



**VILLAGE OF BELCARRA  
REGULAR COUNCIL AGENDA  
VILLAGE HALL  
January 13, 2020  
7:00 PM**



**COUNCIL**

Mayor Neil Belenkie  
Councillor Rob Begg  
Councillor Carolina Clark  
Councillor Bruce Drake  
Councillor Liisa Wilder

**1. CALL TO ORDER**

Mayor Neil Belenkie will call the meeting to order.

**2. APPROVAL OF THE AGENDA**

**2.1 Regular Council Meeting, January 13, 2020**

**Recommendation:**

That the agenda for the Regular Council Meeting, January 13, 2020 be approved as circulated.

**3. ADOPTION OF MINUTES**

**3.1 Regular Council Meeting, December 9, 2019**

**Recommendation:**

That the minutes from the Regular Council Meeting held December 9, 2019 be adopted.

**4. DELEGATIONS AND PRESENTATIONS**

**4.1 Brandon Ma, Partner, Audit, KPMG LLP, verbal report regarding 2019 Audit Planning Report dated January 3, 2020**

**5. REPORTS**

**5.1 Chris Boit, Engineering Consultant, ISL Engineering and Land Services Ltd., report to Lorna Dysart, Chief Administrative Officer, dated January 8, 2020 regarding Application for a Federal Government Grant for a New Water Reservoir**

**Recommendation:**

That staff be directed to submit an application to the Federal Government for Grant Funding for a New Water Reservoir; and  
That the Village of Belcarra confirm its willingness to provide grant management should funding be approved.

- 5.2** Ken Bjorgaard, Financial Consultant, K & E Business Services report dated January 13, 2020 regarding Reserve & Surplus Policy No. 211

**Recommendation:**

That the Reserve Funds and Surpluses Policy No. 211 titled “Reserve Funds and Surpluses Policy” dated January 13, 2020, be approved; and  
That bylaws be brought forward for Council consideration in order to implement the Policy; and  
That Corporate Policy No. 196, Financial Plan – Sources and Uses of Funds, be repealed.

- 5.3** Lorna Dysart, Chief Administrative Officer, report dated January 13, 2020 regarding Village of Belcarra Building and Plumbing Code Regulation Bylaw No. 355, 2003, Amendment Bylaw No. 543, 2020

**Recommendation:**

That the “Village of Belcarra Building and Plumbing Code Regulation Bylaw No. 355, 2003, Amendment Bylaw No. 543, 2020” be read a first, second and third time.

- 5.4 Report withdrawn from agenda.**

Tree Committee (TC), Sandra Chapman – Chair, Mary Begg – Vice-Chair, Les Bramley, Deborah Struk, Vicky Greig, report dated January 13, 2020 regarding Tree Committee Report

**6. REPORTS FROM MAYOR AND COUNCIL COMMITTEE REPRESENTATIVES**

**7. BYLAWS**

- 7.1 Village of Belcarra Revenue Anticipation Borrowing Bylaw No. 542, 2019**

**Recommendation:**

That the “Village of Belcarra Revenue Anticipation Borrowing Bylaw No. 542, 2019” be adopted.

**8. CORRESPONDENCE/PROCLAMATIONS**

**Recommendation:**

That correspondence items 8.1 – 8.7 be received.

**ACTION ITEMS**

- 8.1 Mary De Paoli, Manager of Policy Planning, City of Port Moody, letter dated December 12, 2019 regarding Notice of Public Hearing for the loco Lands Official Community Plan Amendment – Removal of Special Study Area Designation (full report available in the Village office)

**Recommendation:**

That the letter sent to the City of Port Moody, Mayor & Council from Mayor Belenkie dated April 9, 2019 regarding David Avenue Connector be sent to Port Moody Council as part of the comments to be considered at the Public Hearing to be held on Tuesday, January 28, 2020 regarding the City of Port Moody, Official Community Plan amendment to remove the Special Study Area designation for the loco Lands.

**INFORMATION ITEMS**

- 8.2 Dan Jepsen, Director & Co-Founder, C3 Alliance Corporation, letter dated December 6, 2019 regarding the 17th Annual BC Natural Resources Forum Invitation – January 28 – 30, 2020
- 8.3 Andrew McCurran, Director, Strategic Planning & Policy, TransLink, letter dated December 11, 2019 regarding a “Proposal for Transportation Services”
- 8.4 Jonathan X. Cote, Mayor, City of New Westminster, letter dated December 11, 2019 regarding Appointment of E-Comm Board Directors
- 8.5 John Jack, Chairperson, Alberni-Clayoquot Regional District, letter dated December 18, 2019 to Honourable Katrine Conroy, Minister of Children & Family Development and Honourable Katrina Chen, Minister of State for Childcare regarding \$10 a Day Child Care Plan (full report available in the Village office)
- 8.6 Prem Gill, Chief Executive Officer, Creative BC, letter dated December 20, 2019 regarding 2018 / 2019 Impact Report (full report available in the Village office)
- 8.7 Chris O’Riley, President & CEO, BC Hydro, letter dated December 27, 2019 regarding Lower Mainland Community Relations 2019 Annual Report (full report available in the Village Office)

**9. NEW BUSINESS****10. PUBLIC QUESTION PERIOD****11. RESOLUTION TO CLOSE MEETING**

That the January 13, 2020 meeting of Council be closed pursuant to the Community Charter Section 90 (1) “A part of a Council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

- (a) Personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality.
- (i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.”

**12. ADJOURNMENT**

**Recommendation:**

That the January 13, 2020 Regular Meeting be adjourned.



**VILLAGE OF BELCARRA  
REGULAR COUNCIL MINUTES  
VILLAGE HALL  
December 9, 2019**



Minutes of the Regular Council Meeting for the Village of Belcarra held December 9, 2019 at the Municipal Hall, 4084 Bedwell Bay Road, Belcarra, BC.

**Council in Attendance**

Mayor Neil Belenkie  
Councillor Rob Begg  
Councillor Carolina Clark  
Councillor Bruce Drake  
Councillor Liisa Wilder

**Staff in Attendance**

Lorna Dysart, Chief Administrative Officer  
Paula Richardson, Administrative Services Assistant

**Also in Attendance**

Ken Bjorgaard, Financial Consultant, K&E Business Services

**1. CALL TO ORDER**

Mayor Belenkie called the meeting to order at 7:00 pm.

**2. APPROVAL OF THE AGENDA**

**2.1 Regular Council Meeting, December 9, 2019**

Moved by: Councillor Wilder  
Seconded by: Councillor Clark

That the agenda for the Regular Council Meeting, December 9, 2019 be amended to move Item 5.4 following Item 5.1; and  
That the agenda be adopted as amended.

**CARRIED**

**3. ADOPTION OF MINUTES**

**3.1 Regular Council Meeting, November 18, 2019**

Moved by: Councillor Clark  
Seconded by: Councillor Begg

That the minutes from the Regular Council Meeting held November 18, 2019 be amended as follows (amendments in bold):

Item 9, page 4

“Councillor Clark inquired regarding Mayor Belenkie’s “First Year Summary Report” dated November 5, 2019. On page 8, it was noted “that there is intimidation of **younger** children using the bus service after attending the Middle School in Anmore. **Older kids are attempting to sell them drugs and vaping paraphernalia**”.

And that the minutes be approved as amended.

**CARRIED**

**4. DELEGATIONS AND PRESENTATIONS**

No items.

**5. REPORTS****5.1** Ken Bjorgaard, Financial Consultant, K & E Business Services, report dated December 9, 2019 regarding Water Operating Fund Deficit and Internal Loan

K. Bjorgaard outlined the report. The purpose of the report is to address the operating deficit in the Water Operating Fund and the internal loan which was previously made from the General Operating Fund to the Water Operating Fund.

Moved by: Councillor Drake

Seconded by: Councillor Wilder

That the internal loan that was made from the General Operating Fund to the Water Operating Fund in 2013 (2018 balance of \$26,781) be forgiven or not repaid and be removed from the Village financial books (for the 2019 year-end); and

That \$70,000 of Unappropriated General Operating Fund Accumulated Surplus be transferred to the Water Operating Fund to offset the current Accumulated Water Operating Fund Deficit (for the 2019 year-end); and

That the Small Communities Investment Fund (SCIF) advance of \$33,420 be moved from Appropriated General Operating Fund Surplus to Unappropriated General Fund Accumulated Surplus to partially offset the \$70,000 transfer.

**CARRIED**

**5.4 Revenue Anticipation Borrowing Bylaw No. 542, 2019**

Lorna Dysart, Chief Administrative Officer, verbal report regarding the Revenue Anticipation Borrowing Bylaw No. 542, 2019

K. Bjorgaard outlined the proposed bylaw. Discussion ensued.

Moved by: Councillor Clark

Seconded by: Councillor Drake

That the Village of Belcarra Revenue Anticipation Borrowing Bylaw No. 542, 2019 be read a first, second and third time.

**CARRIED**

**5.2** Lorna Dysart, Chief Administrative Officer, report dated December 9, 2019 regarding a Short Term Rental Accommodation Policy

L. Dysart outlined the proposed Short Term Rental Accommodation Policy. Discussion ensued with regard to the following:

- A refundable \$2,500.00 security deposit
- The requirement for a \$5 million insurance minimum with the Village named as additionally insured – Council decision was to reduce the amount to \$2 million
- 2 night minimum stay requirement
- Allow for more than single room rentals
- Additional WARD fees for residents renting single rooms on a short term basis
- Business licence fee restructure to more than \$100
- Penalties for operating without a business licence
- Provide a definition for Bed & Breakfast
- The removal of the “commercial” label in the STRA Policy
- Parking issues

Moved by: Councillor Drake

Seconded by: Councillor Clark

That staff be directed to prepare amendments to Short Term Rental Policy No. 210; and  
That the policy be brought back to Council in January 2020.

**CARRIED**

- 5.3** Lorna Dysart, Chief Administrative Officer, verbal report regarding the Appointment of Trustees to Sasamat Volunteer Fire Department

Moved by: Councillor Clark

Seconded by: Councillor Drake

That Council appoint Mayor Belenkie, Councillor Drake and Councillor Wilder, as the Village of Belcarra three (3) Trustees, to the Sasamat Volunteer Fire Department (SVFD) Board for 2020.

**CARRIED**

- 5.4 This item was moved to follow Item 5.1**

**Revenue Anticipation Borrowing Bylaw No. 542, 2019**

Lorna Dysart, Chief Administrative Officer, verbal report regarding the Revenue Anticipation Borrowing Bylaw No. 542, 2019

**6. REPORTS FROM MAYOR AND COUNCIL COMMITTEE REPRESENTATIVES**

**7. BYLAWS**

No items.

**8. CORRESPONDENCE / PROCLAMATIONS**

Moved by: Councillor Wilder

Seconded by: Councillor Begg

That correspondence items 8.1 to 8.7 be received.

**CARRIED**

**INFORMATION ITEMS**

- 8.1** Council Committee Meeting Minutes:

- a) Tree Committee – October 16, 2019

Councillor Drake raised questions with regard to the Tree Committee Minutes.  
Discussion ensued.

- 8.2** Lisa Helps, Mayor, City of Victoria, letter dated November 12, 2019 regarding UBCM resolutions as follows:

- a) Safer Drug Supply to Save Lives  
b) Observed Inhalation Sites for Overdose Prevention

- 8.3** Karen Elrick, Corporate Officer, Village of Anmore, letter to Donna Brown, Metro Vancouver, dated November 22, 2019 regarding 2020 Sasamat Volunteer Fire Department Trustee Appointments for the Village of Anmore

- 8.4** Chris Nicolls, Secretary – Treasurer / CFO, School District No. 43 (Coquitlam), letter dated November 27, 2019 regarding the Election of Kerri Palmer Isaak as Chair and Craig Woods as Vice-Chair of the School District No. 43 (Coquitlam) Board

- 8.5** Maja Tait, UBCM President, letter dated November 27, 2019 regarding Gas Tax Agreement Community Works Fund Payment

- 8.6 Don Reid, Belcarra Resident, letter dated November 28, 2019 regarding Short Term Rentals
- 8.7 Sav Dhaliwal, Chair, Metro Vancouver Board, letter dated November 28, 2019 regarding Amending Metro Vancouver 2040: Shaping our Future to Align with the IPCC Special Report on Global Warming of 1.5°C – Bylaw No. 1295, 2019 (full report available in the Village office)

**9. NEW BUSINESS**

No items.

**10. PUBLIC QUESTION PERIOD**

Deborah Struk, 4575 Belcarra Bay Road, queried with regard to the process related to tree removal.

Peter Struk, 4575 Belcarra Bay Road, spoke with regard to the Waterworks Bylaw with respect to the requirement for new homes to connect to the Village water system.

**11. ADJOURNMENT**

Moved by: Councillor Wilder

Seconded by: Councillor Begg

That the December 9, 2019 Regular Meeting be adjourned at 8:29 pm.

**CARRIED**

Certified Correct:

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Neil Belenkie  
Mayor

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Lorna Dysart  
Chief Administrative Officer





# Village of Belcarra

Audit Planning Report for the year ended  
December 31, 2019

*KPMG LLP*

Dated January 3, 2020

[kpmg.ca/audit](http://kpmg.ca/audit)

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At the end of the day, we measure our success from the **only perspective that matters – yours**.

This Audit Planning Report should not be used for any other purpose or by anyone other than those charged with governance. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Planning Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.





# Executive summary

We are pleased to provide for your review the following information relating to the planned scope and timing for the audit of the financial statements for the Village of Belcarra (the “Village”) for the year ended December 31, 2019.



## Areas of audit focus

Our audit of the Village is risk-focused. As part of our audit process, we have had discussions with management about any changes in the organization or other items that should be brought to our attention and considered the impact to the audit. In planning our audit, we have taken into account key areas of audit focus for financial reporting. These include:

- Tangible capital assets
- Payroll and other operating costs
- Legal claim

See pages 3-4 for further details.



## Changes in operations

There are no significant changes in the operations that will impact the audit of the Village’s financial statements.



# Executive summary



## Changes in accounting standards

PS 3430 *Restructuring Transactions* is effective for the Village's 2019 fiscal year. There is no expected impact on the financial statements from the adoption of the new accounting standard.



## Audit materiality

Materiality has been determined based on total budgeted expenses. We have determined materiality to be \$50,000 (2018 - \$50,000) for the year ending December 31, 2019.

See page 5 for further details.



## Independence

We are independent of the Village and have extensive quality control and conflict checking processes in place. We provide complete transparency on all services and follow the Village's approved protocols.



## Current developments

See pages 8 to 11 for the current developments updates on Canadian public sector accounting standards.

# Areas of audit focus

Area of focus	Why are we focusing here?	Our audit approach
Tangible capital assets	Tangible capital assets represent a significant portion of assets for the Village.	<ul style="list-style-type: none"> <li>- Detailed testing of asset additions, including inspection of supporting documentation to determine if additions are capital in nature and to test accuracy of amounts recorded.</li> <li>- Detailed testing of dispositions including inspection of supporting documentation and assessing if the gain or loss on disposition has been recorded appropriately.</li> <li>- Review the reasonableness of estimated useful lives and amortization recognized.</li> <li>- Review agreements for contractual commitments and related disclosure requirements.</li> </ul>
Payroll and other operating costs	The Village incurs payroll and other operating costs which are significant expenses of the Village's operations.	<ul style="list-style-type: none"> <li>- Update our understanding of the activities over the initiation, authorization, and recording of the payroll &amp; procurement process.</li> <li>- Perform substantive analytical procedures to understand the change in payroll and other operating costs relative to the prior year, and corroborate all significant variances noted by reviewing supporting documentation.</li> </ul>
Legal claim	The Village was named as a defendant in a claim in December 2017.	<ul style="list-style-type: none"> <li>- Discuss legal claims with management as well as review legal invoices and Council meeting minutes.</li> <li>- Review management's assessment of the legal claim.</li> <li>- Obtain written confirmation from the Village's external legal counsel.</li> </ul>



# Audit risks

## Professional requirements

Fraud risk from management override of controls.

## Why is it significant?

This is a presumed fraud risk. We have not identified any specific additional risks of management override relating to this audit.

## Our audit approach

As the risk is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include testing of journal entries and other adjustments, performing a retrospective review of estimates and evaluating the business rationale of significant unusual transactions.

## Annual inquiries

Professional auditing standards require that we annually inquire concerning Council's oversight of management's process for identifying and responding to the risks of fraud with the Village. Accordingly, we ask:

- What are your views about fraud risks at the Village?
- How do you exercise effective oversight of management's processes for identifying and responding to the risk of fraud in the Village and internal controls management has established to mitigate these fraud risks?
- Are you aware of or have you identified any instances of actual, suspected, or alleged fraud, including misconduct or unethical behaviour related to financial reporting or misappropriation of assets? If so, have the instances been appropriately addressed and how have they been addressed?
- Is the Village in compliance with laws and regulations?
- Has the Village entered into any significant unusual transactions?

Responses to the above questions can be provided to your audit engagement team contacts.

