14,509,931	4,954,255	12,160,582	12,674,605	33,705,929	53,368,321	38,117,416	10,456,266	3,351,841	183,309,146	180,036,074
Accumulated amortization, beg. of year	-	-	6,161,288	7,665,086	20,483,392	14,659,591	13,710,463	3,025,886	-	65,705,706	62,108,296
Amortization	-	-	254,835	505,747	1,044,039	1,188,967	872,934	167,740	-	4,034,262	3,685,092
Disposals	-	-	-	(269,247)	-	-	-	-	-	(269,247)	(87,682)
Accumulated amortization, end of year	-	-	6,416,123	7,901,586	21,527,431	15,848,558	14,583,397	3,193,626	-	69,470,721	65,705,706
Net carrying amount, end of year	\$ 14,509,931	\$ 4,954,255	\$ 5,744,459	\$ 4,773,019	\$ 12,178,498	\$ 37,519,763	\$ 23,534,019	\$ 7,262,640	\$ 3,351,841	\$ 113,838,425	\$ 114,330,368

The net book value of tangible capital assets, not being amortized as they are under construction or development or have been removed from service is \$3,361,841 (2018 - \$2,213,564). Contributed infrastructure tangible capital assets with a value of \$8,150 were recognized in the financial statements during the year (2018 - \$12,500). Asset additions include \$2,300,047 of work in progress transfers from 2018 (2018 - \$10,614,113). Net cash additions for 2019 are \$4,759,180 (2018 - \$5,005,800).

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

10. Accumulated surplus

The District segregates its accumulated surplus in the following categories:

	2019	2018
Current funds	\$ 13,879,035	\$ 11,375,167
Community Works	2,790,104	1,968,693
Net current funds	16,669,139	13,343,860
Investment in tangible capital assets	98,428,550	96,822,935
Statutory reserve funds (Note 11)	4,769,480	3,106,539
	\$119,867,169	\$113,273,334

The investment in tangible capital assets represents amounts already spent and invested in infrastructure and other non-financial assets, net of associated long-term debt.

Reserve funds represent funds set aside by bylaw or council resolution for specific purposes.

	Opening balance	Transfer receipts	Interest earned	Expenditure	Ending balance
Community Works	\$ 1,968,693	1,097,577	35,731	(311,897)	\$ 2,790,104

11. Statutory reserve funds

	Opening balance	Contributions received	Investment income	Expenditure	Ending balance
Land sale	\$ 868,194	\$ 1,985,710	\$ 34,104	\$ (785,864)	\$ 2,102,144
Capital works	1,399,726	494,346	22,746	(287,140)	1,629,678
Parking	81,484	18,000	1,369	-	100,853
Asset management	757,135	616,441	12,719	(449,490)	936,805
	\$ 3,106,539	\$ 3,114,497	\$ 70,938	\$(1,522,494)	\$ 4,769,480

The Corporation of the District of Summerland
Notes to the Financial Statements

For the year ended December 31, 2019

12. Taxation, net

	2019	2018
Property taxes and payments-in-lieu	\$ 11,448,838	\$ 11,045,167
Collections for other governments		
Province of British Columbia - school tax	5,388,656	5,223,389
Regional District	826,142	767,406
Regional Hospital District	865,219	860,377
Municipal Finance Authority	669	616
British Columbia Assessment Authority	134,502	130,670
Okanagan Regional Library	499,720	491,613
	19,163,746	18,519,238
Transfers		
Province of British Columbia - school tax	5,388,656	5,223,389
Regional District	826,142	767,406
Regional Hospital District	865,219	860,377
Municipal Finance Authority	669	616
British Columbia Assessment Authority	134,502	130,670
Okanagan Regional Library	499,720	491,613
	7,714,908	7,474,071
Available for general municipal purposes	\$ 11,448,838	\$ 11,045,167

13. Government transfers

	2019	2018
Provincial Transfers		
Small community grants	\$ 363,055	\$ 366,070
Traffic fine revenue sharing	66,825	67,476
Community Works	1,133,309	585,724
Capital grants	858,583	1,231,236
Other contributions	264,654	633,901
	2,686,426	2,884,407
Regional transfers		
Okanagan Basin Water Board	272,939	370,139
Total government transfer revenues	\$ 2,959,365	\$ 3,254,546

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

14. Contingent liabilities and commitments

- (a) The District is responsible, as a member of the Regional District of the Okanagan-Similkameen, for its proportion of any operating deficits or long-term debt related to functions in which it participates.

