



VILLAGE OF BELCARRA

"Between Forest and Sea"

4084 BEDWELL BAY ROAD, BELCARRA, B.C. V3H 4P8

TELEPHONE 604-937-4100 FAX 604-939-5034

belcarra@belcarra.ca • www.belcarra.ca



2014 Annual Report



Table of Contents

An Open Letter from Council to the Citizens of Belcarra..... 3

Village of Belcarra Mission Statement 4

Council & Council’s Vision 4

Citizen Involvement 5

Progress Report for 2014..... 6

Corporate Plan for 2015 – 2018 11

Annual Financial Statements 18

Statement of Property Tax Exemptions - 2014 42

Our Commitment to Engaging Our Citizens 42

An Open Letter from Council to the Citizens of Belcarra

On behalf of Council, I am pleased to present the 2014 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.

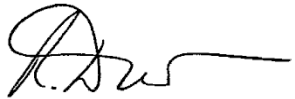
Administrative Projects — During 2014, Belcarra staff completed the significant task of setting-up the new accounting system (MAIS) for the municipality. The other significant undertaking during the year was completing work on the discussion paper 'Revenue Generation Options for Belcarra Roads' which included creating a documented, comprehensive inventory of Belcarra's undeveloped road allowances that was presented to the community.

Public Works Projects — During 2014, Public Works continued work on the invasive plants program for Belcarra by completing the knotweed eradication work in conjunction with the 'Invasive Species Council of Metro Vancouver' (ISCMV). Public Works also initiated work on the updated drainage study for the municipality, installed guard rails on the approaches to the Senkler Road Bridge, and undertook asphalt repairs on Main Avenue and Bedwell Bay Road in preparation for the asphalt overlays scheduled for 2015.

Additional to the above noted projects, a significant focus of resources went to generally addressing the backlog of work caused by the huge time demands placed on municipal personnel over the past six years by the Potable Water Infrastructure Project.

Council welcomes comments from Belcarra residents on the 2014 Annual Report, and invites you to bring forward suggestions for developing goals and objectives for future years.

Thank you for your on-going support.

A handwritten signature in black ink, appearing to read 'R. Drew', with a long horizontal flourish extending to the right.

Ralph Drew
Mayor

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 Councillors. Council was elected on November 15, 2014 by the community for the four-year term from 2014-2018.

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.

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 meeting schedule, 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, 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 for 2014

Accomplishments in Support of the Corporate Plan - Services to Customers

Potable Water Infrastructure Project			
Objective	Strategy	2014	Accomplished
Provide community with sustainable potable water	Facilitate the transition to operating the Municipal Water System	<ul style="list-style-type: none"> Implement utility billing system Prepare system drawings/ and GIS mapping Develop operating procedures and emergency response plans (mapping, servicing and maintenance) 	Commence in 2015 100%/0% 100%
Emergency Preparedness			
Objective	Strategy	2014	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"> Hold disaster plan workshop for residents Prepare inventory of current emergency resources and replenish identified needs Review emergency plan including the Sasamat Volunteer Fire Department (SVFD) strategy 	Commence in 2015 Commence in 2015 Commence in 2015
Community Spaces			
Objective	Strategy	2014	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"> Incorporate provision for open space planning in Financial Plan 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 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 	100% 100% 50% 25% 30% 0% 0% 0% 0%

Municipal Bylaw Review			
Objective	Strategy	2014	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 development approval procedures bylaw • Adopt development approval procedures bylaw 	100% Pending Delayed until 2015 Delayed until 2015
Municipal Infrastructure Management Planning – Roads and Drainage			
Objective	Strategy	2014	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"> • Incorporate provision for maintenance plans in Financial Plan • Develop and implement plan for operations staffing to improve proactivity and service demands • Incorporate provision to maintenance plans in Financial Plan 	100% 100% 100%
Zoning			
Objective	Strategy	2014	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 	10%
Celebrations and Community Events			
Objective	Strategy	2014	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"> • Plan and hold Belcarra Day 	100%

Recycle and Refuse Facility			
Objective	Strategy	2014	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 household waste collection and organics management Continued education and awareness Research options for organics management Upgrade facility for household waste collection and organics management Upgrade site security 	100% 100% 100% 60% 100%
Vegetation Management			
Objective	Strategy	2014	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"> Continued consultation with ISCMV Solicit final report from ISCMV with recommendations for on-going works Continued invasive plants management and public outreach Implement recommendations of the ISCMV 	100% 100% 100% 100%
Carbon Tax and Green House Gas (GHG) Emissions			
Objective	Strategy	2014	Accomplished
Reduce Municipal carbon footprint	Determine the Village of Belcarra's carbon footprint and develop GHG reduction plan	<ul style="list-style-type: none"> At the regular Council meeting of January 13, 2014 Council passed a resolution that Climate Action Revenue Incentive Program (CARIP) reporting for Belcarra be suspended effective the 2013 reporting year and no further action be taken on the initiative. 	N/A
Climate Change			
Objective	Strategy	2014	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"> Include measures within applicable bylaws or bylaw amendments to mitigate climate change related events 	100%

