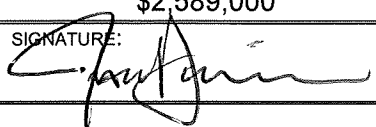


ATTACHMENT B



**CITY OF NANAIMO  
APPLICATION FOR PERMISSIVE  
TAX EXEMPTION**

Office Use

ORGANIZATION: <b>Canadian Mental Health Association Mid-Island</b>		DATE: <b>June 12, 2019</b>	
ADDRESS: <b>437 Wesley Street</b>		PRESIDENT: <b>Kimberly Swiss</b>	
<b>Nanaimo, BC</b>		SENIOR STAFF MEMBER: <b>Jason Harrison</b>	
<b>V9R 2T8</b>		POSITION: <b>Executive Director</b>	
		CONTACT: <b>Keri Cargill</b>	
TELEPHONE: <b>250-244-4042</b>		TELEPHONE: <b>250-244-4042 ext 102</b>	
GEOGRAPHIC AREA SERVED BY THE ORGANIZATION: <b>Ladysmith to Comox Valley</b>			
NO. OF FULL TIME STAFF: <b>9</b>		NO. OF PART TIME STAFF: <b>32</b>	
NO. OF COMMUNITY VOLUNTEERS: <b>10</b>		NO. OF VOLUNTEER HOURS PER YEAR: <b>400</b>	
CLIENTS SERVED, LAST YEAR: <b>2500</b>		CLIENTS SERVED, THIS YEAR (PROJECTED): <b>2000</b>	
B.C. SOCIETY ACT REG. NO.: <b>S0057478</b>		REVENUE CANADA CHARITABLE REG. NO.: <b>837106319</b>	
CURRENT BUDGET: <b>Fiscal 2019 Actual</b>		LEGAL DESCRIPTION OF PROPERTY: <b>Lot 1 Plan VIP 25254 Section1 Land District 32</b>	
INCOME <b>\$2,379,000</b>			
EXPENSES: <b>\$2,271,000</b>		TAX FOLIO NUMBER: <b>86055.000</b>	
NEXT YEAR PROJECTED: <b>Fiscal 2020 Budget</b>			
INCOME: <b>\$2,436,000</b>		CURRENT YEAR TAXES (IF KNOWN): <b>unknown</b>	
EXPENSES: <b>\$2,589,000</b>			
SIGNATURE: 		TITLE/POSITION: <b>Executive Director</b>	DATE: <b>June 24, 2019</b>
<p><b>NOTE:</b> YOUR ORGANIZATION'S MOST RECENT YEAR-END FINANCIAL STATEMENTS AND CURRENT YEAR-TO-DATE FINANCIAL STATEMENTS MUST BE ATTACHED TO THE APPLICATION FORM (INCLUDING A BALANCE SHEET AND INCOME STATEMENT).</p>			

## CITY OF NANAIMO GRANT QUESTIONNAIRE

1. Please describe the Purpose or Mandate of your organization in this community.

CMHA provides advocacy and resources that help prevent mental health problems and illnesses. We support recovery and resilience to enable all members of our community to flourish.

2. Please list the programs and services provided by your organization.

Supportive housing, education and wellness, employment support, Social Centre, Nutrition homeless outreach, overdose prevention.

3. Are you planning to change or add to current programs and services in the future?

It is possible that new programs could be added or current programs expanded, however nothing is official or approved at this time. There are no plans to end any of our current programs.

4. Please describe the role of volunteers in your organization.

We have a volunteer board of directors and committee members, we also recruit volunteers to assist with community events as they happen.

5. Please list all grants received from the City of Nanaimo, Regional District of Nanaimo, and other governments or service clubs.

BC Housing - \$1,300,000

Island Health - \$687,000

National Employment Program - \$103,000

## CITY OF NANAIMO GRANT QUESTIONNAIRE

6. Please provide details of fees for service in your organization, and how costs and fees are determined.

We currently manage 3 housing units (we own two of these units) and collect subsidized rent from tenants. We do not currently offer any fee for service programs.

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7. If your organization is a branch of a larger organization, please indicate how this affects the financial and other information you have provided.

CMHA Mid-Island operates as its own legal entity, fees are paid to our national organization for membership and to share in branding and marketing resources. There is no effect on our financial information provided.

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8. If you lease or rent out part of your premises: please note the amount of space rented (sq ft), total square feet of the premises, name of organization renting the space, and the annual rent received.

We have two buildings in Nanaimo that we are requesting property tax exemption for:  
1. 126 Haliburton Street - we own this building and have ongoing approval for property tax exemption. 2. 290 Bastion Street - we currently lease the lower level of this building and house our admin staff and run our Social Centre program here (approx 4600 sq ft).  
We began leasing this space in October 2018.

9. Please describe current or planned approaches to self generated income.

Our focus right now is to manage the service contracts that we have currently and to build capacity within the organization. As opportunities arise and our current resources allow, we will consider fundraising opportunities and possible social enterprise options.

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## CITY OF NANAIMO GRANT QUESTIONNAIRE

10. Is there any other information about your organization that you would like to provide to support your application?

290 Bastion Street is rented from LB Ventures (Vancouver). Our current rent is \$4,829/month plus GST. With a property tax exemption, our rent could be decreased by \$1.50-\$2.00/sq ft, this could result in close to \$10,000/year in savings - a substantial benefit to our organization.

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11. In what ways would you recognize the City's support, should you receive a Permissive Tax Exemption?

We would recognize the city's contribution through social media (Facebook, twitter), our website, our annual report, newsletters and word of mouth.

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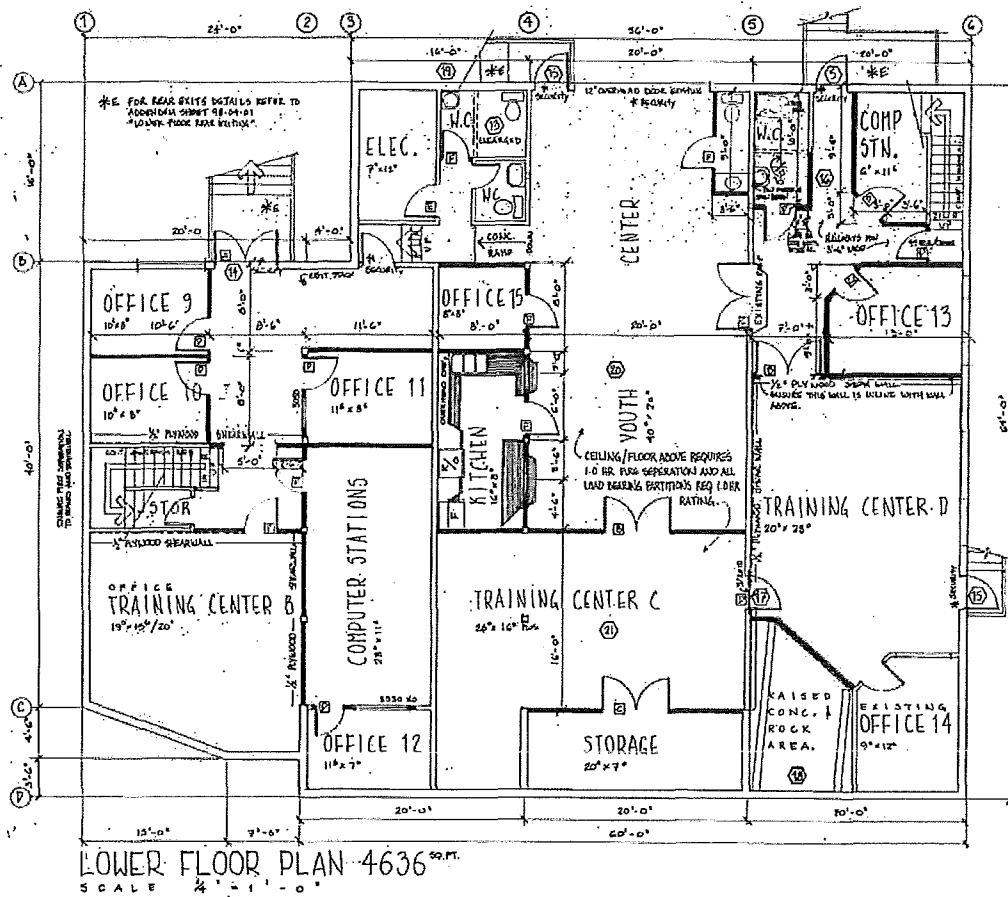
**SCHEDULE A**  
**DEMISED PREMISES**

