City of Colwood

The City with a view of the future!

[Accessible Art Space at Esquimalt Lagoon]

REPORTING ON YEAR 2008

3300 Wishart Road, Colwood, BC V9C 1R1 250 478 5999 - www.colwood.ca

City of Colwood

2009 Annual Municipal Report

(Reporting on Year 2008 and Strategic Planning for Years 2009-2013)

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CITY OF COLWOOD

2009-2013
STRATEGIC PLAN

the city with a view of the future

Dated: 2009-10-01
Adopted by City Council: 2009-12-21

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1. Background

Definition

Strategic planning[1] is an organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy, including its capital and people. Three framing questions when strategy planning are: What do we do, for whom do we do it and how do we excel?

Strategic planning can be said to be a process for determining where an organization is going over the next set period of time, typically 3 to 5 years. In order to determine where an organization is going it needs to know exactly where it stands, then determine where it wants to go and how it will get there. The resulting document is called the "strategic plan."

Colwood's Model

December 2008 saw the swearing in of a new council, with a new mayor and three new councillors. The change of elected representatives has brought new direction and energy. For example, all standing committees' responsibilities have been re-examined and terms of reference and names changed. With the support of his council, the Mayor has struck a new task force to assist in achieving dynamic new goals of becoming the first City in Canada to become a grid positive, carbon neutral, water smart, green learning city. Other new directions being pursued are the support for building two new schools in the West Shore, alternatives to the Region's proposed sewer treatment concept and refocused effort on reducing the radiation output impact from communication towers.

The year 2008 was a monumental one for the City, not only because of the impact of the significant worldwide economic slide, but also because of accompanying severe downturn in the local development and building sectors. This was a dramatic change of fortunes from the previous upbeat year, resulting in reduced revenues and a noticeable halt to the City's development and business initiatives. The early budget deliberations for 2009 confirmed numerous weaknesses in the City's financial state, forcing Council to make some very difficult choices.

Unlike 2007, the City chose not to pursue capital projects due to lack of financial capacity. However, it was successful in receiving 50% cost share funding for Metchosin Road upgrades in the amount of $350,000, which it might be able to lever in a future year. The City, along with its neighbour Langford and the help of a dynamic consultant, won an award for its collaborative and innovative approach to developing a comprehensive OCP that took into account the sub region as a contiguous area. The comprehensive document looks forward 25 years and is centred on the notion of high density development in specified nodes, linked by viable transportation alternatives, while giving certainty to existing residential areas.

[1] Definition concept taken from Wikipedia: http://en.wikipedia.org/wiki/Strategic_planning

Through this Strategic Plan the City is still pursuing the goal of reporting its state of wellbeing[2]. As with last year's report, this document integrates organizational goals and initiatives into actions, with outcomes being measured over time. The perspectives that are being used are those of the customer, internal processes, employee learning and growth, and financial aspects. The application of these elements enables an organization's main focus areas to move forward and at the same time measure success through clearly identified outcomes. However, it must be stressed that the measurement and budget connections are still under development.

The objective of such a performance measuring exercise is to keep it manageable, relevant, and attainable, especially considering the limited resources that can be brought to bear. The advantages of a strategic plan are:

- creates clarity and focus around the City's direction
- a communication enabler for the organization
- aligns departmental and personal goals to the City's direction
- links planned direction to long term initiative accomplishments and annual budgets
- clearly identifies immediate and longer term actions
- fosters continual review and improvement

Key Measures

Key General Measures *Stats Canada*[3]	*source*
	2006
Population	14,687 (Revised census data 15,260)
Annual growth rate	1.4%
Total private dwelling units	5,770
Population density per sq km	836.8

Key Assessment Measures 2008 *assessment roll*	*source*	*revised*	
No. of properties	*Land*	*Improvements*	*Total*
5302	$ 1,924,810,813	$ 1,175,441,094	$ 3,100,251,907

[2] Community Charter, Div 5, Sec 98. http://www.qp.gov.bc.ca/statreg/stat/C/03026_04.htm#part4_division5

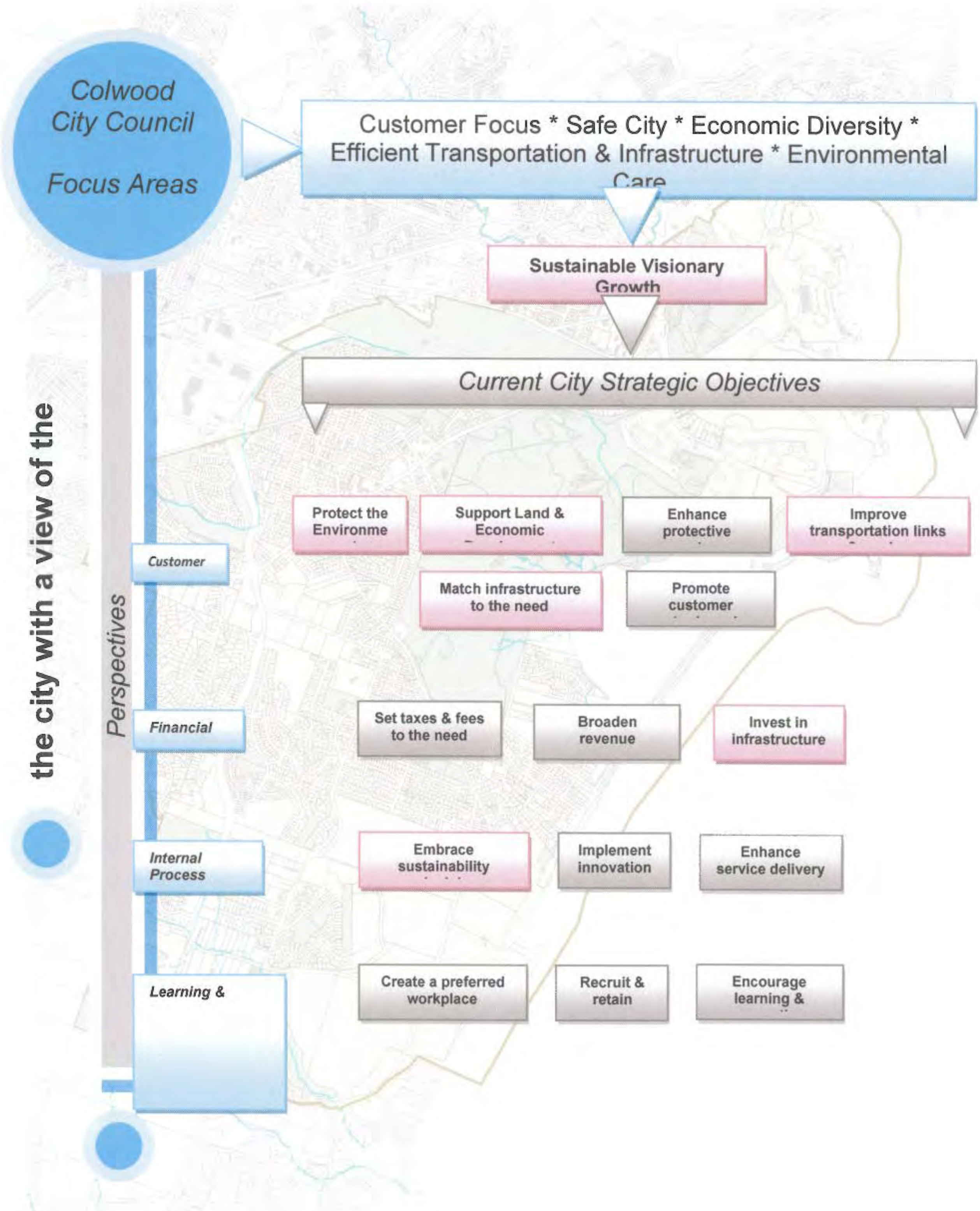
[3] http://www12.statcan.ca/english/profil/Details/details1.cfm?SEARCH=BEGINS&ID=12884&PSGC=59&SGC=5917041&DataType=1&LANG=E&Province=All&PlaceName=colwood&CMA=935&CSDNAME=Colwood&A=&TypeNameE=City

2. Description of the Strategic Model Used

The strategic plan process for the City of Colwood identifies overarching focus areas with their supporting perspectives. This creates a matrix that can then be used to identify key initiatives and associated actions. The accomplishment of the identified actions is the measured results, which in turn directly supports the overarching Council focus areas. The model is built upon the interdependency of each of the layers which act to support the strategic direction of the City now and into the future.

The Achievement Measurement Model on the following page shows five distinct and unifying strategic overarching focus areas with the four perspectives of customer, financial, internal process and learning and growth being predefined by the model. The centre of the model shows 12 Current City Strategic Objectives. The Initiatives, Actions and Targets spreadsheets are the directions set and outcome accomplishments. This latter point is dependent on the organization focusing on the task at hand and by allocation of the necessary resources through the 5 Year Financial Plan. Taken holistically, the accomplishment of actions leads to initiatives being achieved through one or more of the perspectives, which in turn leads to reaching those elusive strategic key areas.

3. Diagrammatic Representation of Strategic Model



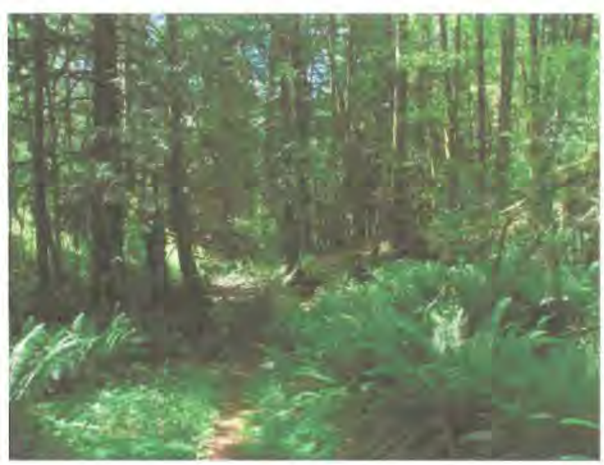
4. Vision of Colwood in the Year 2009 Onward

The newly adopted Official Community Plan[4] identifies a vision for Colwood which is reproduced below.

Our buildings, streets, and open spaces contribute to the community's overall 'look and feel' and largely determines activity patterns (e.g. how we get around, how we interact with neighbours, how we play). Evidently, our community's design and layout are critical for setting the stage for sustainable development. Development often involves changing or modifying natural ecosystems and regardless of location, development has an impact on life-sustaining elements such as air, water and soil. Development should therefore maintain the values of natural ecosystems and minimize other impacts when and where feasible. Thoughtful urban design is one of our community's most powerful tools to advance the quality of life of our residents, as well as the competitive advantage and attractiveness of the community, which is so critical for attracting business investment and jobs. Breathtaking natural features such as mountains, the lagoon and the sea will shape future developments as will our city's unique history and people.

Our Vision

Our sustainable community, nestled in a rich network of hills, creeks, lakes and the sea, is defined by attractive, compact and complete centres connected by multi-modal transportation corridors. Our sustainable community is welcoming and inclusive for all and is planned and designed to support the needs of a diverse and changing population. The City of Colwood will make the full use of its regulatory and non-regulatory powers to ensure our vision is implemented to the greatest extent possible.



[4] City of Colwood Official Community Plan – 2008, Adopted by Council 2008/06/24

5. Core Values

Vision
We want the City of Colwood to be the most liveable and safe city on Vancouver Island.

Mission Statement
Colwood is an exceptional community because of its natural contour beauty, its striking oceanfront, its pioneer heritage and its creative changing enhancements.

As employees of the City of Colwood, we have been entrusted to be the stewards of the quality of life cherished by those who work, live and play in the area.

In support of that trust, we commit to provide terrific service that respects the uniqueness and diversity of the community.

As an organization we embrace opportunities to improve our services and the quality and effectiveness of our relationships with the community and our teams. The following **Organizational Values** inspire and guide our efforts:

Accountable
We maintain the public trust by spending taxpayers' money wisely through 'working smart'.
Collaborative
We work together and support one another as team members across departmental boundaries.
Committed
We provide unbeatable customer service and we care and we know it makes a difference.
Creative
We embrace freedom to imagine and courage to act and find innovation.
Green
We consider the impact on the environment in everything we do.
Inclusive
We appreciate and accept the added value that open-mindedness and diversity bring to our team.
Integrity
We do the right thing, not the easy thing. We honour the public trust by conducting ourselves with integrity and doing what it takes to get the job done right.
Proud
We are proud of who we are and who we serve.
Spirited
We do our best in each moment, have fun doing it and celebrate a job well done.

Pelican Drive

6. Key Focus Areas

Customer Focus

The City of Colwood is a place where collectively people live, work, invest, learn, and play. Some of the attributes that make the City a preferred place to live are its early history, natural assets and uniqueness of physical location. Like any local government, its aim is to promote the general health, safety and welfare of its residents. Being customer-focused, the City aims at providing services that are needed, useful and relevant. The organizational culture of Colwood is focused on addressing the needs and expectations of its citizens and property owners and businesses. This includes the entire delivery chain from policy making through to the tangible front-line services.

2008 Accomplishments

- ✓ Employment agreement successfully negotiated with full time Firefighters and Collective Agreement signed off with Bargaining Unit.
- ✓ Additional temporary space created for Public Works employees.
- ✓ Centralized filing system implemented.
- ✓ A more certain payroll service provision implemented.
- ✓ Research completed on preferred direction on Core Financial System replacement (and automated till), with funding approved to implement.
- ✓ Microphones and speakers upgraded in Council Chamber.

Safe City

A feeling of personal safety on City streets, at home, and at the workplace are some of the most important factors when people assess the quality of their lives, which relates directly to their preferred place in which to live. Knowledge that protective services such as Fire, Police, Bylaw and Emergency Planning are adequately resourced and have a reputation of responding to community needs, helps create a safe community. The perception of safety is just as important as the services that are actually provided. A safe city tends to retain its residents, is inviting to perspective ones, encourages development, and attracts tourists. The City is committed to creating a safe community for all its current and future residents and businesses.

2008 Accomplishments

- ✓ Automatic Aid Agreement implemented between Colwood and View Royal Fire Departments.
- ✓ New fire management software operational (FDM).
- ✓ A total request for Emergency Services in 2007 was 609, with insurable fire loss valued at $671,450, which was far greater than experienced in 2007 due to one Triangle Mountain incident valued at $572,000.
- ✓ Colwood participant in Regional Crime Unit.
- ✓ Contract put in place to lease out entire RCMP Building.
- ✓ Continued excellence in the training and leadership of volunteer fire fighters: Regular training and extra courses 1,746 hours, regular drills 2,476 hours totaling 4,222 hours.