Accomplishments in Support of the Corporate Plan – Corporate Performance

Human Resources			
Objective	Strategy	2014	Accomplished
Support staff development, career progression and succession planning	<ul style="list-style-type: none">Facilitate staff education and certification opportunitiesDevelop and implement succession planning strategies	<ul style="list-style-type: none">Review staff's areas of responsibilities	100%
		<ul style="list-style-type: none">Identify certification, various training needs and legislative requirements for job performance and /or function	50%
		<ul style="list-style-type: none">Review skill development and training plan for succession planning	0%
		<ul style="list-style-type: none">Create development and training plan for succession planning	0%
		<ul style="list-style-type: none">Implement identified development and training plan	0%
Information Technology Systems			
Objective	Strategy	2014	Accomplished
Implement and integrate software that will improve service delivery	Upgrade information technology system	<ul style="list-style-type: none">Implement appropriate service delivery modifications	0%
		<ul style="list-style-type: none">Implement new MAIS financial system	80%
		<ul style="list-style-type: none">Evaluate needs for GIS or land-base data system options	30%
		<ul style="list-style-type: none">Manage transition from Asyst to MAIS financial system	100%
		<ul style="list-style-type: none">Implement scanning and electronic filing of accounts payable documents	0%
<ul style="list-style-type: none">Identify options to improve customer service	10%		
Municipal Infrastructure Management Planning – Building Expansion			
Objective	Strategy	2014	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">Research grant funding opportunities	0%
		<ul style="list-style-type: none">Determine future administrative, operations and community requirements including record management space, meeting rooms and dedicated emergency preparedness areas	100%
		<ul style="list-style-type: none">Determine financial plan to achieve expansion plans	0%
		<ul style="list-style-type: none">Hire architect to design plans for building expansion	0%

Business Continuity Planning			
Objective	Strategy	2014	Accomplished
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"> Identify critical functions and prioritize Develop strategies to manage risk Determine policy objectives and scope Undertake risk evaluation and controls 	0% 0% 0% 0%
Volunteerism Enhancement			
Objective	Strategy	2014	Accomplished
Retain and encourage volunteers	Reinforce culture and develop incentives to promote volunteerism	<ul style="list-style-type: none"> Research incentive options to promote volunteerism 	50%
Legal Records			
Objective	Strategy	2014	Accomplished
Establish a file management system for legal records retention	Create a unified legal records management system	<ul style="list-style-type: none"> Improve storage facility to ensure protection in the event of a fire Retrieve original agreements from subject files Consolidate subject files into one storage system Scan all original agreements to create electronic filing system 	0% 20% 0% 10%
Records Management			
Objective	Strategy	2014	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"> Undertake inventory of onsite records Hire summer temporary labour to review documents Develop and adopt retention bylaw Scan all bylaws and create electronic file structure 	0% 0% 0% 100%
Communications			
Objective	Strategy	2014	Accomplished
Enhance communications methodology to improve accessibility, readability and information retrieval	Develop strategic communications plan	<ul style="list-style-type: none"> Implement website modifications Update organizational chart for website publication Conduct analysis of municipal website content, design and layout Implement monthly "Council in Brief" communication for Barnacle Review municipal website analysis results and identify modifications 	0% 0% 10% 0% 0% 20%

Corporate Plan for 2015 – 2018

Corporate Strategic Plan Purpose & Process

This Corporate Strategic Plan (“the Strategic Plan”) is Council’s leadership document for the Village.

The purpose of the Strategic Plan is to provide overall direction and set strategic priorities to focus the Village’s limited resources to best support the achievements of a community and the provision of services desired by the citizens of Belcarra.

Although the Village is guided by various plans, the Strategic Plan fulfills a need to have a single plan that provides over-riding direction given the complexity of our operating environment and the ever-increasing demand on our limited resources. All plans, activities and actions of the Village must be consistent with, and support the implementation of, the Strategic Plan.

The Strategic Plan articulates the purpose of the Village (Mission Statement), details Community and Corporate Values to be honored and used to guide all actions and decisions, sets out the longer-term direction of the Village (Vision and Goal Statements), and identifies and prioritizes a limited number of Strategic Objectives and supporting Strategies and Action Plans. The Strategic Objectives are the “core” of the Strategic Plan as they identify the areas of Village operations, identified by Council, to be the most important to focus on, in order to move the Village towards achievement of its longer-term Vision and Goals. Strategic Objectives are prioritized and limited in number in recognition of the Village’s limited resources and existing legislative and operational requirements.

The Mission, Vision, Values, Goals, Strategic Objectives and Strategies contained in the Strategic Plan will be revisited and either confirmed or amended by Council near the beginning of each new term of Council, augmented by annual review and adjustment as required prior to the coming years financial planning process. In response to Council’s set Strategic Objectives and Strategies, the Village’s Management Team will develop two year supporting Action Plans that will identify the actions to be undertaken to support their achievement. The Action Plans will be approved by Council and included in the Strategic Plan. The Action Plans will be reviewed and updated as required following quarterly Progress Reports to Council that identify actions and achievements to date and provide an opportunity to make timely changes thereto as approved by Council.

Village of Belcarra Mission

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 core municipal services.

Community Values

Belcarra is a proud and unique community.

