

2011  
ANNUAL  
REPORT

*The Corporation of the District of Peachland*  
*For the fiscal period ended December 31, 2010*





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**We believe  
that  
providing  
citizens with  
better  
information  
makes for  
better  
Government.**

## INTRODUCTION

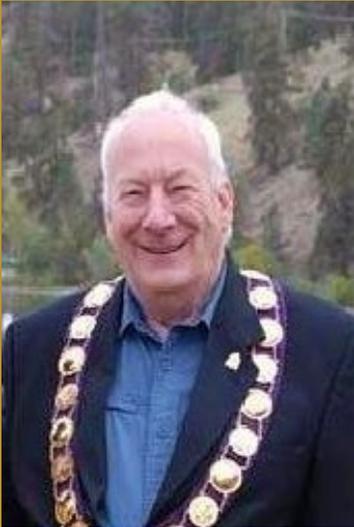
The purpose of the Annual Report is to provide the public with information on the activities and operations of the District for the previous year.

Annual reporting provides opportunities for public access to reporting mechanisms and helps meet the information needs of both local governments and the public by promoting greater understanding of municipal responsibilities and priorities.

Implicit in this principle is that greater accountability will lead to the promotion of better services and continuous improvement in service delivery, as well as improving taxpayer awareness and knowledge of municipal services.



## MESSAGE FROM THE MAYOR



2010 was a busy and productive year for Council and staff.

Many residents participated in the “charrette” process led by the UBC Design Centre for Sustainability, School of Architecture and Landscape Architecture, and contributed ideas to shape the plan for downtown revitalization. In a related measure, Council approved entering into an agreement with the Peachland based TNI group designed to facilitate implementation of the charrette vision by giving TNI a time frame to acquire the municipally owned property in the downtown.

Progress continued on the 2,300 unit Ponderosa Pincushion development with much preparatory work being undertaken on the championship golf course. Meanwhile, the 2,600–2,800 unit New Monaco Area Structure Plan was being developed for public release and review in 2011.

The beautiful Beach Avenue walkway project was completed, on time and under budget, and its completion celebrated with our Federal and Provincial funding partners represented by our MP Stockwell Day, and MLA Bill Barisoff. At a cost of \$3.9 million shared equally by the three partners, the walkway has become a major attraction for residents and visitors alike.

A proposed curling rink that would have been funded by a similar three-way partnership required borrowing on the part of the municipality. Such borrowing needed elector consent, but failed to gain support in a referendum, meaning that the project did not proceed. Councillor Hurd expressed his concern at the outcome by resigning from Council, and was replaced by Councillor Broadway in the ensuing by-election.

Council authorized an initial phase of work on restoration of the century old Primary School and approved its future use by the Boys and Girls Club and the Visitors Information Centre. The discovery in the attic of what is possibly the largest bat colony in BC, was heralded by biologists as an exciting find and has led to plans for its celebration as an educational opportunity and tourist attraction.

Following installation of water meters and a year of “mock “ water billing, 2010 saw the first full year of water billing based on actual consumption. While this has meant a cost increase for some residents, many have found that through appropriate conservation measures, their water bills have been reduced to below pre-metered levels



## MESSAGE FROM THE MAYOR

The non-profit seniors' housing project, for which municipal land has been made available in principle, was given a boost by the injection of Provincial grant funding to enable the completion of a partnership agreement between an established non-profit housing society, BC Housing, a possible private partner, and the municipally initiated Peachland Seniors Support Society. While this is an important step forward, realization of the full project clearly depends on the availability of Provincial Government funding and continued support from Minister Coleman as previously offered.

2010 also saw completion of a Parks & Recreation master plan (adopted by Council as a guide for future planning); litigation to ensure observance by gravel pit owners of our municipal bylaws; the creation of a Highway 97 Committee of Council; completion of a watershed risk assessment; consultations with BC Transit on opportunities for improved transit services, and a variety of initiatives designed to reduce municipally generated greenhouse gas emissions and lower municipal energy costs.

Our council has been very well supported by our CAO, our senior management team, and by all staff. On behalf of District Council I thank them all for their hard work and responsiveness to Council's priorities and policy directives.

It has been a pleasure to work with my council colleagues, and I thank them for their willingness to work collaboratively, to respect differences of opinion, and to seek to build consensus on difficult and sometimes divisive issues.

I look forward to working with council to ensure the growth and sustainability of Peachland's economy, support for our vibrant arts community and continued success for the extraordinary range of non-profit societies, groups and service clubs that combine to create Peachland's remarkable social fabric.

Keith Fielding  
Mayor, District of Peachland



## COUNCIL 2008 - 2011



The District of Peachland is the legislative body representing the citizens of Peachland, providing leadership and establishing policies and priorities for Peachland's Municipal Government. Council reviews and establishes budget levels for civic operations and capital expenditures.

The elected Council is made up of a Mayor and six Councillors. Council members are elected for three-year terms and each member of council represents the District at large.

Regular meetings are held the 2nd and 4th Tuesday of each month at 7 pm at the Council Chambers, 4450—6th Street and are open to the public. Meeting agendas and minutes are available on the District website: [www.peachland.ca](http://www.peachland.ca)



# COUNCIL AND COMMITTEE APPOINTMENTS

The District of Peachland uses a **Committee of the Whole** system for a majority of their committee deliberations.

## **OTHER COMMITTEES OR APPOINTMENTS**

1. Economic Development Committee
2. Highway 97 Committee
3. Kelowna International Airport Advisory Committee
4. Mayors Task Force on Climate Change
5. Okanagan Regional Library Board
6. Okanagan Transit Advisory Committee
7. Peachland District Retirement Society Liaison
8. Peachland Seniors' Support Society Directors
9. Primary School Implementation Committee
10. Regional District Director & any Regional District Committees
11. School District No. 23





## CHIEF ADMINISTRATIVE OFFICER

On behalf of the employees of the District of Peachland, I am pleased to present our 2011 Annual Report. The diverse group of men and women who work for Peachland have once again provided exceptional service to the community, and I would like to take this opportunity to thank them for all of their valuable work, insight and contributions in 2010.

Many of the multitude of tasks that District staff do on behalf of the residents are obvious – keeping our parks well maintained, our streets clean, responding to medical and fire emergencies, clearing snow, processing your utility bills, facilitating recreation programs and issuing business licenses, among others. Then there are the other duties that are not so visible, like writing high quality grant applications, actively participating in reducing greenhouse gas emissions, helping a local club improve its space requirements, building a new boulevard garden where earlier there were just weeds, working with neighbouring communities to reduce the cost of purchasing supplies, responding to calls 24 hours a day – be they water emergencies or fire related emergencies, and many others.

Despite the worldwide economic slowdown, we had a very full slate of projects and programs to pursue, including our first year of quarterly metered water billing, implementing the first round of Recreation Master Plan recommendations and our corporate energy emission reduction initiatives, working with developers on two sizeable proposals - Ponderosa-Pincushion and New Monaco, a referendum and a by-election (our first time using automated voting machines), replacement of the Deep Creek bridge, and the highly engaged Downtown Charette project.

We have our well-trained, dedicated fire department members, with the assistance of neighbouring communities, to thank for their quick action in bringing the Seclusion Bay fire under control without loss of life. With their selfless commitment, Peachland is a much safer place for everyone.

In closing, I would like to offer my thanks to Mayor Fielding and Council for their support and direction throughout the year, to all staff for their dedication and commitment to the community, and to the passionate and extraordinary citizens, who take the time to be involved as volunteers and advocates, on the issues important to Peachland.

Elsie Lemke  
CAO

Working on the Beach Avenue Centennial walkway project was a very rewarding opportunity for us in 2010.

The project came together beautifully, and every day we get to see how people from all over are enjoying more of what Peachland has to offer because of it.

This ambitious project, which had to be undertaken during the busiest time of the year, landed Peachland as a featured story in an international newsletter on Respectful Workplaces, and was voted #4 in the Great Places in Canada competition by the Canadian Institute of Planners.



## CITIZEN INVOLVEMENT

**Volunteerism  
and  
community  
participation  
play a vital role  
in building  
the  
Spirit of Peachland.**

Peachland's community organizations and service clubs have a long history of volunteer activities. Peachland volunteers support community projects, and contribute to making us stronger, safer and healthier.

Peachland's volunteers help when asked, and often help even when they are not asked. The community's volunteers are found in so many aspects of our daily lives, including minor sports, schools, churches, emergency preparedness programs, fire department, health and wellness organizations, cultural events and festivals, crime prevention initiatives, environmental programs, animal welfare programs, and so many more.