- ✓ Reported crime in the region ranges from 43 to 134 reports per 1000 population, with Colwood at 92, which is below the average of 97.6 from the sample 8 municipalities.
- ✓ Policing cost per capita is calculated at $115 up from $95 in 2008 (cost share from 70% to 90%)
- ✓ Nuisance (Controlled Substance) Bylaw used for the first time – 3 cases.
- ✓ Emergency Response trailers fitted out to an adequate level.
- ✓ Bylaw Enforcement increase by 1 FTE.

Significant Bylaw Activity by Month

No. of activities	J	F	M	A	M	J	J	A	S	O	N	D
2006	10	-	25	24	10	42	27	18	18	12	-	5
2007	12	7	16	22	8	23	27	7	17	21	18	9
2008	11	7	21	26	11	40	28	9	18	18	20	12

Bylaw Response by Major Issue

	Complaints	
Administration	**2008**	**2007**
Building Bylaw	9	6
Noise Bylaw	30	30
Unsightly Premises	33	20
Business License	9	3
Parks	3	7
Engineering		
Blasting	0	0
Roads & Boulevards	90	52
Truck Route	15	8
Unlicensed Vehicles	14	8
Fire		
Fire Regulation	6	1
Open Fires	6	25
Incinerator	0	0
Beach Fires	0	2
Planning		
Illegal suites	15	4
Zoning	13	4
Land use	5	3
Grow Op	3	0
Other	23	14
TOTAL	***274***	***187***

Economic Diversity

A sustainable city should provide a sufficient range of places for its citizens to invest, live, play and work. It must be able to create and perpetuate the necessary conditions to foster sufficient job opportunities, an array of amenities and a variety of shopping opportunities. The designation of appropriate land for such activities creates certainty for existing and prospective businesses and the community as a whole. The new Official Community Plan has set a new and higher standard for creating a more sustainable community.

2008 Accomplishments

Building & Business Activity Indicators

Building Permit Activity

	2008			2007			
	# of Permits	*Total $ Value*	*Permit Fee $*	*# of Permits*	*Total $ Value*	*Permit Fee $*	*$ Value % change*
Total	178	53,950,510	562,453	227	60,529,333	853,161	-12.19

New Units by Type

2008							2007						
Single dtchd	*Dup*	*Apt*	*T/H*	*Det T/H*	*Mob Home*	*Total*	*Single dtchd*	*Dup*	*Apt*	*T/H*	*Det T/H*	*Mob Home*	*Total*
36	2	60	30	0	0	128	71	6	0	40	0	0	117

Subdivision Lots & Stratas Created

2008				2007			
New Lots	*New Bareland Strata Lots*	*Lost Lots*	*New Strata Units*	*New Lots*	*New Bareland Strata Lots*	*Lost Lots*	*New Strata Units*
59	28	0	29	2	0-2	0	69-11

Business Licence Activity

	2008				2007				
	New	*Renewal*	*Total #*	*$ Value*	*New*	*Renewal*	*Total #*	*$ Value*	*Total # % change*
Total	105	296	401	41,913	80	292	372	32,450	+7.80

- ✓ Public Art Space at City Hall created and well received.
- ✓ West Shore parks and trail guide published.
- ✓ Joint OCP adopted by Colwood Council – received awards for quality and innovation.
- ✓ Affordable Housing guideline implemented.
- ✓ Grants awarded for: Infrastructure Planning, LocalMotion, and Measuring Up.

Efficient Transportation & Infrastructure

Transportation and associated issues are consistently identified by Colwood and West Shore residents as one of the most challenging issues facing the area. The increasing traffic volume trend and its impacts are not likely to decline, so it is incumbent upon the City to not jeopardize its development and growth potential due to transportation issues, but rather to find workable and innovative solutions. However, the integrated nature of transportation routes in and out of the West Shore municipalities and the unavoidable link between the form of development and its effect on transportation requirements suggests that no single government organization in the region can create workable solutions on its own. The City must continue to work with Ministry of Transportation, CRD, BC Transit and other municipalities.

The City is focused on creating transportation choices for its citizens. To this end the OCP placed a priority on walking, bicycling, transit, high occupancy vehicle and single occupant vehicle (in that order), but recognizes that automobiles continue to be the preferred mode of transportation for the majority. The challenge for the City is to create improvement to the existing road and active transportation (walking and cycling) networks, manage congestion and improve road safety, while still maintaining adequate connections to local neighbourhoods and creating incremental improvements for the efficient through movement of people, services and goods. The City recognizes that 'smart growth' land use is critical to the solution.

The City is committed to providing the essential infrastructure to ensure that it will thrive economically as a healthy place in which to live and is safe for all its citizens. Storm drainage, sewer systems and other underground infrastructure will be installed and improved over time to accommodate the City's fast pace of growth. The City's 'green infrastructure'—riparian areas, parks and urban forest—is also a valued part of our infrastructure.

2008 Accomplishments

- ✓ Wilfert/Wale Intersection completed.
- ✓ Sewer Bylaw 1001 endorsed by Council, allowing new entrants into the sewer system, with identified costs payable to expand the system.
- ✓ The accomplishment level of approved maintenance programs is estimated to be 80%.
- ✓ City continuing to work towards finding solutions regarding sewer service.
- ✓ Passed a Neighbourhood Zero Emissions Vehicle Bylaw

Environmental Care

The City of Colwood will continue to be a preferred place where people want to live. It will strive to have a quality built environment, with reasonable care taken to maintain or improve the character of each natural area within the municipality. Environmental initiatives will be built into land development and the important areas such as green space and watercourses will be enhanced where required.

Historic places and landmarks, of which many are managed by other agencies, will be supported to be preserved and where practical left open to the public to enjoy. The many new neighbourhood developments will be encouraged to be varied in design and of high quality. Commercial and business areas, although complementary to residential areas, will be encouraged to become more mixed-use areas supporting the concept of live, work, and play within walking distance.

2008 Accomplishments

- ✓ Ongoing coordination with CRD to work towards achieving the Climate Action Charter commitments.
- ✓ Climate change and sustainability made key components in the new OCP.
- ✓ Burning Ban Bylaw successfully implementation resulting in improved air quality.
- ✓ First Colwood electric vehicle bought for Public Works (mainly parks) use.
- ✓ Measuring and reporting on its GHG emission profile.
- ✓ With the Esquimalt Lagoon Stewardship Initiative, completion of the Interim Management Guidelines for Coburg Peninsula.

CRITICAL CITY FOCUS FOR 2009-2010

Based on rigorously reviewing and understanding the City's financial state, along with the impact of downturn in the development sector, the City had to make hard choices in how to balance its 2009 budget. The significant issues identified as challenges to the City's financial state were:

- Decline in revenues from new construction of almost $1 million.
- RCMP cost sharing changed from a 70/30 split to 90/10 split, resulting in a $450,000 increase in City contributions to policing.
- Previously approved use of reserve funds, with no certainty around replenishment ($2.5 million).
- PILT payment for Federally owned lands reduced by $100K to reflect actual payment received in 2008.
- Declining revenue from own sources, due to a decrease of $0.6 million in building permit and application fees.
- Deficit in sewer fund and lack of collection diligence.

The City undertook significant public consultation on how to resolve the difficult financial situation. The end result was that taxes for 2009 were raised by 16% along with significant service level reductions, which had staffing consequences (reduction of five full-time equivalent jobs). The public were also advised that the City's financial woes were not a single year occurrence, but rather likely to be ongoing for a number of years.

The City's focus for the next number of years must be to get its finances into a more sustainable and predictable state. The key initiatives will be:

- Implementation of new core financial software to replace the existing 25 year old DOS system, enabling adequate tracking of revenues and expenditures.
- Set tax rates to meet the basic need.
- Forgo capital projects until such time that capacity is rebuilt.
- Develop a plan and timetable to rebuild the depleted reserve accounts.
- Where necessary, reprioritize the operating budget to focus on essentials.
- Continue to take steps to correct the sewer problems, collect on tax obligations, control operating costs and set appropriate user fees.
- Challenge assessment values when necessary.
- Challenge the CRD on sewer treatment as this is a significant future cost.

The overall objective is to create certainty in all classes of property tax and sewer taxes to encourage people to come to Colwood to invest, whether the investment is in business, development or the residential community. Failure to move towards this objective will result in Colwood struggling to meet its aim of being a City with a view of the future.

Customer Perspectives with Associated Current City Strategic Objectives

Customer Perspective: *Is the City making available the services that citizens need?*

Create leisure opportunities	Give citizens choices to participate in social, cultural and physical pursuits. Celebrate the heritage and history of the area. Encourage opportunities for 'green learning' in the City.
Protect the environment	Protect the local environments of air, water and soil. Follow environmental & sustainability principles. Work towards reducing energy use and emissions, and encouraging 'water smart' applications. Support 'grow local' food initiatives.
Support land & economic development	Actively promote land development based on OCP guidelines and encourage sustainable economic activity. Build partnerships to accrue benefits. Encourage new businesses, especially in relation to the 'green economy'.
Enhance protective services	Continually explore improvements in policing, fire prevention and bylaw enforcement. Continue to develop the City's ability to effectively handle emergency situations through training of staff and volunteers and honing skills through simulations.
Improve transportation links & modes	Plan and design transportation corridors holistically by taking into account West Shore and through-traffic pressures. Encourage alternative transportation modes and infrastructure.
Match infrastructure to the need	Plan and construct needed infrastructure to support a fast growing compact City, ensuring that the planning for such systems is long term. Install the necessary infrastructure to support the City's development direction. Look for opportunities to recover resources from waste.
Promote customer centred service	Focus attention on the needs of the City's taxpayers and customers by being well informed, helpful and solution-oriented.

Financial Perspectives: *Is the City managing its assets and resources in a responsible and accountable manner?*

Set taxes & fees to the need	Deliver services and programs that are needed and comparable to neighbouring municipalities in terms of costs. Support initiatives that bring in commercial & business taxes & fees. Strive for property tax predictability over the short and long term.
Broaden revenue sources	Seek out government grants for infrastructure improvements and set user fees to off-set applicable associated costs.
Invest in infrastructure	Maintain and improve programs, services and infrastructure that improve and sustain all modes of transportation, public safety and health, the environment, the local economy and neighbourhood liveability.
Implement rigorous financial processes	Collect all taxes and fees annually. Ensure critical thinking in developing the 5 Year Financial Plan. Use a very conservative approach in borrowing (MFA). Protect Reserve accounts. Scrutinized annual financial audits. Regularly check service value for money for banking and insurance needs.

Internal Process Perspective: *Is the City continually improving its business processes?*

Embrace sustainability principles	Introduce and apply sustainability principles in land-use, transportation planning, emergency services & City construction and operations.
Implement innovation	Actively seek out and implement innovative approaches to municipal business, services and infrastructure. Use the power of information technology to help employees do their jobs more efficiently and provide value-added services to taxpayers and the community as a whole.
Enhance service delivery	Improve services delivery to better meet the need using best practices, inter-municipal sharing of resources and third-party partnering.

Learning & Growth Objectives: *Is the City empowering and preparing its employees to meet the changing demands of the work place and those depending on the service delivery?*

Create a preferred workplace	Foster a positive work environment that breaks down hierarchical barriers, encourages open communication and the sharing of ideas. The objective is to create a preferred work place, which encourages retention and facilitates recruitment.
Recruit & retain	Be deliberate and careful when recruiting. Create the necessary incentives and reasons to encourage employees to want to stay with the City of Colwood.
Encourage learning & growth	Give employees the opportunity to learn, experience and gain knowledge in their areas of work. Allow employees to expand their horizons. Provide the necessary training and experience to enable employees to do their jobs to the best of their abilities.

7. City Council Focus Areas, Initiatives, Actions & Targets

CUSTOMER FOCUS			
Initiative	Action	Target	Resp
Implement innovation			
Create a recognizable City of Colwood image	Create a distinctive City Logo & Coat of Arms, RRU Master of Arts in Leadership: City of Colwood Leadership Challenge	2007 – 2008 ***Started***	Adm
	Incorporate the castle image in all City works	Start 2007 onwards ***Ongoing***	All Depts
	Integrate the City Christmas light theme into City and developer works	Incorp. into Wale Road Q4 2007 ***Ongoing***	Eng
Create a preferred workplace			
Create learning and experience opportunities for employees	Promote employee training and education	Maintain $795 per FTE / year ***Achieved***	Adm
	Make available customer service & other specialized training for employees	Introduce Q3 2008 ***Rescheduled 2011***	Adm
	Create customer service policy	Draft Q 4 2008 ***Rescheduled 2011***	Adm
	Offer supervisory training for PW Foreman and charge hands	2009 ***Rescheduled 2010***	Adm
Let employees know how they are doing	Institute a competency-based employee performance appraisal system	Draft Q1 2008 ***Rescheduled 2010***	Adm
	Introduce an employee recognition program	2008 - 2009 ***Rescheduled 2010***	Adm
Work place health & safety	Report annually on the work place health & safety	Q2 2008 ***Ongoing***	Adm
	Add temporary additional space for employees at PW	Q4 2008 ***Completed***	Eng
	Design new PW building that is off the grid	2009 ***Design complete, implementation delayed***	Eng
	Research an employee wellness program	2008/2009 ***Started***	Adm
Implement innovation			
Improve office efficiency	Install side-mounted filing system using LGMA records management protocols	Commence in Q3 2007 ***Completed***	Adm / All Depts
	Scan building drawings into digital format	Commence in Q4 2007 ***On Hold***	Bld
	Review existing Hall phone system & compatibility with PW and Fire	Q4, 2008 ***Started 2009***	Adm
	Revise budget process for departments	Q4 2007 ***Started 2008***	All Depts
	Rearrange office space to house more staff	Q4 2008 ***Completed***	Adm
	Expand Council podium seating for staff needs	Q4 2008 ***Completed***	Adm