Civic Address: 290 Bastion Street, Nanaimo, B.C.

Legal

Parcel Identifier: 001-755-927

Legal Description: LOT 1, SECTION 1, NANAIMO DISTRICT, PLAN 25254





437 Wesley Street  
Nanaimo, BC  
V9R 2T8

June 24, 2019

City of Nanaimo  
Finance and Audit Committee  
Finance Department  
455 Wallace Street  
Nanaimo, BC V9R 5J6

**Re: Application for Permissive Tax Exemption**

Please find enclosed our application per the above. We include the following:

1. Copy of our most recent Society Act Annual Report, filed November 11, 2018.
2. Year end audited statements for March 31, 2019
3. Current budget for year ending March 31, 2020
4. Our organization's annual report for 2017-2018

Please note, the March 31, 2019 statements are the most current year-to-date figures; our first quarter financial report will cover April 1<sup>st</sup>, 2019 to June 30<sup>th</sup>, 2019 and will be prepared later in July 2019.

Should you require any additional information, please contact our Controller, Keri Cargill, at 250-244-4042 ext 102 or [keri.cargill@cmha.bc.ca](mailto:keri.cargill@cmha.bc.ca).

Sincerely,

A handwritten signature in black ink, appearing to read "Jason Harrison". The signature is fluid and cursive.

Jason Harrison  
Executive Director

**CANADIAN MENTAL HEALTH ASSOCIATION,  
MID ISLAND BRANCH**

**FINANCIAL STATEMENTS**

**March 31, 2019**

Partners

Grant McDonald, CPA, CA\*

Lee-Anne Harrison, CPA, CA\*

Anna Jones, CPA, CA\*

Joanne Novak, CPA CA\*

\*incorporated



## INDEPENDENT AUDITORS' REPORT

To the Members

### Opinion

We have audited the accompanying financial statements of **Canadian Mental Health Association, Mid Island Branch**, which comprise the statements of financial position as at **March 31, 2019**, and the statements of revenue and expenses, changes in fund balances, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of **Canadian Mental Health Association, Mid Island Branch** as at **March 31, 2019** and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

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

In common with many not-for-profit organizations, the society derives revenue from donations and sponsorships, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the society and we were not able to determine whether any adjustments might be necessary to donations and sponsorships, excess of revenues over expenditures, assets, or fund balances.



# INDEPENDENT AUDITOR'S REPORT

(Continued)

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing **Canadian Mental Health Association, Mid Island Branch** 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 **Canadian Mental Health Association, Mid Island Branch** or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing **Canadian Mental Health Association, Mid Island Branch** financial reporting process.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **Canadian Mental Health Association, Mid Island Branch** internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

# INDEPENDENT AUDITOR'S REPORT

(Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause **Canadian Mental Health Association, Mid Island Branch** to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of **Canadian Mental Health Association, Mid Island Branch** to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Report on Other Legal and Regulatory Requirements

As required by the *Societies Act of British Columbia* we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.



**CHURCH PICKARD**

Chartered Professional Accountants

Nanaimo, B.C.  
June 26, 2019

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

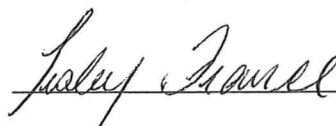
## STATEMENT OF FINANCIAL POSITION

As at **March 31, 2019**

	<b>2019</b>	<b>2018</b>
<b>Assets</b>		
<b>Current</b>		
Cash and term deposits	\$ 576,246	\$ 450,630
Accounts receivable - Note 11	23,250	18,679
Prepaid expenses	<u>21,961</u>	<u>12,461</u>
	621,457	481,770
<b>Cash and investments</b> - internally and externally restricted - Note 2	319,778	335,659
<b>Due from related party</b> - Note 6	-	45,215
<b>Property and equipment</b> - Note 4	<u>2,171,092</u>	<u>2,208,601</u>
	<u>\$ 3,112,327</u>	<u>\$ 3,071,245</u>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities - Note 11	\$ 108,353	\$ 89,018
Wages payable	76,176	78,820
Deferred revenue - Note 12	155,710	185,267
Current portion of long-term debt - Note 9	<u>72,600</u>	<u>71,200</u>
	412,839	424,305
<b>Callable debt</b> - Note 10	18,395	-
<b>Long-term debt</b> - Note 9	1,488,755	1,561,301
<b>Deferred contributions related to property and equipment</b> - Note 15	<u>1,428</u>	<u>2,040</u>
	<u>1,921,417</u>	<u>1,987,646</u>
<b>Net assets</b>		
Net investment in property and equipment	589,914	574,060
Internally restricted - Note 2	79,704	79,704
Externally restricted - Note 2	240,074	255,955
Unrestricted - Note 3	<u>281,218</u>	<u>173,880</u>
	<u>1,190,910</u>	<u>1,083,599</u>
	<u>\$ 3,112,327</u>	<u>\$ 3,071,245</u>

Approved:

  
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# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## STATEMENT OF CHANGES IN NET ASSETS

For the year ended **March 31, 2019**

		<b>Investment in Property and Equipment</b>	<b>Internally Restricted</b>	<b>Externally Restricted</b>	<b>Unrestricted</b>	<b>2019</b>	<b>2018</b>
<b>Balance, beginning of the year</b>	\$	574,060	\$ 79,704	\$ 255,955	\$ 173,880	\$ 1,083,599	\$ 1,060,947
<b>Excess of revenues over expenditures (expenditures over revenues)</b>		(64,340)	-	-	171,651	107,311	22,652
<b>Principal payments on mortgages</b>		52,751	-	-	(52,751)	-	-
<b>Interest earned on restricted funds</b>		-	-	1,509	(1,509)	-	-
<b>Contributions to restricted funds</b>		-	-	28,998	(28,998)	-	-
<b>Expenditures from restricted funds</b>		-	-	(46,388)	46,388	-	-
<b>Purchase of property and equipment</b>		27,443	-	-	(27,443)	-	-
<b>Balance, end of the year</b>	<b>\$</b>	<b>589,914</b>	<b>\$ 79,704</b>	<b>\$ 240,074</b>	<b>\$ 281,218</b>	<b>\$ 1,190,910</b>	<b>\$ 1,083,599</b>