- (b) The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2019, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local governments.

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

The most recent valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The District paid \$617,510 (2018 - \$614,818) for employer contributions while employees contributed \$538,552 (2018 - \$543,152) to the plan in fiscal 2019.

The next valuation will be as at December 31, 2021, with results available in 2022.

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

- (c) A claim has been filed against the District in relation to claims for loss and compensation arising from a capital project undertaken by the District. The District and its lawyers have reviewed the claim and believe that the District did not trespass on the Property and the Plaintiffs have been fully compensated. At the date of the financial statements, neither the outcome nor the potential settlement can be foreseen. No provision has been made in the financial statements.

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

15. Funds held in trust

At the year end, the District held \$1,028,276 (2018 - \$1,025,701) in trust. Certain assets have been conveyed or assigned to the District to be administered as directed by agreement or statute. The District holds the assets for the benefit of and stand in fiduciary relationship to the beneficiaries. The following trust funds and assets are excluded from the District's financial statements:

	2019	2018
Summerland scholarship	\$ 25,044	\$ 25,763
Cemetery perpetual care	379,907	376,197
Abernethy memorial	81,229	80,018
Summerland education funding	542,096	543,723
	\$ 1,028,276	\$ 1,025,701

16. Annual budget

The financial statements have included the Annual Budget as approved by Council on April 15, 2019. No amendments subsequent to this date have been included. The following is a reconciliation of the budget presentation required for the financial statements and the annual financial plan bylaw:

	2019	2018
Annual surplus	\$ 14,836,393	\$ 2,613,731
Capital expenditures	(26,962,419)	(11,723,269)
Principal repayment of debt	(1,197,682)	(1,834,037)
Transfers from accumulated surplus	13,323,708	10,943,575
	\$ -	\$ -

17. Subsequent Event – Global Pandemic

Subsequent to year end, the impact of COVID-19 in Canada and on the global economy increased significantly. As the impacts of COVID-19 continue, there could be further impact on the District, its citizens, employees, suppliers and other third-party business associates that could impact the timing and amounts realized on the District's assets and future ability to deliver services and projects. At this time, the full potential impact of COVID-19 on the District is not known. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time. The District's ability to continue delivering non-essential services and employ related staff, will depend on the legislative mandates from the various levels of government. The District will continue to focus on collecting receivables, managing expenditures, and leveraging existing reserves and available credit facilities to ensure it is able to continue providing essential services to its citizens.

The Corporation of the District of Summerland
Notes to the Financial Statements
For the year ended December 31, 2019

18. Segmented information

The District is a municipal government which provides a wide range of services to the citizens and businesses for Summerland. The District is governed by an elected Council comprised of a Mayor and six Councilors whose authority is set in the *Community Charter* and *Local Government Act*. The District's operations and activities are organized and reported by Funds and departments. The General Fund reports on operations, funded primarily by property taxes, which include services provided by the District such as general government services, protective services, transportation services environmental services, health services planning and developmental services, parks and recreation services. The utility operations are comprised of the water, sewer and electrical systems, and each accounting for its own operations and programs within their own funds. Operating results of the following segments are reported as follows:

General Government services are comprised of a number of functions including Corporate Services and Finance which involves staff working closely with Council and community partners to coordinate the delivery of a wide range of functions and services. Corporate Services is responsible for Administration, Information Technology, Human Resources and Legislative Service functions. Finance is responsible for the collection of tax revenues, utility billing and all treasury and accounting functions. Revenues associated with this segment include all those amounts that cannot be directly attributed to other segments including taxation, grants in lieu, and interest revenue.

Protective services include police services under contract with the Royal Canadian Mounted Police, bylaw enforcement and animal control under contract to a third party, emergency measures services, and building inspection. Fire protection is provided by a composite department responsible for fire suppression, fire inspections and public education training.