CUSTOMER FOCUS

Initiative	Action	Target	Resp
Lever computer technology to gain productivity & efficiency	Tablet technology for building and bylaw activities	Research & implement 2008 – 2009 ***Started***	Bld / Byl / Eng
	Develop a strategy to replace the City's proprietary Core Financial software	Complete research in Q4 2008 ***Completed***	Fin
	Implement new Core Financials	Q4 2009 ***started***	
	Install automated till & screens into financial network	Research by Q4 2008 ***Rescheduled 2010***	Fin
	Develop Homeowner Grant on line	Research by Q4 2008 ***Completed***	Fin
	Install overhead projection capability for the council chamber	Budget 2009 ***Not Started***	Adm
	Install new microphones & speakers in Council Chambers	Q4 2007 ***Completed 2008***	Adm
	Continue to build a strong partnership with Langford IT	2007 onwards ***Ongoing***	Adm
	Install Phase 1 of the CityView efficiency software	Q4 2008 ***Started***	Adm/ Bld
Promote customer centred service			
Create a City Geographic Information System (GIS)	Contract for the supply of an accurate Cadastral mapping base	Commence Q3 2007 ***Not started***	Eng
	Determine the preferred GIS software for the City	Research 2008 ***Started***	Eng
	Harmonize CAD & mapping	Research 2009 ***Started***	Eng/ Pln
Enhance service delivery			
Reduce internal City bureaucracy	Rescind unneeded policies	Commence Q2 2007 ***Ongoing***	Adm
Invest in infrastructure			
Meet senior government requirements	Implement infrastructure asset management - PSAB	Q 1 2008 ***Started***	Fin
Implement rigorous financial processes			
Follow up on 2009 Budget Brainstorming items	Identify implementation possibilities	2009 ***Started***	All Depts

SAFE CITY

	Initiative	Action	Target	Resp
Enhance protective services				
1	Strategic plan for future fire department needs			
		Acquire land for a second fire hall close to the city centre – Belmont Park/Ocean blvd. area	Land Acquisition Q4 2008 ***Started***	Adm
		Confirm approved funding model & establish 20 year fire equipment replacement program	Q 4 2008 ***Not started***	fire
	Work with RCMP to enhance safety and keep crime rates low	Pursue targeted, repeat offender enforcement	2008 ***Started***	RCMP
		Participate in the renegotiations of the RCMP service provision contract	2007 thru 2011 ***Ongoing***	Adm
		Strength availability 15.6 FTEs = 100%	>85% ***Target met***	RCMP
		Implement a Regional Crime Unit	2008 ***Completed***	RCMP
		Commence a Police strategic plan	2008 ***Completed***	RCMP
		Lease the entire Police Building to increase revenue flow	2008 ***Completed***	Adm
		Include Restorative Justice data in monthly police reports	2008 ***Ongoing***	RCMP
		Adopt the initiative of Crime Prevention Through Environmental Design	2009 ***Completed***	Eng/ Plan
	Enforce bylaws	Implement burning ban bylaw	***2008 Completed***	Fire
Promote customer centred service				
	Report on fire performance	Publish an annual Fire Department performance report	Publish Q2 2007 ***Completed Annually***	Fire
Improve transportation links & modes				
	Expand the pedestrian infrastructure	Begin annual sidewalk installation program	Q4 2007 ***On hold***	Eng
Embrace sustainability principles				
	Create emergency preparedness self sufficiency	Research the feasibility of setting up partnerships with neighbourhoods, businesses & schools for emergency preparedness	Number of neighbourhoods participating ***Not started***	Emg

ECONOMIC DIVERSITY

Initiative	Action	Target	Resp
Set taxes & fees to the need			
Review of internal processing costs	Review all City fees & charges for services	Q3 2007 ***Ongoing***	All Depts
Create leisure opportunities			
Support culture & arts in Colwood	Support Emily Carr Festival	2008 ***Completed***	All Depts
	Support Colwood Community Place	***Start up funding provided 2009***	All Depts
	Support and celebrate Colwood's 25th year of incorporation along with the Canadian Navy's 100th birthday and Fisgard Lighthouse 125th anniversary.	2010 ***Started 2009***	All Depts
Support activities & sports in the West Shore	Consider being a financial supporter of the proposed new sports facility at Juan de Fuca (all weather turf, lit field in place of velodrome. $500,000 committed for 2008	2007 - 2009 ***No Funding Capacity***	Fin
	Publish park & trail map on website with picture links	2008 – 2009 ***Not Started***	Plan
	Request CRD load WS parks & trails map on its GIS-Natural Areas Atlas	2008 ***Not started***	Plan
Support land & economic development			
Support business & tourism in the West Shore	Create a plan to rename Sooke Road and decoratively signpost major city attractions	***Not started***	Eng
	Financially support the West Shore Magazine	2008 ***Annually***	Fin
Build partnerships	Partner with the Sooke School District and West Shore Parks and Recreation Society in sports facilities, emergency preparedness and other levered building use at the proposed Royal Bay School	2007 - 2010 ***Ongoing***	Adm
	Initiate meetings with View Royal on issue of common interest	2007 Onwards ***Ongoing***	Adm
	Lobby the Provincial Government to locate some of its offices in the Colwood	Lobby started 2007-2008 ***Ongoing***	Adm/ Eng/ Pln
	Participate in First Nations treaty discussions	2007 Onwards ***Ongoing***	Adm
	Partner with RRU on an initiative to become the first green learning city in Canada	2009 ***Started***	All depts
Update planning & development & engineering strategic &	Rewrite existing planning & engineering development guidelines	Q4 2008 ***Not Started***	Plan & Eng

ECONOMIC DIVERSITY

Initiative	Action	Target	Resp
operational documents	Rewrite & harmonize Building bylaw	Q4 2007 ***Completed***	Bld
	Update Subdivision & Land Use Bylaw to include new design & beautification standards	Q 2 2008 ***Started***	Plan & Eng
	Update Resolutions 123 & 124	Q4 2007 ***Not started***	Eng
Define the City's direction on housing	Committee to adopting an affordable housing policy & action plan	Q3 2007 ***Completed***	Plan
	Introduce secondary suite initiative	2008 ***Started***	Plan
Enhance service delivery			
Streamline City and inter governmental business processes	Review & improve the building permit issuing process (reduce processing time)	Q4 2008 ***Ongoing***	Bld
	Poll builders/developers on how to improve efficiencies in a competitive market	Q4 2008 ***Rescheduled***	Bld
Support land & economic development			

Colwood Fire Hall

EFFICIENT TRANSPORTATION & INFRASTRUCTURE

Initiative	Action	Target	Resp
Invest in infrastructure			
Strategically plan for City sewers			
	Prepare a sewer master plan for the entire City	Q1 2008 ***Rescheduled 2009-2010***	Eng
	Enlarge LSA to accommodate new petitioners	2007 Onwards ***Started***	Adm& Eng
	Actively work towards resolving the ongoing third-party sewer litigation	2007 Onwards ***Ongoing***	Adm& Eng
	Amalgamate Phase V and Lagoon LSAs.	2009 ***Started***	Adm/Eng/ Fin
Enhance existing City amenities	Prepare streetscape design and costing for Sooke Road	Q3 2008 ***Not started***	Eng
Strategically plan to solve major drainage issues	Design and install drainage solution for Triangle Mountain, Phase 2 – Cairndale thru Royal Bay or VMP to Colwood Creek park	2008 – 2009 ***Started***	Eng
	Adopt a stormwater master plan	Q 4 2009 ***Not started***	Eng
Plan, design, build and maintain City infrastructure	Install sidewalk on Kelly Road	Complete Q4 2007 ***Not started***	Eng
	Create parks & trails 5 year capital plan	Q2 2008 ***Not started***	Plan
	Early budget approval for capital works	Dec/Jan instead of May ***Start 2009***	Eng/ Fin
	Set in place monitoring of Lookout Dam and bridges	Q4 2008 ***Not started***	Eng
	Design build Wale/Wilfert Intersection	Q4 2008 ***Completed***	Eng
	Adopt a Transportation Master Plan	Q1 2008 ***Not started***	Eng
	Create accessible art space at the Lagoon beach – south end	2009 ***Completed***	Eng / PW
Accountability framework for infrastructure level of services vs. costs	Develop a Plan Performance Maintenance Budget	Q4 2008 ***Rescheduled 2010***	Adm/ Fin/ Eng
	Complete Council approved maintenance in the current year	>85% ***Achieved***	Eng PW
	Complete Council-approved capital in the current year	>90% ***Not achieved – no capital works for 2008***	Eng PW
Enhance service delivery			
Parks & trail identification	Create an information graphic & colour scheme for parks & trails	Q1 2009 ***Rescheduled 2010***	Plan

EFFICIENT TRANSPORTATION & INFRASTRUCTURE

Initiative	*Action*	*Target*	*Resp*
Broaden revenue sources			
Financing of future infrastructure	Revise existing DCC Bylaws	Q1 2008 ***Started***	Eng
	Develop a sewer DCC for the future expansion/upgrade of the system	*Q4 2007* ***Bylaw 1001 implemented in place of DCC - Completed***	*Eng*

LRT System in Portland

ENVIRONMENTAL CARE

Initiative	Action	Target	Resp
Protect the environment			
Reduce local air pollution & accrue health benefits	Ban outdoor burning within Colwood	Adopt bylaw Q4 2007 ***Completed***	Fire
	Introduce an anti-idling policy for Mun. vehicles	Q3 2008 ***Rescheduled 2009***	Adm
	Purchase standard: fuel efficiency vehicles	Q4 2008 ***Ongoing***	PW
	Sign onto the CRD Climate Action Initiative, including VIHA air quality monitoring	2008 ***Completed***	Adm
	Purchase electric truck to replace existing gas unit	2008 ***Completed***	Eng
Reduce energy consumption and become Energy Positive	Inventory street lights & compare to Hydro invoice & convert to HPS	Q4 2008 ***Started***	Eng
	Install Uninterrupted Power Supply to LED traffic lights	Q4 2009 ***Research***	Eng
	Change the light switches at City hall enabling complete switch off and auto on/off. 12 motion sensors installed.	Q3 2008 ***Started***	Adm /Eng
	Develop a Community Energy and Emissions Plan. Creation of Mayor's Energy Task Force. Terms of reference struck for Colwood Community Energy, Emissions and Economic Recovery Plan (CEP).	2009 ***Started***	Eng
	Develop an energy policy for new buildings	2009 ***Started***	
	Develop a water smart policy for new buildings	2009 Not Started	
City response to climate change	Draft a climate change policy for Colwood that complements the CRD initiative	Q2 2010 ***Not Started***	Adm
	Create base line information on energy and fuel consumption. Undertake a total energy audit of City operations. Green Building BC review + E3 Fleet review completed. Fidelis IRM study	Q1 2008 ***Completed***	Eng
	Carbon sink: Maintain or increase the total tree canopy based on a yet undetermined base year (i.e., plant trees)	2008 ***Not Started***	All Depts
	Look at adaptation to climate change, e.g., Coburg Peninsula and foreshore, lagoon bridge	2009 ***Started***	Eng
	Develop environmental education and communication plans – on website	2010 ***Completed***	All Depts

ENVIRONMENTAL CARE

Initiative	Action	Target	Resp
Implement innovation			
Explore a City or West Shore utilities	Explore sewer & water utilities through partnerships	Start Q1 2007 ***Rescheduled 2010***	Admin /Eng
	Actively pursue a West Shore sewer treatment plant(s)	Start Q1 2007 ***Ongoing***	Adm /Eng
	Test Boydel sewer treatment process	Q3 2009 ***Completed***	Eng
Rebrand the City as the first Green Learning City in Canada	Implement all or some of the recommendations in the RRU research – An Evolving City for a Changing World: A Leadership Challenge	2009-07-31 ***Started***	All Depts
Create leisure opportunities			
Develop a comprehensive vision for Colwood parks & trails	Draft a Parks master plan	2010 ***On Hold***	Plan
	Create a work plan for the Coburg Peninsula Interim Management Plan	2009 ***Ongoing with ELSI***	Plan
	Develop a Colwood Creek Park Management Plan	2009 ***On Hold***	Plan
	Create plan to restore Latoria Creek	2010 ***On Hold***	Plan
	Create interconnected trails & green spaces in the south Latoria Valley developments	Q2 2007 ***Ongoing***	Plan
	Adopt a New Born Forest plan – a tree planting policy in urbanization. Tree management bylaw	Q4 2011	Plan

Along the trail in Royal Roads University

City of Colwood
3300 Wishart Road
Victoria BC V9C 1R1
Phone: 250 478 5999 Fax: 250 478 7516
Email: administration@colwood.ca Website: www.colwood.ca

PROPERTY TAX EXEMPTIONS:

In 2008, two specific types of permissive property tax exemptions were provided by Council:

1. Church properties receive a general statutory exemption for the building for the place of public worship and the building footprint.

   In addition, Council granted additional exemptions for the land and improvements surrounding the facility used for religious purposes and assessed as Class 8 – Recreation / Non-Profit.

   Following is the list of organizations that received a Permissive Tax Exemption in 2008:

Civic Address	Name of Organization	Municipal Taxes Foregone in 2008
619 Kelly Road [Roll No. 5462.010]	**Colwood Pentecostal Church**	**$ 19,425.82**
Glencairn Lane [Roll No. 5522.100]	**Anglican Synod Diocese in Trust**	**$ 17,726.92**
3319 Painter Road [Roll No. 4953.020]	**Pilgrim United Church**	**$ 7,598.00**
3307 Wishart Road [Roll No. 5169.510]	**West Side Bible Church**	**$ 5,461.74**
2225 Sooke Road [Roll No. 5531.001]	**Colwood Women's Institute**	**$ 7,833.23**

CITY OF COLWOOD

BYLAW NO. 1050

A BYLAW TO REPEAL BYLAW NO. 943 AND TO EXEMPT CERTAIN LAND AND IMPROVEMENTS FROM TAXATION DURING THE FISCAL YEARS 2009.

WHEREAS the *Community Charter* provides that land and improvements related to a building set a part for public worship which the Council considers are necessary thereto, may be exempt from taxation.

AND WHEREAS the *Community Charter* provides that land and improvements which are owned or held by a charitable, philanthropic, or other not for profit corporation and the Council considers are used for a purpose that is directly related to the purposes of the corporation, may be exempt from taxation.

NOW THEREFORE the Municipal Council of the City of Colwood, in open meeting assembled, enacts as follows:

1. TITLE

   This Bylaw may be cited for all purposes as the "Exemption from Taxation Bylaw No. 1050, 2008."

