

Colwood, BC

The City with a view of the future!



ANNUAL REPORT

For the fiscal year ended December 31, 2010



Proposed Neighbourhood Learning and Cultural Centre in Royal Bay



Approved City Centre Development – Phase 1A



Quiet time in Havenwood Park and Beach time at Esquimalt Lagoon!

CITY OF COLWOOD www.colwood.ca

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This report was prepared by the City of Colwood Corporate Administration Department in collaboration with the Finance, Engineering, Fire, and Planning Departments.

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Where we are



City Hall



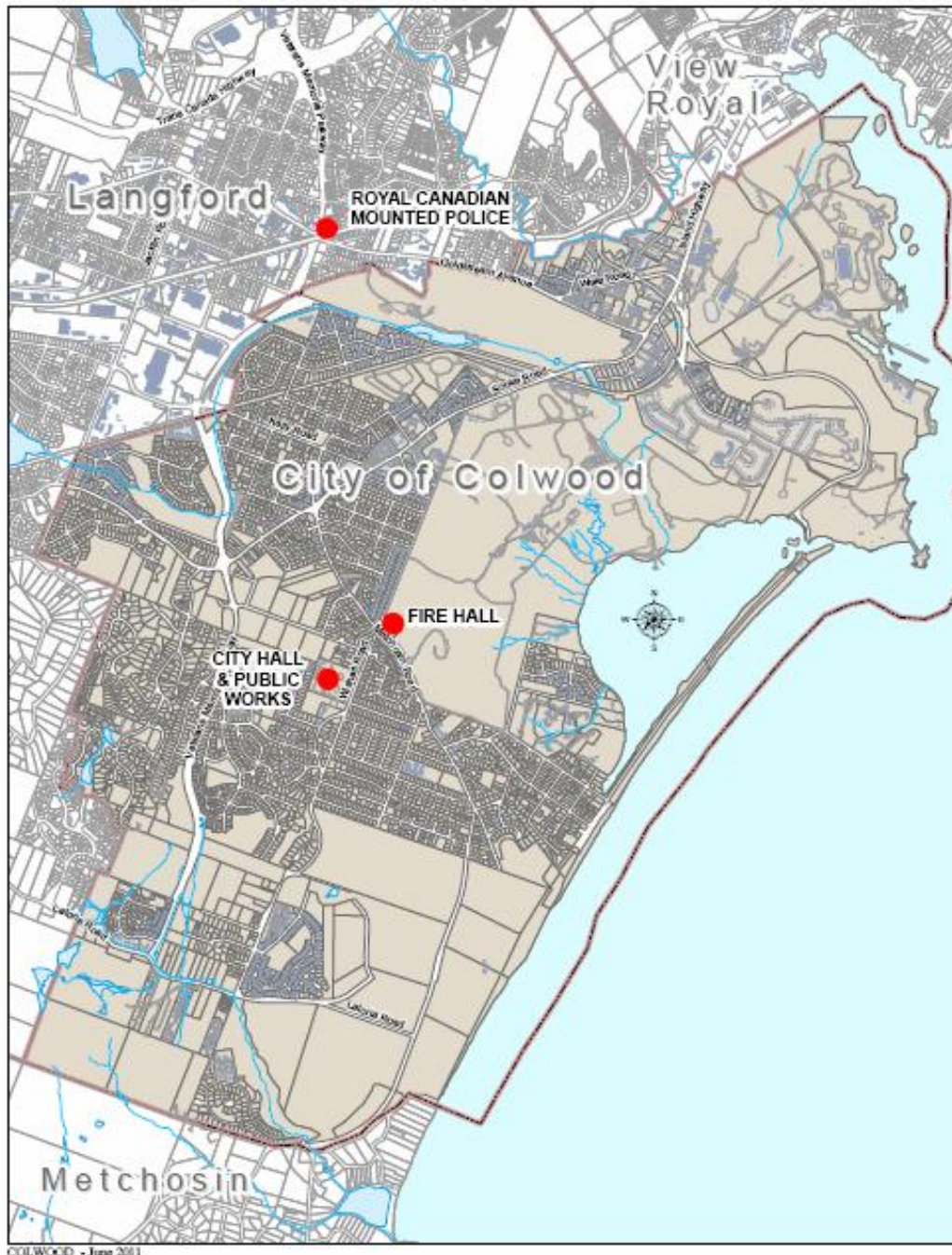
Public Works



Fire Rescue



West Shore RCMP



COLWOOD - June 2011

Council

Message from the Mayor – David Saunders

On behalf of the Council of the City of Colwood I am pleased to provide the citizens of our community with this Annual Report on the City's activities and progress made in 2010 toward achieving our goals.

Significant effort was made to continue to encourage development, bring in new high tech industry and jobs, and set a strong foundation for a diversified tax base. The negotiations, careful reviews, and decisions made in 2010 regarding the first development phase of the new City Centre will soon bear fruit as ground is broken for the beginning of construction during the summer of 2011. Similar work was carried out on a range of other development proposals, primarily residential in nature, as the map showing proposed development in the Special Features of Interest section of this Annual Report illustrates. As the regional and world economies begin to recover from a global downturn, it is clear that steady, healthy and balanced development interest in Colwood continues even in these more challenging economic times.



Of fundamental importance, Council continued with its strong focus on improving the City's financial position, which included requesting BC Assessment to review carefully Federal land, and the assessment classification of the Lehigh gravel pit lands in Royal Bay. All major capital projects were deferred in 2010 to reduce City expenditures. The result of these decisions, and continued efforts and actions in 2010 to improve operational efficiencies and increase revenues where fair and reasonable through fees and permits, was that the City property tax revenue increase was 2.7% for 2011. This was significantly lower than the increases in 2009 and 2010 and consistent with projections which had been shown in the City's Financial Plan.

The City continued to work hard in 2010 to expedite a full resolution to problems related to the City's developing sanitary sewer system. This involved continued negotiations with property owners in the Local Service Areas established for the development of the sanitary sewer service and with the Province of British Columbia. While steady progress was made, recent political events at the Provincial level and beyond the City's control meant that the decision-making time schedule had to be extended. It is now expected that most of the major decisions to resolve this issue will be made by the fall of 2011.

Balance is important in Colwood's long-term development and we need to support the continued development of amenities which add to the enjoyment of life as well as focus on core local government services. We continue to make improvements to Colwood's very fine park system as we can afford to do so. Council, City Staff, School District No. 62, and the community have been proactive in trying to secure needed funds from the Province regarding the replacement business plan for two new High Schools. Also, work and negotiations begun in 2010 continues in partnership with School District No. 62 on the proposed Neighbourhood Learning and Cultural Centre in Royal Bay which would create a new and exciting centre of interest in Colwood.

As we continue to work hard to overcome our challenges and to capitalize on our great opportunities in Colwood, what is always apparent is the resilience and self-reliance of the citizens of our community. You should be proud of that and on behalf of Council I want to thank you for your continued understanding and support as we progress to a better future.

