



District of
SECHELT

2020 ANNUAL REPORT

FISCAL YEAR ENDING DECEMBER 2020



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An aerial photograph of a lush green forest. A waterfall cascades down a rocky ledge in the center of the image. The water is white and frothy as it falls. The surrounding trees are dense and vibrant green. A wooden boardwalk or path is visible on the right side of the image, winding through the trees.

WHO WE ARE

The District of Sechelt, named after the shísháhlh people on whose unceded lands it was built, is located on the Sunshine Coast in southern British Columbia. With a current population of just over 10,000 and a trading area of 30,000, the community maintains a unique economic balance between small-scale manufacturing, retail and service sectors, tourism, and industrial uses. While not an island, the municipality is accessible only by ferry and is bounded by the Salish Sea, Sechelt Inlet and Porpoise Bay.

Sechelt, famous for its relaxed seaside vibe, is truly a community that has it all. With a vibrant arts community, unparalleled recreation opportunities, entrepreneurial spirit and strong community values, we take the art of living well very seriously. With easy access to tidal, fresh water and backcountry recreation it is quickly becoming a hub for outdoor enthusiasts.

We are a growing community that embraces smart and sustainable development. With a business-friendly attitude and a supportive municipal council, the District of Sechelt works with developers and business owners to streamline processes and pave the way to success.

WE ARE SECHELT. WE ARE...

THE HEART OF
THE SUNSHINE COAST.





MESSAGE FROM THE MAYOR

2020 was quite a year. It was hard on our health, economies, and our morale. The challenges we faced as a result of the COVID-19 pandemic were unforeseen and widespread. However, in Sechelt, they were more than matched by the courage, tenacity and kindness of our staff and citizens.

Our community immediately stepped up, supported one another, and treated each other with kindness. We took a cue from our Provincial Health Officer and coined our own phrase: Be calm, be kind, be coastal. Volunteers came out to assist those most vulnerable in our community and those most impacted. There were many 'Shop Local' campaigns to help support businesses that are so reliant on tourism to thrive. While we are still in the throes of this pandemic, in the last year, we have shown that we can do this. We have the strength and conviction to support one another and continue to keep our spirits and our economy as strong as possible.

As a municipal government we lead the way. When asked to shut down all municipal facilities and send staff home, we immediately complied. We communicated with our citizens daily using our website, social media and videos. We implemented technological solutions to continue to offer service while respecting the provincial health orders. As the initial urgency of the pandemic eased off, we scaled back our communications but remained ready to change as the needs of our community changed. As soon as it was safe to do so, we reopened our offices with the required strict safety plans in place. We offered the use of Seaside Centre as a COVID-19 testing clinic for Vancouver Coastal Health. In hindsight, these look like obvious responses, but at the time, they were bold decisive steps. And our community was with us, and is still with us, showing strength and conviction not seen in my lifetime.

Council also adjusted our course a little in 2020. Some projects did not move forward as quickly as we would have liked but we added a few new items to support our community. A business watch program was launched to provide additional eyes on the streets for our local businesses. A community task force began in March and ran through the summer to provide information and support to citizens Coast wide. This was a made in Sechelt initiative that served the whole Sunshine Coast. Council also provided \$50,000 to the Sunshine Coast Foundation to provide emergency relief to charities whose operations, programs, or services were negatively impacted by health restrictions.

We are all glad to see the end of 2020. While it was difficult, we can acknowledge and celebrate our resilience as a community and how we supported and protected each other. Now, at the start of 2021, we are looking to the future and to make up for lost time. We have applied for and received some grants that will assist us in moving several projects forward that will create jobs, support our local businesses and be good for our community. We are beginning to see some measure of economic recovery and we look forward to a brighter future in 2021.

Darnelda Siegers
Mayor



MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

2020 was a year that challenged all of us. Sending all municipal hall staff home was one of the most unsettling things I have ever done as a CAO. As we do in any new situation, we discuss the ‘what-ifs’ and we plan for them. By the time the pandemic was causing concern in BC, we had a solid plan in place to allow staff to work from home and still maintain services to our community but that day in March when I said, “this is it, go home,” it all became very real and surreal. I am so proud of all of our staff and how they remained dedicated to serving our community and persevered in the face of a health crisis as well as their changing roles and responsibilities. Without exception, every single one of our staff stepped up and took on additional responsibilities with diligence and tenacity.

Our parks, public works, and Water Resource Centre teams continued to go into work every day as those are jobs that cannot be done from home. In the first few weeks of the pandemic we all experienced a little fear, and they were no different. They immediately put safety protocols in place to protect one another and our citizens. They dealt with increases in clogged sewer systems (due to wipes being flushed), increased graffiti and vandalism, as well as increases in garbage and dumping.

Our municipal hall workers quickly adapted to their changing work environment while struggling with daycare and other family responsibilities that impacted their new home offices. They worked early in the morning and long into the evening to ensure their work was completed to a high degree of excellence. They also took on additional responsibilities like finding ways to provide washrooms for our vulnerable populations, launching a business watch program, launching a community task force, and working in the Emergency Operations Centre for the Sunshine Coast. Some of our staff like bylaw officers and building inspectors continued to go into the office every day. They wore masks, sanitized every surface they touched and kept their distance.

While our spirits wavered from time to time our productivity remained high. Upon the reopening of municipal hall most staff continued to work from home and productivity remained high. Some projects, like the Official Community Plan, were put on hold while other projects, like the zoning bylaw and the housing needs assessment, took priority and many of Council’s goals continued to move forward. Governance continued with online council and committee meetings and more advertisements to keep our community informed while we are not able to meet in person.

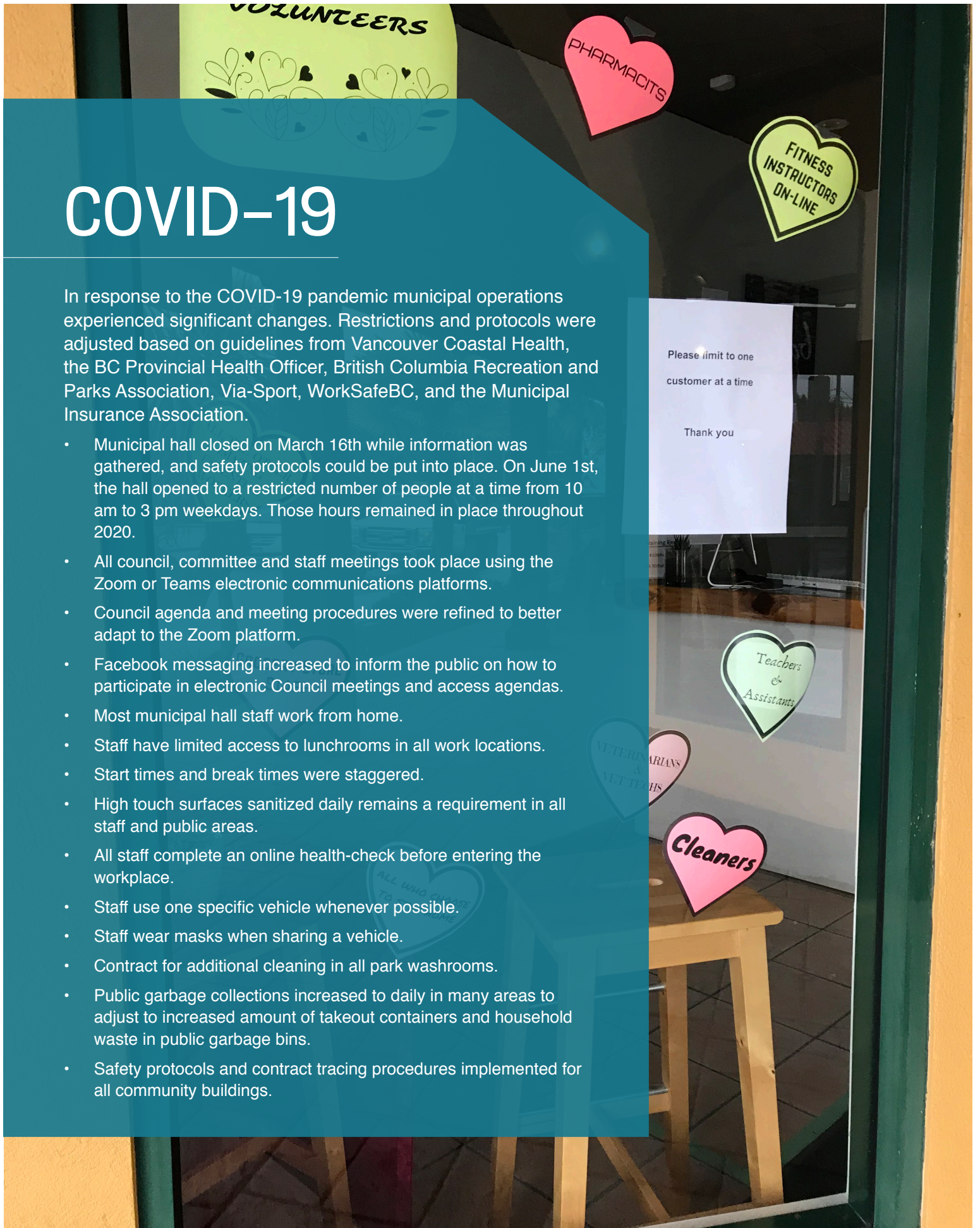
This report documents the many achievements of our staff but by far the greatest achievements are their courage, perseverance, and teamwork in a difficult time.

Andrew Yeates
Chief Administrative Officer

COVID-19

In response to the COVID-19 pandemic municipal operations experienced significant changes. Restrictions and protocols were adjusted based on guidelines from Vancouver Coastal Health, the BC Provincial Health Officer, British Columbia Recreation and Parks Association, Via-Sport, WorkSafeBC, and the Municipal Insurance Association.

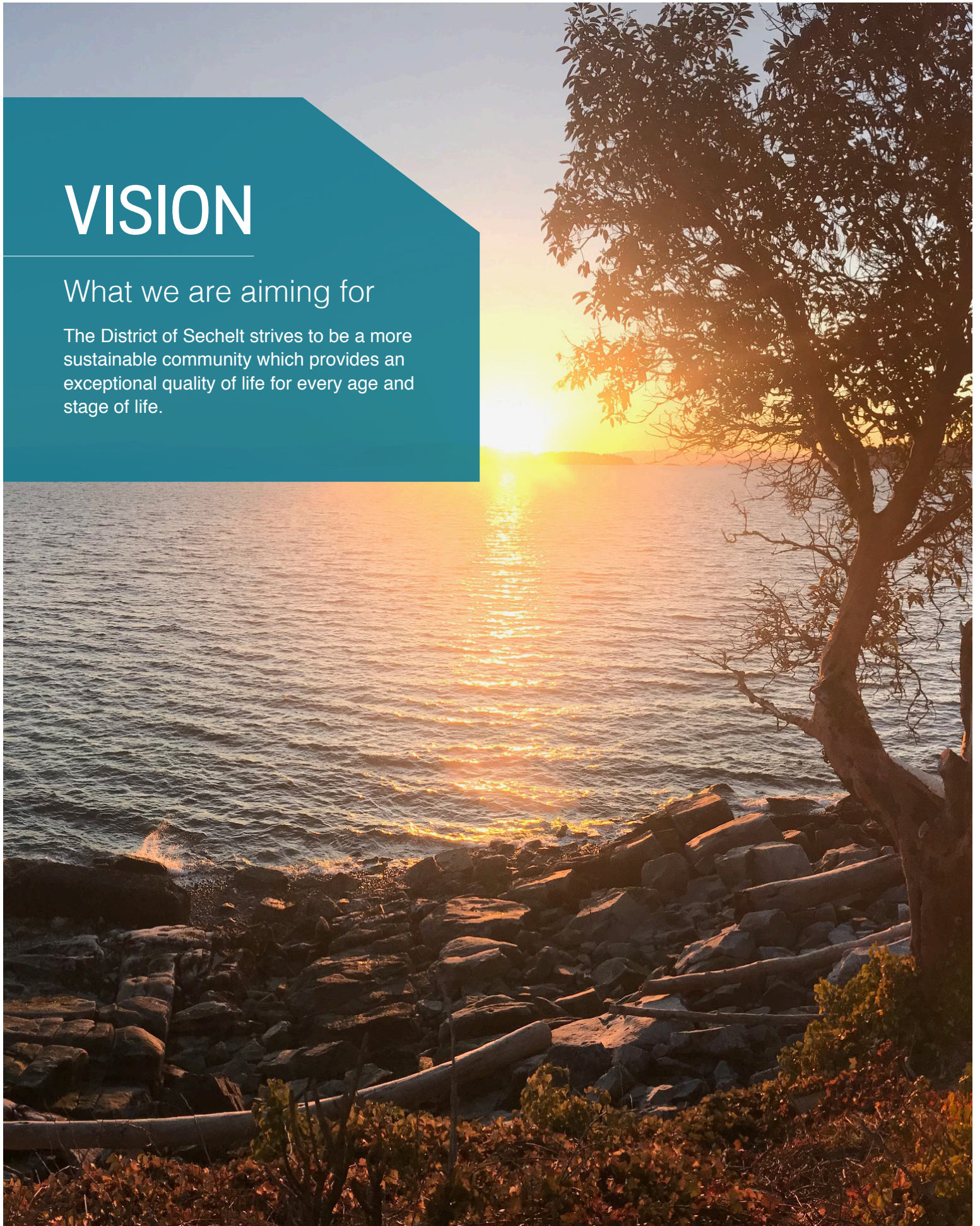
- Municipal hall closed on March 16th while information was gathered, and safety protocols could be put into place. On June 1st, the hall opened to a restricted number of people at a time from 10 am to 3 pm weekdays. Those hours remained in place throughout 2020.
- All council, committee and staff meetings took place using the Zoom or Teams electronic communications platforms.
- Council agenda and meeting procedures were refined to better adapt to the Zoom platform.
- Facebook messaging increased to inform the public on how to participate in electronic Council meetings and access agendas.
- Most municipal hall staff work from home.
- Staff have limited access to lunchrooms in all work locations.
- Start times and break times were staggered.
- High touch surfaces sanitized daily remains a requirement in all staff and public areas.
- All staff complete an online health-check before entering the workplace.
- Staff use one specific vehicle whenever possible.
- Staff wear masks when sharing a vehicle.
- Contract for additional cleaning in all park washrooms.
- Public garbage collections increased to daily in many areas to adjust to increased amount of takeout containers and household waste in public garbage bins.
- Safety protocols and contract tracing procedures implemented for all community buildings.



VISION

What we are aiming for

The District of Sechelt strives to be a more sustainable community which provides an exceptional quality of life for every age and stage of life.



MANDATE

Our roles and responsibilities

The District plays an important role in the daily lives of our residents. Whether it is addressing affordable housing needs, providing community services, improving infrastructure and municipal services or determining how we will strengthen the economy, we must manage the needs of today, while planning for the future.

The mandate of the Council is to provide services and programs to build and support a prosperous, healthy, caring and sustainable community.