# Materiality

Materiality determination	Comments	Amount
<b>Materiality</b>	Determined to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. The corresponding amount for the prior year's audit was \$50,000.	\$50,000
<b>Benchmark</b>	Based on total budgeted expenses for the year. This benchmark is consistent with the prior year. The corresponding amount for the prior year's audit was \$1.88 million.	\$1.85 million
<b>% of Benchmark</b>	The corresponding percentage for the prior year's audit was 2.7%.	2.7%
<b>Audit Misstatement Posting Threshold (AMPT)</b>	Threshold used to accumulate misstatements identified during the audit. The corresponding amount for the previous year's audit was \$2,500.	\$2,500

Materiality is used to scope the audit, identify risks of material misstatements and evaluate the level at which we think misstatements will reasonably influence users of the financial statements. It considers both quantitative and qualitative factors.

To respond to aggregation risk, we design our procedures to detect misstatements at a lower level of materiality.

Professional standards require us to re-assess materiality at the completion of our audit based on period-end results or new information in order to confirm whether the amount determined for planning purposes remains appropriate.

## We will report to Council:



Corrected audit misstatements

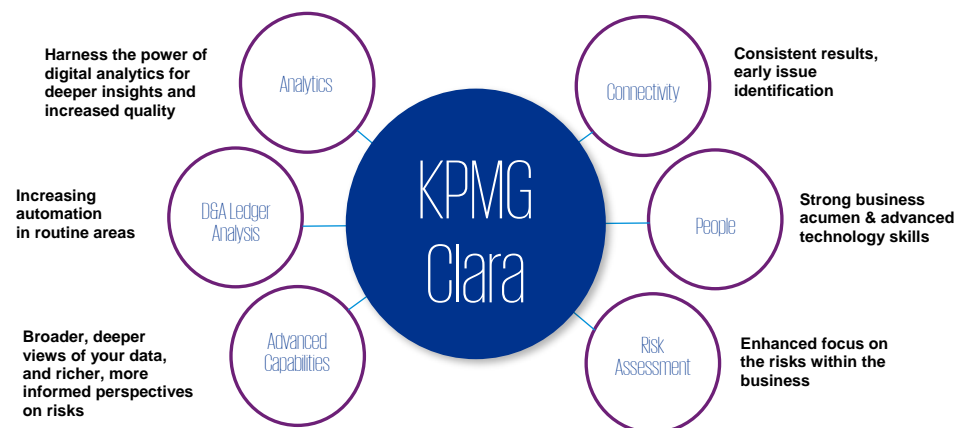




Uncorrected audit misstatements

# The audit of today, tomorrow & the future

As part of KPMG's technology leadership, our audit practice has developed technologies and alliances to continuously enhance our capabilities and deliver an exceptional audit experience.

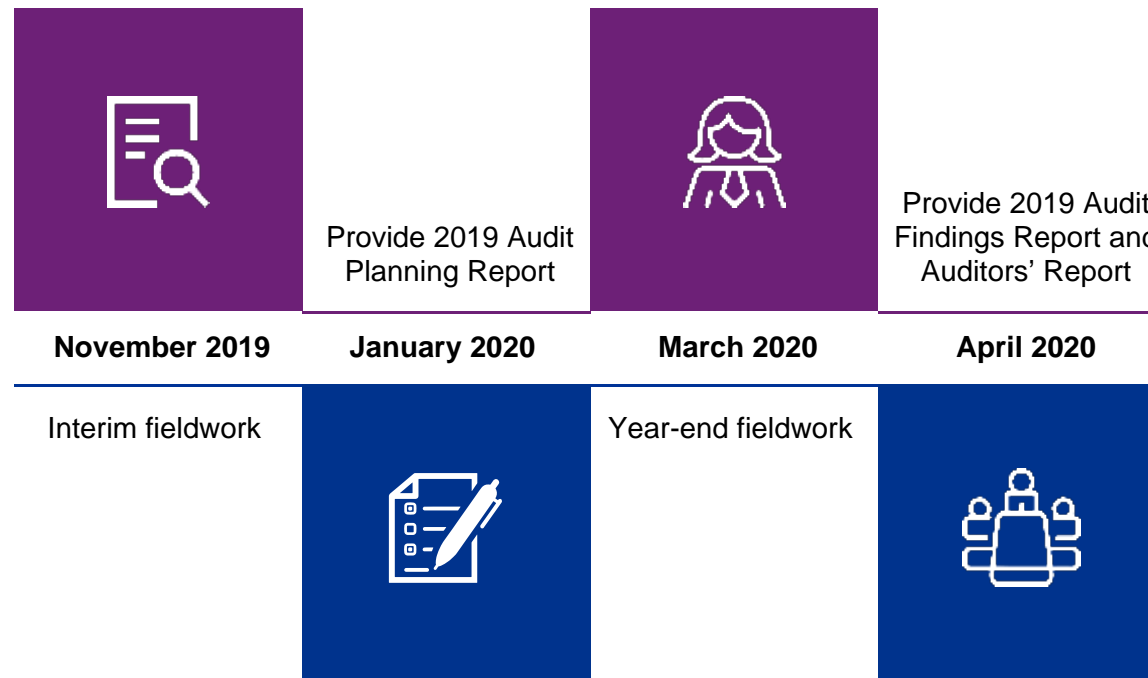
Technology empowers us with the ability to perform deep analysis over your financial information, focusing our effort and interactions on the areas of greatest risk and minimizing disruption to your business.



Technology we use today		
	Tool	Benefit to audit
 	<b>KPMG Clara Advanced Capabilities</b>	KPMG Clara Advanced Capabilities leverage our data and analytics capabilities, enabling us to analyze 100% of your general ledger data in the planning and account analysis stage and adjust our planned audit approach accordingly to target the areas of greatest risk. It allows us to use automation in performing our audit procedures over accounts such as purchases and payables and journal entries.
	<b>Visualization Tool</b>	Our Visualization tool is a powerful and flexible end-to-end analytics platform which we leverage to display dynamic visualization of your data. This enables us to provide valuable insights to your business throughout our audit process.
	<b>Account Analysis Tool</b>	Our account analysis tool provides meaningful general ledger data insights during the planning phase of the audit that can be used to assist the engagement team in obtaining a more thorough understanding of the business processes and underlying flow of transactions through utilization of Account Analysis, Visual Ledger and Journal Entry Analysis functional features. Our tool enables a more precise risk assessment and development of a tailored audit approach.
	<b>Journal Entry Analysis</b>	Our journal entry tool assists in the performance of detailed journal entry testing based on engagement-specific risk identification and circumstances. Our tool provides auto-generated journal entry population statistics and focusses our audit effort on journal entries that are riskier in nature.
	<b>Data &amp; Analytics Routines</b>	We use data and analytics routines where appropriate to perform substantive testing where appropriate.



# Key deliverables and milestones



# Current developments

## Public Sector Accounting Standards

Standard	Summary and implications
Asset Retirement Obligations	<ul style="list-style-type: none"> <li>– A new standard has been approved that is effective for fiscal years beginning on or after April 1, 2021.</li> <li>– The new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets in productive use. Retirement costs will be recognized as an integral cost of owning and operating tangible capital assets. PSAB currently contains no specific guidance in this area.</li> <li>– The ARO standard will require the public sector entity to record a liability related to future costs of any legal obligations to be incurred upon retirement of any controlled tangible capital assets ("TCA"). The amount of the initial liability will be added to the historical cost of the asset and amortized over its useful life.</li> <li>– As a result of the new standard, the public sector entity will have to: <ul style="list-style-type: none"> <li>• consider how the additional liability will impact net debt, as a new liability will be recognized with no corresponding increase in a financial asset;</li> <li>• carefully review legal agreements, senior government directives and legislation in relation to all controlled TCA to determine if any legal obligations exist with respect to asset retirements;</li> <li>• begin considering the potential effects on the organization as soon as possible to coordinate with resources outside the finance department to identify AROs and obtain information to estimate the value of potential AROs to avoid unexpected issues.</li> </ul> </li> </ul> <p>We have provided additional information on the standard in Appendix 5.</p>
Revenue	<ul style="list-style-type: none"> <li>– A new standard has been approved that is effective for fiscal years beginning on or after April 1, 2022.</li> <li>– The new standard establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement.</li> <li>– The standard notes that in the case of revenues arising from an exchange, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations.</li> <li>– The standard notes that unilateral revenues arise when no performance obligations are present, and recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.</li> </ul>

# Current developments (continued)

Standard	Summary and implications
Financial Instruments and Foreign Currency Translation	<ul style="list-style-type: none"> <li>– New accounting standards, PS3450 <i>Financial Instruments</i>, PS2601 <i>Foreign Currency Translation</i>, PS1201 <i>Financial Statement Presentation</i> and PS3041 <i>Portfolio Investments</i> have been approved by PSAB and are effective for years commencing on or after April 1, 2021.</li> <li>– Equity instruments quoted in an active market and free-standing derivatives are to be carried at fair value. All other financial instruments, including bonds, can be carried at cost or fair value depending on the public sector entity's choice and this choice must be made on initial recognition of the financial instrument and is irrevocable.</li> <li>– Hedge accounting is not permitted.</li> <li>– A new statement, the Statement of Remeasurement Gains and Losses, will be included in the financial statements. Unrealized gains and losses incurred on fair value accounted financial instruments will be presented in this statement. Realized gains and losses will continue to be presented in the statement of operations.</li> <li>– Based on stakeholder feedback received, PSAB is considering certain scope amendments to PS 3450 <i>Financial Instruments</i>. The proposed amendments include the accounting treatment of bond repurchases, scope exclusions for certain activities by the federal government, and improvements to the transitional provisions. An initial exposure draft was issued for comment by PSAB in May 2019. PSAB is currently deliberating on the comments received and may approve a revised exposure draft for comment in December 2019.</li> </ul>
Employee Future Benefit Obligations	<ul style="list-style-type: none"> <li>– PSAB has initiated a review of sections PS3250 <i>Retirement Benefits</i> and PS3255 <i>Post-Employment Benefits, Compensated Absences and Termination Benefits</i>. Given the complexity of issues involved and potential implications of any changes that may arise from this review, the project will be undertaken in phases. Phase I will address specific issues related to measurement of employment benefits. Phase II will address accounting for plans with risk sharing features, multi-employer defined benefit plans and sick leave benefits.</li> <li>– Three Invitations to Comment were issued and have closed. The first Invitation to Comment sought guidance on whether the deferral provisions in existing public sector standards remain appropriate and justified and the appropriateness of accounting for various components of changes in the value of the accrued benefit obligation and plan assets. The second Invitation to Comment sought guidance on the present value measurement of accrued benefit obligations. A third Invitation to Comment sought guidance on non-traditional pension plans. PSAB is currently deliberating on the comments received from the three Invitations to Comment.</li> <li>– The ultimate objective of this project is to issue a new employment benefits section to replace existing guidance.</li> </ul>

# Current developments (continued)

Standard	Summary and implications
Public Private Partnerships (“P3”)	<ul style="list-style-type: none"> <li>– PSAB has proposed new requirements for the recognition, measurement and classification of infrastructure procured through a public private partnership. An exposure draft has been approved by PSAB and was issued in November 2019, with comments due by February 29, 2020.</li> <li>– The exposure draft proposes that recognition of infrastructure by the public sector entity would occur when it controls the purpose and use of the infrastructure, when it controls access and the price, if any, charged for use, and it controls any significant interest accumulated in the infrastructure when the P3 ends.</li> <li>– The exposure draft proposes that the public sector entity recognize a liability when it needs to pay cash or non-cash consideration to the private sector partner for the infrastructure.</li> <li>– The infrastructure would be valued at cost, with a liability of the same amount if one exists. Cost would be measured by discounting the expected cash flows by a discount rate that reflects the time value of money and risks specific to the project.</li> </ul>
Concepts Underlying Financial Performance	<ul style="list-style-type: none"> <li>– PSAB is in the process of reviewing the conceptual framework that provides the core concepts and objectives underlying Canadian public sector accounting standards.</li> <li>– A Statement of Concepts (“SOC”) and Statement of Principles (“SOP”) were issued for comment in May 2018 and has closed. PSAB is in the process of developing two exposure drafts for comment.</li> <li>– The SOC proposes a revised, ten chapter conceptual framework intended to replace PS 1000 <i>Financial Statement Concepts</i> and PS 1100 <i>Financial Statement Objectives</i>. The revised conceptual framework would be defined and elaborate on the characteristics of public sector entities and their financial reporting objectives. Additional information would be provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts would be introduced.</li> <li>– The SOP includes principles intended to replace PS 1201 <i>Financial Statement Presentation</i>. The SOP proposes: <ul style="list-style-type: none"> <li>• Removal of the net debt indicator, except for on the statement of net debt where it would be calculated exclusive of financial assets and liabilities that are externally restricted and/or not available to settle the liabilities or financial assets.</li> <li>• Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities).</li> <li>• Restructuring the statement of financial position to present non-financial assets before liabilities.</li> <li>• Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement would present the changes in each component of net assets (liabilities).</li> <li>• A new provision whereby an entity can use an amended budget in certain circumstances.</li> </ul> </li> <li>– Inclusion of disclosures related to risks and uncertainties that could affect the entity’s financial position.</li> </ul>

# Current developments (continued)

Standard	Summary and implications
International Strategy	<ul style="list-style-type: none"> <li>– PSAB is in the process of reviewing its current approach towards International Public Sector Accounting Standards. This project may result in changes to the role PSAB plays in setting standards in Canada.</li> <li>– Consultation papers were released for comment in May 2018 and March 2019, and have closed. The consultation papers described the decision-making criteria PSAB expects to consider in evaluating the international strategy that best serves the public sector. It also introduced four proposed international strategies.</li> <li>– PSAB is expected to make a final decision about its international strategy at its March 2020 meeting.</li> </ul>
Purchased Intangibles	<ul style="list-style-type: none"> <li>– In October 2019, PSAB approved a proposal to allow public sector entities to recognize intangibles purchased through an exchange transaction. The proposal does not include guidance on how to account for intangibles. Instead, the definition of an asset, the general recognition criteria and the GAAP hierarchy is expected to provide guidance on how to account for intangibles. The accounting for intangibles may be addressed through future PSAB projects.</li> </ul>

# Appendices



**Appendix 1: Audit quality and risk management**



**Appendix 2: KPMG's audit approach and methodology**



**Appendix 3: Required communications**



**Appendix 4: Lean in Audit™**



**Appendix 5: PS 3280 Asset retirement obligations**

# Appendix 1: Audit quality and risk management



**KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards. Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarises the six key elements of our quality control systems. Visit our Audit Quality Resources [page](#) for more information including access to our most recent Audit Quality and Transparency Report.**

We conduct regular reviews of engagements and partners. Review teams are independent and the work of every audit partner is reviewed at least once every three years.

We have policies and guidance to ensure that work performed by engagement personnel meets applicable professional standards, regulatory requirements and the firm's standards of quality. We do not offer services that would impair our independence.

The processes we employ to help retain and develop people include:

- Assignment based on skills and experience
- Performance evaluation
- Development and training
- Appropriate supervision and coaching



We have policies and procedures for deciding whether to accept or continue a client relationship or to perform a specific engagement for that client.

Existing audit relationships are reviewed annually and evaluated to identify instances where we should discontinue our professional association with the client.

Other controls include:

- Before the firm issues its audit report, the Quality Control Reviewer reviews the appropriateness of key elements client audits
- Technical department and specialist resources provide real-time support to audit teams in the field

All KPMG partners and staff are required to act with integrity and objectivity and comply with applicable laws, regulations and professional standards at all times.

# Appendix 2: KPMG's audit approach and methodology



In future years, we will expand our use of technology in our audit through our new smart audit platform, **KPMG Clara**.

## Issue identification

Continuous updates on audit progress, risks and findings before issues become events

## Data-driven risk assessment

Automated identification of transactions with unexpected or unusual account combinations – helping focus on higher risk transactions and outliers



## Deep industry insights

Bringing intelligence and clarity to complex issues, regulations and standards

## Analysis of complete populations

Powerful analysis to quickly screen, sort and filter 100% of your journal entries based on high-risk attributes

## Reporting

Interactive reporting of unusual patterns and trends with the ability to drill down to individual transactions



# Appendix 3: Required communications



**In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:**



## Engagement letter

The objectives of the audit, our responsibilities in carrying out our audit, as well as management's responsibilities, are set out in the Agreement for Audit Services made as of October 18, 2017.



## Management representation letter

We will obtain from management certain representations at the completion of the annual audit. In accordance with professional standards, copies of the representation letter will be provided to Council.



## Audit planning report

Represented by this report.



## Audit findings report

At the completion of our audit, we will provide our audit findings to Council.



## Independence

At the completion of our audit, we will re-confirm our independence to Council.

# Appendix 4: Lean in Audit™



## An innovative approach leading to enhanced value and quality

Our innovative audit approach, Lean in Audit™, further improves audit value and productivity to help deliver real insight to you. Lean in Audit™ is process oriented, directly engaging organizational stakeholders and employing hands-on tools, such as walkthroughs and flowcharts of actual financial processes.