David Saunders
Mayor, City of Colwood

Colwood City Council



Left to Right: Councillors Gordie Logan, Shaun Wysiecki, Judith Cullington, Mayor David Saunders, Councillors Brian Tucknott, Cynthia Day, Ernie Robertson

Colwood City Council: 2008 - 2011

Mayor David Saunders

Councillor Judith Cullington

Councillor Ernie Robertson

Councillor Cynthia Day

Councillor Brian Tucknott

Councillor Gordie Logan

Councillor Shaun Wysiecki



Mayor David Saunders: mayor@colwood.ca

Ex-Officio Member of all Committees
Planning and Land Use Committee - Chair
BC Transit Planning
Capital Regional District Board -Director
Core Area Liquid Waste Management Committee
EMR Transmitters Task Force
Intermunicipal Advisory Committee on Disability Issues
Mayor's Task Force on Energy and Economic Growth
Pay It Forward Program
Protective Services Committee -Alternate Chair
School District Liaison Committee
Sewer Oversight Committee
Treaty Advisory Committee
West Shore Parks and Recreation Society - Director



Councillor Judith Cullington: judith@cullington.ca

Transportation and Public Infrastructure Committee - Chair
Capital Regional District Board - Alternate Director
Colwood Cycling Advisory Committee
Esquimalt Lagoon Stewardship Initiative
Mayor's Task Force on Energy and Economic Growth
Parks, Recreation and Culture Committee - Altnerate Chair
Planning and Land Use Committee -Vice-Chair
Solar Colwood Program
Victoria Family Court and Youth Justice Committee
West Shore Chamber of Commerce



Councillor Cynthia Day: councillorday@shaw.ca

Parks, Recreation and Culture Committee – Chair
Capital Regional District Water Commission - Alternate Director
Colwood Cycling Advisory Committee
Esquimalt Lagoon Stewardship Initiative
Friends of Cole Island
Greater Victoria Public Library Liaison – Juan de Fuca Branch
Harbour Advisory Committee
Heritage Advisory Commission
Intermunicipal Advisory Committee on Disability Issues
Juan de Fuca Retail Water Distribution Commission – Alternate
Pioneer Cemetery Board of Trustees
School District Liaison Committee
St. John the Baptist Church Management Committee
St. John the Baptist Church Board of Trustees (Cemetery)
Sewer Oversight Committee
Strategic and Financial Planning Committee – Vice-Chair
Treaty Advisory Committee
Victoria Family Court and Youth Justice Committee



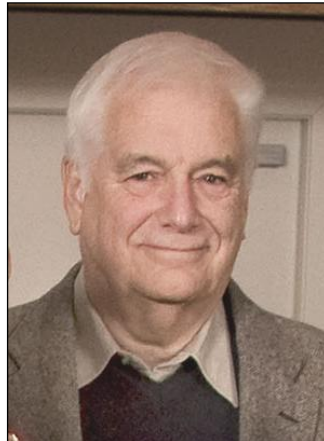
Councillor Gordie Logan: Councillor@telus.net

Protective Services Committee - Chair
Capital Regional District Water Commission - Director
CREST (Capital Regional Emergency System Telecommunications) – Chair
Juan de Fuca Retail Water Distribution Commission – Director
Transportation and Public Infrastructure Committee – Alternate Chair



Councillor Ernie Robertson: councillor-robertson@hotmail.com

Parks, Recreation and Culture Committee – Vice-Chair
EMR Transmitters Task Force
Greater Victoria Labour Relations Association
Protective Services Committee – Vice-Chair
Sewer Oversight Committee



Councillor Brian Tucknott: Tucknott@shaw.ca

Strategic and Financial Planning Committee – Alternate Chair
BC Transit Planning
EMR Transmitters Task Force
Emergency Preparedness Committee
Greater Victoria Labour Relations Association



Councillor Shaun Wysiecki: shaun@shaunw.ca

Strategic and Financial Planning Committee – Chair
Friends of Cole Island
Greater Victoria Public Library Board - Director
Mayor's Task Force on Energy and Economic Growth
Pay It Forward Committee
Pioneer Cemetery Board of Trustees
Planning and Land Use Committee – Alternate Chair
St. John the Baptist Church Management Committee/Board of Trustees
Transportation and Public Infrastructure Committee – Vice-Chair
West Shore Chamber of Commerce
West Shore Parks and Recreation Society – Director

Colwood City Council

Mayor David Saunders, Councillors Judith Cullington, Cynthia Day, Gordie Logan, Ernie Robertson, Brian Tucknott, Shaun Wysiecki

Standing Committees

[Report directly to Council]

- Parks, Recreation and Culture
- Planning and Land Use
- Protective Services
- Strategic and Financial Planning
- Transportation and Public Infrastructure

Select Committees

[All report to Council through Standing Committees, except Mayor's Task Force on Energy & Economic Growth]

- Cycling Advisory
- EMR Transmitters Task Force
- Emergency Preparedness
- Intermunicipal Advisory Committee on Disability Issues
- Pay It Forward
- School District Liaison
- St. John the Baptist Church Management Committee
- Mayor's Task Force on Energy and Economic Growth

Boards and Commissions

[Most report to Council through Standing Committees]

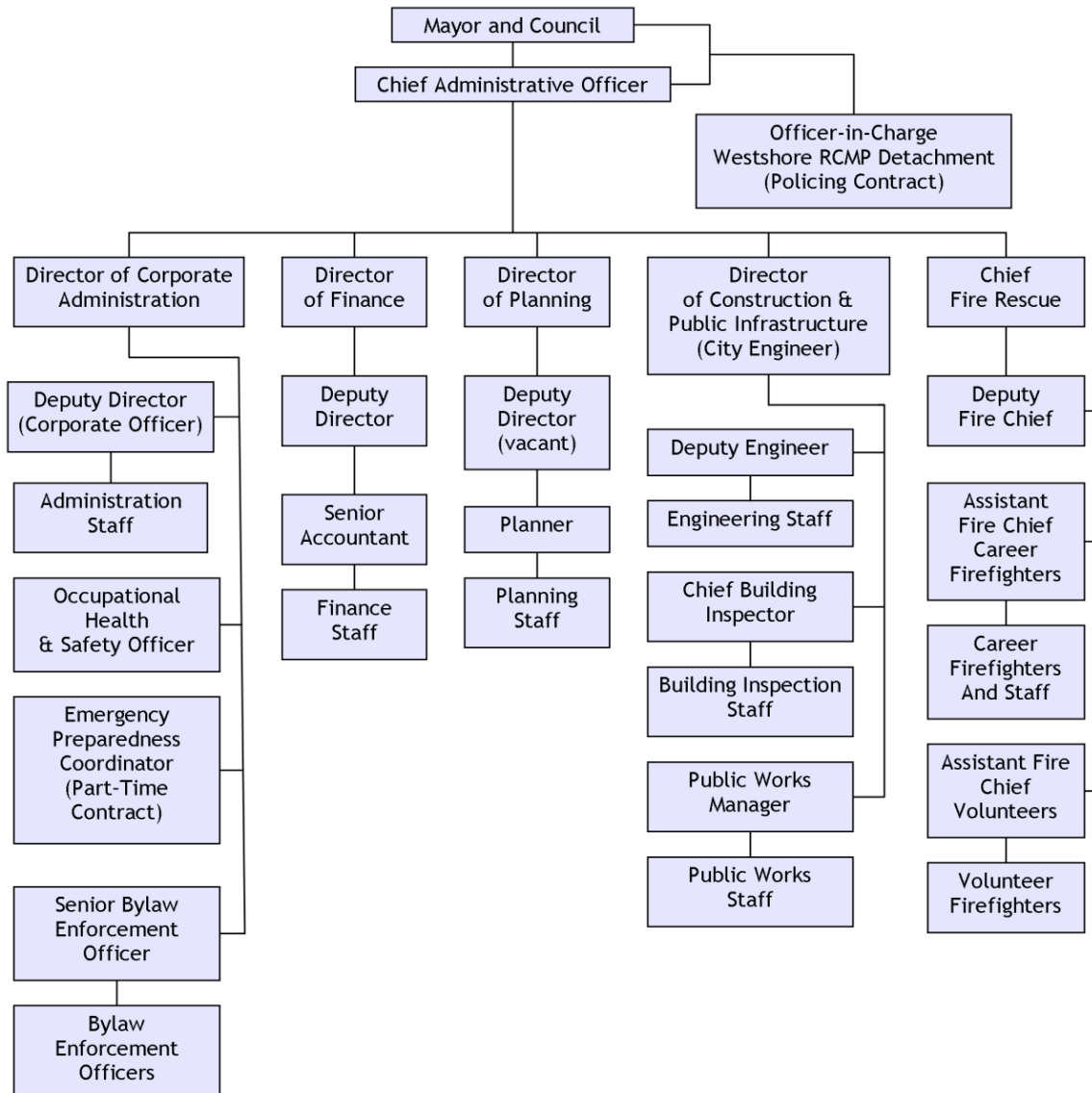
- Board of Variance
[...does not report to Council]
- Heritage Advisory Commission
- Pioneer Cemetery Board of Trustees
- St. John the Baptist Cemetery Board of Trustees

Other Committees, Boards and Commissions with Council representation:

BC Transit Planning; Capital Regional District Board; Capital Regional District Water Commission; Capital Regional Emergency System Telecommunications (CREST); Core Area Liquid Waste Management Committee; Esquimalt Lagoon Stewardship Initiative; Friends of Cole Island; Greater Victoria Labour Relations Association; Greater Victoria Public Library Board; Harbour Advisory Committee; Juan de Fuca Retail Water Distribution Commission; Treaty Advisory Committee; Victoria Family Court and Youth Justice Committee; West Shore Chamber of Commerce; and West Shore Parks and Recreation Society.

