FINANCIAL CONTRIBUTION AGREEMENT

THIS AGREEMENT dated for reference this 31 day of MAY 2026

BETWEEN:

COWICHAN VALLEY REGIONAL DISTRICT

175 Ingram Street
Duncan, BC V9L 1N8

(the "**CVRD**")

OF THE FIRST PART

AND:

SHAWNIGAN COBBLE HILL FARMERS INSTITUTE AND AGRICULTURAL SOCIETY (FARMERS INSTITUTE)

3550 Watson Avenue
Cobble Hill, BC V8H 4A8

(the "**Recipient**")

OF THE SECOND PART

WHEREAS:

A. The CVRD is a regional district incorporated by Letters Patent under the *Local Government Act* and is authorized to provide an annual financial contribution to assist community organizations with costs associated with providing programs and services;

B. The Recipient Organization is the Shawnigan Cobble Hill Farmers Institute and Agricultural Society (Farmers Institute).

C. The CVRD wishes to provide a financial contribution to the Recipient Organization to assist with the Recipient Organization's provision of its programs and services on the terms and conditions set out in this Agreement;

D. The CVRD operates on a January 1 to December 31 fiscal year (the "**CVRD Fiscal Year**") and will approve the Financial Contribution based on the CVRD Fiscal Year.

NOW THIS AGREEMENT WITNESSES that in consideration of the premises, the terms and conditions hereinafter contained, the sufficiency and receipt of which is hereby acknowledged, the parties covenant and agree each with the other as follows:

1.0 DEFINITIONS

1.1 In this Agreement, the following terms have the following meanings:

(a) "**CVRD Board**" means the elected board of the Cowichan Valley Regional District;

(b) "**CVRD Fiscal Year**" has the meaning ascribed to that term in Recital D;

(c) "**CVRD's Annual Budget**" means the Five-Year Financial Plan Bylaw, approved annually by the CVRD Board, that governs all CVRD expenditures during the CVRD Fiscal Year;

(d) "**Financial Contribution**" has the meaning ascribed to that term in section 3.1;

(e) "**Improper Expenditure**" means an expenditure neither outlined in the Recipient Organization's workplan or budget.

(f) "**Recipient Organization**" – A community organization that receives or is seeking a financial contribution from the CVRD, as identified in the preamble and Recital B of this Agreement.

(g) "**Services**" has the meaning ascribed to that term in section 4.1(a) and Schedule "B";

(h) "**Term**" has the meaning ascribed to that term in section 2.1.

(i) "**Workplan**" has the meaning ascribed to that term in Schedule "B".

2.0 TERM

2.1 The term of this Agreement is for one year commencing April 1, 2026, and ending December 31, 2026 (the "**Term**"), subject to earlier termination under section 9 of this Agreement.

3.0 FINANCIAL CONTRIBUTION

3.1 By and subject to the terms and conditions of this Agreement, including but not limited to the requirements as outlined in Schedules "A" and "B" attached to this Agreement, the CVRD agrees to provide a financial contribution to the Recipient Organization of $33,050 to be used for the Workplan outlined in Schedule "B" of this agreement (the "**Financial Contribution**").

4.0 RECIPIENT ORGANIZATION'S OBLIGATIONS

4.1 The Recipient Organization is required to:

(a) use the Financial Contribution solely and exclusively for the services as outlined in

Schedule "B" attached to this Agreement (the "**Services**");

(b) ensure the Services are undertaken and provided in accordance with all statutory and other legal requirements that may apply;

(c) maintain proper financial records and supporting documentation respecting the Services and the use of the Financial Contribution funds;

(d) permit the CVRD, its officers, employees and its auditors, on reasonable notice, to inspect and take copies of the records referred to in subsection 4.1(c);

(e) provide the CVRD with financial statements and a report on deliverables, according to the requirements as outlined in Schedule "A" attached to this Agreement; and

(f) if the Financial Contribution is not fully expended for the purpose of the Services by the end of the CVRD's Fiscal Year for which the Financial Contribution was approved, carry forward the unexpended portion of the Financial Contribution to the following fiscal year for those services outlined in the Services.

5.0 REPRESENTATIONS AND WARRANTIES

5.1 The Recipient Organization represents and warrants to the CVRD that:

(a) the Recipient Organization has the power and capacity to accept, execute, deliver, and perform its obligations under this Agreement.

