



VILLAGE OF BELCARRA

"Between Forest and Sea"

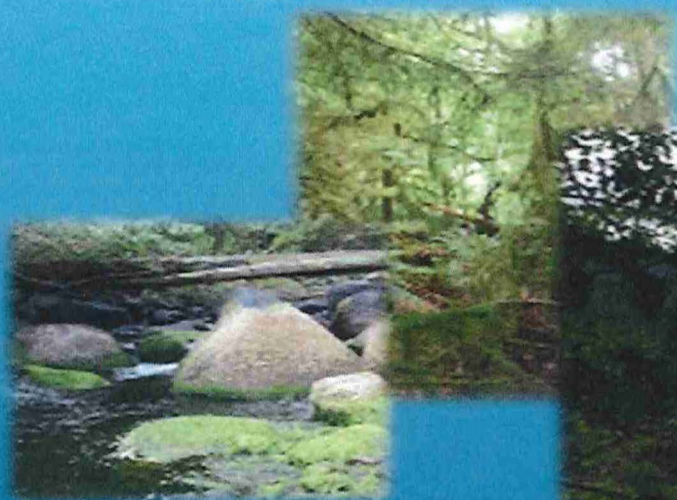
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2015 ANNUAL REPORT



Between Forest And Sea

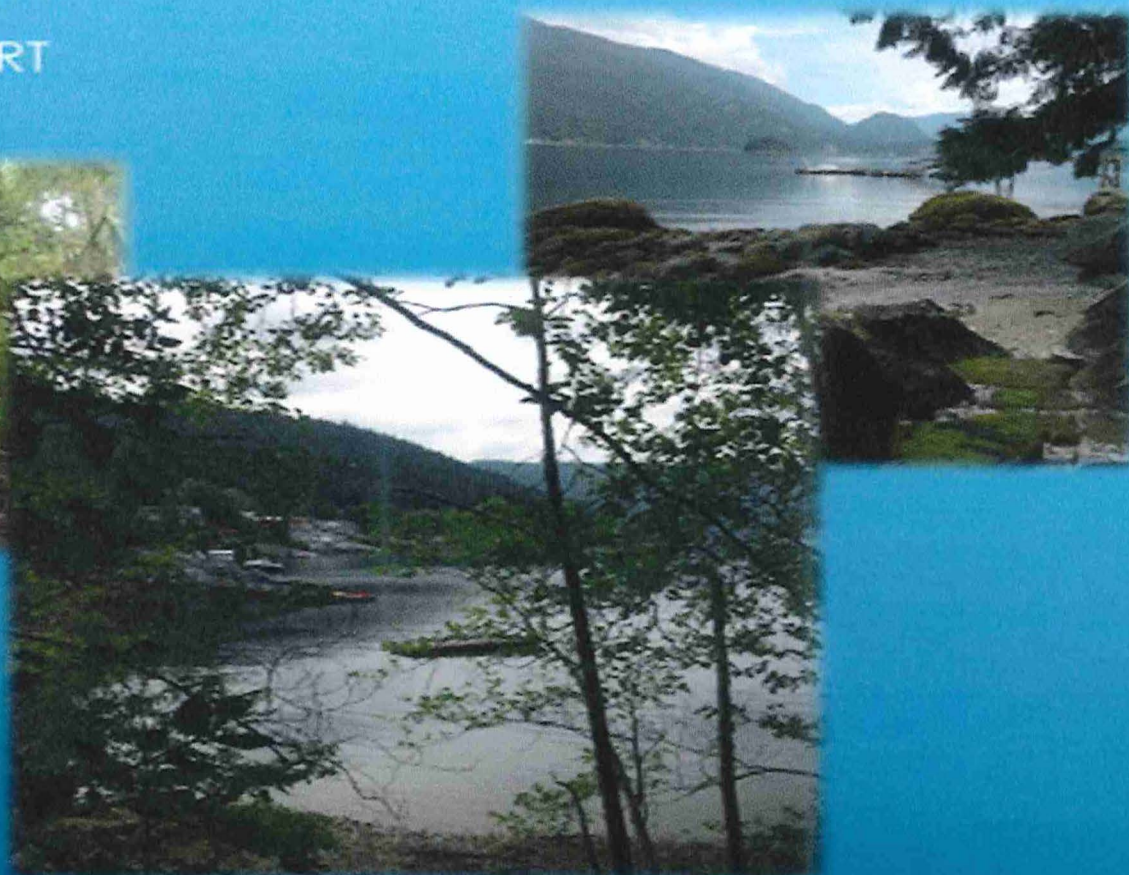


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An Open Letter from Council to the Citizens of Belcarra