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## STATEMENT OF REVENUES AND EXPENDITURES

For the year ended **March 31, 2019**

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
BC Housing	\$ 1,084,720	\$ 815,886
Island Health	746,066	612,320
Rental income	278,221	291,195
National employment program	97,207	116,176
CMHA BC	69,910	89,561
Donations and fundraising	38,269	21,855
Program revenue	22,479	32,252
Other income	21,022	7,606
Canada Mortgage and Housing Corporation	20,117	20,117
Amortization of deferred capital contributions - Note 15	612	875
Gaming	-	23,549
	<u>2,378,623</u>	<u>2,031,392</u>
<b>Expenditures</b>		
Wages and benefits	1,501,842	1,341,545
Program expenses	170,279	111,351
Repairs and maintenance	147,589	92,254
Utilities	114,708	105,847
Amortization	64,952	65,889
Rent	48,663	34,037
Interest on long-term debt	38,303	38,822
Office	35,111	33,580
Insurance	33,129	29,878
Security	26,043	26,759
Professional fees	21,274	34,159
Telephone	21,096	16,615
Travel	20,334	28,220
Training	4,885	9,163
Vehicle operation	7,577	5,352
Advertising and promotion	6,310	21,942
Memberships	4,484	5,453
Property taxes	2,958	2,350
Bank charges	1,775	3,670
Fundraising	-	886
	<u>2,271,312</u>	<u>2,007,772</u>
<b>Excess of revenues over expenditures before other expenses</b>	107,311	23,620
<b>Loss on disposal of property and equipment</b>	-	(968)
<b>Excess of revenues over expenditures</b>	<u>\$ 107,311</u>	<u>\$ 22,652</u>

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

STATEMENT OF CASH FLOWS  
For the year ended **March 31, 2019**

	<b>2019</b>	<b>2018</b>
<b>Cash provided (used):</b>		
<b>Operating activities</b>		
Excess of expenditures over revenues	\$ 107,311	\$ 22,652
Items not involving cash		
Amortization	64,952	65,889
Loss on disposal of property and equipment	-	968
Amortization of deferred capital contributions	<u>(612)</u>	<u>(875)</u>
	171,651	88,634
Changes in non-cash operating accounts		
Increase in accounts receivable	(4,571)	(13,685)
(Increase) decrease in prepaid expenses	(9,500)	10,927
Increase (decrease) in accounts payable and accrued liabilities, and wages payable	16,691	(40,653)
(Decrease) increase in deferred revenue	<u>(29,557)</u>	<u>28,663</u>
	<u>144,714</u>	<u>73,886</u>
<b>Investing activities</b>		
Purchase of property and equipment	<u>(27,443)</u>	<u>(12,777)</u>
<b>Financing activities</b>		
Increase in bank loans	18,395	-
Repayment of long-term debt	(71,146)	(70,693)
Advances from (repayments to) related parties	<u>45,215</u>	<u>(45,215)</u>
	<u>(7,536)</u>	<u>(115,908)</u>
<b>Increase (decrease) in cash</b>	109,735	(54,799)
<b>Cash and cash equivalents, beginning of the year</b>	<u>786,289</u>	<u>841,088</u>
<b>Cash and cash equivalents, end of the year</b>	<u>\$ 896,024</u>	<u>\$ 786,289</u>
 <b>Cash and cash equivalents are defined as:</b>		
Cash and term deposits	\$ 576,246	\$ 450,630
Cash and investments - restricted	<u>319,778</u>	<u>335,659</u>
	<u>\$ 896,024</u>	<u>\$ 786,289</u>

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended **March 31, 2019**

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### **Purpose of the association**

Canadian Mental Health Association, Mid Island Branch is part of a national and provincial association that has existed for nearly 100 years and is the nationwide leader and champion for mental health. The association's vision is mentally healthy people in a healthy society. It promotes mental wellness by working to reduce the stigma and silence around mental illness and substance misuse as well as by providing services to community members who are living with challenges. Its programs include homelessness outreach, supported housing, food security, vocational support, social groups, as well as wellness recovery education and support. It promotes inclusiveness in the community through public education and influencing policy. It is dedicated to understanding the ever-changing mental health needs within the community, and responds with projects that are based on principles of empowerment, support, and wellness.

### **1. Significant accounting policies**

The financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles.

- Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, cash on deposit, and short-term deposits with maturity dates of less than 90 days, net of cheques issued and outstanding at the reporting date.

- Property and equipment

Property and equipment are recorded at cost. Amortization is recorded on a declining-balance basis, except for the leases which are amortized on a straight-line basis. The amortization rates of the assets are as follows:

Balmoral Hotel building	3%
Vehicles	20%
Furniture and equipment	20%
Leasehold improvements	20%
Computer hardware	55%
Courtenay lease interest	60 years
Courtenay land lease	60 years

In the year of acquisition, amortization is recorded at one-half of these rates.

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended **March 31, 2019**

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### 1. **Significant accounting policies** - continued

#### - Revenue recognition

The association follows the deferral method of accounting for revenue. Contributions received are recognized in the period to which the funding contract relates. Program funds received in advance of service performed are recorded as deferred revenue. Grants, donations, and gaming revenue with external restrictions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted donations are recognized when received or receivable if the amount can be reasonably estimated and collection is assured. Revenue from events are recognized when the event occurs and when the amount can be reasonably estimated and collection is reasonably assured.

#### - Use of estimates

The preparation of the financial statements of the association in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring the use of management estimates relate to the determination of the collectibility of accounts receivable, estimated useful life of property and equipment, the estimated usage of the banked sick time, and the amount of deferred revenue. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

#### - Donated property and equipment

Donated property and equipment materials are recognized in the financial statements when their fair value can be reasonably determined and they are used in the normal course of the association's operations and would otherwise have been purchased.

### 2. **Internally and externally restricted cash and investments**

The short-term investments consist of several GICs, having interest rates ranging from 0.35% to 1.6393% and maturing at various dates from April 3, 2019 to November 7, 2020. Investments are initially and subsequently measured at cost. Transaction costs that are directly attributable to the acquisition of this investment are recognized in the net income in the period incurred.



# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended **March 31, 2019**

### 2. Internally and externally restricted cash and investments - cont.

	2019	2018
Cash		
Externally restricted for BC Housing	\$ 240,074	\$ 255,955
Internally restricted for operations	<u>59,697</u>	<u>59,703</u>
	<u>299,771</u>	<u>315,658</u>
GICs		
Internally restricted for operations	<u>20,007</u>	<u>20,001</u>
	<u>\$ 319,778</u>	<u>\$ 335,659</u>

Under the terms of the agreement with BC Housing, the replacement reserve accounts are to be credited in the amount determined by the budget provision per annum plus interest earned. These funds, along with the accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or the Credit Union Deposit Insurance Corporation, in investments guaranteed by a Canadian government, or in other investment instruments as agreed upon with BC Housing. The society has transferred the agreed provision and maintained the reserve fund in accordance with the operating agreement.