Transportation services include equipment and civic building maintenance, occupational health and safety, and the maintenance of roads, signs, sidewalks, street lighting and storm drains. This segment is also responsible for the planning and implementation of the capital works program for all infrastructure as well as climate action program reporting.

Environmental services include garbage collection and recycling.

Health services include the operations related to cemetery functions.

Planning and Development services include all planning and building related process, long range and current planning, land use applications and economic development functions.

Parks and Recreation services include providing and coordinating leisure and recreational services, and maintaining recreational facilities, parks and trails.

Water services include the operating activities that relate to the treatment, distribution and maintenance of the water system including the Thirsk dam and water treatment plant.

Sewer services include the operating activities that relate to the collection and treatment of wastewater, maintenance of the related equipment including the wastewater treatment plant.

Electrical services include the operating activities that relate to power distribution and maintenance of the electrical system and related equipment.

The Corporation of the District of Summerland
Notes to Financial Statements
For the year ended December 31, 2019

18. Segmented information (continued)

	General Government Services	Protective Services	Transportation Services	Environmental Services	Health Services	Planning & Develop Services	Parks & Recreation Services	Water Services	Sewer Services	Electrical Services	Actual 2019
Revenue	\$ 9,179,613	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,179,613
Property tax	-	-	-	-	-	-	-	-	-	-	2,269,225
Parcel tax	1,806,931	13,943	414,650	-	-	-	393,574	1,534,725	734,500	-	2,959,365
Government transfers	167,676	3,848	26,170	1,798,079	40,635	-	837,747	3,863,343	1,419,476	11,872,529	20,029,503
User fees, sales and rentals	155,191	22,122	-	-	-	393,346	-	-	-	-	570,659
Permits, licenses and fines	345,831	-	-	-	-	-	-	-	-	-	345,831
Investment income	96,983	-	-	-	-	-	-	389,511	413,380	-	899,874
Actuarial earnings	95,975	-	-	-	-	-	-	-	-	-	95,975
Penalties and interest on taxes	98,261	-	-	-	-	-	-	-	-	-	98,261
Franchise	33,150	-	-	-	-	-	205,060	66,436	24,810	638,175	967,631
Contributions from developers	29,751	-	258,442	-	-	-	-	32,009	23,805	90,128	434,135
Other	768,902	4,123	3,556	-	-	-	498	-	-	-	777,079
Gain (loss) on disposal	12,778,264	44,036	702,818	1,798,079	40,635	393,346	1,436,879	5,886,024	2,888,910	12,658,160	38,627,151
Expenses											
Labour and benefits	1,218,942	930,048	1,273,311	309,860	51,349	413,298	1,639,199	1,112,880	608,017	923,872	8,480,777
Contracted services	474,620	1,479,544	1,289,034	1,100,234	20,905	356,803	637,855	669,515	198,823	322,590	6,549,923
Materials and supplies	177,267	128,281	(314,547)	35,360	9,013	3,193	491,179	1,214,777	533,529	9,022,430	11,300,482
Interest	-	131,250	104,817	-	-	-	-	348,485	314,130	-	898,682
Amortization	211,837	104,827	867,004	45,134	1,456	728	573,635	1,188,967	872,934	167,740	4,034,262
Other	13,246	1,223	1,712	735,327	-	-	-	17,532	150	-	769,190
	2,095,912	2,775,173	3,221,331	2,225,915	82,723	774,023	3,341,868	4,552,156	2,527,583	10,436,632	32,033,316
Annual surplus (deficit)	\$ 10,682,352	\$ (2,731,137)	\$ (2,518,513)	\$ (427,836)	\$ (42,088)	\$ (380,677)	\$ (1,904,989)	\$ 1,333,868	\$ 361,327	\$ 2,221,528	\$ 6,593,835

The Corporation of the District of Summerland
Notes to Financial Statements
For the year ended December 31, 2019