On behalf of Council, I am pleased to present the 2015 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 2015, Belcarra staff reviewed and updated several municipal bylaws to reflect legislative and operating requirements, developed and implemented a series of administrative policies as recommended by the Provincial Auditor General and Belcarra's auditor, reviewed and revised staff job descriptions and wages to bring both in-line with the Metro Vancouver municipalities, amended the Zoning Bylaw with regard to the five-acre Crown Land parcel on the northeast side of Senkler Road in preparation for marketing of the parcel by the provincial government, and enhanced the planning process for the annual Belcarra Day celebration.

Public Works Projects — During 2015, Public Works continued work on the Belcarra knotweed eradication program in conjunction with the 'Invasive Species Council of Metro Vancouver' (ISCMV), a multi-year program to eliminate this destructive plant. Public Works also implemented enhancements to the municipal water system, continued work on the detailing and mapping all drainage culverts throughout the village as part of the updated drainage study for the municipality, implemented the new 'BC Building Code' amendments, undertook the asphalt overlays on Main Avenue and Bedwell Bay Road, completed the fencing and up-grading of the 'Waste and Recycle Depot' (WARD) to facilitate the handling of organics and green waste, and developed job descriptions and hired the part-time WARD attendants who are all Belcarra residents.

Council welcomes comments from Belcarra residents on the 2015 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 2015

Priority #1 - Public Relations, Volunteerism and Communications			
Objective	Strategy	2015	Accomplished
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"> • Complete
Priority #2 – Refuse & Recycling – Organic Waste			
Objective	Strategy	2015	Accomplished
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"> • Complete • Ongoing • Complete • Ongoing • Complete

Priority #3 – Municipal Bylaw - Review/Updates

Objective	Strategy	2015	Accomplished
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">• Subdivision & Development Bylaw review (Complete)• Zoning Bylaw review underway. Goal to complete in 2017

Priority #4 – Drainage Study

Objective	Strategy	2015	Accomplished
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">• Underway

Priority #7 – Public Safety – Non-Vehicular Travel on Roadways

Objective	Strategy	2015	Accomplished
Improve non-vehicle (pedestrian, bike, etc.) safety on roadways.	<p>Increase vehicle driver awareness</p> <ul style="list-style-type: none"> • Education <p>Identify and implement new and improved signage and/or physical roadway changes/additions</p> <ul style="list-style-type: none"> • Enforcement <p>Identify and implement new and improved trail options to travel on roadways</p> <ul style="list-style-type: none"> • Road Improvements 	<ul style="list-style-type: none"> • Undertake improvements ancillary to other works 	<ul style="list-style-type: none"> • Underway • Underway • Underway • Being Developed

Priority #8 – Water System – Water Metering

Objective	Strategy	2015	Accomplished
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">Work yet to be completed

Priority #10 – Human Resources

Objective	Strategy	2015	Accomplished
Support staff development and career progression.	Document job duties and requirements. Document key operational processes and requirements.	<ul style="list-style-type: none">Update all employee job descriptions using contracted services.	<ul style="list-style-type: none">CompleteA comprehensive 'Employee Conditions of Work Policy' complete

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 – Recycling & Refuse				
Objective	Strategy	2016	2017	2018/2019
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"> Complete upgrade of the Recycling & Refuse. Deport (Completed) Implement green waste recycling program. (Completed) 	<ul style="list-style-type: none"> To be determined 	<ul style="list-style-type: none"> To be determined
Priority #2 – Municipal Bylaws and Policies – Review/Updates				
Objective	Strategy	2016	2017	2018/2019
Ensure key municipal bylaws and policies meet legislative and operational requirements.	Identify, prioritize and review and update municipal Bylaws and policies.	<ul style="list-style-type: none"> Complete review and update key areas of the Zoning Bylaw <ul style="list-style-type: none"> Engage Consultant Prepare Draft and finalize with Council Hold Public Hearing Obtain Council approval (Underway) Start review and update of the Highway Encroachment Bylaw & Agreements (Work yet to be completed) 	<ul style="list-style-type: none"> Complete review and update of <ul style="list-style-type: none"> Highway Encroachment Bylaw & Agreements Building Bylaws Complete other key supporting plans: <ul style="list-style-type: none"> Geotechnical Hazard Mapping Wildfire Assessment 	<ul style="list-style-type: none"> To be determined Possible options include: <ul style="list-style-type: none"> MTI Bylaw Tree Bylaw

