



VILLAGE OF BELCARRA

"Between Forest and Sea"



2010 Annual Report

Corporate Plan 2009 - 2011



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An Open Letter from Council to the Citizens of Belcarra

On behalf of Council, I am pleased to present the 2010 Annual Report for the Village of Belcarra. The report incorporates comprehensive financial statements as well as highlights of the Village's accomplishments over the past year.

Two significant events in the Village mark 2010 as the year of celebration in the community.

- **Vancouver 2010 Olympic Torch Relay**

February 11, 2010 was declared Olympic Torch Day in Belcarra. At the early hour of 5:50 am an incredible gathering of residents along Belcarra Bay Road, Midden Road and Bedwell Bay Road endured the cold morning to cheer longtime resident George McRae as he carried the Olympic Torch on its path through Belcarra. Neighbours and friends enjoyed an early morning reception which followed at the Municipal Hall.

- **Potable Water Infrastructure Project**

On October 8 a ground breaking ceremony was held, marking a key milestone in the Village's history - the formal start of construction of Belcarra's Potable Water Infrastructure Project. Residents gathered at the juncture of Belcarra Bay Road and Midden Road to witness the Hon. James Moore PC, MP, Minister of Canadian Heritage and Official Languages, and the Hon. Iain Black, MLA, Port Moody-Coquitlam join me as we put "shovels to the ground".

Contracts awarded in early fall enabled construction to commence on two components of the phased project.

The first contract award was to construct the underwater marine pipeline consisting of two 200mm diameter watermains under Indian Arm, beginning at the end of Strathcona Road in the District of North Vancouver and terminating at the end of Midden Road. The second contract award was to construct the watermain along Midden Road, Bedwell Bay Road and Main Avenue (terrestrial works).

During 2011, work will primarily focus on the potable water project and the initiatives identified in developing the 2009–2011 Corporate Plan will continue for the long-term benefit of the community.

Council welcomes input from its residents on the 2010 Annual Report and invites you to bring forward suggestions for developing goals and objectives for future years.

Thank you for your on-going support.



Ralph Drew
Mayor

Message from the Chief Administrative Officer

On behalf of the employees at the Village of Belcarra, I am pleased to present the 2010 Annual Report. 2010 continued to be a rewarding and demanding year as we worked energetically to accomplish the goals set out in the Village's Corporate Plan. Maintaining the delicate balance of day to day operations with efforts primarily focused on the potable water project was a continuous and sometimes arduous challenge. In the ever-changing environment for managing local government services, Belcarra's staff team endeavored to deliver quality service tailored to the community's best interests.

As in 2009, much of our efforts centered on Belcarra's Potable Water Supply and Distribution Project to complete engineering design and specifications for phased project tender documents; financial management, audit and Provincial reporting stipulated by the Canada-British Columbia Municipal Rural Infrastructure Fund Agreement and liaising with the regulatory agencies and consulting engineers in administering the two contracts awarded in the fall.

Our 2010 successes include reducing the municipal carbon footprint by replacing the old furnace and fireplace in the Municipal Hall with new energy efficient models and leasing an RTV for public works operations to replace use of the municipal truck; replacing the photocopier with an upgraded model capable of greater electronic document management to reduce paper and improve time management; replacing the municipal server, upgrading computer software and completing the comprehensive review of the Official Community Plan facilitated by the Official Community Plan Review Committee.

I would like to thank our Mayor and Council for their support and commitment to our projects during the past year and extend appreciation to the numerous volunteers dedicated to enhancing the livability of the community.

I would like to compliment our staff for their contribution and dedication to achieving our accomplishments.

I am pleased to present the 2010 Annual Report to the citizens of Belcarra and look forward to the new milestones 2011 will bring for the community.



Lynda Floyd
Chief Administrative Officer

Village of Belcarra Mission Statement

The Village of Belcarra's mission is to enhance the quality of life for citizens, visitors and future generations in our municipality and the region. We strive to live in harmony with each other and our environment, while providing opportunities for the advancement of economic, physical and social well-being.

Council & Council's Vision

Council

The Village of Belcarra is governed by an elected Council consisting of a Mayor and four Councilors. Council was elected on November 15, 2008 by the community for the three-year term – 2009-2011.

Council reviews and establishes budget levels for civic operations and capital expenditures. The Mayor chairs meetings of Council, is an ex-officio member of all Council committees, and all bodies to which Council has the right to appoint members.

The five Committees established by Council are: Environmental Protection, Finance, Protective Services, Public Works and Treaty Advisory. Council establishes committees for special projects as required.

Council meetings are held at the Village Hall. Regular council meetings are open to the public. Annually in December, Council adopts the schedule for the next year's regular Council meetings. The agendas and minutes are available on the municipal website at www.belcarra.ca and from the municipal office.

Vision

Belcarra is a model municipal entity that works effectively to engage and respect the diverse interests of its citizens.

It offers simple and basic neighborhood opportunities to sustain and enrich our lives and reach our highest potential. We value and celebrate our municipality's natural west coast beauty as a source of pride worth protecting. We are actively involved in the social, environmental and political life of the region.

Belcarra is a clean, green, rural and sustainable municipality.

We recognize the importance of the natural beauty surrounding Belcarra and integrate environmental stewardship into our daily activities. We respect, preserve and enhance the health of the environment for present and future generations.

Citizen Involvement

Volunteers — Visible, Vital and Valuable to Belcarra

Volunteerism and community participation play an important part in building the spirit of our community.