6.0 RELATIONSHIP BETWEEN THE PARTIES

6.1 This Agreement establishes terms and conditions for the Recipient Organization's receipt and use of the Financial Contribution.

6.2 No assurance is made to the Recipient Organization that the CVRD Board will approve the Financial Contribution for any year during the Term, and no assurance is made to the Recipient Organization that any similar funding will be provided following the end of the Term.

6.3 No provision of this Agreement shall be construed as creating a partnership or joint venture relationship, or a principal-agent relationship between the CVRD and the Recipient Organization in relation to the Services, or otherwise. The Services are not a service of the CVRD, and the Recipient Organization does not undertake the Services as a contractor on behalf of the CVRD. Nothing in this Agreement, and no actions taken by the CVRD in implementing or enforcing this Agreement, shall:

(a) make the CVRD responsible in any way for the management, supervision, operation or delivery of the Services;

(b) give rise to any liability on the part of the CVRD, whether to the Recipient Organization or to any other person, for any losses, damages, costs, or liabilities arising from or related to the Services; and

(c) be interpreted as giving rise to a duty of care on the part of the CVRD to the

Recipient Organization, or to any other person, to investigate or to verify whether the Services are being undertaken in accordance with the requirements of this Agreement, or in accordance with any statutory or legal requirements that may apply.

7.0 PUBLIC RELATIONS

7.1 At the request of the CVRD, any public announcements made by the Recipient Organization relating to this Agreement will:

(a) include clear recognition of the Financial Contribution given by the CVRD;

(b) be in a form approved in writing by the CVRD; and

(c) not represent or hold out that the Recipient Organization acts as an agent or contractor for the CVRD in relation to the delivery of the Services.

8.0 INDEMNITY

8.1 The Recipient Organization shall indemnify and save harmless the CVRD, its employees, agents, officers, directors, and authorized representatives, and each of them, from and against all losses, claims, damages, actions, causes of action, costs, and expenses, of any kind that the CVRD may sustain, incur, suffer or be put to at any time, arising from acts, errors or omissions including negligent acts or breaches of law, contract or trust, committed by the Recipient Organization or its employees, agents, officers or directors in relation to their use of the Financial Contribution for the purposes of the Services. This indemnity shall survive the termination of this Agreement.

9.0 TERMINATION

9.1 If the Recipient Organization is in default in the performance of any of its obligations under this Agreement, and fails to remedy said default within 30 days' notice from the CVRD or if the Recipient Organization becomes insolvent or is assigned into bankruptcy, then the CVRD may terminate this Agreement by written notice to the Recipient Organization.

9.2 The CVRD may terminate this Agreement, without cause, at any time by giving not less than six (6) months' written notice to the Recipient Organization.

9.3 Following termination under sections 9.1 or 9.2, the Recipient Organization shall immediately repay any unused portion of the Financial Contribution to the CVRD on written demand being made by the CVRD. Notwithstanding the CVRD's right to terminate this Agreement under sections 9.1 and 9.2, if the Recipient Organization has used the Financial Contribution for any reason other than to provide the Services ("Improper Expenditure"), then the Recipient Organization shall repay the Improper Expenditure to the CVRD on written demand being made by the CVRD.

10.0 NON-DEROGATION

10.1 Nothing contained or implied in this Agreement shall prejudice or affect the rights and powers of the CVRD in the exercise of its functions under any public or private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised as if this Agreement had not been executed and delivered by the parties, and the interpretation of

this Agreement shall be subject to and consistent with statutory restrictions imposed on the CVRD under the *Local Government Act* and *Community Charter*.

11.0 NOTICE

11.1 Any notice required to be given under this Agreement will be deemed to be sufficiently given:

(a) if delivered at the time of delivery; and

(b) if mailed from any government post office in the Province of British Columbia by prepaid registered mail addressed as follows:

if to the CVRD:
175 Ingram Street
Duncan, BC V9L 1N8
Attention: Cathy Nugent

if to the Recipient Organization:
3550 Watson Avenue
Cobble Hill, BC V8H 4A8
Attention: ~~Roger Painter~~ Roy Davies

12.0 TIME

12.1 Time is of the essence of this Agreement.

13.0 BINDING EFFECT

13.1 This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors, and permitted assignees.

14.0 WAIVER

14.1 The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

15.0 ENTIRE AGREEMENT

15.1 This Agreement constitutes the entire agreement between the parties with respect to the matters herein and may not be modified except by subsequent agreement in writing, in accordance with section 18.