Priority #3 – Drainage Study

Objective	Strategy	2016	2017	2018/2019
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">- Staff to gather base data (Underway)- Engage Consultant to map and develop RFP (Work not completed)- Issue and award RFP	<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">• Adopt bylaws relative to Drainage Study outcomes

Priority #4 - Emergency Preparedness

Objective	Strategy	2016	2017	2018/2019
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">• Prepare inventory of current emergency supplies and replenish identified needs. (Underway)	<ul style="list-style-type: none">• Hire consultant to lead and facilitate process to review and update emergency plan.	<ul style="list-style-type: none">• To be determined

Priority #5 – Records Management

Objective	Strategy	2016	2017	2018/2019
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 2017	<ul style="list-style-type: none">• Identify Records Management needs and issues and develop a Plan to address, using contracted services.	<ul style="list-style-type: none">• Begin implementation of Plan (initial focus is to develop a records retention and destruction policy)

Priority #6– Public Safety – Non-Vehicular Travel – Roadways & Trails

Objective	Strategy	2016	2017	2018/2019
<p>Improve non-vehicle (pedestrian, bike etc.):</p> <ul style="list-style-type: none"> • Safety on roadways • Trails 	<p>Increase 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"> • Inventory trails and identify options for improvements. (Work yet to be completed) • Consider improvements in conjunction with 2017 budget development. (Work not completed) 	<ul style="list-style-type: none"> • Implement approved traffic management Plan • Map improved traffic signage and calming recommendations 	<ul style="list-style-type: none"> • To be determined

Priority #7 – Water System – Water Metering

Objective	Strategy	2016	2017	2018/2019
<p>Increase benefiter/user pay component of water fee and encourage water conservation.</p>	<p>Implement water metering.</p>	<ul style="list-style-type: none"> • Examine and determine process and costs for collecting data and integrating with MAIS – (Underway) • Identify and consider costs to implement in conjunction with the 2017 budget development (Work not completed) 	<ul style="list-style-type: none"> • To be determined 	<ul style="list-style-type: none"> • To be determined

Priority #8 – Infrastructure/Asset Management

Objective	Strategy	2016	2017	2018/2019
<p>Infrastructure meets current and future community needs.</p>	<p>Develop infrastructure Long-Term Asset Management and Financial Plan(s) that identifies maintenance, and capital expenditure needs and supporting funding plan.</p>	<ul style="list-style-type: none"> • Apply for Provincial Asset Management Grant to fund an overall Asset Management Plan (Completed) • Tennis Courts – Review operational status, identify options and costs for repair & improvement in with the 2017 budget development (Underway) 	<ul style="list-style-type: none"> • Work to commence 	<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 it being a high priority. Vegetation management will continue to be closely monitored. Implementation and delivery is prioritized.

Vegetation Management		
Objective	Strategy	2016 – 2019
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. (Work ongoing)

Annual Financial Statements



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Independent Auditor's Report

To Council of Village of Belcarra

We have audited the amounts of Home Owner Grants claimed or received per the accompanying Village of Belcarra Home Owner Grant Report ("the HOG Report") and the Village's compliance with Part 8 of School Act (*British Columbia*) with respect to the collection and remittance of school taxes on behalf of the Province of British Columbia for the year ended December 31, 2015. The HOG Report has been prepared by management based on the financial reporting provisions established by the Home Owner Grant Act (*British Columbia*).

Management's Responsibility

Management is responsible for the preparation of the HOG Report in accordance with the financial reporting provisions established by the Home Owner Grant Act (*British Columbia*), and for complying with Part 8 of School Act (*British Columbia*) with respect to the collection and remittance of school taxes, and for such internal control as management determines is necessary for such compliance and to enable the preparation of the HOG Report, and the collection and remittance of school taxes, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the amounts of Home Owner Grants claimed or received in the HOG Report are in accordance with the Home Owner Grant Act (*British Columbia*), and whether the Village complied with Part 8 of School Act (*British Columbia*) with respect to the collection and remittance of school taxes on behalf of the Province, 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 amounts of Home Owner Grants claimed or received are free from material misstatement, and whether the Village complied with Part 8 of the School Act (*British Columbia*) with respect to the collection and remittance of school taxes.