Belcarra recognizes our municipality's natural west coast beauty as a source of pride worth protecting. We treasure tradition in our community comprised in its welcoming character and accessible allure.

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

Belcarra celebrates the diverse and active engagement of its citizens and the significance of its volunteerism. Belcarra offers simple and basic neighbourhood opportunities to sustain and enrich our lives. We are actively involved in the social, environmental and political life of the region.

Belcarra is a clean, green, semi-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.

Corporate Values

The Village of Belcarra supports community engagement and advocates accessible and transparent local government administration.

We utilize clear, consistent and transparent decision-making processes, offering opportunities for input and guidance; embracing change while respecting tradition.

The Village of Belcarra fosters civic stability and security.

Our semi-rural setting provides a distinct perspective within the regional district, and the municipality seeks to represent the interests of those in similar environments while supporting economic, social and community consistency and sustainability. In endeavoring to preserve health and safety, we consider the needs and well-being of the community, our operations and our physical environment.

The Village of Belcarra promotes wellness and progression in the workplace.

We embrace principles which facilitate staff empowerment, development and succession opportunities, while striking a balance between home and work life.

Village of Belcarra Vision & Goals

We are committed to achieving social, environmental and economic sustainability. Given the value of our community's heritage and its diversification, we will harness **a balance between consistency and progression – enhancing the livability, health, safety and civic pride** for future generations of Belcarra.

Community Sustainability:

- Goal 1** Individuals and groups have a collective sense of belonging and contributing to the municipality, and have the opportunity to participate in the municipality's social, political, economic and cultural life.
- Goal 2** Volunteerism is an integral component of community sustainability and is encouraged.
- Goal 3** Individuals have access to the natural amenities of the area and feel safe and secure in doing so.

Environmental Sustainability:

- Goal 1** Awareness of environmental impacts results in active public participation in environmental improvements.
- Goal 2** Human activities and consumption are balanced with the environment's ability to absorb emissions and impacts.
- Goal 3** The health of residents is protected from environmental risks.

Governance:

- Goal 1** We are a model of open, accessible, democratic decision-making processes. We encourage and embrace dialogue encouraging residents to contribute their ideas, opinions, and energy to the well-being of the municipality.
- Goal 2** The municipality has appropriate legislative authority, financial tools and organizational structures and processes to undertake its responsibilities and achieve goals that support and enhance the municipality's quality of life within its financial capacity.
- Goal 3** Core Public services are appropriate for community needs, of high quality, well-coordinated and easy to access.
- Goal 4** The Village of Belcarra actively engages with other orders of government particularly regarding issues affecting the municipality.

Economic Sustainability:

- Goal 1** The Village of Belcarra has the necessary social, budgetary and physical infrastructure to ensure sustainability as a municipality.
- Goal 2** Long term financial planning with minimal debt financing, focused on maintaining and acquiring quality infrastructure.
- Goal 3** Projects and initiatives are evaluated against sustainability.

Village of Belcarra Strategic Objectives, Strategies and Two-Year Action Plans

Priority #1 - Public Relations, Volunteerism and Communications				
Objective	Strategy	2015	2016	2017/2018
Increase public confidence, satisfaction with, and understanding of Village operations, and retain and increase volunteerism	Through communications, discussions and/or survey, identify issues and then change operations, governance processes, and/or communications to address.	<ul style="list-style-type: none"> • Council to identify and assess public relations and volunteerism issues • Council, working with staff, to identify operational, governance and/or communication changes to address 	<ul style="list-style-type: none"> • To be determined based on outcomes of 2015 work 	<ul style="list-style-type: none"> • To be determined
Priority #2 – Refuse & Recycling – Organic Waste				
Objective	Strategy	2015	2016	2017/2018
Meet Metro Vancouver's Zero Waste Initiative	Research and implement actions to meet Metro Vancouver's requirements to remove from the waste stream and recycle organic waste	<ul style="list-style-type: none"> • Communicate issues and requirements with, and gather input from community • Identify issues and options to address (incl. costs of) • Develop Implementation and Monitoring Plan • Implement and monitor in accordance with Plan 	<ul style="list-style-type: none"> • To be determined based on outcomes of 2015 work 	<ul style="list-style-type: none"> • To be determined

Priority #3 – Municipal Bylaw - Review/Updates				
Objective	Strategy	2015	2016	2017/2018
Ensure key municipal bylaws meet legislative and operational requirements	Identify, prioritize, review and update municipal bylaws	<ul style="list-style-type: none"> Complete review and update of the Subdivision & Development Bylaw <ul style="list-style-type: none"> - Review and finalize draft with Council - Hold Public Hearing - Obtain Council approval Start review and update of Zoning Bylaw <ul style="list-style-type: none"> - Engage municipal planning consultant to develop draft - Start review process 	<ul style="list-style-type: none"> Complete review and update of Zoning Bylaw <ul style="list-style-type: none"> - Complete public consultation - Hold Public Hearing - Obtain Council approval 	<ul style="list-style-type: none"> To be determined Possible options include: <ul style="list-style-type: none"> - Municipal Ticketing Information Bylaw - Highway Encroachment
Priority #4 – Drainage Study				
Objective	Strategy	2015	2016	2017/2018
Drainage (and related) infrastructure meets community needs and provides protection from climate change related events	Update/Identify risks and requirements (maintenance & capital) to address drainage needs	<ul style="list-style-type: none"> Complete Drainage Study 	<ul style="list-style-type: none"> Consider and address any bylaw changes Develop drainage (and related) infrastructure Long-Term Asset Management and Financial Plan that identifies maintenance and capital expenditure needs and supporting funding plan 	<ul style="list-style-type: none"> To be determined