The District of Peachland is a better place to live and grow, thanks to the tireless efforts of volunteers working throughout our community. It is with sincere appreciation that we say "thank you" to the volunteers who assist us in making Peachland the wonderful place that it is.

Thank You!



**2010  
THE  
YEAR  
IN  
REVIEW**





# ADMINISTRATION AND CORPORATE SERVICES 2010

## Election / AAP

- Curling Club  
Loan Guarantee AAP
- Proposed Boundary  
Extension AAP
- Community Curling and  
Multi Use Facility  
Referendum
- Municipal Council  
By-Election

## 2010 Appointments

- Chief and Deputy Election  
Officers
- Economic Development  
Committee
- Highway 97 Committee
- Kelowna International  
Airport Advisory Committee
- Municipal Insurance  
Association Voting  
Delegates
- Okanagan Regional  
Library Board
- Primary School  
Implementation Committee

## 2010 Bylaws (new and amendments)

- Solid Waste Management Regulation
- Financial Plan
- Revenue Anticipation
- Water Rates Bylaw
- Water use Restriction
- Official Community Plan Bylaw
- Sewer Rates Bylaw
- Controlled Substances Property  
Remediation
- Zoning Bylaw
- Election Procedures Bylaw
- Automated Voting Machines  
Authorization
- Tax Rates Bylaw
- Subdivision and Development  
Servicing
- Traffic Regulation Bylaw
- Latecomer Interest Rates Bylaw
- Water System Improvements  
Reserve Fund Establishment
- Reserve Fund Transfers
- 2011 Tax Exemption Bylaw
- Cemetery Bylaw
- Exempt Staff Compensation for  
Regional Emergencies
- Building Bylaw
- Parcel Taxes

## 2010 Policies

- Clerical Relief
- Community Recreation Amendments
- Contracting Authority and Purchasing  
Policy Amendment
- Exempt Staff Compensation Policy  
Review
- Gravity Sewer
- Green Credits
- Highway Encroachment
- Learning Partnership
- Solar Hot Water Ready Policy
- Bylaw Adjudication – Bylaw Notice  
Dispute Policy
- Screening Officer Policy

## 2010 Leases / Agreements

- Ambulance Station Lease
- Compost Site Tenure Extension
- Visitor Information Centre Fee for  
Service Agreement
- Curling Club Lease
- First Responder Agreement
- Pentowna Marina Sub-Lease Agree-  
ment Amendment
- Regional District MOU – Geographi-  
cal Information Services
- Cousins Road Reservoir Site Land  
Tenure Extension
- Terasen Gas Amending Agreement
- Terasen Gas MOU
- Transit Infrastructure Funding Agree-  
ment



# FINANCE 2010

The Finance Department serves to monitor, control and allocate financial resources in order to achieve the community's immediate and long-term goals and objectives.

Some of the specific functions the Finance Department performs include:

- revenue collection,
- paying on-going bills and invoices,
- maintaining property tax assessment roll information,
- establishing annual municipal tax rates,
- preparing five year capital and operating plans, and
- processing approved grant application requests.

The Department also completes the required financial activities as legislated in the Local Government Act and the Community Charter

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The Department also completes the required financial activities as legislated in the Local Government Act and the Community Charter

## FINANCIAL SERVICES HIGHLIGHTS FOR 2010

1. Created new tangible capital asset schedules moving forward from an evaluation format created in 2009 to an actual historical cost format meeting PSAB 3150 (Tangible Capital Assets) requirements
2. Implemented on-line Home Owner Grant Applications starting in the 2010 tax season.
3. Implemented new electronic fund transfer options including Utility pre-authorized payment and Electronic Data Interchange (EDI) systems
4. Developed a water meter rate structure based on actual water consumption information collected through the mock water billing process.
5. Amalgamated the two water systems' budgets, water rates and improvement reserves.
6. Updated the Contracting Authority and Purchasing policy to include purchasing criteria that promotes reductions in greenhouse gas emissions and energy consumption



# Finance 2010

## MUNICIPAL TREASURER'S REPORT

For the Year Ended  
December 31, 2010

2010 GENERAL  
MUNICIPAL TAXES -  
RATE PER \$1000

### 2010 PROPERTY TAXES FOR TYPICAL RESIDENTIAL PROPERTY

\$436,348  
Average  
Residential  
Assessment

	Assessed	% of Total	Tax Rate	\$Tax	%Tax
	Tax Value	Tax Value	(Per \$1000)	Share	Share
Residential	1,135,062,400	96.64%	2.5087	2,847,531	93.65%
Utility	814,300	0.07%	10.0348	8,171	0.27%
Light Industry	204,700	0.02%	8.7805	1,797	0.06%
Business	31,057,219	2.64%	5.0174	155,826	5.12%
Recreation	6,912,200	0.59%	3.7631	26,011	0.86%
Farm	490,242	0.04%	2.5087	1,230	0.04%
<b>Total</b>	<b>1,174,541,061</b>	<b>100%</b>		<b>3,040,566</b>	<b>100%</b>

General Municipal	\$1,095
Water Parcel Tax	220
Sewer Parcel Taxes	75
<b>Sub-total</b>	<b>1,390</b>
School Tax	871
Police	90
Regional District - Tax Levy	182
Regional District – Solid Waste Parcel Tax	25
Regional Hospital District	135
Assessment Authority	29
Regional Library	73
<b>Total</b>	<b>\$2,795</b>
Business Licenses Issued	235
Business Licenses Revenue	\$32,114



# PLANNING AND DEVELOPMENT SERVICES 2010

In Peachland, the Planning and Development Services department is responsible for land use and sustainable planning, general development services, building inspection and bylaw enforcement. This Department addresses community development and assists with infrastructure planning, zoning, subdivision, development permits, inspection services, building permits and business licenses.

The Department is also responsible for appropriate environmental management practices according to Provincial and Federal legislation. Important as a current thrust in planning practice is the effort to reduce Greenhouse gases (GHG's) as the District is a signatory to the BC Climate Action Charter.

The planning focus provides assistance to Council in managing land use, growth and development. There is now emphasis on smart and sustainable growth, in cooperation with Council, staff and community stakeholders.

Sustainable development features of development and affordable housing are now being encouraged in all new developments, since approval of new OCP amendments in 2008.

Proposed projects such as 3 Area Sector or Structure Plans (ASP's) and Downtown Revitalization Plan efforts to advocate for sustainable community development and other planning, building and bylaw enforcement issues has resulted in a heavy workload for staff.

- The Ponderosa / Pincushion Ridge ASP which was approved in 2008 may result in 2310 residential units, a golf course upgrade and a village center.
- Work continued regarding the completion of the New Monaco ASP. This new neighborhood may result in 2800 residential units and 23,690 m<sup>2</sup> of office and retail development which could include 1,500 jobs in Peachland.
- Work also continued on the Lower Princeton Area Sector Plan. As these local plans progress through stages in the development approval process, affordable housing, amenity contributions and other requirements will be specified in Phased Development Agreements.

Building inspection will continue to monitor development and construction in the community. Policies and procedures help ensure fair, consistent and appropriate compliance with the building code.

The Building Inspector performs the additional role as the Bylaw Enforcement Officer and has the assistance of a contract Bylaw Officer during the summer period. The intent of the position is to provide fairness and harmony to local citizens and visitors by ensuring local legislation is adhered to when necessary. The Okanagan Valley Bylaw Dispute Adjudication system has now been implemented which provides for a dispute resolution process.



# PLANNING AND DEVELOPMENT SERVICES 2010

<b>Statistics and Facts</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Subdivision Applications	6	6	6	5
Rezoning Applications	8	5	5	2
Development Permit Variances	8	14	10	10
Development Units Applied for	412	85	2327	162
New Residential Units	39	46	36	11
Total Building Permits Issued	71	91	64	81
Total Building Permit Value	11,255,500.00	16,535,240	10,182,803	4,701,519
Area Sector Plans	1	1	1	2



# OPERATIONS AND PUBLIC WORKS 2010

**The Operations and Public Works Department maintains and enhances the quality of life for people who live and work in our community, through the coordination and delivery of sustainable Municipal services**

The Operations Department handles inquiries related to works and services including: applications for utilities, latecomer agreements, grant applications and works closely with other departments to review applications for subdivisions, rezoning and building permits.

The public works department is responsible for: the operation, maintenance and repairs of

- town streets,
- sidewalks,
- water system,
- sewer system,
- storm system,
- parks and open spaces,
- cemetery,
- public facilities,
- vehicle fleet,
- waste collection,
- snow removal and ice control services.