An audit involves performing procedures to obtain audit evidence about the amounts of Home Owner Grants claimed or received and disclosures in the HOG Report and the Village's compliance with Part 8 of School Act (*British Columbia*) with respect to the collection and remittance of school taxes. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the HOG Report or non-compliance with Part 8 of the School Act (*British Columbia*), whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the HOG Report and compliance with Part 8 of the School Act (*British Columbia*) 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 HOG Report.

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 amounts of Home Owner Grants claimed or received per the accompanying Village of Belcarra Home Owner Grant Report for the year ended December 31, 2014 is prepared in all material respects, in accordance with the financial reporting provisions established by Home Owner Grant Act (*British Columbia*). Also, in our opinion, the Village is in compliance with Part 8 of School Act (*British Columbia*) with respect to the collection and remittance of school taxes on behalf of the Province of British Columbia for the year ended December 31, 2015.

Vancouver, B.C.
April 28, 2016

Chartered Professional Accountants

Local Government: Belcarra - 2015


C2 - Home Owner Grant: Treasurer/Auditor Certificate


Home Owner Grant	Number of Properties	Applied to School Tax (\$)	Applied to Other Tax (\$)	Total
1. Total Home Owner Grants credited to claimants over age 65 and others eligible for additional grants	54	43,712		43,712
2. Total Home Owner Grants credited to all other claimants.	69	35,984		35,984
3. Total Home Owner Grants	123	79,696	0	79,696
4. Total Reimbursement by Province				79,696
5. Balance Due from Province				0

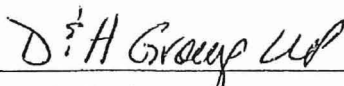
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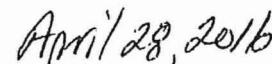
Grants received per Home Owner Grant Act Section 10 (not included in lines 1 to 5 above)

Grants claimed or received during the last fiscal year are in accordance with the Home Owner Grant Act and accompanying Regulations.


Municipal Treasurer


Date


Municipal Auditor


Date

Belcarra

Municipality

Local Government: Belcarra - 2015

C3 - Auditor's Certificate

As at December 31, | 2015 |

Part 8 - School Act

We have examined the records relative to Part 8 of the School Act. The examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, the Municipality of | Belcarra | has complied with Part 8 of the
School Act.

Date

April 28, 2016

Signature of Auditor

D. H. Group LLP

VILLAGE OF BELCARRA

ANNUAL FINANCIAL STATEMENTS
For the Year Ended December 31, 2015



**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
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For the Year Ended December 31, 2015**

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Village of Belcarra

December 31, 2015

Management's Responsibility for Financial Reporting

The accompanying financial statements of 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 Professional Accountants in accordance with Canadian generally accepted auditing standards. D&H Group LLP has full and free access to the Mayor and Council.



Mayor


Chief Administrative Officer



D&H Group LLP
Chartered Professional Accountants
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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, 2015 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, 2015, 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, B.C.
April 11, 2016

Chartered Professional Accountants

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION
As at December 31, 2015**

	2015	2014
FINANCIAL ASSETS		
Cash	1,511,450	1,531,437
Investments (note 2)	217,756	215,912
Accounts receivable (note 3)	131,861	110,629
MFA debt cash deposit (note 4)	49,566	48,328
	<u>1,910,633</u>	<u>1,906,306</u>
LIABILITIES		
Accounts payable & accrued liabilities (note 5)	77,600	165,262
Performance bonds & refundable deposits (note 6)	171,200	179,348
Deferred revenue (note 7)	195,564	225,935
Long-term debt (note 8)	4,105,225	4,221,676
	<u>4,549,589</u>	<u>4,792,221</u>
NET DEBT	<u>(2,638,956)</u>	<u>(2,885,915)</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	14,927	15,203
Inventory held for consumption	9,072	14,594
Tangible capital assets (schedule 1)	11,531,129	11,626,926
	<u>11,555,128</u>	<u>11,656,723</u>
ACCUMULATED SURPLUS (note 9)	<u>8,916,172</u>	<u>8,770,808</u>

