



2012 Annual Report

Corporate Plan 2012 - 2014

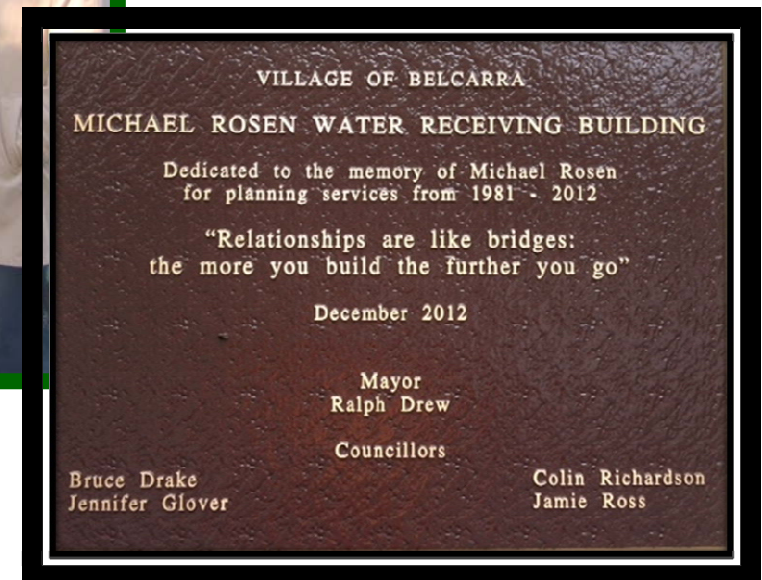


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An Open Letter from Council to the Citizens of Belcarra

On behalf of Council, I am pleased to present the 2012 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.

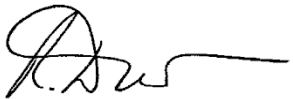
Potable Water Infrastructure Project — The major event during 2012 was the commissioning of the Belcarra's new municipal water system which has been the community focus since 2005. In late October 2012, after careful review of multiple water quality tests, the Fraser Health Authority authorized Belcarra to commence operating its new municipal water system, and on October 25th municipal staff connected the first property located on Robson Road. On December 7th a ribbon cutting ceremony was held to celebrate the formal operational start-up of the system and to recognize Belcarra's re-naming of its Midden Road water receiving building to the Michael Rosen Water Receiving Building in memory of its much admired and long-serving planning consultant, Michael Rosen. At present, more than 100 households have connected to the new system.

Other Public Works Projects — Other notable projects during 2012 were the reconstruction of the Senkler Road Bridge and the repaving of Bedwell Bay Road from Main Avenue to the Recycle Facility. Reconstruction of the Senkler Road Bridge had been long planned with contributions to the capital reserve account being made over several years to cover the \$180,000 cost of the project, while the paving of Bedwell Bay Road was funded using Main Roads Network (MRN) capital contributions from TransLink.

Current Year Focus — During 2013, work will prioritize and focus on the initiatives identified in the 2012–2014 Corporate Plan for the long-term benefit of the community. Public Works' primary focus will be on completing the asphalt overlay of the Senkler Road Bridge, the asphalt overlay of a portion of Main Avenue, and working with the Invasive Species Council of Metro Vancouver to catalogue and map invasive plants on municipal land and to target and manage specific areas of invasive plant concern. Belcarra's Administration staff will continue to focus on implementation of the many facets of the new accounting system (MAIS), preparing updated Subdivision Control and Zoning Bylaws, and generally addressing the backlog of work caused by the huge time demands placed on administrative personnel over the past five years by the Potable Water Infrastructure Project.

Council welcomes input from Belcarra residents on the 2012 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 staff team at the Village of Belcarra, I am pleased to present the 2012 Annual Report.

2012 was an exciting and rewarding year as the municipal potable water project moved through the final phases of construction completion, final report submissions to the Province and other project approval authorities as required by the Municipal Rural Infrastructure Fund Grant agreement, system commissioning and testing, and operation commencement in October.

October 25, 2012 marked an important date for Belcarra's history, being the date when the first property was connected to and began using the municipal water supply. This was a pivotal event for Belcarra in moving the community to a new maturity.

Demands of the project challenged municipal resources throughout the year while at the same time, provided opportunity for the staff team to expand skillsets, analyze numerous complexities and develop operating procedures and administration systems for the new municipal water service. Throughout the challenges staff members endeavored to provide quality service, accomplish what sometimes seemed an arduous workload and continue delivering day to day municipal operations in parallel.

With the potable water project at the forefront, other 2012 successes include developing the Corporate Plan 2012 – 2014 which provides a framework to guide activities and direction for the community; completing the long-term financing through the Municipal Finance Authority for the potable water project; attaining operator certification requirements for water system operation, and embarking on a comprehensive rewrite of Subdivision and Development Bylaw.

Thank you, Mayor and Council, for your support and commitment to our projects during the past year. Thank you, Belcarra Community, for your understanding and patience throughout 2012 "the year of anticipation".

I wish to complement our staff for their focus, engagement and dedication to our 2012 accomplishments. I look forward to the new milestones 2013 will bring for the community.



Lynda Floyd
Chief Administrative Officer

Mission Statement & Vision

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 Councillors. Council was elected on November 19, 2011 by the community for the three-year term: 2012-2014.

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: Finance, Public Works and Planning, Special Projects, Protective Services, and Environmental Affairs.

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.

Progress Report - 2012

Accomplishments in Support of the Corporate Plan - Services to Customers

Potable Water Infrastructure Project			
Objective	Strategy	2012	Accomplished
Provide community with sustainable potable water	Facilitate the transition to operating the Municipal Water System	<ul style="list-style-type: none"> Complete project construction Develop water service connection bylaw Determine water utility fee structure Develop utility billing system Appoint parcel tax roll review panel Hold court of revision Develop water utility rates bylaw Complete long-term debt borrowing process Develop operating procedures and emergency response plans (mapping, servicing and maintenance) Complete operator training and certification requirements for system operation 	100% 100% Delayed until 2015 Delayed until 2015 Delayed until 2013 Delayed until 2013 Delayed until 2015 100% 70% 100%
Emergency Preparedness			
Objective	Strategy	2012	Accomplished
Ensure emergency plans and supplies are up to date and relevant in the event of an emergency	Identify the municipality's current supplies and update 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 and replenish identified needs 	Delayed until 2013
Community Spaces			
Objective	Strategy	2012	Accomplished
Inventory, develop, and enhance community spaces and infrastructure to enhance livability, health, safety, active lifestyles and civic pride.	Enhance overall trail system and open space	<ul style="list-style-type: none"> Assess the current utility and future economic benefits of public lands Improve older trails to system standards Document trail system Clear vegetation and add markers for trail system Engage Metro Vancouver to renew lease for tennis court lands 	15% 10% 25% Delayed until 2013 Delayed until 2014