## Highlights for 2010

- Full water meter implementation and billing
- Water Master Plan construction phase 1 complete
- Five year consulting contract awarded
- Dam Safety reviews completed
- Trepanier Manor sewer main installed
- Victoria Street sewer main installed
- Trail constructed between Arthur and Columbia
- Stonewater offsite construction completed
- Cross Connection Control Program implementation
- Beach Avenue Multi-Use Pathway and Roadway Replacement

"Gone Fish'n"  
In Loving Memory of  
Ken Warkentin  
1956—2009  
Memorial Bench placed  
May 2010



# FIRE PROTECTION SERVICES 2010

The volunteer members of Peachland Fire and Rescue Service (PFRS) provide service to the District of Peachland as well as service to outlying areas under a contract with the Central Okanagan Regional District to provide fire suppression, rescue, first medical responder, other emergency incidents, public education and inspections.

PFRS currently has 40 members.

Firefighters train every Monday night during regular Monday night practices and engage in extra practices and training courses throughout the year.

## Incidents

- Grow-ops investigated.
- Fires at Desert Pines ■ Seclusion Bay ■ Chidley Road ■ Trepanier Bench ■ Bulyea
- Campfires banned in Peachland.
- Marine rescue events due to extremely high winds.

## Training

- New recruits started in January 2010.
- New onboard computer installed in Fire Fighting Engine E21 ■ New Bush Truck Squad 21 arrived.
- Peachland Fire and Rescue Services (PFRS) members attending the weekend volunteer Firefighters training seminar in Oliver; ■ the Westside Training Weekend ■ certified training course in Auto-Extrication Heavy Vehicle Rescue ■ Wildland Firefighting Engine Operations ■ Live Fire training and other fire training topics ■ Okanagan Fire Training weekend in West Kelowna, Kelowna, Lake Country, and Peachland ■ completed annual Company Competitions ■ FMR re-certifications;
- FPOA conference in Williams Lake
- Fire Chief Association of BC conference in Penticton.
- Training site improvements completed including a chain link fence and light poles.

## Fire Prevention

- Public Educations presentations at Wellness Center on kitchen safety, home escape plans and fire safety ■ CPR training at Plus 50 center ■ Emergency Preparedness presentation at Little Schoolhouse ■ Tour of Fire Station for Sparks ■ Recreation Department Children's program.
- BC Forestry Services (BCFS) working on Forest Fuel Mitigation in Sanderson park above Seymour Ave.
- Members participated in activities at the Peachland Elementary School ■ Fire chief for a day and activities at Kelowna Fire Department. ■ The Fire Safety House trailer was at Peachland Elementary School for the students and at Station 21 for home school student's fire safety training.
- PFRS and BCFS burning piles of brush on Sanderson Park, Seymour area.

## Community Events

- Members attended the 2010 Olympic Games for fire duty ■ Officers Banquet with Council ■ Peachland Civic Awards night ■ Canada Day celebrations ■ Remembrance Day Ceremonies ■ Christmas Light up ■ Christmas Eve Carolling (a 35 yr PFRS tradition).
- Fire Chief attended the Justice Institute Heroes Awards and Paralympics at Whistler;



# COMMUNITY SERVICES AND RECREATION 2010

## Partnering in the Delivery of Community Services

*The Community Services and Recreation department worked with local groups and agencies in the delivery of leisure service.*

- In partnership with the Spirit of Peachland committee, hosted the annual Schmokey Tournament, the 2010 Olympic Torch Relay and displayed featured Olympic Game events on the Community Centre stage screen.
- Pilot project with the Boxing Club to assist the Club with registration administration.
- The Peachland Elementary Preschool and Out-of-School programs were turned over to the Okanagan Boys and Girls Club who provided weekly service to Peachland youth
- In partnership with the Peachland Food Bank and local business, facilitated the 2010 Christmas Angel Tree campaign;
- A new partnership with Canadian Tire Jumpstart program provides financial assistance to children in Peachland who, due to financial constraints, would otherwise be unable to participate in physical activity; and
- Joint application between School District #23 and the District of Peachland to the "School Communities Connection" grant for a preschool playground at Peachland Elementary School was successful.

## Communication and Marketing Strategies

*The department explored innovative strategies and recommendations from the 2009 Recreation Master Plan to expand its marketing and communication initiatives.*

New Recreation Guide was launched in fall 2010 ■ A Facebook page (social media) highlighting programs, features and events was implemented ■ Recreation Newsletters were compiled monthly and sent to local youth serving agencies and the school district ■ Weekly Recreation Reports sent to local media and web based media ■ An on-line interactive Recreation Guide was implemented in December 2010.

## Community Events

*Each year the department facilitates a variety of community and seasonal events:*

**Winter** - Polar Bear Swim, New Years Day Fun Walk & Run, February Freeze Up 5K Run;  
**Spring** - Family Easter Party, Civic Awards, ½ Marathon, Move for Health Day;  
**Summer** - Canada Day, Beach Run, Rattlesnake Island Swim, Drowning Prevention Week;  
**Fall** - Halloween Family Dance Party, Annual Christmas Craft Fair, Christmas Light Up, and Breakfast with Santa.

**The Community Services and Recreation Department** is responsible for providing and facilitating a variety of opportunities that support an active, healthy, social and culturally rich lifestyle.

Each year the department offers a wide range of recreation programs including aquatics (at Swim Bay), fitness, sports, healthy and wellness, culture and leisure opportunities.

Additionally, through facility and park rentals, the department provides and supports community-based leisure opportunities and events that contribute to the overall quality of life for the residents of Peachland.

A priority in 2010 was to develop strategies for implementation of the 2009 Recreation Master Plan recommendations.

To help with the implementation of the plan, the Recreation Dept was renamed **Community Services and Recreation** and a new position for Director of Community Services was hired (July 2010).



# FINANCIAL STATEMENTS



17.02.2011 12:51

# Objectives

# Strategies

# Measurement

# Progress

## Admin and Corporate Services 2010

Strategic Plan Priorities	Primary School Decision	Primary School decision implemented	Primary School exterior renovations and protection of bat colony
	Downtown Development and Vision Strategy	Downtown Vision Strategy adopted	Downtown plan incorporated into the OCP
	Youth Strategy	Increased Youth offerings	Expanded Boys and Girls Club programs
Electronic Records Management	Establish new system for documents and meetings management	Number of hours dedicated to implementation of new system	Implemented iCompass Meeting Management Software and training of approximately 300 hours.

## 2011

Communications	Provide relevant information through the municipal website, Council Highlights, Newsletters and Public Open Houses	Informed Public
Efficient Internal Processes	Utilize current software programs Improve and create new in-house processes	Improve efficiency of tasks for all departments

## 2012

Communications	Explore social media opportunities Improve Customer Service	Number of public engagement opportunities Variety of options and access to information
Efficient Internal Processes	Implement Records Management Software and staff training Council computer tablets or laptops	Efficiency in locating records and information Using less paper



# Objectives

# Strategies

# Measurement

# Progress

## **Finance** **2010**

<b>Implement PSAB 3150 (Tangible Capital Assets)</b>	Convert Financial Statements and budgeting process to comply with PSAN 3150 format	Compliance with PSAB 3150 format	Full compliance with PSAB 3150
<b>Implement Business Continuity Plan</b>	Develop mitigation strategies and update computing infrastructure to minimize business interruption	Successfully tested Business Continuity Plan	First draft of Business Continuity Plan will be reviewed further in 2011
<b>Amalgamation of the two water systems' budgets and rate structures</b>	Consolidate and budget the water rate structure of both Water System One and Two	Adoption of the 2010 Financial Plan to include one consolidated Water System fund.	Completion of the financial amalgamation of the two water systems in 2010

## **2011**

<b>Integrate Tangible Capital Asset inventory with Asset Management Program</b>	Provide an inventory of Tangible Capital Asset replacements identified in the Asset Management Report	Required Tangible capital Asset Replacements included in the five-year financial plan
<b>Work with Corporate Services to convert the manually produced records management program to an electronic version</b>	Select and integrate software that would provide computerized access to the District's Record Management System	Effective electronic access to municipal records
<b>Consolidation of rates and charges into one bylaw</b>	Amend all District rates and charges bylaws by removing rates and charges and transferring them into one bylaw.	Adoption of a Rates and Charges Bylaw consolidating all District rates and charges

## **2012**

<b>Implement Asset Management Program</b>	Calculate the budgeted annual commitment to replace Tangible Capital Assets (TCA)	Compare Financial Plan to calculated annual commitment to replace TCA's
<b>Delegation and re-assignment of certain duties in the Finance Department to increase time available for special projects</b>	Comprehensive review of all tasks in the Finance Department	Increase of time available for special projects without significant financial impact
<b>Implement Information Technology (IT) to reduce paper consumption</b>	Recommend budget funding for IT purchases and training to produce electronic agendas for Council	Reduction of paper consumption