The reserve funds may only be used for capital repairs and replacements in accordance with the operating agreement.

The internally restricted fund is for a future office building, program development, staff training, website upgrades, and a Balmoral contingency fund. This amount is not available for any other purposes without appropriate board approval.

### 3. Unrestricted net assets

Unrestricted net assets consist of funds for general and government funded programs. The funding is received from BC Housing, and Island Health.

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended **March 31, 2019**

### 4. Property and equipment

	Cost	Accumulated Amortization	Net 2019	Net 2018
Land	\$ 371,338	\$ -	\$ 371,338	\$ 371,338
Balmoral Hotel building	1,604,506	392,900	1,211,606	1,249,079
Vehicles	38,060	16,976	21,084	798
Furniture and equipment	122,507	75,391	47,116	59,102
Leasehold improvements	4,726	473	4,253	-
Computer hardware	13,299	12,435	864	1,919
Courtenay lease interest	626,025	147,861	478,164	488,598
Courtenay land lease	<u>66,007</u>	<u>29,340</u>	<u>36,667</u>	<u>37,767</u>
	<u>\$ 2,846,468</u>	<u>\$ 675,376</u>	<u>\$ 2,171,092</u>	<u>\$ 2,208,601</u>

The Wesley Street building and its contents are owned by BC Housing and, as such, are not recorded in the financial statements of the association.

### 5. Bank advances

The association has a \$30,000 line of credit available with CIBC at an interest rate of prime plus 0.50% per annum. This is secured by a GIC with a principal balance of \$31,081 that matures on April 3, 2019. The association did not utilize this financing during the year.

### 6. Due from related party

These balances are unsecured, non-interest bearing, with no specific terms of repayment.

	2019	2018
CMHA BC	\$ -	\$ 46,215
CMHA Cowichan	<u>-</u>	<u>(1,000)</u>
	<u>\$ -</u>	<u>\$ 45,215</u>

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended **March 31, 2019**

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### **7. Related party transactions**

The Canadian Mental Health Association, Mid Island Branch, is a branch of a national charity with various locations across Canada. In the current year, this association paid membership fees to CMHA National in the amount of \$661 (2018 - \$2,000), received revenue for the National Employment Program from CMHA Toronto \$97,207 (2018 - \$116,176), received revenue from CMHA Port Alberni of \$0 (2018 \$260), paid fees to CMHA Cowichan Valley of \$1,551 (2018 - \$1,000), paid fees to CMHA Vancouver-Fraser of \$13,130 (2018 - \$0) and revenue less expenses from CMHA BC of \$59,871 (2018 - \$60,147) primarily for the Gatekeeper program. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

### **8. Contingent liability**

Based on the current union contract, sick pay for employees is accumulated at a rate of 6.9% to a maximum of 1,170 hours and does not vest. For non-union staff, sick pay is accumulated at a rate of 1.5 days per month to a maximum of 120 days. As of March 31, 2019, there are 3,527 (2018 - 3,084) sick time hours accumulated in the pool. Based on the employees' current rates of pay, the maximum liability of the association could be \$105,753 (2018 - \$88,064). The association has accrued \$22,674 (2018 - \$20,514) for sick pay.

Based on the current union contract, special leave for employees is accumulated at a rate of 1/2 day every four weeks up to a maximum of 25 days. As of March 31, 2019 there are 1,680 special leave hours accumulated in the pool. Based on the employees' current rates of pay, the maximum liability of the association could be \$40,899. No accrual has been made for special leave as it is rarely used and does not vest.

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended **March 31, 2019**

### 9. Long-term debt

	2019	2018
Canada Mortgage and Housing Corporation - mortgage - payable at \$2,787 per month including interest at 2.52%; secured by a 60-year leasehold interest in land and buildings, with a carrying value of \$478,164, and an assignment of rents; due September 1, 2023	\$ 280,232	\$ 306,413
Peoples Trust - mortgage - payable at \$4,685 per month including interest at 3.13%; secured by land and buildings, with a carrying value of \$1,582,944, and an assignment of rents; due December 1, 2024	995,336	1,020,184
Canada Mortgage and Housing Corporation - forgivable loan for renovations made to Balmoral land and building, with a carrying value of \$1,582,944; to be forgiven over 15 years as long as the property is used for its intended purpose; due December 1, 2025	135,787	155,904
BC Housing - forgivable mortgage for the Balmoral land and building; with a carrying value of \$1,582,944; to be forgiven over 25 years commencing December 1, 2020	<u>150,000</u>	<u>150,000</u>
	1,561,355	1,632,501
Less: Current portion	<u>72,600</u>	<u>71,200</u>
	<u>\$ 1,488,755</u>	<u>\$ 1,561,301</u>

Principal payments due in each of the next five years are as follows:

2020	\$ 72,600
2021	75,600
2022	81,600
2023	83,100
2024	<u>84,700</u>
	<u>\$ 397,600</u>

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended **March 31, 2019**

### 10. Callable debt

	2019	2018
CIBC demand loan - payable at \$484 per month plus, interest at CIBC prime rate plus 1.500% (5.45% at March 31, 2019) secured by a specific vehicle, with a carrying value of \$21,084; the loan is due on demand	<u>\$ 18,395</u>	<u>\$ -</u>

### 11. Government remittances

The association has the following amounts receivable/(payable) for government remittances at March 31, 2019:

	2019	2018
Public service body rebate	\$ 3,557	\$ 2,582
WCB	\$ (3,252)	\$ (2,738)
Payroll source deductions	\$ (45,190)	\$ (36,053)

### 12. Deferred revenue

Deferred revenue consists of funding received in the current period that are related to a subsequent period as well as damage deposits paid by tenants, and donations designated for specific programs. Deferred revenue is comprised of:

	2019	2018
Prepaid funding	\$ 130,745	\$ 154,609
Damage deposits	9,722	11,291
Prepaid rent	<u>15,243</u>	<u>19,367</u>
	<u>\$ 155,710</u>	<u>\$ 185,267</u>

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended **March 31, 2019**

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### 13. Pension obligations

The association and its employees contribute to the Municipal Pension Plan (Plan), a jointly trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 197,000 active members and approximately 95,000 retired members.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and adequacy of Plan funding. The most recent valuation, as at December 31, 2015, indicated a surplus of \$2.224 million for basic pension benefits. The next valuation will be as at December 31, 2018 with results available in 2019. The actuary does not attribute portions of the unfunded liability to individual employers. The association paid \$15,088 (2018 - \$14,819) for employer contributions to the plan in fiscal 2019.

### 14. Union contract

The Canadian Mental Health Association - Mid-Island Branch has an agreement with the Health Employers Association of BC. This collective agreement represents the relationship between management and a certain class of employees. In June 2018 the Community Subsector agreed to a new labour contract for the period of April 1, 2019 to March 31, 2022.