Accomplishments in Support of the Corporate Plan - Services to Customers

Municipal Bylaw Review			
Objective	Strategy	2012	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 Review Fees and Charges Bylaw 	50% Delayed until 2013 100%
Municipal Infrastructure Management Planning – Roads and Drainage			
Objective	Strategy	2012	Accomplished
Plan financial resources to sustain current and future infrastructure needs	Develop 10 year financial plan for roads and drainage maintenance, works, renewal and other capital improvements (safety, access, etc.)	<ul style="list-style-type: none"> Develop maintenance plans to ensure infrastructure can reach life spans 	100%
Zoning			
Objective	Strategy	2012	Accomplished
Update the Zoning Bylaw to bring it into conformance with legislative requirements	Review the Zoning Bylaw for consistency with the Official Community Plan (OCP)	<ul style="list-style-type: none"> Engage municipal planner to draft Zoning Bylaw amendments Conduct public consultation on the draft Zoning Bylaw 	10% Delayed until 2013
Celebrations and Community Events			
Objective	Strategy	2012	Accomplished
Provide opportunities to celebrate community milestones	Foster the enhancement of Belcarra Day as an opportunity to celebrate our success as a community	<ul style="list-style-type: none"> Review Belcarra Day venue options Plan and hold Belcarra Day 	100% 100%
Recycle and Refuse Facility			
Objective	Strategy	2012	Accomplished
Implement steps towards meeting Metro Vancouver's Zero Waste Challenge	Communicate changes and initiatives through education and continued controlled access to the facility	<ul style="list-style-type: none"> Review and improve facility signage and customer information Research Metro Vancouver requirements for organics waste management Promote education and awareness communication Analyze operating requirements to implement organics management 	100% 100% 100% 100%

Accomplishments in Support of the Corporate Plan - Services to Customers

Vegetation Management			
Objective	Strategy	2012	Accomplished
Management and reduction of invasive plants within municipal boundaries.	Implement a phased approach for invasive plant control using contemporary management techniques and education outreach	<ul style="list-style-type: none">Develop an on-going working relationship with the Invasive Plant Council of Metro Vancouver (IPCMV) by direct communication	100%
		<ul style="list-style-type: none">Consult with IPCMV for recommended priorities and strategies.	100%
Carbon Tax and Green House Gas (GHG) Emissions			
Objective	Strategy	2012	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	50%
		<ul style="list-style-type: none">Prepare report on corporate initiatives	Delayed until 2013
		<ul style="list-style-type: none">Develop corporate plan for GHG emissions management and energy use	Delayed until 2013
		<ul style="list-style-type: none">Identify options to implement for GHG reduction	Delayed until 2013
Climate Change			
Objective	Strategy	2012	Accomplished
Establish policies and operational procedures to best protect the municipality and residents from climate change related events	Protect the municipality and residents from climate change related events	<ul style="list-style-type: none">Identify risks associated with climate change related events	100%

Accomplishments in Support of the Corporate Plan – Corporate Performance

Human Resources			
Objective	Strategy	2012	Accomplished
Support staff development, career progression and succession planning	<ul style="list-style-type: none"> Facilitate staff education and certification opportunities Develop and implement succession planning strategies 	<ul style="list-style-type: none"> Review staff's areas of responsibilities Identify certification, various training needs and legislative requirements for job performance and /or function Identify skill development and training necessary for succession planning Create development and training plan for succession preparation 	100%
			100%
			40%
			Delayed until 2013
Information Technology Systems			
Objective	Strategy	2012	Accomplished
Implement and integrate software that will improve service delivery	Upgrade information technology system	<ul style="list-style-type: none"> Implement new MAIS financial system Evaluate needs for GIS or land-base data system options 	40%
			30%
Municipal Infrastructure Management Planning – Building Expansion			
Objective	Strategy	2012	Accomplished
Meet current and future administrative and operating space requirements	Assess and plan a municipal hall incorporating sustainable principles and materials wherever possible	<ul style="list-style-type: none"> Determine future administrative, operations and community requirements including record management space, meeting rooms and dedicated emergency preparedness areas 	40%
Volunteerism Enhancement			
Objective	Strategy	2012	Accomplished
Retain and encourage volunteers	Reinforce culture and develop incentives to promote volunteerism	<ul style="list-style-type: none"> Hold community volunteer recognition night during Volunteer Week to recognize the value and importance of current and future volunteers Develop public awareness of and participation in municipal committees 	100%
			Delayed until 2014

Accomplishments in Support of the Corporate Plan – Corporate Performance

Legal Records			
Objective	Strategy	2012	Accomplished
Establish a file management system for legal records retention	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 	Delayed until 2013 Delayed until 2013
Records Management			
Objective	Strategy	2012	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"> Develop and adopt retention bylaw Develop administrative process for electronic document storage 	Delayed until 2013 100%
Communications			
Objective	Strategy	2012	Accomplished
Enhance communications methodology to improve accessibility, readability and information retrieval	Develop strategic communications plan	<ul style="list-style-type: none"> Conduct analysis of municipal website content, design and layout Develop staff profiles and responsibility outlines for Barnacle and website Implement monthly "Council in Brief" communication for Barnacle Develop organizational chart for website publication 	10% 100% 20% Delayed until 2013

Corporate Plan 2012 - 2014

The objectives and strategies below are organized under the headings: "Services to Customers" or "Corporate Performance". Services to Customers include all objectives and strategies to improve, enhance or modify services of the municipality that are provided directly to residents and visitors to the community. Corporate Performance includes objectives and strategies that improve the overall functioning of the municipality, ranging from gains in efficiency and effectiveness in the governance process, to improved financial position and more skilled and effective staff performance. Improvements in corporate performance indirectly result in improvements in all direct services provided by the municipality, including the stated corporate performance objectives.