WE WILL DO THIS BY:

- » Providing good governance
- » Demonstrating sound leadership
- » Encouraging effective and open communication
- » Wisely stewarding our scarce resources
- » Working to obtain additional resources and supports for our community
- » Encouraging a culture of respect
- » Working to remove unnecessary roadblocks and red tape
- » Promoting continual improvement

CORE VALUES

What guides us in fulfilling our mandate

WE BELIEVE IN BEING:

- » **Representative** – of the community as a whole
- » **Responsive** – to changing needs, technologies and challenges
- » **Respectful** – of differing needs, cultures and the land we live on
- » **Accountable** – for the decisions we make
- » **Honest.**



2020 STRATEGIC GOALS AND ACCOMPLISHMENTS

2020 was a challenging year for everyone and in local government it was no different. Staff managed a new work environment and citizen expectations while remaining focussed on Council's strategic goals. The goals remained the same in 2020 but some of the objectives and projects were delayed to a time when they can be managed safely and to a high standard.



1 – PROMOTING ECONOMIC PROSPERITY

The District is committed to developing more prosperous and economically resilient communities by supporting a spectrum of workplace opportunities from home-based business to marine and airport-related industrial activities.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- **1.1 Exploring opportunities to enhance the economic potential of the airport lands, harbour and wharf.**
 - A grant was received from the BC Air Access Program for the Sunshine Coast Regional Aerodrome resurfacing and runway extension project. The runway extension of 250 metres will allow larger aircraft to land, including the King Air 100/200, and resurfacing will significantly improve safety.

- **1.2 Developing an airport development strategy and identifying grant opportunities.**
 - The Sunshine Coast Regional Aerodrome Resurfacing and Runway Extension Project – this project ensures the aerodrome can continue to operate until future strategies are developed.

- **1.3 Creating a Council committee of business leaders to develop a Sechelt economic development strategy that supports local job creation, local investment, and will enhance and sustain local businesses.**
 - This Council committee was deferred until the economic development strategy of the Sunshine Coast Regional Economic Development Organization (SCREDO) on economic recovery programs.

WHAT WE DID
IN 2020 TO
ACHIEVE THIS

- **1.4 Continuing to support regional economic development strategies through the Sunshine Coast Regional Economic Development Organization.**
 - The District launched a shop local social media campaign to support local businesses and provided support as needed to the Sechelt Downtown Business Association (SDBA) and SCREDO on economic recovery programs.

- **1.5 Continuing to support the work of Sunshine Coast Tourism (SCT) and leverage opportunities to promote tourism and enhance the visitor experience in Sechelt.**
 - The Visitor Information Centre was closed for several months in 2020 due to provincial travel restrictions. During this time SCT focussed on a dream now and travel later campaign that was supported by the District.
 - Safety protocols and safety glass were installed in the Visitor Information Centre for the protection of staff and guests.
 - Staff worked with SCT to promote shop local and ‘staycation’ initiatives while planning for a time when visitors would be welcomed again.
 - Staff consulted with SCT in an application for a grant designed to support tourism dependent communities. The grant application focussed on priorities in alignment with the SCT strategic plan.



2 – ENHANCING FISCAL SUSTAINABILITY

The District focusses on the fiscal sustainability of the municipality to ensure we can continue to provide needed services and infrastructure.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- **2.1 Continuing to improve our asset management program.**
 - The District's health and safety consultants, ORCA, and the operators performed hazard assessments of the lift stations. The hazard assessments will be used to develop CSE procedures. These CSE will also require approval from WorkSafeBC through a 9.22 variance application.
 - Parks asset management began in the fall of 2020. Staff were trained in the use of Arc Geographic Information System Collector App and began a detailed inventory of parks assets including benches and picnic tables, signs, trash containers, doggy bag dispensers, planters, playground equipment, bridges, decks, and stair cases. Data was also gathered for the street tree inventory for the purpose of creating an inspection and maintenance schedule for District street and park trees. This will tie into the Cityworks software program and could generate workorders for things like recurring inspections to ensure the safety of our urban forest.

- **2.2 Implementing internal processes and software to track our operational activities to find efficiencies and cost savings.**
 - Implemented Microsoft Office 365 and moved to the use of Teams for staff meetings and internal communications.
 - Upgraded the Cityworks asset management software server environment.
 - Continued digitizing records and working towards transitioning operational activities to digital platforms.
 - Configured remote access to internal phone system to support staff working remotely.
 - Migrated staff intranet site to SharePoint.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- Upgraded Sechelt.ca and my.sechelt.ca websites.
- Purchased BookKing software to streamline the process for online customers booking community facilities.

■ 2.3 Developing a risk mitigation strategy.

- Council adopted a new procurement policy in January 2020. The policy ensures the District obtains the best value for goods and services, ensures fairness, integrity, accountability, and transparency throughout the procurement process.
- Facilitated secure work from home arrangements and equipment for thirty-six staff.
- Implemented the Wizer security awareness and educational system.
- Purchased disaster recovery environment equipment.
- Upgraded the security system at the operations yard.

■ 2.4 Ensuring financial resiliency by building reserves and improving investment strategies.

- Due to the financial crisis related to the pandemic the annual 3% tax increase for reserve funds was not implemented in 2020.

■ 2.5 Reviewing our fees and charges to ensure adequacy and fairness.

- Completed the 2020-2024 Consolidated Financial Plan Bylaw 590, 2020.
- Completed the Septage Disposal Fees Amendment Bylaw 483-3, 2020.
- Updated the facility fees by completing the Fees and Charges Amendment Bylaw 451-1, 2020.
- Updated the sewer user fees by completing the Sewer User Fees Amendment Bylaw 426-15, 2020.
- Updated the Bylaw Notice Enforcement Implementation Bylaw No. 515, 2020, to accurately reflect amendments made to existing bylaws and to expand the fine structure for additional sections of existing bylaws, as well as permitting property-related bylaw fines to be directed to debt collections.

In addition to these initiatives, staff also accomplished the following actions to enhance the District's fiscal sustainability:

- Completed a grant application to the BC Air Access Program to pursue additional grant funding to complete the airport runway resurfacing and extension project. Construction started in February 2021 and completion is July-August 2021.
- Staff applied for over \$10 million in grants to support municipal projects for infrastructure, tourism, childcare services, and costs related to the COVID-19 pandemic.
- Despite the COVID-19 pandemic and the work from home order finance staff met all regulatory deadlines such as budget, year-end audit, tax season and all regular day-to-day financial activities.



3 – ENHANCING COMMUNITY LIVEABILITY

The District is committed to the improvement of community sustainability, accessibility, affordability and community health and well-being.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- **3.1 Planning neighbourhoods to enable all residents to meet their daily needs easily, safely and conveniently by linking neighbourhoods with pathways, sidewalks, bicycle lanes and transit routes.**
 - Active transportation for kids - Staff continued to participate in a multi-agency group and worked to improve opportunities for safe active travel for kids on the Sunshine Coast.
 - Trail Avenue reconstruction – 2020 works included repaving several blocks of road, and installing curbs, gutters, sidewalks, bike lanes and landscaping, while conducting a significant archaeological inspection of all soil removed from the area. This project was funded through road and storm development cost charges.
 - Wharf Avenue sidewalk – An active transportation grant and Island Coastal Economic Trust grant were awarded to the District and in 2020 staff conducted one-on-one consultation with businesses in the affected area. A final design and construction are expected in 2021.
 - Initial design for the Reef Road bike lane was completed.

- **3.2 Providing a mix of housing types throughout the District that provide options for a range of needs and incomes.**
 - Sunshine Coast Housing Needs Assessment - The District worked with the Town of Gibsons and SCRDC to undertake a housing needs assessment. Work commenced with a consultant in the first quarter of 2020 with both the local government planning team and broader steering committee comprised of members from local and provincial governments as well as service organizations. Public outreach, online engagement, and the work of this committee concluded in the fourth quarter with a Housing Needs Assessment Plan to guide the three local governments on the Coast.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- Community engagement in the fall of 2020 furthered the progress made in revising the Zoning Bylaw.
 - Major development applications including the Silverstone Long Term Care Facility and affordable housing projects for Sunshine Coast Lions Club seniors housing and Community Services women’s housing were approved.
- **3.3 Addressing housing affordability and homelessness by: lobbying senior levels of government to secure funding and other social supports; and working collaboratively with regional partners to develop a comprehensive affordable housing strategy.**
- Staff worked with the Town of Gibsons, and the SCRD to develop the Sunshine Coast Housing Needs Assessment which will form the basis of a housing strategy.
- **3.4 Giving consideration to community safety and well-being in operational practices and infrastructure projects.**
- The dry sanitary sewer force main along Trail Avenue was started at Pebble Crescent and extended south toward Hackett Park.
 - Security cameras and remote locking systems installed at community facilities.
 - New tamper-proof needle disposal bins installed in public washrooms.
- **3.5 Providing support to community arts and culture initiatives.**
- The District partnered with Fortis BC to host two nights of free drive-in movies for up to fifty vehicles and their occupants in Hackett Park. Both nights were at full capacity and the event was well received by the public.
 - The District of Sechelt partnered with the Sunshine Coast Arts Council and Culture Days BC to present a free 2-day printmaking workshop with artist Edward Fu-Chen Juan.
- **3.6 Taking the actions to reach the goals in the Festival and Events Strategy, and the Public Art Program and policy.**
- Sechelt Arts Festival “Vision 2020” was held October 8 – 25, 2020 in a variety of venues both in-person and online. The events and activities were reimagined to comply with Provincial Health Order restrictions on gatherings. The Festival included a visual art show, contemporary dance performances and workshops, live music performances, outdoor entertainment for families, a community mural project, heritage display, and a live-streamed multimedia event. Overall, the Festival saw a live attendance of 1,488 people and an online attendance of 3,520. The events included the work of 30 artists and took the work of 38 volunteers who contributed 625 hours of their time.
 - Work began on the Hackett Park Accessible Stage project. Archaeologists, along with shíshálh Nation, completed the initial site assessment and testing of the proposed works area.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- Canada Day and the Summer Music Series events were modified in 2020. Canada Day was celebrated with distanced and moving entertainment with a parade that wound through the community and moving entertainment along the waterfront as well as video entertainment. The Summer Music Series was provided through video to allow our local musicians an opportunity to perform and our citizens to enjoy local entertainment.
- **In addition to these initiatives staff accomplished the following projects to improve community liveability:**
 - Climate adaptation - The District, with support from Fraser Basin Council (FBC), hosted an educational event where forty members of the public participated in a virtual game about sea level rise and flood risks in a format appropriate during the COVID-19 pandemic.
 - The Parks department took delivery of a Redexim sports field overseeder in June 2020. Staff were able to oversee all the sports fields within a small seeding window in September allowing seed to germinate earlier than in previous years.
 - The District applied for and received \$67,150 from the provincial 2019 Community Child Care Planning Program to draft a childcare action plan. The District of Sechelt led the project with active support from Town of Gibsons, the SCRCD and other steering committee members from Vancouver Coastal Health, School District No. 46, Sunshine Coast Child Care Resource and Referral, Capilano University and Sunshine Coast Credit Union. The plan was completed in February 2020.
 - Ebbitide Dog Park construction began in September 2019. Delays related to the Trail Avenue, Surf Circle and Ebbitide Street reconstruction impacted the projected opening of the park which was scheduled to open in late spring 2020. With the construction in the area still ongoing, the projected opening of the park is anticipated in the spring of 2021 to allow newly seeded lawn areas to establish.
 - Publicly accessible automated external defibrillators (AEDs) were installed at Friendship, Hackett, and Kinnikinnick parks as well as the Davis Bay washroom. The Rotary Club of Sechelt and Emergency Health Services identified the need for this amenity, procured the devices and provided staff training.
 - The Suncoaster Trail design capital project began in the summer of 2019 with trail discoveries carried out by planning and parks staff. In 2020 consultants were hired to map and collect data for the proposed route, identify wayfinding opportunities, liaise with private property owners along the proposed route, and design signage.
 - A business watch program was launched in April and continued into 2021 to provide volunteers to patrol downtown businesses through the night and report any suspicious activity to the RCMP.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- A Sunshine Coast task force was created to provide information on all community news related to the health crisis. The task force of sixty citizens, agencies and business owners created a website to host information for the public and a phone line for those without internet. Information included lists of stores who offered delivery or pick-up services, all community service agencies and economic recovery programs, and links to reliable sources of information.
- Council provided a \$50,000 grant to the Sunshine Coast Foundation to provide supports for those most impacted by the pandemic.
- Annual grant applications from local non-profit and charitable organizations were processed and adjudicated. Total value of Community Investment Program grants awarded in 2020 was \$120,987.
- Hosted a grant writing workshop for local non-profit and charitable organizations, with twenty-nine members attending.
- A gratitude social media campaign ran in April for fourteen days with a reach of over 10,000 people. This campaign was aimed at simply providing something positive for citizens during a very bleak time.
- A shop local and community pride twenty-day campaign ran in the summer with a reach of over 12,000 people.
- Staff worked with the Sechelt Farmers and Artisans Market to create an indoor winter market in the Seaside Centre for the 2019/2020 season. It was a great success with an average of twenty-one vendors at each market day.



4 – MANAGING GROWTH EFFECTIVELY

The District is committed to managing growth in a way that stewards scarce resources, protects environmentally sensitive areas, and provides appropriate and sustainable housing and employment opportunities.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- **4.1 Revising and updating the Official Community Plan to reflect the vision and to improve predictability in growth and development objectives.**
 - Official Community Plan (OCP) referral policy and procedure - Staff developed a new revised referral procedure to align with the legislative requirements for OCP referrals and to ensure a consistent and clear process and outcome.

- **4.2 Updating the Subdivision and Development Control Bylaw 430 to better align with District needs and community liveability and sustainability.**
 - District staff worked with ISL Engineering to review and revise Bylaw 430. ISL is now incorporating this work into a revised draft bylaw.

- **4.3 Updating the density bonusing policy and the amenity contribution policy to better define and incentivise community liveability and sustainability.**
 - Staff continue to refine an operating practice with the goal of finding a suitable solution that can benefit both the District and the developer with cash and/or land contributions. Further development of the policy is a priority item.

- **4.4 Updating the Liquid Waste Management Plan and aligning our development priority areas with our servicing areas.**
 - Liquid waste management plan - A council workshop was held, and various committees were being established, but the pandemic delayed the public information meeting and completion of this project.

In addition, the following projects also assist the municipality in managing growth:

- The dry sanitary sewer force main along Trail Avenue was completed in 2020, starting at Pebble Crescent and extending south toward Hackett Park. This dry sewer main is for future sewer expansion to Selma Park, Davis Bay and Wilson Creek.



5 – REVITALIZING THE DOWNTOWN

The District is committed to developing a vibrant downtown for visitors and the people who live and work in our community.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- **5.1 Providing support and streamlining processes to facilitate success for community-lead downtown projects.**
 - On a trial basis for the 2020 season, the Street Patios pilot project was an opportunity for restaurants, cafés, and certain other businesses to extend outdoors onto District-owned streets and sidewalks during the COVID-19 pandemic. The District was able to assist eleven local businesses resolve questions about patio options, mostly on private land, two ‘licences to occupy’ District sidewalks/roads were approved, and one was issued. There was a fair amount of uncertainty for local businesses about how much to invest in patio extensions, but overall there is interest in continuing the program.
 - There were other patios on private property that were supported under the temporary licence expansion area, a temporary approval project from the Liquor and Cannabis Regulation Branch.