By embedding Lean techniques into our core audit delivery process, our teams are able to enhance their understanding of the business processes and control environment within your organization – allowing us to provide real insight on your processes and actionable quality and productivity improvement observations.

Any insights gathered through the course of the audit will be available to both our audit team and management. For example, the audit team may identify control gaps and potential process improvement areas, while management has the opportunity to apply such insights to streamline processes, inform business decisions, improve compliance, lower costs, increase productivity, strengthen customer service and satisfaction and drive overall performance.



## How it works

Lean in Audit™ employs four key Lean techniques:



### 1. Lean training

Provide basic Lean training and equip our audit teams with a new Lean mindset to improve quality, value and productivity.



### 2. Process mapping workshop

Perform an interactive workshop with your team to map selected financial process providing end-to-end transparency and understanding of the process.



### 3. Insight reporting

Quick and pragmatic insight report including PACE matrix with prioritized opportunities to realize benefit.



### 4. Kaizen event

Perform an interactive workshop to find the root cause of the problem and empower your team to find a solution.

# Appendix 5: PS 3280 Asset retirement obligations



# Preparing for Asset Retirement Obligations

Are you ready to implement PSAB Standard PS3280 Asset Retirement Obligations?

In August 2018, PSAB issued the new standard PS3280 on asset retirement obligations. This section addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets and solid waste landfill sites by public sector entities.

**Whether you are a university, college, school district, health institution or government entity (federal, provincial, municipal or Indigenous) this accounting standard will have implications for your organization if you report under the Public Sector Accounting Standards.**

## **Key matters public sector entities need to consider**

- The scope of retirement obligations included in the standard.
- The criteria for recognition of a retirement obligation.
- When it's appropriate (and how) to measure a retirement obligation.
- Developing a comprehensive plan to assess all in-scope assets.
- Addressing Board/Council and Stakeholder information needs through implementation.
- Developing a consistent level of documentation to support the auditability of PS3280 implementation.

## **An overview**

- PS3280 will apply to fiscal years beginning on or after April 1, 2021. Earlier adoption is permitted.
- Asset retirement activities are defined to include all activities related to an asset retirement obligation. These may include but are not limited to:
  - decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;
  - decontamination created by the normal use of the tangible capital asset;
  - post-retirement activities such as monitoring;
  - constructing other tangible capital assets in order to perform post-retirement activities.
- In addition to asset retirement obligations associated with tangible capital assets that are in productive use and those that are no longer in productive use, PS3280 includes in scope legal obligations, and solid waste landfill closure and post-closure liabilities.

- With the introduction of PS3280 PSAB has withdrawn existing Section PS3270, solid waste landfill closure and post-closure liability.
  - Under PS3280, obligations for the closure and post-closure care of solid waste landfill sites are recognized earlier than presently under PS3270, as the accounting treatment changes from incremental recognition of liability based on usage to recognition on acquisition, construction, development or normal use. This will result in an earlier increase in net debt. The recognized cost of assets would increase because asset retirement costs associated with tangible capital assets in productive use would be added to its carrying amount rather than expensed (as currently done under PS3270).
- While PS3280 includes in scope expected contamination related to a tangible capital asset controlled by the public sector entity, PS3260 contaminated sites addresses unexpected contamination related to the tangible capital asset.
- Some examples of asset retirement obligations which fall under scope of proposed PS3280 include:
  - buildings with asbestos;
  - end of lease provisions (from a lessee perspective);
  - fuel storage tank removal;
  - removal of radiologically contaminated medical equipment;
  - wastewater or sewage treatment facilities;
  - Firewater holding tanks;
  - Septic beds;
  - closure and post-closure obligations associated with landfills.
- Under PS3280, an asset retirement obligation should be recognized when, as at the financial reporting date, ALL of the following criteria are met:
  - there is a legal obligation to incur retirement costs in relation to a tangible capital asset.
  - the past transaction or event giving rise to the liability has occurred;
  - it is expected that future economic benefits will be given up;
  - a reasonable estimate of the amount can be made.
- Public sector entities will be required to capitalize asset retirement obligations associated with fully amortized tangible capital assets, except in the following instances:
  - asset retirement obligations associated with unrecognized tangible capital assets should be expensed;
  - asset retirement obligations associated with tangible capital assets no longer in productive use should be expensed.
- The estimate of a liability should include costs directly attributable to asset retirement activities.

### Getting a start on PS3280

- Public sector entities should start considering which asset retirement obligations may fall under scope of the proposed PS3280.
  - Review active and inactive tangible capital assets to identify those with retirement obligations. Consider solid waste landfills and contaminated sites which may meet the PS3280 recognition criteria.
  - Reconcile this inventory with the complete tangible capital assets listing and the site inventory for contaminated sites.
  - Engage functions outside of finance (particularly public works and engineering).
- Consider implications of transitional options.
- Identify opportunities to collaborate with peer entities on assets identified as in scope for PS3280, and benchmarks for measurement of retirement obligations.

## Contact Us



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[kpmg.ca/audit](https://kpmg.ca/audit)



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#503, 4190 Lougheed Hwy., Burnaby, BC V5C 6A8 T: 604.629.2696 F: 604.629.2698

To: **Village of Belcarra**

Date: **January 8, 2020**

Attention: **Lorna Dysart**

Project No.: **32482**

Cc:

Reference: **VoB Potable Water Distribution System**

From: **Chris Boit, P.Eng**

---

The Village requested ISL review potential options to upgrade the existing water distribution system, in order to provide adequate flows and volumes for firefighting purposes.

As part of this process, ISL reviewed previous background documents. During the review, ISL uncovered a design memo completed by Opus (now WSP) entitled "Potable Water Storage Increase". The memo reviews a number of potential options to provide the required water to fight a fire, as per the Fire Underwriters survey (FUS). The following is a short summary of the proposed options.

1. Introduce a new Reservoir close to Tatlow and keep the Tatlow reservoir as well. The new reservoir would service Main Ave and during a fire, the new reservoir would drain into the old reservoir to provide the additional volume of water to fight a fire for 1.5hr at 60 l/s (As required in the Fire under rights doc)
2. Build a new reservoir on the hillside that would supply everyone and abandon the existing reservoir.

Ultimately, the memo recommends the construction of a new reservoir within the Village limits, the cost for either solution would be in the region of \$1 - \$1.2m once all Capital costs are considered.

It should be noted that there are a number of issues that should be discussed prior to making the ultimate decision to construct a new reservoir. A general overview is as follows

1. Capital Investment
2. Asset Management and replacement of asset
3. Operational Costs
4. Water Quality
5. Benefit to community
6. Discussion with Fire department on their needs

There is currently a grant opportunity through the province entitled "Investing in Canada Infrastructure Program "Green Infrastructure - Environmental Quality Sub-Stream", which is open until February 5, 2020. In order to submit on this fund it will require a Council Resolution. It would be ISL's recommendation that the Village proceed with the funding application at this point in time. If following further consultation, it is decided not to proceed with the construction, the Village can remove their application.



Integrated Expertise. Locally Delivered.



---

If you have any further questions please do not hesitate to contact the undersigned

Regards

A handwritten signature in blue ink that reads 'C. Boit'.

Chris Boit, PEng  
Senior Engineer

Attachments  
OPUS Memo





## Memorandum

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<b>To</b>	Bernie Serné, Public Works Superintendent, Village of Belcarra
<b>Copy</b>	Walt Bayless, P.Eng. Project Manager, Opus International Ltd.
<b>From</b>	Negin Tousi, E.I.T., Project Engineer, Opus International Ltd.
<b>Office</b>	North Vancouver Opus Office
<b>Date</b>	August 04, 2017
<b>File</b>	D-26911.01
<b>Subject</b>	Potable Water Storage Increase

---

Opus International Consultants (Canada) Limited ("Opus") was asked by the Village of Belcarra ("Village") to assess and evaluate several options to increase potable water storage. The two options studied include:

1. Adjusting the minimum level of the Tatlow Reservoir ("Tatlow")
2. Adding additional reservoir capacity

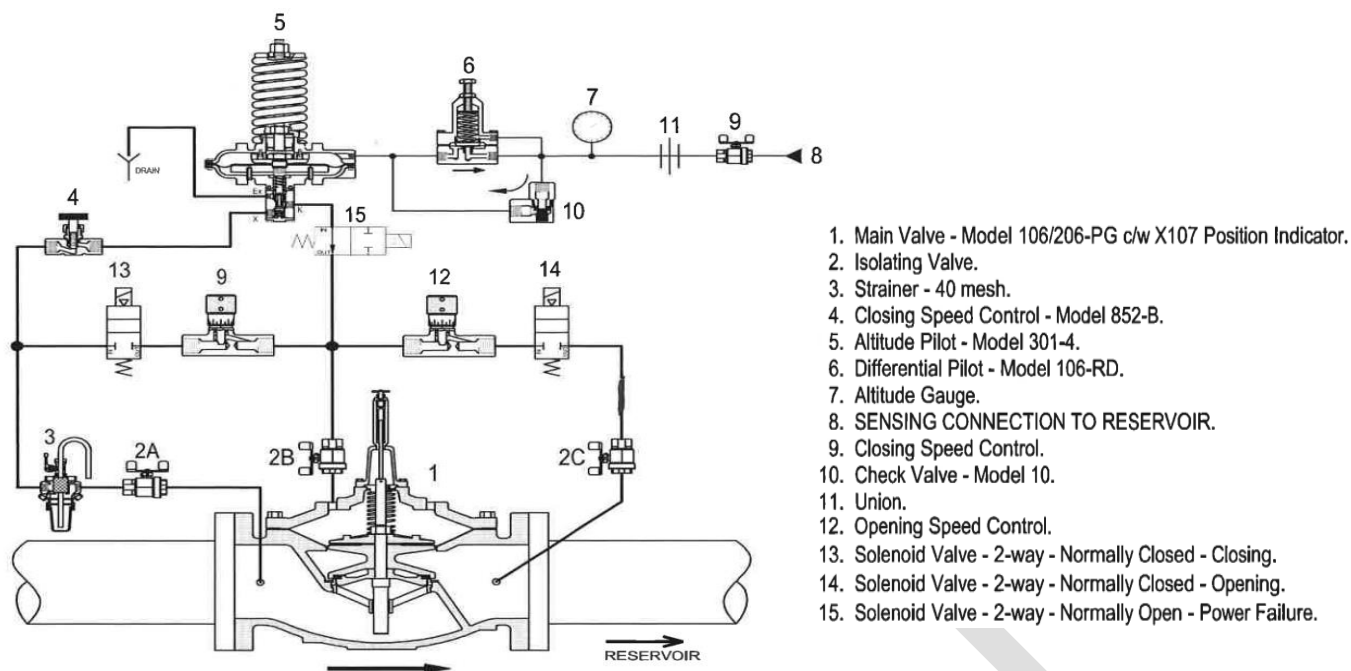
This memorandum outlines the findings and recommendations following assessment of the two above options.

### Adjusting the Minimum Level of the Tatlow Reservoir

The existing Tatlow altitude valve is a hydraulically controlled altitude valve. This valve functions based on differential water pressure and opens at 70% reservoir level and closes at 100%. This is the preferred type of valve due to the simple mechanical nature of the operation. However, it does not allow the opening level setpoint to be changed to higher than 70%.

It is possible to add electronic controls to the valve to permit the unit to open between 70% and 100%. This would reduce the normal operating range from a low of 70% to a variable value. We would recommend approximately 90% as the opening level. This change will not increase the total storage, but rather reduce the cycling volume and therefore on average maintain the reservoir at a high level (i.e.: volume).

In order to maintain a higher storage volume at Tatlow, the altitude valve would need to be converted to an actuated valve which would allow the Village to increase the reservoir fill setpoint level from 70% to 90% of the operating volume. The following modifications are proposed as per Figure 1:



**Figure 1 – Tatlow Altitude Valve Schematic with Electronic Override Control**

### Valve Modifications and Control Description

Three solenoids need to be added to the current valve at Tatlow. The top solenoid #15 enables or disables the control from the RTU. This solenoid is “Normally Open”, which means any time the solenoid is energized the hydraulic pilot (#5) becomes isolated thus allowing for the control of the Altitude Valve (#1) via the other two solenoids (#13 and #14). In order to be able to control the valve from the RTU, solenoid #15 must be energized. In the event of power failure this solenoid will open and allow the hydraulic pilot (#5) to control the filling of the reservoir, as it currently does. Once the top solenoid (#15) is energized, the valve can be controlled via the RTU.

Solenoids #13 and #14 are both normally closed, so as not to interfere with valve operation during a loss of power condition.

Solenoid #14 is piped from the outlet of the altitude valve (#1). When solenoid #14 is energized, the pressure from the diaphragm envelope is dumped to the outlet (due to the outlet’s lower pressure) causing the altitude valve (#1) to open. If the Solenoid #14 is energized continuously the Altitude Valve (#1) will eventually fully open.

Solenoid #13 is piped from the inlet of the altitude valve (#1). When solenoid #13 is energized, the higher pressure from the inlet dumps the water on top of the diaphragm envelope causing the altitude valve (#1) to close. If the Solenoid #13 is energized continuously, the Altitude Valve (#1) will eventually fully close.

Based on the above three RTU outputs are required:

- Altitude Valve – Hydraulic Control Disable (energized solenoid #15)
- Altitude Valve – Closing Enable (energized solenoid #13)
- Altitude Valve – Opening Enable (energized solenoid #14)

To fully close the Altitude Valve:

- Altitude Valve – Hydraulic Control Disable = ON
- Altitude Valve – Closing Enable = ON

To fully open the Altitude Valve:

- Altitude Valve – Hydraulic Control Disable = ON

- Altitude Valve – Opening Enable = ON.

To disable the RTU control and enable mechanical control of the Altitude Valve itself:

- Altitude Valve – Hydraulic Control Disable = OFF

### **Electrical and SCADA Modifications**

The existing RTU (system control device) does not have sufficient input/output spare points to permit the installation of the new solenoids on the control valve. Furthermore, the cabinet does not have adequate space to permit the installation of an additional control module. Several options were considered to generate additional capacity, including:

- Re-arranging the cabinet – which would require in excess of a week downtime which was not feasible,
- Side mounting and additional model – this was space constrained due to the cable length requirements between models.
- Moving portions of the electrical terminal strips to a new cabinet to generate space in the existing cabinet.

The third options, moving portions of the terminal strips to a new cabinet is preferred. In order to provide the Village with spares, a marshalling box would be wired adjacent to the existing panel so as to allow for the future upgrades. This is captured in the attached drawings. The marshalling box and the modifications will allow for 16 new discrete inputs, 8 single-ended analog inputs, 7 discrete outputs (which are in addition to three used by the valve) and 2 analog outputs.

The SCADA system will be modified to include the required set points for filling the reservoir. This work would be completed on the SCADA computer in the Village Hall.

### **Water Age and Re-chlorination Options**

Based on preliminary calculation, the average water age in the Tatlow reservoir is approximately 0.5 days. The Village has indicated that the chlorine residual is on the lower end of the required range at the furthest connections, or approximately 0.2 mg/L.

Installing the valve changes to the reservoir will not impact the average water age but will however impact the tanks turn-over and may result in stagnation. This cannot be calculated and is a potentially operational risk given the Village is currently at the limit for chlorine residual.

Should the change in reservoir cycling negatively impact the chlorine residual then consideration for re-chlorination would likely be required by the Fraser Health Authority. If this is required, traditional chlorination options, such as sodium hypochlorite injection should be reviewed. Opus has been working with another municipality to develop a simpler option for re-chlorination which is described below and should also be reviewed should re-chlorination be required.

In recent years, new passive re-chlorination methods have been developed. One such example that may be considered to minimize operational demands is Sentry I: a Calcium Hypochlorite dry pellet feeder.

The Sentry I is a low cost (< \$1,000) dry pellet feeder with an inverted 'jar' hopper that can hold up to 11.3 kg (25 lbs) of calcium hypochlorite in a dry pellet form. The Sentry I is supplied by Better Water Industries Inc., is commercially available and is commonly used for chlorination of private wells and residential/farm storage tanks. It operates by a small electric motor with gearing to rotate a disk with holes that will periodically drop individual dry hypochlorite pellets when the disk holes align. The number of holes in the disk, speed of the disk, and operating time can be adjusted to set the rate at which the calcium hypochlorite pellets will be dropped. The pellets dropped by the Sentry I feeder will fall down a 'droptube' into the reservoir where they must be eroded by turbulent water flow. To provide the mixing energy required to dissolve the chlorination pellets, an eroder has been designed to dissolve and disperse the chlorine through the reservoir using a small, oil-free, rotary vane type air pump in an airlift pump arrangement.

We recommend that upon collecting chlorine residual data, the Village review various re-chlorination options to determine their suitability.

### Option Cost

The preliminary cost estimate associated with the valve modifications is provided in Table 1.