### 15. Deferred capital contributions related to property and equipment

Deferred contributions related to property and equipment represent contributions of assets or cash used for the acquisition of property and equipment. The changes in deferred contributions for the year are as follows:

	2019	2018
Balance, beginning of the year	\$ 2,040	\$ 2,915
Less: Amortization for the year	<u>612</u>	<u>875</u>
	<u>\$ 1,428</u>	<u>\$ 2,040</u>

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended **March 31, 2019**

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### 16. Lease commitments

The association is committed under a property lease agreement for the rental of a property in Nanaimo until September 2021 with the option to renew for three additional years. The base payments required in each of the next three fiscal years are;

2020	\$	33,611
2021		35,929
2022		<u>18,544</u>
	\$	<u>88,084</u>

### 17. Economic dependence

During the year, the association received 46% (2018 - 40%) of its funding from various contracts with BC Housing.

### 18. Remuneration of employees and contractors

During the year, one employee earned over \$75,000. The total remuneration paid to this individual by the society during the period was \$89,773.

# CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended **March 31, 2019**

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### **19. Financial risks and concentration of risk**

- 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. The association does not use derivative instruments to reduce its exposure to interest risk and management does not consider them to be material. The callable debt interest rate fluctuates based off of the prime rate.

- Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The association is exposed to credit risk from its residents; however, there are a number of residents which reduces the concentration of credit risk. The association receives a large portion of its funding from the provincial government. Therefore, if the contract was not renewed, it could affect the organization's ability to operate, as mentioned in Note 17.

### **20. Comparative figures**

Certain of the prior year's figures have been reclassified to conform to the current year's presentation.





## 2018 BC SOCIETY ANNUAL REPORT

BC Society • Societies Act

**NAME OF SOCIETY:** CANADIAN MENTAL HEALTH ASSOCIATION, MID ISLAND BRANCH

**Incorporation Number:** S0057478  
**Business Number:** 83710 6319 BC0001  
**Filed Date and Time:** November 11, 2018 06:46 PM Pacific Time  
**Annual General Meeting (AGM) Date:** October 17, 2018

### REGISTERED OFFICE ADDRESS INFORMATION

**Delivery Address:**

437 WESLEY ST  
NANAIMO BC V9R 2T8

**Mailing Address:**

437 WESLEY ST  
NANAIMO BC V9R 2T8

### DIRECTOR INFORMATION AS OF October 17, 2018

**Last Name, First Name Middle Name:**

BOLSENG, KERSTIN

**Delivery Address:**

**Last Name, First Name Middle Name:**

COOPER, MICHELLE

**Delivery Address:**

**Last Name, First Name Middle Name:**

GOMES, MARIA

**Delivery Address:**

**Last Name, First Name Middle Name:**

HANSEN, KAYA

**Delivery Address:**

**Last Name, First Name Middle Name:**

HENDRIKS, LIZ

**Delivery Address:**

**Last Name, First Name Middle Name:**

KLAVER, SERENA

**Delivery Address:**

**Last Name, First Name Middle Name:**

MORGAN, ELISE

**Delivery Address:**

**Last Name, First Name Middle Name:**

SWISS, KIMBERLY

**Delivery Address:**

**Last Name, First Name Middle Name:**

TAIT, JOHN

**Delivery Address:**

**CERTIFICATION**

I, Jason Harrison, certify that I have relevant knowledge of the society, and that I am authorized to make this filing.

**CANADIAN MENTAL HEALTH ASSOCIATION  
MID ISLAND BRANCH  
Budget Summary  
For the period ended March 31, 2020**

	<b>Annual Budget</b>
<b>Revenue</b>	
BC Housing	\$ 1,320,721
Vancouver Island Health Authority	687,471
Rental Income	298,151
Program Revenue	105,503
Donations & Memberships	12,000
Interest Income	1,300
Other Income	11,370
	<u><b>\$ 2,436,516</b></u>
<b>Expenditures</b>	
Accounting and Audit	\$ 19,400
Amortization	65,000
Communications	35,928
Facility costs	168,214
Insurance	33,190
Interest on long term debt	37,326
Maintenance	114,801
Office and general admin	35,496
Program costs	399,368
Security	6,500
Training/conferences/meetings	3,600
Travel	30,897
Wages and benefits	1,639,291
	<u><b>\$ 2,589,011</b></u>
<b>Excess (deficiency) of revenue over expenditures</b>	<u><b>\$ (152,495)</b></u>



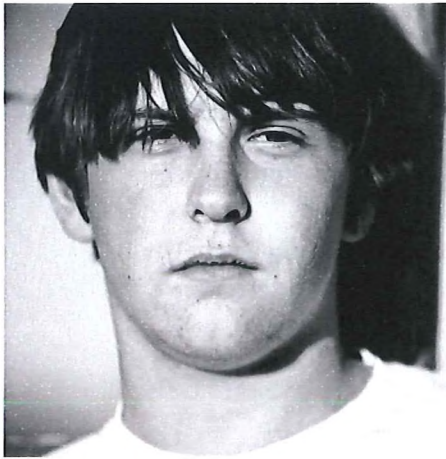
Canadian Mental  
Health Association  
Mid-Island  
*Mental health for all*

Association canadienne  
pour la santé mentale  
Mid-Island  
*La santé mentale pour tous*



years of  
community  
ans dans la  
communauté

## Canadian Mental Health Association Mid-Island Branch Annual Report 2017 - 2018



# PRESIDENT'S REPORT

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The Board has worked hard this year on improving governance practices to ensure that we are addressing all areas of responsibility. This work has been on going for a number of years, beginning with strengthening our financial oversight and management. This was followed by our application for accreditation with Imagine Canada, where we developed a number of governance related policies to fill policy gaps. This past year we focused on delineating areas of decision-making between the Board and the Executive Director so we all have clarity and the development of a thorough workplan to guide us in ensuring that every sphere of responsibility that we have as a Board was addressed.

The CMHA Mid Island By-Laws were updated to be in compliance with the new Societies Act, which came into effect November 28, 2016. This process was supported provincially and all the CMHA's in BC have substantially similar By-Laws governing the branch. Being able to have this Annual General Meeting in October is one of those changes, which eliminates the previous pressure to have the audit completed for a June AGM.

As a Board we have kept up to date on mental health issues surfacing in the communities we serve, including the current concerns related to the Nanaimo DisconTent City. Our outreach workers and especially Jason Harrison, our Executive Director, have been active in developing relationships with the people living in the tent city and with staff from the BC Ministry of Municipal Affairs and Housing, Island Health and the City of Nanaimo to find equitable and supportive solutions to this housing crisis.

Provincially, I have represented CMHA Mid Island at provincial meetings and joined with other CMHA Branches and BC Division in addressing areas of common concern. Our strength as an organization is the many branches throughout BC working in our communities with a common vision and direction for what is needed to create mentally healthy individuals and communities.

As this will be my last year as Board President, I wish to take this opportunity to say how much I have appreciated the work on this Board. I have learned a lot about what is needed to be an effective Board and what a sound governance structure for an organization involves. The relationships developed have been collegial and warm – a very good environment for our work together. I want to thank each of you for your contributions to this Board, both current and past Board Members. I especially wish to recognize Pat Rowantree, Vy Luu and Susan Murphy who are leaving the Board at this time and to thank them for all their hard work on our behalf.