- **5.2 Identifying and improving infrastructure needs to support downtown business and activities.**
 - Staff worked with the Sechelt Downtown Business Association (SDBA) to design and build a new wayfinding sign downtown.
 - A project plan was drafted to enhance internal collaboration with engineering as well as external collaboration with the SDBA and business owners to address infrastructure needs on Wharf Avenue. This project is anticipated to go to tender in 2021.
 - Staff applied to the Investing in Canadian Infrastructure Program - Community Culture & Recreation for improvements to Trail Bay Boulevard.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- **5.3 Working collaboratively with landowners, the Sechelt Downtown Business Association and the Sechelt Chamber of Commerce to reduce vacant premises, address parking needs, and identify service improvements.**
 - Initiatives in this area were paused for 2020.

- **5.4 Developing a “pedestrian-first” policy to improve access and vibrancy in the downtown.**
 - As part of the Trail Avenue reconstruction the main intersection of Cowrie Street and Trail Avenue was redesigned to narrow the intersection and widen the sidewalk which provides an increased level of safety as cars are forced to slow down to make the turn and the number of cars at the intersection at any one time is reduced from eight to four.

- **5.5 Initiate, encourage and support art in public places.**
 - As part of a BC Hydro beautification program, two Hydro boxes received vinyl wraps with designs created by local artists.
 - A call for photographers was issued and a photo mural featuring the work of Dolf Vermeulen was installed in the municipal hall lobby.
 - Two artists designed crosswalk art for two locations as part of the Trail Avenue reconstruction project. The crosswalks will be installed in 2021.
 - The in-person reach of the Canada Day festivities is estimated at 2,000 viewers of the parade, and 500 viewers along the waterfront walkways. Online we received nearly 2,500 views of the two videos, and an average reach of 1,663 for daily social media posts about Canada Day.
 - The Sechelt Summer Music Series, featuring seventeen acts, was recorded outdoors by a local professional sound studio. Taking the recording outdoors allowed us to retain some of the usual outdoor concert ambiance while complying with Vancouver Coastal Health guidelines on COVID-19. All concerts were released on YouTube and shared via Facebook and Twitter.
 - Creation and launch of the music video “Sechelt, Stronger Together.” The Sechelt Canada Day Committee sought to find a way to create the same sense of togetherness while remaining physically apart. The result was a music video tribute to honour our local front-line and essential workers. The video featured renowned local musicians and performances by students from the Coast Academy of Dance in Sechelt along with photos of front-line and essential workers.
 - Acquisition of a ceramic work by local artist Laurie Rolland, “Wrapped Boat” (2019), was donated to the collection by Jenni Cottrell. This artwork is currently displayed in municipal hall.
 - In response to the need for physically distanced engagement opportunities with artists in the Sunshine Coast Art Crawl, staff hired local filmmakers and videographers to create a series of Public Art Talks videos. Each video features a local artist discussing one of their works from the Sechelt public art collection.



6 – IMPROVING GOVERNANCE AND COMMUNICATIONS

The District is committed to open, transparent, and accountable governance and communications.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- **6.1 Operating and communicating in a timely manner with transparency and accountability following best practices for local government.**
 - Development Tracker for current development applications - Staff developed a web-mapping application that allows the public to easily view up-to-date information on specific developments. The map was published in the first quarter of 2020 and will be improved as use continues. The Development Tracker can be accessed at www.sechelt.ca/planning.
 - Staff have added a new page to the District website where members of the public can access additional information for significant development applications.
 - The District Brand and Style guide was completed to ensure consistent look and readability of municipal publications.

- **6.2 Improving communications with the community and increasing public participation by implementing the goals and objectives of the Communications Plan.**
 - Much of the communication in 2020 revolved around the pandemic and service changes related to the pandemic. Information was shared on the website and social media as usual and there was an increase in the number of newspaper ads to ensure those without internet were kept informed.

WHAT WE DID IN 2020 TO ACHIEVE THIS

■ 6.3 Providing opportunities for public participation in the decision-making process.

- Providing opportunities for the public to have input into public processes was a challenge in 2020. With all meetings moving online and no opportunities to gather, staff implemented a number of measures to address this:
 - » Instructions on how to join a Zoom meeting were posted to meeting schedules on the website, appeared in several ads in the local papers, and shared on social media for each Council meeting.
 - » Online and paper surveys were used to gather feedback from the community. Paper surveys were available at the library.
 - » Posters with QR codes were placed in the mall with the QR code linking directly to web pages with information on the topic and a survey.
- The budget process for 2021 began early in 2020 to allow additional time and more opportunities for the community to learn about what services the District provides and offer their input on budget considerations for these services.
- Extensive public engagement process was implemented to gather input on Sechelt's Zoning Bylaw.

■ 6.4 Pursuing federal Reconciliation recommendations.

- Regular meetings with the shíshálh Nation and Council began in 2019 however there was a pause in 2020 due to the inability to meet in person. Council continued with telephone and electronic communications where possible.
- The syiyaya Reconciliation committee hosted the event “Envisioning Reconciliation,” a presentation and world café for members of the shíshálh Nation. The remainder of the workshops in this series were postponed.
- The District continues to work with the shíshálh Nation and Ministry of Indigenous Relations and Reconciliation on the implementation of the Foundation Agreement.
- On Orange Shirt Day, the District installed the “Paddling Together” reconciliation weaving in municipal hall. This weaving was created by indigenous artist Shy Watters Georgeson and community volunteers. The display case for the weaving was made by shíshálh artist Shain Jackson.
- Staff participated in a blanket exercise hosted by Reconciliation committee members.

■ 6.5 Identifying opportunities for shared services and projects with stakeholders and other governments.

- Worked with the Town of Gibsons and the SCRD on synchronized implementation and communication of the new BC Energy Step Code.
- Sunshine Coast Housing Needs Assessment - The District worked with the Town of Gibsons and SCRD to conduct a housing needs assessment.
- The District led a project to draft a childcare action plan with active support from Town of Gibsons, the SCRD and other steering committee members from Vancouver Coastal Health, School District No. 46, Sunshine Coast Child Care Resource and Referral, Capilano University and Sunshine Coast Credit Union.
- Intergovernmental meetings of elected officials were conducted online. Intergovernmental meetings of staff identified opportunities for collaborative projects, including sharing specialized equipment for parks and public works as well as land use planning and housing initiatives.



7 – IMPROVING OPERATIONS & INFRASTRUCTURE

The District is committed to improving the delivery and effectiveness of municipal services and infrastructure throughout the District to meet community needs and to respond to changing conditions.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- **7.1 Improving the programming of the Water Resource Centre and developing a strategy for the use of reclaimed water.**
 - Spill response supplies were set up in the influent wet well building. The inventory includes all the equipment and supplies required to support the handling of chemicals and volumes used to operate the plant.
 - The District continued working with consultant, Veolia Water Technologies Inc., to create a comprehensive proposal to continue investigations of ultrafiltration (UF) membranes filterability and effects of back wash on performance.
 - The centre was operating in UF membrane bypass for the third quarter. The goal is to achieve the best possible treatment without the influence of the UF filter backwash. Investigations earlier in the year identified that the recirculation of the filter back wash can have a negative effect on the secondary treatment process and can directly or indirectly affect the quality of the effluent. Reporting requirements are for monthly sampling. While bypassing the membranes, weekly sampling is performed.
 - There was a significant increase in the amount of grease and rags accumulating in the lift stations. Removal of grease from the influent wet well was required weekly compared with monthly removal prior to March. Some of the lift stations are affected more by grease and rags than others, particularly the Wakefield lift station. Inspections of this wet well were carried out daily.
 - A Reclaimed Water Feasibility Study was approved by Council in 2020, and grant funding was received to support the project.
 - A Biosolids Feasibility Study was approved by Council in 2020, and grant funding was received to support the project.

WHAT WE DID IN 2020 TO ACHIEVE THIS

- **7.2 Working collaboratively with our regional partners to improve the supply, storage and delivery of water.**
 - A reclaimed water feasibility study was approved by Council in 2020, and grant funding was received to support the project.

- **7.3 Demonstrating leadership by implementing District water conservation measures and exploring water supply options.**
 - The development of a water conservation action plan was approved by Council in 2020 and grant funding was received to support the project. The District of Sechelt was awarded the UBCM grant for \$10,000 in September 2019.

- **7.4 Working with our community, stakeholders and volunteer groups to implement the priority parks and trails projects identified through the Parks and Open Space Master Plan.**
 - Staff received approval to apply for grants for improvements to Hackett Park, Snickett Park, and the Boulevard.

- **7.5 Completing the construction of the Parks and Public Works Operation Building.**
 - The District awarded a contract for the design and engineering of the Operations Centre as proposed, and proceeded with the notice of intent to award the contract with Caerus Construction Ltd. for a total base building cost amount of \$2,365,750, plus GST, contingent on the approval of borrowing funds through the electoral alternative approval process.

- **7.6 Completing the Suncoaster Trail Phase 2.**
 - Staff worked with stakeholders and private property owners to establish a path for phase 2 of the trail.

- **7.7 Developing a strategy for fully utilizing District owned community facilities.**
 - Safety protocols and plans were implemented for all community buildings. While all community events were cancelled additional bookings were received by community groups and businesses requiring additional working space for staff.
 - The Seaside Community Centre was used by Vancouver Coastal Health as a COVID-19 testing clinic from March to June and again from September and into 2021. While no fees were charged for the first use under emergency conditions a fee was agreed upon for the second use in the fall.
 - In partnership with the Sechelt Farmers and Artisans Market a winter market was established in Seaside Centre in December 2019 that continued through to early March 2020.

WHAT WE DID IN 2020 TO ACHIEVE THIS

■ In addition to these initiatives staff also worked on the following items to achieve this goal:

- *Sunshine Coast Child Care Action Plan* – The project was completed, and the final report submitted to the Union of British Columbia Municipalities in the first quarter. The next step is to coordinate with other local governments in the region to initiate a joint childcare committee to put the plan into action.
- Worked with the Town of Gibsons and the SCRD on synchronized implementation and communication of the new BC Energy Step Code.
- Completed organization wide migration to Microsoft Office 365.
- Recruitment - The Human Resources department introduced additional methods for recruitment including several social media platforms as well as a change in interview guidelines. Candidates were met with competency-based behavioural interview questions specific to the posting as well as technical questions that directly relate to the duties of the role. Subsequently the District had great success in hires this year and looks forward to increasing the strength of recruitment in the coming year. The District was given pre-approval to hire a chief building official before the end of the year which greatly helped the Building department.
- Training and development - This year we were able to provide lock out and confined space training to the Water Resource Centre. The Human Resources department began working with an occupational health and safety consultant to map out a plan for coming years to ensure adequate training is had by all departments. As well, the Human Resources department began team training for each department as part of a larger plan to roll out a more robust training program in 2021.
- Bargaining - Between the months of August and December, Human Resources in collaboration with the senior management team began bargaining for the expiring collective agreement. Several hours were spent meeting with varying departments in preparation for bargaining. When it came time to bargain, both committees met and were able to agree upon terms by December 16th, 2020.
- Performance reviews - In 2020 the Human Resources department altered the performance review form to reflect the needs of the organization. This included a more generalized approach to allow usability for all employees and to emphasize the expectations and goals of employees instead of a past performance approach.
- A comprehensive review of Council's adopted policies was completed, and an updated digital policy manual was prepared and distributed to Council and placed on the District's web site.



2021 & 2022 GOALS AT A GLANCE

To move us toward our vision, we are committed to the following goals and objectives.



Photo: Becky Wayte



1 – PROMOTING ECONOMIC PROSPERITY

The District is committed to developing more prosperous and economically resilient communities by supporting a spectrum of workplace opportunities from home-based business to marine and airport-related industrial activities.

WE WILL DO THIS BY:

- Continuing the work of the council committees on harbour and airport development.
- Continuing the construction on extending the airport runway.
- Continuing to work with the Sechelt Downtown Business Association, the Sunshine Coast Regional Economic Development Organization and Sunshine Coast Tourism to support their initiatives.

2 – ENHANCING FISCAL SUSTAINABILITY

The District focusses on the fiscal sustainability of the municipality to ensure we can continue to provide needed services and infrastructure.

WE WILL DO THIS BY:

- Completing a district wide sewer model to identify upgrade requirements, bottle necks and capacity.
- Repairing old or failing assets, such as the Wakefield Road and Cook Creek culverts.
- Hiring an asset manager to develop and manage an asset management plan.

3 – ENHANCING COMMUNITY LIVEABILITY

The District is committed to the improvement of community sustainability, accessibility, affordability and community health and well-being.

WE WILL DO THIS BY:

- Continuing with the work of the Housing Advisory Committee.
- Monitoring the recent amendments to the Planning and Development Procedures Bylaw 566 for areas of improvement.
- Building upon the updates to the Planning and Development Procedures Bylaw 566 with a preliminary detailed development applications process guide. This could be used as a package to describe all application types or separated into individual application types.
- Staff have created a checklist for commercial and multi-family buildings. The buildings require design and oversight by a registered architect pursuant to the BC Building Code and Architects Act. The intent is to clarify submission requirements and ensure applicants provide the required details at the time of application.
- Policy refinement and mapping will continue for a new zoning bylaw including consultation with community associations, the public, and specific consultations regarding climate change and rising sea levels.
- A community curbside organics collection program will begin in late 2021.
- A festival and event roundtable to provide networking and information sharing opportunities for festival and event organizers has been postponed to late 2021 or 2022.
- Organizing further public awareness and engagement opportunities to further the District's preparedness for climate change.
- Creating safe and convenient pathways, bike ways and linkages for active transportation - completion of Trail Avenue Phase 1 and 2 and Reef Road, Shoal Way and Lighthouse Avenue bike lanes.

4 – MANAGING GROWTH EFFECTIVELY

The District is committed to managing growth in a way that stewards scarce resources, protects environmentally sensitive areas, and provides appropriate and sustainable housing and employment opportunities.

WE WILL DO THIS BY:

- Official Community Plan (OCP) community consultation and updates.
- Zoning Bylaw 580 – drafting, presenting to Council, technical referrals and next step of community engagement.
- Subdivision and Development Control Bylaw 430 – drafting, presenting to Council, technical referrals and next step of community engagement.
- Implementing recommendations from housing needs reports.
- Updating the Transportation Master Plan and supporting active transportation projects.
- Re-establishing the Sewage Facilities Commission Bylaw No. 225, 1994.
- Long term sewer modelling and planning for liquid waste management.
- Supporting the SCRCD on installing water meters for Sechelt.

5 – REVITALIZING THE DOWNTOWN

The District is committed to developing a vibrant downtown for visitors and the people who live and work in our community.