**Table 1. Estimated Costs for Valve Modifications**

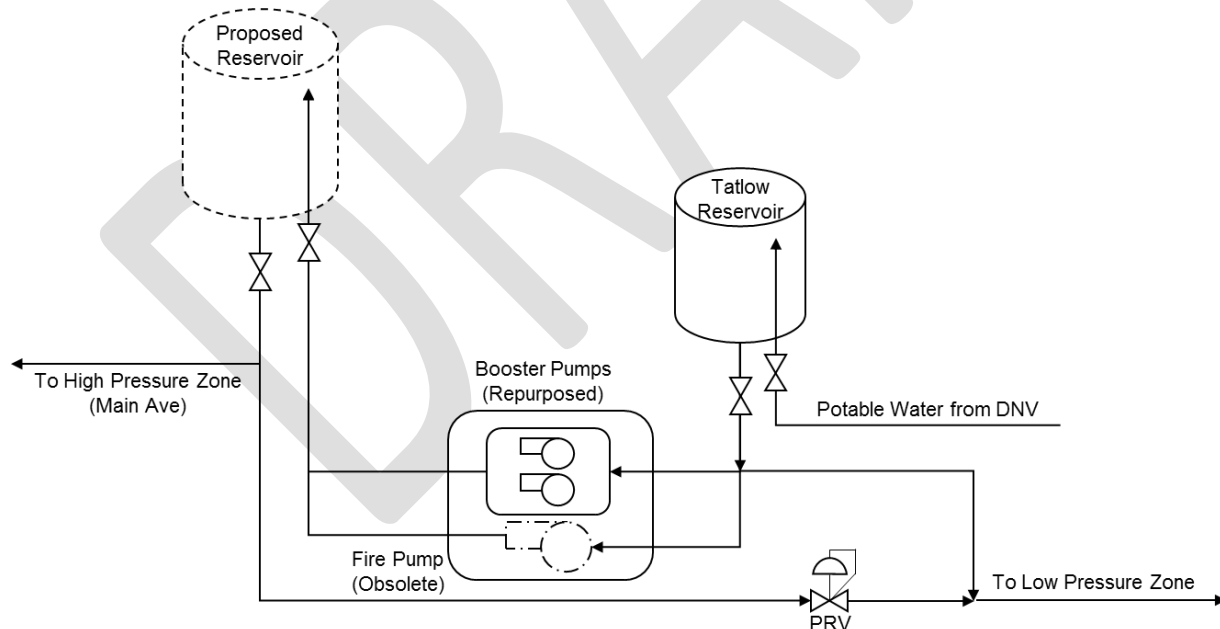
Item	Cost
Valve Modifications	\$1,840
Electrical and SCADA Hardware	\$9,700
SCADA Programming	\$600
Total	\$12,140

### Construction of Additional Storage

Another option to increase potable water storage in the Village is the construction of a new reservoir, either to supplement the existing storage or to serve as the sole potable water storage tank for the Village. These two options are discussed below.

#### *Supplementary Reservoir - High Elevation Service*

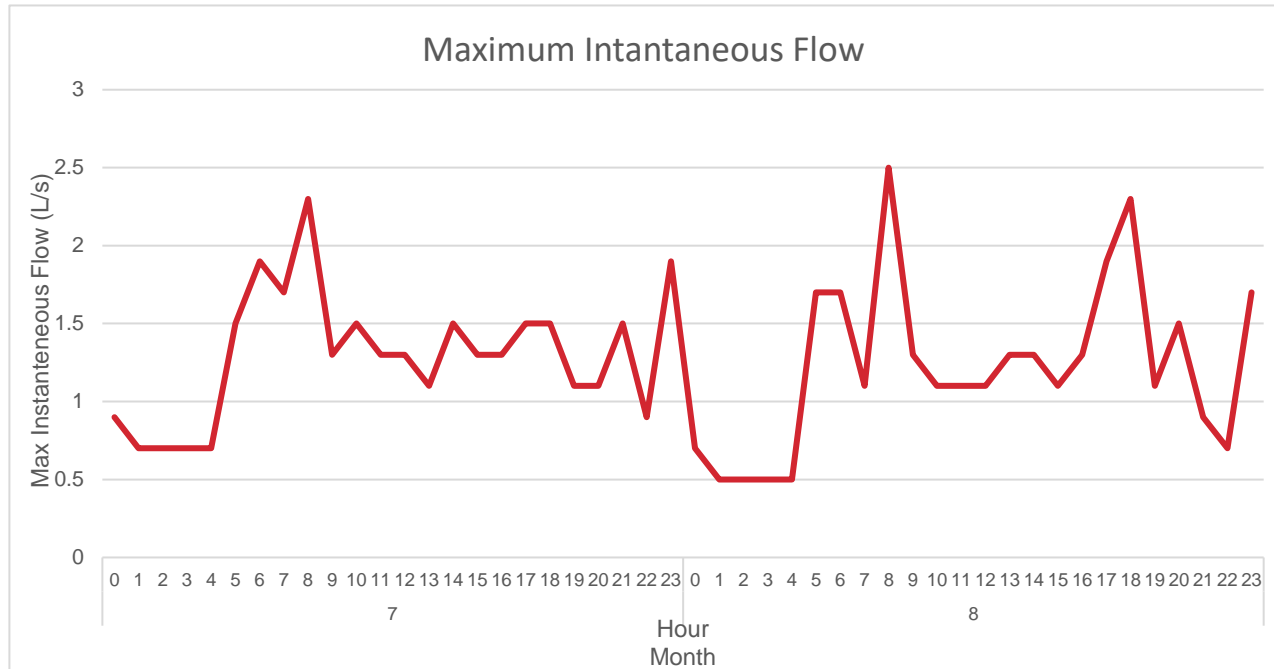
In this scenario, water would be pumped from the Tatlow tank to a proposed reservoir at an elevation between 125-130 m. The existing pumps in Tatlow would be repurposed to fill this tank. Water from this new tank will feed the high-pressure zone through a gravity system. This will eliminate the need for the fire pump as the entire Village will be operated on a gravity system. Using a Pressure Reducing Valve (PRV), water can be fed back to the low-pressure zone as required under fire event conditions. This configuration is provided in Figure 2.



**Figure 2 - Proposed Schematic**

### Reservoir Sizing

According to the Tatlow reservoir discharge data from July and August 2016, the maximum instantaneous flow for the high-pressure zone during the peak flow seasons is 2.5 L/s as shown in Figure 3.



**Figure 3 – Summertime Main Ave Instantaneous Flow (L/s)**

The balancing storage volume for the purpose of sizing the reservoir can be estimated at 25% of the maximum flow for a 24-hour storage period.

The Village expects the new reservoir to be able to accommodate a minimum fire flow of 60 L/s (3,600 L/min). Based on the Fire Underwriters Survey (FUS), the required duration for a flow of 4,000 L/min is 1.5 hours. Therefore, in sizing the proposed reservoir, the total fire protection storage is calculated based on flows of 60 L/s for 1.5 hours.

**Table 2 – Supplementary Storage Volume**

Storage	Volume (L)
Balancing	54,000
Fire Protection	324,000
Total	378,000

Assuming a 5m operating water level in the proposed reservoir, the radius is approximated at 5 m.

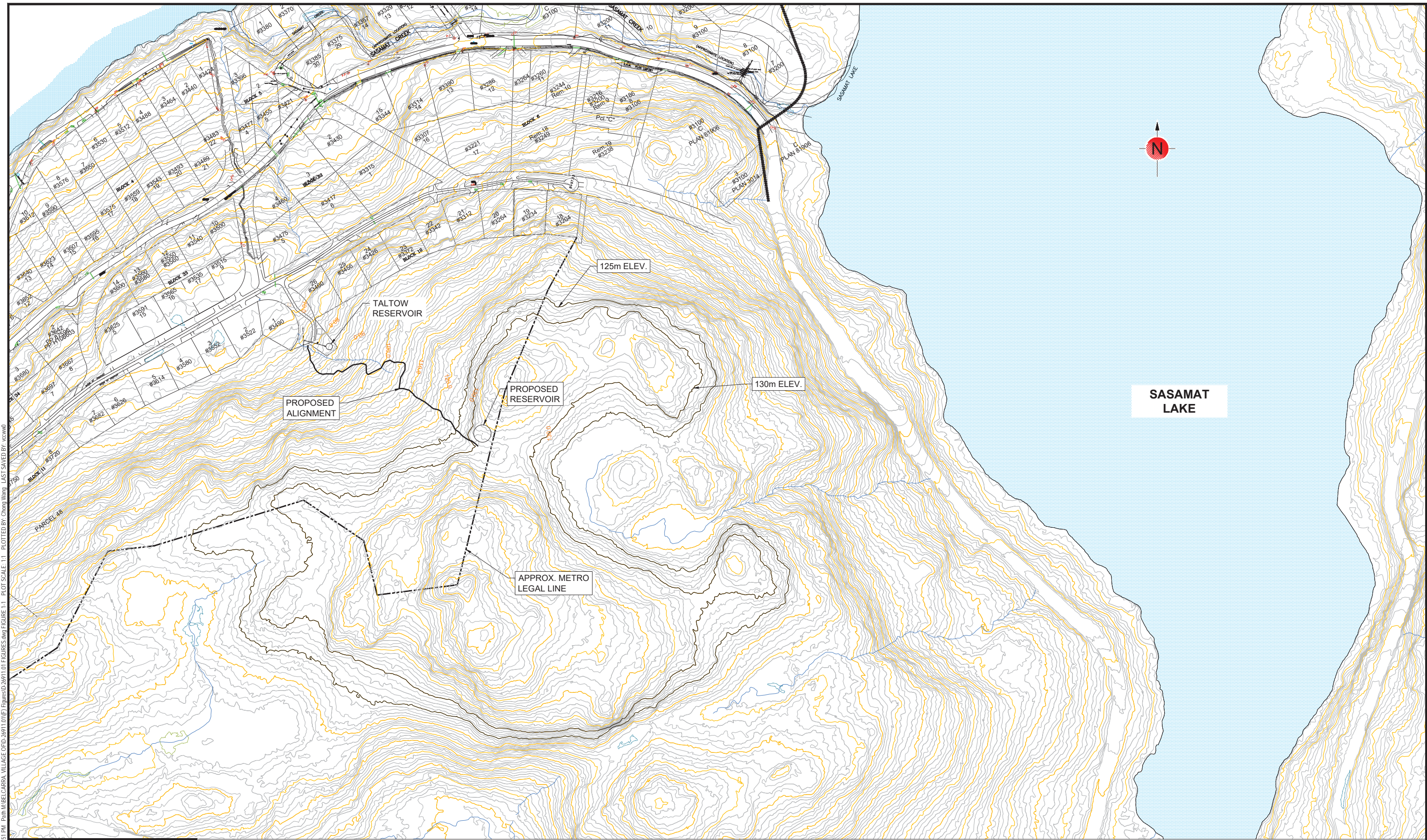
### Water Age and Re-chlorination Requirements

Based on preliminary calculations, under normal conditions with no fire events, the water age at average daily flow will be approximately 5 days, due to the relatively low demand in the new tank. Based on the current chlorine residual levels in the Village's distribution system, it is likely that the residual levels will not meet minimum requirements at a water age of 5 days. Therefore, one of the re-chlorination options discussed above will need to be incorporated into the system.

### Elevation and Location

Figure 4 shows the range of 125-130 m elevation to the south east of the Tatlow reservoir and the approximate location of the proposed reservoir. The proposed location lies within Crown Land boundaries, immediately outside of the Metro Vancouver park boundaries. Construction of a new reservoir at this location will require a permit from the Crown. A 300-m long separate supply and return pipelines will convey the water from the pump station to the proposed reservoir. Figure 5 shows the profile of the proposed alignment.





Plot Date: 21 Jul 2017 @ 1:51 PM Path: N:\BELCARRA VILLAGE OFD-26911.DWG FiguresID-26911.DWG FIGURE 1-1 PLOT SCALE: 1:1 PLOTTED BY: Cheng Wang LAST SAVED BY: cww

**OPUS**

North Vancouver Office  
604-990-4800  
DRAWN BY: CWW

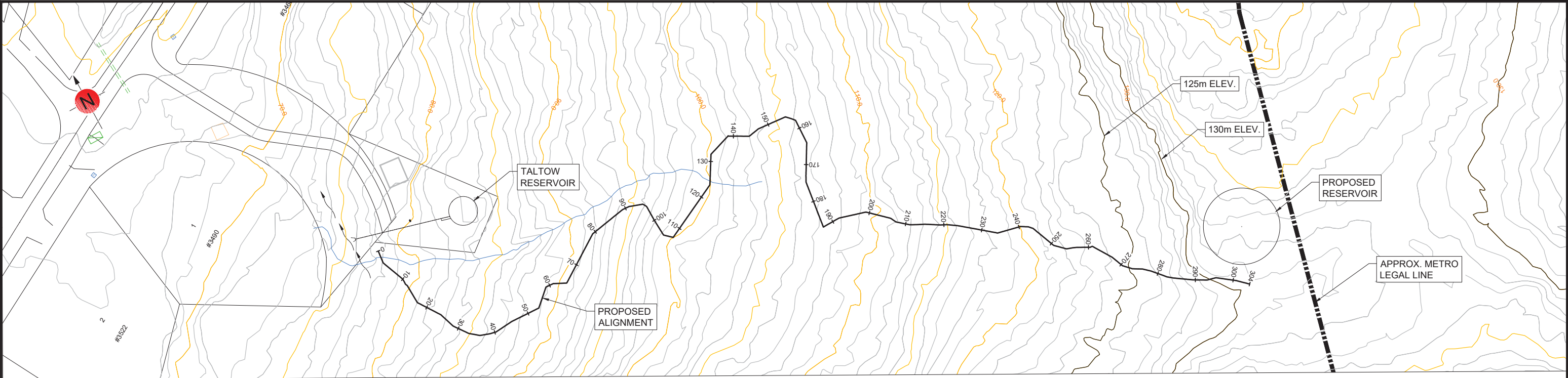
210-889 Harbourside Drive  
North Vancouver BC  
V7P 3S1, Canada  
DWG. No. D-26911.01

Original Sheet Size ANSI D [22"x34"]  
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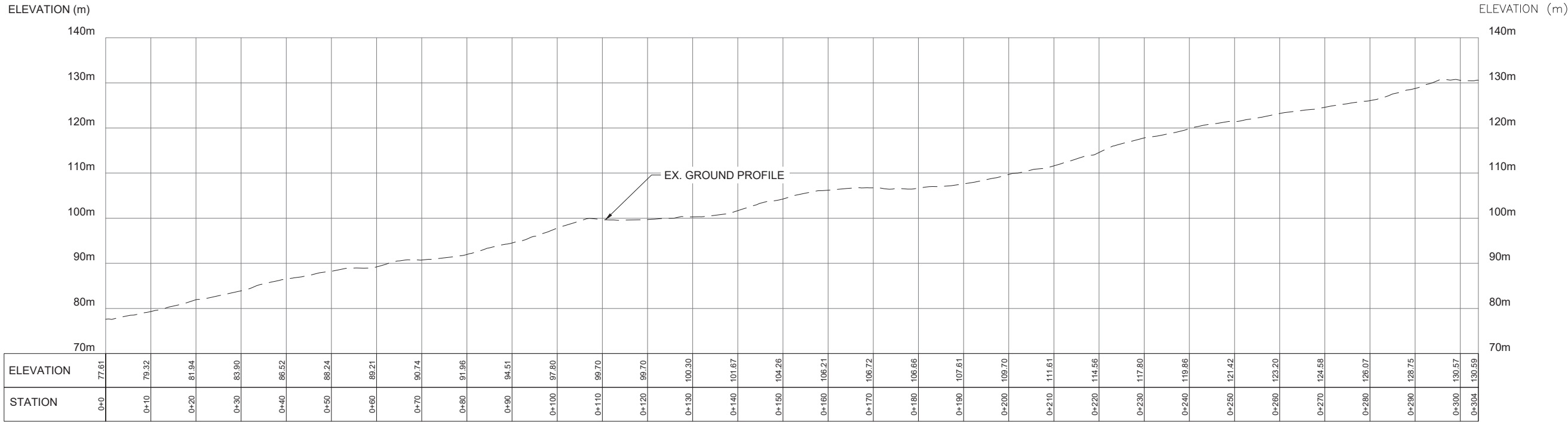
**VILLAGE OF BELCARRA**  
**PROPOSED HIGH ELEVATION RESERVOIR AND ALIGNMENT**

**FIGURE 4**





PLAN  
SCALE: 1:500



PROFILE  
SCALE: 1:500



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604-990-4800  
DRAWN BY: CWW

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North Vancouver BC  
V7P 3S1, Canada  
DWG. No. D-26911.01

VILLAGE OF BELCARRA  
PROPOSED HIGH ELEVATION RESERVOIR AND ALIGNMENT

FIGURE 5

## Option Cost

Tank pricing was provided by Western Tank and Lining and is \$270,000. With an allowance for piping to and from the tank, access grading, valve control and site preparation a total estimate costs between \$800,000 and \$1,000,000 can be assumed at this time. This is considered Class “D” costing and should be further refined for final budget allocations or funding applications.