16.0 SCHEDULES AND RECITALS

16.1 The schedules and recitals form part of this Agreement.

17.0 LAW APPLICABLE

17.1 This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.

18.0 AMENDMENT

18.1 This Agreement may not be modified or amended except by the written agreement of the parties.

19.0 COUNTERPART

19.1 This Agreement may be executed in counterpart with the same effect as if both parties had signed the same document. Each counterpart shall be deemed to be an original. All counterparts shall be construed together and shall constitute one and the same Agreement.

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

COWICHAN VALLEY REGIONAL DISTRICT by its authorized signatories)

_____)
Board Chair)

_____)
Corporate Officer)

{RECIPIENT ORGANIZATION} by its authorized signatories)

Roy Davies, President)
[Name and Title])

Denise Nelson, Secretary)
[Name and Title])

SCHEDULE "A"

Financial Contribution

1. The payment of the Financial Contribution for any year of the Term is subject to the CVRD Board's approval of the Workplan.

2. The Financial Contribution paid to the Recipient Organization will be subject to a deduction for the CVRD's government administrative fee for each year of the Term, as detailed in the CVRD's Recovery of General Government Administration Charges Policy (the "Policy"). The government administration fee will be 2% of the Financial Contribution for the first year of the Term but may be subject to change in accordance with changes to the Policy as approved by the CVRD Board.

3. The CVRD Board provides financial contributions in accordance with the Financial Contributions to Community Organizations Policy, approved February 25, 2026.

4. The Recipient Organization shall, for each year of the Term, submit to the CVRD by May 31 for its consideration and approval as part of the CVRD's Annual Budget approval process, financial statements and deliverables for the preceding year.

5. Subject to fulfilling the requirements, the Financial Contribution will be transferred to the Recipient Organization by August 31.

SCHEDULE "B"

Services

The intent of this Agreement is that the Recipient Organization will use the Financial Contribution to provide the Services as outlined in the Workplan submitted to the CVRD in the previous year. This may include specific deliverables, asset management, and / or organizational capacity to achieve those deliverables.

The Workplan is hereby attached.

FINANCIAL CONTRIBUTION AGREEMENT
DELIVERABLES REPORT

This Deliverables Report is a requirement of the Financial Contribution Agreement (Agreement) between the CVRD and the Recipient Organization. Completed reports should be submitted to the CVRD Key Contact prior to the timelines identified in the Agreement.

Date of Report	May 25, 2026
Recipient Organization	Shawnigan Cobble Hill Farmers Institute and Agricultural Society
Primary Contact Person	Gerry Giles
Email / Telephone	ggiles12.is@gmail.com 250.701.1756
Address	3550 Watson Avenue, Cobble Hill, BC V8H 4A8

CVRD Key Contact	Cathy Nugent
Fiscal Year Funding Received	2026
Amount of Funding	$33,050

To assist the Recipient Organization with the Deliverables Report, the categories outlined below may be used as prompts for identifying deliverables. It is recognized that not all categories may be applicable for the use of the funding, and noting "not applicable" in those categories is acceptable.

1. How was the funding used for the delivery of programs and / or services?

In 2025, the funding was use to purchase insurance for the Farmers Institute. This cost was $23,679. The balance of the funds were used to support the very popular South Cowichan Seniors Lunch program which operates out of the Cobble Hill Hall on the second and fourth Mondays of each month with the exception of August when no luncheons are held due to the Cobble Hill Fair. This rental subsidy equates to $10,500 annually. As well, the Farmers Institute provides free rent to six 4-H Clubs in Cowichan. This support totals $4000. When combined, the insurance and support for these two programs amount to $38,179.