WE WILL DO THIS BY:

- Considering a downtown revitalization plan as part of the OCP review.
- Completing improvements for pedestrians, lighting and other aesthetic improvements on Wharf Avenue and Trail Avenue.
- Staff will continue to work with stakeholders to remove barriers and cut red tape for community-led cultural events and celebrations.
- Installing a crosswalk art inlay as part of the Trail Avenue redesign and construction.
- Installing a sidewalk on Inlet Avenue, between Cowrie Street and Dolphin Street.

6 – IMPROVING GOVERNANCE AND COMMUNICATIONS

The District is committed to open, transparent and accountable governance and communications.

WE WILL DO THIS BY:

- Improving and enhancing the web-based Development Tracker map for citizens to obtain current information about developments.
- Continuing to participate in intergovernmental meetings, with one of the joint projects proposed a regional growth strategy.

7 – IMPROVING OPERATIONS & INFRASTRUCTURE

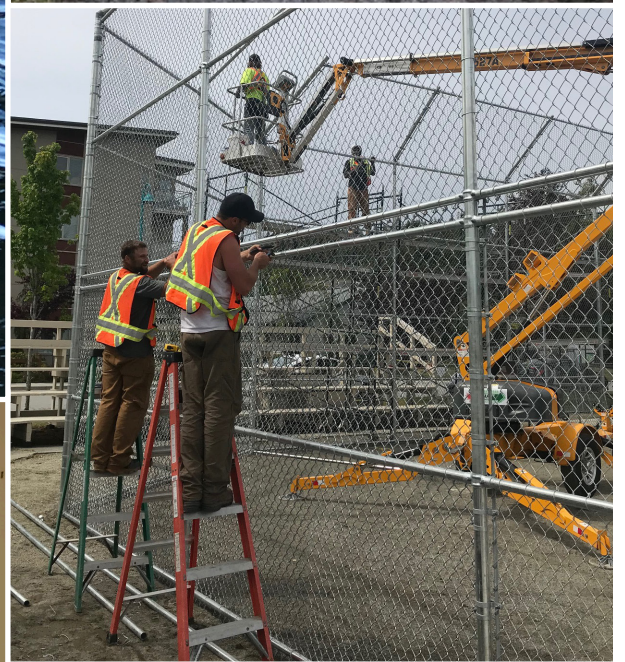
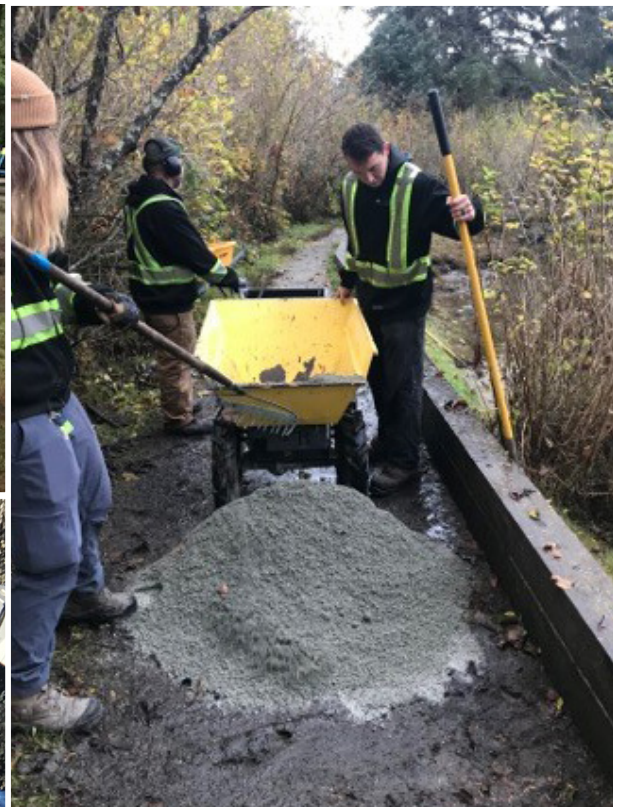
The District is committed to improving the delivery and effectiveness of municipal services and infrastructure throughout the District to meet community needs and to respond to changing conditions.

WE WILL DO THIS BY:

- A grant was received to fund a Reclaimed Water Feasibility Study for 2021.
- Construction will begin on the Parks and Public Works operation building.
- District will continue to explore route options and obtain right of way permissions.
- Maintaining and enhancing existing information technology infrastructure by implementing an annual desk top refresh program and software upgrades.
- Fostering connectedness of departments by providing tools, training and virtual spaces to support employees working from home and in the office and continuing to improve connectivity with community and external partners.
- Implementing online booking software for facility rental which will allow community members to access to facility rental availability through the District's website.
- Automating the accounts payable process to create efficiencies and ensure timely payments to vendors and other external partners.
- Increasing the number of online transactions by both tax payers and fee payers such as dog and business licenses.
- The Finance division is working towards being paperless in 2021.



DIVISIONS AND DEPARTMENTS



ADMINISTRATION

The chief administrative officer oversees the administration of the municipality, its officers and employees. Administration Division keeps Council informed on corporate matters, advises Council on policy and other matters, and ensures Council policies are implemented. The administration team at the District of Sechelt consists of Human Resources, Communications, Arts and Culture, Community Services, and Council Support and works closely with all other departments.

Human Resources

The Human Resources department works closely with all departments through providing advice, guidance, recommendations, and support in all areas of human resources while adhering to all applicable legislation. This includes recruitment and selection; liaising with the BC Government Employees Union, Desjardins, the Municipal Pension Plan, occupational health and safety consultants, legal counsel and WorkSafeBC; administering employment contracts and the Collective Agreement; researching and implementing policies; coordinating and conducting employee orientation, performance reviews, performance coaching, training and organizational development, exit interviews, incident investigations; classifying job descriptions; labour and employee relations; managing disability claims; succession planning; and employee wellness initiatives.

Human Resources ensures organizational compliance with the legal framework governing the relationship between an employer and its employees such as the Employment Standards Act, BC Human Rights Code, and Occupational Health and Safety Regulations.

Wellness Team

The District's wellness team encourages, supports, and offers health-related initiatives that will assist employees to enhance their physical, mental and emotional well-being, resulting in improving the overall health and wellbeing for all District employees. The following events and initiatives occurred in 2020:

- Staff appreciation day provides opportunities for interdepartmental collaboration and connection. For 2020 this event was held outside with physical distancing and timing was staggered to ensure compliance with public health regulations
- Holiday celebration - staff were provided with gift cards to support local businesses in lieu of a holiday dinner due to COVID-19 transmission prevention
- Virtual social events, including trivia and games night, were held online
- Golf tournament, physically distanced
- Introduction of Wellness Wednesdays
- Pink shirt day
- Staff farewell outdoor gatherings
- Weight loss challenge
- Lunch time yoga
- Mental health resources

2020 HIGHLIGHTS

In 2020 Human Resources was faced with the additional duties of considering COVID-19 and provincial health orders. In March 2020, municipal hall staff were directed to work from home and were supported in this transition by human resources and information technology staff. Managers were assisted with developing workplans and monitoring for staff. In June, as the District re-opened to the public, safety protocols were put in place.

Outside employees remained at work as their role is deemed essential to be at the workplace. The Parks department altered their start times to accommodate indoor space, all outside workers adapted as they wore masks inside vehicles and at times did not share vehicles at all.

Overall, District employees remained employed despite the COVID-19 pandemic. Their strong work ethic and loyalty did not go unnoticed.

Beyond the COVID-19 pandemic, human resources continued to support the District with eighteen new postings, occupational health and safety training opportunities, revamped performance reviews, wellness initiatives, departmental training, and collective bargaining.

Furthermore, employees were given several surveys during 2020 largely due to the changing times through the COVID-19 pandemic. Employees were asked about their needs, challenges, and barriers to success to ensure human resources could support all employees adequately.

In 2020 the District saw more leaves than 2019 which made for a challenge in staffing. That said, the outside workers did their best to report only a small decline in service as they supported each other through these difficult times.

FAST FACTS

In 2020:

- » 18 jobs posted
- » 1 successful staff appreciation day
- » Collective agreement bargaining success

Communications

The Communications department implements and coordinates the corporate communications, engagement and marketing for the organization as well as providing support to Council by managing council correspondence, booking meetings and travel, and providing support for their community meetings. The department works to ensure open and transparent government is achieved utilizing in-person and digital channels.

In addition to internal and external communications, this department supports and leverages the work of Sunshine Coast Tourism in promoting Sechelt

as the premier destination for Sunshine Coast visitors; managing the Sechelt Visitor Information Centre; initiating economic development activities and supports the work of the Sunshine Coast Regional Economic Development Organization; and, is responsible for the marketing and booking of community facilities.

Mayor and Council welcome input from all community members. This department receives comments and questions on social media, through email, face-to-face and by way of letters. Staff document each item and ensure responses and acknowledgements are issued.

2020 HIGHLIGHTS

In response to the COVID-19 pandemic the communications manager accomplished the following:

- Collaborated with Sunshine Coast local governments to produce daily news briefs for the whole coast. This was a comprehensive brief with news from each municipality, Vancouver Coastal Health, provincial health orders, federal economic resilience initiatives, and other information related to the COVID-19 pandemic. This publication was intended to be a single source of reliable information for Coast citizens. By the summer the publication changed to weekly and eventually ceased as citizens became more adept at finding the information they needed.
- Worked daily in the Emergency Operations Centre (EOC) as an Information Officer until it was scaled back to a level 1 operation in the summer of 2020.
- A daily staff bulletin was established in March to keep staff informed of the constantly changing safety protocols and to keep staff connected while working in challenging and remote times. The bulletin changed to weekly in the summer and continued through 2020.
- Weekly and then biweekly physically distanced in-person team meetings began in March with Water Resource Centre and Parks and Public Works staff, the human resources manager, and the chief administrative officer.
- Drafted a work from home plan for staff in preparation for closing the municipal hall and a phased in plan for the reopening of the municipal hall and the municipality are in progress.
- Created and curated a COVID-19 page for the District website.
- Facilitated production and distribution of Mayor's video messages.
- The communications manager and the community services coordinator worked with Vancouver Coastal Health to set up a COVID-19 testing clinic in Seaside Centre. Council waived the fees for the facility and staff provided renovations, technical support, equipment and organizational support.

FAST FACTS

- » 805 editorial mentions of Sechelt around the world with a reach of 174 Million
- » Social media exposure increased 844%
- » 40 posts on For the Record web page
- » Received and acknowledged 563 items of correspondence on Council's behalf, referring inquiries to appropriate departments as needed
- » 152 detailed responses issued to citizens on behalf of Council
- » Facebook average daily reach March 2020 = 1,268 and April 2020 = 4,537

Arts and Culture

The Arts, Culture and Communications Coordinator is responsible for management of Community Investment Program grants, support and promotion of local arts and cultural groups; promotion of Sechelt as an arts and cultural destination, and in planning, developing and evaluating cultural activities and events. Local arts, culture and heritage are major contributors to building a strong and healthy community, increasing economic development, and

fostering a local identity and sense of place. The District supports the cultural life of our residents through a variety of programs, festivals, community grants, venue and equipment rentals, and through the continued support of the Sechelt public library and the Sechelt community archives. In addition to supporting numerous community-driven festivals and events, the District hosts Canada Day, the annual Sechelt Arts Festival, and Sechelt Summer Music series.

2020 HIGHLIGHTS

GRANTS

- Staff applied for Canada Day event funding from the Canadian Heritage Celebration and Commemoration grant program.
- The District was awarded a Canada/BC Investing in Canada Infrastructure Program grant for a new accessible stage at Hackett Park.
- The Sechelt community archives was awarded a grant from the COVID-19 Emergency Support Fund for Cultural, Heritage and Sports Organizations program.
- District of Sechelt processed twenty-seven Community Investment Program grant applications totaling over \$163,460 in requests for funding.

COMMUNITY & PUBLIC ART PROJECTS

- Two Hydro utility boxes were wrapped with artwork created by local artists.
- Two local artists were awarded the commission to design decorative crosswalks on Trail Avenue.
- Art Crawl videos - In response to the need for physically distanced engagement opportunities with artists in the Sunshine Coast Art Crawl, staff hired local filmmakers and videographers to create a series of Public Art Talks videos. Each video features a local artist discussing one of their works from the Sechelt public art collection.
- Acquisition - The recent acquisition, *Wrapped Boat* (2019) by local ceramic artist Laurie Rolland, was placed on display in the municipal hall lobby.
- Photo mural lobby - A call for photographers was issued and photo mural featuring the work of Dolf Vermeulen was installed in the municipal hall lobby.

FESTIVALS AND EVENTS

- Work began on the Hackett Park Accessible Stage project. In Situ Archaeology, along with shíshálh Nation, completed the initial site assessment and testing of the proposed works area.
- District of Sechelt hosted two nights of a charitable drive-in movie event.
- A physically distanced Canada Day event was held on July 1st and included a drive-by parade, a musical tribute to local essential workers, a pre-recorded protocol ceremony, and live entertainment along the waterfront walkway.
- The Sechelt Summer Music series was pre-recorded to meet health and safety guidelines on COVID-19. All seventeen recordings were shared on YouTube and social media.
- Sechelt Arts Festival “Vision 2020” was held October 8 – 25, 2020 in a variety of venues both in-person and online. The events and activities were reimagined to comply with provincial health order restrictions on gatherings. The festival included a visual art show, contemporary dance performances and workshops, live music performances, outdoor entertainment for families, a community mural project, heritage display, and a live-streamed multimedia event. Overall, the festival saw a live attendance of 1,488 people and an online attendance of 3,520. The events included the work of thirty artists and took the work of thirty-eight volunteers who contributed 625 hours of their time.

FAST FACTS

- » \$120,987 in Community Investment Program grants were awarded in annual and three-year grants to 26 local non-profit and charitable organizations
- » Sechelt’s first ‘drive-by’ Canada Day parade was held on July 1st, 2020. Approximately 2,000 residents watched from their front yards while 45 vehicles traveled throughout all the neighborhoods of Sechelt
- » In March 2020, the Sechelt Community Archives opened in its new location at Trail Bay Centre

Community Services

The Community Services department manages District of Sechelt community-use facilities and liaises with community groups on their community events. This department of one staff person manages the marketing, booking and oversees the maintenance of Mission Point House, Rockwood Lodge, Seaside Centre and Kirkland House. Community Services provides support for District hosted community events, such as Canada Day and Oktoberfest. Administrative functions for the Community Investment Grant Program are also provided by Community Services

2020 HIGHLIGHTS

As COVID-19 effectively closed all the community buildings the community services coordinator focused on providing an information service to the Sunshine Coast by creating a community task force. This task force set up a website and phone line for citizens to get health information and other resources. It was a very successful information hub for the Coast.

The coordinator also worked with Vancouver Coastal Health to set up a COVID-19 testing clinic in Seaside Centre and provided them with access and some of the resources they needed.

As reopening slowly happened in the summer months the demand for rental space returned. This required

safety plans and protocols for all the buildings and contact tracing for each event. The safety plans and protocols were regularly updated as more information about COVID-19 and provincial health orders evolved. Local businesses and non-profits who had too little space in their own offices to safely distance people came to rely on the additional space provided in our community buildings.