Beginning with the dedicated efforts of Belcarra's two original ratepayer's associations that were successful in the incorporation of the municipality in 1979, our Sasamat Volunteer Fire Department (SVFD), our Community and Recreation Association of Belcarra (CRAB), and citizen committees, Belcarra residents have a long history of volunteer activities.

Belcarra is a strong community because of its many volunteers who support community projects and contribute to making our Village a strong, safe and healthy community. Belcarra volunteers give hope and friendship to those in need; help when asked and, more importantly; give help just because they can.

You will find volunteers involved in the fire department, the emergency preparedness and block watch programs, environmental programs and recreational programs. The participation, commitment and contributions of Belcarra's residents are essential to the quality of life in our community.

The Village of Belcarra is a better place to live thanks to the tireless efforts of volunteers working throughout the community. It is with sincere appreciation that we say "thank you" to our volunteers who generously give assistance to make the Village a beautiful place to live, grow and prosper.

Our 2010 Progress Report

The Village's 2010 accomplishments in support of the 2009 - 2011 Corporate Plan are outlined in the following sections. We're proud to say we've been able to complete some of the projects and make significant progress on other projects which span multiple years. In 2011 we will continue focusing our energy on the work still to be done.

Accomplishments in Support of the Corporate Plan - Sustainability

Potable Water Infrastructure Project			
Objective	Strategy	2010	Accomplished
Provide community with sustainable potable water	Facilitate the transition from well water to a municipal water utility system, taking advantage of the Municipal Rural Infrastructure Grant	<ul style="list-style-type: none"> • Seek elector assent for Local Area Service Establishment Bylaw • Adopt a Local Area Service Establishment Bylaw • Complete land survey work • Finalize terrestrial engineering work (Phase 1) • Finalize terrestrial engineering work (Phase 2) • Finalize marine engineering work • Prepare tender documents for waterworks construction and award contract (Phase 1) • Prepare tender documents for marine pipeline construction and award contract • Organize and host ground breaking ceremony • Prepare tender documents for waterworks construction and award contract (Phase 2) • Prepare tender documents for North Vancouver terrestrial work and award contract (Phase 3) • Prepare tender documents for Belcarra terrestrial engineering work and award contract (Phase 4) • Develop water service connection bylaw • Commence project construction • Develop water utility rates bylaw • Adopt water conservation plan • Research and develop utility billing system 	<ul style="list-style-type: none"> • 100% • 100% • 95% • 100% • 50% • 100% • 100% • 100% • 100% • 30% • 35% • 30% • 15% • 10% • 10% • 100% • Delayed until 2011

Official Community Plan (OCP)			
Objective	Strategy	2010	Accomplished
Update the Official Community Plan (OCP) to bring it into conformance with legislative requirements	Review the Official Community Plan and develop bylaw amendments	<ul style="list-style-type: none"> Facilitate the OCP Review Committee Meetings Prepare a new draft OCP Bylaw Conduct two public consultation sessions on the draft OCP Bylaw Hold Public Hearing Obtain Council approval and adopt bylaw 	<ul style="list-style-type: none"> 100% 100% 100% Delayed until 2011

Accomplishments in Support of the Corporate Plan - Community

Emergency Preparedness			
Objective	Strategy	2010	Accomplished
Ensure emergency plans and supplies are up to date and relevant in the event of an emergency	Identify the Village's current supplies and plan; amend to include new information and / or equipment using JEPP grants and municipal funding	<ul style="list-style-type: none"> Prepare inventory of current emergency resources 	<ul style="list-style-type: none"> Delayed until 2011
Community Spaces			
Objective	Strategy	2010	Accomplished
Develop community infrastructure to provide focal points enhancing livability, health and safety, active lifestyles and civic pride	Determine appropriate locations within Belcarra	<ul style="list-style-type: none"> Engage Metro Vancouver to renew lease for tennis court lands 	<ul style="list-style-type: none"> 10%
Celebrations and Community Events			
Objective	Strategy	2010	Accomplished
To provide opportunities for community celebrations	To celebrate important community milestones	<ul style="list-style-type: none"> Plan for the community event of the Olympic Torch passing through Belcarra Hold events February 11, 2010 for the Olympic Torch passing through the Village of Belcarra 	<ul style="list-style-type: none"> 100% Complete 100% Complete

Accomplishments in Support of the Corporate Plan - Governance

Financial Systems			
Objective	Strategy	2010	Accomplished
Expand use and efficiency of Asyst Finance System	Identify technology that will improve service delivery	<ul style="list-style-type: none"> Develop and adopt a tangible capital assets (TCA) policy Consider options to improve customer service Maintain TCA database 	<ul style="list-style-type: none"> 50% 20%
Legal Records			
Objective	Strategy	2010	Accomplished
Establish a file management system for the retention of legal records	Create a unified legal records management system	<ul style="list-style-type: none"> Retrieve original agreements from subject files Consolidate subject files into one storage system Scan all original agreements to create electronic filing system 	<ul style="list-style-type: none"> 10% 0% Delayed until 2011
Records Management			
Objective	Strategy	2010	Accomplished
Establish policy and procedures with respect to the retention and disposal of municipal records	Consolidate document management practices to create a unified system	<ul style="list-style-type: none"> Move to single management source for retention and retrieval from a common server Develop and adopt retention bylaw Develop administrative process for electronic document storage Scan all bylaws and create electronic file structure 	<ul style="list-style-type: none"> Delayed until 2011
Municipal Bylaw Review			
Objective	Strategy	2010	Accomplished
Ensure Municipal bylaws reflect legislative and operating requirements	Identify bylaws which require amendments or updating	<ul style="list-style-type: none"> Draft new subdivision and servicing bylaw Adopt new subdivision and servicing bylaw Draft and adopt new animal control bylaw Draft and adopt new recycle and refuse collection bylaw 	<ul style="list-style-type: none"> Delayed until 2011 100% 100%
Building Expansion			
Objective	Strategy	2010	Accomplished
Meet current and future administrative space requirements	Design and build a municipal hall space incorporating sustainable principles and materials wherever possible	<ul style="list-style-type: none"> Review existing administrative space Determine future space requirements including record management space, meeting rooms and dedicated emergency preparedness areas 	<ul style="list-style-type: none"> 10% Delayed until 2011