Priority #5 - Emergency Preparedness				
Objective	Strategy	2015	2016	2017/2018
Ensure emergency plans and supplies are up to date and relevant in the event of an emergency	Identify and update the municipality's emergency supplies and review and update emergency plan	<ul style="list-style-type: none"> Work to commence in 2016 	<ul style="list-style-type: none"> Hire consultant to lead and facilitate process Prepare inventory of current emergency supplies and replenish identified needs Start review of emergency plan 	<ul style="list-style-type: none"> To be determined
Priority #6 – Records Management				
Objective	Strategy	2015	2016	2017/2018
Support and enhance operational efficiency and ensure legislative requirements are met	Establish and implement policy and procedures with respect to the retention, storage and disposal of municipal records	<ul style="list-style-type: none"> Work to commence in 2016 	<ul style="list-style-type: none"> Identify Records Management needs and issues and develop a Plan to address, using contracted services Begin implementation of Plan 	<ul style="list-style-type: none"> To be determined
Priority #7 – Public Safety – Non-Vehicular Travel on Roadways				
Objective	Strategy	2015	2016	2017/2018
Improve non-vehicle (pedestrian, bike etc.) safety on roadways	<p>Increase vehicle driver awareness</p> <p>Identify and implement new and improved signage and/or physical roadway changes/additions</p> <p>Identify and implement new and improved trail options to travel on roadways</p>	<ul style="list-style-type: none"> Undertake improvements ancillary to other works 	<ul style="list-style-type: none"> Undertake improvements ancillary to other works Seek public input on priority areas for improvement 	<ul style="list-style-type: none"> To be determined

Priority #8 – Water System – Water Metering				
Objective	Strategy	2015	2016	2017/2018
Increase benefiter/user pay component of water fee and encourage water conservation	Implement water metering	<ul style="list-style-type: none"> Develop procedures for meter data gathering 	<ul style="list-style-type: none"> Examine processes for integrating meter data with accounting software 	<ul style="list-style-type: none"> To be determined
Priority #9 – Infrastructure/Asset Management				
Objective	Strategy	2015	2016	2017/2018
Infrastructure meets current and future community needs	Develop infrastructure Long-Term Asset Management and Financial Plan(s) that identifies maintenance, and capital expenditure needs and supporting funding plan	<ul style="list-style-type: none"> Work to commence in 2017/2018 	<ul style="list-style-type: none"> <i>Work to commence in 2017/2018</i> 	<ul style="list-style-type: none"> To be determined
Priority #10 – Human Resources				
Objective	Strategy	2015	2016	2017/2018
Support staff development and career progression	<p>Document job duties and requirements</p> <p>Document key operational processes and requirements</p>	<ul style="list-style-type: none"> Update all employee job descriptions using contracted services 	<ul style="list-style-type: none"> To be determined 	<ul style="list-style-type: none"> To be determined

The following Strategic Objective is a high priority of Council that is currently being addressed within Village operations. It is included in the Strategic Plan due to its high priority nature and the desire to continue to more closely monitor and prioritize its implementation/delivery.

Vegetation Management		
Objective	Strategy	2015 – 2018
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"> Continue to consult with Invasive Species Council of Metro Vancouver, and other relevant authorities, and implement annual recommendations for invasive plant removal and community education, within financial plan constraints.

VILLAGE OF BELCARRA
ANNUAL FINANCIAL STATEMENTS
For the Year Ended December 31, 2014

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
INDEX
For the Year Ended December 31, 2014**

Management's Responsibility for Financial Reporting	1
Independent Auditor's Report	2
Financial Statements	
Statement of Financial Position	3
Statement of Operations	4
Statement of Cash Flows	5
Statement of Change in Net Debt	6
Schedule 1 - Tangible Capital Asset Continuity	7
Schedule 2 - Segmented Information - General Fund	8
Schedule 3 - Segmented Information - Recycling & Refuse Fund	9
Schedule 4 - Segmented Information - Water Fund	10
Notes to Financial Statements	11

Village of Belcarra

December 31, 2014

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 E. Drew"

Mayor

"Lorna Dysart"

Acting 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, 2014 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, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Vancouver, B.C.
April 13, 2015

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

www.DHgroup.ca
A B.C. Limited Liability Partnership
of Corporations

 Understanding, Advising, Guiding

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION
As at December 31, 2014**