2. LAND AND IMPROVEMENTS EXEMPT FROM TAXATION

Folio 05462.010

a) That property known as Lot 1, Plan VIP65089, Section 69, Esquimalt Land District, PID #023-740-671 except the improvements located at 619 Kelly Road and the related land with dimensions 25.686 by 79.486 - Colwood Pentecostal Church - 2250 Sooke Road.

Folio 05522.100

b) That property known as Lot A, Plan 42416, Section 70 and 71, Esquimalt Land District Except Plan 43760, Section 224 CC, PID #001-678-396 - Ang Synod Diocese of BC in Trust – Glencairn Lane.

Folio 04953.020

c) That property known as Lot 2, Plan 41623, Section 36, Esquimalt Land District Section 224 CC, PID # 000-717-614 – Cong of the Pilgrim United Church - 3319 Painter Road.

Folio 05169.510

d) That property known as Lot A, Plan VIP55791, Section 65, Esquimalt Land District, Section 224 CC, PID # 018-077-641 – West Side Bible Church – 3307 Wishart Road.

Folio 05531.001

e) That the property known as Lot K, Plan 2549, Section 70, Esquimalt Land District, Section 224 CC, PID # 006-332-404 – Colwood Women's Institute – 2225 Sooke Road.

4. REPEAL

Bylaw No. 943, cited as "The Exemption From Taxation Bylaw No. 943, 2007", is hereby repealed.

READ A FIRST TIME THIS 29th DAY OF SEPTEMBER 2008.

READ A SECOND TIME THIS 29th DAY OF SEPTEMBER 2008.

READ A THIRD TIME THIS 29th DAY OF SEPTEMBER 2008.

FINALLY PASSED AND ADOPTED THIS 27TH DAY OF OCTOBER, 2008.

Original signed by

MAYOR

Original signed by

CHIEF ADMINISTRATIVE OFFICER

Declaration and Identification of Disqualified Council Members

There were no declarations of disqualified Council Members in Year 2008.

The following advertisement was placed in the Times-Colonist on Wednesday, December 2, 2009 and Wednesday, December 9, 2009.

CITY OF COLWOOD INCORPORATED 1985	**City of Colwood** **2009 Annual Municipal Report** [Reporting on Year 2008]

Colwood City Council will consider the 2009 Annual Municipal Report at its Regular Meeting of Council scheduled for 7:00 p.m. Monday, December 21, 2009 at Colwood City Hall, 3300 Wishart Road, Colwood, BC. The 2009 Annual Municipal Report reports on Year 2008 and it will be available for public inspection at Colwood City Hall starting 8:30 a.m. on Thursday, December 3, 2009 and will be available between the hours of 8:30 a.m. to 4:30 p.m. Monday through Friday (excluding statutory holidays). The Audited Financial Statements, Statement of Financial Information, and Strategic Plan 2009-2013 are included with the annual report. Copies are available on request and will also be available at the Council meeting. Comments on the annual report can be submitted in writing and public comment will be permitted at the meeting.

Chris Pease, Chief Administrative Officer
3300 Wishart Road, Colwood, BC V9C 1R1
Phone: 250-478-5541 - Fax: 250-478-7516

CITY OF COLWOOD

STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned, as authorized by the Financial Information Regulation Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

J Reed

Jennifer Reed, CA
Acting Director of Finance

Dave Saunders
Mayor

Prepared pursuant to the Financial Information Regulation, Schedule 1, section 0

CITY OF COLWOOD

SCHEDULE OF LONG TERM DEBT

DEBT	INTEREST RATE	AMOUNT BORROWED	SINKING FUND BALANCE Dec 31, 2008	BALANCE OUTSTANDING Dec 31, 2008	MATURITY DATE
MUNICIPAL FINANCE AUTHORITY - ISSUE 72	6.45%	775,000	614,456	186,622	June 10, 2010
MUNICIPAL FINANCE AUTHORITY - ISSUE 75	5.69%	1,200,000	454,644	747,217	December 1, 2016
RBC ROYAL BANK	6.30%	650,300	N/A	10,687	December 31, 2008

JReed

CERTIFIED BY: ***Jennifer Reed, CA***
Acting Director of Finance

Prepared pursuant to the **Financial Information Regulation, Schedule 1, section 9**

CITY OF COLWOOD
DEBT SERVICING
2008

LONG TERM DEBT	Principal Payments	Interest Payments		General Ledger Balance
MFA ISSUE #72	61,616.05	49,987.50		186,621
MFA ISSUE #75	55,610.75	68,280.00		747,217
POLICE BLDG	74,104.03	13,671.65		10,686
	191,330.83	131,939.15	323,270	
Capital Leases	16,869.00		16,869	
		Total Debt Servicing	**340,139**	
	208,199.83		*Financial Statement (Note 7)*	**944,524**

SHORT TERM DEBT	Bylaw No.	Authorized	Interest Payments	Flex Note	General Ledger Balance
Arena	687	3,700,000.00	127,865.21	3,700,000	3,331,520
Lagoon Collection	657	2,905,000.00	-	2,905,000	2,900,162
Bridge	735	360,000.00	16,379.95	300,000	259,561
Wale/Nob Hill	734	1,000,000.00	36,537.00	710,000	944,450
Fire Hall	733	800,000.00	27,779.60	800,000	718,820
Triangle Mountain Drainage					743,779
New Tanker Truck	732	380,000.00			
Sooke Road S/W	737	600,000.00			
Playing Fields	738	400,000.00			
Colwood Creek Imp	739	75,000.00			
Multi-Purpose Rooms	736	1,000,000.00			
Phase I	514	1,820,000.00	307,799.79	525,000	1,008,992
Phase II	515	100,000.00		67,000	-
Phase III	516	235,900.00		157,000	-
Phase IV	517	2,902,400.00		2,520,000	2,306,495
Phase V	743	2,000,000.00		1,800,000	1,704,514
Phase VI	519	1,299,900.00		1,100,000	1,197,972
Phase VII	520	901,000.00		901,000	899,294
Phase VIII	521	470,100.00		328,000	281,127
Phase IX	522	280,000.00		208,000	178,721
Phase X	523	400,000.00		339,000	301,822
Phase XI	663	1,100,000.00		93,000	-
Phase XII	664	315,000.00		165,000	185,084
Total		**23,044,300.00**	**516,361.55**	*Financial Statement (Note 7)*	**16,962,314**
	Imputed Percentage	**9%**			

Total Debt Servicing	**$ 2,073,987.00**	
Computer Lease		744.92
Total Interest Paid on Long and Short Term Borrowings		**649,045.62**

J Reed

Jennifer Reed, CA
Acting Director of Finance

CITY OF COLWOOD

SCHEDULE OF COUNCILLORS' AND EMPLOYEES' REMUNERATION AND EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2008

NAME		REMUNERATION		EXPENSES
MEMBERS OF COUNCIL				
CULLINGTON, JUDITH	$	615.73	$	-
DAY, CYNTHIA - COUNCILLOR		7,388.72		720.63
HAMILTON, CAROL - COUNCILLOR		6,772.99		831.10
LOGAN, GORDIE - COUNCILLOR		7,388.72		704.15
NAULT, JASON - COUNCILLOR		6,772.99		-
ROBERTSON, ERNIE - COUNCILLOR		7,388.72		325.00
SAUNDERS, DAVID - COUNCILLOR		8,004.44		-
TUCKNOTT, BRIAN		615.73		-
TWA, JODY - MAYOR		13,545.91		1,331.55
WYSIECKI, SHAUN		615.73		-
	$	59,109.68	$	3,912.43
EMPLOYEES				
BAXTER, MICHAEL	$	124,481.20	$	493.27
BOYLE, ROB		78,369.15		313.00
BRAZIER, DAN		102,471.33		60.00
CAMERON, RUSSELL		103,271.63		300.00
CASSIDY, JOHN		83,847.94		200.00
CHOW, GREG		90,670.65		391.15
GALE, FRANK		97,248.30		663.90
HALDENBY, ALAN		90,598.06		-
LAWRENCE, SIMON		101,020.49		-
PEASE, CHRIS		133,999.18		958.39
PIKULA, FLORIAN		86,288.72		2,666.65
ROSE, SELWYN		101,020.49		1,677.51
SKILLINGS, MIKE		82,883.52		-
SMITH, KERRY		96,381.31		521.50
VANBUSKIRK, PAT		86,559.28		2,304.33
EMPLOYEES EARNING LESS THAN $75,000		3,109,275.82		
	$	4,568,387.07	$	10,549.70
EMPLOYEE BENEFITS				
MEDICAL SERVICES PLAN	$	67,848.00		
EXTENDED HEALTH BENEFITS		73,346.23		
DENTAL		90,724.20		
LIFE INSURANCE		16,512.43		
LONG TERM DISABILITY		42,318.31		
WORKSAFE BC		49,984.51		
SUPERANNUATION		365,753.65		
EMPLOYMENT INSURANCE		68,062.82		
CANADA PENSION PLAN		139,488.90		
	$	914,039.05		
PROPORTIONATE SHARE OF WEST SHORE RECREATION SOCIETY SALARIES, WAGES AND BENEFITS		-		-
	$	5,541,535.80	$	14,462.13

CERTIFIED BY: J Reed

Jennifer Reed, CA
Acting Director of Finance

This schedule has been prepared pursuant to Schedule 1, subsection 6, Financial Information Regulation

CITY OF COLWOOD

SCHEDULE OF REMUNERATION AND EXPENSES

YEAR ENDED DECEMBER 31, 2008

Employer portion of Employment Insurance and Canada Pension Plan paid to the Receiver General of Canada	**$207,551.72**
Severance agreements made by the Corporation in respect of its chief executive and senior administrative officers excluded from coverage as employees under collective agreements of the Corporation:	**NIL**

CERTIFIED BY: J Reed
Jennifer Reed, CA
Acting Director of Finance

This schedule has been prepared pursuant to Schedule 1, subsection 6, Financial Information Regulation

CITY OF COLWOOD
SCHEDULE OF PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2008

No.	PAYEE	DISBURSEMENTS
	TRADE ACCOUNTS OVER $25,000	
101	1st Team Engineering LTd.	118,641.30
228	BC Hydro & Power Authority	44,900.10
230	BC Hydro & Power Authority	157,665.05
290	BC Hydro	166,757.85
313	Britco Leasing Ltd	30,150.75
424	Crest (Emergency Services)	30,004.12
486	Capital Regional Dist. Water	50,680.99
488	Capital City Paving	85,300.95
489	Canadian Electric Vehicles Ltd	28,994.20
510	Chew Construction Ltd.	1,526,702.39
515	Chevron Canada Limited	114,998.30
556	Colwood Volunteer Firefighters	30,000.00
560	Lehigh Northwest Materials Ltd.	381,588.24
610	Sherry Durnford	31,474.50
677	DL's Bins Ltd.	46,562.04
760	Emery Electric Ltd.	39,286.29
813	Fidelis Resource Group	42,000.00
959	Greater Victoria Public Library	548,376.00
1120	Hendry Swinton Insurance	200,076.00
1135	Holland Barrs Planning Group	43,093.67
1445	KPMG LLP	55,718.25
1530	Lidstone, Young, Anderson	194,886.43
1601	MFA	152,239.87
1641	Mathews Store Fixtures	77,966.69
1692	Mainroad Maintenance Products	59,181.54
1715	Number Ten Architectural Group	39,982.32
1902	Pacific Centre Family Service	40,975.00
1914	P & R Western Star Trucks	135,985.00
2182	Royal Bank Visa	68,524.77
2219	Staples McDannold Stewart	34,638.28
2220	Scho's Line Painting Service	40,846.26
2237	Stantec Consulting Ltd	28,402.05
2293	Shaw Cablesystems	30,986.69
2313	Terasen Gas (Vancouver Island)	54,697.71
2342	Telus	47,751.14
2665	Wilco Computer Services Inc.	41,709.16
3053	Westshore Economic	46,579.97
3302	School District #62	25,416.60
5062	Receiver General For Canada	267,780.28
6062	Minister of Finance	51,454.52
7102	Capital Regional District	246,842.80
7103	Capital Region District	470,704.09
7106	CRD Animal Control Services	60,369.96
7114	City of Langford	278,370.46
7118	Westshore Parks & Recreation	1,005,655.60
		7,274,918.18

No.	PAYEE	DISBURSEMENTS
	REFUNDS	
	DCC & Deficiency Deposits	
3024	Hatley Ridge Development Ltd	26,850.00
3025	Copperwood Projects Ltd	52,450.00
3303	BC Transport Finance Authority	693,193.95
		772,493.95
	Property Taxes	
3112	Ridley Bros. Developments	39,158.07
		39,158.07
	TRANSMISSION OF TAXES	
3401	Ministry of Provincial Revenue	676,818.31
3402	Capital Regional District	153,040.00
4001	Ministry of Provincial Revenue	2,938,277.74
4002	Capital Regional District	616,183.00
4003	Capital Regional Hospital District	1,040,902.00
4004	BC Assessment Authority	198,188.13
4006	BC Transit	525,724.53
		6,149,133.71
	PAYROLL	
	BENEFITS	
586	Co-operators	41,976.03
4325	CUPE Local 374	47,654.29
4327	GVLRA	26,974.06
4350	Medical Services Plan of BC	67,848.00
4360	Pacific Blue Cross	164,070.43
5060	Receiver General For Canada	1,225,592.56
		1,574,115.37

Total Accounts Over/Equal $25,000.00	***15,809,819.28***
Total Accounts Less Than $25,000.00	***1,484,108.98***
Employee Expenses	***72,109.40***
	17,366,037.66

JReed

CERTIFIED BY:

Jennifer Reed, CA
Acting Director of Fina

This schedule has been prepared pursuan to Schedule 1, subsection 6, Financial Information Regulation

CITY OF COLWOOD

STATEMENT OF GRANTS AND CONTRIBUTIONS

NAME	GRANT/CONTRIBUTION
Emily Carr Community Festival	6,000.00
West Shore Arts Council	5,000.00
West Shore Economic Development Association	4,000.00
Capital Families Association- Westshore	1,500.00
Volunteer Victoria	1,000.00
Belmont High School	1,000.00
John Townsend Student Awards	1,000.00
5th Annual Garden Contest (Tomato Challenge)	800.00
Greater Victoria Film Commission	500.00
Juan de Fuca Arts and Crafts Guild-Westshore Studio Tour	500.00
Colwood Volunteer Firefighter's Association	33,780.00
	$ 55,080.00

JReed.