City Administration

City of Colwood Corporate Organization Chart



Management Team

Administration:	Chief Administrative Officer	Ross McPhee
	Deputy Director of Corporate Administration	Pat VanBuskirk
Finance:	Director of Finance (Acting)	Jennifer Reed
	Deputy Director of Finance / Collector (Acting)	Jenn Preston
Fire Rescue:	Fire Chief	Russ Cameron
Planning:	Director of Planning	Alan Haldenby
Engineering:	Director of Construction & Infrastructure Maintenance	Michael Baxter
Building Inspections:	Chief Building Inspector	Flo Pikula
Public Works:	Manager	Dan Brazier

Message from the Chief Administrative Officer

Ross McPhee

As you may know, I arrived to take up my new position as the Chief Administrative Officer of Colwood just after Thanksgiving in October, 2010. When taking on a new position such as this, there is usually an immediate whirlwind of activity and this was no exception. First, I needed to get to know the Council and staff at the City and I quickly realized I had a great team with which to work. I also needed to get to know the community at large and that is ongoing. My next task was to absorb as quickly as possible the issues confronting Colwood and the opportunities to be pursued. And, as you know, there are both major issues and wonderful opportunities here.



In order to understand all of this, I needed to know more about what has gone on in the past, both recent and more distant. Reporting on 2010 in this Annual Report has been one more step in helping me gain this understanding. I hope you will find the information in this Annual Report as interesting and informative as I have in working with our Colwood team to prepare it. Given the time of my arrival here in late 2010, the accomplishments reported on in this Report are clearly due to the hard work and credit of others, including my now retired predecessor, Chris Pease, whom many of you knew well.

In this Annual Report we have endeavoured to provide you with information which is both interesting and useful to you. Some of the information, such as the audited financial statements, is required to be included under Provincial legislation but much of it has been our choice to provide. We see our Annual Reports evolving and improving over time and, to that end, we welcome your comments on this Report and suggestions for future reports.

I would like to draw your attention to some key features in this Report. Information is provided on the responsibilities of our Mayor and Councillors as well as the Committee structure, which will give you an indication of the very heavy workloads of Council members and the work taken on by dedicated Committee volunteers, to whom we owe much thanks. Information is provided about the organization of the City Administration and the functional responsibilities of City Departments to help you find your way at City offices. Most importantly, information is provided on the City's priority focus areas and key related tasks established over time and how we are progressing in accomplishing these tasks. In addition, information on areas which we feel may be of special interest to you, including the audited financial statements and Statement of Financial Information are provided.

Above I referred to major issues and wonderful opportunities in Colwood. I am pleased to say the issues are being resolved and the opportunities are being seized. I wish to thank the citizens of Colwood for your support as we proceed with this important work.



City of Colwood Management Team



Left to Right: Russ Cameron, Michael Baxter, Pat VanBuskirk, Alan Haldenby, Ross McPhee, Flo Pikula, Jennifer Reed, Dan Brazier
[Missing from Photo: Jenn Preston]

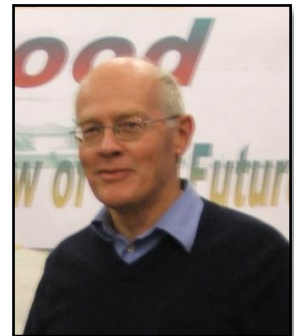
Colwood Management Team Retirees

In 2010, two of the City's Senior Managers retired from local government.

Simon Lawrence – Municipal Planner 1985 – 2010

Simon Lawrence, Director of Planning, retired early enough to enjoy the spring and summer weather and make travel plans before the winter!

We have no doubt that Simon will find it much easier to get out and see the world now!



Chris Pease – Chief Administrative Officer 2006-2010



Chris Pease, Chief Administrative Officer, announced his retirement in May and left his position in October, 2010.

We hope he'll soon find himself in the warmth of the sun on a white sandy beach.

"Retirement is merely a new direction that begins when you are ready for something other than 9 to 5." Chris M. Pease

We wish Simon (Mary) and Chris (Jane) the very best in their richly deserved retirement!

Administration Profile

The Chief Administrative Officer advises Council and is responsible for providing overall direction to all City staff and ensures that Council's priorities and directions are carried out regarding work programs and the use of the City's resources. Acting as Director of Corporate Administration, he also is responsible for directing and carrying out the responsibilities of the Corporate Administration Department.



Administration Staff, under the direction of the Corporate Officer, provide the primary administrative support to the Mayor and Council and the Standing and Select Committees formed by the Mayor and Council. Responding to public inquiries, City records management, coordinating the preparation of major reports including Annual Reports, and managing Council elections are additional major staff responsibilities.

The Occupational Health and Safety Advisor provides advice and assistance to staff on occupational health and safety matters, provides support to the Occupational Health and Safety Committee, and helps ensure Worksafe BC standards and requirements are met.

The Bylaw Enforcement Officers help educate the public about City bylaw compliance requirements and enforce compliance where necessary. These Officers also provide assistance to the RCMP and Fire Rescue on request.

The Emergency Preparedness Coordinator, in a part-time contract position, coordinates the implementation of the City's Emergency Preparedness Plan and organizes related training exercises for City staff.

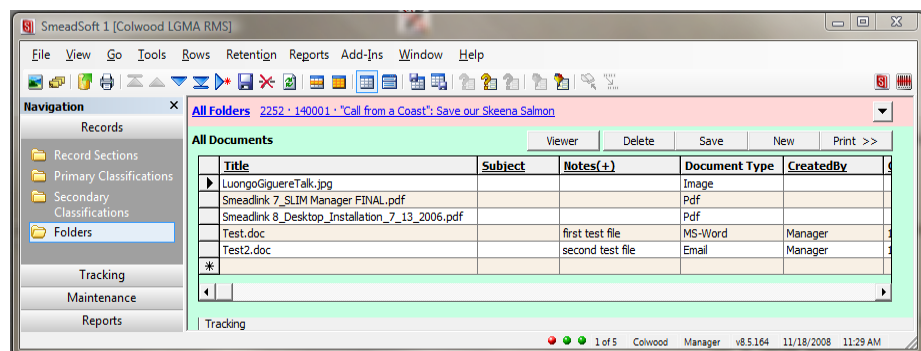
2010 Services and Operations Highlights

The "Colwood Connection" newsletter to the community was reinstated in 2010. City Council sees this as a valuable way of helping to keep the community informed about City activities.

A second Bylaw Officer position was reinstated in 2010. This allows for a team approach and back-up in the field as well as continuous coverage during periods of vacation and other leaves.

The paper chase continued in 2010 with records management implementation.

Many of the City's documents can now be found using search words: a simple click allows staff to view the electronic version of the documents on their computers.



Chief Administrative Officer
Deputy Director of Corporate Administration

Ross McPhee
Pat VanBuskirk

rmcphee@colwood.ca
pvanbuskirk@colwood.ca

Finance Profile

The Finance Department is responsible for the financial well-being of the City, through the provision of effective and reliable financial advice, services and information to Council, staff and the public.

Over \$13 million is collected annually from various sources including property taxes, utility payments, user charges and senior government grants. The Finance Department oversees the expenditure of these funds through the annual budget process. Financial functions also include accounts payable, payroll, insurance and risk management.

The Finance Department effectively manages highly cyclical cash flows ensuring adequate funds are available to fulfill the strategic plans and initiatives undertaken by the City. The Finance Department works in collaboration with other departments to ensure the fiscal responsibility and stewardship of the City's operations and assets.