Sincerely,

Maria Gomes  
President, CMHA Mid-Island Board of Directors

# FINANCE COMMITTEE REPORT

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This Committee met on a regular basis throughout the year and conducted:

- in-depth reviews of the financial position of CMHA Mid Island,
- submitted regular financial reports to the Board,
- a review of the Executive-Director's expenses, and
- an analysis of any unusual or un-budgeted expenses (e.g. a new fence for the Balmoral property) for recommendation to the Board.

The Committee also develop a policy which enabled select CMHA employees to use CMHA credit Cards, removing the need for employees to be out of pocket for approved CMHA expenses.

An ongoing goal for the Committee is to improve the reports made to the Board, to ensure the information is in a user friendly format and that the financial information needed for Board decision-making is provided in a timely and thorough manner.

Significant changes this year include the addition of a new program, the Overdose Prevention Site, which provides funding for staffing and for our oversight of the program. Our other programs remained financially stable and all, except for the Balmoral housing, have stable funding from either BC Housing, Island Health, or are part of an provincial or national CMHA contract.

Submitted by Maria Gomes, for Vy Luu, CMHA Mid-Island Treasurer

# GOVERNANCE & HUMAN RESOURCES COMMITTEE REPORT

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The Governance and Human Resources Committee met monthly through 2017-2018 and I am pleased to say that significant work was accomplished.

In June, the membership approved the Branch's new constitution and bylaws as required by the Province of British Columbia. The core work was done by a BC Division volunteer Committee, and the developmental work specific to our Branch was undertaken by this Committee.

The policy framework for the Branch has been reconfirmed within the requirements of our accreditation with Imagine Canada. The vast majority of Governance and Human Resources policies have been reviewed, updated for content and language, and approved by the Board of Directors. The Committee has recently referred the policies applying to the Finance Committee to its Chair for their review and return, and ultimate Board approval.

The Governance and Human Resources Committee is now established as the final reviewer of all Branch policies prior to Board approval. This process change is intended to ensure a consistent approach, the standardization of language, and elimination of conflict in policy statements.

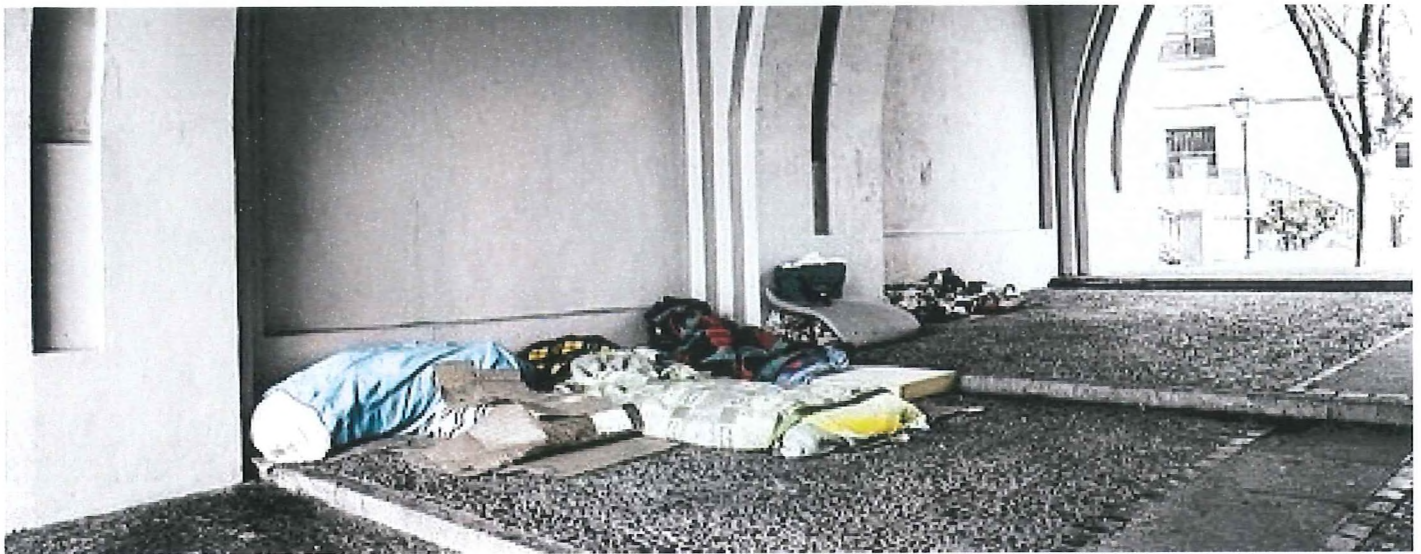
The Committee is tasked with and completed the annual evaluation of the Executive Director. It also received reports from the ED on any significant Human Resources issues and provided advice and direction where required.

It has been my pleasure to chair this Committee for the past year and my gratitude goes out to members, Maria Gomes, Kim Swiss, Kaya Hansen and ED Jason Harrison, for their commitment, skill, and good cheer in accomplishing such a great deal on behalf of the Board of Directors.

Susan Murphy

Chair, Governance and Human Resources Committee

# HOMELESSNESS OUTREACH



## IMPACT

Total number of clients served:	Total number of referrals to support services:	Total number of new clients:	Number of new clients housed:	% new clients housed 6+ months:
<b>97</b>	<b>244</b>	<b>55</b>	<b>45</b>	<b>96%</b>

### Homelessness Outreach

Staff: 2 FTE

Location: Nanaimo, Oceanside

#### Services:

- 25 monthly housing subsidies
- members of Nanaimo / Oceanside HOST teams
- housing searches
- transport
- appointment support
- residential tenancy support
- service referrals

#### Service referral examples

- mental health services
- treatment programs
- supportive housing
- shelter
- financial support
- meal programs

Funded by BC Housing





# HOUSING



## IMPACT

Number of units:

**64**

Housed 6 + months:

**90%**

Housed 12 + months:

**89%**

Average age of tenants:

**56**

### Balmoral

Staff: .6 FTE  
Location: Nanaimo  
Total Units: 19

- Services:
- limited social support
  - meal program access
  - appointment reminders
  - medication reminders
  - garden programs
  - residential tenancy support

Balmoral funded by Market Rents

### Wesley St.

Staff: 11.6 FTE  
Location: Nanaimo  
Total Units: 36

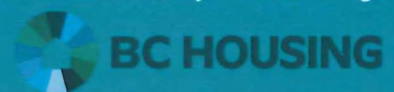
- Services:
- 24/7 Staffing
  - subsidized rent
  - social support
  - meal program access
  - appointment reminders
  - medication reminders
  - garden programs
  - cooking programs
  - residential tenancy support

### New Horizons

Staff: .4 FTE  
Location: Courtenay  
Total Units: 9

- Services:
- subsidized rent

Wesley St. and New Horizons funded by BC Housing



# SOCIAL CENTRE @ WESLEY



## IMPACT

Number of individual participants:

**289**

Average daily visits:

**27**

Meals served annually:

**1950+**

### Social Centre @ Wesley

The Social Centre @ Wesley is open to anyone with mental health and/or addiction challenges, who is looking for a place to socialize, make new friends, get support, connect with their community and take part in social, recreational and vocational activities.