Services to Customers

Potable Water Infrastructure Project				
Objective	Strategy	2012	2013	2014
Provide community with sustainable potable water	Facilitate the transition to operating the Municipal Water System	<ul style="list-style-type: none"> • Complete project construction • Develop water service connection bylaw • Determine water utility fee structure • Develop utility billing system • Appoint parcel tax roll review panel • Hold court of revision • Develop water utility rates bylaw • Complete long-term debt borrowing process • Develop operating procedures and emergency response plans (mapping, servicing and maintenance) • Complete operator training and certification requirements for system operation 	<ul style="list-style-type: none"> • Implement utility billing system • Review water utility and rates bylaw • Prepare parcel tax bylaw for adoption • Develop servicing maintenance plans 	<ul style="list-style-type: none"> • Implement utility billing system • Prepare system drawings and GIS mapping

Services to Customers

Emergency Preparedness				
Objective	Strategy	2012	2013	2014
Ensure emergency plans and supplies are up to date and relevant in the event of an emergency	Identify the municipality's current supplies and update 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 and replenish identified needs 	<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	2012	2013	2014
Inventory, develop, and enhance community spaces and infrastructure to enhance livability, health, safety, active lifestyles and civic pride.	Enhance overall trail system and open space	<ul style="list-style-type: none"> • Assess the current utility and future economic benefits of public lands • Improve older trails to system standards • Document trail system • Clear vegetation and add markers for trail system • Engage Metro Vancouver to renew lease for tennis court lands 	<ul style="list-style-type: none"> • Create Belcarra trail system map • Hold community workshop to identify community priorities for enhancing open space • Develop plan based on community input • Improve open space 	<ul style="list-style-type: none"> • Incorporate provision for open space planning in Financial Plan
Municipal Bylaw Review				
Objective	Strategy	2012	2013	2014
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 • Review Fees and Charges Bylaw 	<ul style="list-style-type: none"> • Draft development approval procedures bylaw • Adopt development approval procedures bylaw 	

Services to Customers

Municipal Infrastructure Management Planning – Roads and Drainage				
Objective	Strategy	2012	2013	2014
Plan financial resources to sustain current and future infrastructure needs	Develop 10 year financial plan for roads and drainage maintenance, works, renewal and other capital improvements (safety, access, etc.)	<ul style="list-style-type: none"> Develop maintenance plans to ensure infrastructure can reach life spans 	<ul style="list-style-type: none"> Develop and implement plan for operations staffing to improve proactivity and service demands Incorporate provision for maintenance plans in Financial Plan 	<ul style="list-style-type: none"> Incorporate provision for maintenance plans in Financial Plan
Zoning				
Objective	Strategy	2012	2013	2014
Update the Zoning Bylaw to bring it into conformance with legislative requirements	Review the Zoning Bylaw for consistency with the Official Community Plan (OCP)	<ul style="list-style-type: none"> Engage municipal planner to draft Zoning Bylaw amendments Conduct public consultation on the draft Zoning Bylaw 	<ul style="list-style-type: none"> Hold Public Hearing Obtain Council approval and adopt bylaw 	
Celebrations and Community Events				
Objective	Strategy	2012	2013	2014
Provide opportunities to celebrate community milestones	Foster the enhancement of Belcarra Day as an opportunity to celebrate our success as a community	<ul style="list-style-type: none"> Review Belcarra Day venue options Plan and hold Belcarra Day 	<ul style="list-style-type: none"> Plan and hold Belcarra Day 	<ul style="list-style-type: none"> Plan and hold Belcarra Day

Services to Customers

Recycle and Refuse Facility				
Objective	Strategy	2012	2013	2014
Implement steps towards meeting Metro Vancouver's Zero Waste Challenge	Communicate changes and initiatives through education and continued controlled access to the facility	<ul style="list-style-type: none"> Review and improve facility signage and customer information Research Metro Vancouver requirements for organics waste management Promote education and awareness communication Analyze operating requirements to implement organics management 	<ul style="list-style-type: none"> Research options for organics management Upgrade facility for household waste collection and organics management Upgrade site security Continued education and awareness 	<ul style="list-style-type: none"> Review household waste collection and organics management Continued education and awareness
Vegetation Management				
Objective	Strategy	2012	2013	2014
Management and reduction of invasive plants within municipal boundaries.	Implement a phased approach for invasive plant control using contemporary management techniques and education outreach	<ul style="list-style-type: none"> Develop an on-going working relationship with the Invasive Plant Council of Metro Vancouver (IPCMV) by direct communication Consult with IPCMV for recommended priorities and strategies. 	<ul style="list-style-type: none"> Liaise with neighbouring communities to cost-share opportunities for staff-training and public workshops Implement recommendations of the IPCMV Solicit IPCMV to catalogue and map invasive plants on municipal land and to target and manage specific areas of invasive plant concern 	<ul style="list-style-type: none"> Continued consultation with IPCMV Solicit final report from IPCMV with recommendations for on-going works Continued invasive plants management and public outreach

Services to Customers

Carbon Tax and Green House Gas (GHG) Emissions				
Objective	Strategy	2012	2013	2014
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 • Prepare report on corporate initiatives • Develop corporate plan for GHG emissions management and energy use • Identify options to implement for GHG reduction 	<ul style="list-style-type: none"> • Implement GHG reduction options 	
Climate Change				
Objective	Strategy	2012	2013	2014
Establish policies and operational procedures to best protect the municipality and residents from climate change related events	Protect the municipality and residents from climate change related events	<ul style="list-style-type: none"> • Identify risks associated with climate change related events 	<ul style="list-style-type: none"> • Include measures within applicable bylaws or bylaw amendments to mitigate climate change related events. 	<ul style="list-style-type: none"> • Include measures within applicable bylaws or bylaw amendments to mitigate climate change related events.

Corporate Performance

Human Resources				
Objective	Strategy	2012	2013	2014
Support staff development, career progression and succession planning	<ul style="list-style-type: none"> Facilitate staff education and certification opportunities Develop and implement succession planning strategies 	<ul style="list-style-type: none"> Review staff's areas of responsibilities Identify certification, various training needs and legislative requirements for job performance and /or function Identify skill development and training necessary for succession planning Create development and training plan for succession preparation 	<ul style="list-style-type: none"> Review staff's areas of responsibilities Identify certification, various training needs and legislative requirements for job performance and /or function Implement identified development and training plan 	<ul style="list-style-type: none"> Review staff's areas of responsibilities Identify certification, various training needs and legislative requirements for job performance and /or function Implement identified development and training plan Review skill development and training plan for succession planning
Information Technology Systems				
Objective	Strategy	2012	2013	2014
Implement and integrate software that will improve service delivery	Upgrade information technology system	<ul style="list-style-type: none"> Implement new MAIS financial system Evaluate needs for GIS or land-base data system options 	<ul style="list-style-type: none"> Manage transition from Asyst to MAIS financial system Implement scanning and electronic filing of accounts payable documents Identify options to improve customer service 	<ul style="list-style-type: none"> Implement appropriate service delivery modifications