The business watch volunteer program also started in the spring. With many businesses closed, there was an increase in property crime. The coordinator managed this program to keep an extra eye on our downtown assets through the rest of 2020.

FAST FACTS

- » Bookings in community facilities:
 - o Rockwood Lodge: 165
 - o Mission House 175
 - o Seaside Centre 45
- » Business Watch volunteers: 22
- » Winter Farmers and Artisans Market in Seaside Centre had an average of 21 vendors per week and was very well attended. The upstairs space was used during the market for children’s rock painting activities, sewing bees and several high tea events that were sold out.

Corporate Services

Corporate Services is responsible for the corporate and legislative services of the District including the preparation, preservation and safekeeping of minutes, bylaws and records of Council and committee business, legal documents, administration of oaths, certifying District documents and other

duties established in the Community Charter. It also provides administrative support to the other departments. The Corporate Officer is the District's Freedom of Information and Protection of Privacy Officer.

2020 HIGHLIGHTS

Corporate Services continued with implementation of the OnBase records management data base. Migration of Finance division documents was completed, and all department staff are managing their documents solely in OnBase. Meta-data programming continued for the other departments and significant headway was made with scanning and migrating those records. A total of 77,363 individual records were migrated to OnBase.

The division completed a major office clean-up of file storage areas in the municipal hall. Two 65-gallon bins were filled with obsolete or redundant records and sent away for destruction.

Bylaws adopted:

- Zoning Amendment Bylaw No. 25-289, 2018 (Everbrite)
- Official Community Plan Amendment Bylaw No. 492-25, 2019 (Bounty)
- Council Procedure Amendment Bylaw No. 568-2, 2020
- Advisory Planning Commission Amendment Bylaw No. 578-1, 2020
- Community Amenity Reserve Fund Bylaw No. 587, 2020
- 2019 – 2023 Financial Plan Amendment Bylaw No. 581-1, 2020
- Septage Disposal Fees Amendment Bylaw No. 483-3, 2020
- Sewer User Fees Amendment Bylaw No. 426-15, 2020
- Revenue Anticipation Borrowing Bylaw No. 589, 2020
- Zoning Amendment Bylaw No. 25-301, 2019 (Bounty)
- 2020 – 2024 Consolidated Financial Plan Bylaw No. 590, 2020
- 2020 Tax Rates Bylaw No. 591, 2020
- Fees and Charges Amendment Bylaw No. 575-1, 2020
- Septage Disposal Fees Amendment Bylaw No. 483-4, 2020
- 2020 Tax Sale Deferral Bylaw No. 593, 2020
- Building Amendment Bylaw No. 409-6, 2020
- 2020 Permissive Property Tax Exemption Amendment Bylaw No. 585-1, 2020
- Bylaw Notice Enforcement Implementation Amendment Bylaw No. 515-5, 2020
- Building Amendment Bylaw No. 409-7, 2020 (BC Energy Step Code)

continued



2020 HIGHLIGHTS

Leases, agreements and contracts completed:

- Ministry of Transportation and Infrastructure – Sechelt airport runway grant
- Sunshine Coast Regional District – memorandum of understanding for snow and ice removal services
- Waste Management of Canada Corporation – garbage, paper and organics collection
- Royal Bank of Canada & Suncoast Racquet Club – consent and waiver agreement
- Island Coastal Economic Trust – Sechelt Wharf Avenue improvement project
- Sunshine Coast Hospice Society – sublease for Kirkland House

New council policies adopted:

- Council Correspondence Policy 1.3.16

FAST FACTS

- » 101 Freedom of Information and Protection of Privacy Act requests were processed
- » 20 delegations to Council
- » 9 council proclamations

FINANCE

The Finance Division oversees the financial operations of the District and coordinates ongoing financial planning. Finance provides financial information, advice and direction to Council, departments, outside agencies, as well as the public. In addition, this division is responsible for general accounting, taxation, accounts receivable, budgeting, payroll administration, investments, purchasing, grant writing and property insurance. Finance also oversees the operations at the airport and information technology.

2020 HIGHLIGHTS

A new manager of Financial Services began with the District in the fall of 2020.

The Finance Division, continues on the path of becoming paperless in 2020.

Completed and updated numerous bylaws in 2020 to name a few; 2020-2024 Consolidated Financial Plan Bylaw 590, 2020, Septage Disposal Bylaw 483-3, 2020, facility fees by completing the Fees and Charges Amendment Bylaw 451-1, 2020, Tax Rates Bylaw 591, 2020, and Revenue Anticipation Borrowing Bylaw 589, 2020.

Continued to meet regulatory deadlines by completing budget, year-end audit and other required reporting within the mandatory timelines.

Due to COVID-19 the District office remained open to serve the public from 10 am to 3 pm, Monday to Friday.

Finance staff continue to work both at home and in the office to support internal staff, community members and other external partners.

FAST FACTS

- » Operating revenues finished 89% of the annual budget amounts, the decrease due to COVID-19 with both operation revenue and grant funding down in 2020.
- » Expenditures were 93% of the annual budget amounts.
- » Distributed tax notices for approximately 27.5 Million in property tax from 6,158 properties.
- » Property tax collection deadlines were temporally extended due to COVID-19.
- » Conducted audit field work, with MNP LLP Chartered Professional Accountants, all remotely and completed with regulatory deadlines. and allowing businesses additional time to pay 2020 taxes. By the end of 2020 the District collected 97% of total taxes due.
- » In 2020 the tax deferral program transitioned from being administered through individual municipalities to online through the provincial government. In 2020 600 District of Sechelt properties took advantage of the program. This equates to \$2.9 Million in deferred taxes.

Information Technology (IT)

The role of IT is to function as a partner in the development and enhancement of business processes. IT works collaboratively with staff to provide technologies that support current and future services for Sechelt citizens.

IT provides a solid and secure infrastructure for staff to work within and manages the development of the District's website. Streamlining business processes, troubleshooting systems, and building a collaborative network architecture are just a few of the tasks this department oversees.

IT installs, manages, and supports all hardware, software and communications assets including infrastructure, telephone and audio-visual systems, desktop computers and mobile computing devices.

IT also supports geographic information systems which include detailed asset and cadastral mapping information which tracks properties, right of ways, zoning, and the location of sewer and road assets.

2020 HIGHLIGHTS

- Implemented Microsoft Office 365 application to the entire organization. This initiative allowed staff to work from home while still being connected to colleagues and the community.
- Upgraded and completed server and desktop computer hardware refresh.
- Increased network security by implementing organization wide multifactor authentication.
- Upgraded wireless internet at Mission Point House, Seaside Centre, and Rockwood Lodge.
- Supported organizational transition to both internal and public virtual meetings.

FAST FACTS

- » 47% increase in usage of the my.sechelt.ca citizen self-serve website including an increase in subscribers from 2,099 to 3,077.
- » An average of 1,560 emails were sent and received per day.
- » Stability in our network services is always a priority, especially in 2020. We consistently see continuity of 99.97%.

PLANNING AND DEVELOPMENT

The Planning and Development division is responsible for both long-range policy planning and current development review planning. Activities include Official Community Plan and zoning policy review, policy development, review and evaluation of development applications and community engagement. The division also supports the Advisory Planning Commission, which reviews policies and applications and provides advice to Council.

Planning

The Planning department is responsible for current and long-range planning for the District. Staff undertakes comprehensive planning projects such as the development and review of the Official Community Plan, zoning bylaw and Integrated Community Sustainability Plan.

Building upon the updates to the Planning and Development Procedures Bylaw 566, a preliminary development applications process guide is under development, which can be used as a package to describe all application types or separated into individual applications.

2020 HIGHLIGHTS

Planning and Development:

Development Services continues to review development applications, field on-going inquiries and develop procedural efficiencies. A full work plan has been identified should the work from home option continue. All meetings with developers were encouraged by telephone and other electronic means with limited in-person meetings. All committee meetings were held electronically.

The street patio pilot project was established as businesses were re-opening in the second quarter of 2020. The District also supported other businesses that applied for the temporary expanded service area opportunity whereupon patio service is provided to enable greater physical distance at liquor licensed establishments.

Significant development applications such as Trellis' Silverstone long term care facility and Community Services housing development proceeded with applicant led virtual engagement as well as public hearings. Each process was able to carry on in a fair and transparent manner and in each case met and exceeded process requirements.

Planning and Development staff participated and played lead roles in the Sunshine Coast Emergency Operations Centre for COVID-19 response planning.

continued

2020 HIGHLIGHTS

DISTRICT OF SEHELDT					
BUILDING ACTIVITY - ANNUAL COMPARISON					
	2016	2017	2018	2019	2020
Type of Permit					
Commercial	10	19	17	11	9
Residential	109	100	97	79	97
Other	21	30	65	26	12
Total No. of Permits	140	149	179	116	118
Total Construction Value	\$23,996,280	\$43,743,314	\$37,948,384	\$28,295,004	\$18,917,433
Total Fees	\$221,480	\$365,189	\$321,257	\$234,615	\$215,518

FAST FACTS

	2019	2020
Development Permit	20	32
Subdivision applications	5	12
Rezoning applications	4	9
Sign permit applications	12	13

Bylaw Enforcement

Bylaws are designed to protect public safety and enhance livability within the municipality. Bylaw enforcement officers routinely encompass both an enforcement and liaison role within the community. They are responsible for bylaw enforcement and ensuring compliance with council bylaws through education, mediation, enforcement and, when required, prosecution. In addition to land use and property related bylaws, the department maintains bylaws on such issues as noise, unsightly premises, pesticides, and dog licensing and control.

Department activities also include bylaw development, bylaw review and updating, best practices review, training, reporting and collaborating with a broad range of agencies including the RCMP, Vancouver Coastal Health, Transport Canada, Sunshine Coast Mental Health and Addiction Services, Ministry of Agriculture, and the Sechelt Fire Department.

2020 HIGHLIGHTS

Bylaw enforcement officers continued to work in the office and in the field throughout 2020, following strict protocols for the safety of staff and citizens.

Bylaw Enforcement continued to respond to regular complaints related to building, smoke, noise, dogs and other issues typical for most municipalities. At the end of the first quarter and into the second quarter, Bylaw Enforcement has been assisting Vancouver Coastal Health with COVID-19 related issues.

Bylaw Enforcement also assisted the SCRD to establish a community ambassador program. The SCRD community ambassadors were deployed in April to several places within the SCRD where the

public may have been gathering. The SCRD reported that the program has seen success in educating people about personal safety, about the different areas of jurisdiction and the various orders enacted by the Provincial Government. The program aims to be a visible component in the community and to provide information and education to the public as it relates to COVID-19 and the provincial orders.

At the end of 2020, the long-time incumbent bylaw officer II left the position to take a post in a different department. Succession planning enabled recruitment from within the District thus permitting a seamless transition.

FAST FACTS

	2019	2020
Complaints	982	720 (down by 262)
Tickets	118	127 (up by 9)
New business licences	114	117 (up by 3)

Building Inspection

Building permits are essential in protecting the property owner as well as the community by ensuring that new developments conform with applicable regulations, local bylaws, and the BC Building Code.

The Building Inspection department is primarily responsible for ensuring that the current building code is complied with along with other building regulations

including the District’s Building Bylaw, 409, 2003. Activities include the review of construction drawings submitted for building permits, on-site inspections of both new construction and renovations, and review of business licenses for compliance with building bylaw requirements for safety.

2020 HIGHLIGHTS

Building permits and inspections continued, with modified procedures.

Building inspectors carried on with a modified business as usual. The construction industry remained strong and inspection service continued. Additional measures were put in place to provide a safe and healthy work environment for building officials, both in the office and on construction sites.

In late 2020 Council approved the addition of a chief building official. In 2020 the selected candidate accepted the position and joined the District in early 2021. Council added this position to ensure that the District would be in compliance with the Building

Act, which contains requirements for particular qualifications dependent upon the type of building under construction. The new hire is well-positioned to assist the District and will provide key advice and expertise on implementing Step Code Level 1 and planning for Level 2.

The two other building officials continued with their studies and professional development. They possess Level 1 and Level 2 building official certification and are actively working toward Level 1 plumbing certification. The Building Inspection department is well positioned to serve the community.

FAST FACTS

- » Inspections remained steady, with no drop-in service, in spite of COVID-19.
- » Conducted consultation and implemented Step Code Level 1
- » Hired a Chief Building Official.

ENGINEERING & OPERATIONS

The Engineering and Operations division is responsible for the installation and maintenance of the municipality’s public infrastructure, including roads, sewers, parks, and facilities. The division is comprised of four departments:

- **Engineering**
- **Public Works**
- **Parks**
- **Water Resource Centre**

Engineering

The Engineering department is responsible for the design and construction of the municipal infrastructure. It also provides the degree of servicing requirements including design reviews and inspections for new developments as defined in the Subdivision and Servicing Bylaw 430.

In addition, Engineering is responsible for the 5-year capital planning for infrastructure upgrades, improvements, and replacement. As part of this, Engineering explores grant and cost sharing

opportunities in to reduce the financial burden to the taxpayers of Sechelt. Engineering also works closely with Parks, Public Works, and Wastewater departments to help with their projects.

Engineering liaises with the rate payer and community associations from all the neighbourhoods in Sechelt to prioritize their needs, ensuring the works that are completed are for the greatest benefit possible to the community.

2020 HIGHLIGHTS

Engineering welcomed a new Manager of Development Engineering and Sustainability.

FAST FACTS

- » Applied for multiple grants, including the successful Airport Runway Expansion and BC Active Transportation grant for Wharf Avenue. In addition, applied for Trail Avenue Phase 2, Wakefield Lift Station replacement and the Boulevard at Trail Bay waterfront.

Public Works

The Public Works team is responsible for the maintenance of our: roads, sidewalks, ditches, fleet, buildings, and storm water collection system. This team also provides the following services: snow removal, dangerous tree maintenance or removal and street sign installation. As a coastal community we also maintain two wharves and one marina.

2020 HIGHLIGHTS

The Public Works department was able to conduct some major road repairs on Nestman Road with a limited budget. 2020 also saw a significant increase in homeless camp clean up. This meant an increase in garbage and dumping fees. With the help of federal funding, major repairs were conducted on the Porpoise Bay Marina Wharf. Lastly, in 2020 the department was able to replace its old single axel dump truck. The new unit comes with a removable plow. This will improve safety during snowfall events, and the ability to remove the plow will prevent damage to it during the summer months

FAST FACTS

- » 37 dangerous trees removed.
- » 525 public works and facilities service requests.

Parks

The Parks department manages a wide variety of parks and public spaces including thirty-four parks, four sports fields, walking and biking trails, natural areas, green spaces, and streetscapes. Public access to the waterfronts is available at fifty-two maintained beach accesses located along the shores of the Salish Sea and Porpoise Bay.

The department is also responsible for our urban forest and oversees tree issues and the Adopt-a-Tree

program, which saw the number of trees planted since the program’s inception in 2012 exceed the 500 mark. The beautification program adds an abundance of colour to our community and sees thousands of bulbs and annuals complement our perennials, shrubs, trees and hanging baskets.

Parks also has an instrumental role in supporting events, sports, community associations and volunteer organizations within our community.