	2014	2013
FINANCIAL ASSETS		
Cash	1,531,437	1,236,460
Investments (note 2)	215,912	213,585
Accounts receivable (note 3)	110,629	175,657
MFA debt cash deposit (note 4)	48,328	46,967
	1,906,306	1,672,669
LIABILITIES		
Accounts payable & accrued liabilities (note 5)	165,262	115,771
Performance bonds & refundable deposits (note 6)	179,348	144,660
Deferred revenue (note 7)	225,935	206,851
Long-term debt (note 8)	4,221,676	4,333,656
	4,792,221	4,800,938
NET DEBT	(2,885,915)	(3,128,269)
NON FINANCIAL ASSETS		
Prepaid expenses	15,203	15,480
Inventory held for consumption	14,594	18,539
Tangible capital assets (schedule 1)	11,626,926	11,736,637
	11,656,723	11,770,656
ACCUMULATED SURPLUS (note 9)	8,770,808	8,642,387

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

"Lorna Dysart"

Lorna Dysart
Acting Chief Administrative Officer

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2014**

	2014 Budget (unaudited)	2014 Actual	2013 Actual
REVENUES			
Municipal property taxes (note 12)	616,785	617,925	601,112
Water parcel taxes (note 13)	235,445	233,498	233,498
Grants in lieu of taxes	21,417	21,870	21,635
Fees and charges			
Recycle & refuse levy	83,145	83,939	79,954
Water levy	175,908	177,025	167,778
Water connection fees	12,300	8,610	37,892
Septic lease	2,100	2,100	2,100
Penalties & interest on fees & taxes	7,500	14,856	13,357
Permits and licences	27,050	47,097	32,875
Other	5,600	9,762	9,618
Interest income	5,540	20,652	18,809
Conditional operating transfers, other govt's	69,846	43,492	43,844
Unconditional transfers, other govt's	172,894	171,642	172,973
MFA actuarial	-	5,335	1,028
	1,435,530	1,457,803	1,436,473
EXPENSES			
Legislative	102,199	124,618	76,466
Administration	571,286	464,649	509,689
Transportation	271,179	222,422	216,788
Recycle & refuse	78,009	72,301	75,215
Water system	312,710	308,794	282,682
Amortization & loss on disposals	249,030	266,995	260,737
	1,584,413	1,459,779	1,421,577
REVENUES LESS EXPENSES BEFORE CAPITAL REVENUES	(148,883)	(1,976)	14,896
CAPITAL REVENUES			
Community Works Fund grant	-	52,662	-
Municipal road network grant	141,000	46,024	3,742
Water parcel tax equivalency fee	-	31,711	-
Conditional capital transfers, other govt's	2,500	-	-
	143,500	130,397	3,742
ANNUAL SURPLUS/(DEFICIT)	(5,383)	128,421	18,638
ACCUMULATED SURPLUS, Beginning of Year	8,642,387	8,642,387	8,623,749
ACCUMULATED SURPLUS, End of Year	8,637,004	8,770,808	8,642,387

See Note 14 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, 2014**

	2014	2013
OPERATING ACTIVITIES		
Annual surplus	128,421	18,638
Non-cash items included in annual surplus:		
Amortization expense	266,995	260,737
Long-term debt actuarial adjustment	(5,335)	(1,029)
Changes in non-cash operating balances:		
Accounts receivable	65,028	93,103
MFA debt cash deposit	(1,361)	(2,183)
Inventory held for consumption	3,945	116
Performance bonds and refundable deposits	34,688	(7,594)
Accounts payable and accrued liabilities	49,491	(20,933)
Prepays	277	276
Deferred revenue	19,084	32,825
	561,233	373,956
CAPITAL ACTIVITY		
Built/purchased tangible capital assets	(157,284)	(132,135)
FINANCING ACTIVITY		
Debt principal repaid	(106,645)	(106,645)
INVESTING ACTIVITY		
(Increase)/decrease in investments	(2,327)	(2,174)
INCREASE IN CASH	294,977	133,002
CASH, Beginning of Year	1,236,460	1,103,458
CASH, End of Year	1,531,437	1,236,460

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

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
STATEMENT OF CHANGE IN NET DEBT
For the Year Ended December 31, 2014**

	2014 Budget (unaudited)	2014 Actual	2013 Actual
ANNUAL SURPLUS/(DEFICIT)	(5,383)	128,421	18,638
TANGIBLE CAPITAL ASSETS			
Acquisition of tangible capital assets	(469,858)	(157,284)	(132,135)
Amortization	249,030	266,995	260,737
	(220,828)	109,711	128,602
OTHER NON-FINANCIAL ASSETS			
Inventory acquired	-	-	(22,368)
Inventory consumed	-	3,945	22,484
Prepays consumed	-	277	276
	-	4,222	392
DECREASE/(INCREASE) IN NET DEBT	(226,211)	242,354	147,632
NET DEBT, Beginning of Year	(3,128,269)	(3,128,269)	(3,275,901)
NET DEBT, End of Year	(3,354,480)	(2,885,915)	(3,128,269)