CERTIFIED BY: ***Jennifer Reed, CA***
Acting Director of Finance

Prepared pursuant to the **Financial Information Regulation, Schedule 1, section 9**

CITY OF COLWOOD

Finance Department
3300 Wishart Road
Victoria, British Columbia
V9C 1R1
Phone: 250-478-5530
Fax: 250-478-7516

MANAGEMENT REPORT

December 1, 2009

The Financial Statements contained in this Statement of Financial Information under the ***Financial Information Act*** have been prepared by management in accordance with generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility through the external auditors.

The external auditors, KPMG conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination includes a review and evaluation of the City's system of internal controls and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

Prepared pursuant to Financial Information Regulation, Schedule 1, Section 9.

JReed

Jennifer Reed, CA
Acting Director of Finance

Consolidated Financial Statements of

CITY OF COLWOOD

Year ended December 31, 2008

CITY OF COLWOOD
Consolidated Financial Statements

Year ended December 31, 2008

MUNICIPAL COUNCIL

Mayor

D. Saunders

Councillors

C. Day
E. Robertson
G. Logan
B. Tucknott
S. Wysiecki
J. Cullington

MUNICIPAL OFFICERS

Chief Administrative Officer	C. Pease, DipPSM, MBA
Director of Finance	Jennifer Reed, CA
Director of Engineering	Michael Baxter, P.Eng.
Director of Planning	S. Lawrence, MCIP
Fire Chief	H. R. Cameron
AUDITORS	KPMG LLP
SOLICITORS	Lidstone, Young, Anderson
BANKERS	Royal Bank of Canada
POLICE	Royal Canadian Mounted Police

FINANCIAL REPORTING RESPONSIBILITY

The accompanying consolidated financial statements of the City of Colwood (the "City") are the responsibility of management. To ensure their integrity, objectivity, and reliability, management has selected appropriate accounting policies that are consistent with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The financial statements necessarily include some amounts that are based on estimates and the judgment of management with appropriate consideration to materiality.

The City's accounting systems and related internal controls and supporting procedures are designed and maintained to provide reasonable assurance that financial records are complete and accurate and that assets are safeguarded against loss from unauthorized use or disposition. The procedures include selection and training of qualified staff, establishment of an organization structure that provides a well-defined division of responsibilities, accountability for performance, and communication of standards of business conduct.

The Municipal Council oversees management's responsibilities for the financial reporting and internal control systems.

KPMG LLP, Chartered Accountants, the independent auditors appointed by the City, have examined these financial statements and issued their report which follows. The auditors have full and complete access to the records of the City.

JReed

Jennifer Reed, CA
Director of Finance

KPMG LLP
Chartered Accountants
St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7

Telephone (250) 480-3500
Fax (250) 480-3539
Internet www.kpmg.ca

AUDITORS' REPORT TO THE MAYOR AND COUNCILLORS OF THE CITY OF COLWOOD

We have audited the consolidated statement of financial position of the City of Colwood as at December 31, 2008 and the consolidated statements of financial activities and changes in financial position, and the operating funds, capital funds and reserve funds consolidated statements of financial activities for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Victoria, Canada

June 12, 2009

CITY OF COLWOOD

Consolidated Statement of Financial Position **Statement A**

December 31, 2008, with comparative figures for 2007

		2008		2007
Assets				
Financial assets:				
Cash and short-term investments (note 2)	$	4,986,260	$	7,816,861
Property taxes receivable		837,754		425,554
Accounts receivable		1,981,769		1,326,845
Other assets (note 3)		1,508,117		1,212,604
		9,313,900		10,781,864
Physical assets:				
Materials and supplies		1,006,649		1,024,263
Capital assets (note 5)		75,309,278		72,300,063
		76,315,927		73,324,326
	$	85,629,827	$	84,106,190
Liabilities				
Accounts payable and accrued liabilities	$	4,208,489	$	4,804,537
Prepaid property taxes		122,858		159,310
Deferred revenue (note 6)		791,087		1,118,106
Refundable deposits (note 3)		1,508,117		1,212,604
Capital leases		344,885		1,889
Debt (note 7):				
Short-term		16,962,314		17,595,611
Long-term		944,525		1,160,104
		24,882,275		26,052,161
Municipal Position				
Fund balances:				
Operating Funds (Statement C) (note 8)		1,210,260		1,392,941
Capital Funds (Statement D)		(974,262)		(240,267)
Reserve Funds (Statement E) (note 9)		2,447,351		2,334,633
		2,683,349		3,487,307
Equity in physical assets (note 10)		58,064,203		54,566,722
		60,747,552		58,054,029
Commitments and contingencies (note 17)				
	$	85,629,827	$	84,106,190

See accompanying notes to consolidated financial statements.

Director of Finance

CITY OF COLWOOD

Consolidated Statement of Financial Activities — **Statement B**

Year ended December 31, 2008, with comparative figures for 2007

		2008		2007
Revenue:				
Net taxes available for municipal purposes (note 11)	$	9,248,183	$	7,953,464
Utility charges		678,293		305,094
Collection system fees		-		30,000
Connection fees		38,175		31,050
Payments in place of taxes (note 12)		1,031,590		1,077,871
Sales of services		1,159,658		1,151,200
Licences and permits		474,891		805,202
Fines and penalties		53,010		59,046
Investment income		186,301		243,522
Government transfers (note 13)		1,002,358		944,766
Developer and property owner contributions		916,391		971,931
Surplus from lease of RCMP building		-		261
Actuarial adjustments on MFA debt		24,257		36,319
Proceeds on sale of land		123,040		-
Gas tax (note 6)		460,000		-
Proceeds on capital asset disposals - West Shore		1,758		2,260
Other		641,536		445,434
		16,039,441		14,057,420
Expenditures:				
General government services:				
Legislative		96,035		91,145
Administrative		1,950,143		1,570,046
Other		161,120		109,118
		2,207,298		1,770,309
Protective services:				
Police and bylaw enforcement		1,768,273		1,563,447
Fire protection and emergency response		1,660,825		1,435,149
Building inspection and other		481,375		365,814
		3,910,473		3,364,410
Engineering and transportation services:				
Common services		1,551,257		1,358,036
Engineering		295,450		296,733
Roads, streets and storm drainage		2,909,051		4,924,297
Materials and supplies - gravel stockpile		393,044		661,429
		5,148,802		7,240,495
Community services:				
Environmental health services		152,243		205,340
Environmental and development services		553,913		483,542
Recreation and cultural services		3,136,552		3,044,842
		3,842,708		3,733,724
Utility and enterprise services:				
Sewer infrastructure		387,416		474,200
Sewer maintenance		603,378		332,721
Other		216,563		275,822
		1,207,357		1,082,743
		16,316,638		17,191,681
Excess of expenditures over revenue		(277,197)		(3,134,261)
Debt and capital lease proceeds		372,375		1,941,014
Short-term debt principal repaid		(645,798)		(484,837)
Long-term debt principal repaid		(191,331)		(203,354)
Long-term debt principal reduction - actuarial		(24,257)		(36,319)
Capital lease principal repaid		(16,869)		-
Change in fund balances		(783,077)		(1,917,757)
Fund balances, beginning of year		3,487,307		5,486,405
Proportionate share of West Shore Parks and Recreation Society opening balances (note 16)		(20,881)		(81,341)
Fund balances, end of year	$	2,683,349	$	3,487,307

See accompanying notes to consolidated financial statements.

CITY OF COLWOOD

OPERATING FUNDS

Consolidated Statement of Financial Activities

Statement C

Year ended December 31, 2008, with comparative figures for 2007

	Budget	2008	2007
Revenue:			
Net taxes available for municipal purposes (note 11)	$ 9,070,240	$ 9,248,183	$ 7,953,464
Utility charges	640,500	678,293	305,094
Collection system fees	45,000	-	30,000
Connection fees	30,000	38,175	31,050
Payments in place of taxes (note 12)	1,126,360	1,031,590	1,077,871
Sales of services	1,129,825	1,159,658	1,151,200
Licences and permits	848,400	474,891	805,202
Fines and penalties	68,000	53,010	59,046
Investment income	123,900	146,183	113,001
Government transfers (note 13)	1,059,200	1,002,358	944,766
Other	293,346	629,270	445,434
	14,434,771	14,461,611	12,916,128
Expenditures:			
General government services:			
Legislative	98,100	96,035	91,145
Administrative	1,693,200	1,792,569	1,361,359
Other	206,600	161,120	109,118
	1,997,900	2,049,724	1,561,622
Protective services:			
Police and bylaw enforcement	2,043,700	1,768,273	1,563,447
Fire protection and emergency response	1,326,500	1,291,945	1,129,732
Building inspection and other	425,900	438,963	322,753
	3,796,100	3,499,181	3,015,932
Engineering and public works:			
Common services	1,232,000	1,284,564	1,153,623
Engineering	407,700	295,450	296,733
Roads, streets and storm drainage	1,262,800	1,151,756	951,167
Materials and supplies - gravel stockpile	220,000	393,044	661,429
	3,122,500	3,124,814	3,062,952
Community services:			
Environmental health services	198,900	152,243	205,340
Environmental and development services	563,400	553,913	483,542
Recreation and cultural services	3,024,092	3,101,384	2,942,371
	3,786,392	3,807,540	3,631,253
Utility and enterprise services:			
Sewer maintenance	662,500	603,378	332,721
Other	357,800	216,563	275,822
	1,020,300	819,941	608,543
	13,723,192	13,301,200	11,880,302
Excess of revenue over expenditures	711,579	1,160,411	1,035,826
Long-term debt principal repaid	(195,300)	(191,331)	(203,354)
Net interfund transfers:			
To Capital Funds	(3,733,179)	(1,150,765)	(2,553,802)
To Reserve Funds	-	(996)	(116,902)
Change in fund balances	(3,216,900)	(182,681)	(1,838,232)
Balance, beginning of year		1,392,941	3,231,173
Balance, end of year	$	$ 1,210,260	$ 1,392,941

See accompanying notes to consolidated financial statements

CITY OF COLWOOD

CAPITAL FUNDS

Consolidated Statement of Financial Activities

Statement D

Year ended December 31, 2008, with comparative figures for 2007

	Budget	2008	2007
Revenue:			
Actuarial adjustments on MFA debt	$ -	$ 24,257	$ 36,319
Developer and property owner contributions	-	823,891	464,112
Proceeds on sale of land	-	123,040	-
Gas tax	-	460,000	-
Proceeds on capital asset disposals – West Shore	-	1,758	-
Other	-	-	2,260
	-	1,432,946	502,691
Expenditures:			
General government services:			
Administrative	193,590	157,574	208,687
Protective services:			
Fire protection and emergency response	60,100	368,880	305,417
Protective inspections	55,400	42,412	43,061
	115,500	411,292	348,478
Engineering and public works:			
Common services	278,080	266,693	204,413
Roads, streets and storm drainage	1,952,300	1,757,295	3,973,130
	2,230,380	2,023,988	4,177,543
Community services:			
Recreation and cultural services	37,897	35,128	102,471
Utility and enterprise services:			
Sewer infrastructure	1,353,000	387,416	474,200
	3,930,367	3,015,398	5,311,379
Excess of expenditures over revenue	(3,930,367)	(1,582,452)	(4,808,688)
Debt and capital lease proceeds	-	372,375	1,941,014
Capital lease principal repaid	-	(16,869)	-
Short-term debt principal repaid	-	(645,798)	(484,837)
Long-term debt principal reduction - actuarial	-	(24,257)	(36,319)
Net interfund transfers:			
From Operating Funds	3,733,179	1,150,765	2,553,802
From Reserve Funds	6,318	12,241	1,303,703
Change in fund balances	(190,870)	(733,995)	468,675
Balance, beginning of year		(240,267)	(708,942)
Balance, end of year	$	$ (974,262)	$ (240,267)

See accompanying notes to consolidated financial statements.

CITY OF COLWOOD

RESERVE FUNDS

Consolidated Statement of Financial Activities

Statement E

Year ended December 31, 2008, with comparative figures for 2007

		2008		2007
Revenue:				
Investment income	$	52,344	$	130,521
Surplus from lease of RCMP building		-		261
User and developer contributions		92,500		507,819
Excess of revenue over expenditures		144,844		638,601
Net interfund transfers:				
Transfer from General Operating Fund		996		116,902
Transfer to General Capital Fund		(12,241)		(1,303,703)
		(11,245)		(1,186,801)
Change in fund balances		133,599		(548,200)
Balance, beginning of year		2,334,633		2,964,174
Proportionate share of West Shore Parks and Recreation Society opening balances (note 16)		(20,881)		(81,341)
Balance, end of year (note 9)	$	2,447,351	$	2,334,633

See accompanying notes to consolidated financial statements.

CITY OF COLWOOD

Consolidated Statement of Changes in Financial Position — Statement F

Year ended December 31, 2008, with comparative figures for 2007

	2008	2007
Cash provided by (used in):		
Operations:		
Excess of expenditures over revenue	$ (277,197)	$ (3,134,261)
Actuarial adjustments on MFA debt	(24,257)	(36,319)
Increase in property taxes receivable	(412,200)	(43,566)
Decrease (increase) in accounts receivable	(654,924)	324,606
Increase in other assets	(295,513)	(145,720)
Increase (decrease) in accounts payable and accrued liabilities	(596,048)	1,177,919
Increase (decrease) in prepaid property taxes	(36,452)	90,044
Increase (decrease) in deferred revenue	(327,019)	99,706
Increase (decrease) in refundable deposits	295,513	145,720
	(2,328,097)	(1,521,871)
Financing:		
Increase in capital lease obligations	342,996	-
Increase (decrease) in short-term debt	(633,297)	1,456,177
Decrease in long-term debt	(191,322)	(203,354)
	(481,623)	1,252,823
Decrease in cash	(2,809,720)	(269,048)
Cash, beginning of year	7,816,861	8,167,250
Proportionate share of West Shore Parks and Recreation Society opening balances (note 16)	(20,881)	(81,341)
Cash, end of year (note 2)	$ 4,986,260	$ 7,816,861

See accompanying notes to consolidated financial statements.

The City of Colwood (the "City") is a municipality in the Province of British Columbia and operates under the provisions of the British Columbia Local Government Act.