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



Lorna Dysart
Chief Administrative Officer

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2015**

	2015 Budget (unaudited)	2015 Actual	2014 Actual
REVENUES			
Municipal property taxes	633,036	633,799	617,925
Water parcel taxes	235,445	233,498	233,498
Grants in lieu of taxes	21,868	21,995	21,870
Fees and charges			
Recycle & refuse levy	88,497	88,880	83,939
Water levy	181,290	182,277	177,025
Water connection fees	7,380	6,765	8,610
Penalties & interest on fees & taxes	9,000	22,259	14,857
Permits and licences	27,050	38,927	47,097
Other	7,700	6,748	11,862
Interest income	12,940	16,647	20,650
Conditional operating transfers, other govt's	75,534	46,046	43,492
Unconditional transfers, other govt's	252,750	267,155	171,643
Municipal Finance Authority actuarial	8,700	9,806	5,335
	1,561,190	1,574,802	1,457,803
EXPENSES			
Legislative	81,548	77,976	124,618
Administration	563,382	561,042	464,649
Transportation	285,582	227,696	222,422
Recycle & refuse	88,052	65,539	72,301
Water system	304,419	294,920	308,794
Amortization and loss on disposals	267,500	321,758	266,995
	1,590,483	1,548,931	1,459,779
REVENUES LESS EXPENSES BEFORE CAPITAL REVENUES	(29,293)	25,871	(1,976)
CAPITAL REVENUES			
Community Works Fund grant	53,000	52,662	52,662
Municipal road network grant	110,000	66,831	46,024
Water parcel tax equivalency fee	-	-	31,711
	163,000	119,493	130,397
ANNUAL SURPLUS	133,707	145,364	128,421
ACCUMULATED SURPLUS, Beginning of Year	8,770,808	8,770,808	8,642,387
ACCUMULATED SURPLUS, End of Year	8,904,515	8,916,172	8,770,808

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 CHANGE IN NET DEBT
For the Year Ended December 31, 2015**

	2015 Budget (unaudited)	2015 Actual	2014 Actual
ANNUAL SURPLUS	133,707	145,364	128,421
TANGIBLE CAPITAL ASSETS			
Acquisition of tangible capital assets	(428,000)	(225,961)	(157,284)
Amortization & loss on disposal	267,500	321,758	266,995
	(160,500)	95,797	109,711
OTHER NON-FINANCIAL ASSETS			
Inventory consumed	-	5,522	3,945
Prepays consumed	-	276	277
	-	5,798	4,222
DECREASE/(INCREASE) IN NET DEBT	(26,793)	246,959	242,354
NET DEBT, Beginning of Year	(2,885,915)	(2,885,915)	(3,128,269)
NET DEBT, End of Year	(2,912,708)	(2,638,956)	(2,885,915)

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, 2015**

	2015	2014
OPERATING ACTIVITIES		
Annual surplus	145,364	128,421
Non-cash items included in annual surplus:		
Amortization expense & loss on disposal	321,758	266,995
Long-term debt actuarial adjustment	(9,806)	(5,335)
Changes in non-cash operating balances:		
Accounts receivable	(21,232)	65,028
MFA debt cash deposit	(1,238)	(1,361)
Inventory held for consumption	5,522	3,945
Performance bonds and refundable deposits	(8,148)	34,688
Accounts payable and accrued liabilities	(87,662)	49,491
Prepays	276	277
Deferred revenue	(30,371)	19,084
	314,463	561,233
CAPITAL ACTIVITY		
Built/purchased tangible capital assets	(225,961)	(157,284)
FINANCING ACTIVITY		
Debt principal repaid	(106,645)	(106,645)
INVESTING ACTIVITY		
Increase in Investments	(1,844)	(2,327)
INCREASE (DECREASE) IN CASH	(19,987)	294,977
CASH, Beginning of Year	1,531,437	1,236,460
CASH, End of Year	1,511,450	1,531,437

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, 2015**

	Land	Buildings	Vehicle Machinery & Equipment	Office Furniture & Equipment	Recycling Depot	Road Network	Storm Sewers	Water System	Assets Under Construction
COST									
Opening Balance	329,318	361,247	257,420	111,636	92,220	2,410,934	322,116	9,645,881	113,304
Add: Additions				7,068	17,414	259,519	21,417	10,919	18,198
Less: Disposals*				16,370	8,000	180,174			108,574
Closing Balance	329,318	361,247	257,420	102,334	101,634	2,490,279	343,533	9,656,800	22,928
ACCUMULATED AMORTIZATION									
Opening Balance		170,075	157,345	43,895	48,610	796,756	250,984	549,485	-
Add: Amortization		10,679	18,348	11,399	7,008	58,753	8,781	157,761	
Less: Acc. Amortization on Disposals*				16,370	8,000	131,145			
Closing Balance		180,754	175,693	38,924	47,618	724,364	259,765	707,246	-
Net Book Value, year ended 2015									
	329,318	180,493	81,727	63,410	54,016	1,765,915	83,768	8,949,554	22,928
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