18. Segmented information (continued)

	General Government Services	Protective Services	Transportation Services	Environmental Services	Health Services	Planning & Develop Services	Parks & Recreation Services	Water Services	Sewer Services	Electrical Services	Actual 2018
Revenue											
Property tax	\$ 8,784,702	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,784,702
Parcel tax	-	-	-	-	-	-	-	1,530,165	730,300	-	2,260,465
Government transfers	1,198,915	-	425,425	-	-	-	71,426	357,737	1,117,398	-	3,254,546
User fees, sales and rentals	184,013	6,493	28,921	-	-	-	819,913	3,634,135	1,329,235	11,638,076	19,212,224
Permits, licenses and fines	153,576	24,012	-	1,531,374	40,064	382,091	-	-	-	-	559,679
Investment income	202,275	-	-	-	-	-	-	-	-	-	202,275
Actuarial earnings	84,836	-	-	-	-	-	-	350,482	379,856	-	815,174
Penalties and interest on taxes	97,533	-	-	-	-	-	-	-	-	-	97,533
Franchise	107,366	-	-	-	-	-	-	-	-	-	107,366
Contributions from developers	12,500	-	89,188	-	-	-	310,279	61,534	18,126	262,384	754,011
Other	73,996	-	58,329	-	-	-	-	25,700	8,353	109,661	276,039
Gain (loss) on disposal	-	-	14,193	-	-	399	-	-	-	(3,323)	11,269
	10,899,712	30,505	616,056	1,531,374	40,064	382,490	1,201,618	5,959,753	3,583,268	12,090,443	36,335,283
Expenses											
Labour and benefits	953,735	949,464	1,349,577	298,821	52,865	367,439	1,549,689	1,050,129	560,903	818,450	7,951,092
Contracted services	338,240	1,532,388	1,207,205	1,095,562	19,835	318,811	628,261	459,165	245,944	377,193	6,222,624
Materials and supplies	191,971	125,300	(166,089)	34,860	14,484	1,931	487,566	1,342,214	434,506	9,561,463	12,028,206
Interest	-	132,052	108,043	-	-	-	-	368,147	487,050	-	1,095,292
Amortization	85,217	108,338	949,936	36,993	1,982	661	482,895	1,128,319	711,149	179,603	3,685,093
Other	7,949	1,224	1,712	207,062	-	-	-	18,021	50	-	236,018
	1,577,112	2,848,766	3,450,384	1,673,318	89,186	688,842	3,148,411	4,365,995	2,439,602	10,936,709	31,218,325
Annual surplus (deficit)	\$ 9,322,600	\$ (2,818,261)	\$ (2,834,328)	\$ (141,944)	\$ (49,122)	\$ (306,352)	\$ (1,946,793)	\$ 1,593,758	\$ 1,143,666	\$ 1,153,734	\$ 5,116,958

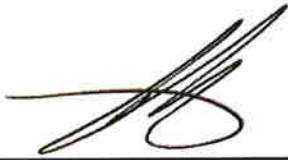
**THE CORPORATION OF THE DISTRICT OF SUMMERLAND
STATEMENT OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2019**

Table of Contents

<i>Statement of Financial Information Approval</i>	1
<i>Management Report</i>	2
<i>Unaudited Schedules</i>	
Schedule of Guarantee and Indemnity Agreements	3
Schedule of Council and Employee Remuneration and Expenses	4 - 5
Statement of Severance Agreements	6
Schedule of Payments to Suppliers for the Provision of Goods and Services	7 - 9

**THE CORPORATION OF THE DISTRICT OF SUMMERLAND
STATEMENT OF FINANCIAL INFORMATION APPROVAL
FOR THE YEAR ENDED DECEMBER 31, 2019**

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



David Svetlichny, CPA, CA
Director of Finance

June 22, 2020
Date



Toni Boot
Mayor

June 22, 2020
Date

Prepared pursuant to the Financial Information Regulation, Schedule 1, Section 9.

**CORPORATION OF THE DISTRICT OF SUMMERLAND
MANAGEMENT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019**

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Corporation's Director of Finance has the responsibility for assessing the management systems and practices of the Corporation.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Council.

On behalf of the Corporation of the District of Summerland



David Svetlichny, CPA, CA
Director of Finance

Prepared pursuant to Financial Information Regulation, Schedule 1, Section 9.

**THE CORPORATION OF THE DISTRICT OF SUMMERLAND
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Guarantees

This organization has not given any guarantees under the Guarantees and Indemnities Regulation.

Indemnities

This organization has not given any indemnifications under the Guarantees and Indemnities Regulation.