2020 HIGHLIGHTS

Taking delivery of an Overseeder (2020 Capital Purchase) which will play an integral part in an equipment sharing agreement with the SCRCD. This effort to reduce reliance on off-coast contractors for sports field maintenance operations will result in better playing field conditions.

The long-awaited Acacia Park electrical installation was brought into the park to facilitate Christmas light displays and provide electrical outlets for any future community events. This project was completed in conjunction with archeologists and members of shíshálh Nation.

Additional seasonal lighting was installed at Acacia Park and new lighting and festive ‘snowflake’ lighting was installed at municipal hall.

Cowrie Street trees with electrical outlets were installed in the block between Wharf Avenue and Inlet Avenue, where there had never previously been street trees.

The Parks and Public Works teams worked with the Sechelt Downtown Business Association to install additional street furnishings on Cowrie Street including a street patio to allow for outdoor dining.

New streetscape plantings were installed as part of the Trail Avenue capital project.

Due to restrictions on gatherings from the COVID-19 pandemic, a drive-by Canada Day event saw three decorated District of Sechelt vehicles in a parade that went from neighbourhood to neighbourhood and residents watched from their driveways.

FAST FACTS

- » Davis Bay washroom holding tank holds 11,318 litres and is pumped out weekly during the summer months.
- » 127 tree service requests in 2020, which is a 67% increase from 2019.

Water Resource Centre

The Wastewater department oversees the operation of the Water Resource Centre (WRC), the Dusty Road septage receiving facility and the entire sewer collection system including nine pump stations. Wastewater flows to the plant 24 hours a day, 7 days a week.

The plant effluent is tested in the WRC lab for the following: turbidity, solids content, organic matter content, ammonia, nitrogen, phosphorus, chlorine, and aluminum content, as well as pH. Plant effluent

samples are sent to a certified lab for analysis each month, and these results are reported to provincial and federal regulatory agencies.

Wastewater staff ensure that all pumps, valves, instruments, and sewer systems are operating correctly, and perform equipment maintenance and repairs daily. Operators analyze lab data, make treatment process changes as needed, troubleshoot issues, and respond to emergency situations.

2020 HIGHLIGHTS

Continuing into 2020, wastewater staff worked with the safety consultants ORCA, performing hazard assessments on areas in the WRC and collection system to update confined space entry program, lock out program and fall protection program.

The onset of the COVID-19 pandemic situation at the beginning of March added an element of preparation in anticipation of possible supply chain disruptions. We came into this quite prepared regarding personal protective equipment (PPE) stocks and chemical inventory. As the pandemic continued, PPE has become harder to order due to scarce supply.

There have been some operating challenges in the collection system and lift stations due to the pandemic. There has been a significant increase in the amount of grease and rags that have been accumulating in the lift stations. Extra monitoring and maintenance have been required to prevent the buildup of increased grease and rags which can result in mechanical disruption of the control devices.

Operator professional development sessions were able to continue considering the current pandemic situation. COVID-19 protocols were developed to accommodate for a limited number of attendees for sessions in the conference room at the WRC. The sessions included Confined Space Rescue training, Wastewater Level 2 Operator training and two Environmental Operators Certification Program (EOCP) exams. The sessions were well received and were attended by operators from several organizations on the Sunshine Coast.

Three of the 1000m³ Fed Batch Reactors required replacement of the 610 air diffusers in each. One reactor was completed in 2020, and this project will continue in to 2021. The diffuser grids provide for mixing and dissolved oxygen for secondary treatment.



FAST FACTS

- » The total energy produced from the solar panel system on the roof of the WRC was 11,788 kWh in 2020, enough to power the average home for 14 months or charge 371 cell phones for one year.
- » The highest daily flow processed through the WRC in 2020 was on January 31st at 3,697 m³ with an average of 2,350 m³.
- » The wastewater operators are continually working toward higher level of certification. At present the department has:
 - o Wastewater Treatment Level 1, three operators
 - o Wastewater Treatment Level 2, two operators
 - o Wastewater Treatment Level 3, one operator
- » There are other various levels of certification in our crew for Wastewater Collection, Water Treatment and Water Distribution.
- » The WRC has a system that extracts heat from the raw wastewater through a heat exchanger, similar to a heat pump, which contributes to heating the plant and the hot water tanks.



FINANCIAL STATEMENTS



REPORT FROM THE CHIEF FINANCIAL OFFICER

I am pleased to present the Financial Section of the 2020 Annual Report for the District of Sechelt for the year ended December 31, 2020, in accordance with Sections 98 and 167 of the Community Charter. Following the audited consolidated financial statements is an analysis of the 2020 financial results with statistical information.

The consolidated financial statements for the year ended December 31, 2020 were prepared in accordance with generally accepted accounting principles and the recommendations of the Public Sector Accounting Board (PSAB) of the Institute of Chartered Accountants and the Provincial Ministry of Municipal Affairs.

The District maintains a system of internal accounting controls designed to safeguard the assets of the corporation and provide reliable financial information. We verify and test these systems on a regular basis through the use and review of the internal controls.

The audit firm of MNP Ltd. was appointed by Council and is responsible for expressing an opinion as to whether the financial statements, prepared by the District's management, present fairly the financial position of the District of Sechelt as at December 31, 2020 and the results of its operations for the year then ended.

In 2020, the District's financial position continued to strengthen. In 2020 the District has an overall surplus of \$7,950,559, in 2019, the District had a surplus of \$2,353,506.

These results strengthened the District's Statutory and Non-statutory Reserve balances by \$3,698,717, or 41%. This is largely due to the COVID Safe Restart Reserve and contribution to Septage and Sewer Reserves.

Total revenue increased in 2020 by approximately \$5.6 million or 30% over 2019. Revenue increases to note for 2020 include the property tax, government grants and the recognition of development cost charge. Total operating & capital expenses are in line with 2019 though coming in 1.4 Million or 8% below the 2020 budget. This is largely impacted by the global pandemic restricting travel and slowdown of project production at the beginning of the year.

The positive results from operations in 2020 indicate that the prudent approach to financial management that the District has taken will allow it to continue on its path to financial sustainability.

Finally, I want to thank all the members of the Finance department for their hard work throughout 2020 and their dedication and commitment to the District of Sechelt citizens.

David Douglas, CPA, CGA
Director of Financial Services

District of Sechelt

Consolidated Financial Statements

For the year ended December 31, 2020

District of Sechelt

Consolidated Financial Statements

For the year ended December 31, 2020

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Management's Responsibility for Financial Reporting

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

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

The Mayor and Council oversee management's responsibilities for the financial reporting and internal control systems. Mayor and Council review internal financial statements on a quarterly basis, and meet periodically with management and the independent auditors to satisfy themselves that management's responsibilities are properly discharged. Council annually reviews and approves the consolidated financial statements.

The District of Sechelt's independent auditors, MNP LLP, are engaged to express an opinion as to whether these consolidated financial statements present fairly the District of Sechelt's consolidated financial position, financial activities, and cash flows in accordance with Canadian public sector accounting standards. Their opinion is based on procedures they consider sufficient to support such an opinion in accordance with Canadian generally accepted auditing standards.

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



David Douglas, CPA, CGA
Director of Financial Services

Independent Auditor's Report

To the Mayor and Council of the District of Sechelt:

Opinion

We have audited the consolidated financial statements of the District of Sechelt and its subsidiaries (the "District"), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, remeasurement gains and losses, changes in net financial assets and cash flows and related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Other Information

Management is responsible for the other information, consisting of the annual report, which expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

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

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

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

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

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

Nanaimo, British Columbia

May 5, 2021

MNP LLP

Chartered Professional Accountants


District of Sechelt
Consolidated Statement of Financial Position

December 31, 2020	2020	2019
Financial Assets		
Cash	\$ 22,329,689	\$ 9,835,779
Portfolio investments (Note 3)	3,853,916	8,908,521
Accounts receivable (Note 4)	2,049,242	2,649,326
Investment in business enterprise (Note 5)	1,558,184	1,497,242
	29,791,031	22,890,868
Liabilities		
Accounts payable and accrued liabilities	5,763,037	2,405,064
Deferred revenue (Note 7)	3,830,569	2,452,015
Deferred development cost charges (Schedule 1)	5,422,649	9,412,275
Refundable deposits	1,565,660	941,256
Long-term debt (Note 8)	4,183,929	5,319,802
Short-term loans (Note 9)	21,952	29,998
	20,787,796	20,560,410
Net Financial Assets	9,003,235	2,330,458
Non-financial Assets		
Tangible capital assets (Schedule 2)	150,117,128	148,886,962
Prepaid expenses	220,492	172,876
	150,337,620	149,059,838
Accumulated Surplus (Note 18)	\$ 159,340,855	\$ 151,390,296
Accumulated surplus represented by:		
Accumulated surplus, excluding accumulated remeasurement losses	\$ 159,340,855	\$ 151,413,838
Accumulated remeasurement losses	-	(23,542)
	\$ 159,340,855	\$ 151,390,296

Contingent Liabilities (Note 15)

Significant Event (Note 22)

David Douglas, CPA, CGA
Director of Financial Services



Darnelda Siegers
Mayor

District of Sechelt Consolidated Statement of Operations

For the year ended December 31, 2020	Budget 2020	2020	2019
	(Note 16)		
Revenues (Schedule 3)			
Taxation and other levies (Note 10)	\$ 11,025,775	\$ 11,023,786	\$ 10,604,415
Private contributions (Note 11)	292,540	560,793	2,113,488
Government grants (Note 12)	5,432,585	3,963,715	3,441,346
Sale of goods and services	4,056,890	4,106,038	3,371,044
Licences, permits and fees	1,411,504	1,533,335	1,255,539
Penalties and interest	73,000	181,825	167,965
Income (loss) from business enterprise (Note 5)	-	86,834	(391,684)
Return on investments	515,121	508,885	456,202
Loss on disposal of tangible capital assets	-	(2,500)	(49,361)
Development cost charges (Schedule 1)	6,549,208	4,111,298	87,020
	29,356,623	26,074,009	21,055,974
Expenses (Schedule 3)			
General Government	3,584,016	3,460,224	3,135,793
Planning and Community Development	1,363,456	1,209,632	1,212,324
Community Services	2,315,451	2,317,228	2,582,429
Public Works	4,193,293	3,854,831	4,024,577
Facilities	974,169	935,047	973,544
Police Services	2,295,344	1,896,768	2,118,300
Solid Waste	1,064,194	1,000,701	1,122,491
Sewer Operating	3,770,623	3,449,019	3,533,010
	19,560,546	18,123,450	18,702,468
Annual Surplus (Deficit)	9,796,077	7,950,559	2,353,506
Accumulated Surplus, beginning of year	151,390,296	151,390,296	149,060,332
Accumulated remeasurement losses	-	-	(23,542)
Accumulated Surplus, end of year	\$ 161,186,373	\$ 159,340,855	\$ 151,390,296

District of Sechelt
Consolidated Statement of Remeasurement Gains and Losses

For the year ended December 31, 2020	2020	2019
Accumulated remeasurement losses, beginning of the year	\$ (23,542)	\$ (45,296)
Unrealized gain attributable to portfolio investments	23,542	21,754
Accumulated remeasurement losses, end of year	\$ -	\$ (23,542)

District of Sechelt
Consolidated Statement of Changes in Net Financial Assets

For the year ended December 31, 2020	Budget 2020	2020	2019
	(Note 16)		
Annual surplus (deficit)	\$ 9,796,077	\$ 7,950,559	\$ 2,353,506
Aquisition of tangible capital assets (Schedule 2)	(15,735,708)	(5,291,006)	(4,493,316)
Amortization of tangible capital assets (Schedule 2)	3,803,301	3,692,754	3,680,282
Net book value of tangible capital assets disposed (Schedule 2)	-	368,089	135,411
	19,539,009	(1,230,163)	(677,623)
Decrease (Increase) in prepaid expenses	-	(47,619)	153,128
Accumulated remeasurement losses	-	-	(23,542)
	-	(47,619)	129,586
Increase in net financial assets	29,335,086	6,672,777	1,805,469
Net financial assets, beginning of year	2,330,458	2,330,458	524,989
Net financial assets, end of year	\$ 31,665,544	\$ 9,003,235	\$ 2,330,458

District of Sechelt Consolidated Statement of Cash Flows

For the year ended December 31, 2020

2020

2019

	2020	2019
Operating transactions		
Annual surplus	\$ 7,950,559	\$ 2,353,506
Non-cash items:		
Amortization of tangible capital assets	3,692,754	3,680,282
Actuarial adjustment on long term debt	(222,722)	(203,907)
Income from Investment in business enterprise	(86,834)	391,684
Loss on disposal of tangible capital assets	2,500	49,361
Donation of tangible capital assets	(216,914)	-
	3,602,612	3,917,420
Changes in non-cash operating balances:		
Increase in accounts receivable	600,084	(143,581)
Decrease (increase) in prepaid expenses	(47,616)	153,127
Increase (decrease) in accounts payable	3,357,973	144,363
Increase (decrease) in deferred revenue	1,378,554	34,533
Increase in development cost charges	(3,989,626)	322,922
Increase (decrease) in refundable deposits	624,404	(122,971)
	1,923,773	388,393
Cash provided by operating transactions	13,476,944	6,659,319
Financing transactions		
Repayment of long-term debt	(913,153)	(913,153)
Proceeds of short-term loans	19,528	-
Repayment of short-term loans	(27,575)	(56,500)
Cash applied to financing transactions	(921,200)	(969,653)
Capital transactions		
Acquisition of tangible capital assets	(5,291,006)	(4,493,316)
Proceeds from the sale of tangible capital assets	500	-
Cash applied to capital transactions	(5,290,506)	(4,493,316)
Investing transactions		
Net proceeds on sale of portfolio investments	5,202,782	3,676,314
Dividends received on Investment in business enterprise	25,890	625,890
Cash applied to investing transactions	5,228,672	4,302,204
Increase in cash and cash equivalents	12,493,910	5,498,554
Cash and cash equivalents, beginning of year	9,835,779	4,337,225
Cash and cash equivalents, end of year	\$ 22,329,689	\$ 9,835,779

District of Sechelt

Notes to the Consolidated Financial Statements

December 31, 2020

1. Nature of Organization

The District of Sechelt (the "District") was incorporated on May 15, 1986 and operates under the *Local Government Act* and the *Community Charter*. The principal activities of the District are preservation, protection, and enhancement of the quality of life in Sechelt through the facilitation of municipal services in an equitable, efficient, and effective manner.

2. Significant Accounting Policies

(a) Basis of Presentation

The consolidated financial statements of the District are the representations of management prepared in accordance with Canadian public sector accounting standards ("PSAS"). These standards are established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA Canada").

(b) Principles of Consolidation

The consolidated financial statements include the accounts of all activities or entities whose operations are under the control of the District. These include the general operating funds, the capital funds, and all reserve funds. All interfund balances have been eliminated for the purposes of these financial statements.