Services:

- social activities
- peer support
- low cost meals
- workshops
- computer access

M/F - 10am-4pm  
W - 1pm -7pm

Staff: 1.5 FTE

Location: Nanaimo



Program funded by Island Health

# PEPPERMILL



## IMPACT

Number of meals sold:

**3743**

Individuals accessing meals:

**50**

Total Trainee hours:

**1500+**

Number of trainees in program:

**12**

### Peppermill Frozen Food Program

#### Training Program

- FoodSafe Level 1
- WHIMIS
- social support
- food and cooking skills
- training in commercial kitchen setting

Staff: .6 FTE

Location: Courtenay

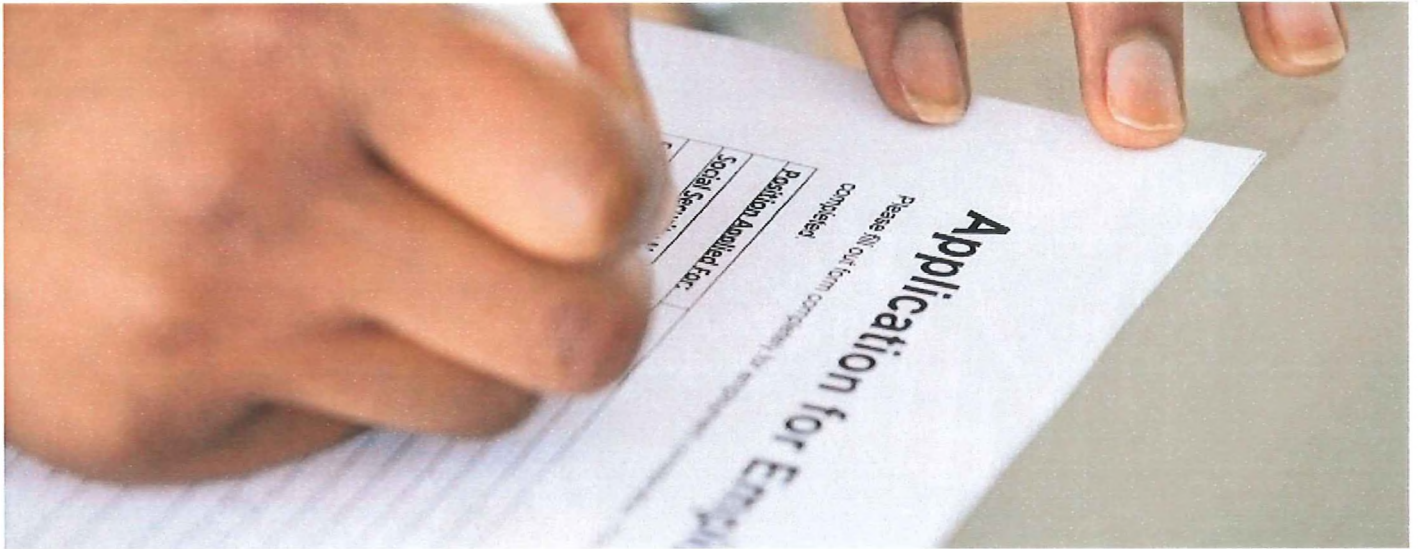
#### Sales Program

- low cost meals for Island Health MHSU clients
- 12+ varieties of meals
- \$2.58 average meal production cost



Program funded by Island Health

# EMPLOYMENT SUPPORT



## IMPACT

Number of participants:

**57**

Market employment placements:

**37**

Work experience placements:

**6**

### Employment Support

We provide individual and group support at no cost such as:

- Resume Development
- Employment Workshops
- Career Assessments
- Labour Market Research
- Work Experience
- Certification/ Training
- Job Coaching
- Design an Action Plan
- Computer Stations

Support Worker:  
Staff: 1.8 FTE

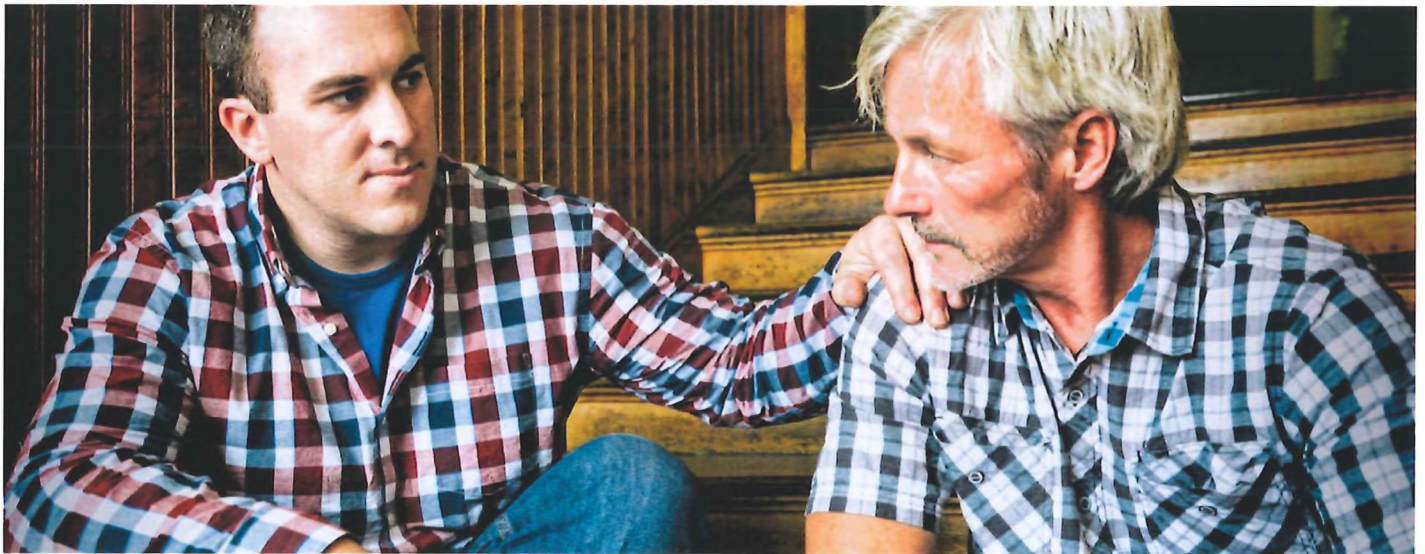
Job Coach:  
Staff: 1.5 FTE

Location: Comox Valley, Nanaimo

Program funded by Island Health and Service Canada



# COMMUNITY GATEKEEPER



## IMPACT

Number of individuals trained:

**577**

% individuals trained in safeTALK:

**85%**

% individuals trained in ASIST:

**15%**

### Community Gatekeeper Training Project

Community Gatekeepers are members of the community who have been trained to help people who are at risk of suicide. They are people who hold a position of trust and responsibility in the community, and who have regular face-to-face contact with many adults or older adults.