**THE CORPORATION OF THE DISTRICT OF SUMMERLAND
SCHEDULE OF REMUNERATION AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019**

Elected Officials

Name	Position	Remuneration	Expenses
Toni Boot	Mayor	\$ 35,845.72	\$ 8,743.25
Richard Barkwill	Councillor	16,125.41	4,073.40
Erin Carlson	Councillor	16,125.41	5,857.63
Douglas Holmes	Councillor	16,125.41	7,930.81
Doug Patan	Councillor	16,125.41	2,976.07
Erin Trainer	Councillor	16,125.41	50.00
Martin Van Alphen	Councillor	16,125.41	2,908.93
Total Elected Officials		\$ 132,598.18	\$ 32,540.09

Employees

Name	Position	Remuneration		Total Taxable Remuneration	Expenses
		Including Taxable Benefits	Taxable Emergency Remuneration		
Alex Bellemore	Water Supply Technician II	\$ 75,352.75	-	\$ 75,352.75	\$ 1,230.23
Renée Belyk	Manager of Financial Services	96,491.28	-	96,491.28	4,080.00
Deb Deferro	Assistant to the Director of Works & Utilities	75,744.14	-	75,744.14	-
Jeremy Denegar	Director of Corporate Services	114,893.87	-	114,893.87	2,451.41
Gary Ellis	Bylaw Enforcement Officer	82,529.80	-	82,529.80	105.93
Corine Gain	Director of Development Services	120,341.00	-	120,341.00	4,663.51
Roland Grombach	Information Technology Coordinator	86,293.73	-	86,293.73	1,021.39
Brad Hanley	Mechanic II	82,250.19	-	82,250.19	245.00
Patrick Hawkes	Firefighter Inspector	78,616.16	-	78,616.16	4,114.34
Shawn Hughes	Chief Operator - Water Distribution	96,367.15	-	96,367.15	2,939.94
Kristofer Johnson	Director of Works and Utilities	128,652.65	-	128,652.65	8,889.82
Clayton Keys	Power Lineman	127,638.38	-	127,638.38	3,039.17
Sheree Lancaster	Water/Wastewater Operator IV	82,513.14	-	82,513.14	768.19
Matthew Lee	Chief Operator - Training	101,133.84	-	101,133.84	964.80
Marnie Manders	Manager of Human Resources	101,375.10	-	101,375.10	2,408.56
Jacob McAstocker	Engineering Technician II	75,426.04	-	75,426.04	1,895.43
Chandra Moncrieff	Engineering Technician II	75,253.66	-	75,253.66	1,895.43
Lori Mullin	Recreation Manager	100,071.50	-	100,071.50	1,431.23
Glenn Noble	Fire Chief	104,253.63	-	104,253.63	3,827.51
Mathew Perdue	Wastewater Treatment Operator IV	85,045.89	-	85,045.89	320.43
Candace Pilling	Manager of Environmental Services	84,383.13	-	84,383.13	4,173.98
George Pugh	Assistant Fire Chief	85,946.78	-	85,946.78	2,642.47
Rob Robinson	Deputy Fire Chief	96,621.34	-	96,621.34	2,329.29
Ryan Robillard	Power Lineman	137,733.59	-	137,733.59	230.07
Tamara Rothery	Sustainability/Alternative Energy Coordinator	79,730.05	-	79,730.05	1,973.00
Lara Rudniski	Meter Technician	86,620.01	-	86,620.01	-
David Sandrelli	Foreman - Public Works	92,168.46	213.24	92,381.70	4,486.91
Gary Smith	Sub-Foreman - Public Works	79,371.63	132.36	79,503.99	285.91
Vern Sopow	Building Inspector II	80,463.42	-	80,463.42	8,267.73
Maarten Stam	Manager of Works	100,983.16	-	100,983.16	795.00
Jeremy Storvold	General Manager of Electrical Utility	116,473.96	-	116,473.96	5,145.56
David Svetlichny	Director of Finance	124,583.23	-	124,583.23	6,024.66
Devon van der Meulen	Manager of Utilities	101,179.22	-	101,179.22	3,677.07
Bill Wilson	Power Lineman	114,705.50	-	114,705.50	340.08
Angelique Wood	Community Development Coordinator	75,036.93	-	75,036.93	1,089.38
Jason Wright	Water/Wastewater Treatment Operator II	76,051.34	-	76,051.34	145.43
Total Employees		\$ 3,422,295.65	\$ 345.60	\$ 3,422,641.25	\$ 87,898.86