## *Primary Reservoir - Gravity High Elevation Fire Flow*

In this scenario a new reservoir would be constructed to replace the Tatlow tank, but at a higher elevation. The selected elevation would be capable of providing a minimum of 20 psi pressure at the highest elevation fire hydrant. The design hydrant is located at the end of Main Ave and is at 84 meters. Therefore, to provide 20 psi (14 meters) a tank elevation of 98 meter is required. Water would then be gravity fed to the fire hydrants in all pressure zones. Portions of the high pressure zone would still need to be pumped. This scenario would eliminate the need for the Tatlow reservoir and the fire pump.

## Reservoir Sizing

Based on the 14 L/s maximum day demand estimate for the Village and using the assumptions presented previously, the balancing volume for a reservoir servicing the entirety of the Village is approximated at 302,000. The required fire storage is consistent with the flows discussed for the previous option. The total reservoir volume is as follows:

**Table 3 – Total Storage Volume**

Storage	Volume (L)
Balancing	302,000
Fire Protection	324,000
Total	626,000

## Water Age and Re-chlorination Requirements

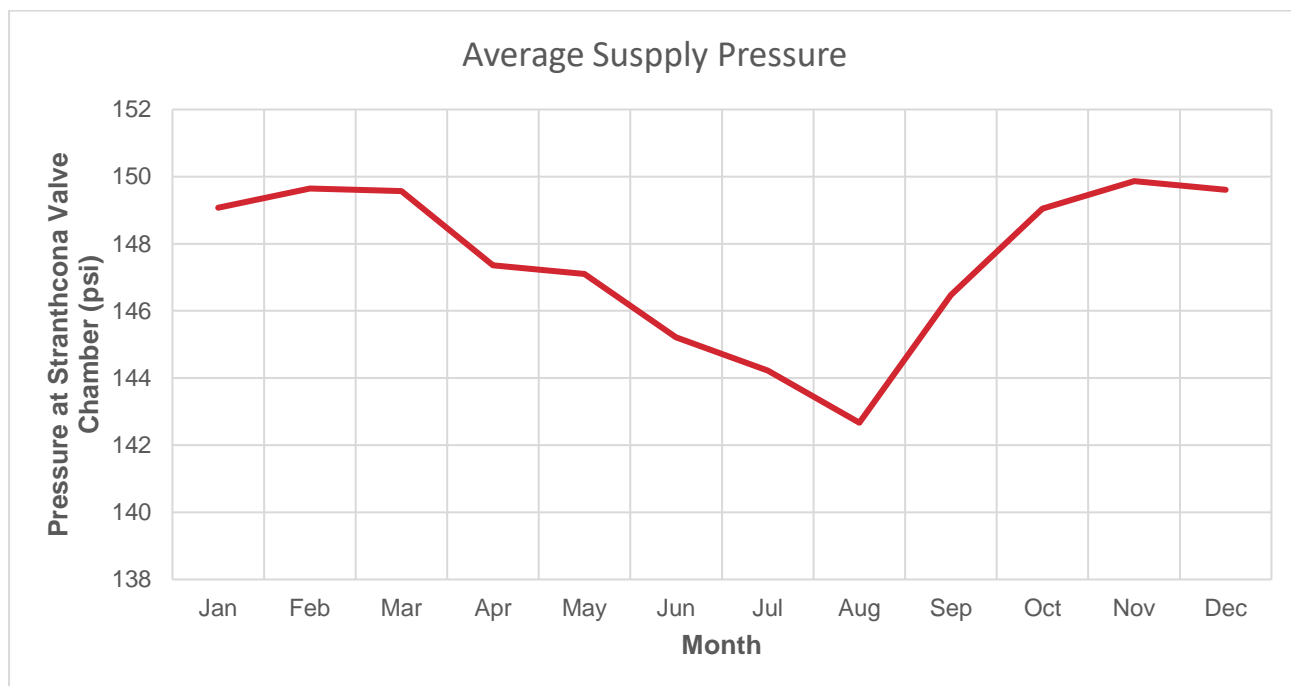
The estimate average water age for this larger tank is approximately 1 day. This may not significantly impact the chlorine residual levels as it is only 12 hours longer than the current average tank retention time.

## Elevation and Location

The Village SCADA system monitors the average discharge pressures from the DNV. On average, the available pressure to fill a tank in the Village is approximately at 146 psi, or 103 m of pressure head (Figure 6). However, the lower pressure limit is around 142 psi, or 99 m of pressure head. Additional pressure will be lost at the water moves from the Strathcona valve chamber into a new reservoir. The calculated pressure loss between the Strathcona valve chamber and the reservoir inlet discharge is 4 meters, unfactored. Therefore, under high flow conditions in both Belcarra and North Vancouver, a reservoir above 95-meter top water level would not be filled. Typically, an additional factor of safety would be incorporated into the system hydraulic losses which would limit the reservoir top water level to between 90 and 95 meters.

Based on the above, it is unlikely that a reservoir at the required 98 m elevation would be able to fill under high demand conditions in both North Vancouver and Belcarra. Therefore, this option would only provide a larger tank in place of the Tatlow tank, but still require the fire pump system.





**Figure 6 – Residual Pressure Recorded for the DNV Water Supply at the Strathcona Valve Chamber.**

### Option Cost

Tank pricing was provided by Western Tank and Lining and is \$320,000. With an allowance for piping to and from the tank, access grading, valve control and site preparation a total estimate costs between \$600,000 and \$800,000 can be assumed at this time. This is considered Class “D” costing and should be further refined for final budget allocations or funding applications.

### Discussion

Two options were reviewed to increase the Village available fire flow from 30 L/s to 60 L/s. The first option involves constructing a new larger tank at around 130 m elevation to provide both domestic and fire protection water to the high-pressure zone in the Village. The existing Tatlow pumps would be repurposed to pump water from the Tatlow tank into the new high elevation tank. Water would gravity flow to all the residences on Main Ave from this tank. The Tatlow tank would continue to serve the lower pressure zone under normal conditions. Under fire flow conditions the new high elevation tank would drain into the lower pressure zone to provide the added storage. This option would result in an increase in the water age for the Main Ave residences of approximately 5 days and cause no change in the existing water age for the remainder of the Village.

The second options reviewed a tank with sufficient elevation to provide gravity flow to the highest elevation hydrant on Main Ave, while retaining the booster pump system for the residences. However, pressure measurements recorded at Strathcona valve chamber indicated that under high flow conditions there would be insufficient pressure to fill the tank. As such, the new tank would be nominally higher than the Tatlow tank. Therefore, a fire pump for Main Ave would still be required along with the domestic booster pumps. This would result in an estimated increase in water age of 12 hours over the current average.

A summary of comparison items between the two options is provided in the following table.

**Table 4 – Comparison of Reservoir Options**

High Elevation Tank	Replace Tatlow Tank
100% of the Village supplied by gravity under BOTH domestic and fire flow events	The high-pressure zone residences (~30 homes) will still be supplied water using booster pumps and a fire pump
Approximately 20% higher capital cost	

---

Increase in the water age for the high-pressure zone of approximately 5 days. No change to the remainder of the Village.

Increase in the water age to all residents in the Village of approximately 12 hrs.

---

Provides a secondary tank within the Village and options to service each tank.

Does not allow the tank to be offline for service.

---

DRAFT



## COUNCIL REPORT

**Date:** January 13, 2020

**From:** Ken Bjorgaard, Financial Consultant

**Subject:** Reserve Funds & Surpluses Policy No. 211

### Recommendation

That the Reserve Funds and Surpluses Policy No. 211 titled “Reserve Funds and Surpluses Policy” dated January 13, 2020, be approved; and  
 That bylaws be brought forward for Council consideration in order to implement the Policy; and  
 That Corporate Policy No. 196, Financial Plan – Sources and Uses of Funds, be repealed.

### Purpose

This report introduces a Reserve Funds and Surpluses Policy which rationalizes and clarifies the purpose of and goals for each of the Village reserve and surplus accounts. By working towards the optimal reserve and surplus balances in the Policy, greater financial stability and sustainability may be achieved.

### Summary

When reserves and surpluses are formalized and planned, they serve as important internal funding sources or savings that may be used to prevent spikes in property taxation and user fees, for funding emergent projects or issues, for working capital purposes and for one-time operating and / or capital projects. When optimal reserve and surplus balances are achieved, external debt and associated interest charges will also be minimized.

A new Reserve Funds and Surpluses Policy, with clear purposes and goals, is brought forward for Council consideration to set the Village on a road to greater financial sustainability.

### Background

#### Overview & Present State

Reserve Funds may be established by bylaw for specific purposes and others must be established by bylaw for the purposes as outlined in the *Community Charter*. Reserve fund bylaws specify which funds will be credited to specific reserves and for what each reserve fund may be used. Interest earned on the reserve balances also needs to be credited to each reserve. If the amount to the credit of a reserve fund is greater than required for the purpose for which the fund was established, Council may, by bylaw, transfer all or part of the credit amount to another reserve fund.

Pursuant to the requirements of the *Community Charter*, in 2015 two reserve fund establishing bylaws for capital and operating purposes were adopted. For accounting and funding purposes, these two reserves were broken down or segregated further, internally, as noted in the following table. These segregated funds did not have any specific funding goals (other than the descriptive titles) and/or a plan for their long-term build-up and use.

General Capital Reserve	General Operating Reserve
<ul style="list-style-type: none"> <li>• Transportation</li> <li>• Building</li> <li>• Equipment</li> <li>• Waste &amp; Recycling</li> <li>• Water</li> </ul>	<ul style="list-style-type: none"> <li>• Elections</li> <li>• Multi Use Court</li> </ul>

In addition to the above reserves, some of its General Operating Accumulated Operating Surplus were broken down and segregated for specific purposes: climate change, the Small Community Investment Fund (SCIF), advance and community works, and gas tax funds. Council passed a motion to move the SCIF advance funds to Unappropriated General Operating Fund Surplus. The Community Works Gas Tax Funds are required to be spent on specific approved uses pursuant to the *Gas Tax Agreement*. Climate Change Funds were set aside without specific projects being identified. If surplus funds are set aside for specific projects, those uses should be clearly defined and should be used within a reasonable time period, otherwise the projects needs may be met through reserve funds as established by bylaw.

General targets or guidelines for reserve and surplus levels have been established through the *Corporate Policy No. 196, Financial Plan – Sources and Uses of Funds*, as follows:

**“General Operating Statutory Reserve:** The municipality shall maintain a General Operating Reserve sufficient to finance operations prior to taxes and fees being collected, to fund periodic one-time operating expenses, and to provide contingency funding for potential emergency or crisis events. The target balance of the General Operating Statutory Reserve plus the Unrestricted Surplus is equal to the greater of \$500,000 or six months normalized operating expenses. If the target balance is not met, a plan will be developed and implemented to increase the reserve balance. Excess funding may be used for one-time items or capital purposes at the direction of Council.

**Capital Reserve & Establishment of Capital Funding Envelopes:** Capital funding envelopes (“CFE”), being an allocation of annual general revenue funding, will be established for all major tangible capital asset (“TCA”) categories that will provide sufficient funding to provide for “required” capital expenditures for all existing TCA net of any acceptable debt funding (see Debt policy statement below) and third party sources. Annual CFE allocations shall be transferred to a Statutory Capital Reserve which shall be the source of general revenue funding for capital expenditures on existing TCA.”

The above policy targets, or guidelines, have been readdressed in the new attached Reserve Funds and Surpluses Policy. The above policy guidelines will become redundant with the new Policy.

### **New – Corporate Policy No. 211, Reserve Funds & Surpluses**

The attached Corporate Policy No. 211, Reserve Funds & Surpluses outlines the philosophical basis and guiding principles for reserves and surpluses, and sets out the various reserves / surpluses including the purpose. Administration is also addressed in the Policy and definitions are provided for easy reference and clearer understanding.

If the Policy is approved, the various reserve funds noted in the Policy would be implemented through establishing bylaws brought forward to Council. In addition, bylaws would be required to close the existing reserves and to transfer the monies to the new reserves.

As part of the reserve and surplus restructuring, it is recommended that the appropriated surplus balance set aside for climate change be transferred to the new Stabilization Operating Reserve account noted in the Policy. These monies may be used for this and other similar purposes (see further details on the reserve below).

After formalizing the reserve funds and surpluses by adopting the attached Policy and associated bylaws (reserves only), the Village may work toward achieving the optimal levels noted in Policy No. 211 through its annual financial planning process. This will include the draft 2020-2024 Financial Plan that will be brought forward to Council for discussion and consideration. It should be noted that some of the minimal and optimal Policy balances are yet to be determined. The balances will be defined once solid, long-term capital plans are in place. The intent of this increased focus and clarity in regards to the surplus and reserve accounts and balances is to provide for greater financial sustainability.

## Changes

The main changes which flow from the Policy and which are being recommended are as follows and as noted in the table below.

1. The existing Capital Reserve Fund, as previously established by Village Bylaw No. 482, 2015 (segregated internally for transportation, building, equipment, waste & recycling, general and water purposes) would be divided as follows: (The existing funds are presently being used for these general purposes.)
  - General Capital Reserve Fund (40% of existing Capital Reserve balance)
  - Vehicle & Equipment Reserve Fund (10% of existing Capital Reserve balance)
  - Transportation Infrastructure Reserve Fund (30% of existing Capital Reserve balance)
  - Water Utility Capital Reserve Fund (20% of existing Capital Reserve balance)
2. A Community Works Gas Tax Reserve Fund would be established as these funds are only to be used for projects allowed for under the *Agreement on the Transfer of Federal Gas Tax Revenues*. These are not surplus funds.
3. The existing Operating Reserve Fund, as previously established by Village Bylaw No. 482, 2015 (internal segregated for election and multi use court expenses) would be redefined into the following operating reserve account for the purposes noted in Policy and reiterated below. This new reserve would provide greater flexibility in being able to fund non-reoccurring or one-time expenses, emergency operational expenses and to offset revenue shortfalls.
  - The Financial Stabilization Reserve Fund would be established for the following purposes (existing Operating Reserve Fund and climate change funds to be directed here):
    - a) *For Major Emergent Operating Issues* - the Village is exposed to major non-reoccurring costs related to various emergency events or situations, e.g. inclement weather, environmental hazards, etc. It is not possible to anticipate or budget for these emergent situations and it is not feasible to absorb the cost of such events in other budget areas in any given year.
    - b) *For One-Time and Intermittent Projects* - the Village undertakes certain one-time and/or limited duration projects that are larger in terms of costs. Funding these projects from property taxation would result in annual spikes and subsequent declines in taxation. It is not prudent to fund these projects from on-going property taxation revenue.

- c) *To Offset Unrealized Revenues* - some of the revenue sources, e.g. building permits, are cyclical in nature and are subject to downturns in the economy. The Village tries to anticipate economic downturns by budgeting for a base dollar amount of these revenues in its general operations. Despite best efforts, the Village is exposed to the possibility of unrealized revenues and / or declines in base revenues from year to year. Budgetary savings or other revenues are depended on to offset these revenue shortfalls.
4. New reserve funds for Land Sales and Park Land Acquisition would also be created. Under the *Community Charter*, they are must have reserves. The proceeds from the sale of any road-ends would be directed to the new Land Sale Reserve Fund.
- Park Land Acquisition Reserve Fund (Restricted Revenue)  
*Community Charter*, Section 188 (2) (b), states that money received from the sale or disposal of park land, as well as money received pursuant to Section 510 of the *Local Government Act* (cash received in-lieu of park land upon subdivision) must be set aside in a reserve fund and must be used exclusively for the purpose of acquiring park land.
  - Land Sale Reserve Fund  
*Community Charter*, Section 188 (2) (e), states that money received from the sale of land and improvements must be set aside in a reserve fund for the purpose of paying any debt remaining in relation to the property and for acquiring land, improvements and other assets of a capital nature.

### **Projected Balances & Related Changes**

The table below highlights the recommended changes to the reserve and surplus accounts and includes a continuity of the balances from the 2018 year-end to the beginning of 2020. The estimated year-end numbers for 2019 are preliminary at this point. The existing and new reserve funds, and the recommended transfers, are summarized in this table.