1. **Significant accounting policies:**

The consolidated financial statements of the City are prepared by management in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. Significant accounting policies adopted by the City are as follows:

(a) Reporting entity:

The financial statements reflect the assets, liabilities, revenues, expenditures, changes in fund balances and changes in financial position of the reporting entity. The financial statements also include the proportionate consolidation of the City's share of the West Shore Parks and Recreation Society.

(b) Basis of accounting:

Revenue and expenditures are recorded on the accrual basis and include revenues in the period in which the transactions or events occurred that gave rise to the revenues; and expenditures in the period the goods and services are acquired and a liability is incurred or transfers are due.

Revenue unearned in the current period is recorded as deferred revenue or refundable deposits.

(c) Fund accounting:

Funds within the consolidated financial statements consist of the general operating and capital funds; sewer operating and capital funds; and the reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance.

(d) Investments:

The investments are recorded at cost which approximates fair market value.

(e) Capital assets:

Capital assets acquired or constructed are recorded at cost as expenditures in the period they are acquired. Capital assets contributed from developers are recorded at estimated cost.

The City does not record amortization of capital assets.

1. **Significant accounting policies (continued):**

   (e) Capital assets (continued):

   The City is in the process of accumulating information related to its tangible capital assets in order to comply with the new PSAB Standard 3150. This new standard will be applicable to the City's 2009 annual financial statements and the recording of all assets using historic costs net of accumulated depreciation charges. During 2008 the City has continued to work towards compliance with the new standard. The City continues to compile a complete inventory for all asset categories including land, buildings, furniture, equipment, vehicles, roads and sewer and drainage infrastructure.

   (f) Reserve accounts - Operating Funds:

   The following reserve accounts are non-statutory reserves established at the discretion of the Council (note 8).

   (i) A future sewer contingencies reserve provides for future principal payments on sewer debt.

   (ii) A future operational contingencies reserve provides for an annual emergency contingency and a property tax appeal contingency.

   (iii) A future sewer enhancement/expansion contingencies reserve provides for future sewer enhancement/expansion.

   (g) Equity in capital assets:

   Equity in capital assets represents the investment in capital assets after deducting the portion financed by related debt.

   (h) Government transfers:

   Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

   (i) Development cost charges:

   Development cost charges are amounts which are restricted by government legislation or agreement with external parties. When qualifying expenditures are incurred development cost charges are recognized as income in amounts which equal the associated expenditure.

1. Significant accounting policies (continued):

(j) Employee future benefits:

The City and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave and other retirement benefits are available to the City's employees. The cost of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligation under this benefit plan is accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(k) Budget presentation:

Budget amounts presented in these consolidated financial statements represent the final budget upon which the municipal property tax rates are set. Amendments to this budget, which occurred subsequently, are not presented in the consolidated financial statements.

(l) Use of estimates:

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenditures during the period. Significant areas requiring the use of management estimates relate to the determination of employee benefit obligations and provision for contingencies. Actual results could differ from those estimates.

2. Cash and short-term investments:

	2008	2007
Bank deposits	$ 731,055	$ 657,927
Municipal Finance Authority - Money Market	3,578,574	673,363
RBC Dominion Canadian T-bill Mutual Fund	-	5,804,451
City of Colwood	4,309,629	7,135,741
West Shore Parks and Recreation Society bank deposits	676,631	681,120
Total (Statements A and F)	$ 4,986,260	$ 7,816,861

3. Other assets and refundable deposits:

Other assets represent cash held from developers which is either returned when projects are satisfactorily completed or is used by the City to complete required project services.

4. Municipal Finance Authority Debt Reserve Fund deposits:

The City issues its debt instruments through the Municipal Finance Authority ("MFA"). As a condition of the borrowing, the City is obligated to lodge security by means of demand notes and interest bearing cash deposits based on the amount of the borrowing. These notes and deposits, which are contingent in nature, are held by the MFA to act as security against the possibility of debt repayment default and are not recorded in the financial statements. Upon the maturity of a debt issue the demand notes are released and the cash deposits are refunded and recorded as income in the period received.

As at December 31 the total of the Debt Reserve Fund was comprised of:

	2008	2007
Cash deposits:		
Roads - Issue #75	$ 16,864	$ 16,184
Sewer - Issue #72	11,839	11,362
Demand notes:		
Roads - Issue #75	50,270	50,270
Sewer - Issue #72	48,345	48,345
	$ 127,318	$ 126,161

5. Capital assets:

	2008	2007
Sanitary sewer system	$ 19,615,202	$ 19,227,786
Land	9,619,520	9,619,520
Building	16,998,650	16,900,226
Engineering structures	23,772,730	21,970,523
Equipment	4,776,949	4,067,113
West Shore Parks and Recreation Society equipment	526,227	514,895
	$ 75,309,278	$ 72,300,063

6. Deferred revenue:

	2008	2007
Federal gas tax funds	$ 258,470	$ 474,487
Development cost charges	2,593	244,655
Cash in lieu of parklands	239,565	233,389
Building permits	197,731	81,638
West Shore Parks and Recreation Society	92,728	83,937
	$ 791,087	$ 1,118,106

6. Deferred revenue (continued):

Gas tax funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the Municipality and the Union of British Columbia Municipalities. Gas tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements. At December 31, 2008 there were unspent federal gas tax funds of $258,470.

	2008	2007
Federal gas tax agreement funds:		
Opening balance of unspent funds	$ 474,487	$ 277,038
Received during the year	230,595	183,788
Investment income	13,388	13,661
	718,470	474,487
Expenditures during the year	460,000	-
	$ 258,470	$ 474,487

7. Debt:

(a) Short-term debt ($16,962,314):

Short-term debt consists of bankers' acceptances, which bear interest at an average rate of 2.07% per annum and are repayable by January 28, 2009. It is the City's intention to repay these notes as they come due and to continue to use this form of debt when required.

(b) Long-term debt ($944,525):

The City issued a long-term debt instrument through the MFA. The amount payable of $933,839 (2007 - $1,075,313) is net of the sinking fund balance of $1,069,100 (2007 - $901,372). Other long-term debt of $10,686 (2007 - $84,791) is issued through a Canadian chartered bank.

Principal payments on long-term debt for the next five years are as follows:

	Transportation	Police	Sewer	Total
2009	$ 55,610	$ 10,686	$ 61,616	$ 127,912
2010	55,610	-	61,616	117,226
2011	55,610	-	-	55,610
2012	55,610	-	-	55,610
2013	55,610	-	-	55,610
	$ 278,050	$ 10,686	$ 123,232	$ 411,968

(c) Maturities and interest rates:

Existing long-term debt matures in annual amounts to the year 2016 and debenture interest is payable at rates between 5.7% and 6.5%.

(d) Interest expense:

Total interest expense during the year was $816,318 (2007 - $974,077).

8. Operating Funds:

The Operating Funds balance includes the following amounts, which are internally appropriated:

	2008	2007
Future sewer contingencies	$ 241,097	$ 99,872
Future operational contingencies	326,000	80,000
Future sewer enhancement/expansion contingencies	69,040	-
	$ 636,137	$ 179,872

9. Reserve Funds:

The Reserve Funds balance includes the following amounts:

	2008	2007
General Reserve Funds:		
New Works and Equipment	$ 604,291	$ 591,751
West Shore	467,916	487,816
Police Building Improvements	137,261	134,412
Affordable Housing	212,586	193,825
Amenities	473,619	386,600
Storm Drains	532,531	521,479
Parklands	19,147	18,750
	$ 2,447,351	$ 2,334,633

10. Equity in physical assets:

	2008	2007
Beginning balance	$ 54,566,722	$ 49,918,504
Assets acquired during the year	3,015,397	5,965,461
Debt and capital lease principal repayments	853,998	688,191
Debt acquired for capital expenditures	(372,375)	(1,941,014)
Debt principal reduction - actuarial	24,257	36,319
Capital asset proceeds on disposal	(1,758)	(2,260)
West Shore opening adjustment (note 16)	(22,038)	(98,479)
Ending balance	$ 58,064,203	$ 54,566,722

11. Net taxes available for municipal purposes:

	2008	2007
Taxes:		
Municipal purposes:		
General purposes	$ 8,198,762	$ 7,193,726
Capital Regional District purposes	1,041,329	864,427
Special assessments - sewer	1,163,792	834,240
Collections for other governments	7,727,247	6,937,201
1% utility taxes	146,138	141,359
	18,277,268	15,970,953
Less taxes on behalf of:		
Provincial Government – School Taxes	6,386,587	5,817,437
Capital Regional Hospital District	616,183	518,102
Capital Regional District - General Operating	973,986	864,536
Capital Regional District - Sewer Operating	327,888	215,750
British Columbia Assessment Authority	198,188	180,446
Municipal Finance Authority	528	641
Victoria Regional Transit Authority	525,725	420,577
	9,029,085	8,017,489
	$ 9,248,183	$ 7,953,464
Net taxes available for municipal purposes:		
General Operating Fund	$ 8,412,279	$ 7,334,974
Sewer Operating Fund	835,904	618,490
Total (Statements B and C)	$ 9,248,183	$ 7,953,464

12. Payments in place of taxes:

	2008	2007
Federal	$ 2,075,206	$ 2,099,338
Provincial agencies:		
Housing	3,109	2,794
Royal Roads University	5,733	11,350
	2,084,048	2,113,482
Less transfers to other governments:		
Provincial Government – School Taxes	770,291	763,812
Capital Regional Hospital District	60,839	54,754
Municipal Finance Authority	25	36
British Columbia Assessment Authority	22,328	22,022
Capital Regional District	125,249	128,204
Victoria Regional Transit Authority	73,726	66,783
	1,052,458	1,035,611
Total (Statements B and C)	$ 1,031,590	$ 1,077,871

13. Government transfers:

The following government transfers have been included in revenues:

	2008	2007
Operating transfers:		
Unconditional:		
Provincial:		
Small communities	$ 221,360	$ 205,762
Traffic fines	118,239	120,352
Casino revenue sharing	404,871	423,522
Conditional:		
Federal - West Shore Parks and Recreation Society	12,762	13,919
Provincial:		
Street lighting	213	213
West Shore Parks and Recreation Society	31,190	1,056
West Nile virus	12,847	8,364
Energy and emissions	15,000	-
Other:		
UBCM Enviro	12,600	-
Community Health	1,698	-
Bear Mountain Arena	171,578	171,578
Total (Statements B and C)	$ 1,002,358	$ 944,766

14. Post-employment benefits:

The City provides sick leave and certain other benefits to its employees. The amounts are included in accounts payable and accrued liabilities and are as follows:

		2008		2007
Accrued sick leave	$	180,565	$	147,442
Retirement benefit payment		186,966		153,641
Total employee benefits and other liabilities	$	367,531	$	301,083

Accumulated sick leave represents the liability for sick leave banks accumulated for estimated draw down at future dates.

Retirement benefit payments represent the City's share of the cost to provide employees with various benefits upon retirement including lump sum retirement payments.

The amount recorded for these benefits is based on an actuarial evaluation performed by the City using a projected benefit actuarial valuation method pro-rated on services. This evaluation is reviewed on a periodic basis.

		2008		2007
Accrued benefit obligation:				
Balance, beginning of year	$	301,083	$	282,972
Current service cost		59,241		25,415
Interest costs		7,207		5,600
Benefits paid		-		(12,904)
Balance, end of year	$	367,531	$	301,083

The significant actuarial assumptions adopted in measuring the City's accrued benefit obligations are as follows:

	2008	2007
Discount rates	5.00%	5.00%
Expected wage and salary increases	3.00%	3.00%
Expected inflation rate	2.50%	2.50%

15. GVLRA - CUPE Trust (the "Trust"):

The Trust was established January 1, 1987 as a result of negotiations between the Greater Victoria Labour Relations Association representing a number of employers and the Canadian Union of Public Employees representing a number of CUPE locals. The Trust's sole purpose is to provide a long-term disability income benefit plan. The City and its employees each contribute equal amounts into the Trust. The total plan provision for approved and unreported claims was actuarially determined at December 31, 2007 to be $9,877,700 with a net surplus of $2,653,699.

16. West Shore Parks and Recreation Society (the "Society"):

(a) Capital asset transfer:

The Capital Regional District (the "CRD") transferred the lands and facilities comprising the Juan de Fuca Recreation Centre to the following municipal partners (the "Municipalities") effective January 2, 2002: City of Langford, City of Colwood, District of Highlands, District of Metchosin and the CRD (on behalf of a portion of the Juan de Fuca Electoral Area).

The lands and facilities were transferred to the Municipalities in their proportionate share, as specified in the *Co-Owners' Agreement*. Future improvements are allocated among the partners as per the cost sharing formula in effect each year for each service or facility, as outlined in a *Members' Agreement*. For 2008, the City's share of improvements purchased by the Society on its behalf is $87,060.

Because the cost sharing formula in the *Members' Agreement* produces different cost shares for the members from year-to-year, there is a gain or loss on the opening fund balances. In 2008, the City recorded a loss of $22,038 in Equity in Physical Assets and a loss of $20,881 in Reserve Funds.

The repayment of the long-term debt associated with the transferred assets will continue to be a regional function, in accordance with the terms of an *Agreement to Transfer* between the CRD, the Municipalities and the Society. The debt payments are charged to the Municipalities as part of the CRD's annual requisition. The maturity dates of the various borrowings range from 2012 through 2014. The proportionate share of the debt funded by the City through the requisition process as at December 31, 2008 was $1,111,337.

The Municipalities have each become members in the Society, which was incorporated to provide parks, recreation and community services to the Municipalities under contract. Under terms of an *Operating, Maintenance and Management Agreement*, the Society is responsible to equip, maintain, manage and operate the facilities located at the recreation centre.

16. West Shore Parks and Recreation Society (the "Society") (continued):

(b) Consolidation:

Financial results and budget for the Society are consolidated into the City's financial statements proportionately, based on the cost sharing formula outlined in the *Members' Agreement*. In 2008, the City's proportion for consolidation purposes was 25.3% (2007 - 26.4%). Condensed financial information for the Society is as follows:

	2008	2007
Financial assets	$ 3,081,907	$ 2,938,148
Financial liabilities	1,230,240	1,090,361
Net financial assets	1,851,667	1,847,787
Capital assets	2,082,415	1,950,358
	$ 3,934,082	$ 3,798,145
Society position	$ 1,851,667	$ 1,847,787
Equity in capital assets	2,082,415	1,950,358
	$ 3,934,082	$ 3,798,145
Revenues	$ 4,984,145	$ 4,583,950
Requisition for members	3,583,724	3,717,871
	8,567,869	8,301,821
Expenditures	4,980,265	4,231,403
Requisition for members	3,583,724	3,717,871
	8,563,989	7,949,274
Net revenues	$ 3,880	$ 352,547

17. Commitments and contingencies:

(a) Contingent liabilities:

The CRD debt, under provisions of the Local Government Act, is a direct, joint and several liability of the CRD and each member municipality within the CRD, including the City of Colwood.