2. How was the funding used for projects and / or purchases?

Insurance was purchaced with the funds - $23,679. The balance of the funds was used to ofset costs normally incurred with a rental but when no revenue is collected. Examples include but are not limited to use of hydro, natural gas, heat, water, janitorial supplies and services. The Seniors Lunch program uses the Cobble Hill Hall on Sunday and Monday for meal prep and service twice monthly. While the 4-H Clubs and the District Council use the Youth Hall several times a month for their activities for no charge. 4-H Veterinary Science, 4-H Sheep Club, 4-H Dog Club, 4-H Holstein Club, 4-H Horse Club, 4-H District Council. These Clubs also occasionally use the Cobble Hill Hall and the Stu Armour Hall.

3. Was funding placed in a reserve account for future projects and / or purchases?

The annual insurance cost was paid on a monthly basis.

4. How else was the funding used for the management of the organization's assets? *Comments on the current state of the organization's assets would be helpful.*

The funding was not used for the management of the organization's assets.

5. How was the funding used for administrative support of the organization?

The funding was not used for administrative support of the organization.

6. How was the funding used for any other operating capacity needs of the organization? *Comments on the current state of the organization's operating capacity would be helpful.*

The funding was not used for any needs of the organization's operating capacity.

7. How was the funding used for communication purposes?

The funding was not used for communication purposes.

8. Please provide comments on how the funding provided benefit to the community, in quantitative measures.

The Seniors Lunch program is staffed by 20 volunteers who regulary prepare and serve delicious, nutritious, healthy meals to between 120-150 seniors every second and fourth Monday of each month with the exception of August. In December the Seniors Lunch group holds a special Christmas luncheon where they serve 180+ special meals to their guests and have over 30 volunteers serving. There are more than 300 seniors on their active email list.

4-H is still in the process of rebuilding their numbers after the devasting years of decline due to COVID. However, the youth being attracted to the various Clubs are increasing thanks to Farmers Institute support and the demonstrations at the Cobble Hill Fair. Accurate numbers from the various Clubs are not currently available.

9. Please provide any additional comments on how the funding provided benefit to the community, in qualitative measures.

The benefit to the South Cowichan community from both the South Cowichan Seniors Lunch and the Cowichan 4-H programs are immeasurable. Supporting these two programs enables each to survive where they would not otherwise be able to provide this service to the citizens of the area.
The Seniors Lunch program has operated out of the hall for 14 years and it gives seniors an opportunity to socialize with their peer group. Through it, seniors can build friendships that go beyond the luncheons and transfer into their normal lives. Relevant data shows social interaction amongst seniors leads to a healthier life both physically and mentally.

Supporting youth through 4-H has long been a program objective of the Farmers Institute.

10. The CVRD Board is interested to know if financial contributions are aligned with the CVRD's Strategic Plan. Please provide any comments on this alignment.**

Social belonging and engagement along with community well being are important to the Farmers Institute. We believe in building strong and inclusive relationships throughout our community. Our organization works to ensure it is inclusive.The Farmers Institute supports the agricultural industry and the nature of Cowichan and its ability to adapt, grow and change as needed. Both of these initiative (Seniors Lunch and 4-H) support the above. Also, whenever possible we have made changes to our operation to become more environmentally friendly. An example can be seen when we switched from oil furnaces to geothermal heating.

In the above ways, and more, our organization aligns with the CVRD'S Strategic Plan.

11. The CVRD Board is interested to know if financial contributions are aligned with any existing services within the CVRD. Please provide any comments on this funding alignment.** *Examples could include: Search and Rescue aligning with the CVRD's Emergency Management; Art Councils aligning with the CVRD's Arts & Culture Division; or Watershed Organizations aligning with the CVRD's Environmental Services.*

The financial contibutions do not align with the existing CVRD services.

12. Any other comments on deliverables not already captured.

Funding to the Farmers Institute was approved by the electorate of Cobble Hill through a referendum vote held in 1985. More than 70 per cent of those voting in the 1985 referendum were in favour of an annual grant being awarded to the Farmers Institute for the maintenance and upkeep of the Cobble Hill Hall.

'The Agreement' the Farmers Institute is signing in order to receive the funds under the current requirements seems to ignore the fact these funds were approved by the Cobble Hill taxpayers through a referendum vote held in 1985.

2023-2026 CVRD Corporate Strategic Plan:
https://cvrd.ca/wp-content/uploads/2025/12/StrategicPlan-2023-2026.pdf

***Community organizations not aligned may still contribute broad community benefit, and are worthy of financial support.*