Accomplishments in Support of the Corporate Plan - Environmental Sustainability

Recycle and Refuse Facility			
Objective	Strategy	2010	Accomplished
Implement steps towards meeting Metro Vancouver's Zero Waste Challenge	Communicate changes and initiatives through education and controlled access to the facility	<ul style="list-style-type: none"> • Install gated access and implement a security system to support controlled access • Modify facility entrance • Upgrade Chubb security system • Improve facility signage and customer information • Prepare amendments to Refuse and Recycling Bylaw reflecting administrative changes for facility • Adopt amended Refuse and Recycling Bylaw 	<ul style="list-style-type: none"> • 100% Project complete
Vegetation Management			
Objective	Strategy	2010	Accomplished
Reduce invasive species within village boundaries by 20% per annum	Implement a phased approach for reducing invasive species	<ul style="list-style-type: none"> • Hold workshops on invasive management • Provide community information in coordination with the Environmental Committee • Hire summer temporary labour to map out areas of concern identifying invasive species 	<ul style="list-style-type: none"> • Delayed until 2011
Energy and Green House Gas (GHG) Emissions Inventory			
Objective	Strategy	2010	Accomplished
Reduce Municipal carbon footprint	Determine the Village of Belcarra's carbon footprint and develop GHG reduction plan	<ul style="list-style-type: none"> • Compile data and develop inventory 	<ul style="list-style-type: none"> • 50%
Climate Change / Sustainability			
Objective	Strategy	2010	Accomplished
Implement changes in operations and procedures that reflect sustainability goals	Recognize and support the GHG emission reduction initiatives and the climate change goals outlined in the Climate Action Charter	<ul style="list-style-type: none"> • Review current operations to determine the level of 'green' municipal practices including a complete inventory of green municipal practices • Lease RTV for public works operations with objective to purchase at end of lease 	<ul style="list-style-type: none"> • 10% • 80%

Corporate Plan 2009-2011

Sustainability

Potable Water Infrastructure Project				
Objective	Strategy	2009	2010	2011
Provide community with sustainable potable water	Facilitate the transition from well water to a municipal water utility system, taking advantage of the Municipal Rural Infrastructure Grant	<ul style="list-style-type: none"> • Seek elector assent for Local Area Service Establishment Bylaw • Adopt a Local Area Service Establishment Bylaw • Complete land survey work • Finalize terrestrial engineering work • Finalize marine engineering work • Prepare tender documents and award project • Develop water service connection bylaw • Commence project construction • Develop water utility rates bylaw • Draft water management plan 	<ul style="list-style-type: none"> • Research and develop utility billing system • Continue project construction 	<ul style="list-style-type: none"> • Complete project construction • Implement utility billing system • Appoint parcel tax roll review panel • Hold court of revision • Prepare parcel tax bylaw for Council's adoption • Adopt Water management plan

Corporate Plan 2009-2011

Sustainability

Official Community Plan (OCP)				
Objective	Strategy	2009	2010	2011
Update the Official Community Plan (OCP) to bring it into conformance with legislative requirements	Review the Official Community Plan and develop bylaw amendments	<ul style="list-style-type: none"> Engage municipal planner to draft OCP Bylaw amendments Solicit expressions of interest from community members to participate on the OCP review committee Conduct public consultation on the draft OCP Bylaw 	<ul style="list-style-type: none"> Hold Public Hearing Obtain Council approval and adopt bylaw 	<ul style="list-style-type: none"> Commence processes arising from new OCP
Affordable Accommodations				
Objective	Strategy	2009	2010	2011
Increase affordable accommodations within the community	Facilitate larger accessory suites	<ul style="list-style-type: none"> Review accessory building provisions in the zoning bylaw with respect to increasing footprint and gross floor area Hold Public Hearing Adopt zoning bylaw amendments 		