Corporate Performance

Municipal Infrastructure Management Planning – Building Expansion				
Objective	Strategy	2012	2013	2014
Meet current and future administrative and operating space requirements	Assess and plan a municipal hall incorporating sustainable principles and materials wherever possible	<ul style="list-style-type: none"> Determine future administrative, operations and community requirements including record management space, meeting rooms and dedicated emergency preparedness areas 	<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
Business Continuity Planning				
Objective	Strategy	2012	2013	2014
Develop a plan and procedures enabling the organization to perform its critical function without interruption	Facilitate continued administrative and operational functions		<ul style="list-style-type: none"> Determine policy objectives and scope Undertake risk evaluation and controls 	<ul style="list-style-type: none"> Identify critical functions and prioritize Develop strategies to manage risk
Volunteerism Enhancement				
Objective	Strategy	2012	2013	2014
Retain and encourage volunteers	Reinforce culture and develop incentives to promote volunteerism	<ul style="list-style-type: none"> Hold community volunteer recognition night during Volunteer Week to recognize the value and importance of current and future volunteers Develop public awareness of and participation in municipal committees 	<ul style="list-style-type: none"> Hold community volunteer recognition night during Volunteer Week to recognize the value and importance of current and future volunteers 	<ul style="list-style-type: none"> Research incentive options to promote volunteerism

Corporate Performance

Legal Records				
Objective	Strategy	2012	2013	2014
Establish a file management system for legal records retention	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	2012	2013	2014
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"> Develop and adopt retention bylaw Develop administrative process for electronic document storage 	<ul style="list-style-type: none"> 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
Communications				
Objective	Strategy	2012	2013	2014
Enhance communications methodology to improve accessibility, readability and information retrieval	Develop strategic communications plan	<ul style="list-style-type: none"> Conduct analysis of municipal website content, design and layout Develop staff profiles and responsibility outlines for Barnacle and website Implement monthly "Council in Brief" communication for Barnacle Develop organizational chart for website publication 	<ul style="list-style-type: none"> Review municipal website analysis results and identify modifications Undertake community survey to identify interest in issues, services or general information Consider website change plan and implementation strategy 	<ul style="list-style-type: none"> Implement website modifications Update organizational chart for website publication

Annual Financial Statements

VILLAGE OF BELCARRA

ANNUAL FINANCIAL STATEMENTS For the Year Ended December 31, 2012



**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
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For the Year Ended December 31, 2012**

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Village of Belcarra

December 31, 2012

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 public sector accounting standards. 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 AUDITOR'S REPORT

To the Mayor and Council of
Village of Belcarra

We have audited the accompanying financial statements of Village of Belcarra, which comprise the statement of financial position as at December 31, 2012 and the statement of operations, statement of change in net debt 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 public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Village of Belcarra as at December 31, 2012, and the results of its operations, change in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Vancouver, BC
June 3, 2013



Chartered Accountants

D+H Group LLP Chartered Accountants

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**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION
As at December 31, 2012**

	2012	2011
FINANCIAL ASSETS		
Cash	1,103,458	242,684
Investments (note 2)	211,411	209,048
Accounts receivable (note 3)	268,760	983,672
MFA debt cash deposit (note 4)	44,784	-
	1,628,413	1,435,404
LIABILITIES		
Accounts payable & accrued liabilities (note 5)	136,703	924,075
Performance bonds & refundable deposits (note 6)	152,254	159,272
Deferred revenue (note 7)	174,026	259,957
Long-term debt (note 8)	4,441,330	1,717,229
	4,904,313	3,060,533
NET FINANCIAL ASSETS/(DEBT)	(3,275,900)	(1,625,129)
NON-FINANCIAL ASSETS		
Prepaid expenses	15,756	16,032
Inventory held for consumption	18,654	-
Tangible capital assets (schedule 1)	11,865,239	9,499,934
	11,899,649	9,515,966
ACCUMULATED SURPLUS (note 9)	8,623,749	7,890,837

See Contingencies Note 10 and Commitments Note 11.
The Financial Statement Notes are an integral part of the Financial Statements.

“Lynda Floyd”
Chief Administrative Officer

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2012**

	2012 Budget (unaudited)	2012 Actual	2011 Actual
REVENUE			
Municipal property taxes (note 12)	575,323	575,161	551,399
Grants in lieu of taxes	19,706	20,522	20,251
Fees and charges			
Recycle & refuse levy	77,997	78,346	75,878
Water levy	55,636	41,613	-
Water connection fees	35,775	33,210	-
Septic lease	2,100	2,100	2,100
Penalties & interest on fees & taxes	5,500	8,995	9,482
Permits and licences	27,050	15,274	31,601
Other	5,600	7,732	7,889
Interest income	2,540	7,183	4,782
Conditional operating transfers, other govt's	60,208	35,505	76,885
Unconditional transfers, other govt's	213,050	366,902	429,514
	1,080,485	1,192,543	1,209,781
EXPENSES			
Legislative	77,054	75,477	73,522
Administration	497,935	443,552	409,165
Transportation	254,509	199,954	247,337
Recycle & refuse	75,023	68,835	42,026
Water system	165,948	156,968	-
Amortization & loss on disposals	151,492	227,663	93,247
	1,221,961	1,172,449	865,297
REVENUE LESS EXPENSES BEFORE CAPITAL REVENUE	(141,476)	20,094	344,484
CAPITAL REVENUE			
Municipal road network grants recognized	130,000	138,610	-
Contributed capital assets	-	12,251	-
Water parcel tax	-	561,957	-
Conditional capital transfers, other govt's	2,000	-	3,224,649
	132,000	712,818	3,224,649
ANNUAL SURPLUS/(DEFICIT)	(9,476)	732,912	3,569,133
ACCUMULATED SURPLUS, Beginning of Year	7,890,837	7,890,837	4,321,704
ACCUMULATED SURPLUS, End of Year	7,881,361	8,623,749	7,890,837

See Note 13 Financial Plan (Budget) Reconciliation

The Financial Statement Notes are an integral part of the Financial Statements.