2010 Services and Operations Highlights

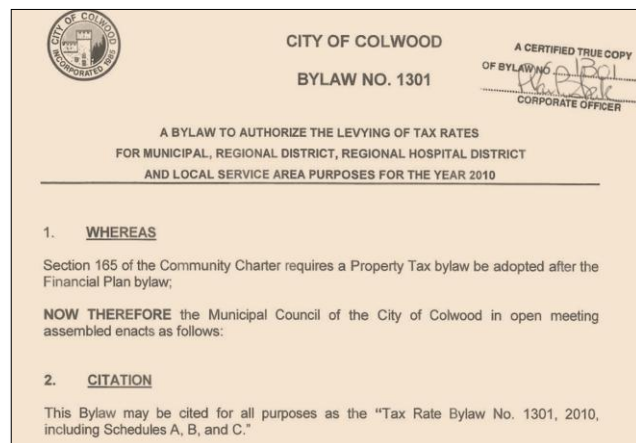
The Finance department continued the implementation of the City's new core financial system well into 2010. Several new internal controls were introduced including controls over purchasing, cash management and payroll.

Financial record keeping and reporting was both accurate and timely under the new financial system. The 2010 audited financial statements were approved by Council in advance of the May 15, 2010 statutory deadline. The Statement of Financial Information formed part of the Annual Report.

Reserve funds continued to be rebuilt in 2010. Several new reserve funds were created including reserve funds for capital projects and equipment replacement.

Primary functions include:

- Financial planning and budgets
- Treasury and cash management
- Debt management
- Accounting and payroll
- Financial reporting and internal control
- Property Tax
- Business Licenses
- Sewer Utility invoicing
- Municipal Budget
- Public service queries



Director of Finance (Acting)

Jennifer Reed

jreed@colwood.ca

Deputy Director of Finance (Acting)

Jenn Preston

jpreston@colwood.ca

Planning and Development Profile:

In general, the Planning Department is responsible for all corporate functions related to community planning, zoning and development, excluding building inspection and bylaw enforcement. Planning staff provide advice and assistance to the public as well as to Council and the City's advisory committees on most types of land use issues. In addition, this Department is often responsible for the coordination of strategic projects for housing, recreation, economic development and the environment, while commonly acting as liaison for the City in regard to planning initiatives undertaken by other agencies or government bodies.

One element of the Planning Department's role in the day-to-day administration of land use and development matters is reflected in the processing of a yearly average of 7 Rezoning applications, 11 Development Permit applications, 6 Subdivision applications, 11 Development Variance Permit applications and 252 Secondary Suite Permit applications between 2005 and 2010, inclusive.

A number of brochures have been developed by this Department in order to help the business community and public understand when permits or applications are required prior to undertaking certain works or projects. These guides include procedural charts to demonstrate the required steps that must be followed to obtain a permit or complete an application process.

The following are some examples of the information available:

- Development Permit Application Guide
- Development Variance Permit Application Guide
- Rezoning Applications
- Subdivision Application Guide



Engineering Profile

The Engineering Department is primarily responsible for ensuring that infrastructure under the control of the municipality is constructed and maintained in accordance with the policies and bylaws of the City and with good engineering practice. This involves parks, roads, sidewalks, drains, sewers, streetlights, traffic signals, signs and City owned buildings. Most of the infrastructure is constructed by developers and inspected, approved and then maintained by the City. The infrastructure constructed by developers, for which plans must be reviewed and approved before it can be constructed and inspected, amounts to several millions of dollars in value each year. Staff try to be creative in getting the best improvements for the community without imposing unworkable burdens on development and they welcome open discussions with everyone involved.



The department's biggest role in the last five years has been in reorganising the structure of the Local Service Areas for sewers in order to make sewers available to more people and improve the tax situation. This has been a long and sustained effort that is nearing final resolution.

The Engineering Department also produces long range plans for the future of the City's infrastructure to ensure that current construction fits with the community's desired future as expressed through the Official Community Plan and other community reviewed and Council approved documents. Right-of-Way permits, blasting permits, special events permits and permits for moving soil or other earth materials are also processed through the Engineering Department. The department is in the process of some re-organisation to improve our responsiveness to the public and better help other departments of the City.



Director of Construction & Infrastructure Maintenance
(City Engineer)

Michael Baxter mbaxter@colwood.ca

Building Inspections Profile



The City of Colwood Building Inspection section performs a vital community function ensuring that newly constructed and/or renovated buildings conform to the health and safety requirement of the British Columbia Building Code and associated regulations. The section's mission is to provide for the protection of persons and properties in everyday use and activity, as well as to make certain a building will perform in emergency events ensuring public safety. The staff's goal is to ensure a building's life safety systems are designed and constructed to the rigors of the BC Building Code, providing a healthy living, working, playing, and shopping environment.

The Building Inspection section operates within the Engineering Department providing full building inspection services to land and building developers, building contractors and home owners with respect to the administration and service delivery of the City of Colwood Building Bylaw and the British Columbia Building Code. The section also provides advice and interpretations on Building Code and Land Use Bylaw issues to homeowners and operators of small businesses within our community. Additionally, they issue permits and conduct inspections for plumbing, fire sprinklers, wood stoves and fireplaces, and irrigation systems.

This section is also a member of the development review team which meets regularly with the aim of streamlining building and land development within Colwood and striving to help developers avoid costly and time consuming pitfalls in the regulatory environment.



Latoria Walk Development (2011)

Public Works Profile

Reporting to the City Engineer the Public Works section is primarily responsible for maintaining the community's sidewalks, streetlights, roads, traffic signals, sewers, drains, parks and City owned buildings. The section also provides snow clearing in the winter and spring clean-up and branch drop-off at the Public Works Yard throughout the year. Public Works staff are called out whenever the weather is at its worst to keep our infrastructure functioning, whatever the conditions.



Fire Rescue Profile



The Colwood Fire Department was officially established June 12, 1946.

Now under the current direction of Fire Chief Russell H. Cameron and a dedicated Officers group, the department proudly serves our growing and vibrant City with a composite fire suppression model, made up of both Career and volunteer members. All are dedicated fire suppression and rescue professionals trained and certified under the British Columbia firefighters training program with certification to NFPA 1001 and 1002 as well as many specialty course programs. Currently the department has 7 Career staff and 32 volunteer members with 2 administrative support staff members.

Colwood firefighters are extremely proud of the services they provide to our residents and to those who may visit Colwood. The members are dedicated trained professionals with a high level of competency who place a high value on the services they provide to our residents, our friends, our neighbors or anyone in their time of need.

The Colwood Fire Department is proudly supported by our community and with pride we endeavour to ensure that we make a difference in someone's life on every call for assistance. With over 60 years of faithful service to our City, the Colwood fire department has positioned itself to be a key emergency service provider in the growing West Shore area. Our training program is the focus of the department which ensures that professional service is provided while ensuring the utmost safety of our members. This training focus also has ensured that many new members are eager to join our organization, a testimony that speaks to the culture and pride we instill in our composite fire service delivery model, a model which clearly demonstrates competency and affordability to our residents.



Colwood Fire Hall Museum

West Shore RCMP Detachment Profile (located at 698 Atkins Avenue in Langford, BC)

The West Shore RCMP Detachment is responsible for policing five municipalities and two aboriginal communities, which combined has a population base of approximately 62,000 people. The West Shore Communities include Colwood, Highlands, Langford, Metchosin, View Royal, Songhees First Nation, and Esquimalt First Nation. The detachment has 56 regular members, 17 municipal employees, and one public service employee (federal government).



The West Shore Communities contract RCMP services and the Cities of Colwood and Langford and Township of View Royal are owners of the West Shore RCMP Detachment building. The detachment houses the Victoria Public Safety Answering Point Dispatch Centre (911 services), which employs 17 full time and eight casual employees.