The City is a shareholder and member of the Capital Region Emergency Service Telecommunications (CREST) Incorporated who provides centralized emergency communications, and related public safety information services to municipalities, regional districts, the provincial and federal governments and their agencies, and emergency service organizations throughout the Greater Victoria region and the Gulf Islands. Members' obligations to share in funding ongoing operations and any additional costs relating to capital assets are to be contributed pursuant to a *Members' Agreement.*

The City may be subject to potential repayment or non-collection of property taxes received or receivable pending resolution of property assessments appealed by taxpayers. The outcome of the appeals is not reasonably estimable and repayments or non-collections, if any, will be recorded in the period that they occur.

(b) Pension liability:

The City and its employees contribute to the Municipal Pension Plan (the plan), a jointly trusteed pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 150,000 active members and approximately 54,000 retired members. Active members include approximately 32,000 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, 2006 indicated an unfunded liability of $438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the unfunded liability to individual employers. The City paid $364,924 (2007 - $309,028) for employer contributions and City employees paid $312,692 (2007 - $266,953) for employee contributions to the plan in fiscal 2008.

(c) Litigation liability:

The City has been named a defendant in various lawsuits including claims related to the funding of sewer infrastructure. The City records an accrual in respect of legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The remaining claims, should they be successful as a result of litigation, will be recorded when a liability is likely and determinable.

17. Commitments and contingencies (continued):

(d) Commitments:

(i) The City entered into a long-term contract with the Royal Canadian Mounted Police for the provision of police services effective April 1, 1992. Under the terms of this contract, the City is responsible for 70% of policing costs. The 2008 estimated cost of this contract is $1,386,200 (2007 - $1,376,205).

(ii) The City entered into an agreement with developers and The British Columbia Transportation Financing Authority ("BCTFA"). The agreement provides that certain development cost charges will be paid to the BCTFA and applied against the developers' corporate loan note with the BCTFA. Should these funds not be collected, the municipality will transfer title of a 10 acre lot to the BCTFA. Any development cost charges collected subsequent to the land transfer become the property of the City, distributed firstly to the General Reserve Fund, to the extent of the corporate loan note is repaid and, secondly, to the Road Development Cost Charge Reserve Fund. Additionally, should the land be sold by the BCTFA, any proceeds which exceed the balance due of the corporate loan note are reimbursable to the City.

(iii) The City has entered into various lease arrangements. Operating lease payments for each of the next five years are as follows:

2009	$ 119,074
2010	218,498
2011	67,725
2012	61,140
2013	60,000

18. Segmented information:

The City is a diversified municipal organization that provides a wide range of services to its citizens. Certain segments that have different governance and responsibility have been separately disclosed in the segmented information, along with the services they provide, which are as follows:

General Government

The General Government operations provide the functions of Corporate Administration, Finance, Human Resources, Legislative Services and any other functions categorized as non-departmental.

18. Segmented information (continued):

Protective Services

Protective Services is comprised of four different functions, including Police Protection, Fire Protection, Emergency Preparedness and Regulatory services. The Royal Canadian Mounted Police (RCMP) provides policing services to the City. The RCMP ensures the safety of the lives and property of Colwood citizens through the enforcement of criminal laws and the laws of British Columbia, the maintenance of law and order, and the prevention of crime. The Fire Department is responsible for providing critical, life-saving services in preventing or minimizing the loss of life and property from fire and natural or man-made emergencies. The Emergency Preparedness program ensures that the City is both prepared and able to respond to, and recover from, the devastating effects of a disaster or major catastrophic event. The mandate of the Regulatory Service is to promote, facilitate and enforce general compliance with the provisions of the bylaws that pertain to the health, safety and welfare of the community.

Engineering and Transportation Services

Engineering and Transportation Services is responsible for a wide variety of transportation functions such as parking, engineering operations and streets. As well, providing services around infrastructure, traffic control, transportation planning, review of land development impacts on transportation, traffic management, pedestrian and cycling issues, on-street parking regulations, including street signs and painting as well as traffic signal timing.

Community and Development Services

Recreation services facilitates the provision of recreation and wellness programs and services throughout the City. Parks is responsible for the maintenance, planning and development of all park facilities such as natural ecosystems, sport and entertainment venues and playgrounds for recreational and cultural enjoyment in a beautiful and safe environment. Parks is also responsible for preserving and enhancing green spaces on public lands. Community Development co-ordinates and leads efforts to enhance the City's neighbourhoods, foster arts and culture and work to create a vibrant and dynamic City. Development services provide a full range of planning services related to zoning, development permits, variance permits, and current regulatory issues.

Utility and Enterprise Services

The sewer utility protects the environment and human health from the impact of liquid waste generated as a result of human occupation and development in the City.

Certain allocation methodologies have been employed in the preparation of the segmented financial information. The General Fund reports on municipal services that are funded primarily by taxation such as property taxes and other tax revenues. Taxation and payments-in-lieu of taxes are apportioned to the General Fund services based on budgeted taxation revenue as presented in the 2008-2012 consolidated financial plan.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements. The following schedule provides additional financial information for the foregoing segments.

CITY OF COLWOOD

CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION

Year ended December 31, 2009

	General Government	Protective Services	Engineering and Transportation Services	Community and Development Services	Utility and Enterprise Services	2008	2007
Revenues:							
Taxation	$ 10,279,773	-	-	-	-	10,279,773	9,031,335
Goods and services	406,635	489,607	184,414	1,300,406	753,233	3,134,295	3,140,707
Government transfers	1,698	339,599	879,637	241,424	-	1,462,358	944,766
Other	64,376	-	1,039,259	59,380	-	1,163,015	940,612
	10,752,482	829,206	2,103,310	1,601,210	753,233	16,039,441	14,057,420
Expenditures:							
Personnel costs	1,499,546	2,882,892	1,898,136	1,756,624	239,874	8,277,072	5,164,916
Supplies and services	306,711	372,532	992,391	1,631,871	196,783	3,500,288	5,741,309
Interest and other	243,467	243,759	234,285	419,084	383,285	1,523,880	974,077
Capital	157,574	411,292	2,023,987	35,129	387,416	3,015,398	5,311,379
	2,207,298	3,910,475	5,148,799	3,842,708	1,207,358	16,316,638	17,191,681
Excess (deficiency) of revenues over expenditures	$ 8,545,184	(3,081,269)	(3,045,489)	(2,241,498)	(454,125)	(277,197)	(3,134,261)

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AUDITORS' REPORT ON NON-CONSOLIDATED SUPPLEMENTARY INFORMATION TO THE MAYOR AND COUNCILLORS OF THE CITY OF COLWOOD

We have audited and reported separately herein on the consolidated financial statements of the City of Colwood as at and for the year ended December 31, 2008.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's non-consolidated supplementary information included in Schedules A through F and Schedules 1 through 4 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such non-consolidated supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

KPMG LLP

Chartered Accountants

Victoria, Canada

June 12, 2009

CITY OF COLWOOD

Non-Consolidated Financial Position **Schedule A**

December 31, 2008, with comparative figures for 2007

		2008		2007
Assets				
Financial assets:				
Cash and short-term investments (note 1)	$	4,309,629	$	7,135,741
Property taxes receivable		837,754		425,554
Accounts receivable		1,879,603		1,232,294
Other assets		1,508,117		1,212,604
		8,535,103		10,006,193
Physical assets:				
Materials and supplies		1,006,649		1,024,263
Capital assets (note 2)		74,783,051		71,785,168
		75,789,700		72,809,431
	$	84,324,803	$	82,815,624
Liabilities				
Accounts payable and accrued liabilities	$	3,990,336	$	4,600,619
Prepaid property taxes		122,858		159,310
Deferred revenue (note 3)		698,359		1,034,169
Refundable deposits		1,508,117		1,212,604
Capital leases		344,885		1,889
Debt:				
Short-term		16,962,314		17,595,611
Long-term		944,525		1,160,104
		24,571,394		25,764,306
Municipal Position				
Fund balances:				
Operating Funds (Schedule C)		1,210,260		1,392,941
Capital Funds (Schedule D)		(974,262)		(240,267)
Reserve Funds (Schedule E) (note 4)		1,979,435		1,846,817
		2,215,433		2,999,491
Equity in physical assets (note 5)		57,537,976		54,051,827
		59,753,409		57,051,318
	$	84,324,803	$	82,815,624

See accompanying notes to non-consolidated financial information.

CITY OF COLWOOD

Non-Consolidated Financial Activities

Schedule B

Year ended December 31, 2008, with comparative figures for 2007

		2008		2007
Revenue:				
Net taxes available for municipal purposes (note 6)	$	9,248,183	$	7,953,464
Utility charges		678,293		305,094
Collection system fees		-		30,000
Connection fees		38,175		62,369
Payments in place of taxes (note 7)		1,031,590		1,077,871
Sales of services		3,497		2,288
Licences and permits		474,891		805,202
Fines and penalties		53,010		59,046
Investment income		186,301		230,505
Government transfers (note 8)		958,406		929,791
Developer and property owner contributions		916,391		940,612
Surplus from lease of RCMP building		-		261
Actuarial adjustments on MFA debt		24,257		36,319
Proceeds on sale of land		123,040		-
Gas tax		460,000		-
Other		583,914		414,476
		14,779,948		12,847,298
Expenditures:				
General government services:				
Legislative		96,035		91,145
Administrative		1,950,143		1,570,046
Other		161,120		109,118
		2,207,298		1,770,309
Protective services:				
Police and bylaw enforcement		1,768,273		1,563,447
Fire protection and emergency response		1,660,825		1,435,149
Building inspection and other		481,375		365,814
		3,910,473		3,364,410
Engineering and public works:				
Common services		1,551,257		1,358,036
Engineering		295,450		296,733
Roads, streets and storm drainage		2,909,051		661,429
Materials and supplies - gravel stockpile		393,044		4,924,297
		5,148,802		7,240,495
Community services:				
Environmental health services		152,243		205,340
Environmental and development services		553,913		483,542
Recreation and cultural services		1,878,040		1,927,794
		2,584,196		2,616,676
Utility and enterprise services:				
Sewer infrastructure		387,416		474,200
Sewer maintenance		603,378		332,721
Other		216,563		275,822
		1,207,357		1,082,743
		15,058,126		16,074,633
Excess of expenditures over revenue		(278,178)		(3,227,335)
Debt and capital lease proceeds		372,375		1,941,014
Short-term debt principal repaid		(645,798)		(484,837)
Long-term debt principal repaid		(191,331)		(203,354)
Long-term debt principal reduction - actuarial		(24,257)		(36,319)
Capital lease principal repaid		(16,869)		-
Change in fund balances		(784,058)		(2,010,831)
Fund balances, beginning of year		2,999,491		5,010,322
Fund balances, end of year	$	2,215,433	$	2,999,491

See accompanying notes to non-consolidated financial information.

CITY OF COLWOOD

OPERATING FUNDS

Non-Consolidated Financial Activities

Schedule C

Year ended December 31, 2008, with comparative figures for 2007

	Budget	2008	2007
Revenue:			
Net taxes available for municipal purposes (note 6)	$ 9,070,240	$ 9,248,183	$ 7,953,464
Utility charges	640,500	678,293	305,094
Collection system fees	45,000	-	30,000
Connection fees	30,000	38,175	31,050
Payments in place of taxes (note 7)	1,126,360	1,031,590	1,077,871
Sales of services	2,000	3,497	2,288
Investment income	123,900	146,183	113,001
Fines and penalties	68,000	53,010	59,046
Government transfers (note 8)	1,059,200	958,406	929,791
Other	276,600	583,914	414,476
Licences and permits	848,400	474,891	805,202
	13,290,200	13,216,142	11,721,283
Expenditures:			
General government services:			
Legislative	98,100	96,035	91,145
Administrative	1,693,200	1,792,569	1,361,359
Other	206,600	161,120	109,118
	1,997,900	2,049,724	1,561,622
Protective services:			
Police and bylaw enforcement	2,043,700	1,768,273	1,563,447
Fire protection and emergency response	1,326,500	1,291,945	1,129,732
Building inspection and other	425,900	438,963	322,753
	3,796,100	3,499,181	3,015,932
Engineering and public works:			
Common services	1,232,000	1,284,564	1,153,623
Engineering	407,700	295,450	296,733
Roads, streets and storm drainage	1,262,800	1,151,756	951,167
Materials and supplies - gravel stockpile	220,000	393,044	661,429
	3,122,500	3,124,814	3,062,952
Community services:			
Environmental health services	198,900	152,243	205,340
Environmental and development services	563,400	553,913	483,542
Recreation and cultural services	1,888,600	1,878,040	1,864,569
	2,650,900	2,584,196	2,553,451
Utility and enterprise services:			
Sewer maintenance	662,500	603,378	332,721
Other	357,800	216,563	275,822
	1,020,300	819,941	608,543
	12,587,700	12,077,856	10,802,500
Excess of revenue over expenditures	702,500	1,138,286	918,783
Long-term debt principal repaid	(195,300)	(191,331)	(203,354)
Net interfund transfers:			
To General Capital Fund	(3,377,100)	(844,236)	(1,997,925)
To Sewer Capital Fund	(347,000)	(285,400)	(555,736)
Change in fund balances	(3,216,900)	(182,681)	(1,838,232)
Balance, beginning of year		1,392,941	3,231,173
Balance, end of year	$	$ 1,210,260	$ 1,392,941

See accompanying notes to non-consolidated financial information.