Corporate Plan 2009-2011

Community

Emergency Preparedness				
Objective	Strategy	2009	2010	2011
Ensure emergency plans and supplies are up to date and relevant in the event of an emergency	Identify the Village's current supplies and plan; amend to include new information and / or equipment using JEPP grants and municipal funding	<ul style="list-style-type: none"> Prepare inventory of current emergency resources 	<ul style="list-style-type: none"> Review emergency plan including the Sasamat Volunteer Fire Department (SVFD) strategy 	<ul style="list-style-type: none"> Hold disaster plan workshop for residents
Community Spaces				
Objective	Strategy	2009	2010	2011
Develop community infrastructure to provide focal points enhancing livability, health and safety, active lifestyles and civic pride	Determine appropriate locations within Belcarra	<ul style="list-style-type: none"> Engage Metro Vancouver to renew lease for tennis court lands 	<ul style="list-style-type: none"> Hold community workshop to identify community priorities 	<ul style="list-style-type: none"> Develop plan based on community input
Volunteerism Enhancement				
Objective	Strategy	2009	2010	2011
Retain and encourage volunteers	Develop incentives to promote volunteerism			<ul style="list-style-type: none"> Research incentive options to promote volunteerism
Celebrations and Community Events				
Objective	Strategy	2009	2010	2011
To provide opportunities for community celebrations	To celebrate important community milestones	<ul style="list-style-type: none"> Incorporate the Village's 30th Year celebration in conjunction with Belcarra Day Plan for the community event of the Olympic Torch passing through Belcarra 	<ul style="list-style-type: none"> Hold events February 11, 2010 for the Olympic Torch passing through the Village of Belcarra 	

Corporate Plan 2009-2011

Governance

Financial Systems				
Objective	Strategy	2009	2010	2011
Expand use and efficiency of Asyst Finance System	Identify technology that will improve service delivery	<ul style="list-style-type: none"> Acquire two additional financial system user licenses Develop and adopt a tangible capital assets (TCA) policy Document TCA inventory 	<ul style="list-style-type: none"> Implement building permit, business license and project management financial system modules Consider options to improve customer service Maintain Tangible Capital Assets database 	<ul style="list-style-type: none"> Implement appropriate service delivery modifications
Legal Records				
Objective	Strategy	2009	2010	2011
Establish a file management system for the retention of legal records	Create a unified legal records management system	<ul style="list-style-type: none"> Retrieve original agreements from subject files Consolidate subject files into one storage system 	<ul style="list-style-type: none"> Scan all original agreements to create electronic filing system 	<ul style="list-style-type: none"> Improve storage facility to ensure protection in the event of a fire
Records Management				
Objective	Strategy	2009	2010	2011
Establish policy and procedures with respect to the retention and disposal of municipal records	Consolidate document management practices to create a unified system	<ul style="list-style-type: none"> Move to single management source for retention and retrieval from a common server Develop and adopt retention bylaw 	<ul style="list-style-type: none"> Develop administrative process for electronic document storage Scan all bylaws and create electronic file structure 	<ul style="list-style-type: none"> Undertake inventory of onsite records Hire summer temporary labour to review documents

Corporate Plan 2009-2011

Governance

Municipal Bylaw Review				
Objective	Strategy	2009	2010	2011
Ensure Municipal bylaws reflect legislative and operating requirements	Identify bylaws which require amendments or updating	<ul style="list-style-type: none"> • Draft new subdivision and servicing bylaw • Adopt new subdivision and servicing bylaw 	<ul style="list-style-type: none"> • Draft development approval procedures bylaw • Adopt development approval procedures bylaw 	
Building Expansion				
Objective	Strategy	2009	2010	2011
Meet current and future administrative space requirements	Design and build a municipal hall space incorporating sustainable principles and materials wherever possible	<ul style="list-style-type: none"> • Review existing administrative space • Determine future administrative and community requirements including record management space, meeting rooms and dedicated emergency preparedness areas • Upgrade security modifications to Municipal Hall 	<ul style="list-style-type: none"> • Determine financial plan to achieve expansion plans • Hire architect to design plans for building expansion 	<ul style="list-style-type: none"> • Research grant funding opportunities

Corporate Plan 2009-2011

Environmental Sustainability

Recycle and Refuse Facility				
Objective	Strategy	2009	2010	2011
Implement steps towards meeting Metro Vancouver's Zero Waste Challenge	Communicate changes and initiatives through education and controlled access to the facility	<ul style="list-style-type: none"> • Install gated access and implement a security system to support controlled access • Modify facility entrance • Upgrade Chubb security system • Improve facility signage and customer information • Prepare amendments to Refuse and Recycling Bylaw reflecting administrative changes for facility • Adopt amended Refuse and Recycling Bylaw 	<ul style="list-style-type: none"> • Research options for organics management 	<ul style="list-style-type: none"> • Research options for organics management

Corporate Plan 2009-2011

Environmental Sustainability

Vegetation Management				
Objective	Strategy	2009	2010	2011
Reduce invasive species within village boundaries by 20% per annum	Implement a phased approach for reducing invasive species	<ul style="list-style-type: none"> Hold workshops on invasive management Provide community information in coordination with the Environmental Committee Hire summer temporary labour to map out areas of concern identifying invasive species 	<ul style="list-style-type: none"> Hold workshops on invasive management Provide community information in coordination with the Environmental Committee Hire summer temporary labour to manage mapped out areas of invasive species 	<ul style="list-style-type: none"> Hold workshops on invasive management Provide community information in coordination with the Environmental Committee Hire summer temporary labour to manage mapped out areas of invasive species
Energy and Green House Gas (GHG) Emissions Inventory				
Objective	Strategy	2009	2010	2011
Reduce Municipal carbon footprint	Determine the Village of Belcarra's carbon footprint and develop GHG reduction plan	<ul style="list-style-type: none"> Compile data and develop inventory 	<ul style="list-style-type: none"> Prepare report on corporate initiatives 	<ul style="list-style-type: none"> Develop corporate plan for GHG emissions management and energy use
Climate Change / Sustainability				
Objective	Strategy	2009	2010	2011
Implement changes in operations and procedures that reflect sustainability goals	Recognize and support the GHG emission reduction initiatives and the climate change goals outlined in the Climate Action Charter	<ul style="list-style-type: none"> Review current operations to determine the level of 'green' municipal practices including a complete inventory of green municipal practices 	<ul style="list-style-type: none"> Identify strategies to improve and increase our green municipal practices 	<ul style="list-style-type: none"> Implement strategies to meet sustainability goals

2010 Audited Financial Statements

Village of Belcarra **FINANCIAL STATEMENTS** December 31, 2010

Village of Belcarra

December 31, 2010

Management's Responsibility for Financial Reporting

The accompanying financial statements of the Village of Belcarra ("Village") are the responsibility of management and have been approved by the Chief Administrative Officer on behalf of the Mayor and Council.