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2012**

	2012 Actual	2011 Actual
OPERATING ACTIVITIES		
Annual surplus	732,912	3,569,133
Non-cash items included in annual surplus:		
Amortization expense	138,949	93,247
Contributed tangible capital assets	(12,251)	-
Loss on disposed of tangible capital assets	88,714	-
Changes in non-cash operating balances:		
Accounts receivable	714,912	(125,014)
MFA debt cash deposit	(44,784)	-
Inventory held for consumption	(18,654)	-
Performance bonds and refundable deposits	(7,018)	73,979
Accounts payable and accrued liabilities	(787,372)	102,744
Prepays	277	278
Deferred revenue	(85,931)	(80,972)
	719,754	3,633,395
CAPITAL ACTIVITY		
Built/purchased tangible capital assets	(2,580,718)	(5,761,026)
FINANCING ACTIVITY		
Debt proceeds	2,724,101	1,561,625
INVESTING ACTIVITY		
(Increase)/decrease in investments	(2,363)	632,014
INCREASE IN CASH	860,774	66,008
CASH, Beginning of Year	242,684	176,676
CASH, End of Year	1,103,458	242,684

The Financial Statement Notes are an integral part of the Financial Statements.

VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS/(DEBT)
For the Year Ended December 31, 2012

	2012 Budget (unaudited)	2012 Actual	2011 Actual
ANNUAL SURPLUS/(DEFICIT)	(9,476)	732,912	3,569,133
TANGIBLE CAPITAL ASSETS			
Acquisition of tangible capital assets	(2,759,819)	(2,580,718)	(5,761,026)
Contributed tangible capital assets		(12,251)	-
Amortization	151,492	138,949	93,247
Loss on disposed of tangible capital assets	-	88,714	-
	(2,608,327)	(2,365,306)	(5,667,779)
OTHER NON-FINANCIAL ASSETS			
Inventory acquired		(18,654)	-
Change in prepaids	-	277	278
INCREASE/(DECREASE) IN NET FINANCIAL ASSETS	(2,617,803)	(1,650,771)	(2,098,368)
NET FINANCIAL ASSETS/(DEBT), Beginning of Year	(1,625,129)	(1,625,129)	473,239
NET FINANCIAL ASSETS/(DEBT), End of Year	(4,242,932)	(3,275,900)	(1,625,129)

The Financial Statement Notes are an integral part of the Financial Statements.

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
SCHEDULE 1 - TANGIBLE CAPITAL ASSETS CONTINUITY
For the Year Ended December 31, 2012**

	Land	Buildings	Vehicle Machinery & Equipment	Office Furniture & Equipment	Recycling Depot	Road Network	Storm Sewers	Water System	Assets Under Construction	2012 Actual	2011 Actual
COST											
Opening Balance	329,318	343,374	230,002	40,421	74,751	1,742,876	295,598	971,765	7,008,324	11,036,429	5,275,404
Add: Additons		21,718	11,706	75,820		869,475		8,622,065		9,600,784	5,761,025
Less: Disposals		6,895		9,961		247,985			7,007,816	7,272,657	-
Closing Balance	329,318	358,197	241,708	106,280	74,751	2,364,366	295,598	9,593,830	508	13,364,556	11,036,429
ACCUMULATED AMORTIZATION											
Opening Balance		142,428	105,760	26,186	39,553	807,201	228,263	187,104	-	1,536,495	1,443,248
Add: Amortization		10,204	17,096	4,719	5,197	43,640	7,388	50,705		138,949	93,247
Less: Amortization on Disposals		3,862		7,371		164,894				176,127	-
Closing Balance	-	148,770	122,856	23,534	44,750	685,947	235,651	237,809	-	1,499,317	1,536,495
Net Book Value, year ended 2012											
	329,318	209,427	118,852	82,746	30,001	1,678,419	59,947	9,356,021	508	11,865,239	
Net Book Value, year ended 2011											
	329,318	200,946	124,242	14,235	35,198	935,675	67,335	784,661	7,008,324		9,499,934

VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
SCHEDULE 2 - SEGMENTED INFORMATION - GENERAL FUND
For the Year Ended December 31, 2012

	2012 Budget (unaudited)	2012 Actual	2011 Actual
REVENUE			
Municipal property taxes	575,323	575,161	551,399
Grants in lieu of taxes	19,706	20,522	20,251
Fees and charges	11,700	17,147	16,250
Permits and licences	27,000	15,214	31,541
Interest income	2,000	6,812	4,782
Conditional operating transfers, other govt's	60,208	35,505	76,885
Unconditional transfers from other govt's	213,050	366,902	429,514
	908,987	1,037,263	1,130,622
EXPENSES			
Legislative			
Indemnities & benefits	56,489	57,136	54,292
Council other	5,200	5,645	3,161
Election expense	-	-	5,877
Grants & projects	15,365	12,696	10,192
	77,054	75,477	73,522
Administration			
Salaries & benefits	265,167	269,156	258,344
Human resources	16,873	17,290	13,969
Information systems	15,500	14,714	14,959
Municipal hall	94,335	87,627	82,904
Planning	46,000	5,963	14,115
Support services	64,680	50,754	10,110
Interest and bank expense	2,500	1,690	1,760
Other	3,061	6,479	13,004
Administration allocation recovery	(10,181)	(10,121)	-
	497,935	443,552	409,165
Transportation (non-municipal road network)			
Salaries & benefits	275,532	225,583	138,853
Vehicles, equipment & supplies	24,600	35,965	21,700
Public works allocation recovery	(139,931)	(107,052)	(3,801)
Roads, bridges etc. (contracts)	21,500	7,458	7,417
Trails & public spaces	9,600	2,495	6,283
	191,301	164,449	170,452
Transportation (municipal road network)	60,208	35,505	76,885
Fire protection & emergency preparedness	3,000	-	-
Amortization & loss on disposal of capital assets	101,281	171,761	88,050
	930,779	890,744	818,074
REVENUE LESS EXPENSES BEFORE CAPITAL REVENUE	(21,792)	146,519	312,548
CAPITAL REVENUE			
Contributed capital assets	-	12,251	-
Conditional capital transfers	132,000	138,610	-
ANNUAL SURPLUS	110,208	297,380	312,548

VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
SCHEDULE 3 - SEGMENTED INFORMATION - RECYCLING & REFUSE FUND
For the Year Ended December 31, 2012

	2012 Budget (unaudited)	2012 Actual	2011 Actual
REVENUE			
Recycling & refuse fee	77,997	78,346	75,878
Permits and licences	50	60	60
Other fees	1,500	1,680	3,221
Interest income	540	-	-
	80,087	80,086	79,159
EXPENSES			
Public works allocation	22,422	22,709	-
Utilities	550	712	554
Labour contracts	6,191	6,847	6,405
Materials & equipment	2,000	1,075	1,884
Processing & hauling fees	43,860	37,495	33,183
	75,023	68,838	42,026
Amortization	5,200	5,197	5,197
	80,223	74,035	47,223
ANNUAL SURPLUS/(DEFICIT)	(136)	6,051	31,936

VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
SCHEDULE 4 - SEGMENTED INFORMATION - WATER FUND
For the Year Ended December 31, 2012

	2012 Budget (unaudited)	2012 Actual	2011 Actual
REVENUE			
Water levy	55,636	41,613	-
Water connection fees	35,775	33,210	-
Interest	-	371	-
	91,411	75,194	-
EXPENSES			
Administration			
Administration allocation	10,181	10,121	-
Water purchases from GVWD	16,910	9,645	-
Other (environmental monitoring & VPA Lease)	17,529	25,645	-
	44,620	45,411	-
Water system operations			
Public works allocation	82,451	48,838	-
Utilities	2,754	1,342	-
Water mains repair & maintenance	3,500	-	-
Materials & equipment	2,321	3,135	-
Water meter reading	250	-	-
Water quality	250	-	-
	91,526	53,315	-
Debt interest expense	-	31,591	-
Debt issue expense	29,802	26,648	-
Amortization	45,011	50,705	-
	210,959	207,670	-
REVENUE LESS EXPENSES BEFORE CAPITAL REVENUE	(119,548)	(132,476)	-
CAPITAL REVENUE			
Conditional capital transfers	-	-	3,224,649
Water parcel tax	-	561,957	-
	-	561,957	3,224,649
ANNUAL SURPLUS/(DEFICIT)	(119,548)	429,481	3,224,649

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2012**

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The Financial Statements of the Village of Belcarra (the Village) are the representations and responsibility of management. They have been prepared in accordance with generally accepted accounting principles for local government as established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

Budget information has been aggregated to comply with these reporting standards. Certain comparative figures have been reclassified to conform to the current year's presentation.

(b) Accrual Accounting

Items recognized in the Financial Statements are accounted for in accordance with the accrual basis of accounting. The accrual basis of accounting recognizes the effect of transactions and events in the period in which they occur, regardless of whether there has been a receipt or payment of cash or its equivalent. Liabilities are recognized until the obligation or condition(s) underlying the liability is partly or wholly satisfied. Assets are recognized until the future economic benefit underlying the asset is partly or wholly used or lost.

(c) Revenue Recognition

Taxation

Taxation levies for Village services are recognized as revenue when authorized at the time of issuing the tax notice. Taxation levies imposed by other taxing authorities are not included in these statements.

Fees and Charges (including permits and licenses)

Fees and charges are recognized as revenue when the service or product is provided by the Village.

Government Transfers (conditional and unconditional grants)

Unconditional transfer revenue is recognized when it has been authorized by the transferor. Conditional transfer revenue is recognized when the transfer has been authorized by the transferor and the Village has met all the eligibility criteria, unless the transfer creates a liability (conditions on the use of the funds that have not yet been fulfilled by the Village). Such transfers are recognized as revenue when the conditions of the transfer are satisfied. For conditional transfers for capital expenditures revenue is typically recognized when eligible expenditures are incurred by the Village.

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Cash & Equivalents

Cash and equivalents include liquid investments with maturities of three months or less at acquisition.

(e) Investments

Investments are recorded at cost, except Municipal Finance Authority (MFA) Pooled Investment Funds which are recorded at market value. The carrying value of investments is reduced to its net realizable value if, in management's opinion, there is a permanent decline in value.

(f) Deferred Revenue

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement, and are not available for general municipal purposes are accounted for as deferred revenue on the Statement of Financial Position. The revenue is recognized in the Statement of Operations in the year in which it is used for the specified purpose.

(g) Non-Financial Assets

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

Intangible capital assets are not recorded as assets and are expensed when incurred.

Tangible Capital Assets (see Schedule 1)

Tangible Capital Assets are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight line basis over the estimated useful life of the asset commencing when the asset is put in to service.

Carrying costs directly attributable to the acquisition, construction or development activity, including interest costs, are capitalized to the point in time the asset is substantially complete and ready for use. Contributions or donations of tangible capital assets are recorded at fair value at the date of contribution/donation.

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Non-Financial Assets (continued)

Estimated useful lives are as follows:

Type	Functional Use Category	Useful Life Range (years)
General:	Land	Not amortized
	Buildings	15-50
	Vehicles, machinery & equipment	2-20
	Office furniture & equipment	5-10
	Recycling depot	10-15
Infrastructure:	Road Network	35-50 Roads 75 Bridges 15-20 Other (signage, bank stabilization, etc.)
	Storm Sewer	40
	Water System	80-100 (mains), 25-40 (components)

(h) Use of Estimates

The preparation of Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses during the period. Significant areas requiring estimates include the determination of provisions for contingencies, net book value for tangible capital assets capitalized prior to 2009, and amortization expense. As such, actual amounts could differ from the estimates. If actual results differ, adjustments are reflected in operations when known.

2. INVESTMENTS

	<u>2012</u>	<u>2011</u>
MFA Money Market Fund	\$ 211,411	\$ 209,048

All funds bear interest at variable rates and can be accessed on demand. The annualized average rate of return for 2012 was 1.57%.

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2012**

3. ACCOUNTS RECEIVABLE

	<u>2012</u>	<u>2011</u>
Municipal property taxes & user fees	\$ 35,889	\$ 34,686
Government grants	104,807	673,591
Refundable deposits (potable water project)	20,000	20,000
Harmonized sales tax (HST)	96,544	251,003
Other	11,520	4,392
	<u>\$ 268,760</u>	<u>\$ 983,672</u>

4. MFA DEBT CASH DEPOSIT

	<u>2012</u>	<u>2011</u>
MFA Debt Reserve Fund - Cash Deposit*	<u>\$ 44,784</u>	<u>\$ -</u>
MFA Debt Reserve Fund - Demand Note	<u>\$ 73,309</u>	<u>\$ -</u>

* Only the cash portion of the Debt Reserve Fund is reported in the Financial Statements.

The Municipal Finance Authority of British Columbia ("MFA") provides capital financing for regional districts and their member municipalities. The MFA is required to establish a Debt Reserve Fund, composed of cash deposits and demand notes. The MFA must then use this fund if at any time there are insufficient funds to meet payments on its obligations; this event has not occurred since the inception of MFA in 1970. If this occurs, the regional districts and their member municipalities may be called upon to restore the fund.