* During the 2015 year, a loss on disposal of tangible capital assets was incurred in the amount of \$49,029 (2014 - nil). This amount has been included in amortization expense & loss on disposals on the Statement of Operations.

VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
SEGMENTED INFORMATION - GENERAL FUND
For the Year Ended December 31, 2015

	2015 Budget (unaudited)	2015 Actual	2014 Actual
REVENUE			
Municipal property taxes	633,036	633,799	617,925
Grants in lieu of taxes	21,868	21,995	21,870
Fees and charges	15,200	29,007	26,344
Permits and licences	27,000	38,852	47,067
Interest income	11,000	14,783	18,595
Conditional operating transfers, other govt's	75,534	46,046	43,492
Unconditional transfers from other govt's	305,750	267,155	171,642
	1,089,388	1,051,637	946,935
EXPENSES			
Legislative			
Indemnities & benefits	59,707	59,729	59,609
Council other	6,644	3,365	4,757
Election	-	-	15,664
Grants & projects	15,197	14,882	44,588
	81,548	77,976	124,618
Administration			
Salaries & benefits	288,934	291,862	285,736
Human resources	22,248	21,427	19,730
Information systems	27,935	32,311	26,691
Municipal hall	109,072	112,207	93,618
Planning	55,000	27,572	1,627
Support services	67,717	83,970	46,797
Interest and bank charges	1,515	2,084	1,169
Other	2,800	2,060	449
Administration allocation recovery	(11,839)	(12,451)	(11,168)
	563,382	561,042	464,649
Transportation (non-municipal road network)			
Salaries & benefits	290,074	275,599	261,700
Vehicles, equipment & supplies	34,632	32,282	40,187
Public works allocation recovery	(149,151)	(140,884)	(138,210)
Roads, bridges etc. (contracts)	22,813	10,664	15,253
Trails & public spaces	9,127	29	-
	207,495	177,690	178,930
Transportation (municipal road network)	75,534	46,046	43,492
Fire protection & emergency preparedness	2,553	3,960	-
Amortization & loss on disposal of capital assets	105,000	156,989	104,210
	1,035,512	1,023,703	915,899
REVENUES LESS EXPENSES BEFORE CAPITAL REVENUES	53,876	27,934	31,036
CAPITAL REVENUES			
Community Works Fund grant	-	52,662	52,662
Conditional capital transfers	110,000	66,831	46,024
ANNUAL SURPLUS	163,876	147,427	129,722

VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
SEGMENTED INFORMATION - RECYCLING & REFUSE FUND
For the Year Ended December 31, 2015

	2015 Budget (unaudited)	2015 Actual	2014 Actual
REVENUE			
Recycling & refuse fee	88,497	88,880	83,939
Permits and licences	50	75	30
Other fees	1,500	-	374
Interest income	540	627	696
	90,587	89,582	85,039
EXPENSES			
Public works allocation	26,780	23,989	24,078
Utilities	788	497	649
Labour contracts	6,413	8,254	5,735
Greenwaste contract	10,800	317	-
Materials & equipment	2,071	325	2,962
Processing & hauling fees	41,200	32,157	38,877
	88,052	65,539	72,301
Amortization	6,500	7,008	6,376
	94,552	72,547	78,677
ANNUAL SURPLUS/(DEFICIT)	(3,965)	17,035	6,362

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
SEGMENTED INFORMATION - WATER FUND
For the Year Ended December 31, 2015**