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Village maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Village's assets are appropriately accounted for and adequately safeguarded.

The Village Mayor and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Village Mayor and Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The financial statements have been audited by D&H Group LLP, Chartered Accountants in accordance with Canadian generally accepted auditing standards. D&H Group LLP has full and free access to the Mayor and Council.

"Ralph Drew"

Mayor

"Lynda Floyd"

Chief Administrative Officer

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Village of Belcarra

Report on the Financial Statements

We have audited the accompanying financial statements of Village of Belcarra, which comprise the statement of financial position as at December 31, 2010 and the statement of operations, statement of change in net financial assets and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2010, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Report on Other Legal and Regular Requirements

As required by the *Community Charter (British Columbia)*, we report that in our opinion these accounting standards have been applied on a basis consistent with that of the preceding year.

D, H Group LLP

Vancouver, B.C.

May 9, 2011

Chartered Accountants

D+H Group LLP Chartered Accountants

10th Floor, 1333 West Broadway
Vancouver, British Columbia
Canada V6H 4C1

Telephone: 604 731 5881
Facsimile: 604 731 9923
Email: info@dhgroup.ca

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Village of Belcarra

STATEMENT OF FINANCIAL POSITION

December 31, 2010

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash	\$ 176,675	\$ 387,846
Investments	841,062	705,958
Accounts receivable (Note 3)	<u>858,658</u>	<u>173,094</u>
	<u>1,876,395</u>	<u>1,266,898</u>
LIABILITIES		
Accounts payable and accrued liabilities	826,779	87,408
Property taxes collected in advance	153,272	156,934
Performance bonds	79,844	98,212
Promissory note payable (Note 4)	155,604	-
Deferred revenue	<u>187,657</u>	<u>195,550</u>
	<u>1,403,156</u>	<u>538,104</u>
COMMITMENTS AND CONTINGENT LIABILITY (Notes 6, 7 and 8)		
VILLAGE EQUITY (Note 9)		
NET FINANCIAL ASSETS	<u>473,239</u>	<u>728,794</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 5)	3,832,156	2,819,489
Prepaid expenses	<u>16,309</u>	<u>3,641</u>
	<u>3,848,465</u>	<u>2,823,130</u>
	\$ <u>4,321,704</u>	\$ <u>3,551,924</u>
SUBSEQUENT EVENT (Note 12)		

See accompanying notes to the financial statements.

Approved by "Lynda Floyd" Chief Administrative Officer

Village of Belcarra
STATEMENT OF OPERATIONS
Year ended December 31, 2010

	<u>2010</u> <u>Actual</u>	<u>2010</u> <u>Budget</u>	<u>2009</u> <u>Actual</u>
REVENUE			
Taxation – net (Note 10)	\$ 556,610	\$ 730,685	\$ 524,460
Government grants	877,345	152,377	412,020
Recycle and refuse levy	73,323	71,265	63,135
Sundry	7,097	9,000	9,388
Penalties and interest	8,557	4,000	7,723
Licenses and permits	26,047	21,000	15,851
Septic lease	4,200	4,200	4,200
Interest	<u>6,651</u>	<u>2,000</u>	<u>3,885</u>
	<u>1,559,830</u>	<u>994,527</u>	<u>1,040,662</u>
EXPENDITURES			
General government	549,583	567,416	511,347
Amortization of tangible capital assets	104,492	–	105,031
Public works	64,856	139,889	83,557
Recycle and refuse	45,711	60,200	58,163
Planning and consulting	21,453	58,000	15,355
Septic lease	2,100	2,100	2,100
Interest and bank charges	<u>1,855</u>	<u>2,500</u>	<u>1,381</u>
	<u>790,050</u>	<u>830,105</u>	<u>776,934</u>
ANNUAL SURPLUS	769,780	164,422	263,728
VILLAGE EQUITY, beginning of year	<u>3,551,924</u>	<u>4,000,100</u>	<u>3,288,196</u>
VILLAGE EQUITY, end of year	\$ <u>4,321,704</u>	\$ <u>4,164,522</u>	\$ <u>3,551,924</u>

See accompanying notes to the financial statements.

Village of Belcarra
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended December 31, 2010

	<u>2010</u> Actual	<u>2009</u> Actual
ANNUAL SURPLUS	\$ 769,780	\$ 263,728
AMORTIZATION OF TANGIBLE CAPITAL ASSETS	104,492	105,031
PROCEEDS ON DISPOSAL OF TANGIBLE CAPITAL ASSETS	-	12,500
INCREASE IN PREPAID EXPENSES	(12,668)	(3,641)
ACQUISITION OF TANGIBLE CAPITAL ASSETS	<u>(1,117,159)</u>	<u>(213,123)</u>
CHANGE IN NET FINANCIAL ASSETS	(255,555)	164,495
NET FINANCIAL ASSETS, beginning of year	<u>728,794</u>	<u>564,299</u>
NET FINANCIAL ASSETS, end of year	\$ <u><u>473,239</u></u>	\$ <u><u>728,794</u></u>

See accompanying notes to the financial statements.