**THE CORPORATION OF THE DISTRICT OF SUMMERLAND
SCHEDULE OF REMUNERATION AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Remuneration including Taxable Benefits	Taxable Emergency Remuneration	Total Taxable Remuneration	Expenses
Total of Employees with Remuneration Greater than \$75,000	\$ 3,422,295.65	\$ 345.60	\$ 3,422,641.25	\$ 87,898.86
Total of Employees with Remuneration Less than \$75,000	4,339,335.66	4,820.84	4,344,156.50	44,537.17
Total Employees	\$ 7,761,631.31	\$ 5,166.44	\$ 7,766,797.75	\$ 132,436.03
Total Elected Officials	132,598.18	-	132,598.18	32,540.09
TOTAL	\$ 7,894,229.49	\$ 5,166.44	\$ 7,899,395.93	\$ 164,976.12

Employer portion of EI & CPP paid to Canada Revenue Agency in 2019 = \$403,800.64.

Prepared under the Financial Information Regulation, Schedule 1, Section 6(2), (3), (4), (5) and (6).

**THE CORPORATION OF THE DISTRICT OF SUMMERLAND
SCHEDULE OF SEVERANCE AGREEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Severance

There was one severance agreement made between The Corporation of the District of Summerland and its non-unionized employees during fiscal year 2019 representing 7.7 months of salaries and benefits.

Prepared under the Financial Information Regulation, Schedule 1, Subsection 6(7).

**THE CORPORATION OF THE DISTRICT OF SUMMERLAND
SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF
GOODS AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2019**

1. Alphabetical list of suppliers who received aggregate payments exceeding \$25,000

Supplier Name	Aggregate amount paid to supplier
Per attached listing	\$ 31,255,884.40
Total aggregate amount paid to suppliers (A)	\$ 31,255,884.40

2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less

Supplier Name	Aggregate amount paid to supplier
(B)	\$ 3,134,087.58

3. Total payments to suppliers for grants and contributions exceeding \$25,000

Consolidated total of grants exceeding \$25,000	\$ 40,000.00
Consolidated total of contributions exceeding \$25,000	-
Consolidated total of all grants and contributions exceeding \$25,000 (C)	\$ 40,000.00

4. Reconciliation

Total of aggregate payments exceeding \$25,000 paid to suppliers	\$ 31,255,884.40
Consolidated total of payments of \$25,000 or less paid to suppliers	3,134,087.58
Consolidated total of all grants and contributions exceeding \$25,000	40,000.00
Less: Expenses paid on behalf of Elected Officials and Employees	<u>(164,976.12)</u>
TOTAL	<u><u>\$ 34,264,995.86</u></u>

Reconciliation

Expenses per Statement of Operations, page 2 of the financial statements	\$ 32,033,316.00
Adjustments - including amortization, expenditures on capital projects, internal charges and accruals of expenses	<u>2,231,679.86</u>
	<u><u>\$ 34,264,995.86</u></u>

Prepared under the Financial Information Regulation, Schedule 1, Section 7 and the Financial Information Act, Section 2.

THE CORPORATION OF THE DISTRICT OF SUMMERLAND
SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF
GOODS AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2019