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, 2014**

	Land	Buildings	Vehicle Machinery & Equipment	Office Furniture & Equipment	Recycling Depot	Road Network	Storm Sewers	Water System	Assets Under Construction	2014 Actual	2013 Actual
COST											
Opening Balance	329,318	361,247	241,708	111,636	91,408	2,403,295	295,598	9,631,477	21,105	13,486,792	13,364,556
Add: Additons			15,712		812	7,639	26,518	14,404	94,606	159,691	132,135
Less: Disposals									2,407	2,407	9,899
Closing Balance	329,318	361,247	257,420	111,636	92,220	2,410,934	322,116	9,645,881	113,304	13,644,076	13,486,792
ACCUMULATED AMORTIZATION											
Opening Balance		159,396	139,447	32,093	42,234	740,862	243,047	393,076	-	1,750,155	1,499,317
Add: Amortization		10,679	17,898	11,802	6,376	55,894	7,937	156,409		266,995	260,737
Less: Acc. Amortization on Disposals										-	9,899
Closing Balance	-	170,075	157,345	43,895	48,610	796,756	250,984	549,485	-	2,017,150	1,750,155
Net Book Value, year ended 2014											
	329,318	191,172	100,075	67,741	43,610	1,614,178	71,132	9,096,396	113,304	11,626,926	
Net Book Value, year ended 2013											
	329,318	201,851	102,261	79,543	49,174	1,662,433	52,551	9,238,401	21,105		11,736,637

VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
SCHEDULE 2 - SEGMENTED INFORMATION - GENERAL FUND
For the Year Ended December 31, 2014

	2014 Budget (unaudited)	2014 Actual	2013 Actual
REVENUE			
Municipal property taxes	616,785	617,925	601,112
Grants in lieu of taxes	21,417	21,870	21,635
Fees and charges	13,700	26,344	23,277
Permits and licences	27,000	47,067	32,860
Interest income	4,000	18,595	16,626
Conditional operating transfers, other govt's	69,846	43,492	43,844
Unconditional transfers from other govt's	172,894	171,642	172,973
	925,642	946,935	912,327
EXPENSES			
Legislative			
Indemnities & benefits	59,667	59,609	59,434
Council other	6,703	4,757	7,583
Election expense	20,000	15,664	-
Grants & projects	15,829	44,588	9,449
	102,199	124,618	76,466
Administration			
Salaries & benefits	296,166	285,736	277,440
Human resources	15,712	19,730	20,257
Information systems	27,877	26,691	17,685
Municipal hall	101,757	93,618	109,654
Planning	67,000	1,627	29,596
Support services	71,182	46,797	65,056
Interest and bank expense	1,500	1,169	1,067
Other	2,247	449	84
Administration allocation recovery	(12,155)	(11,168)	(11,150)
	571,286	464,649	509,689
Transportation (non-municipal road network)			
Salaries & benefits	281,230	261,700	259,394
Vehicles, equipment & supplies	25,092	40,187	34,101
Public works allocation recovery	(139,947)	(138,210)	(134,460)
Roads, bridges etc. (contracts)	22,041	15,253	8,861
Trails & public spaces	9,841	-	366
	198,257	178,930	168,262
Transportation (municipal road network)	69,846	43,492	43,844
Fire protection & emergency preparedness	3,076	-	4,682
Amortization & loss on disposal of capital assets	90,000	104,210	99,985
	1,034,664	915,899	902,928
REVENUES LESS EXPENSES BEFORE CAPITAL REVENUES	(109,022)	31,036	9,399
CAPITAL REVENUES			
Community Works Fund grant	-	52,662	-
Conditional capital transfers	143,500	46,024	3,742
ANNUAL SURPLUS/(DEFICIT)	34,478	129,722	13,141

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
SCHEDULE 3 - SEGMENTED INFORMATION - RECYCLING & REFUSE FUND
For the Year Ended December 31, 2014**

	2014 Budget (unaudited)	2014 Actual	2013 Actual
REVENUE			
Recycling & refuse fee	83,145	83,939	79,954
Permits and licences	50	30	15
Other fees	1,500	374	1,798
Interest income	540	696	-
	85,235	85,039	81,767
EXPENSES			
Public works allocation	25,000	24,078	24,460
Utilities	750	649	725
Labour contracts	6,349	5,735	6,751
Greenwaste contract	-	-	653
Materials & equipment	2,050	2,962	1,881
Processing & hauling fees	43,860	38,877	40,745
	78,009	72,301	75,215
Amortization	5,200	6,376	5,484
	83,209	78,677	80,699
ANNUAL SURPLUS/(DEFICIT)	2,026	6,362	1,068

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
SCHEDULE 4 - SEGMENTED INFORMATION - WATER FUND
For the Year Ended December 31, 2014**

	2014 Budget (unaudited)	2014 Actual	2013 Actual
REVENUE			
Water levy	175,908	177,025	167,777
Water parcel taxes	235,445	233,498	233,498
Water connection fees	12,300	8,610	37,892
MFA actuarial	-	5,335	1,028
Interest	1,000	1,361	2,183
	424,653	425,829	442,378
EXPENSES			
Administration			
Administration allocation	12,155	11,168	11,150
Water purchases from GVWD	52,582	47,400	43,699
Other (environmental monitoring & VPA Lease)	17,962	15,676	13,676
	82,699	74,244	68,525
Water system operations			
Public works allocation	75,206	75,916	70,817
Utilities	7,490	8,931	5,371
Water mains repair & maintenance	6,060	196	150
Station repair & maintenance	1,515	10,078	3,932
Reservoir repair & maintenance	1,010	-	-
Materials & equipment	9,425	10,630	5,174
Water quality	505	-	-
	101,211	105,751	85,444
Debt interest expense	128,800	128,799	128,713
Amortization	153,830	156,409	155,267
	466,540	465,203	437,949
REVENUES LESS EXPENSES BEFORE CAPITAL REVENUES	(41,887)	(39,374)	4,429
CAPITAL REVENUES			
Water parcel tax equivalency fee		31,711	
ANNUAL SURPLUS/(DEFICIT)	(41,887)	(7,663)	4,429