Attachment A – Reserve Funds and Surpluses Policy No. 211

**PROJECTED BALANCES & RELATED CHANGES IN VILLAGE'S RESERVES & SURPLUSES**

	2018 Year- End (before changes)	Estimated 2019 Year - End (after Approved & Projected Changes)	Beginning of 2020 (upon implementation of new policy and approved reallocations)	Comments
<b>GENERAL FUND</b>				
<b><u>Capital Reserve Funds (may be established by bylaw)</u></b>				
<u>Existing</u>				
Capital Reserve (including transportation, building, equipment, WARD & water)	\$ 491,060	\$ 577,593	\$ -	To be distributed as per below
<u>New</u>				
Community Works Gas Tax Reserve	-	-	398,641	Transferred from Appropriated Surplus
General Capital Reserve	-	-	231,037	40% of Capital Reserve balance directed here
Vehicle & Equipment Capital Reserve	-	-	57,759	10% of Capital Reserve balance directed here
Transportation Infrastructure Reserve	-	-	173,278	30% of Capital Reserve balance directed here
<b>Subtotal Capital Reserve Funds</b>	<b>\$ 491,060</b>	<b>\$ 577,593</b>	<b>\$ 860,715</b>	
<b><u>Operating Reserve Funds (may be established by bylaw)</u></b>				
<u>Existing</u>				
General Operating Reserve (includes tennis court & election)	32,018	32,018	-	Transfer to new Stabilization Reserve
<u>New</u>				
Financial Stabilization Reserve	-	-	92,087	General Operating Reserve & climate change funds; could be used partially to fund OCP project
<b>Subtotal Operating Reserve Funds</b>	<b>\$ 32,018</b>	<b>\$ 32,018</b>	<b>\$ 92,087</b>	
<b><u>Statutory Reserve Fund (must be established by bylaw)</u></b>				
<u>New</u>				
Land Sale Reserve Fund	-	-	-	New reserve
Parkland Acquisition Reserve Fund	-	-	-	New reserve
<b>Subtotal Statutory Reserve Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b><u>Appropriated (Restricted) General Surplus</u></b>				
Climate Change	\$ 60,069	\$ 60,069	\$ -	Transfer to Stabilization Reserve Fund
Small Communities Investment Fund (SCIF) Advance	33,420	-	-	To be transferred to Unappropriated Surplus per recent Council motion
Community Works Fund (transferred to Reserve Fund)	279,398	398,641	-	Now a reserve fund (see above)
<b>Subtotal Appropriated General Surplus</b>	<b>\$ 372,887</b>	<b>\$ 458,710</b>	<b>\$ -</b>	
<b><u>Unappropriated (Unrestricted) Accumulated Surplus</u></b>				
<b>Subtotal Unappropriated General Operating Fund Surplus</b>	<b>\$ 264,663</b>	<b>\$ 237,267</b>	<b>\$ 237,267</b>	Reduced by \$70K per recent motion to transfer funds to water to offset water operating deficit. Increased by \$33,420 per approved SCIF transfer.
<b>GENERAL FUND TOTALS</b>	<b>\$ 1,160,628</b>	<b>\$ 1,305,588</b>	<b>\$ 1,190,069</b>	

**PROJECTED BALANCES & RELATED CHANGES IN VILLAGE'S RESERVES & SURPLUSES**

	2018 Year- End (before changes)	Estimated 2019 Year - End (after Approved & Projected Changes)	Beginning of 2020 (upon implementation of new policy and approved reallocations)	Comments
<b>WATER UTILITY FUND</b>				
<b><u>Reserve Fund</u></b>				
Water Capital (to be formalized with bylaw) <b>(New)</b>	\$ -	\$ -	\$ 115,519	20% of Capital Reserve balance to be directed here.
<b><u>Appropriated (Restricted) Water Surplus</u></b>				
Water Debt Repayment	\$ 26,590	\$ 25,028	\$ 25,028	No change
<b><u>Unappropriated (Unrestricted) Accumulated Water (Deficit) Surplus</u></b>				
Unappropriated Water Operating Fund Surplus	\$ (53,062)	\$ 21,938	\$ 21,938	\$70,000 transferred from General Operating Fund Surplus to offset deficit per Council motion
<b>WATER UTILITY FUND TOTALS</b>	<b>\$ (26,472)</b>	<b>\$ 46,966</b>	<b>\$ 162,485</b>	
<b>WASTE &amp; RECYCLING DEPOT FUND</b>				
<b><u>Unappropriated (Unrestricted) Accumulated Surplus</u></b>				
Unappropriated Waste & Recycling Operating Fund Surplus	\$ 62,993	\$ 64,865	\$ 64,865	No change
<b>WASTE &amp; RECYCLING UTILITY FUND TOTALS</b>	<b>\$ 62,993</b>	<b>\$ 64,865</b>	<b>\$ 64,865</b>	
<b>GRAND TOTAL ALL RESERVES AND SURPLUSES</b>	<b>\$1,197,149</b>	<b>\$ 1,417,419</b>	<b>\$ 1,417,419</b>	





**VILLAGE OF BELCARRA**  
**CORPORATE POLICY NO. 211**



**Title: Reserve Funds and Surpluses**

<b>ISSUED BY:</b> CAO	<b>APPROVED BY:</b> COUNCIL	<b>DATE:</b>
<b>REVISED BY:</b>	<b>APPROVED BY:</b>	<b>DATE:</b>

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## 1. PURPOSE

This Reserve and Surplus Policy outlines the Village of Belcarra philosophy, guiding principles and objectives, in terms of its various reserves and surpluses. By reaching a clear understanding of reserve / surplus objectives, and by continually measuring progress towards achieving those objectives, the aim is to attain greater financial stability and prosperity.

## 2. DEFINITIONS

**"Accumulated Surplus"** means the accumulated excess of revenues over expenditures from prior years.

**"Non-Statutory Reserves"** means those Reserves that may be established by bylaw if Council so desires, pursuant to the *Community Charter*.

**"Restricted Surplus"** (also known as Appropriated Surplus) means funds set aside from Accumulated Surplus to complete specific budgeted projects that could not be completed in a particular fiscal year and that are expected to be completed in the following fiscal year. Bylaws are not required or needed for Restricted Surplus funds as these monies are expected to be used in the short term for their original budgeted purpose.

**"Annual Surplus"** means the accumulated excess of revenues over expenditures for the current year.

**"Reserve Fund(s) or Reserve(s)"** means all of the Statutory and Non-Statutory Reserve Funds that have been set aside by bylaws for specified purposes by Council pursuant to legislation.

**"Restricted Revenue"** means revenues or receipts which are restricted by legislation, or that contain stipulations that create a liability, and which are deferred. Restricted Revenue is recognized as revenue in the period in which the qualifying expenses are incurred and/or the stipulations are met. Certain Statutory Reserve Funds, e.g. Parkland Acquisition Reserve Funds, are classified as Restricted Revenues for financial accounting and reporting purposes.

**"Statutory Reserve Funds"** means funds received from specific sources that are set aside for specified purposes as required by legislation. If monies are received from specific sources, certain Reserve Funds must be established for administering these funds. These Reserves are non-discretionary or mandatory.

**"Unrestricted Accumulated Surplus"** (also known as Unappropriated Accumulated Surplus) means the Accumulated Surplus amounts built up in the various operating funds that have not been designated for specific uses or purposes like Restricted Surplus.

### 3. PHILOSOPHY AND GUIDING PRINCIPLES

#### 3.1 Reserve / Surplus Philosophy

The Village reserve / surplus philosophy represents its rationale for establishing reserve and surplus monetary balances.

It is financially prudent to set aside funds in Non-Statutory Reserves, in addition to those Statutory Reserves required under legislation, for the following reasons:

- The use of reserves to pay for one-time capital and/or operating expenses reduces the need to fund these expenses from taxation, user fees, debt, etc. Use of reserve funding also minimizes debt and related interest costs which have an ongoing budget impact;
- Funding non-reoccurring, one-time capital and/or operating expenses through operating budgets, as opposed to reserves, results in unnecessary fluctuations in property taxes and/or user fees;
- The establishment of regular, stable and incremental operating budget contributions to reserves results in reserve balances that can be used to fund one-time capital and/or operating expenses. These contributions then have predictable impact on property taxes and/or user fees;
- Budgeting “closer to the line” within operating budgets is possible when reserves are in place to fund operating irregularities or spikes. The reserves thus serve as a safety net;
- Having to set aside funds annually in reserves for major, future one-time costs, reinforces the need to think, plan and save ahead of time for longer term expenditures; and
- Once reserves are built up to a certain level the interest earnings on these funds can be used to partially fund one-time capital and/or operating project costs which results in less pressure on operating budgets and related taxation and user fees.

It is necessary to set aside funds in Unrestricted Accumulated Surplus accounts for the following reasons:

- Unrestricted Accumulated Surpluses may be used to pay for operating expenses before property taxes, user fees and/or other revenues are collected, which allows the Village to avoid borrowing and related interest costs for operating purposes; and
- Having Unrestricted Accumulated Surplus funds in place to respond to unforeseen emergencies, safeguards the organization and the community.

#### 3.2 Guiding Principles

The following guiding principles, which have shaped this Policy, build upon the Village reserve / surplus philosophy:

- Healthy reserve / surplus levels are important in achieving community goals including financial health and stability;
- The Village will strive to be a leader, among local governments, in terms of financial health and stability;
- Actual reserve / surplus balances need to be benchmarked with other jurisdictions and with pre-determined targets on an ongoing basis to gauge whether financial health is being achieved;
- Reserve / surplus goals need to be consistent with and supportive of realistic longer-term financial plans;
- Reserve / surplus appropriations need to conform to the statutory / legal requirements of the *Local Government Act* and the *Community Charter*, generally accepted accounting principles (GAAP) and Public Sector Accounting Board (PSAB) recommendations.

#### 4. NON-STATUTORY RESERVE FUNDS

Pursuant to the *Community Charter*, Section 188 (1), Council may, by bylaw, establish a Reserve Fund for a specified purpose and direct that money be placed to the credit of the Reserve Fund. The following Reserve Funds have been established under this legislation for the purpose(s) indicated:

##### 4.1 Community Works Gas Tax Reserve Fund

The Community Works Gas Tax Reserve Fund has been established to account for funds received and used pursuant to the Community Works Gas Tax Agreement. Funds in this Reserve may only be used for projects allowed for under the *Community Works Gas Tax Agreement*.

##### 4.2 Financial Stabilization Reserve Fund

The Financial Stabilization Reserve Fund has been established for the following purposes:

***For Major Emergent Operating Issues*** - the Village is exposed to major non-reoccurring costs related to various emergency events or situations, e.g. inclement weather, environmental hazards, etc. It is not possible to anticipate or budget for these emergent situations and it is not feasible to absorb the cost of such events in other budget areas in any given year.

***For One-Time and Intermittent Projects*** - the Village undertakes certain one-time and/or limited duration projects that are larger in terms of costs. Funding these projects from property taxation would result in annual spikes and subsequent declines in taxation; therefore, it is not prudent to fund these projects from on-going property taxation revenue.

***To Offset Unrealized Revenues*** - some of the Village revenue sources, e.g. building permits, are cyclical in nature and thus are subject to downturns in the economy. The Village tries to anticipate economic downturns by budgeting for a base dollar amount of these revenues in its general operations. Despite best efforts, the Village is exposed to the possibility of unrealized revenues and / or declines in base revenues from year to year. Budgetary savings or other revenues may not always be depended upon to offset these revenue shortfalls.

##### 4.3 General Capital Reserve Fund

The General Capital Reserve Fund has been established to fund general capital projects that are not specifically funded from other established reserves. Capital projects that will be funded from this Reserve are budgeted for within the Village long-term capital plan. This Reserve can also be used for the early retirement of general debt, as funds permit.

##### 4.4 Transportation Infrastructure Reserve Fund

The Transportation Infrastructure Reserve Fund has been established for transportation infrastructure improvements, renewals and maintenance, including those related to roads, trails and pathways.

##### 4.5 Vehicle and Equipment Reserve Fund

The Vehicle and Equipment Reserve Fund has been established to pay for the replacement of municipal vehicles and equipment included in the Village fleet.

##### 4.6 Water Capital Reserve Fund

The Water Capital Reserve Fund has been established for water utility capital projects including water treatment, conveyance and storage projects, water distribution system projects and any capital equipment/systems required for water operations. This Reserve may also be used for the early retirement of any water debt, as funds permit.

## 5. STATUTORY RESERVE FUNDS

Pursuant to legislation, Council must establish certain Reserve Funds, if funds are received from specific sources. The Village has established the following Statutory Reserve Funds:

### 5.1 Land Sale Reserve Fund

The *Community Charter*, Section 188 (2) (e), states that funds received from the sale of land and improvements must be set aside to pay for any debt remaining in relation to the property and for acquiring land, improvements and other assets of a capital nature. The Land Sale Reserve Fund has been established for accumulating and expending monies as per this requirement.

### 5.2 Park Land Acquisition Reserve Fund (Restricted Revenue)

The *Community Charter*, Section 188 (2) (b), states that funds received from the sale or disposal of park land as well as funds received pursuant to Section 510 of the *Local Government Act* (cash received in-lieu of park land upon subdivision) must be set aside in a Reserve Fund and must be used exclusively to purchase park land. The Park Land Acquisition Reserve Fund has been established for accumulating and expending monies as per this requirement.

## 6. UNRESTRICTED ACCUMULATED SURPLUSES

The Village needs to maintain Unrestricted Accumulated Surplus balances in the three operating funds: (the General Operating Fund, the Water Operating Fund, and the Waste & Recycle Depot Operating Fund), for working capital purposes, i.e. to provide for operating expenditures before property taxes, user fees or other revenues collected. Maintaining minimum working capital levels eliminates or reduces the need to borrow externally and/or internally for operations.

Emergency funds may be required from time to time, from any one of the Unrestricted Accumulated Surplus balances, for unforeseen costs. When this occurs, the Village needs to rely upon sufficient balances being available in the applicable Unrestricted Accumulated Surplus Fund.

## 7. RESTRICTED SURPLUSES

The Village may set aside surplus operating funds at year-end, from time to time, which are termed Restricted Surpluses. These funds are used to complete specific budgeted projects that could not be completed in a particular fiscal year and are expected to be completed in the following fiscal year. Specific Reserve Fund bylaws are not established for these designated funds as these funds are expected to be used in the short term and for their original budgeted purpose.

## 8. ADMINISTRATION

### 8.1 Reserve Contributions

Annual and/or periodic contributions to Reserve Funds shall be specific to each reserve, as approved by Council through the Village annual financial planning / budgeting process.

### 8.2 Minimum and Optimal Reserve Balances

Minimum and optimal balances have been established for some of the Reserve Funds and for its Unrestricted Accumulated Surpluses, as shown in Schedule "A". These balances serve as guidelines. This schedule also shows the purpose of each Reserve Fund and Unrestricted Accumulated Surplus and the source(s) of funding applicable to each. The minimum balances ensure that the respective reserves are not depleted to the point where

those balances are no longer able to serve their intended purpose(s). The optimal balances ensure that the guiding principles are achieved and that the respective balances do not grow beyond their intended purpose(s), creating idle assets that could be otherwise utilized for other corporate priorities. A formal comparative review of actual, minimum and optimal fund balances shall be undertaken annually.

### **8.3 Internal Borrowing**

Internal borrowing from specific Reserve Fund and Unrestricted Accumulated Surplus accounts shall be permissible as allowed for by legislation, if a clearly defined and attainable payback plan, including payment of foregone interest, is in place, as internal borrowing allows for more flexibility in terms of payback amounts and loan duration than that of external borrowing. Paybacks shall be executed according to plan.

### **8.4 Year-End**

At the end of each fiscal year, the Village will review its Unrestricted Accumulated Surplus and Reserve Fund balances to determine whether there should be an allocation of Unrestricted Accumulated Surplus funds to specific Reserves to meet the reserve and surplus objectives including attaining or maintaining the optimal balances.

### **8.6 Responsibilities**

The Chief Administrative Officer shall be responsible for:

- Recommending the necessary contributions and transfers so that the Village Reserve Funds and, Unrestricted Accumulated Surpluses are maintained in accordance with this Policy;
- Conducting an annual review of all Reserve Fund and Unrestricted Accumulated Surplus balances including comparing actual levels with the established minimum and optimal levels within this Policy and with other jurisdiction benchmarks, and reporting the results of such a review to Council;
- Recommending changes to the minimum and optimal balance guidelines shown in this Policy; and,
- Recommending any revisions or amendments to this Policy, as may be required from time to time, as a result of changes in applicable statutes, accounting standards, economic conditions, etc.

### **8.7 Interest**

Reserves Funds and Unrestricted Accumulated Surpluses shall be paid and allocated interest based on their average annual balances and on the Village average rate of return on investments.

### **8.8 Guide and Transition**

The minimum and optimal fund balance guidelines shown in this Policy serve as a guide in moving the Village towards the goals or targets it wishes to attain, in terms of individual fund balances. Fund balances are not at the minimum or optimal levels at the time of enacting this Policy, however, the Village is committed to transitioning towards its optimal targets.