Village of Belcarra
STATEMENT OF CASH FLOWS
Year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Annual surplus	\$ 769,780	\$ 263,728
Amortization of tangible capital assets	104,492	105,031
Net change in		
Accounts receivable	(685,564)	(28,878)
Accounts payable and accrued liabilities	739,371	20,599
Property taxes collected in advance	(3,662)	16,823
Performance bonds	(18,368)	184
Deferred revenue	(7,893)	143,581
Prepaid expenses	<u>(12,668)</u>	<u>(3,641)</u>
	<u>885,488</u>	<u>517,427</u>
CASH FLOWS FROM (USED IN) CAPITAL ACTIVITY		
Purchase of tangible capital assets	<u>(1,117,159)</u>	<u>(213,123)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds on disposal of tangible capital asset	-	12,500
Promissory note payable	<u>155,604</u>	<u>-</u>
	<u>155,604</u>	<u>12,500</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITY		
Purchase of investments	<u>(135,104)</u>	<u>(574,172)</u>
INCREASE (DECREASE) IN CASH DURING THE YEAR	(211,171)	(257,368)
CASH, beginning of year	<u>387,846</u>	<u>645,214</u>
CASH, end of year	\$ <u><u>176,675</u></u>	\$ <u><u>387,846</u></u>

See accompanying notes to the financial statements.

Village of Belcarra
SCHEDULE OF OPERATING FUND
Year ended December 31, 2010

	2010 Actual	2010 Budget	2009 Actual
REVENUE			
Taxation	\$ 556,610	\$ 730,685	\$ 513,991
Government grants	153,924	152,377	383,783
Sundry	7,097	9,000	8,562
Penalties and interest	8,557	4,000	7,723
Licenses and permits	26,047	21,000	14,781
Septic lease	4,200	4,200	4,200
Interest	<u>6,651</u>	<u>2,000</u>	<u>3,885</u>
	<u>763,086</u>	<u>923,262</u>	<u>936,925</u>
EXPENDITURES			
Salaries and benefits	375,339	378,343	365,963
Amortization of tangible capital assets	99,295	-	98,770
Public works	64,078	133,824	81,263
Council indemnities	51,763	52,000	50,109
Legal and audit	39,720	42,000	9,027
Dues, conventions and advertising	22,160	32,533	30,332
Planning and consulting	21,453	58,000	15,355
Maintenance, telephone, heat and light for offices and equipment	18,541	17,465	16,210
Office supplies and printing	16,101	13,311	13,723
Insurance	12,150	12,009	13,482
Sundry	8,230	14,575	8,061
Postage and courier	3,351	5,180	4,440
Septic lease	2,100	2,100	2,100
Interest and bank charges	<u>1,469</u>	<u>2,500</u>	<u>1,381</u>
	<u>735,750</u>	<u>763,840</u>	<u>710,216</u>
ANNUAL SURPLUS	27,336	159,422	226,709
FUND EQUITY, beginning of year	<u>3,405,611</u>	<u>3,942,815</u>	<u>3,178,902</u>
FUND EQUITY, end of year	\$ <u>3,432,947</u>	\$ <u>4,102,237</u>	\$ <u>3,405,611</u>
FUND EQUITY, end of year, comprised of:			
Net financial assets	\$ 731,027		\$ 628,073
Tangible capital assets	2,701,920		2,773,897
Prepaid expenses	<u>-</u>		<u>3,641</u>
	\$ <u>3,432,947</u>		\$ <u>3,405,611</u>

Village of Belcarra
SCHEDULE OF RECYCLE AND REFUSE FUND
Year ended December 31, 2010

	<u>2010 Actual</u>	<u>2010 Budget</u>	<u>2009 Actual</u>
REVENUE			
Taxation	\$ -	\$ -	\$ 10,469
Recycle and refuse levy	70,136	69,915	63,135
Sundry	1,225	600	826
Licenses and interest	<u>1,962</u>	<u>750</u>	<u>1,070</u>
	<u>73,323</u>	<u>71,265</u>	<u>75,500</u>
EXPENDITURES			
Processing and hauling	39,900	47,000	45,712
Amortization of tangible capital assets	5,197	-	6,261
Contractors	3,434	4,000	3,988
Equipment and supplies	2,150	9,200	7,965
Public works	778	6,065	2,294
Sundry	227	-	149
Utilities	-	-	306
Office supplies and printing	<u>-</u>	<u>-</u>	<u>43</u>
	<u>51,686</u>	<u>66,265</u>	<u>66,718</u>
ANNUAL SURPLUS	21,637	5,000	8,782
FUND EQUITY, beginning of year	<u>55,598</u>	<u>57,285</u>	<u>46,816</u>
FUND EQUITY, end of year	\$ <u><u>77,235</u></u>	\$ <u><u>62,285</u></u>	\$ <u><u>55,598</u></u>
FUND EQUITY, end of year, comprised of:			
Net financial assets	\$ 36,840		\$ 10,006
Tangible capital assets	40,395		45,592
Prepaid expenses	<u>-</u>		<u>-</u>
	\$ <u><u>77,235</u></u>		\$ <u><u>55,598</u></u>