	2015 Budget (unaudited)	2015 Actual	2014 Actual
REVENUE			
Water levy	181,290	182,276	177,025
Water parcel taxes	235,445	233,498	233,498
Water connection fees	7,380	6,765	8,610
MFA actuarial	8,700	9,806	5,335
Interest	1,400	1,237	1,361
	434,215	433,582	425,829
EXPENSES			
Administration			
Administration allocation	11,839	12,452	11,168
Water purchases from GVWD	52,708	49,742	47,400
Other (environmental monitoring & VPA Lease)	6,877	1,856	15,676
	71,424	64,050	74,244
Water system operations			
Public works allocation	79,285	78,856	75,916
Utilities	7,252	11,027	8,931
Water mains repair & maintenance	5,350	-	196
Station repair & maintenance	3,500	2,639	10,078
Reservoir repair & maintenance	1,020	-	-
Materials & equipment	7,278	9,549	10,630
Water quality	510	-	-
	104,195	102,071	105,751
Debt interest expense	128,800	128,799	128,799
Amortization	156,000	157,761	156,409
	460,419	452,681	465,203
REVENUES LESS EXPENSES BEFORE CAPITAL REVENUES	(26,204)	(19,099)	(39,374)
CAPITAL REVENUES			
Water parcel tax equivalency fee	-	-	31,711
ANNUAL (DEFICIT)	(26,204)	(19,099)	(7,663)

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2015**

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, 2015**

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, 2015**

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>2015</u>	<u>2014</u>
MFA Money Market Fund	\$ 217,756	\$ 215,912

All funds bear interest at variable rates and can be accessed on demand. The annualized average rate of return for 2015 was 0.85% (2014 – 1.09%).

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2015**

3. ACCOUNTS RECEIVABLE

	<u>2015</u>	<u>2014</u>
Municipal property taxes & user fees	\$ 82,597	\$ 73,537
Goods & Service Tax (GST)	32,727	29,802
Other	16,537	7,290
	<u>\$ 131,861</u>	<u>\$ 110,629</u>

4. MFA DEBT CASH DEPOSIT

	<u>2015</u>	<u>2014</u>
MFA Debt Reserve Fund - Cash Deposit*	\$ 49,566	\$ 48,328
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

	<u>2015</u>	<u>2014</u>
Payroll expenses	\$ 11,943	\$ 6,734
MFA debt interest expense accrual	31,053	31,053
Other accounts payables and accruals	34,604	127,475
	<u>\$ 77,600</u>	<u>\$ 165,262</u>

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2015**

6. PERFORMANCE BONDS & REFUNDABLE DEPOSITS

	<u>2015</u>	<u>2014</u>
Performance bonds	\$ 165,751	\$ 173,899
Refundable deposits	5,449	5,449
	<u>\$ 171,200</u>	<u>\$ 179,348</u>

7. DEFERRED REVENUE

	<u>Balance Jan/1/2015</u>	<u>Contributions Received</u>	<u>Restricted Interest Income</u>	<u>Contributions Used (Revenue)</u>	<u>Balance Dec/31/2015</u>
MIA grant (handicap access)*	2,000	-		-	2,000
GVTA grant (Bedwell Bay Road)*	78,900	101,000	620	112,877	67,643
Property Taxes paid in advance	145,035	146,418	-	165,532	125,921
	<u>\$ 225,935</u>	<u>\$ 247,418</u>	<u>\$ 620</u>	<u>\$ 278,409</u>	<u>\$ 195,564</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 (2016) property taxes in advance of when they will be due (July 2016) under the Village's Tax Prepayment Plan. Forty-seven, or 10% (2014 – 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, 2015**

8. LONG-TERM DEBT

	<u>2015</u>	<u>2014</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>\$ 4,105,225</u>	<u>\$ 4,221,676</u>

Interest expense on the long-term debt is \$128,799 (2014 - \$128,799). Interest accrued on the long-term debt is \$31,053 (2014 - \$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
2016	\$ 128,798	\$ 106,645	\$ 13,316	\$ 248,759
2017	128,798	106,645	18,115	253,558
2018	128,798	106,645	23,105	258,548
2019	128,798	106,645	28,295	263,738
2020	128,798	106,645	33,692	269,135
Future years:	2,189,579	1,812,966	1,642,511	5,645,056
	<u>\$ 2,833,569</u>	<u>\$ 2,346,191</u>	<u>\$ 1,759,034</u>	<u>\$ 6,938,794</u>

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2015**

9. ACCUMULATED SURPLUS

Accumulated surplus is represented by:

	<u>2015</u>	<u>2014</u>
Unappropriated Surplus/(Deficit)		
General Fund	\$ 658,711	\$ 641,407
Water Fund	(27,620)	(36,428)
Refuse & Recycling Fund	81,605	66,561
	<u>712,696</u>	<u>671,540</u>
Non-Statutory Reserves		
Community Works Fund	32,291	32,019
Strategic Communities Investment Advance	106,284	52,949
Climate Change	41,229	33,968
Water Debt Repayment	31,447	33,119
MFA Cash Deposit	49,565	48,328
	<u>260,816</u>	<u>200,383</u>
Statutory Reserves		
Operating	39,583	32,282
Transportation Capital (roads, bridges etc.)	200,838	187,531
Buildings Capital	123,828	102,868
Equipment Capital	71,947	64,540
Water Capital	43,715	37,779
Refuse & Recycling Capital	27,772	54,040
	<u>507,683</u>	<u>479,040</u>
Subtotal	1,481,195	1,350,963
Investment in Tangible Capital Assets & Inventory	<u>7,434,977</u>	<u>7,419,845</u>
	<u>\$ 8,916,172</u>	<u>\$ 8,770,808</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, 2015**

9. ACCUMULATED SURPLUS (continued)

The Non-Statutory and Statutory Reserves are Accumulated Surplus that has 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 trusteesd pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula (i.e. a defined benefit plan). The Plan has about 185,000 active members and approximately 80,000 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 \$43,514 for employer contributions and \$32,618 for employee contributions to the Plan in fiscal 2015 (\$50,962 and \$34,483 respectively in 2014).

**VILLAGE OF BELCARRA
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2015**

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:

2016	4,168
2017	4,168
2018	4,168
2019	1,042
	<hr/>
\$	13,546
	<hr/>

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>2015</u>	<u>2014</u>
Municipal Property Taxes	\$ 633,584	\$ 617,887
Other Government Property Taxes		
School District - School Tax	784,279	779,387
Police Tax	77,203	73,544
Greater Vancouver Regional District	114,304	118,929
Greater Vancouver Transit Authority	140,040	140,592
BC Assessment & MFA	26,445	26,353
Total Other Government Property Taxes	<hr/> 1,142,271	<hr/> 1,138,805
Gross Property Taxes	<hr/> 1,775,855	<hr/> 1,756,692
Less: Provincial Home Owner Grant	79,696	77,540
Less: Transfers to Other Governments	1,062,360	1,061,227
	<hr/> 1,142,056	<hr/> 1,138,767
Municipal Property Taxes	<hr/> <hr/> \$ 633,799	<hr/> <hr/> \$ 617,925

**VILLAGE OF BELCARRA
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For the Year Ended December 31, 2015**

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 March 9, 2015. 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.

	2015 Budget (unaudited)	2015 Actual	2014 Actual
Surplus, Statement of Operations	\$ 133,707	\$ 145,364	\$ 128,421
Adjustments for non-cash items:			
Add back: Amortization expense & loss on disposal	267,500	321,758	266,995
Add back: Inventory consumed		5,522	3,945
Deduct: MFA actuarial interest revenue	(8,700)	(9,806)	(5,337)
Adjustments for cash items that are not revenues or expenses, but are sources or uses of funds:			
Less: capital expenditures	(428,000)	(225,961)	(157,284)
Less: debt principal repayment	(106,645)	(106,645)	(106,645)
Net transfers for operating or capital purposes:			
-(To)/from Statutory Reserves	134,399	(28,644)	(87,738)
-(To)/from Non-Statutory Reserves	(52,454)	(60,429)	35,479
-(To)/from Unappropriated Surplus	60,193	(41,159)	(77,836)
Financial Plan (Budget) Balance	\$ -	\$ -	\$ -

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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

**VILLAGE OF BELCARRA
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For the Year Ended December 31, 2015**

15. 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.

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, 2015.

Statement of Property Tax Exemptions - 2015

In 2015, 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 Lorna Dysart ldysart@belcarra.ca	Superintendent of Public Works Larry Scott lgscott@belcarra.ca
Councillor Bruce Drake bdrake@belcarra.ca	Councillor Jamie Ross jross@belcarra.ca	Administrative Services Asst. Paula Richardson admin@belcarra.ca	Public Works Operations Brad Smith bsmith@belcarra.ca
Councillor Jennifer Glover jglover@belcarra.ca	Councillor Perry Muxworthy pmuxworthy@belcarra.ca	Accounting Clerk Connie Scherk cscherk@belcarra.ca	Public Works Operations Doug Bakker dbakker@belcarra.ca