**Corporate Policy No. 211, Reserve Funds and Surpluses  
Schedule "A" – Reserve/Surplus Summary**

Reserve Fund(s)	Purpose	Funding Source(s)	Minimum \$ Level	Optimum \$ Level	Rationale for \$ Levels Established and/or Comments
<b>NON-STATUTORY RESERVE FUNDS</b>					
<b>4.1 Community Works Gas Tax Reserve</b>	To account for funds received and used pursuant to the Community Works Gas Tax Agreement. Funds in this reserve need to be used for projects allowed for under the Community Works Gas Tax Agreement. Examples of approved uses include transportation and utility infrastructure, recreation facilities, asset management plans, community plans (e.g. OCPs) and long-term infrastructure plans.	<ul style="list-style-type: none"> <li>Community Works Gas Tax funds distributed on a per capita basis.</li> </ul>	N/A	N/A	The intent is to spend all funds received.
<b>4.2 Financial Stabilization Reserve</b>	For major emergent operating issues, one-time or intermittent projects (operating or capital), and to offset unrealized revenues.	<ul style="list-style-type: none"> <li>Annual budget allocations from the general operating fund as provided for in the financial plan.</li> <li>Transfer of any development/building revenues over and above established base amounts, if and when available.</li> </ul>	\$53,000 (based on 2019 budget) 4% of General Operating Fund budget revenues excluding non-cash revenues.	\$106,000 (based on 2019 budget) 8% of General Operating Fund budget revenues excluding non-cash revenues.	The Stabilization Reserve in part funds emergent issues and offsets unrealized revenues which generally do not exceed a percentage of the General Operating Fund budget.

Reserve Fund(s)	Purpose	Funding Source(s)	Minimum \$ Level	Optimum \$ Level	Rationale for \$ Levels Established and/or Comments
<b>NON-STATUTORY RESERVE FUNDS (continued)</b>					
<b>4.3 General Capital Reserve</b>	To fund general capital projects not specifically funded from other established Reserves which are included in the Village's long-term capital program and for general debt retirement.	<ul style="list-style-type: none"> <li>Annual budget allocations from the general operating fund as provided for in the financial plan.</li> </ul>	<p>To be determined once Long-Term Capital Plan is in place.</p> <p>Interest generated from reserve is funding 10% of the annual average of the rotating 5-year general capital program budget.</p>	<p>To be determined once Long-Term Capital Plan is in place.</p> <p>Interest generated from reserve is funding 30% of the annual average of the rotating 5-year general capital program budget.</p>	Using interest earnings to fund a percentage of the general capital program allows for less reliance on general tax revenue for capital.
<b>4.4 Transportation Infrastructure Reserve</b>	For transportation infrastructure improvements, renewals and maintenance, including those related to roads, trails and pathways.	<ul style="list-style-type: none"> <li>Annual budgeted allocation from the general operating fund.</li> </ul>	N/A	<p>To be determined.</p> <p>Fully funded road rehabilitation and maintenance program as well as funds to maintain trails and pathways.</p>	Need sufficient funds to pay for the ongoing replacement or rehabilitation of transportation infrastructure.



Reserve Fund(s)	Purpose	Funding Source(s)	Minimum \$ Level	Optimum \$ Level	Rationale for \$ Levels Established and/or Comments
<b>NON-STATUTORY RESERVE FUNDS (continued)</b>					
<b>4.5 Vehicle and Equipment Reserve</b>	To replace municipal vehicles and equipment included in the Village's fleet.	<ul style="list-style-type: none"> <li>Budgeted allocations from the General Operating Fund, the Water Operating Fund and the Waste &amp; Recycle Depot Operating Fund</li> <li>Proceeds from the sale of fleet vehicles and equipment.</li> </ul>	N/A	To be determined. Sufficient funds available to fund upcoming year of vehicle and equipment replacements and ability to fund all scheduled replacements internally without borrowing	Need to fund vehicle and equipment replacements without borrowing.
<b>4.6 Water Capital Reserve</b>	For Water Utility capital and for water debt retirement.	<ul style="list-style-type: none"> <li>Net revenue/expense transfer available from water operations after any budgeted amounts transferred to water operating surplus and/or other reserves.</li> </ul>	N/A	<p>To be determined. Fully funded water capital program, based on projected replacement cost for all assets.</p> <p>Funds to pay for the approved portion of growth projects.</p>	Borrowing should be avoided for the replacement of existing water infrastructure.

Reserve Fund(s)	Purpose	Funding Source(s)	Minimum \$ Level	Optimum \$ Level	Rationale for \$ Levels Established and/or Comments
<b>STATUTORY RESERVE FUNDS</b>					
<b>5.1 Land Sale Reserve</b>	To acquire land and/or, improvements, or other assets of a capital nature.	<ul style="list-style-type: none"> <li>Funds received from the sale of land and improvements.</li> </ul>	N/A	N/A	Acquisitions are ultimately dependent upon land/property sales.
<b>5.2 Parkland Acquisition Reserve</b>	To purchase parkland pursuant to the requirements of the <i>Community Charter</i> .	<ul style="list-style-type: none"> <li>Developer cash contributions as per the requirements under the <i>Local Government Act</i> cash-in-lieu option.</li> </ul>	N/A	N/A	Acquisitions are dependent upon collections.

Surplus Fund(s)	Purpose	Funding Source(s)	Minimum Level	\$ Optimum Target \$ Level	Rationale for \$ Levels Established and/or Comments
<b>UNRESTRICTED ACCUMULATED SURPLUSES</b>					
<b>6. Unrestricted General Operating Fund Accumulated Surplus</b>	For working capital purposes within the General Operating Fund and for unforeseen general operating emergency expenditures.	<ul style="list-style-type: none"> <li>Any excess General Operating Fund revenues (including property taxes) over expenditures and transfers at the end of each fiscal year.</li> </ul>	\$340,000 (based on 2019 budget) 30% of regular general fund cash operating expenses.	\$565,000 (based on 2019 budget) 50% of regular general fund cash operating expenses.	To fund operating expenses before collecting property taxes and other revenues, and in doing so avoid borrowing for general operations. Also need to provide a balance for general emergency expenses that could not be provided for through other general reserves.
<b>6. Unrestricted Water Operating Fund Accumulated Surplus</b>	For working capital purposes within the Water Operating Fund and for unforeseen water operating emergency expenditures.	<ul style="list-style-type: none"> <li>Any excess Water Operating Fund revenues (including user fees) over expenditures and transfers (including capital transfers) at the end of each fiscal year.</li> </ul>	\$60,000 (based on 2019 budget) 30% of regular annual budgeted cash water operating expenses.	\$100,000 (based on 2019 budget) 50% of regular annual budgeted cash Water Operating Fund expenses.	To avoid borrowing for water operations. Also need to provide a balance for water emergency expenses that could not be provided for through other water reserves.
<b>6. Unrestricted Waste &amp; Recycle Depot Operating Fund Accumulated Surplus</b>	For working capital purposes within the Waste & Recycle Depot Operating Fund and for unforeseen waste & recycle operating emergency expenditures.	<ul style="list-style-type: none"> <li>Any excess Waste &amp; Recycle Depot Operating Fund revenues (including user fees) over expenditures and transfers (including capital transfers) at the end of each fiscal year.</li> </ul>	\$32,000 (based on 2019 budget) 30% of regular annual budgeted Waste & Recycle Depot Operating Fund operating expenses.	\$53,000 (based on 2019 budget) 50% of regular annual budgeted Waste & Recycle Depot Operating Fund operating fund expenses.	To avoid borrowing for Waste & Recycle Depot Operating Fund operations. Also need to provide a balance for Waste & Recycle Depot Operating Fund emergency expenses.



## COUNCIL REPORT

**Date:** January 13, 2020

**From:** Lorna Dysart, Chief Administrative Officer

**Subject:** Village of Belcarra Building and Plumbing Code Regulation Bylaw No. 355, 2003, Amendment Bylaw No. 543, 2020

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### Recommendation

That the “Village of Belcarra Building and Plumbing Code Regulation Bylaw No. 355, 2003, Amendment Bylaw No. 543, 2020” be read a first, second and third time.

### Purpose

To amend the “Village of Belcarra Building and Plumbing Code Regulation Bylaw No. 355, 2003” to eliminate the requirement for a property that is undertaking a major renovation to connect to the Belcarra Water System.

### Background

On November 18, 2019, Council passed a motion that directed staff to bring back a report to provide an amendment to the “Village of Belcarra Building and Plumbing Code Regulation Bylaw No. 355, 2003”. The amendment would eliminate the requirement for a property to connect to the Belcarra Water System in the event of a demolition and rebuild on a property by the same owner, with proof of potable water provided.

There are currently 179 residences connected to the Belcarra Water System, which equates to approximately 66% of the total Belcarra residences. Since 2012, approximately six (6) residences have been connected to the water system due to major renovations. Since 2014, 10 residences have connected to the water system due to resale of the property.

### Attachment:

- A. Village of Belcarra Building and Plumbing Code Regulation Bylaw No. 355, 2003, Amendment Bylaw No. 543, 2020



**VILLAGE OF BELCARRA**  
**Building and Plumbing Code Regulation**  
**Bylaw No. 355, 2003,**  
**Amendment Bylaw No. 543, 2020**



**A bylaw to amend the Building and Plumbing Code Regulation Bylaw No. 355, 2003.**

WHEREAS the Community Charter enables a local government to amend its bylaws from time to time;

NOW THEREFORE the Village of Belcarra Council enacts as follows:

1. That this bylaw be cited for all purposes as the "Village of Belcarra Building and Plumbing Code Regulation Bylaw No. 355, 2003, Amendment Bylaw No. 543, 2020".
2. That the "Village of Belcarra Building and Plumbing Code Regulation Bylaw No. 355, 2003" be amended:
  - a) By deleting the text in Section 152.1.  
 "Connection to the Belcarra Water Supply and Distribution System (BWSDS) shall be required for:
    - (a) a new building incorporating a dwelling unit or plumbing fixtures;
    - (b) a change or addition of an occupancy, where the new occupancy is an accessory suite;
    - (c) an addition and / or renovation to an existing building incorporating dwelling units or plumbing fixtures, where the addition or renovation exceeds a floor area of 47 square meters when proof of potable water cannot be provided without the need for a point of use purification system."

Read a First Time on

Read a Second Time on

Read a Third Time on

ADOPTED by Council on

\_\_\_\_\_  
 Neil Belenkie  
 Mayor

\_\_\_\_\_  
 Lorna Dysart  
 Chief Administrative Officer

This is a certified a true copy of  
 Village of Belcarra Building and Plumbing Code Regulation Bylaw No. 355, 2003  
 Amendment Bylaw No. 543, 2020

\_\_\_\_\_  
 Chief Administrative Officer



**VILLAGE OF BELCARRA**  
**Revenue Anticipation Borrowing**  
**Bylaw No. 542, 2019**



A Bylaw to provide for the borrowing of money as may be requisite to meet the current lawful expenditures for the Village of Belcarra for the year 2020

WHEREAS the Council of the Village of Belcarra, hereinafter called the "Village", is empowered by Section 177 of the *Community Charter* to provide, by bylaw, for the borrowing of such sums of money as may be requisite to meet the 2020 lawful expenditures of the Village, such borrowing not to exceed, at any time, the aggregate sum of:

- a) The entire amount remaining unpaid of the taxes for all purposes levied during the year 2020;

AND WHEREAS prior to the adoption of the annual rates bylaw in any year, the taxes in the current year shall be deemed to be seventy-five per cent (75%) of all taxes levied for all purposes in the preceding year;

- b) The whole amount of any sums of money remaining due from other governments;

AND WHEREAS the aggregate sum that the Village may presently borrow calculated in accordance with the foregoing is: \$1,576,764.

NOW THEREFORE, the Municipal Council of the Village of Belcarra, in open meeting assembled, enacts as follows:

1. This bylaw shall be cited for all purposes as the "Village of Belcarra Revenue Anticipation Borrowing Bylaw No. 542, 2019".
2. The Council is hereby authorized and empowered to borrow upon the credit of the Village from the TD Canada Trust or Municipal Finance Authority, the sum of One Million Five Hundred Seventy-six Thousand Seven Hundred and Sixty-four dollars (\$1,576,764.) in such amounts and at such times as the same may be required and to pay interest thereon.
3. The form of obligation to be given as an acknowledgement of the liability shall be a promissory note or notes bearing the corporate seal and signed by the Mayor and the Chief Administrative Officer of the Village.
4. All unpaid taxes and the taxes of the current year when levied or so much thereof may be necessary shall, when collected, be used to repay the money so borrowed.
5. If a portion of this bylaw is held invalid by a Court of competent jurisdiction, then the invalid portion must be severed and the remainder of this bylaw is deemed to have been adopted without the severed section, subsection, paragraph, subparagraph, clause or phrases.
6. The "Village of Belcarra Council Revenue Anticipation Borrowing Bylaw No. 528, 2018" is hereby repealed.

Read a First Time on December 9, 2019

Read a Second Time on December 9, 2019

Read a Third Time on December 9, 2019

ADOPTED by the Council on

---

Neil Belenkie  
Mayor

---

Lorna Dysart  
Chief Administrative Officer

This is a certified a true copy of  
Village of Belcarra Revenue Anticipation  
Borrowing Bylaw No. 542, 2019

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Chief Administrative Officer

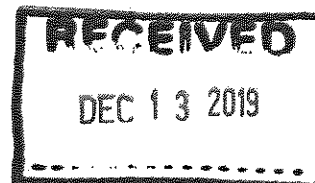
**PORT MOODY**  
CITY OF THE ARTS

100 Newport Drive, Port Moody, B.C., V3H 5C3, Canada  
Tel 604.469.4500 Fax 604.469.4550  
www.portmoody.ca

December 12, 2019

File No. 13-6530-90

Lorna Dysart  
Chief Administrative Officer  
Village of Belcarra  
4084 Bedwell Bay Road  
Belcarra BC V3H 4P8



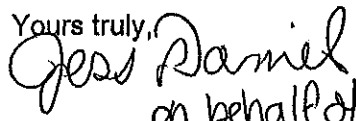
Dear Ms. Dysart:

**Re: Notice of Public Hearing for the loco Lands Official Community Plan Amendment –  
Removal of Special Study Area Designation**

As part of the City's early and ongoing consultation pursuant to Section 475 of the *Local Government Act*, the Village of Belcarra is hereby being notified of the upcoming Public Hearing on January 28, 2020 for an Official Community Plan amendment to remove the Special Study Area designation for the loco Lands. The proposed amendment also includes limiting residential density on these lands to 253 dwelling units and removing the requirement to complete the east-west connection to David Avenue for any future development in the loco Lands. A copy of the staff report summarizing the application, including the OCP Amendment Bylaw No. 3214, is attached for your reference.

If you have any comments that you wish to have considered at the Public Hearing, you can comment directly to Port Moody Council on January 28, 2020 or you can send a submission in writing before 12 noon on January 28, 2020 by emailing [clerks@portmoody.ca](mailto:clerks@portmoody.ca).

Should you have any questions regarding the proposed Official Community Plan amendment, please do not hesitate to contact me at [mdepaoli@portmoody.ca](mailto:mdepaoli@portmoody.ca) or 604-469-4702 or Jess Daniels at 604-469-4663.

Yours truly,  
  
on behalf of  
Mary De Paoli, MCIP, RPP  
Manager of Policy Planning

Att. (1)

CC: André Boel, General Manager of Planning and Development  
Jess Daniels, Policy Planner





# 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



April 9, 2019

Mayor & Council  
Port Moody City Hall  
100 Newport Drive  
Port Moody, BC V3H 5C3

Dear Mayor & Council:

RE: David Avenue Connector

As the weather begins to warm in 2019, our region has already been faced with its first major forest fire in Squamish, BC. We sincerely hope that this is not foreshadowing of our upcoming fire season and are concerned for the safety of everyone.

Belcarra is aware of your Council's ongoing discussions regarding the David Avenue Connector. Will you please consider the following in your assessment for the future of this potential road:

In the last four years, we have watched wildfires consume Fort McMurray and significant parts of California. Almost 100 lives were lost, thousands of homes were destroyed and there were billions of dollars in damage. These fires remind us that the question is not "if" we will face our own catastrophic wildfire, but "when".

Belcarra is a municipality with 300 homes and approximately 700 residents. In the hot summer months (wildfire season), our population swells to include thousands of visitors to Belcarra Park, Bedwell Bay, local hiking trails and most significantly, Sasamat Lake. The entire area is quite literally overrun with visitors from the lower mainland.

In the past 8 years, the Sasamat Volunteer Fire Department has fought major fires at the Buntzen PowerStation, Twin Islands, Farrer Cove, Anmore and Belcarra. We will see more fires and we will not be able to control them all.

There are only two escape routes for the thousands of people visiting this region: Ioco Road and Sunnyside/East Road. There is no question that these two small roads will not be sufficient for visitors and residents to escape, and fire-fighting resources are limited to respond to a major wildfire.