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2014**

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The Financial Statements have been prepared in accordance with Canadian public sector accounting standards for local government as established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

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, 2014

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 into service.

Carrying costs directly attributable to the acquisition, construction or development activity, including interest costs, are capitalized to the point in time when 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, 2014**

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), 10-50 (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>2014</u>	<u>2013</u>
MFA Money Market Fund	<u>\$ 215,912</u>	<u>\$ 213,585</u>

All funds bear interest at variable rates and can be accessed on demand. The annualized average rate of return for 2014 was 1.09% (2013 – 1.10%).

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2014**

3. ACCOUNTS RECEIVABLE

	2014	2013
Municipal property taxes & user fees	\$ 73,537	\$ 58,047
Goods & Service Tax (GST)	29,802	110,336
Other	7,290	7,274
	<u>\$ 110,629</u>	<u>\$ 175,657</u>

4. MFA DEBT CASH DEPOSIT

	2014	2013
MFA Debt Reserve Fund - Cash Deposit*	<u>\$ 48,328</u>	<u>\$ 46,967</u>
MFA Debt Reserve Fund - Demand Note	<u>\$ 73,309</u>	<u>\$ 73,309</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.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2014	2013
Payroll expenses	\$ 6,734	\$ 11,581
Potable water project payables & holdbacks	-	26,208
MFA debt interest expense accrual	31,053	31,053
Other accounts payables and accruals	127,475	46,929
	<u>\$ 165,262</u>	<u>\$ 115,771</u>

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2014**

6. PERFORMANCE BONDS & REFUNDABLE DEPOSITS

	<u>2014</u>	<u>2013</u>
Performance bonds	\$ 173,899	\$ 139,211
Refundable deposits	5,449	5,449
	<u>\$ 179,348</u>	<u>\$ 144,660</u>

7. DEFERRED REVENUE

	<u>Balance Jan/1/2014</u>	<u>Contributions Received</u>	<u>Restricted Interest Income</u>	<u>Contributions Used (Revenue)</u>	<u>Balance Dec/31/2014</u>
MIA grant (handicap access)*	2,000	-		-	2,000
GVTA grant (Bedwell Bay Road)*	68,617	99,000	800	89,517	78,900
Property Taxes paid in advance	136,234	268,042	-	259,241	145,035
	<u>\$ 206,851</u>	<u>\$ 367,042</u>	<u>\$ 800</u>	<u>\$ 348,758</u>	<u>\$ 225,935</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 (2015) property taxes in advance of when they will be due (July 2015) under the Village's Tax Prepayment Plan. Approximately forty-seven, or 10% (2013 – 47 or 10%) 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, 2014**

8. LONG-TERM DEBT

	<u>2014</u>	<u>2013</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.	<u>\$ 4,221,676</u>	<u>\$ 4,333,656</u>

Interest expense on the long-term debt is \$128,799 (2013 - \$128,713). Interest accrued on the long-term debt is \$31,053 (2013-\$31,053).

Principal and interest 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:

	Interest	Principal	Actuarial	Total
2015	\$ 128,798	\$ 106,645	\$ 8,702	\$ 244,145
2016	128,798	106,645	13,316	248,759
2017	128,798	106,645	18,115	253,558
2018	128,798	106,645	23,104	258,547
2019	128,798	106,645	28,294	263,737
Future years:	2,318,377	1,919,611	1,677,309	5,915,297
	<u>\$ 2,962,367</u>	<u>\$ 2,452,836</u>	<u>\$ 1,768,840</u>	<u>\$ 7,184,043</u>

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2014**

9. ACCUMULATED SURPLUS

Accumulated surplus is represented by:

	2014	2013
Unappropriated Surplus/(Deficit)		
General Fund	\$ 641,407	\$ 574,459
Water Fund	(36,428)	(41,805)
Refuse & Recycling Fund	66,561	61,050
	<u>671,540</u>	<u>593,704</u>
Non-Statutory Reserves		
Operating	32,282	42,445
Community Works Fund	32,019	117,366
Strategic Communities Investment Advance	52,949	-
Climate Change	33,968	26,669
Water Debt Repayment	33,119	34,697
MFA Cash Deposit	48,328	46,967
	<u>232,665</u>	<u>268,144</u>
Statutory Reserves		
Transportation Capital (roads, bridges etc.)	187,531	145,346
Buildings Capital	102,868	81,867
Equipment Capital	64,540	65,649
Water Capital	37,779	19,080
Refuse & Recycling Capital	54,039	47,077
	<u>446,757</u>	<u>359,019</u>
Subtotal	<u>1,350,962</u>	<u>1,220,867</u>
Investment in Tangible Capital Assets & Inventory	<u>7,419,844</u>	<u>7,421,520</u>
	<u><u>\$ 8,770,806</u></u>	<u><u>\$ 8,642,387</u></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, fees, 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, 2014**

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.