Key services provided by the RCMP:

- general duty policing
- forensic identification
- police dog service
- community policing
- general investigations
- traffic service
- street crime
- fraud unit
- administrative support

Volunteers play an essential role in the success of the West Shore RCMP Detachment. More than 70 dedicated volunteers who serve with the RCMP provide an invaluable service to our communities and the detachment. This includes, but is not limited to:

- Auxiliary Constable Program
- Speed Watch
- Community Policing Advisory Committee
- Keep in Touch Program (KIT)
- Restorative Justice
- Greater Victoria Police Victim Services

“The members, staff and volunteers of West Shore RCMP Detachment are committed to, and strive to deliver, excellence in policing services. Through the prevention and reduction of crime, in partnership with our communities, our objective is “Safe Homes and Safe Communities”. We are confident we will meet the challenges before us and are proud to serve the West Shore.”

Officer in Charge	Inspector Mark Fisher	250-474-2264
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Municipal Bylaw Enforcement Profile

Municipal Bylaw Enforcement Officers enforce the City's bylaws working together with other City departments. Their role is to ensure all residents and businesses in the community comply with the City's bylaws and educating the public about the rules and regulations is a high priority. Enforcement is seen as a last but necessary resort to ensure the City's bylaws are respected. Also, non-compliance may adversely affect others. A number of enforcement responses are complaint driven, while others are a result of persons not following through on requirements under regulated activities. The Officers also work with the RCMP to address traffic safety and reduce speeding on City streets and assist Fire Rescue and Public Works services.

2010 Services and Operations Highlights

Municipal Bylaw Enforcement responded to 525 complaints in 2010. This number shows only the number of complaints received and represents only a small sample of the work done by these Officers. There were 248 follow ups on the complaints in which the Bylaw Officers had to re-visit an address to conduct a second inspection or address a question or concern raised about the complaint.

There were also 428 patrols made within the City's many parks. The Officers try to maintain a visible presence in City parks, especially during the warmer months, as this allows the Officers to be seen by the public and to speak to the residents they meet on the trails or at the beach.

The Officers issued 34 municipal tickets to violators for a variety of infractions and issued 92 warning notices. This resulted in 11 Court appearances for disputed tickets and three payment hearings to collect the outstanding fines.

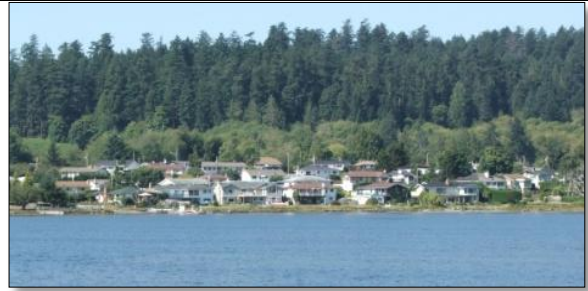


West Shore RCMP Detachment Open House



Assisting RCMP to reduce speeding

City Services



City of Colwood Vision Statement

The adopted Official Community Plan identifies this vision for Colwood:

“Our safe, 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.”

This vision, developed with community input and adopted by Council as the City’s guiding vision, underlies all that we do and what we are striving to achieve and it provides the basis for the City Staff mission statement which follows:

City Staff Mission Statement

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.



2010 Accomplishments and 2011 and 2012 Objectives to Address City's Priority Focus Areas

The City's Strategic Plan adopted in 2006 sets the stage to translate priority City focus areas or goals into more immediate related objectives to be achieved and the necessary actions to achieve the objectives. Outcomes related to the actions are then measured over time.

The City focus areas established are: **customer focus and efficient use of tax revenue; safe city; economic diversity; efficient transportation and infrastructure; and environmental care.** As these focus areas are addressed over time, more specific objectives to be achieved each year related to these focus areas are identified and measurements to determine success in accomplishing these objectives are set out.

The following information describes what was accomplished in 2010 to address these focus areas and 2011 and 2012 objectives are identified. The measure of successful accomplishment is the objective being met.

Customer Focus and Efficient Use of Tax Revenue

The City of Colwood continues to develop as a desirable place for people to live, work, invest, learn, and play. Council and staff actively promote changes and improvements to protect and enhance the safety and well-being of its residents and businesses. Council and Staff take their roles in the community very seriously and providing exceptional customer service is a high priority. City policies and practices have been revisited and are being monitored and re-evaluated regularly to ensure that services provided are useful and relevant to the needs of the community and are implemented cost-effectively.

To achieve and enhance excellent customer focus and services, the City is committed to implementing innovation by promoting customer centered service; enhancing service delivery; investing in infrastructure; implementing rigorous financial processes; and improving communication with the community.

2010 Accomplishments

- Reinstated the City's Colwood Connection Newsletter to better inform the public of developments and activities in the City
- Development permits approved at staff level to improve turn-around time
- Supported creation of a Colwood community Green Map (Silver Jubilee Edition 2010)
- Support CRD updates of West Shore parks and trails map information on CRD's GIS-Natural Areas Atlas (ongoing)
- Published parks and trail map on website with picture links (started)
- New automated till and monitor screens installed into financial network
- New core financial system implemented with significantly improved accounting and reporting procedures and abilities
- Rebuilding City's financial reserves (started and ongoing)
- Development review meetings with staff and development proponents held early in the process to facilitate problem resolution

2011 Objectives

- Implementation of the Solar Colwood Program (Year one of three)
- Complete development of a customer service policy
- Research and implement the preferred GIS software for the City (started 2008)
- Continue supporting CRD updates of West Shore parks and trails map information on CRD's GIS-Natural Areas Atlas (ongoing)
- Harmonize CADD mapping (started 2009)
- Work with BC Assessment Authority to create long term stability in the Royal Bay Assessment values (started 2009)
- Establish a reserve to balance off changing annual RCMP costs
- Ability to pay some financial transactions by credit card
- Continue rebuilding financial reserves
- Make available customer service and other specialized training for employees
- Improve tracking systems so that permits and other requests can be processed more quickly and smoothly (started 2010)
- Establish and implement baseline standards for service – e.g. application process times; response times (letters, phone calls, emails); complaint resolution tracking; parks and road maintenance

2012 Objectives

- Install overhead projection capability for Council Chambers
- Contract for the supply of an accurate Cadastral mapping base
- Improved City Website
- New Software to enable virtual city hall accessible by residents and businesses
- Reduce sewer user fees by 20% for the average user



Royal Roads University



Fort Rodd Hill Barracks

Safe City

A safe City allows its residents and businesses to have the benefit of feeling safe at home, in the workplace, or in the community. This is an important factor when deciding where to live, raise a family, or conduct business. City Council wants our community to grow and thrive. Through careful planning and development those already enjoying the benefits of a sought after community will remain and new citizens and businesses will be attracted to the community. Planning and developing quality protective services (Fire, Police, Municipal Bylaw Enforcement, Emergency Planning, Building Inspection) demonstrates the City's commitment to creating a safe community for everyone.

Protective Services are critical to the safety of the community and the City is committed to the following strategies: enhance protective services by creating a strategic plan for future fire department needs; work with RCMP to improve safety and keep crime rates low; encourage and practice emergency preparedness training; improve transportation links and models, including expanding the pedestrian infrastructure; and create emergency preparedness self sufficiency.



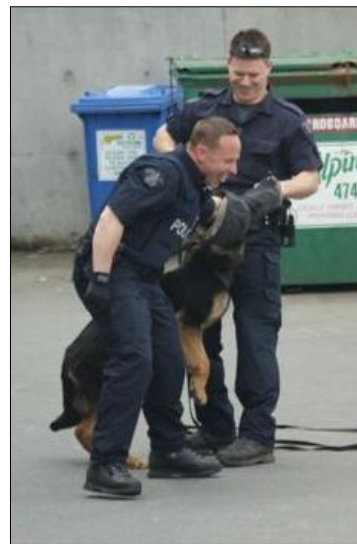
2010 Accomplishments

- Suppression of one of the largest fires in Colwood in the last 25 years. Fire Rescue successfully stopped a large structure fire at the Colwood Plaza shopping centre on June 6th, 2010, which resulted in many local businesses being saved from destruction and prevented the complete loss of the shopping centre
- Confirmed approved funding model and established 20-year fire equipment replacement program
- First Responder Training Program increased by 500 hours resulting in 4,490 total training hours in 2010
- Volunteer firefighter recruiting process completely overhauled to ensure that the city attracts and maintains active and is engaging new firefighting members from the community to support the volunteer core of the Fire Department. This process will be phased over 2010, 2011, and 2012. The first phase is complete and the Department is well into the second phase with completion of all phases expected in last quarter of 2012
- Complaints related to beach fires, campfires, and open burning reduced by more than 50%
- Total requests for emergency fire services recorded at 455 – down significantly over 2009 and a seven year low
- New Colwood Emergency Response and Recovery Plan: 90% complete
- Colwood Fire Rescue performance report published annually
- Secured donations for 2010-2011 school year to fund school crossing guards at three designated locations in Colwood