Examples could include:

- First responders
- HR professionals
- Elders and spiritual leaders
- Community service providers
- Teachers and professors

Communities served:

- Alert Bay
- Campbell River
- Cape Mudge
- Cobble Hill
- Mill Bay
- Duncan
- Esquimalt
- Gabriola Island
- K'omoks First Nation
- Lasqueti
- Nanaimo
- Nanoose Bay First Nation
- Oak Bay
- Pacheedaht First Nation
- Parksville
- Port Alberni
- Port Hardy
- Victoria

Program funded by  
BC Ministry of Health



# OVERDOSE PREVENTION



## IMPACT

Number of  
unique  
service users:

**254**

Number of  
Naloxone kits  
distributed:

**1930**

Total  
consumption  
visits:

**8601**

Total non -  
consumption  
visits:

**11,418**

### Nanaimo Overdose Prevention Site

In response to the BC Health Emergency and Ministerial Order M388, we collaborated with Island Health to create Nanaimo's OPS. The service was opened on January 31, 2017, on an 8 hour per day basis. The service was extended to 13.5 hours per day on March 26, 2017.

#### Services:

- supervised consumption room
- overdose intervention
- naloxone dispensing
- harm reduction supplies
- connections to other community services

#### Paramedics

Staff: 2.5 FTE

#### Harm Reduction Workers

Staff: 2.5 FTE

Location: Nanaimo

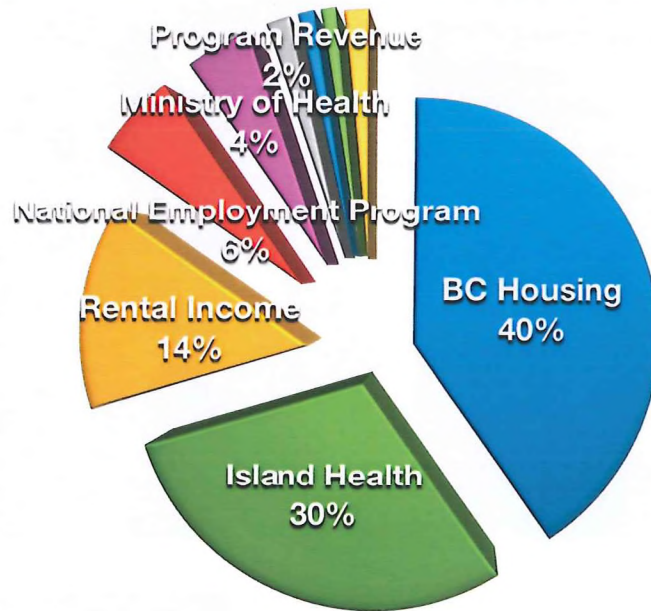
Program funded by Island Health



# REVENUES & EXPENDITURES

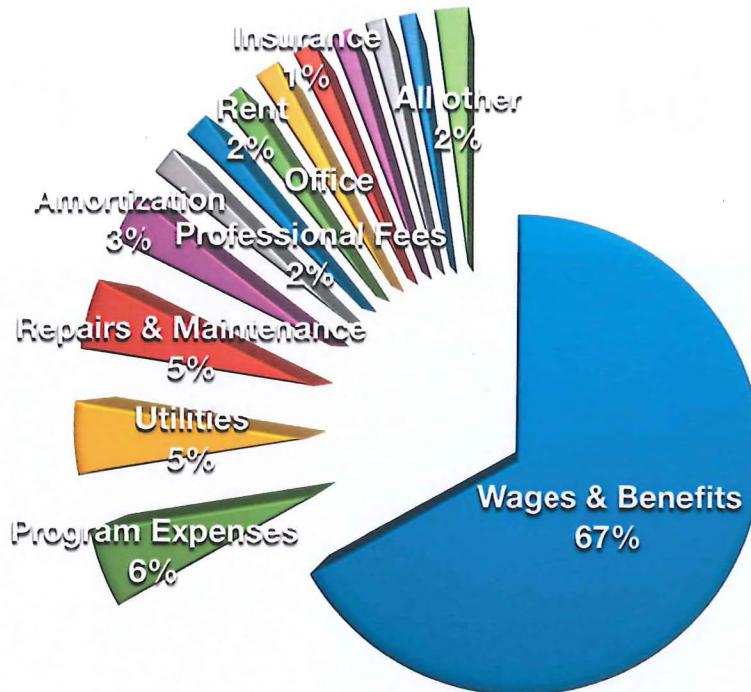
## REVENUES

BC Housing	\$ 815,886
Island Health	\$ 612,320
Rental Income	\$ 291,195
National Employment Program	\$ 116,176
Ministry of Health	\$ 89,561
Program Revenue	\$ 32,252
Donations & Fundraising	\$ 21,855
CMHC	\$ 20,117
Other Revenue	\$ 32,030
<b>Total</b>	<b>\$2,031,392</b>



## EXPENDITURES

Wages & Benefits	\$ 1,341,545
Program Expenses	\$ 111,351
Utilities	\$ 101,973
Repairs & Maintenance	\$ 96,127
Amortization	\$ 65,889
Interest on Long Term Debt	\$ 38,822
Professional Fees	\$ 34,159
Rent	\$ 34,037
Office	\$ 33,580
Insurance	\$ 29,878
Travel	\$ 28,220
Security	\$ 26,759
Advertising	\$ 21,942
All other	\$ 43,489
<b>Total</b>	<b>\$ 2,007,771</b>



# ACKNOWLEDGEMENTS

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CMHA MID-ISLAND BRANCH WOULD LIKE TO THANK ALL OUR SUPPORTERS, FUNDING AGENCIES AND COMMUNITY PARTNERS. WITHOUT YOUR SUPPORT WE CANNOT DO THE WORK THAT WE DO.

## FUNDERS

BC Housing - Island Health - BC Ministry of Health  
BC Gaming Corporation - Service Canada

## SUPPORTERS

Edgewood Treatment Centre - VIU MBA Program - Noodlebox

## RIDE DON'T HIDE SPONSORS

### Platinum Sponsor

- Island Radio – The Wave, The Wolf, The Beach, The Lounge

### Gold Sponsor

- KJ Contracting and Controls

### Bronze Sponsors

- Coal City Cycles
- Campbell & Fairweather Psychology Group

### Community Sponsors

- Island Joy Rides
- OmTown Yoga

### Supporters

- Buzz Coffee House
- Coastal Water Store
- Generations Barber Shop
- Driven Performance Fitness Ltd. Greater
- Nanaimo Cycling Coalition
- Long and McQuade
- Mid Island Velo Association
- MTB Gravity
- Nanaimo News Bulletin
- Pedego Qualicum Beach
- Remax
- Thrifty Foods
- Vancouver Island University, Discovery Room





Canadian Mental  
Health Association  
**Mid Island**  
*Mental health for all*

Association canadienne  
pour la santé mentale  
**Mid Island**  
*La santé mentale pour tous*

**Canadian Mental Health Association | Mid-Island Branch**

437 Wesley St.  
Nanaimo, BC, Canada V9R 2T8

[mid-island.cmha.bc.ca](http://mid-island.cmha.bc.ca)

Registration No.: 837106319RR0001



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