Supplier Name	Total
620241 B.C. LTD. (AB CONTRACTING)	\$ 104,146.56
ACKLANDS GRAINGER INC.	37,449.13
ADAMS UTILITIES LTD	52,472.70
AGUA CONSULTING INC.	45,707.64
ALLNORTH CONSULTANTS LIMITED	29,366.80
ANDREW SHERET LIMITED	54,512.99
ANIXTER POWER SOLUTIONS CANADA INC.	196,592.74
ASSOCIATED ENGINEERING (B.C.) LTD.	111,350.52
ASSOCIATION OF SUMMERLAND FIREFIGHTERS	76,539.00
BARRY BEECROFT FUEL DISTRIBUTORS LTD.	97,610.26
BC ASSESSMENT AUTHORITY	134,533.91
BC TRANSIT	197,305.52
BENCH SITE DESIGN INC.	52,442.26
BIGG ELIZABETH	68,241.60
BLACK TOP PAVING	106,825.69
BRENNTAG CANADA INC.	37,200.41
BES LTD.	30,221.10
CABIN FORESTRY SERVICES LTD	702,759.24
CALYPSO CUSTOMS LTD.	28,182.00
CANTEX OKANAGAN CONSTRUCTION LTD.	813,882.55
CAPITAL H2O SYSTEMS INC.	80,062.50
CAPRI CMW INSURANCE	167,441.00
CARO ANALYTICAL SERVICES	41,016.20
CDW CANADA CORP.	58,507.32
CENTRAL INTERIOR TRAFFIC CONTROL LTD.	39,955.95
CINTAS CANADA LIMITED	29,908.81
CLEARTECH INDUSTRIES INC.	69,550.28
COMBINED MECHANICAL CONTRACTORS LTD.	116,482.80
COMPLETE CLIMATE CONTROL INC.	34,725.82
IRL INTERNATIONAL TRUCK CENTRES LTD.	27,460.75
COOPER INDUSTRIES (ELECTRICAL) INC.	102,400.19
CUPE LOCAL 1136	92,759.32
DAVEY TREE EXPERT CO. OF CANADA LIMITED	85,402.13
EDGEHILL DEVELOPMENTS LTD	96,925.26
ELECTRIC MOTOR & PUMP SERVICE LTD.	74,084.43
ENGAGE BUSINESS & PEOPLE	60,727.88
FORTIS BC - ELECTRICITY	8,649,412.48
FORTIS BC - NATURAL GAS	101,115.69
FRED SURRIDGE LTD.	74,711.09
GHD LIMITED	48,155.06
GREAT OUTDOORS GYM LTD.	27,253.80
GUILLEVIN INTERNATIONAL CIE/CO.	49,702.88
HACH SALES & SERVICE CANADA LP	30,410.45
HALLWOOD MILHAM TECHNOLOGIES	35,858.58
HANSEN, ROBERT	31,480.00
E.B. HORSMAN & SON	48,324.02
ICINFRASTRUCTURE CORPORATION	62,142.00
ICONIX WATERWORKS LP	82,828.12
INNOV8 DIGITAL SOLUTIONS	35,833.76
INTERIOR SAFETY SERVICES	26,134.90
ITRON CANADA INC.	39,045.99
KERR WOOD LEIDAL	109,451.10
KETTLE VALLEY RAILWAY SOCIETY	30,000.00
LA BEAMISH JANITORIAL SERVICES	110,076.86
LORDCO PARTS LTD.	36,945.84
LYNX BRAND FENCE PRODUCTS (2004) INC.	33,522.70
MACKINLEY-CLARK PAVING LTD	104,522.25
R.L. MATTIUSI ADVISORY SERVICES INC.	40,536.73
MICROSOFT CORPORATION	33,724.72
MUNICIPAL INSURANCE ASSOCIATION OF BRITISH COLUMBIA	98,352.05
NEPTUNE TECHNOLOGY GROUP CANADA CO	141,431.50

**THE CORPORATION OF THE DISTRICT OF SUMMERLAND
SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF
GOODS AND SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2019**