2010 Accomplishments

- Business Break and Enters dropped by 47% in Colwood
- Impaired Driving down by 56%
- West Shore RCMP worked closely with the Colwood Bylaw Unit and the Colwood Fire Department to ensure that the Naval Fleet Review and Fort Rodd Hill celebrations were a success
- Creation of a Regional Domestic Violence Unit to provide enhanced service to victims in high risk domestic violence situations
- Thefts down by 23%
- Full time two person mountain bike squad patrolled the beaches and Galloping Goose trail network



West Shore RCMP Detachment Open House demonstrations and activities



2011 Objectives

- Continue the strong working relationship with the WestShore RCMP to ensure the best services for Colwood citizens
- Begin annual sidewalk installation program to expand the pedestrian infrastructure
- Fund and provide tablet technology for building and enforcement activities
- Secure donations for 2011-2012 school year to fund school crossing guards at three designated locations in Colwood
- Research the feasibility of emergency preparedness partnerships with City neighbourhoods, businesses and schools
- Review the City's emergency planning reporting structure and governance
- Publish an annual Fire Department performance report (done annually)
- Finish "second phase" of three year volunteer firefighter recruiting process to attract and maintain active and engaging new firefighting members from the community to support the volunteer core of the fire department
- Complete review and update of Fire Prevention and Suppression Bylaw (review started in 2010)
- Continue participating in community events to increase the positive public image of the City and Municipal Bylaw Enforcement services
- Ensure education of the public about the City's Bylaws as the first step in gaining compliance.
- Strengthen City inter-department communication to achieve more expedient resolution of Bylaw issues in the community
- Maintain positive public relations while working to resolve bylaw complaints received by the City
- Develop a business plan to track and remove graffiti
- Bylaw Enforcement participation in traffic planning for the Tour De Victoria event expected to attract 700 riders through some City streets

2012 Objectives

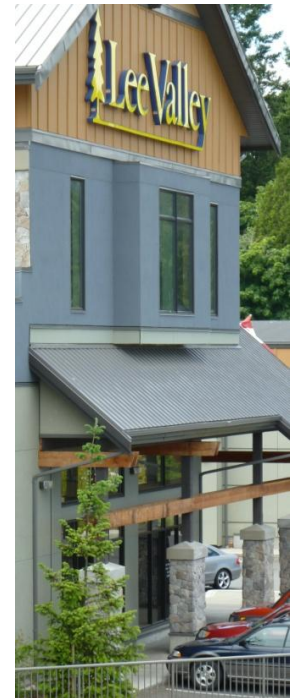
- Renegotiate the RCMP contract (expires 2012)
- Finish "third phase" of three year volunteer firefighter recruiting process to ensure the City continues to attract and maintain active and engaging new firefighting members from the community to support the volunteer core of the fire department
- Implement plan to track and remove graffiti



Economic Diversity

A City that wants to become and remain sustainable should provide a variety of places and spaces for its citizens to invest, live, play and work. To achieve this It must create and perpetuate the necessary conditions to foster sufficient job opportunities, a wide range of amenities and a variety of commercial business and industrial opportunities. The City's Official Community Plan creates a clear development guideline for prospective businesses and the community as a whole by designating appropriate lands for defined uses.

To meet these needs, the City will continue to: review internal process costs; create leisure opportunities by supporting culture and arts in Colwood; support events, sports, business, tourism, and land and economic development in the West Shore; build beneficial partnerships with other public and private sector organizations; update planning and development and engineering strategic and operational plans; define the City's direction to provide a range of housing; and enhance service delivery by streamlining City and inter-governmental business processes.



Lee Valley – Wilfert Road

2010 Accomplishments

- Aligned City approval process for new development with objectives and policies of the Official Community Plan (OCP) and expedited applications which meet the OCP performance standards (started)
- Implemented registration of existing secondary suites
- Financially supported the West Shore Magazine
- Worked with City of Langford, School District No. 62, West Shore Chamber of Commerce, First Nations, and other agencies to lobby to fund two new high schools and a 'Neighbourhood Learning Centre'
- Secured a \$3.9 million Natural Resources Canada Grant for the Solar Colwood Program, which will be leveraged with partnerships and property owners' investments to create over \$12 million in economic activity in the Colwood area

2011 Objectives

- Continue working with the City of Langford, School District No. 62, West Shore Chamber of Commerce, First Nations, and other agencies to lobby provincial and federal governments to fund two new high schools and a 'Neighbourhood Learning Centre'
- Increase Building Inspection section efficiencies by working with the development community to ensure a service delivery model responsive to development needs
- Complete update of Subdivision and Development Bylaw, including new design and beautification standards (started)

2012 Objectives

- Complete 2011 Objectives

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 – now and into the future. The increasing traffic volume 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 and vice versa suggests that no single government organization in the region can create workable solutions on its own. The City must continue to work with the Provincial Ministry of Transportation, the Capital Regional District, BC Transit and other municipalities to resolve these issues.

The City is focused on creating transportation choices for its citizens. To this end the Official Community Plan 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 improvements 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 movement of people, services and goods. The City recognizes that 'smart growth' land use is critical to the solutions.

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 pace of growth. The City's 'green infrastructure'—riparian areas, parks and urban forest—is also a valued part of our infrastructure.

An efficient transportation and infrastructure plan requires an ongoing investment in infrastructure; enhancing existing City amenities; strategically planning to solve major drainage issues; planning, designing, building and maintaining City infrastructure; developing an accountability framework for infrastructure level of services versus costs; enhanced service delivery with park and trail identification; broadened revenue sources to finance future infrastructure; protecting the environment by reducing local air pollution and thereby accruing health benefits; reducing energy consumption and becoming energy positive; responding to climate change; innovating by exploring a City or West Shore utilities; and creating opportunities by developing a comprehensive vision for Colwood's parks and trails.





2010 Accomplishments

- Continuing to work towards finding solutions regarding sewer service.
- Established a Sewer Oversight Committee to assist in resolving City sewer issues and helping the public to better understand the issues
- Repaired and re-opened Lagoon Bridge (temporary solution)
- Developed a Community Energy and Emissions Plan (CEEP) and terms of reference for Mayor's Task Force on Energy and Economic Growth for Colwood
- Set greenhouse gas targets in the Official Community Plan
- Purchased new hybrid vehicle for inspection department to reduce fuel costs, address transportation needs, and protect environment
- Implemented the anti-idling policy for municipal vehicles (adopted November 23, 2009)
- Adopted a Latecomer Agreement as an administrative procedure and adopted a bylaw to delegate administration of agreements to the City Engineer in collaboration with the Director of Finance

2011 Objectives

- Prepare a sewer master plan for the entire City (started in 2010).
- Combining the 56 original Local Service Areas for sewers into just five to reduce administrative costs and create a fairer and more workable system.
- Create databases of property areas and development potential and convert all LSAs to parcel tax basis to create a more stable and fair tax system
- Adopt a stormwater master plan (DCC bylaw in progress)
- Create an information graphic and colour scheme for parks and trails signs (started in 2009)
- Develop a Plan Performance Maintenance Budget (in progress since 2008)
- Purchase fuel efficient vehicles (ongoing since 2008)
- Carbon sink: maintain or increase the total tree canopy based on a base year by planting trees (started in 2008)
- Create a work plan for the Coburg Peninsula Interim Management Plan (working with Esquimalt Lagoon Stewardship Initiative (ongoing since 2009)
- Develop the Colwood Creek Park Management Plan (on hold since 2009)
- Resolve third-party sewer litigation
- Road condition survey and master plan for road repair and repaving budgets.
- Create parks and trails five year capital plan
- Participate in Rapid Transit project connecting the West Shore to the core municipalities
- Complete Council approved capital projects in the current year
- Revise existing Development Cost Charge Bylaws (started in 2008)
- Install uninterrupted power supply to LED traffic lights (started 2009)
- Develop a water smart policy for new buildings (deferred from 2009)
- Develop an energy policy for new buildings (deferred from 2009)
- Create interconnected trails and green spaces in the south Latoria Valley developments (started in 2007)
- Adopt an Urban Forest Stewardship Strategy – a tree planting policy for development and urbanization