The consolidated financial statements include the operations of a wholly owned subsidiary of the District, Sechelt Community Projects Inc. ("SCPI"). SCPI is accounted for using the modified equity method. Under this method, the District's equity is adjusted by the annual profits and losses of the subsidiary and declared dividends, if any. SCPI utilizes the International Financial Reporting Standards to prepare their financial statements. During the year, the District wound up and dissolved two other subsidiaries, Sechelt Innovations Ltd. ("SIL") and Sechelt Recreation Service Ltd. ("SRS"). Both entities were inactive through 2018 and up to their dissolution in 2019. Any assets or liabilities remaining on dissolution of the entities were absorbed by the District into its regular operations.

The revenue from taxation and other sources collected by the District on behalf of other governments for education, health care, fire protection services, Sunshine Coast Regional District, and other external organizations that are not controlled by the District are not included in these consolidated financial statements.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

2. Significant Accounting Policies (Continued)**(c) Revenue Recognition**

The accrual basis of accounting is followed in the financial statement presentation. Revenue is recognized in the period in which the transactions or events that gave rise to the revenues occurred. Restricted contributions from non-government sources unearned in the current period are recorded on the Statement of Financial Position as deferred revenue.

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the Statement of Operations as the stipulation liabilities are settled.

Development cost charges received in respect of construction for sewer, drainage, road, and park requirements are recorded as deferred development cost charges. These amounts are recorded as revenue when the related development costs are incurred.

Non-monetary revenues are recognized at the estimated fair market values at the time all of the requirements and conditions for the project have been met, ownership and control is transferred to the District, and the appropriate acceptances or approvals have been issued.

Charges for sewer are recorded as user fees when delivered. Connection fee revenues are recognized when the connection has been established.

Sales of services and other revenue are recognized on an accrual basis as the services are delivered.

(d) Revenue Recognition - Taxation

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

The District estimates amounts of adjustments and records taxation revenue net of such amounts. Any adjustments in excess of those estimated are recognized at the time they are awarded.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

2. Significant Accounting Policies (Continued)

(e) Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended to be sold in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

Tangible capital assets, a type of non-financial asset, are comprised of capital assets and capital work in progress. They are recorded at cost less accumulated amortization and are classified according to their functional use. The cost of a tangible capital asset includes the purchase price and other acquisition costs such as installation costs, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation, insurance costs, and duties. Contributed tangible capital assets are recorded at fair value at the date of the contribution.

Amortization is recorded on a straight-line basis over their estimated useful lives commencing once assets are put into use, as follows:

Land improvements	10 to 30 years
Buildings	20 to 70 years
Furniture, fixtures and minor equipment	5 to 30 years
Automotive equipment	5 to 20 years
Roads	10 to 60 years
Structures (bridges, etc.)	20 to 100 years
Infrastructure - sewer	30 to 80 years
Infrastructure - drainage	20 to 50 years

The District holds works of art that have not been recorded in tangible capital assets.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

2. Significant Accounting Policies (Continued)

(f) Financial Instruments

A financial asset or a financial liability is only recognized on the District's Statement of Financial Position when, and only when, the District becomes a party to the contractual provisions of the instrument. All financial instruments are recognized either at fair value or cost/amortized cost.

For a financial instrument in the fair value category, the change in the fair value is recognized as a remeasurement gain or loss in the Statement of Remeasurement Gains and Losses until the financial instrument is derecognized. At the time when the financial instrument in the fair value category is derecognized, the associated accumulated remeasurement gains and losses are reversed and reclassified in the Statement of Operations.

Transaction costs are added to the carrying value of items in the cost or amortized cost category when they are initially recognized. However, when items in the fair value category are initially recognized, transaction costs are expensed. Interest is measured using the effective interest method. Interest and dividends attributable to financial instruments are reported in the Statement of Operations.

Accounting standard PS 3450 *Financial Instruments* requires equity investments traded in an active market to be recorded at fair value. The District has no such investments. PS 3450 allows for other investments to be recorded at fair value if they are managed on a fair value basis. The District has elected to record its portfolio investments on a fair value basis. Cash is recorded at cost. Accounts receivable (excluding tax receivables), accounts payable and accrued liabilities, short-term debt, and long-term debt are recognized at amortized cost.

At the end of the each reporting period, the District assesses whether there are any indications that the financial asset, or group of similar financial assets, measured at amortized cost or cost may be impaired. When there is an indication of impairment, the carrying amount is written down accordingly.

(g) Contaminated Sites

Liabilities for contaminated sites are recognized when an environmental standard exists, contamination exceeds the standard, the District has responsibility for remediation, future economic benefits will be given up, and a reasonable estimate can be made.

The District has assessed its potential liabilities under accounting standard PS 3260 *Liability for Contaminated Sites* including sites that are no longer in productive use and sites for which the District accepts responsibility. Additionally, the District has used the standards contained in Schedule 2 (Industrial and Commercial Purposes and Activities) of the Contaminated Sites Regulation of the British Columbia *Environmental Management Act* to determine whether a potential liability exists. As at December 31, 2020, no such contamination in excess of an environmental standard requiring remediation exists.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

2. Significant Accounting Policies (Continued)

(h) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions. Significant areas requiring the use of management estimates relate to the determination of collectability of accounts receivable, useful lives of tangible capital assets, fair value investments, and provisions for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in the period of settlement.

3. Portfolio Investments

	2020	2019
MFA intermediate fund	\$ 2,977,165	\$ 2,917,681
MFA money market fund	79,509	78,841
Other portfolio investments	797,242	5,911,999
	\$ 3,853,916	\$ 8,908,521

Investments are recorded at market value. The current yield of the money market fund is 0.85% (2019 - 1.86%) and this fund is redeemable at any time. The current yield rate for the intermediate fund is 2.04% (2019 - 2.29%). Other portfolio investments consist of pooled investments, Guaranteed Investment Certificates, term deposits, and bearer deposit notes. The other portfolio investments mature in February 2021. Interest rate of 1.91% (2019 - 1.73% to 2.78%).

4. Accounts Receivable

	2020	2019
Property taxes receivable	\$ 1,023,588	\$ 1,006,989
Federal government receivables	118,861	124,935
Capital grants receivable	-	833,193
Lease receivables	452,690	176,205
Other grants receivable	83,223	63,667
DCC receivable	-	89,563
Other receivables	958,479	943,074
	2,636,841	3,237,626
Allowance for doubtful accounts	(587,599)	(588,300)
	\$ 2,049,242	\$ 2,649,326

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

5. Investment in Business Enterprise

On March 8, 2005, Sechelt Community Projects Inc. (SCPI) was incorporated. SCPI was formed for the purpose of acquiring and managing a Community Forest Agreement dated May 30, 2011.

The District owns all 17,260 issued shares of SCPI. All of the Board members are appointed by the District. SCPI's financial statements were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The District's investment in SCPI is recorded using the modified equity basis. Under this method, the District's equity is adjusted by the annual profits and losses of the subsidiary and declared dividends, if any.

	2020	2019
Statement of Financial Position		
As at December 31		
Total assets	\$ 2,001,314	\$ 1,899,713
Total liabilities	443,130	402,471
Shareholder's equity	1,558,184	1,497,242
	\$ 2,001,314	\$ 1,899,713
Statement of Operations		
For the Year Ended December 31		
Revenues	\$ 524,491	\$ 58,849
Expenses	(437,559)	(450,533)
Net Income	\$ 86,932	\$ (391,684)
Statement of Changes in Shareholder's Equity		
For the Year Ended December 31		
Cost of investment	\$ 172,600	\$ 172,600
Contributed surplus	49,770	49,770
Accumulated net equity income, beginning of year	1,274,872	2,292,446
Net income	86,832	(391,684)
Dividends declared during the year	(25,890)	(625,890)
	\$ 1,558,184	\$ 1,497,242

District of Sechelt Notes to the Consolidated Financial Statements

December 31, 2020

6. Deposits and Reserve - Municipal Finance Authority

The Municipal Finance Authority of British Columbia (the "MFA") provides capital financing for regional districts and their member municipalities. The MFA is required to establish a Debt Reserve Fund. The MFA must then use this fund if at any time there are insufficient funds to meet payments on its obligations. If this occurs, the regional districts may be called upon to restore the fund.

Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the financing agreements. The interest earned on the Debt Reserve Fund, less administrative expenses, becomes an obligation of the MFA to the regional districts.

Upon the maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the District. The proceeds from these discharges will be credited to income in the year received. As at December 31, the total debt reserve was comprised of:

	2020	2019
Debt Reserve - Cash Deposits	\$ 191,413	\$ 187,553
Debt Reserve - Demand Notes	533,395	533,395
	\$ 724,808	\$ 720,948

These balances are not reported elsewhere in these financial statements.

7. Deferred Revenue

Deferred revenue represents funds received that are held for various restricted purposes. These funds are recognized as revenue in the period when the eligible related expenditures or conditions have been met.

	2019	Receipts	Revenue Recognized	Interest	2020
Deferred Grants	\$ -	\$ 1,170,123	\$ -	\$ -	\$ 1,170,123
BC Air Access Program	-	1,170,123	-	-	1,170,123
Active Transportation Grant	-	85,455	-	-	85,455
	-	1,255,578	-	-	1,255,578
Cash in lieu for development	1,102,677	147,187	(7,979)	426	1,242,311
Donations	13,478	23,301	-	331	37,110
Prepayment of property taxes	1,320,986	2,230,999	(2,271,423)	-	1,280,562
Other	14,874	-	-	134	15,008
	\$ 2,452,015	\$ 3,657,065	\$ (2,279,402)	\$ 891	\$ 3,830,569

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

8. Long-term Debt

	Year Due	Rate Per Annum	2020	2019
Debentures - Municipal Finance Authority				
Justice Service Building	2022	1.75 %	\$ 425,231	\$ 622,783
Justice Service Building	2022	2.25 %	425,231	622,783
Water Resource Centre	2025	2.25 %	3,333,467	4,074,236
			<u>\$ 4,183,929</u>	<u>\$ 5,319,802</u>

The District will be required to make repayments over the next five years as follows:

2021	\$ 913,153
2022	913,153
2023	740,770
2024	740,770
2025	<u>370,385</u>
	3,678,231
Estimated sinking fund earnings	<u>505,698</u>
	<u>\$ 4,183,929</u>

All debentures are secured by promissory notes issued by the District.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

9. Short-term Loans

	Year Due	Rate per Annum	2020	2019
MFA Loan - Audio visual equipment	2020	0.91 %	\$ -	\$ 10,410
MFA Loan - Ford F550 truck	2021	0.91 %	2,424	19,588
MFA Loan - Plotter	2025	0.91 %	19,528	-
			<u>\$ 21,952</u>	<u>\$ 29,998</u>

The District will be required to make principal payments over the next five years as follows:

2021	\$ 6,239
2022	3,858
2023	3,905
2024	3,950
2025	4,000
	<u>\$ 21,952</u>

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

10. Taxation and Other Levies

The District collects amounts for itself and on behalf of other taxing authorities.

	Budget 2020	2020	2019
Collections for District of Sechelt			
General municipal purposes	\$ 9,997,707	\$ 9,994,003	\$ 9,585,376
Business improvement area	70,000	70,000	69,035
Sewer frontage taxes	958,068	959,783	953,207
Supplementary assessment adjustments	-	-	(3,203)
	\$ 11,025,775	\$ 11,023,786	\$ 10,604,415
Collections for Other Taxing Authorities			
BC Assessment Authority	\$ 177,421	\$ 177,350	\$ 170,561
Municipal Finance Authority	814	814	848
Provincial Education - residential	4,939,249	4,938,462	4,876,516
Provincial Education - non-residential	454,517	454,049	1,043,746
Regional Hospital District	371,887	371,736	390,706
Regional Fire District	1,383,717	1,383,476	1,315,773
Sunshine Coast Regional District	4,640,897	4,639,454	4,469,012
Sunshine Coast Regional District - Water Rates	1,591,739	1,591,739	1,500,368
	\$ 13,560,241	\$ 13,557,080	\$ 13,767,530

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

11. Private Contributions

	Budget 2020	2020	2019
Donations - Community Archives	\$ 18,900	\$ 1,484	\$ -
Donations - Sechelt Arts Festival	40,750	27,000	28,138
Donations - Library, Arts and Culture	2,000	310	3,329
Grant - Community Forest	25,890	-	-
Grant - Adopt a Tree	5,000	5,000	6,350
Grant - Destination BC	-	-	18,100
Grant - Knowledge Exchange Coordination	-	-	7,100
Grant - Risk management	200,000	160,793	15,000
Grant - Syiyaya reconciliation	-	-	21,500
Cash in lieu of parkland dedication	-	53,650	-
Developer contributions - Sewer	-	23,914	-
Developer contributions - Land	-	193,000	1,576,508
Developer - Engineering	-	2,676	-
Developer contributions - Public Works	-	-	435,000
Developer contributions - Affordable Housing	-	82,400	-
Developer contributions - Parks	-	10,566	-
Other	-	-	2,463
	\$ 292,540	\$ 560,793	\$ 2,113,488

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

12. Government Grants

	Budget 2020	2020	2019
Operating - Federal			
Celebrate Canada (Canada Day)	\$ 3,200	\$ 3,200	\$ 2,700
Sechelt Arts Festival	31,400	43,800	33,100
Canadian Parks & Recreation Assoc	-	-	11,362
Canadian Heritage - COVID 19 Emergency Support - Community Archives	-	2,000	-
Canada Summer Jobs	-	8,176	-
GMF - Sustainable Community Action Plan	-	-	33,325
Operating - Provincial			
Climate Action Revenue Incentive Program	7,000	6,701	6,701
Gas Tax	485,148	485,341	950,804
Small Community Investment Fund	384,420	377,356	384,420
RCMP Traffic Fine Program	60,413	85,191	96,847
Sechelt Arts Festival	5,000	-	-
Street Lights Cost Share	2,250	3,008	3,008
Age Friendly / User Friendly Trails	-	-	3,750
Community Child Care Planning	16,788	16,788	50,363
Heritage BC	1,750	-	1,750
Reclaimed Water - Infrastructure Planning	10,000	-	-
Water Conservation Study	10,000	10,000	-
UBCM Poverty Reduction	-	48,113	-
UBCM Community to Community Forum Program	-	644	-
COVID-19 Safe Restart Grant	-	2,563,000	-
Capital			
BC Active Transportation	479,551	-	-
Clean Water Wastewater Fund	-	-	1,604,267
BC Rural Dividend Program	19,250	-	25,140
Bike BC	547,500	-	92,250
BC Air Access Program	2,388,703	-	141,559
Wakefield Lift Station	638,520	-	-
RCMP Capital Contribution - Facility Renovation	191,692	310,397	-
Public Art Installation Grant	150,000	-	-
	\$ 5,432,585	\$ 3,963,715	\$ 3,441,346

District of Sechelt

Notes to the Consolidated Financial Statements

December 31, 2020

13. Pension Liability

The District and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2019, the Plan had about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 contributors from the 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 actuarial valuation for the Plan as at December 31, 2018 indicated a \$2.866 billion funding surplus for basic pension benefits on a going concern basis.

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

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

During the year, the District paid \$409,350 (2019 - \$333,954) for employer contributions to the Plan.