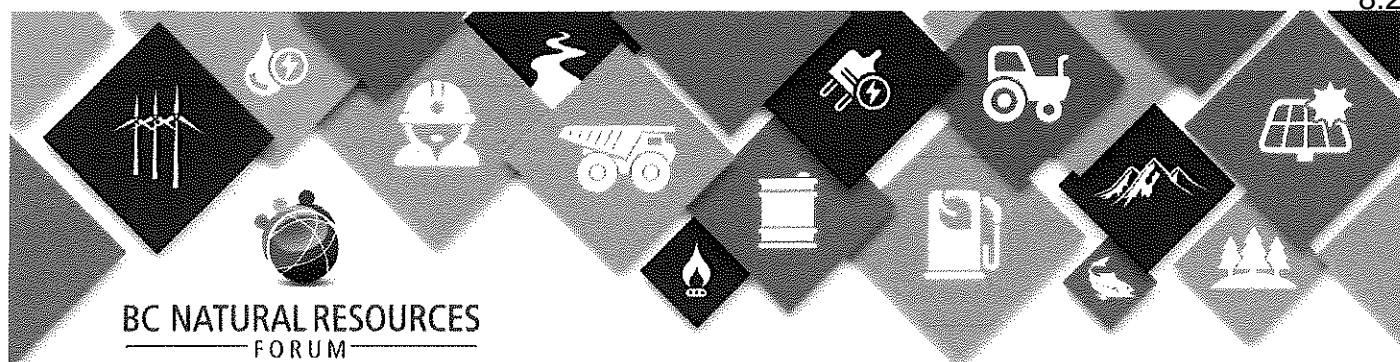
Fort McMurray and California taught us that despite the many exit routes available (both major arteries and local roads), almost one hundred people died trying to escape the wildfires. Everything must be done by our municipalities to prevent a similar tragedy here.

The David Avenue Connector route would undoubtedly save lives in the event of a wildfire or natural disaster. Please consider allowing this route to remain an option for a future safe exodus from this isolated region.

Thank you,

Neil Belenkie  
Mayor, Belcarra

cc Premier John Horgan  
Minister Selina Robinson



December 6, 2019

FILE NO. 0230-01

Mayor and Council  
Village of Belcarra  
4084 Bedwell Bay Road  
Belcarra, BC V3H 4P8



Dear Mayor and Council,

**Re: 17<sup>th</sup> Annual BC Natural Resources Forum – Invitation – January 28<sup>th</sup> to 30<sup>th</sup>, 2020**

We are pleased to invite you to attend the 17<sup>th</sup> Annual *BC Natural Resources Forum* January 28<sup>th</sup> – 30<sup>th</sup>, 2020. The annual event is hosted at the Prince George Conference and Civic Centre. The *Forum* is the largest natural resource conference in Western Canada attracting over 1,000 delegates representing almost 500 different organizations.

The 2020 *Forum* includes many high caliber speakers including Chief Councillor Crystal Smith, Haisla Nation; Peter Zebedee, CEO, LNG Canada; James Thompson, Vice President, Western Region, CN; Alan Dunlop, Vice President, Asset Development Chevron Canada; Michael Crothers, President & Country Chair, Shell Canada; Affonso Bizon, General Manager, Rio Tinto BC Works as well as a keynote address from Premier John Horgan. We are also pleased to be hosting five of British Columbia's resource sector Ministers at the popular and always sold-out Ministers' Breakfast.

A key contributor of the *Forum's* huge success as the largest natural resources forum in Western Canada is the unprecedented participation of a large contingent of Indigenous leaders, all levels of Government and the broad cross section of the resource sectors. There is no other gathering that provides this diversity of speakers, delegates, exhibitors and leaders under one roof to explore issues, challenges and opportunities facing BC's and Western Canada's dynamic resource sectors. The *Forum* is recognized for its ability to foster respectful discussion about the vital importance of the Northern economy. It sets the stage for new relationships and facilitates productive dialogue about new business and community opportunities. The high caliber speakers, sold-out trade show and sold-out keynote dinner, lunches and breakfast, reflect the relevance of this event.

We hope you will consider attending the 2020 *Forum* for the opportunity to be part of the discussion on cross-sector solutions and help shape the future of the Province's resource economy. For more information on the BC Natural Resources Forum and to register, please visit <https://bcnaturalresourcesforum.com/>.

Sincerely,

Dan M. Jepsen, RPF  
Director & Co-Founder, C3 Alliance Corp.

**TransLink**

400 - 287 Nelson's Court  
New Westminster, BC V3L 0E7  
Canada  
Tel 778.375.7500

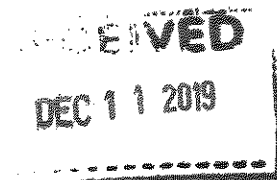
[www.translink.ca](http://www.translink.ca)

South Coast British Columbia  
Transportation Authority

December 11, 2019

Lorna Dysart  
Chief Administrative Officer  
Village of Belcarra  
4084 Bedwell Bay Road  
Belcarra, BC V3H 4P8

FILE NO. 0480-01



Sent via e-mail: [ldysart@belcarra.ca](mailto:ldysart@belcarra.ca)

Ms. Dysart,

As you requested, I am writing to you in response to a "Proposal for Transportation Services" that TransLink received on May 1, 2019 from Belcarra Mayor Neil Belenkie.

As discussed in the several meetings we subsequently held between yourself, the Mayor and senior TransLink staff, we are quite interested in the concept suggested in this proposal from Aerocar to replace Belcarra's existing fixed-route service with an on-demand transit service using smaller vehicles to connect Belcarra and the Evergreen extension. On-demand transit is a new service type for TransLink and the region and one that may, in some instances, be able to help improve customer service and reduce wait times for the same cost as an equivalent fixed route transit service.

However, as a public sector body TransLink is committed to procuring goods and services in ways that promote open, fair, and transparent competition and so, as you are aware, we are unable to proceed with a sole source arrangement to deliver this service with Aerocar, per your proposal. Rather, we would need to go to an open, competitive Request for Proposals (RFP) to procure any such services.

Further, as we discussed, in summer 2019 TransLink only just took our first step in exploring on-demand transit service: developing a prototype and testing it in real-world conditions. The prototype operated on Bowen Island from July to end of September and TransLink staff have since been working to analyze the results of this prototyping, with the aim of incorporating the lessons learned into the next phase of our on-demand program: piloting the concept at scale to assess the customer and cost impacts compared to fixed-route service.

Staff are in the process of developing an RFP to procure the necessary services for this piloting. In the first phase of this scope of work we will invite the selected vendors to present us with their modelling, analysis and recommendations for which use cases and which geographies are likely to be the most effective for on-demand transit (in terms of improving customer service and reducing wait times for the same cost as the equivalent fixed route service). As we have discussed, the Belcarra concept described in the above-referenced "Proposal for Transportation Services" will certainly be included on this list for analysis and consideration.

In the second phase of this scope of work, we will invite the selected vendors to deploy on-demand transit service in up to a few of these use cases and geographies. If the results from this piloting phase are positive, TransLink would then likely recommend to incorporate the service as a permanent transit offering in all of the use cases in the region where it made sense.

This approach is consistent with TransLink's procurement policies and our Board direction to use a systematic and evidence-based process to test, and potentially scale, new service delivery concepts, technologies and business models – such as on-demand transit.

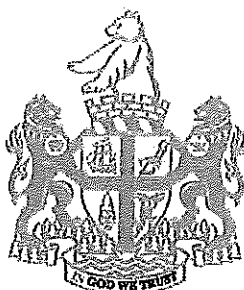
We are excited to move into the next phase of this exploration and will be sure to stay in touch with you as that work proceeds. Should the analysis of our vendors identify Belcarra as one of the most promising cases to test in the pilot phase, I will look forward to continuing to work with you on this file.

Best regards,

A handwritten signature in black ink, appearing to read 'Andrew', followed by a long horizontal flourish.

Andrew McCurran  
Director, Strategic Planning & Policy

Cc: Mike Buda, Executive Director, Mayors' Council on Regional Transportation  
Gigi Chen-Kuo, General Counsel & EVP Corporate Services, TransLink  
Geoff Cross, VP Transportation Planning & Policy, TransLink



Jonathan X. Côté  
Mayor

**RECEIVED**

DEC 12 2019

December 11, 2019

Mayor and Council  
Village of Belcarra  
4084 Bedwell Bay Road  
Belcarra, BC V3H 4P8

FILE NO. 7010-03

Dear Mayor Belenkie and Council,

**Re: Appointment of E-Comm Board Directors**

I am writing to clarify correspondence sent by my office relating to a decision approved by New Westminster City Council on November 25. At that meeting the Council approved supporting a framework for nominating E-Comm board members for the New Westminster-Burnaby-Port Moody-Coquitlam-Port Coquitlam-Belcarra consortium. This framework was proposed by Councillor Trentadue in consultation with members from all the consortium councils. It attempts to balance New Westminster's desire for gender parity and diversity on the E-Comm board with the need for a board member schedule.

New Westminster City Council is requesting your Council to consider the following motion:

*Whereas the municipality [insert name] desires gender parity and diversity on the E-Comm board, and wishes to establish this and a board member schedule with its E-Comm consortium, it therefore resolves:*

*That the municipality [insert name] supports gender parity and diversity on the E-Comm board;*

*That the municipality [insert name] supports four-year terms for appointees;*

*That the municipality [insert name] supports the rotating schedule as follows:*

*2020 - 2022 Burnaby & Port Coquitlam (remainder of this four year term)*

2022 - 2026 Burnaby & Port Moody  
2026 - 2030 Coquitlam & New Westminster  
2030 - 2034 Port Coquitlam & Burnaby

*That the municipality [insert name] agrees that the first City in rotation list will nominate a man or a non-binary person and the second City will nominate someone who self-identifies a woman or non-binary person to the E-Comm Board; on mutual agreement this may be exchanged;*

*That when it is the municipality [insert name] turn in the rotation and if they are unable to appoint someone who self-identifies as male, female or non-binary as required above the nomination will go to the next City in rotation; and*

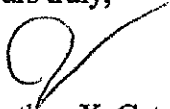
*That in the event that no Council can meet the requirements set out above then the municipality [insert name] agrees when it is their turn to nominate a racialized person.*

This motion provides for:

- A rotation schedule. Please note Burnaby is given two slots early in rotation because they are new and missed part of their turn this session;
- Identifies which Council nominates which gender;
- Explains what happens if the two Councils are unable to nominate two board members with gender parity;
- Explains what happens in the event that all Councils are composed of a single gender, or if gender parity is not possible.

If you have any questions about this or would like more information, please contact City Clerk Jacque Killawee at [jkillawee@newwestcity.ca](mailto:jkillawee@newwestcity.ca) or 604-515-3764.

Yours truly,



Jonathan X. Cote  
Mayor

Cc: City of Burnaby  
City of Coquitlam  
City of Port Coquitlam  
City of Port Moody



ALBERNI-CLAYOQUOT  
REGIONAL DISTRICT

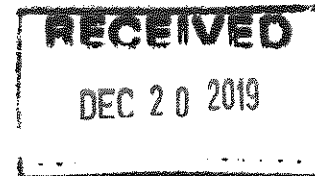
3008 Fifth Avenue, Port Alberni, B.C. CANADA V9Y 2E3

Telephone (250) 720-2700 FAX: (250) 723-1327

December 18, 2019

FILE NO. 0450-01

Honourable Katrine Conroy  
Minister of Children & Family Development  
PO Box 9422 STN PROV GOVT  
Victoria, BC, V8W 9V1



Honourable Katrina Chen  
Minister of State for Childcare  
PO Box 9422 STN PROV GOVT  
Victoria, BC, V8W 9V1

**RE: \$10 a Day Child Care Plan**

Dear Ministers,

Childcare in the Alberni-Clayoquot Regional District (ACRD) is a top concern for young families. This influences the recruitment and retention of young families in our community and our overall economic prosperity. While increasing the number of affordable childcare spaces is a need, we must also support the development of safe, nurturing environments and the early year's profession, which employs numerous individuals in our region.

This was highlighted at the regular ACRD Board of Directors meeting of November 27, 2019 where the following resolution was adopted:

*"THAT the Alberni-Clayoquot Regional District Board of Directors write the provincial government and request they expedite the \$10aDay Child Care Plan implementation universally and play an active role in advocating for provincial level changes and cc all local governments."*

Results of the 2019 ACRD Child Care Needs Assessment (attached) validate the economic and social toll of the current childcare system. This necessitates significant investment and focused activities to both increase the number of quality childcare spaces available to families and to strengthen the childcare sector to champion these changes. The return on investment for communities is significant; not only will parents be able to return to work, but also the resilience of children will increase through quality early care and education, with the ultimate outcome being healthier, more productive citizens, and stronger social and economic sustainability.

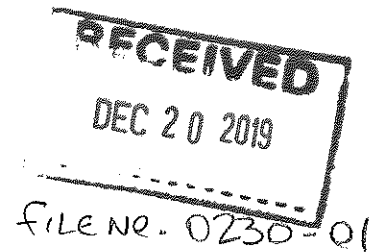
Your consideration of our request is greatly appreciated.

Sincerely,

John Jack,  
Chairperson

cc. local governments

Members: City of Port Alberni, District of Ucluelet, District of Tofino, Yuułu?i?ath Government, Huu-ay-aht First Nations, Uchucklesaht Tribe and Toquaht Nation, Electoral Areas "A" (Bamfield), "B" (Beaufort), "C" (Long Beach), "D" (Sproat Lake), "E" (Beaver Creek) and "F" (Cherry Creek)



Hello friends of B.C.'s creative industries!

We are excited to share with you our Impact Report for the 2018/19 Fiscal Year. From motion picture, interactive and digital media to magazine and book publishing, music and sound recording, it was a tremendous year for the diverse and vibrant creative industries we serve.

Our report this year highlights the programs and services we delivered to sustain and develop a robust and competitive creative sector in B.C. In 2018/19, the industries we serve contributed \$6.22 billion to the province's economy and supported a workforce of 108,900!

We trust you will value the report's statistical insights and enjoy the in-depth spotlight stories. You will meet 15 diverse individuals from across the sector, learn about their accomplishments and come to see service and leadership through their lens.

As a champion and catalyst of B.C.'s creative industries, we are proud to support the sector's inspiring achievements in service, domestic impact, global reach and sustainability. By remaining connected and relevant to our stakeholders' evolving needs, we will continue our commitment to foster a united and thriving creative economy in British Columbia.

Thank you for your ongoing collaboration,

Prem Gill  
Chief Executive Officer



# Lower Mainland Community Relations 2019 Annual Report

Fall 2019

Seton Lake near Lillooet is where the Seton Dam and Powerhouse are located.

DEC 27 2019

File No. 510-01

## Message from Chris O'Riley, President



BC Hydro is pleased to share our Community Relations annual report detailing some of our work in your region. We're proud to serve communities and their elected representatives in all parts of the province.

We know that affordable, reliable and clean electricity is vital to British Columbia's economic prosperity and our quality of life. BC Hydro continues to invest approximately \$3 billion per year to upgrade aging assets and build new infrastructure to ensure our system is there to support British Columbia's growing population and economy.

At the same time, we have an important responsibility to keep electricity rates affordable for our customers. To support this goal,

we worked with the Province to complete Phase 1 of the Comprehensive Review of BC Hydro and developed a new five-year rates forecast to keep electricity rates low and predictable over the long term. We've also continued to enhance the affordability programs we provide to our customers, and will continue to focus on making it easier for our customers to do business with us.

We're working with the Province on Phase 2 of the Comprehensive Review to ensure that BC Hydro is well-positioned to maximize opportunities flowing from shifts taking place in the global and regional energy sectors, technological change and climate action. Phase 2 will also focus on BC Hydro's role in implementing electrification initiatives critical to **CleanBC**, the Province's plan to reach its 2030 climate targets through reduction of greenhouse gas emissions in transportation, buildings and industry.

Inside this report, you'll find many examples of how we're working with your communities. As you know, we don't just sell electricity. We work closely with you on a daily basis to address a wide range of topics from infrastructure planning, reservoir water levels and planned outages, to new initiatives like LED streetlight conversions and readying your communities for electric vehicles by installing charging infrastructure. This report also includes some important indicators of how we're doing in providing you with reliable power.

In the Lower Mainland region, the Ruskin Dam and Powerhouse, located in Mission, underwent an extensive upgrade between 2012 and 2019. As well, we're working to renew the Bridge River electricity system which is about 300 kilometres north of Vancouver. We're upgrading these 55 to 70 year old facilities, whose proximity to the Lower Mainland helps us operate more efficiently.

With our operations extending to every corner of the province, we're proud to consider ourselves not just service providers, but also members of your communities. If you have any questions, please contact our Community Relations representatives in your region. We'd be pleased to help.

Sincerely,

Chris O'Riley  
President & CEO  
BC Hydro

### Quick Facts

#### PROVINCE-WIDE:

4 million customers

Electricity is delivered through a network of:

- 79,000 kilometres of transmission and distribution lines
- over 300 substations
- 1 million plus utility poles

Capital investments of approximately \$3 billion a year

#### LOWER MAINLAND DAMS AND GENERATING STATIONS:

Alouette	9 MW
Bridge River	478 MW
Buntzen	76.8 MW
Cheakamus	158 MW
La Jole	25 MW
Ruskin	105 MW
Seton	48 MW
Stave Falls	91 MW
Wahleach	65 MW

MW = megawatt