Village of Belcarra
SCHEDULE OF WATER TREATMENT FUND
Year ended December 31, 2010

	<u>2010 Actual</u>	<u>2010 Budget</u>	<u>2009 Actual</u>
REVENUE			
Government grants	\$ <u>723,421</u>	\$ <u> </u> –	\$ <u>28,237</u>
EXPENDITURES			
Public works	1,184	–	–
Contractors	1,044	–	–
Interest and bank charges	<u>386</u>	<u> </u> –	<u> </u> –
	<u>2,614</u>	<u> </u> –	<u> </u> –
ANNUAL SURPLUS	720,807	–	28,237
FUND EQUITY, beginning of year	<u>90,715</u>	<u> </u> –	<u>62,478</u>
FUND EQUITY, end of year	\$ <u><u>811,522</u></u>	\$ <u><u> </u></u> –	\$ <u><u>90,715</u></u>
FUND EQUITY, end of year, comprised of:			
Net financial assets (liabilities)	\$ (294,629)		\$ 90,715
Tangible capital assets	1,089,842		–
Prepaid expenses	<u>16,309</u>		<u> </u> –
	\$ <u><u>811,522</u></u>		\$ <u><u>90,715</u></u>

Village of Belcarra

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

1. ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA). The preparation of financial statements requires management to make estimates that affect the reported amounts of assets and liabilities. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of significant accounting policies summarized below.

Basis of accounting

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

Revenue recognition

Property taxes are recognized as revenue in the year in which they are assessable.

Government grant revenue is recognized in the year that the respective grant agreement becomes effective, except that amounts to be expended subsequent to year end are deferred and recognized in the period the related expenditures are incurred. Government cost-sharing contributions are recognized in the year related costs are incurred to the extent collection of the contribution is reasonably assured.

Investments

Investments are recorded at cost and are comprised of money market funds held with the Municipal Finance Authority of B.C. The market value of the investments approximate their carrying amount.

Tangible capital assets

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

Buildings	– 15 to 20 years
Office equipment	– 5 to 10 years
Vehicles	– 10 years
Roads	– 15 to 75 years
Machinery and equipment	– 5 to 20 years
Water and networks	
Water storage tanks	– 35 years
Fire protection watermains	– 100 years
Storm sewer	– 40 years
Bridge	– 75 years

Contributions of tangible capital assets

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

Use of estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions, particularly as they relate to useful lives of long-lived assets and contingencies. Actual results may differ from these estimates.

Village of Belcarra

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

2. FUTURE ACCOUNTING STANDARDS

Tax revenue

In February 2010, the Public Sector Accounting Board issued Section PS 3510 "Tax Revenue" which is required to be adopted for fiscal year ends beginning on or after April 1, 2012. It clarifies the definitions relating to taxation revenue and requires that certain expenses incurred in relation to a tax transaction be separately recognized in expenses and not netted against tax revenue. The Village is currently evaluating the effect of this new section on its financial statements.

3. ACCOUNTS RECEIVABLE

	<u>2010</u>	<u>2009</u>
Property taxes	\$ 65,726	\$ 40,312
GST/HST rebate	112,166	11,454
Provincial grant	658,444	90,714
Other	<u>22,322</u>	<u>30,614</u>
	\$ <u>858,658</u>	\$ <u>173,094</u>

4. PROMISSORY NOTE PAYABLE

The Village has been approved for a total of \$ 3,020,926 from the Municipal Finance Authority in order to finance short-term working capital requirements. Total amount borrowed is to be fully repaid by June 30, 2013 at the current prescribed interest rate of 1.69% (subject to fluctuations) and is repayable on demand. The liability has been approved by by-law.

Village of Belcarra
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

5. TANGIBLE CAPITAL ASSETS

	2010		
	Cost	Accumulated amortization	Net
Land	\$ 329,318	\$ —	\$ 329,318
Buildings	311,818	132,862	178,956
Office equipment	34,255	21,716	12,539
Vehicles	174,270	53,953	120,317
Roads	1,694,229	745,385	948,844
Machinery and equipment	130,483	69,798	60,685
Water storage tanks and fire protection watermains	1,166,945	170,774	996,171
Storm sewer	295,596	220,867	74,729
Bridge	<u>48,646</u>	<u>27,891</u>	<u>20,755</u>
	4,185,560	1,443,246	2,742,314
Construction in progress on Potable Water Project	<u>1,089,842</u>	<u>—</u>	<u>1,089,842</u>
	\$ <u>5,275,402</u>	\$ <u>1,443,246</u>	\$ <u>3,832,156</u>

Village of Belcarra

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

5. TANGIBLE CAPITAL ASSETS - continued

	2009		
	Cost	Accumulated amortization	Net
Land	\$ 329,318	\$ -	\$ 329,318
Buildings	293,235	124,085	169,150
Office equipment	28,297	15,608	12,689
Vehicles	174,270	30,585	143,685
Roads	1,694,229	712,388	981,841
Machinery and equipment	130,483	60,928	69,555
Water storage tanks and fire protection watermains	1,164,170	154,442	1,009,728
Storm sewer	295,596	213,477	82,119
Bridge	48,646	27,242	21,404
	\$ <u>4,158,244</u>	\$ <u>1,338,755</u>	\$ <u>2,819,489</u>

Tangible capital assets are accounted for as non-financial assets by the Village because they can be used to provide services in future periods, but do not normally provide resources to discharge the liabilities of the Village unless they are sold.