2011 Objectives continued

- Implement some or all recommendations in the Royal Roads University research – An Evolving City for a Changing World: A Leadership Challenge (started mid-2009)
- Create a plan to restore Latoria Creek – to be paid for through development contributions (started 2010)
- Draft Parks Master Plan (on hold since 2009)
- Research options on how to stabilize Coburg Peninsula and permanently fix the Lagoon Bridge (costs and course of action)
- Review adaption to climate change, e.g., Coburg Peninsula and foreshore, lagoon bridge, storm sewers (started in 2009)



2012 Objectives

- Prepare Transportation Master Plan to determine target lane and junction configurations for all roads and coordinate active transportation with regional plans.
- Prepare Rainwater Master Plan to ensure protection of streams and elimination of flooding problems.
- Prepare Long Term Fleet maintenance Plan and planning for future fuels.



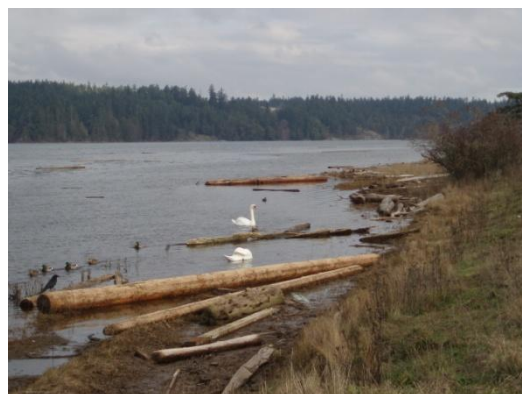


National Migratory Bird Sanctuary at Coburg Peninsula

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 and building 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.



2010 Accomplishments

- Adopted Bylaw No. 1306 to include targets in the Official Community Plan for the reduction of greenhouse gas (GHG) emissions and energy usage in accordance with the *Local Government (Green Communities) Statutes Amendment Act* (Bill 27, 2008)
- Successfully implemented a policy/practice of securing energy reduction provisions at the time of rezoning applications
- Adopted the Solar Ready provisions of the BC Building Code
- Solar Colwood Program: Secured a \$3.9 million grant from Natural Resources Canada with funds to be used to demonstrate whole community change towards clean and renewable energy (See also 2010 Accomplishments under Economic Diversity)

2011 Objectives

- Complete first year of Solar Colwood Program and start second year

2012 Objectives

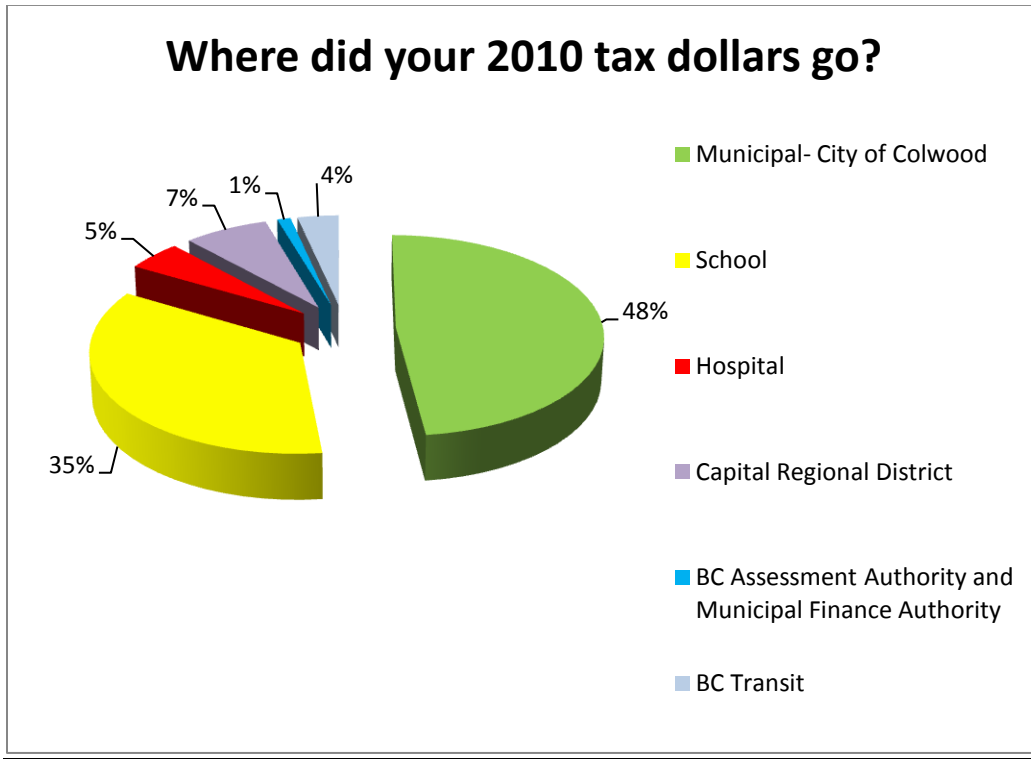
- Complete second year of Solar Colwood Program and start third year. Monitor to see if energy use in the City of Colwood compared to 2010 is reduced as anticipated despite increased development



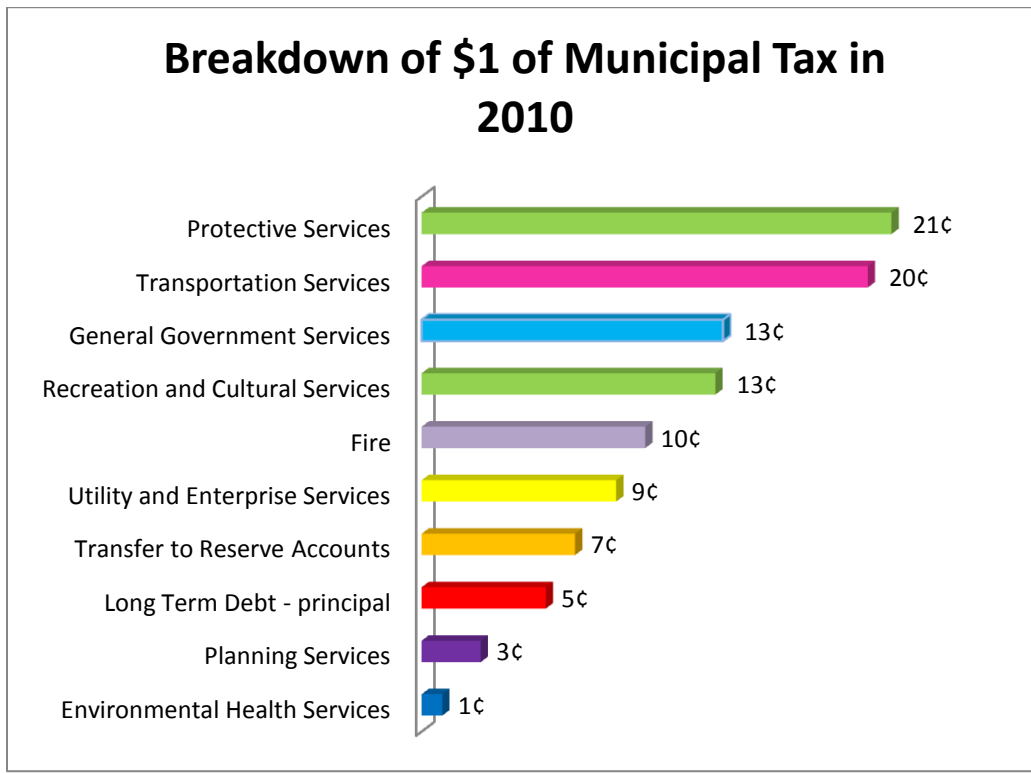
Special Features of Interest

- **Financial: Where Did Your 2010 Tax Dollars Go?**
 - Breakdown of \$1 of Municipal Tax in 2010
 - Breakdown of Protective Services Expenditures in 2010
 - Breakdown of Transportation Services Expenditures in 2010
 - Breakdown of General Government Expenditures in 2010
 - Breakdown of Recreation and Cultural Services Expenditures in 2010
 - Breakdown of Fire Expenditures in 2010
 - Breakdown of Utility and Enterprise Services Expenditures in 2010
 - 2010 Tax Data