CITY OF COLWOOD

CAPITAL FUNDS

Non-Consolidated Financial Activities

Schedule D

Year ended December 31, 2008, with comparative figures for 2007

	Budget	2008	2007
Revenue:			
Actuarial adjustments on MFA debt	$ -	$ 24,257	$ 36,319
Developer and property owner contributions	-	823,891	464,112
Proceeds on sale of land	-	123,040	-
Gas tax	-	460,000	-
	-	1,431,188	*500,431*
Expenditures:			
General government services:			
Administrative	193,590	157,574	208,687
Protective services:			
Fire protection and emergency response	60,100	368,880	305,417
Protective inspections	55,400	42,412	43,061
	115,500	411,292	348,478
Engineering and public works:			
Common services	278,080	266,693	204,413
Roads, streets and storm drainage	1,952,300	1,757,295	3,973,130
	2,230,380	2,023,988	4,177,543
Community services:			
Recreation and cultural services	22,500	-	63,225
Utility and enterprise services:			
Sewer infrastructure	1,353,000	387,416	474,200
	3,914,970	2,980,270	5,272,133
Excess of expenditures over revenue	(3,914,970)	(1,549,082)	(4,771,702)
Debt and capital lease proceeds	-	372,375	1,941,014
Capital lease principal repaid	-	(16,869)	-
Short-term debt principal repaid	-	(645,798)	(484,837)
Long-term debt principal reduction - actuarial	-	(24,257)	(36,319)
Net interfund transfers:			
From General Operating Fund	3,377,100	844,236	1,997,925
From Reserve Funds	-	-	1,266,858
From Sewer Operating Fund	347,000	285,400	555,736
Change in fund balances	(190,870)	(733,995)	468,675
Balance, beginning of year		(240,267)	(708,942)
Balance, end of year	$	$ (974,262)	$ (240,267)

See accompanying notes to non-consolidated financial information.

CITY OF COLWOOD

RESERVE FUNDS

Non-Consolidated Financial Activities

Schedule E

Year ended December 31, 2008, with comparative figures for 2007

		2008		2007
Revenue:				
Investment income	$	40,118	$	117,504
Surplus from lease of RCMP building		-		261
User and developer contributions		92,500		507,819
Excess of revenue over expenditures		132,618		625,584
Net interfund transfers:				
Transfer to General Capital Fund		-		(1,266,858)
Change in fund balances		132,618		(641,274)
Balance, beginning of year		1,846,817		2,488,090
Balance, end of year (note 4)	$	1,979,435	$	1,846,816

See accompanying notes to non-consolidated financial information.

CITY OF COLWOOD

Non-Consolidated Changes in Financial Position

Schedule F

Year ended December 31, 2008, with comparative figures for 2007

		2008		2007
Cash provided by (used in):				
Operations:				
Excess of expenditures over revenue	$	(278,178)	$	(3,227,335)
Actuarial adjustments on MFA debt		(24,257)		(36,319)
Increase in property taxes receivable		(412,200)		(43,566)
Decrease (increase) in accounts receivable		(647,309)		241,597
Increase in other assets		(295,513)		(145,720)
Increase (decrease) in accounts payable and accrued liabilities		(610,283)		1,219,713
Increase (decrease) in prepaid property taxes		(36,452)		90,044
Increase (decrease) in deferred revenue		(335,810)		110,367
Increase in refundable deposits		295,513		145,720
		(2,344,489)		(1,645,499)
Financing:				
Increase in capital lease obligations		342,996		-
Increase (decrease) in short-term debt		(633,297)		1,456,177
Decrease in long-term debt		(191,322)		(203,354)
		(481,623)		1,252,823
Decrease in cash		(2,826,112)		(392,676)
Cash, beginning of year		7,135,741		7,528,417
Cash, end of year (note 1)	$	4,309,629	$	7,135,741

See accompanying notes to non-consolidated financial information.

CITY OF COLWOOD

Non-Consolidated General Operating Fund

SCHEDULE 1

Year ended December 31, 2008, with comparative figures for 2007

		Budget		2008		2007
Revenue:						
Net taxes available for municipal purposes (note 6)	$	8,365,440	$	8,412,279	$	7,334,974
Payments in place of taxes (note 7)		1,126,360		1,031,590		1,077,871
Sale of services		2,000		3,497		2,288
Licences and permits		848,400		474,891		805,202
Fines and penalties		68,000		53,010		59,046
Investment income		123,900		146,183		113,001
Unconditional (note 8)		743,800		744,470		749,636
Conditional (note 8)		315,400		213,936		180,155
Other		276,600		509,146		414,476
		11,869,900		11,589,002		10,736,649
Expenditures:						
General government services:						
Legislative		98,100		96,035		91,145
Administrative		1,693,200		1,792,569		1,361,359
Other		206,600		161,120		109,118
		1,997,900		2,049,724		1,561,622
Protective services:						
Police and bylaw enforcement		2,043,700		1,768,273		1,563,447
Fire protection and emergency response		1,326,500		1,291,945		1,129,732
Building inspection and other		425,900		438,963		322,753
		3,796,100		3,499,181		3,015,932
Engineering and transportation services:						
Common services		1,232,000		1,284,564		1,153,623
Engineering		407,700		295,450		296,733
Streets, sidewalks, storm drainage and bridges		1,262,800		1,151,756		951,167
Materials and supplies - gravel stockpile		220,000		393,044		661,429
		3,122,500		3,124,814		3,062,952
Community services:						
Environmental Health Services - clean-up programs and burial		198,900		152,243		205,340
Environmental and development services		563,400		553,913		483,542
Recreation and cultural services		1,888,600		1,878,040		1,864,569
		2,650,900		2,584,196		2,553,451
		11,567,400		11,257,915		10,193,957
Excess of revenue over expenditures		302,500		331,087		542,692
Long-term debt principal repayments		(133,700)		(129,715)		(141,738)
Net interfund transfers:						
To General Capital Fund		(3,069,300)		(536,436)		(1,817,325)
To General Capital Fund - debt reduction		(307,800)		(307,800)		(180,600)
Change in fund balances		(3,208,300)		(642,864)		(1,596,971)
Balance, beginning of year				1,408,910		3,005,881
Balance, end of year	$		$	766,046	$	1,408,910

See accompanying notes to non-consolidated financial information.

CITY OF COLWOOD

Non-Consolidated General Capital Fund

SCHEDULE 2

Year ended December 31, 2008, with comparative figures for 2007

	Budget	2008	2007
Revenue:			
Developer and property owner contributions	$ -	$ 823,891	$ 420,000
Actuarial adjustments on MFA debt	-	6,913	15,364
Proceeds on sale of land	-	123,040	-
Gas tax	-	460,000	-
	-	1,413,844	435,364
Expenditures:			
General government services:			
Administrative	193,590	157,574	208,687
Protective services:			
Fire protection and emergency response	60,100	368,880	305,417
Protective inspections	55,400	42,412	43,061
	115,500	411,292	348,478
Engineering and transportation services:			
Common services	278,080	266,693	204,413
Streets, sidewalks, storm drainage and bridges	1,952,300	1,757,295	3,973,130
	2,230,380	2,023,988	4,177,543
Community services:			
Recreation and cultural services	22,500	-	63,225
	2,561,970	2,592,854	4,797,933
Excess of expenditures over revenue	(2,561,970)	(1,179,010)	(4,362,569)
Debt and capital lease proceeds	-	359,874	1,782,464
Long-term debt principal reduction - actuarial	-	(6,913)	(15,364)
Short-term borrowings (repayment)	-	(285,305)	(261,972)
Capital lease principal repaid	-	(16,869)	-
Net interfund transfers:			
From General Operating Fund	-	-	383,200
From General Operating Fund - debt reduction	307,800	307,800	180,600
From General Operating Fund - taxation	3,069,300	536,436	1,434,125
From General Reserve Fund	-	-	1,266,858
Change in fund balances	815,130	(283,987)	407,342
Balance, beginning of year		(1,487,065)	(1,894,407)
Balance, end of year	$	$ (1,771,052)	$ (1,487,065)

See accompanying notes to non-consolidated financial information.

CITY OF COLWOOD

Non-Consolidated Sewer Operating Fund

SCHEDULE 3

Year ended December 31, 2008, with comparative figures for 2007

	Budget	2008	2007
Revenue:			
Taxes available for municipal purposes (note 6)	$ 704,800	$ 835,904	$ 618,490
Utility charges	640,500	678,293	305,094
Collection system fees - Triangle Mountain	45,000	-	30,000
Connection fees	30,000	38,175	31,050
Other	-	74,768	-
	1,420,300	1,627,140	984,634
Expenditures:			
Sewer maintenance:			
Administrative	172,500	225,821	69,111
Collection system	85,000	49,341	88,071
Collection - Capital Regional District trunk	126,500	126,457	65,049
Lift stations	82,500	78,092	63,106
Common services	196,000	123,667	47,384
	662,500	603,378	332,721
Debt interest payments:			
Collection system - Colwood Corners	50,000	49,988	49,988
Sewer trunk mains - Phases I to XII	307,800	166,575	225,834
	357,800	216,563	275,822
	1,020,300	819,941	608,543
Excess (deficiency) of revenue over expenditures	400,000	807,199	376,091
Long-term debt principal repayments	(61,600)	(61,616)	(61,616)
Net interfund transfers:			
To Sewer Capital	(347,000)	(285,400)	(555,736)
Change in fund balances	(8,600)	460,183	(241,261)
Balance, beginning of year		(15,969)	225,292
Balance, end of year	$	$ 444,214	$ (15,969)

See accompanying notes to non-consolidated financial information.

CITY OF COLWOOD

Non-Consolidated Sewer Capital Fund **SCHEDULE 4**

Year ended December 31, 2008, with comparative figures for 2007

	Budget	2008	2007
Revenue:			
Developer contributions	$ -	$ -	$ 44,112
Actuarial adjustment on MFA debt	-	17,344	20,955
	-	17,344	65,067
Expenditures:			
Equipment	53,000	-	9,611
Sewer infrastructure	1,300,000	387,416	464,589
	1,353,000	387,416	474,200
Excess of expenditures over revenue	(1,353,000)	(370,072)	(409,133)
Long-term debt principal reduction - actuarial	-	(17,344)	(20,955)
Short-term borrowings (repayment)	-	(360,493)	(222,865)
Short-term borrowings	-	12,501	158,550
Net interfund transfers:			
From Sewer Operating Fund	347,000	285,400	555,736
Change in fund balances	(1,006,000)	(450,008)	61,333
Balance, beginning of year		1,246,798	1,185,465
Balance, end of year	$	$ 796,790	$ 1,246,798

See accompanying notes to non-consolidated financial information.

1. Cash and short-term investments:

		2008		2007
Municipal Finance Authority - Money Market	$	3,578,574	$	673,363
RBC Dominion Canadian T-bill Mutual Fund		-		5,804,451
Bank deposits		731,055		657,927
Schedules A and F	$	4,309,629	$	7,135,741

2. Capital assets:

		2008		2007
Sanitary sewer system	$	19,615,202	$	19,227,786
Land		9,619,520		9,619,520
Building		16,998,650		16,900,226
Engineering structures		23,772,730		21,970,523
Equipment		4,476,949		4,067,113
Schedule A	$	74,783,051	$	71,785,168

3. Deferred revenue:

		2008		2007
Federal gas tax funds	$	258,470	$	474,487
Development cost charges		2,593		244,655
Cash in lieu of parklands		239,565		233,389
Building permit		197,731		81,638
	$	698,359	$	1,034,169

4. Reserve Funds:

The Reserve Funds balance includes the following amounts:

		2008		2007
General Reserve Funds:				
New Works and Equipment	$	604,291	$	591,751
Police Building Improvements		137,261		134,412
Affordable Housing		212,586		193,825
Amenities		473,619		386,600
Storm Drains		532,531		521,479
Parklands		19,147		18,750
Schedule A	$	1,979,435	$	1,846,817

5. Equity in physical assets:

	2008	2007
Beginning balance	$ 54,051,827	$ 49,342,116
Assets acquired during the year	2,980,269	5,926,215
Debt and capital lease principal repayments	853,998	688,191
Debt acquired for capital expenditures	(372,375)	(1,941,014)
Debt principal reduction - actuarial	24,257	36,319
Ending balance (Schedule A)	$ 57,537,976	$ 54,051,827

6. Net taxes available for municipal purposes:

	2008	2007
Taxes:		
Municipal purposes:		
General purposes	$ 8,198,762	$ 7,193,726
Capital Regional District purposes	1,041,329	864,427
Special assessments - sewer	1,163,792	834,240
Collections for other governments	7,727,247	6,937,201
1% utility taxes	146,138	141,359
	18,277,268	15,970,953
Less taxes on behalf of:		
Provincial Government – School Taxes	6,386,587	5,817,437
Capital Regional Hospital District	616,183	518,102
Capital Regional District - General Operating	973,986	864,536
Capital Regional District - Sewer Operating	327,888	215,750
British Columbia Assessment Authority	198,188	180,446
Municipal Finance Authority	528	641
Victoria Regional Transit Authority	525,725	420,577
	9,029,085	8,017,489
	$ 9,248,183	$ 7,953,464
Net taxes available for municipal purposes:		
General Operating Fund (Schedule 1)	$ 8,412,279	$ 7,334,974
Sewer Operating Fund (Schedule 3)	835,904	618,490
Total net taxes (Schedules B and C)	$ 9,248,183	$ 7,953,464

7. Payments in place of taxes:

	2008	2007
Federal	$ 2,075,206	$ 2,099,338
Provincial agencies:		
Housing	3,109	2,794
Royal Roads University	5,733	11,350
	2,084,048	2,113,482
Less transfers to other governments:		
Provincial Government – School Taxes	770,291	763,812
Capital Regional Hospital District	60,839	54,754
Municipal Finance Authority	25	36
British Columbia Assessment Authority	22,328	22,022
Capital Regional District	125,249	128,204
Victoria Regional Transit Authority	73,726	66,783
	1,052,458	1,035,611
Total (Schedules B and C)	$ 1,031,590	$ 1,077,871

8. Government transfers:

The following government transfers have been included in revenues:

	2008	2007
Operating transfers:		
Unconditional:		
Provincial:		
Small communities	$ 221,360	$ 205,762
Traffic fines	118,239	120,352
Casino revenue sharing	404,871	423,522
Total unconditional (Schedule 1)	744,470	749,636
Conditional:		
Provincial:		
Energy and emissions	15,000	-
Street lighting	213	213
West Nile virus	12,847	8,364
Other:		
Bear Mountain Arena	171,578	171,578
UBCM Enviro	12,600	-
Community Health	1,698	-
Total conditional (Schedule 1)	213,936	180,155
Totals (Schedules B and C)	$ 958,406	$ 929,791