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 trusted pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula (i.e. a defined benefit plan). The Plan has about 182,000 active members and approximately 75,000 retired members. Active members include seven contributors from the Village.

The most recent actuarial valuation as at December 31, 2012, indicated an unfunded liability of \$1,370 million for basic pension benefits. The next valuation will be as at December 31, 2015, with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and costs to the individual employers participating in the Plan.

The Village paid \$50,962 for employer contributions and \$34,483 for employee contributions to the Plan in fiscal 2014 (\$37,389 and \$29,948 respectively in 2013).

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2014**

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 2019. The Village is obligated to make the following minimum lease payments under this operating lease in the fiscal years ending:

2015	4,168
2016	4,168
2017	4,168
2018	4,168
2019	1,042
	<u>\$ 17,714</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>2014</u>	<u>2013</u>
Municipal Property Taxes	\$ 617,887	\$ 601,188
Other Government Property Taxes		
School District - School Tax	779,387	684,983
Police Tax	73,544	65,069
Greater Vancouver Regional District	118,929	105,849
Greater Vancouver Transit Authority	140,592	121,858
BC Assessment & MFA	26,353	22,960
Total Other Government Property Taxes	<u>1,138,805</u>	<u>1,000,719</u>
Gross Property Taxes	<u>1,756,692</u>	<u>1,601,907</u>
Less: Provincial Home Owner Grant	77,540	113,000
Less: Transfers to Other Governments	1,061,227	887,795
	<u>1,138,767</u>	<u>1,000,795</u>
Municipal Property Taxes	<u>\$ 617,925</u>	<u>\$ 601,112</u>

VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2014

13. WATER PARCEL TAXES

Water parcel taxes are collected each year to pay the annual interest and principal debt payments on long-term debt incurred by the Village for the potable water system construction project. The water parcel tax commenced with the first debt payment requirement in 2013, and will continue for the twenty-five year term of the related debt (see long-term debt note 8), provided the debt is not otherwise repaid.

The water parcel charge is adjusted annually and is charged to all taxable parcels that benefit from the construction of the potable water system as defined in the Village of Belcarra Water Supply and Distribution Local Area Service No. 1 Establishment and Loan Authorization Bylaw No. 413, 2008.

14. FINANCIAL PLAN (BUDGET) RECONCILIATION

The Financial Plan (Budget) was adopted by Council on February 3, 2014. 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>2014 Budget</u>	<u>2014 Actual</u>	<u>2013 Actual</u>
Surplus, Statement of Operations	\$ (5,383)	\$ 128,421	\$ 18,638
Adjustments for non-cash items:			
Add back: Amortization expense	249,030	266,995	260,737
Add back: Inventory consumed	-	3,945	22,484
Deduct: MFA actuarial interest revenue	-	(5,337)	(1,029)
Adjustments for cash items that are not revenues or expenses, but are sources or uses of funds:			
Less: capital expenditures	(469,858)	(157,284)	(132,135)
Less: inventory expenditures	-	-	(22,368)
Less: debt principal repayment	(106,645)	(106,645)	(106,645)
Net transfers for operating or capital purposes:			
-(To)/from Statutory Reserves	163,440	(87,738)	(78,872)
-(To)/from Non-Statutory Reserves	100,056	35,479	73,654
-(To)/from Unappropriated Surplus	69,360	(77,836)	(34,464)
Financial Plan (Budget) Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2014**

15. SMALL COMMUNITY INVESTMENT GRANT

The Village received a total of \$168,787 in Small Community Investment Fund ("SCIF") grants in fiscal 2014 (\$169,844 in 2013). 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.

16. 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

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2014**

16. SEGMENTED REPORTING (continued)

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.

17. 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, 2014.

Statement of Property Tax Exemptions - 2014

In 2014, 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

Regular Council meetings are held on Mondays, commencing at 7:30 pm. The Council meeting schedule for the ensuing year is set annually each December and posted on the Village website. Council meeting agendas are posted on the public notice board at 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, the public notice board at Municipal Hall, or the Village website for Public Meeting information.

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

Mayor and Council		Staff	
Mayor Ralph Drew	rdrew@belcarra.ca	Chief Administrative Officer Lynda Floyd lfloyd@belcarra.ca	Superintendent of Public Works Larry Scott lgscott@belcarra.ca
Councillor Bruce Drake bdrake@belcarra.ca	Councillor Jamie Ross jross@belcarra.ca	Corporate Services Assistant Shelly Kean skean@belcarra.ca	Public Works Operations Brad Smith bsmith@belcarra.ca
Councillor Jennifer Glover jglover@belcarra.ca	Councillor Perry Muxworthy pmuxworthy@belcarra.ca	Financial Services Assistant Connie Scherk cscherk@belcarra.ca	Public Works Operations Doug Bakker dbakker@belcarra.ca