# Objectives

# Strategies

# Measurement

# Progress

## **Planning and Development Services 2010**

<b>Bylaw Dispute Adjudication Process</b>	Consult with Okanagan Municipalities	Implementation of new system for resolving bylaw enforcement disputes—in effect 2010	New adjudication system is in place valley wide
<b>Energy / Utilities Management Plan and Operational Procedures: Phase 2</b>	Retain consultant to undertake study	More efficient energy management systems and reduction in Greenhouse Gas emissions	New policy on purchasing is established
<b>Sustainability Action Plan</b>	Staff with assistance from UBC Okanagan to undertake project.	Public consultation on sustainable development measurement  Retain assistance to complete inventory of sustainable actions and bylaws in 2009.	Community Energy / Emissions Plan underway  District is now designated a Solar Community in BC
<b>Downtown Revitalization Vision</b>	Staff to engage consultant	Public consultation on sustainable development measurement.	Council receives the UBC Charette Report and refers to staff for implementation

## **2011**

<b>Implement Sustainable Community Development and GHG Reductions</b>	Develop strategies, policies and action towards implementation of the Energy Management Report, UBCO Sustainable Inventory Report, UBC Downtown Charrette Development Plan, in conjunction with public consultation	Implementation of strategies, policies and actions which will require ongoing monitoring as work progresses
<b>Zoning Bylaw Adoption</b>	To complete the review of sections within the Bylaw on a scheduled basis	Final adoption of a new zoning bylaw by Council
<b>Work on Official Community Plan (OCP) Amendments Resulting from Area Sector Plans</b>	Staff to engage consultants on completion of and implementation of Area Sector Plans	Adoption by Council of Area Sector Plans

## **2012**

<b>Affordable Housing Study</b>	Develop strategies and policies respecting the nature of 10% of all housing stock in new developments being affordable	New developments providing affordable housing consistent with the recommendations in the study.
<b>Amenity Contribution Strategy</b>	Develop a process to ensure there is sustainable financing for amenities	A Municipal Reserve fund created and PDA's adopted such that developers contribute to the fund as per the amount established in the policy.
<b>OCP Review</b>	Review the content within the current OCP	Amendments to the OCP being adopted in 2013 and implemented



# Objectives

# Strategies

# Measurement

# Progress

## Operations and Public Works 2010

Somerset Princeton Intersection Upgrade	Create a safe intersection at an arterial road	Reduce safety concerns with grades and sight lines	Development Application in progress
Beach Avenue Roadway and Multi-use Pathway	Provide pedestrian access along with drainage and road improvements	Reduction of greenhouse gas emissions	Construction of roadway and pathway completed.
Pedestrian and Trail Corridor Master Plan	Develop a long term strategy for pedestrian movement	Reduction of greenhouse gas emissions and creating a healthier community	The Plan is 50% complete

## 2011

Water Capital Improvements	Phase 2 Water Master Plan	Grant application and preliminary design
Update the Sewer Phasing Plan	Amend the current Phasing Plan	Completed Report
Asset Management	Asset Management Report and Recommendations	Complete the recommendations

## 2012

Asset Management Implementation	2012 Budget Process	Council approval of the budget recommendations
Water Capital Improvements	Phase 3 Water Master Plan	Complete the recommendations
Sewer Planning	Phase 3 Sewer Plan	Complete the recommendations



### **Fire Department** **2010**

Training Site Improvements	Develop new training props	Installation of training site equipment	Security fence installed. Lights and poles installed. Underground training props installed
Computer aided dispatch	Dispatched with information on onboard truck computers	Computer aided dispatch system linked to onboard truck computers	New computers installed on 3 trucks
Community wildfire protection plan	Continue to apply for funding	Pine beetle and forest fuel mitigation projects in progress	Sanderson Park forest fuel mitigation project underway

### **2011**

New Fire Hall plans for construction	Submit proposal for funding	Funding approval to implement construction
Forest fuel and pine beetle mitigation	Apply for Government Grant	Government Grant approval and work in progress
Training Site Improvements	Upgrade training site facilities	Improve quality and efficiency of training lessons and drills

### **2012**

Computer Aided Dispatch Upgrades	Have live dispatch information from Kelowna dispatch	That FDM is compatible with onboard truck computers
Pine Beetle Forest Fuel Mitigation	Apply for Government funding for mitigation project	Work would start if Government funding is received
Training Site Upgrades	Wiring for power poles, temporary water supply	Completion of the work and upgrades
Replacement of Marine Rescue Boat by Regional Rescue	To be purchased by Regional Rescue	Budget approval and purchase of boat



**Community Services and Recreation 2010**

Strategic Plan Priorities

Youth Strategy

Increased youth offerings

Boys and Girls club providing weekly youth offerings  
  
Boys and Girls club operating out-of-school and preschool programs at Peachland Elementary

**2011**

Create Action Plan for Recreation Master Plan Recommendations

Utilize new Director of Community Services

Improved Recreation and Customer Service for Peachland

**2012**

Community Engagement in Events

Partner with business, service groups and volunteers in community for implementation of events

Increased partners in event organization.  
  
Increased sponsors and increased volunteers

Direct and indirect marketing

Community Groups spearheading community events  
  
Increased event participation

Active, Healthy and Participating Community

Direct and indirect marketing  
  
Community consultation

Increased registration and event participation  
  
Reduce cancellation rates  
  
Participation in community and Recreation round tables and other community meetings  
  
Increased volunteerism



# STATEMENT OF PROPERTY TAX EXEMPTIONS

## Declaration of Disqualifications

There were no Council declarations of disqualification in 2010

In accordance with Section 98 (2)(b) of the Community Charter, the following properties in the District of Peachland were provided permissive and statutory property tax exemptions by Council for 2010:

Legal Description	Civic Address	Organization	Municipal Revenue
Parcel A, Block 4, Plan 44, ODYD, DL 490	4421 4th Street	Peachland United Church	1,734
Lot 1, Plan KAP62699, ODYD, DL 490	4464 4th Street	St. Margaret's Anglican Church	1,603
Lots 12 & 13, DL 220, ODYD, Plan 9704	4214 Lake Avenue	Peachland Baptist Church	1,697
Lot H, Plan 22267, ODYD, DL 490	4426 5th Street	Peachland Wellness Centre	1,063
Lot 17, Plan 410, ODYD, DL 2538	5380 Princeton Ave	Peachland Riding Club	1,020
Lot B, Plan 22267, ODYD, DL 490	4431 6th Street	Peachland Community Policing Office	1,169
Lot 4, Block 3, Plan 44, ODYD, DL 490	5812 Beach Ave	Peachland Chamber of Commerce/ Information Centre/ Economic Development Committee	734
Lot A, Plan 38807, ODYD, DL 490	5672 Beach Ave	Peachland District Retirement Society	4,600
Lots 5 & 6, Plan 410, ODYD, DL 2538	5247 Inga St	Maple Springs Bible Camp	3,212
Lot A, Plan KAP85621, DL 2690	Lot A, Plan KAP85621, DL 2690	The Nature Trust of BC	3,784
<b>Total</b>			<b>20,334</b>





Consolidated Financial Statements

The Corporation of the District of Peachland

December 31, 2010

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# Independent auditors' report

**Grant Thornton LLP**  
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To the Mayor and Council of The Corporation of the District of Peachland

We have audited the accompanying consolidated financial statements of The Corporation of the District of Peachland ("the District"), which comprise the consolidated statement of financial position as at December 31, 2010, and the consolidated statement of operations and accumulated surplus, consolidated statement of changes in net financial assets and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's responsibility for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditors' responsibility**

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

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

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

## **Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the District of Peachland as at December 31, 2010, and the results of its operations and its cash flows for the year then ended in accordance with Public Sector Accounting Standards.