Each member municipality, who shares in the proceeds of a debt issue, is required to execute a demand note in favour of the MFA and pay into the MFA cash reserve fund (cash deposit) certain amounts set out in the financing agreements. The interest earned on the cash deposit, less administrative expenses, becomes an obligation of MFA to the member municipalities. Upon the maturity of a debt issue, the demand note will be extinguished and the unused portion of the cash deposit will be paid to the municipality, including interest earned. Use of the cash deposit is restricted by legislation.

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2012**

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2012</u>	<u>2011</u>
Payroll expenses	\$ 21,030	\$ 17,511
Potable water project payables & holdbacks	42,298	706,221
MFA debt interest expense accrual	31,138	-
Other accounts payables and accruals	42,237	200,343
	<u>\$ 136,703</u>	<u>\$ 924,075</u>

6. PERFORMANCE BONDS & REFUNDABLE DEPOSITS

	<u>2012</u>	<u>2011</u>
Performance bonds	\$ 146,805	\$ 153,823
Refundable deposits	5,449	5,449
	<u>\$ 152,254</u>	<u>\$ 159,272</u>

7. DEFERRED REVENUE

	<u>Balance Jan/1/2012</u>	<u>Contributions Received</u>	<u>Contributions Used (Revenue)</u>	<u>Balance Dec/31/2012</u>
Water connection fees	\$ -	\$ 12,300		\$ 12,300
Water user fees	-	\$ 759		759
MIA grant (handicap access)*	-	\$ 2,000		2,000
GVTA grant (Bedwell Bay Road)*	107,375	72,668	162,865	17,178
Property Taxes paid in advance	152,582	259,714	270,507	141,789
	<u>\$ 259,957</u>	<u>\$ 347,441</u>	<u>\$ 433,372</u>	<u>\$ 174,026</u>

*These funds are externally restricted and must be used for the purposes for which they were collected.

GVTA (Greater Vancouver Transit Authority) Grant

Annually the Village receives a grant from the GVTA intended to cover the operating and maintenance costs of Bedwell Bay Road as it is designated as part of the Regions road network. Grants received in excess of actual costs are carried forward for use in future years.

Property Taxes Paid in Advance

Includes property tax overpayments and advance payments by property owners who choose to pay for the coming year's (2013) property taxes in advance of when they will be due (July 2013) under the Village's Tax Prepayment Plan. Approximately fifty-five, or 11%, of the Village's property owners currently participate in the Property Tax Prepayment Plan.

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2012**

8. LONG-TERM DEBT

	<u>2012</u>	<u>2011</u>
Municipal Finance Authority Issue 121 (25 year term), Loan Authorization Bylaw 413-2008 & 432-2011, Potable Water Project, 2.90% (fixed 10 year rate), due October 4, 2037.	\$ 4,441,330	\$ -
Municipal Finance Authority, Interim Financing, Loan Authorization Bylaw 413-2008 & 432-2011 Potable Water Project, 1.70% (variable rate), due on demand.	-	1,717,229
	<u>\$ 4,441,330</u>	<u>\$ 1,717,229</u>

Interest paid on the interim financing was \$35,801 (2011 - \$14,790). The interim financing was for the Potable Water Project ("Project") which was completed in 2012. The interim financing was converted to long-term debt in October 2012. Interest accrued on the long-term debt is \$31,138.

The issuance of long-term debt to a maximum of \$4,967,032, was approved under "The Village of Belcarra Water Supply and Distribution Local Area Service No. 1 Establishment and Loan Authorization Bylaw No. 413, 2008", and Amendment Bylaw No. 442, 2011. Issuance of this debt resulted in the Village exceeding its legislated liability servicing limit (annual interest and principal repayment costs) under the *Community Charter*, in 2011. The liability serving limit resulting after incurrence of this debt was approved by the Inspector of Municipalities on November 10, 2011. The Village's ability to incur additional debt in future years (including entering into a capital lease arrangement, entering into other arrangements that are in substance financing arrangements beyond one year, and/or providing debt guarantees to third parties) is limited by legislation (*Community Charter* and *BC Regulation 254/2004 Municipal Liabilities*).

Principal payments payable, and estimated actuarial earnings on sinking funds (held by the Municipal Finance Authority) to be attributed against the debt payable in future years are:

	Principal	Actuarial	Total
2013	\$ 106,645	\$ -	\$ 106,645
2014	106,645	4,266	110,911
2015	106,645	8,702	115,347
2016	106,645	13,316	119,961
2017	106,645	18,115	124,760
Future years:	2,132,901	1,730,805	3,863,706
	<u>\$ 2,666,126</u>	<u>\$ 1,775,204</u>	<u>\$ 4,441,330</u>

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2012**

9. ACCUMULATED SURPLUS

Accumulated surplus is represented by:

	<u>2012</u>	<u>2011</u>
Unappropriated Surplus/(Deficit)		
General Fund	\$ 542,984	\$ 513,139
Water Fund	(43,438)	-
Refuse & Recycling Fund	59,695	54,624
	<u>559,241</u>	<u>567,763</u>
Non-Statutory Reserves		
Operating	36,915	37,201
Strategic Communities Investment Advance	204,330	97,148
Climate Change	19,514	14,941
Water Debt Repayment	36,255	-
MFA Cash Deposit	44,784	-
	<u>341,798</u>	<u>149,290</u>
Statutory Reserves		
Transportation Capital (roads, bridges etc.)	87,310	320,665
Buildings Capital	64,118	66,247
Equipment Capital	58,328	129,071
Water Capital	4,472	-
Refuse & Recycling Capital	65,919	59,743
	<u>280,147</u>	<u>575,726</u>
Future Debt (Potable Water Project)	<u>-</u>	<u>(1,184,647)</u>
Subtotal	1,181,186	108,132
Investment in Tangible Capital Assets & Inventory	<u>7,442,563</u>	<u>7,782,705</u>
	<u>\$ 8,623,749</u>	<u>\$ 7,890,837</u>

The Unappropriated Surplus is the amount of Accumulated Surplus remaining after deducting the other appropriated surplus balances (see below). It is available to temporarily finance operations until planned revenues (i.e. property taxes, grants etc.) are received, or for other operating or capital purposes as determined by Council, to the extent that it is available as cash.

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2012**

9. ACCUMULATED SURPLUS (continued)

The Non-Statutory and Statutory Reserves are Accumulated Surplus that have been set aside by decision of Council for a specified purpose. The Statutory Reserves have been established by bylaw in accordance with the *Community Charter* and their use is restricted by the related bylaw and legislation. In the normal course of operations, these funds will be used to finance the future services or capital works for which they have been appropriated.