Potable water project

The total costs for the Potable Water Project are estimated to be \$ 6,864,000. The project is to be partially funded with a \$ 4,035,266 grant from the Canada-BC Municipal Rural Infrastructure Fund (MRIF). The balance will be financed by the Village through short term or interim borrowing from the Municipal Finance Authority (MFA) until the completion of the project and is expected to be recovered from taxpayers based on a 25-year amortization schedule. See Note 4.

6. COMMITMENT UNDER OPERATING LEASE

The Village leases a photocopier under an operating lease which expires March 2015 as well as a vehicle under an operating lease which expires October 2012. The Village is obligated to make the following minimum lease payments under these operating leases in the fiscal years ending:

December 31, 2011	\$ 9,349
December 31, 2012	8,539
December 31, 2013	4,488
December 31, 2014	4,488
December 31, 2015	<u>3,366</u>
	\$ <u>30,230</u>

Village of Belcarra

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

7. PENSION LIABILITY

The Village and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusteesd 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 163,000 active members and approximately 60,000 retired members. Active members include approximately 35,000 contributors from local government.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2009 indicated an unfunded liability of \$ 1.024 million for basic pension benefits. The next valuation will be as at December 31, 2012, with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The Village paid \$ 27,691 (2009 – \$ 26,275) for employer contributions to the plan in fiscal 2010.

8. CONTINGENT LIABILITY

The Village is responsible, as a member of the Greater Vancouver Regional District, for its portion of any operating deficit or capital debt relating to functions in which it participates.

9. VILLAGE EQUITY

Village equity is comprised of the following:

	<u>2010</u>	<u>2009</u>
Surplus		
Invested in tangible capital assets	\$ 3,832,156	\$ 2,819,489
Prepaid expenses	16,309	3,641
Unrestricted surplus	<u>44,131</u>	<u>350,674</u>
	<u>3,892,596</u>	<u>3,173,804</u>
Reserves set aside by Council		
Equipment replacement	111,499	104,445
Capital works	255,142	232,520
Building replacement	48,934	32,129
Climate change contingency	<u>13,533</u>	<u>9,026</u>
	<u>429,108</u>	<u>378,120</u>
	\$ <u>4,321,704</u>	\$ <u>3,551,924</u>

Village of Belcarra

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

10. TAXATION - NET

Taxation revenue comprises the following amounts raised less transfers:

	<u>2010</u>	<u>2009</u>
General municipal purposes *	\$ 478,064	\$ 429,677
Collections for other governments		
School District - School tax	739,344	671,338
Greater Vancouver Regional District	98,265	92,393
Greater Vancouver Transit Authority	141,514	127,465
B.C. Assessment	24,818	22,275
Municipal Finance Authority	74	69
Police tax	<u>57,345</u>	<u>49,521</u>
	<u>1,539,424</u>	<u>1,392,738</u>
Transfers to other governments		
School District - School tax	660,818	576,552
Greater Vancouver Regional District	98,258	92,393
Greater Vancouver Transit Authority	141,506	127,465
B.C. Assessment	24,815	22,276
Municipal Finance Authority	74	69
Police tax	<u>57,343</u>	<u>49,523</u>
	<u>982,814</u>	<u>868,278</u>
	\$ <u>556,610</u>	\$ <u>524,460</u>

*General municipal taxation includes the 1% levy on gross revenue of utility companies.

11. BANK INDEBTEDNESS

The Village has a revolving credit facility of \$ 230,000, payable on demand, bearing interest at the lender's prime rate of interest per annum and is not collateralized. The revolving credit facility is unused as at December 31, 2010.

12. SUBSEQUENT EVENT

Subsequent to year end, the Village sold all its investments to assist with the cash flow requirements of the Potable Water Project (see Note 5).

Statement of Property Tax Exemptions – 2010

In 2010, the Village of Belcarra Council provided no permissive property tax exemptions in accordance with Section 98 (2)(b) of the Community Charter.

Our Commitment to Engaging Our Citizens

The Village of Belcarra strives to keep its citizens informed and engaged through council meetings, public information meetings, and printed information. If you're looking for information, here are some resources:

- **Village Website**
A significant amount of information can be found at www.belcarra.ca.
- **Council Meetings**
The Council meeting schedule for the ensuing year is set annually each December. The schedule is available on the Village website. Meetings are held on Mondays, commencing at 7:30pm. Council meeting agendas are posted on the exterior bulletin board at the Municipal Hall and available on the website. Council meeting minutes are available on the website.
- **Public Information Meetings**
From time to time, the Village hosts an information meeting to keep citizens informed or to present a topic that they'd like to get your comments on. Watch your mail-box, the Belcarra Barnacle and the Village website for Public Meeting Information.

We'd like to hear from you whenever you have suggestions or want more information. Contact us at **604-937-4100**.

Mayor and Council

Mayor Ralph Drew rdrew@belcarra.ca

Councillor Bruce Drake
bdrake@belcarra.ca

Councillor Jamie Ross
jross@belcarra.ca

Councillor Jennifer Glover
jglover@belcarra.ca

Councillor Colin Richardson
crichardson@belcarra.ca

Staff

Chief Administrative Officer
Lynda Floyd
lfloyd@belcarra.ca

Administrative Assistant
Catherine Guerin
cguerin@belcarra.ca

Administrative Assistant
Connie Scherk
cscherk@belcarra.ca

Superintendent of Public Works
Larry Scott
lscott@belcarra.ca

Public Works Operations
Brad Smith
bsmith@belcarra.ca