### **Partners**

Kevin Crookes, CA, CBV, CFE  
Paul F.S. Gallo, CA  
Bryn Gilbert, CA, CBV  
James R. Grant, MBA, CA  
Bill McTavish, CGA, CA  
Anne C. Postlewaite, CA  
Martin Rutherford, CA  
Dan Vass, CA  
J. Kim Ward, CA, CFP

Kelowna, Canada  
April 26, 2011

**Audit • Tax • Advisory**

Grant Thornton LLP, A Canadian Member of Grant Thornton International Ltd



Chartered accountants

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# The Corporation of the District of Peachland

## Consolidated statement of financial position

December 31

2010

2009

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### Financial assets

Cash	\$ 135,450	\$ 253,704
Investments (Note 4)	8,482,353	8,900,450
Accounts receivable (Note 4)	4,071,327	4,055,099
	<u>12,689,130</u>	<u>13,209,253</u>

### Financial liabilities

Accounts payable and accrued liabilities	3,712,431	2,926,082
Deferred revenue	517,716	760,818
Deferred development cost charges (Note 4)	770,540	1,603,636
Long term debt (Note 4)	6,074,474	6,392,799
	<u>11,075,161</u>	<u>11,683,335</u>

### Net financial assets

1,613,969 1,525,918

### Non-financial assets

Tangible capital assets (Note 5)	<u>65,006,834</u>	<u>61,062,083</u>
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### Accumulated surplus (Schedule 2)

\$ 66,620,803 \$ 62,588,001

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Contingent liabilities and commitment (Note 10 and 11)

On behalf of District

\_\_\_\_\_ Director of Finance

See accompanying notes to the consolidated financial statements

# The Corporation of the District of Peachland

## Consolidated statement of operations and accumulated surplus

Year ended December 31	2010 Actual	2010 Budget	2009 Actual
<b>Revenue</b>			
Property taxation - net (Note 6)	\$ 3,035,207	\$ 3,040,567	\$ 2,950,905
Parcel taxes	959,476	1,038,696	884,046
Concessions and franchise	143,084	151,936	146,847
Sale of services	740,805	712,080	853,533
User fees	1,184,989	1,325,334	1,191,774
Other revenue from own services (Note 7)	1,016,772	575,922	1,051,826
Transfers from other governments (Note 8)	3,132,002	6,322,476	3,949,928
Contributions from developers and other	1,557,717	1,431,274	1,887,738
	<u>11,770,052</u>	<u>14,598,285</u>	<u>12,916,597</u>
<b>Expenditures</b>			
Amortization of tangible capital assets	1,429,374	-	1,361,313
General government services	1,201,326	1,248,539	1,233,223
Protective services	571,331	590,844	635,013
Transportation services	1,012,273	1,034,439	896,907
Environmental health services	416,064	456,901	419,122
Environmental development services	277,269	306,552	402,583
Public health services	32,580	30,767	31,325
Recreation services	459,705	522,204	477,341
Parks and cultural services	574,483	513,406	517,060
Water services	627,628	808,556	599,995
Sewer services	570,693	533,294	536,527
Grants-in-aid	167,418	157,813	155,464
Interest and bank charges	366,496	373,662	366,817
Elections	30,610	15,533	5,245
	<u>7,737,250</u>	<u>6,592,510</u>	<u>7,637,935</u>
<b>Operating surplus for the year</b>	<b>4,032,802</b>	<b>8,005,775</b>	<b>5,278,662</b>
Accumulated surplus, beginning of year	<u>62,588,001</u>	<u>62,588,001</u>	<u>57,309,339</u>
<b>Accumulated surplus, end of year</b>	<b>\$ <u>66,620,803</u></b>	<b>\$ <u>70,593,776</u></b>	<b>\$ <u>62,588,001</u></b>

See accompanying notes to the consolidated financial statements

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## The Corporation of the District of Peachland

### Consolidated statement of changes in net financial assets

Year ended December 31	<b>2010</b> <b>Actual</b>	2010 Budget	2009 Actual
<b>Operating surplus for the year</b>	<b>\$ 4,032,802</b>	\$ 8,005,775	\$ 5,278,662
Acquisition of tangible capital assets	<b>(5,382,205)</b>	(6,107,828)	(6,365,544)
Amortization of tangible capital assets	<b>1,429,374</b>	-	1,361,313
Proceeds on disposal of tangible capital assets	<b>27,854</b>	-	-
Gain on disposal of tangible capital assets	<b>(19,774)</b>	-	-
Increase in net financial assets	<b>88,051</b>	1,897,947	274,431
Net financial assets, beginning of year	<b>1,525,918</b>	1,525,918	1,251,487
<b>Net financial assets, end of year</b>	<b>\$ 1,613,969</b>	\$ 3,423,865	\$ 1,525,918

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See accompanying notes to the consolidated financial statements

# The Corporation of the District of Peachland

## Consolidated statement of cash flows

Year ended December 31

2010

2009

Cash provided by (used for)

### Operating activities

Operating surplus for the year	\$ 4,032,802	\$ 5,278,662
Adjustment for non cash items		
Amortization of tangible capital assets	1,429,374	1,361,313
Gain on disposal of tangible capital assets	(19,774)	-
Actuarial adjustment on long term debt	(91,211)	(79,167)
Developer contribution of tangible capital assets	-	(1,447,840)
 (Increase) decrease in		
Investments	418,097	2,371,727
Accounts receivable	(16,228)	(2,544,701)
 Increase (decrease) in		
Accounts payable and accrued liabilities	786,349	392,998
Deferred revenue	(243,102)	690,771
Deferred development cost charges	(833,096)	(985,358)
	<u>5,463,211</u>	<u>5,038,405</u>

### Capital activities

Purchase of tangible capital assets	(5,382,205)	(4,917,704)
Proceeds on disposal of tangible capital assets	27,854	-
	<u>(5,354,351)</u>	<u>(4,917,704)</u>

### Financing activities

Repayment of long term debt	(227,114)	(213,537)
Proceeds from issuance of long term debt	-	244,150
	<u>(227,114)</u>	<u>30,613</u>

Net (decrease) increase in cash	(118,254)	151,314
Cash, beginning of year	<u>253,704</u>	<u>102,390</u>
Cash, end of year	<u>\$ 135,450</u>	<u>\$ 253,704</u>

### Supplementary cash flow information

Interest paid	\$ 366,496	\$ 366,817
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### Non-cash capital activities

Acquisition of tangible capital assets through developer contributions	\$ -	\$ 1,447,840
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See accompanying notes to the consolidated financial statements

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# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

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### **1. Nature of business**

The District is incorporated under the laws of British Columbia and is engaged in the operation of a Municipality.

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### **2. Summary of significant accounting policies**

The consolidated financial statements have been prepared in accordance with accounting standards for local governments and prescribed by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants.

The following is a summary of the District's significant accounting policies:

#### **Basis of presentation and principles of consolidation**

The District's resources and operations are segregated into General, Water, Sewer and Non-statutory Reserve Funds for accounting and financial reporting purposes. Each of these funds is further segregated into operating and capital funds, where applicable. The consolidated financial statements include all of the accounts of these funds. All inter-fund transactions and balances have been eliminated on consolidation.

#### **Basis of accounting**

The District's consolidated financial statements are prepared using the accrual basis of accounting.

#### **Budget figures**

The budget figures are from the 5-Year Financial Plan Bylaw and are not subject to audit, adopted before May 15<sup>th</sup> of each year. Subsequent amendments have been made by Council to reflect changes in the budget as required by law.

(continued)

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# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

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### 2. Summary of significant accounting policies (continued)

#### Tangible capital assets

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

<b>General capital fund</b>	<b>Estimated useful life</b>
Land	Indefinite
Buildings	30-60 years
Equipment	5-18 years
Engineering structures	30-80 years

<b>Water system capital fund</b>	
Land	Indefinite
Buildings	50-60 years
Equipment	5-18 years
Engineering structures	25-80 years

<b>Sewer system capital fund</b>	
Land	Indefinite
Equipment	5-18 years
Engineering structures	35-80 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal.

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

The District has numerous works of art located throughout the District which are not reflected in these consolidated financial statements.

#### Reserve funds

Non-statutory reserves represent an appropriation of surplus for specific purposes. Reserves for future capital expenditures represent funds to finance incomplete capital projects. Statutory reserves are restricted by the Community Charter and the associated municipal bylaws that established the reserves.

(continued)

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# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

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### **2. Summary of significant accounting policies (continued)**

#### **Debenture debt**

Outstanding debenture debt is reported net of applicable sinking fund balances.

#### **Debt charges**

Interest on debt is charged to current operations. Interest charges are accrued for the period from the date of the latest interest payment to the end of the year.

#### **Financial instruments**

The District's financial instruments consist of cash, investments, accounts receivable, accounts payable and accrued liabilities and long-term debt. Unless otherwise noted, it is management's opinion that the District is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

#### **Revenue recognition**

Taxation revenues and Grant revenue are recorded on the accrual basis and recognized when earned. Sale of services and user fee revenues are recognized when the service or product is provided by the District. Other revenue is recorded as it is earned and measurable. Amounts that have been received in advance of services being rendered are recorded as deferred revenue until the District discharges the obligation that led to the collection of funds.