14. Irrevocable Standby Letters of Credit

In addition to the performance deposits reflected in cash balances, the District is holding irrevocable standby letters of credit in the amount of \$4,171,554 (2019 - \$6,017,024). These letters were received to ensure the performance of works undertaken within the District. These amounts are not reflected in the financial statements. They are available to satisfy any liabilities arising from non-performance by the depositors.

District of Sechelt

Notes to the Consolidated Financial Statements

December 31, 2020

15. Contingent Liabilities

- (a) The District is a subscribed member of the Municipal Insurance Association of British Columbia (the "Exchange") as provided by section 3.02 of the *Insurance Act* of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement, the District is assessed a premium and specific deductible for its claims based on population. The obligation of the District with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, not joint and several. The District irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscribers may suffer.
- (b) As a member of the Sunshine Coast Regional District, the District is responsible for its portion of any operating deficit or long-term debt related to functions in which it participates.
- (c) The Sunshine Coast Regional District has requested and has been provided with demand notes drawn in its favour totaling \$533,395 (2019 - \$533,395) (Note 6) to provide for additional funds, should the need arise, to service its debt.

District of Sechelt Notes to the Consolidated Financial Statements

December 31, 2020

16. Annual Budget

The budget data presented in these consolidated financial statements are based upon the District's 2020 - 2024 Financial Plan as adopted through Bylaw No. 590, 2020 on May 8, 2020. This budget is prepared on a cash basis which differs from the budget amounts in these consolidated financial statements which are prepared in accordance with PSAS. The following table reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Financial Plan Presentation	Financial Statement Presentation
Revenues		
Taxation and other levies	\$ 10,079,607	\$ 11,025,775
Fees, rates and sale of services	2,777,480	5,541,394
Return on investments	515,121	515,121
Grants, donations and private contributions	5,725,125	5,725,125
Development cost charges	6,549,208	6,549,208
Sewer Revenues	3,721,982	-
	<u>29,368,523</u>	<u>29,356,623</u>
Expenses		
General Government	3,491,375	3,584,016
Planning and community development	1,360,806	1,363,456
Community services	2,117,751	2,315,451
Public works	2,323,914	4,193,293
Facilities	536,377	974,169
Police services	2,295,344	2,295,344
Solid waste	1,064,194	1,064,194
Sewer operating	2,370,890	3,770,623
Interest on Debt	208,494	-
Amortization	3,803,301	-
	<u>19,572,446</u>	<u>19,560,546</u>
Annual Surplus (Deficit)	<u>9,796,077</u>	<u>9,796,077</u>
Principle on debenture debt	1,258,465	-
Debt acquired	(745,000)	-
Transfer to (from) reserves	(2,046,429)	-
Transfer to (from) capital	(460,153)	-
Transfer to (from) surplus	(143,213)	-
Reduction of capital equity	(3,803,301)	-
Capital Purchases	15,735,708	-
	<u>9,796,077</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 9,796,077</u>

District of Sechelt

Notes to the Consolidated Financial Statements

December 31, 2020

17. Segmented Information

The District is a diversified municipal government entity in the Province of British Columbia that provides a wide range of services to its citizens such as roads, sewer and drainage infrastructure, garbage collection, and parks. The District also contributes to the costs of water, recreation, fire protection, and transit which are under the jurisdiction of the Sunshine Coast Regional District.

The nature of the segments and the activities they encompass are as follows:

General Government

General Government is composed of the District's internal support functions including Administration, Communication, Corporate Services, Financial Services, Human Resources, Information Technology, Mayor and Council, and any other services categorized as non-departmental.

Police Services

Police Services is responsible for the municipal portion of the services provided by the Royal Canadian Mounted Police in respect of law enforcement and protection to persons and property within the District.

Public Works

Public Works is composed of Public Works, Engineering, Street Lights, Drainage, and Fleet. The services provided by this segment include planning and maintenance of roads, sidewalks, drainage, street lights, and parking facilities. As well, this segment includes the District's equipment and vehicle fleet.

Solid Waste

Solid Waste administers the collection and disposal of household garbage and recyclables on a contracted basis.

Sewer Operating

Sewer Operating is responsible for the collection, transportation, and treatment of sanitary sewage, and maintaining the necessary infrastructure to provide these services.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

17. Segmented Information (Continued)**Planning and Community Development**

Planning and Community Development includes the following:

- Building Inspection regulates all construction within the District in accordance with applicable bylaws, regulations, and legislation.
- Development Services is responsible for land-use planning, guidelines, and development in accordance with the District's Official Community Plan and other applicable plans.
- Economic Development seeks to create a vibrant local and sustainable economy that provides a full range of goods, services, and opportunities, on a contracted basis.

Community Services

Community Services is composed of Parks and Arts, Culture & Heritage. Parks contributes to the quality of life and personal wellness of the community through the provision and maintenance of parks, trails, streetscapes, and beach accesses. Arts, Culture & Heritage provides library services and contributes to the quality of life of the community through supporting a variety of arts and cultural initiatives in the community, including the Sechelt Arts Festival.

Facilities

Facilities is responsible for the operation and maintenance of District lands, buildings, wharfs, and other municipal structures.

Sechelt Community Projects Inc. (SCPI)

SCPI was formed for the purpose of acquiring and managing a Community Forest Agreement (Note 2, 5). This wholly owned subsidiary of the District is considered a separate segment for reporting purposes.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

18. Accumulated Surplus

The District segregates its accumulated surplus into the following categories:

	2020	2019
General Government (Note 19)	\$ 7,145,185	\$ 4,013,056
Sewer fund (Note 19)	1,854,479	1,287,888
General Government statutory reserves (Note 19)	4,429,944	2,552,190
	<u>13,429,608</u>	<u>7,853,134</u>
Tangible capital assets	150,117,128	148,886,962
Long-term debt	(4,183,929)	(5,319,802)
Short-term loans	(21,952)	(29,998)
	<u>145,911,247</u>	<u>143,537,162</u>
Equity in tangible capital assets	145,911,247	143,537,162
Accumulated Surplus	\$ 159,340,855	\$ 151,390,296

Statutory reserves represent funds set aside by bylaw for specific purposes.

Equity in tangible capital assets represents the net book value of the assets less any debt outstanding used to acquire tangible capital assets.

19. Statutory and Non-statutory Reserves

Under PSAB reporting requirements, statutory and non-statutory reserves comprise a part of the operating surplus of the District. Below are listings of the reserves balances at the end of each year:

	2019	Interest and Contributions	Transfers	2020
Statutory Reserves				
Capital	\$ 1,217,693	\$ 785,435	\$ (303,927)	\$ 1,699,201
Equipment Replacement	766	7	-	773
Parkland Acquisition	81,346	54,865	-	136,211
Municipal Wharf Facilities	531	5	-	536
Community Forest Legacy Fund	1,251,854	10,584	(75,900)	1,186,538
Affordable Housing	-	83,715	63,750	147,465
Community Works Fund	-	496,573	762,647	1,259,220
	<u>2,552,190</u>	<u>1,431,184</u>	<u>446,570</u>	<u>4,429,944</u>
Non-statutory Reserves				
General Fund (Prior years surplus)	920,496	728,329	-	1,648,825
General Fund Other	3,092,560	3,648,666	(1,244,866)	5,496,360
Sewer Fund (Prior years surplus)	185,302	212,001	-	397,303
Sewer Fund Other	1,102,586	656,635	(302,045)	1,457,176
	<u>5,300,944</u>	<u>5,245,631</u>	<u>(1,546,911)</u>	<u>8,999,664</u>
	<u>\$ 7,853,134</u>	<u>\$ 6,676,815</u>	<u>\$ (1,100,341)</u>	<u>\$ 13,429,608</u>

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2020

20. Financial Instrument Risk

The District, through its financial assets and liabilities, is exposed to various risks. The following analysis provides a measurement of those risks at December 31, 2020. There have been no changes to exposure of these risks from the prior year.

(a) Credit Risk

Credit risk is the risk that the District will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the District to credit risk consist primarily of cash and cash equivalents, portfolio investments, and accounts receivable. The District has an investment policy to ensure investments are managed appropriately to secure the preservation of capital and the availability of liquid funds. The District invests surplus funds in accordance with its investment policy. The majority of receivables are due from federal and provincial agencies as well as taxpayers. Amounts due from taxpayers are effectively secured by the property due to the collection method under the tax sale legislation.

(b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Investments bear some interest rate risk but these risks are mitigated through the diversification of the portfolio and low risk investment decisions.

(c) Market Risk

Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market.

(d) Liquidity Risk

Liquidity risk is the risk that the District will not be able to meet its obligations as they fall due. The District maintains adequate levels of working capital to ensure all its obligations can be met when they fall due.

District of Sechelt

Notes to the Consolidated Financial Statements

December 31, 2020

21. Comparative Figures

Certain figures in the comparative information have been reclassified to conform with the current year presentation.

22. Significant Event

In March 2020, the COVID-19 outbreak has caused governments worldwide to enact emergency measures to combat the spread of the virus.

These measures, which include the implementation of facility closures, travel restrictions, self-isolation periods, and social and physical distancing, will have significant impact on the local and global economy.

At this time it is not possible to reliably estimate the length and severity of the COVID-19 outbreak and how it may impact future revenue for the District.

District of Sechelt
Schedule 1 - Deferred Development Cost Charges

For the year ended December 31, 2020

	Sewer	Sechelt Drainage	Sechelt Roads	Sechelt Parks	2020	2019
Balance, Beginning of year	\$ 2,313,181	\$ 629,235	\$ 5,696,886	\$ 772,973	\$ 9,412,275	\$ 9,089,352
Interest	19,348	3,137	18,634	7,249	48,368	206,733
Cash contributions	11,388	41,660	(26,989)	47,245	73,304	203,210
Capital expenditures (revenue recognized)	(174,756)	(322,310)	(3,599,492)	(14,740)	(4,111,298)	(87,020)
Balance, end of year	\$ 2,169,161	\$ 351,722	\$ 2,089,039	\$ 812,727	\$ 5,422,649	\$ 9,412,275

Development cost charges are funds received from developers to cover the costs of future capital projects. These funds are recognized into revenue when the related costs are incurred.

District of Sechelt
Schedule 2 - Tangible Capital Assets

For the year ended December 31, 2020

	Land	Buildings	Vehicles/ Equipment/ Furniture	Works in Progress (WIP)	Other	Engineering Infrastructure				2020	2019
						Roads	Drainage	Sewer	Other		
Cost											
Balance, beginning of year	\$70,955,788	\$38,674,032	\$ 9,357,426	\$ 1,314,165	\$ 52,975	\$56,640,724	\$10,280,755	\$22,428,379	\$ 4,352,624	\$214,056,868	\$ 209,832,563
Additions	193,000	277,978	195,664	4,407,787	-	53,767	21,901	128,097	12,812	5,291,006	4,493,316
WIP completed	-	47,028	37,925	(201,874)	-	14,764	12,921	89,236	-	-	-
Disposals	-	-	(23,555)	(365,089)	-	-	-	-	-	(388,644)	(269,007)
Balance, end of year	\$71,148,788	\$38,999,038	\$ 9,567,460	\$ 5,154,989	\$ 52,975	\$56,709,255	\$10,315,577	\$22,645,712	\$ 4,365,436	\$218,959,230	\$ 214,056,872
Accumulated Amortization											
Balance, beginning of year	\$ -	\$13,245,038	\$ 5,486,415	\$ -	\$ 29,136	\$30,727,723	\$ 4,038,690	\$ 9,895,053	\$ 1,747,848	\$ 65,169,903	\$ 61,623,223
Amortization expense	-	1,170,730	425,117	-	2,649	1,351,315	205,445	438,966	98,532	3,692,754	3,680,282
Disposals	-	-	20,555	-	-	-	-	-	-	(20,555)	(133,595)
Balance, end of year	\$ -	\$14,415,768	\$ 5,890,977	\$ -	\$ 31,785	\$32,079,038	\$ 4,244,135	\$10,334,019	\$ 1,846,380	\$ 68,842,102	\$ 65,169,910
Net book value, end of year	\$71,148,788	\$24,583,270	\$ 3,676,483	\$ 5,154,989	\$ 21,190	\$24,630,217	\$ 6,071,442	\$12,311,693	\$ 2,519,056	\$150,117,128	\$ 148,886,962

District of Sechelt
Schedule 3 - Segmented Information

For the Year Ended December 31, 2020

	General Fund							Sewer Fund		
	General Government	Planning and Community Development	Community Services	Public Works	Facilities	Police Services	Solid Waste	SCPI	Sewer Operating	Total
Revenues										
Taxation and other levies	\$10,064,003	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 959,783	\$11,023,786
Private contributions	160,793	82,400	291,010	2,676	-	-	-	-	23,914	560,793
Government grants	3,433,042	64,901	57,176	13,008	310,397	85,191	-	-	-	3,963,715
Sale of goods and services	91,569	5,513	31,382	19,090	57,678	71,772	1,058,298	-	2,770,736	4,106,038
Licences, permits and fees	243,748	357,218	5,617	69,893	641,607	18,087	197,165	-	-	1,533,335
Penalties and interest	181,825	-	-	-	-	-	-	-	-	181,825
Income from business enterprise	-	-	-	-	-	-	-	86,834	-	86,834
Return on investments	254,284	-	-	-	222,721	-	-	-	31,880	508,885
Gain (loss) on disposal of tangible capital assets	-	-	-	(2,500)	-	-	-	-	-	(2,500)
Development cost charges (Schedule 1)	-	-	14,740	3,921,802	-	-	-	-	174,756	4,111,298
	14,429,264	510,032	399,925	4,023,969	1,232,403	175,050	1,255,463	86,834	3,961,069	26,074,009
Expenses										
Salaries and benefits	2,189,144	858,751	828,861	1,256,456	70,761	304,290	-	-	549,419	6,057,682
Contract services	1,147,284	200,726	312,424	403,430	171,381	1,544,469	984,448	-	532,255	5,296,417
Travel and education	41,899	8,130	9,103	6,105	2,335	-	-	-	15,733	83,305
Supplies and materials	193,282	6,576	145,839	214,396	41,448	5,461	-	-	441,348	1,048,350
Utilities	6,793	-	36,975	164,257	111,089	-	-	-	166,715	485,829
Interest and bank charges	30,976	-	-	-	132,831	-	-	-	86,636	250,443
Risk management	91,123	-	1,553	39,913	36,360	-	-	-	44,690	213,639
Grants	-	132,800	803,430	-	-	42,548	16,253	-	-	995,031
Amortization of tangible capital assets	83,896	2,649	179,043	1,770,274	368,842	-	-	-	1,288,050	3,692,754
Recovery of Sewer Costs	(324,173)	-	-	-	-	-	-	-	324,173	-
	3,460,224	1,209,632	2,317,228	3,854,831	935,047	1,896,768	1,000,701	-	3,449,019	18,123,450
Annual Surplus (Deficit)	\$10,969,040	\$ (699,600)	\$ (1,917,303)	\$ 169,138	\$ 297,356	\$ (1,721,718)	254,762	\$ 86,834	\$ 512,050	\$ 7,950,559