Supplier Name	Total
NETWORK ZOO LTD.	36,833.86
NEW LINE SKATEPARKS INC.	83,823.13
NEXANS CANADA INC.	45,038.09
OKANAGAN REGIONAL LIBRARY DISTRICT	499,643.04
PAC WEST VENTURES CORP.	38,714.76
PARKLAND REFINING (B.C.) LTD.	197,571.31
THE CITY OF PENTICTON	48,884.94
PRIMARY ENGINEERING AND CONSTRUCTION CORP.	115,732.54
PROVINCE OF BRITISH COLUMBIA SCHOOL TAX	5,388,656.10
REALTERM ENERGY CORP.	28,100.40
RECEIVER GENERAL - RCMP CONTRACT	655,505.02
RECEIVER GENERAL - PAYROLL DEDUCTIONS	2,120,058.75
REGIONAL DISTRICT OKANAGAN - SIMILKAMEEN	4,110,595.25
ROADWARRIOR LINEPAINTING	68,401.89
ROCK WELDING LTD.	27,568.41
ROGAN, ANTOINETTE	32,581.02
ROGERS	27,369.93
SAFETEK EMERGENCY VEHICLES LTD.	719,880.56
SEYMOUR PACIFIC DEVELOPMENTS LTD.	274,329.24
SOURCE OFFICE FURNISHINGS	28,364.28
STANTEC CONSULTING LTD.	25,547.09
STELLA-JONES INC.	56,674.24
SUMMERLAND BUILDERS MART	30,646.76
SUMMERLAND CHAMBER OF COMMERCE	246,050.00
SUMMERLAND RENTAL CENTRE	50,718.98
SUMMERLAND TAXI	35,865.90
SUMMIT VALVE AND CONTROLS INC. (BC)	57,975.68
SUPERIOR EXCAVATING SERVICES	146,894.21
TELUS COMMUNICATIONS (B.C.) INC.	69,704.27
TRADEMARK INDUSTRIES LTD	126,196.88
TRUE CONSULTING	140,536.08
UNIVAR CANADA LTD.	294,375.10
URBAN SYSTEMS LTD.	108,039.65
VADIM COMPUTER MGMT GROUP	83,311.28
VEOLIA WATER TECHNOLOGIES CANADA INC.	49,577.61
WASTE CONNECTIONS OF CANADA	563,390.89
WATTS, ELAINE	27,065.00
WE CONSULTING & BENEFITS SERVICES LTD.	87,332.46
WESCO DISTRIBUTION CANADA LP	67,836.30
WHITETAIL CONSTRUCTION	67,086.06
WSP CANADA GROUP LIMITED	94,620.97
YOUNG ANDERSON	43,060.64
	\$ 31,255,884.40

Payments of \$25,000 or less

Various Suppliers / Individuals	\$ 3,134,087.58
---------------------------------	------------------------

Grants exceeding \$25,000

Supplier Name	Total
SUMMERLAND MUSEUM & HERITAGE SOCIETY	\$ 40,000.00

Prepared under the Financial Information Regulation, Schedule 1, Section 7 and the Financial Information Act, Section 2.

Statement of Property Tax Exemptions

Through the adoption of an annual bylaw, the Municipal Council may provide a permissive exemption from taxation to certain groups and organizations.

The legal capacity to provide these permissive tax exemptions is through powers granted to Council in the Community Charter, and qualification guidelines for an exemption are described in the District of Summerland's Permissive Tax Exemption Policy 200.2, available in person at the Municipal Hall or on the municipal website at www.summerland.ca.

Below is a listing of organizations granted a Permissive Tax Exemption in 2019 together with the estimated amount of municipal taxes that would have been imposed on each property if it were not considered exempt.

ORGANIZATION	2019 MUNICIPAL TAXES
Christian and Missionary Alliance	\$4,139.40
Julia Street Community Church	\$2,472.63
Okanagan Hindu Society	\$2,067.74
Roman Catholic Bishop of Nelson Church of the Holy Child	\$6,338.77
St. John's Lutheran Church	\$3,048.74
St. Stephen Anglican Church	\$3,174.25
Summerland Baptist Church	\$2,382.31
Summerland United Church	\$1,210.94
Trustee of the Summerland Congregation of Jehovah's Witness	\$3,067.88
TOTAL PLACES OF WORSHIP	\$27,902.64
Kettle Valley Railway Society	\$27,363.00
Royal Canadian Legion Branch 22	\$2,075.52
South Okanagan Sailing Association	\$10,107.96
Summerland Athletic Club	\$2,088.77
Summerland Chamber of Commerce	\$2,779.65
Summerland Golf Society	\$19,272.62
Summerland Recreation Society (Lakeshore Racquets Club)	\$14,546.99
Summerland Senior Citizens Drop-In Association	\$4,478.33
Summerland Yacht Club	\$3,857.92
Summerland Youth Centre Association	\$9,839.96
Faith Rebekah Lodge #32	\$3,216.41
TOTL ALL OTHER NON-PROFIT ORGANIZATIONS	\$99,627.13
GRAND TOTAL	\$127,529.78