#### **Expenditures**

Expenditures are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

(continued)

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# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

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### 2. Summary of significant accounting policies (continued)

#### Municipal Finance Authority debt reserve deposits

The District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund. The District also executes demand notes in connection with each debenture whereby the District may be required to loan certain amounts to the Municipal Finance Authority. The details of the cash deposits and demand notes at year end are as follows:

	Demand <u>notes</u>	Cash <u>deposits</u>	<u>2010</u>	<u>2009</u>
General Fund	\$ 1,976	\$ 1,264	\$ 3,240	\$ 3,200
Water Funds	36,579	21,021	57,600	56,938
Sewer Fund	<u>185,341</u>	<u>110,926</u>	<u>296,267</u>	<u>292,835</u>
	<u>\$ 223,896</u>	<u>\$ 133,211</u>	<u>\$ 357,107</u>	<u>\$ 352,973</u>

#### Deferred revenue

Deferred revenue relates to unspent restricted grants received but not yet spent.

#### Use of estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring the use of management estimates relate to the determination of employee benefit accrual, allowance for doubtful accounts receivable, landfill post closure costs, provision for contingencies and tangible capital asset costs associated with years prior to 2009 and related useful life and amortization expense. Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the consolidated financial statements in the period that the change in estimate is made, as well as the period of settlement if the amount is different.

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# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

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### **3. Future accounting change**

#### **PS 3260 – Liability for contaminated sites**

This section establishes the recognition criteria, measurement and disclosure requirements for reporting liabilities associated with remediation of contaminated sites that either are not in use or resulted from unexpected environmental events. This section applies to fiscal years beginning on or after April 1, 2014, with early adoption permitted. At December 31, 2010 the District is in compliance with this section.

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### **4. Financial assets and liabilities**

#### **Operating line of credit**

The District has an operating line of credit with Valley First Credit Union for an authorized amount of \$1,000,000, bearing interest at credit union prime rate. At December 31, 2010, the balance outstanding on the operating line of credit was \$nil (2009 - \$nil).

#### **Investments**

Investments of GIC's are carried at cost and are comprised of term deposits with maturity dates ranging from July 2011 through July 2012 and earning interest at rates between 4.81% and 5.00%.

(continued)

# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

### 4. Financial assets and liabilities (continued)

#### Accounts receivable

Accounts receivable are recorded net of allowance and are comprised of the following:

	<u>2010</u>	<u>2009</u>
Property tax	\$ 645,597	\$ 672,878
Trade receivables	113,832	371,765
Due from Federal government	616,702	269,568
Due from Provincial government	2,327,325	2,715,588
Utilities	<u>367,871</u>	<u>25,300</u>
Balance, end of year	<u>\$ 4,071,327</u>	<u>\$ 4,055,099</u>

#### Deferred development cost charges (“DCC”)

Pursuant to the provisions of the Local Government Act, development cost charges are held in statutory reserve funds for the purpose for which the charges have been imposed. When the related costs are incurred, the DCC’s are recognized as revenue. Because these funds are restricted in nature they are shown as a liability.

#### Deferred development cost charges

	<u>2010</u>	2009
Balance, beginning of year	\$ 1,603,636	\$ 2,588,994
Contributions from developers	321,522	213,255
Interest on investments	77,384	106,664
Bylaw expenditures	<u>(1,232,002)</u>	<u>(1,305,277)</u>
Balance, end of year	<u>\$ 770,540</u>	<u>\$ 1,603,636</u>

The balance of deferred development cost charges can be itemized as follows:

Roads DCC	\$ 280,154	\$ 664,055
Water system DCC	791,028	718,390
Water treatment plant DCC	13,293	5,466
Park DCC	(430,703)	131,501
Sewer DCC	<u>116,768</u>	<u>84,224</u>
	<u>\$ 770,540</u>	<u>\$ 1,603,636</u>

(continued)

# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

### 4. Financial assets and liabilities (continued)

#### Long term debt

	Balance, beginning of year	Additions	Sinking fund payments	Actuarial adjustment	Balance, end of year	Current interest rate (%)
<b>General capital fund</b>						
MFA issue #68	\$ 49,163	\$ -	\$ 1,467	\$ 1,042	\$ 46,654	4.650
By-law 1902	209,442	-	48,285	-	161,157	1.250
	<u>258,605</u>	<u>-</u>	<u>49,752</u>	<u>1,042</u>	<u>207,811</u>	
<b>Water system capital fund</b>						
MFA issue #59	352,832	-	13,493	14,558	324,781	5.000
MFA issue #66	125,968	-	3,960	3,152	118,856	4.820
	<u>478,800</u>	<u>-</u>	<u>17,453</u>	<u>17,710</u>	<u>443,637</u>	
<b>Sewer system capital fund</b>						
MFA issue #68	905,957	-	27,027	19,198	859,732	4.650
MFA issue #68	1,903,375	-	56,783	40,335	1,806,257	4.650
MFA issue #95	2,846,062	-	76,099	12,926	2,757,037	4.140
	<u>5,655,394</u>	<u>-</u>	<u>159,909</u>	<u>72,459</u>	<u>5,423,026</u>	
<b>Total long term debt</b>	<b>\$ 6,392,799</b>	<b>\$ -</b>	<b>\$ 227,114</b>	<b>\$ 91,211</b>	<b>\$ 6,074,474</b>	

The requirements for future repayments of principal on existing debt for the next five years are as follows:

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund	\$ 52,120	\$ 52,955	\$ 53,803	\$ 16,196	\$ 3,482
Water Funds	17,453	17,453	17,453	17,453	17,453
Sewer Fund	159,909	159,909	159,909	159,909	159,909
	<u>\$ 229,482</u>	<u>\$ 230,317</u>	<u>\$ 231,165</u>	<u>\$ 193,558</u>	<u>\$ 180,844</u>

# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

### 5. Tangible capital assets

Tangible capital assets consist of the following:

	2010 Net <u>book value</u>	2009 Net <u>book value</u>
<b>General capital fund</b>		
Land	\$ 15,097,630	\$ 15,097,630
Buildings	2,407,024	2,311,887
Equipment	1,035,898	913,958
Engineering structures	13,448,880	9,888,194
Work in progress	27,300	-
	<u>32,016,732</u>	<u>28,211,669</u>
<b>Water system capital fund</b>		
Land	646,544	646,544
Buildings	43,104	44,483
Equipment	146,246	129,031
Engineering structures	15,343,881	14,980,076
Work in progress	6,308	-
	<u>16,186,083</u>	<u>15,800,134</u>
<b>Sewer system capital fund</b>		
Land	198,000	198,000
Equipment	36,561	32,258
Engineering structures	16,569,458	16,820,022
	<u>16,804,019</u>	<u>17,050,280</u>
Total tangible capital assets - all funds	<u>\$ 65,006,834</u>	<u>\$ 61,062,083</u>

The net book value of tangible capital assets not being amortized and under construction is \$33,608 (2009 - \$nil). Contributed tangible capital assets received in the year from developers and recorded on the financial statements is \$nil (2009 - \$1,447,840).

# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

### 6. Property taxation - net

Taxation revenue comprises of the following amounts raised less transfers to other governments:

	<u>2010</u>	<u>2009</u>
General municipal purposes	\$ 3,036,837	\$ 2,951,030
Collections for other governments		
School District #23 (Central Okanagan)	2,581,234	2,447,649
Regional District of the Central Okanagan	597,025	486,544
Central Okanagan Regional Hospital District	383,358	319,049
Central Okanagan Regional Library District	202,155	192,032
British Columbia Assessment Authority	84,023	78,652
Municipal Finance Authority	246	239
Policing	<u>252,588</u>	<u>223,773</u>
	<u>7,137,466</u>	<u>6,698,968</u>
Transfers to other governments		
School District #23 (Central Okanagan)	(2,581,234)	(2,447,649)
Regional District of the Central Okanagan	(597,658)	(486,553)
Central Okanagan Regional Hospital District	(383,858)	(319,110)
Central Okanagan Regional Library District	(202,352)	(192,085)
British Columbia Assessment Authority	(84,159)	(78,654)
Municipal Finance Authority	(247)	(239)
Policing	<u>(252,751)</u>	<u>(223,773)</u>
	<u>(4,102,259)</u>	<u>(3,748,063)</u>
	<u>\$ 3,035,207</u>	<u>\$ 2,950,905</u>

### 7. Other revenue from own services

	<u>2010</u>	<u>2009</u>
Cost recoveries	\$ 48,323	\$ 51,543
Development permits	226,610	294,829
Interest earned	465,510	464,377
Licenses and permits	34,417	31,222
Penalties and interest on taxes	106,409	104,272
Rentals	108,930	99,292
Miscellaneous	<u>26,573</u>	<u>6,291</u>
	<u>\$ 1,016,772</u>	<u>\$ 1,051,826</u>

# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

<b>8. Transfers from other governments</b>	<b><u>2010</u></b>	<b><u>2009</u></b>
Canada Day grant	\$ 1,800	\$ 2,500
Planning grant	-	680
Cost sharing - highways	1,599	1,525
HRDC employment program	4,200	-
Okanagan Basin Water Board grant	223,905	223,905
Provincial capital grant	23,936	2,745,286
Provincial sewer grants	3,696	-
Regional District - parks grant	12,000	12,000
Senior citizens operating	-	900
Small communities protection grant	518,238	499,499
Building Canada – Beach Avenue road and pathway	2,130,998	-
Towns for Tomorrow – swim bay improvements	71,915	-
Miscellaneous	<u>139,715</u>	<u>463,633</u>
	<b><u>\$ 3,132,002</u></b>	<b><u>\$ 3,949,928</u></b>

### 9. Trust funds

Funds held in trust and administered by the District, which are not included in these consolidated financial statements, are as follows:

	<b><u>2010</u></b>	<b><u>2009</u></b>
<b>Assets</b>		
Cash and short term deposits	\$ 85,550	\$ 76,893
Due from the Corporation of the District of Peachland	<u>729</u>	<u>1,112</u>
	<b><u>\$ 86,279</u></b>	<b><u>\$ 78,005</u></b>
<b>Fund balances</b>		
Trusts - cemetery care	\$ 81,925	\$ 73,845
- historical society	<u>4,354</u>	<u>4,160</u>
	<b><u>\$ 86,279</u></b>	<b><u>\$ 78,005</u></b>

Transactions for the year ended December 31, 2010:

	Balance, beginning of year	Interest earned	Contributions	<b>Balance, end of year</b>
Cemetery Care	\$ 73,845	\$ 3,515	\$ 4,565	<b>\$ 81,925</b>
Historical Society	<u>4,160</u>	<u>194</u>	<u>-</u>	<b><u>4,354</u></b>
Total	<b><u>\$ 78,005</u></b>	<b><u>\$ 3,709</u></b>	<b><u>\$ 4,565</u></b>	<b><u>\$ 86,279</u></b>

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# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

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### **10. Contingent liabilities**

#### **Regional District of Central Okanagan**

Regional District debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the District and each member municipality within the Regional District including the District of Peachland. The loan agreements with the Regional District of Central Okanagan and the Municipal Finance Authority provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligation with respect to such borrowing, the resulting deficiency becomes a liability of the member municipalities.

#### **Guarantee**

The District and the Peachland Senior Citizens' Housing Society entered into a Housing Agreement (Bylaw 1578) under which the District has agreed to guarantee the Society's borrowing for twenty-five years in relation to lands purchased in the District for the purpose of developing housing for low-income senior citizens. Therefore, pursuant to this agreement, the District co-signed a loan in the amount of \$985,000 with the Society in March, 2000. As at December 31, 2010 the loan balance was \$754,214 (2009 - \$796,280).

#### **Legal actions**

The District is currently engaged in certain legal actions, the outcome of which is not determinable at this time. Accordingly, no provision has been made in the accounts for these actions. The amount of loss, if any, arising from these actions will be recorded in the accounts in the period in which the loss is realized.

#### **Pension liability**

The District and its employees contribute to the Municipal Pension Plan ("the Plan"), a jointly trusted pension plan. The Board of Trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 163,000 active members and approximately 60,000 retired members. Active members include approximately 35,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The District paid \$158,313 (2009 - \$147,952) for employer contributions to the Plan in fiscal 2010.

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# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

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### 11. Commitment

#### Landfill closure and post closure costs

As recommended by PSAB and regulated by the Ministry of Water, Land and Air Protection, the District has recorded obligations related closure and post closure costs associated with the landfill. The reported liability of \$219,704 (2009 - \$235,000) represents the portion of the estimated total expenditure recognized as at December 31, 2010. The liability and annual expenditure is calculated using discounted estimated future cash flows associated with closure and post-closure activities. During the 2009 fiscal year, the District's landfill site reached its capacity.

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### 12. Letters of Credit

The District is holding letters of credit in the amount of \$1,167,784 (2009 – 3,146,733), which are received as security related to performance deposits.

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### 13. Expenditures by object

Total consolidated expenditures by object are itemized in Schedule 3.

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### 14. Segmented information

The District of Peachland is a diversified municipal government that provides a wide range of services to its citizens. The District's operations and activities are organized and reported by funds and departments. The General Fund reports on operations, funded primarily by property taxes, which include services provided by the District such as general government services, protective services, recreation and park and cultural services, development services, transportation services and public works, environmental health and public health services and facilities services. The utility operations are comprised of the water and sewer system, each accounting for its own operations and programs within their own funds. Operating results reported by the following segments are included in Schedule 3.

#### General government services

General Government operations are primarily funded by property taxation and business tax revenues. The expenditures within the department are for legislative, general administration and finance functions within the District. The general revenue reported under the department includes revenues associated with taxation, business tax revenues and payments in lieu of taxes. These revenues have not been apportioned to other departments supported by the General Fund.

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# The Corporation of the District of Peachland

## Notes to the consolidated financial statements

December 31, 2010

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### 14. Segmented information (continued)

#### **Protective services**

Protective services are comprised of fire protection services. The fire department is responsible for effective fire protection and public safety services to the District. This includes fire prevention, fire safety inspections, fire control and/or suppression.

#### **Recreation and Parks and cultural services**

The Peachland Recreation and Parks and Cultural services departments contribute to the quality of life and personal wellness of the community through the provision of a variety of programs, services and facilities. This department administers facility, park and playing field reservations, special events applications, programs, Awards night, Canada Day celebrations and the Community Christmas celebration.

#### **Development services**

The Planning and Development services department is responsible for land use and sustainable planning, general development services, building inspection and bylaw enforcement. This Department addresses community and assists with infrastructure planning, zoning, inspection services, building permits, business licences, development permits and subdivision.

#### **Transportation services and Public Works**

The Transportation services and Public Works department is responsible for the operation, maintenance and repairs of town streets, sidewalks, water system, sewer system, storm system, parks and open spaces, cemetery, public facilities and the vehicle fleet as well as providing waste collection from parks, snow removal and ice control services.

#### **Environmental health and public health services**

Environmental and Public Health services are comprised of solid waste, yard waste and recycling services.

#### **Facility services**

Facilities services is responsible for the repairs and maintenance of all District facilities.

#### **Water**

The Water department provides safe drinking water to citizens of Peachland. Revenues and expenditures represent the amounts that are directly attributable to the function of the Water department.

#### **Sewer**

The Sewer system is operated by the Regional District of Central Okanagan.

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The Corporation of the District of Peachland  
Notes to the consolidated financial statements  
December 31, 2010

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**15. Comparative figures**

Certain comparative figures have been reclassified to conform with the current year presentation.

# The Corporation of the District of Peachland

## Schedule 1 – Consolidated schedule of tangible capital assets

December 31, 2010

	Cost				Accumulated amortization				2010 Net book value	2009 Net book value
	Opening balance	Add: additions	Less: disposals	Closing balance	Opening balance	Less: disposals	Add: amortization	Closing balance		
<b>General capital fund</b>										
Land	\$ 15,097,630	\$ -	\$ -	\$ 15,097,630	\$ -	\$ -	\$ -	\$ -	\$ 15,097,630	\$ 15,097,630
Buildings	3,794,459	171,859	-	3,966,318	1,482,572	-	76,722	1,559,294	2,407,024	2,311,887
Equipment	2,022,031	287,715	(105,350)	2,204,396	1,108,073	(98,483)	158,908	1,168,498	1,035,898	913,958
Engineering structures	18,923,722	4,120,936	-	23,044,658	9,035,528	-	560,250	9,595,778	13,448,880	9,888,194
Work in progress	-	27,300	-	27,300	-	-	-	-	27,300	-
	<u>39,837,842</u>	<u>4,607,810</u>	<u>(105,350)</u>	<u>44,340,302</u>	<u>11,626,173</u>	<u>(98,483)</u>	<u>795,880</u>	<u>12,323,570</u>	<u>32,016,732</u>	<u>28,211,669</u>
<b>Water system capital fund</b>										
Land	646,544	-	-	646,544	-	-	-	-	646,544	646,544
Buildings	80,000	-	-	80,000	35,517	-	1,379	36,896	43,104	44,483
Equipment	285,463	40,619	(14,873)	311,209	156,432	(13,903)	22,434	164,963	146,246	129,031
Engineering structures	20,394,339	702,993	-	21,097,332	5,414,263	-	339,188	5,753,451	15,343,881	14,980,076
Work in progress	-	6,308	-	6,308	-	-	-	-	6,308	-
	<u>21,406,346</u>	<u>749,920</u>	<u>(14,873)</u>	<u>22,141,393</u>	<u>5,606,212</u>	<u>(13,903)</u>	<u>363,001</u>	<u>5,955,310</u>	<u>16,186,083</u>	<u>15,800,134</u>
<b>Sewer system capital fund</b>										
Land	198,000	-	-	198,000	-	-	-	-	198,000	198,000
Equipment	71,366	10,155	(3,718)	77,803	39,108	(3,475)	5,609	41,242	36,561	32,258
Engineering structures	18,370,462	14,320	-	18,384,782	1,550,440	-	264,884	1,815,324	16,569,458	16,820,022
	<u>18,639,828</u>	<u>24,475</u>	<u>(3,718)</u>	<u>18,660,585</u>	<u>1,589,548</u>	<u>(3,475)</u>	<u>270,493</u>	<u>1,856,566</u>	<u>16,804,019</u>	<u>17,050,280</u>
Total tangible capital assets - all funds	\$ 79,884,016	\$ 5,382,205	\$ (123,941)	\$ 85,142,280	\$ 18,821,933	\$ (115,861)	\$ 1,429,374	\$ 20,135,446	\$ 65,006,834	\$ 61,062,083