The Parcel Taxes to Be Collected is the amount of levied water parcel taxes for the 2012 Potable Water Project that have not yet been collected. The parcel tax will be collected from taxable parcels in an amount sufficient to fund the annual interest and principal payments over the same term as the Potable Water Project long-term debt (see Long-Term Debt Note 8).

The Future Debt (Potable Water Project) was the amount of Unappropriated Surplus and Reserve cash and investment balances that was used to finance the Potable Water Project expenses to date. The cash was repaid from debt proceeds from the Potable Water Project long-term debt in October 2012.

Investment in Tangible Capital Assets & Inventory is equal to the book value of the tangible capital assets and inventory less related long-term debt. In the normal course of operations the tangible capital assets and inventory will not be available to finance operations, but will be consumed/used to provide services, and the debt will be repaid by future period revenues.

10. CONTINGENCIES

(a) Municipal Pension Plan

The Village and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee 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 173,000 active members and approximately 63,000 retired members. Active members include approximately 35,000 contributors from local governments.

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 December 31, 2012, with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers.

The Village paid \$34,043 for employer contributions and \$28,695 for employee contributions to the Plan in fiscal 2012 (\$31,489 and \$26,169 respectively in 2011).

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10. CONTINGENCIES (continued)

(b) Regional District Debt

Debt of the Greater Vancouver Regional District (operating as Metro Vancouver) are, under the provisions of the *Community Charter*, a direct, joint and several liability of the Regional District and each member municipality, including the Village.

11. COMMITMENT UNDER OPERATING LEASE

The Village leases a photocopier under an operating lease which expires in March 2015. The Village is obligated to make the following minimum lease payments under this operating lease in the fiscal years ending:

December 31, 2013	4,488
December 31, 2014	4,488
December 31, 2015	3,366
	<u>\$ 12,342</u>

12. PROPERTY TAXATION REVENUE

The Village is legislatively required to collect, and pay, property taxes on behalf of other governments. The amounts collected and paid are not recognized as revenues or expenses of the Village. Details of gross property taxes collected less amounts remitted to other governments and credits provided to taxpayers for the Home Owner Grant, are as follows:

	<u>2012</u>	<u>2011</u>
Municipal Property Taxes	\$ 575,323	\$ 551,399
Other Government Property Taxes		
School District - School Tax	718,820	711,658
Police Tax	61,983	61,345
Greater Vancouver Regional District	102,451	94,751
Greater Vancouver Transit Authority	128,217	133,741
BC Assessment & MFA	23,768	23,878
Total Other Government Property Taxes	<u>1,035,239</u>	<u>1,025,373</u>
Gross Property Taxes	<u>1,610,562</u>	<u>1,576,772</u>
Less: Provincial Home Owner Grant	100,553	91,586
Less: Transfers to Other Governments	<u>934,848</u>	<u>933,787</u>
	<u>1,035,401</u>	<u>1,025,373</u>
Municipal Property Taxes	<u>\$ 575,161</u>	<u>\$ 551,399</u>

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For the Year Ended December 31, 2012**

13. FINANCIAL PLAN (BUDGET) RECONCILIATION

The Financial Plan (Budget) was adopted by Council on May 10, 2012. Legislatively, the Financial Plan must balance planned revenue sources with planned expenditures or use of funds (referred to as the balanced budget requirement). The table below demonstrates how the legislative requirement for a balanced budget has been met.

	<u>2012 Budget</u>	<u>2012 Actual</u>	<u>2011 Actual</u>
Surplus, Statement of Operations	\$ 37,774	\$ 732,912	\$ 3,569,133
Adjustments for non-cash items:			
Add back: Amortization expense	151,492	138,949	93,247
Add back: Loss on disposed capital assets	-	88,714	-
Add back: Debt Interest expense not paid	-	31,138	
Deduct: contributed capital assets		(12,251)	
Adjustments for cash items that are not revenues or expenses, but are sources or uses of funds:			
Less: capital expenditures	(2,759,819)	(2,580,718)	(5,761,026)
Less: inventory expenditures	(47,250)	(18,654)	-
Plus: debt proceeds	2,050,541	2,724,101	1,561,625
Net transfers for operating or capital purposes:			
-(To)/from Statutory Reserves	365,033	295,579	(151,953)
-(To)/from Non-Statutory Reserves	(6,204)	(192,508)	(95,078)
-(To)/from Unappropriated Surplus	208,433	(1,207,262)	784,052
Financial Plan (Budget) Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

14. SMALL COMMUNITY INVESTMENT GRANT

The Village received a total of \$363,398 in Small Community Investment Fund ("SCIF") grants in fiscal 2012 (\$353,583 in 2011). Grants received are used to fund a portion of the Village's local government services to minimize the Village's property tax increase in the respective years. As a result, the tax increases have been maintained at moderate increases, which are less than would be needed without the SCIF grants.

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15. SEGMENTED REPORTING (see Schedules 2,3, and 4)

The Village is a diversified municipal government that provides a variety of services to its citizens such as community planning & development, roads transportation network, refuse and recycling collection and disposal, and potable water services. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows.

General Government Services

This segment comprises:

- Services necessary to operate the Village government such as finance and administrative services (property taxation administration and collection, human resources, reception, records management, legal, audit, information systems support etc.) and mayor and council support and expenses
- Services necessary to operate and maintain the Municipal Hall and the Public Works Yard
- Community planning & development services, including updating and maintenance of the Official Community Plan and related documents and bylaws, subdivision approval and building and other related inspections and approvals
- Bylaw development, administration and enforcement
- Community events (Belcarra Day) and community/council grants
- Public Works Operations, which comprises a number of services including maintenance of the road and storm sewer networks, snow removal, and trail maintenance

Refuse & Recycling Services

This segment provides refuse and recycling collection (by resident drop-off) and disposal of refuse and various recyclable materials. Staff expenses incurred directly related to this service are included in the Public Works Allocation.

Water Services

This segment provides potable water services. On October 1, 2012 the Village substantially completed the implementation of a potable water service for the community. Expenses incurred prior to October 1, 2012, with the exception of the annual allocation for General Government and Public Works expenses, were capitalized as part of the Potable Water System assets.

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16. 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, 2012.

Statement of Property Tax Exemptions - 2012

In 2012, 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

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Councillor Jamie Ross
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Councillor Jennifer Glover
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