# The Corporation of the District of Peachland

## Schedule 2 – Consolidated schedule of accumulated surplus

December 31, 2010

	<u>Balance, beginning of year</u>	<u>Transfer to</u>	<u>Transfer from</u>	<u>Interest</u>	<u>Balance, end of year</u>
<b>Reserve for future expenditure</b>					
Specified	\$ 421,393	\$ 4,875	\$ -	\$ -	\$ 426,268
Unspecified	-	15,296	-	-	15,296
	<u>421,393</u>	<u>20,171</u>	<u>-</u>	<u>-</u>	<u>441,564</u>
<b>Non statutory reserves</b>					
Beetle kill	18,343	-	(19,198)	855	-
Cemetery maintenance	17,056	-	-	793	17,849
Computer replacement	2,226	-	-	104	2,330
Fire department equipment	488,757	71,295	(185,804)	20,368	394,616
Land sale	126,074	-	-	5,863	131,937
Municipal buildings	237,021	23,248	(95,503)	10,701	175,467
Municipal Park	515,520	39,100	-	23,973	578,593
Non-development cost charge – roads	826,643	165,733	(414,390)	39,010	616,996
Parking	58,472	-	-	2,719	61,191
Parks and recreation equipment	187,764	43,508	(58,696)	9,661	182,237
Policing	847,442	-	(84,744)	37,574	800,272
Public works equipment	188,095	50,000	(67,135)	9,764	180,724
Sewer improvement	469,210	87,998	(14,320)	23,703	566,591
Storm water drainage	1,000,114	-	(144,594)	46,152	901,672
Water system #1 - improvements	1,476,278	726,238	(648,682)	81,658	1,635,492
Water system #2 - improvements	20,320	-	(20,320)	-	-
	<u>6,479,335</u>	<u>1,207,120</u>	<u>(1,753,386)</u>	<u>312,898</u>	<u>6,245,967</u>
<b>Surplus (deficit) by fund</b>					
General fund surplus (deficit)	(99,089)	8,475,976	(8,297,090)	83,897	163,694
Water fund (deficit) surplus	566,060	670,310	(958,323)	(52,166)	225,881
Sewer fund surplus	551,018	1,013,871	(989,527)	35,975	611,337
	<u>1,017,989</u>	<u>10,160,157</u>	<u>(10,244,940)</u>	<u>67,706</u>	<u>1,000,912</u>
<b>Investment in non-financial assets</b>					
Investment in tangible capital assets	54,669,284	5,700,530	(1,437,454)	-	58,932,360
<b>Total</b>	<u>\$ 62,588,001</u>	<u>\$ 17,087,978</u>	<u>\$ (13,435,780)</u>	<u>\$ 380,604</u>	<u>\$ 66,620,803</u>

# The Corporation of the District of Peachland

## Schedule 3 – Consolidated schedule of segment disclosure

December 31, 2010

	General Fund											2010 Total	2009 Total	
	General government services	Protective services	Recreation services	Parks and culture services	Development services	Transportation services and public works	Environmental health services	Public health services	Facilities services	Sub Total	Water funds			Sewer funds
<b>Revenue</b>														
Taxation	\$ 1,063,975	\$ 334,392	\$ 212,795	\$ 288,793	\$ 291,833	\$ 416,470	\$ 231,035	\$ 18,240	\$ 182,396	\$ 3,039,929	\$ 626,167	\$ 328,587	\$ 3,994,683	\$ 4,295,505
Concessions and franchise	50,079	15,739	10,016	13,593	13,736	19,603	10,874	859	8,585	143,084	-	-	143,084	146,847
Sale of services	259,282	81,489	51,856	70,377	71,117	101,490	56,301	4,445	44,448	740,805	-	-	740,805	392,979
User fees	-	-	-	-	-	-	-	-	-	-	803,556	429,756	1,233,312	1,191,774
Other revenue from own sources	341,358	107,284	68,272	92,654	93,630	133,617	74,123	5,852	58,519	975,309	(45,679)	38,819	968,449	1,051,826
Government transfers	436,190	82,441	52,463	1,065,499	71,949	1,065,499	56,959	4,497	44,968	2,880,465	27,632	223,905	3,132,002	3,949,928
Contributions	1,400,873	-	-	-	-	-	-	-	-	1,400,873	16,364	140,480	1,557,717	1,887,738
<b>Total</b>	<b>3,551,757</b>	<b>621,345</b>	<b>395,402</b>	<b>1,530,916</b>	<b>542,265</b>	<b>1,736,679</b>	<b>429,292</b>	<b>33,893</b>	<b>338,916</b>	<b>9,180,465</b>	<b>1,428,040</b>	<b>1,161,547</b>	<b>11,770,052</b>	<b>12,916,597</b>
<b>Expenditures</b>														
Salaries and benefits	653,245	401,196	230,371	306,050	354,033	448,299	21,127	20,546	90,837	2,525,704	352,913	31,783	2,910,400	2,668,168
Equipment	-	-	-	55,744	22	99,569	8,979	5,459	11,369	181,142	25,377	1,329	207,848	191,235
Contract services	55,205	33,039	86,780	103,201	54,946	144,648	385,472	1,966	127,779	993,036	91,907	13,627	1,098,570	1,354,750
Insurance	57,608	8,156	-	363	-	466	-	-	19,799	86,392	11,922	4,849	103,163	122,438
Supplies	33,895	53,975	29,717	39,852	3,347	56,707	486	4,257	54,159	276,395	56,533	1,235	334,163	325,149
Leases	9,975	31,491	-	-	-	3,152	-	-	-	44,618	10,055	-	54,673	57,178
Telephone and utilities	10,408	10,387	3,796	1,622	1,623	58,729	-	-	67,138	153,703	48,876	420	202,999	229,673
Professional services	207,808	5,419	-	-	53,328	-	-	-	-	266,555	24,830	-	291,385	216,090
Advertising	16,792	731	17,193	4,080	2,298	153	-	-	-	41,247	5,215	-	46,462	37,357
Civic grants	167,418	-	-	-	-	-	-	-	-	167,418	-	-	167,418	155,464
Contributions	-	-	-	-	-	-	-	-	-	-	-	517,450	517,450	472,103
User discounts	-	-	-	-	-	-	-	-	-	-	-	-	-	80,200
Interest	13,879	-	-	-	-	-	-	-	-	13,879	41,310	318,156	373,345	366,817
Amortization of tangible capital assets	795,880	-	-	-	-	-	-	-	-	795,880	363,001	270,493	1,429,374	1,361,313
<b>Total</b>	<b>2,022,113</b>	<b>544,394</b>	<b>367,857</b>	<b>510,912</b>	<b>469,597</b>	<b>811,723</b>	<b>416,064</b>	<b>32,228</b>	<b>371,081</b>	<b>5,545,969</b>	<b>1,031,939</b>	<b>1,159,342</b>	<b>7,737,250</b>	<b>7,637,935</b>
<b>Operating surplus for the year</b>	<b>\$ 1,529,644</b>	<b>\$ 76,951</b>	<b>\$ 27,545</b>	<b>\$ 1,020,004</b>	<b>\$ 72,668</b>	<b>\$ 924,956</b>	<b>\$ 13,228</b>	<b>\$ 1,665</b>	<b>\$ (32,165)</b>	<b>\$ 3,634,496</b>	<b>\$ 396,101</b>	<b>\$ 2,205</b>	<b>\$ 4,032,802</b>	<b>\$ 5,278,662</b>