- **Building and Business Activity Indicators**
- **Proposed Development in Colwood**
- **Solar Colwood Program**
- **Greenhouse Gas Emissions and Energy Use in Colwood**
- **Wood Chips in Parks, Gardens, and Boulevards: What we are doing – and why!**
- **Colwood Fire Rescue: 2010 Emergency Response Summary**
- **Colwood Emergency Program 2010 Annual Report**
- **Municipal (Bylaw) Enforcement Response by Major Issue**
- **Occupational Health and Safety – 2010 Accomplishments**
- **Go Green / Go Local / Grow Local!**
- **WestShore – The Art of Island Living (Magazine)**

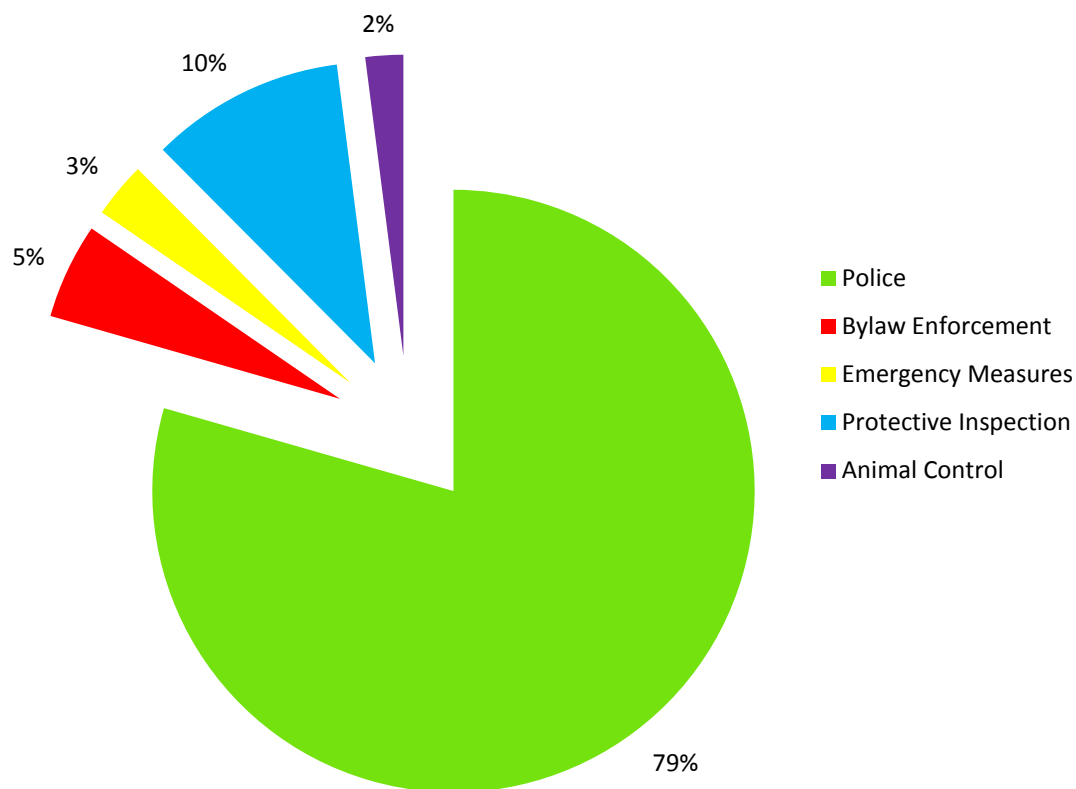


Source: City of Colwood Finance Department



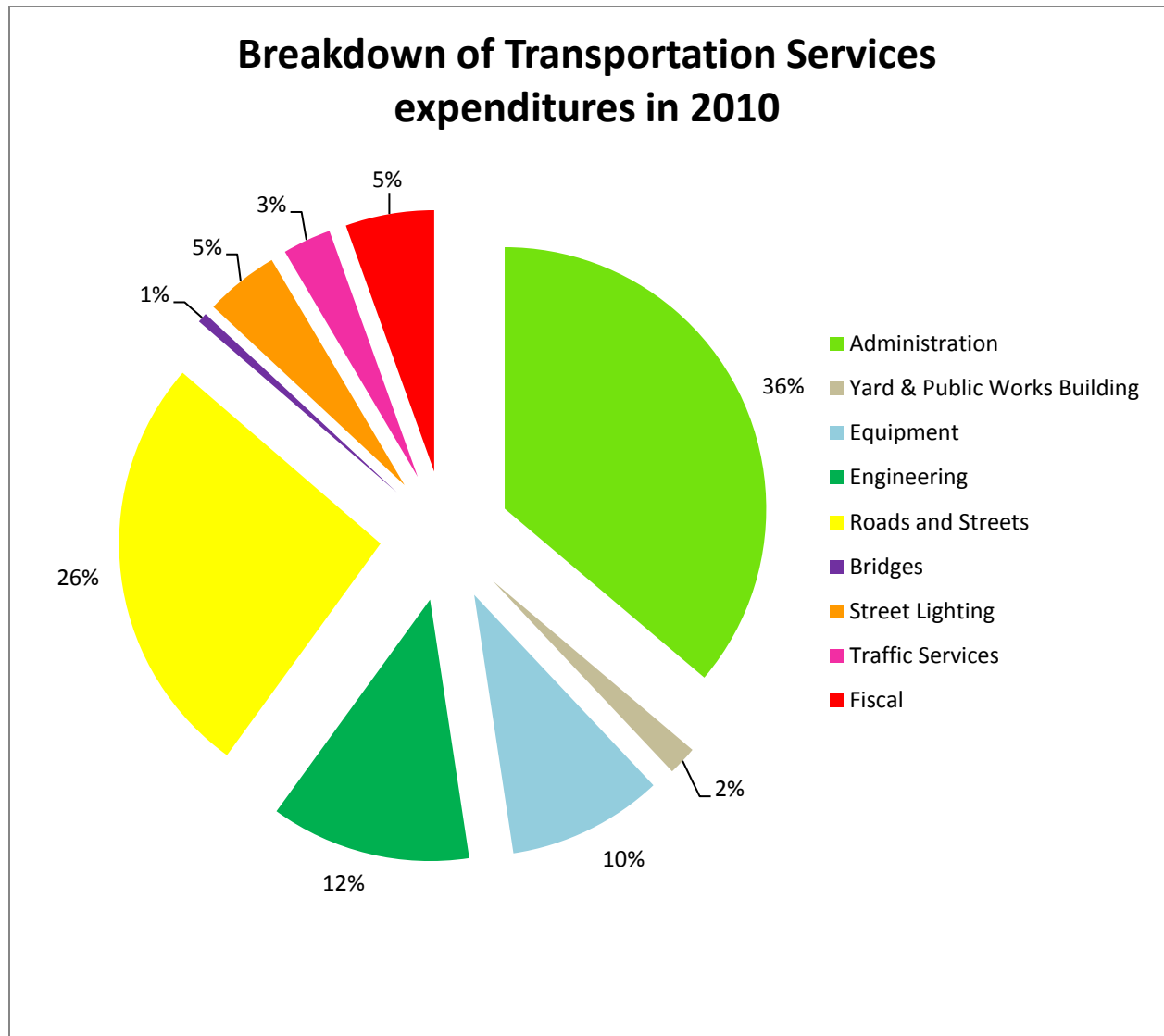
Source: City of Colwood Finance Department

Breakdown of Protective Services expenditures in 2010



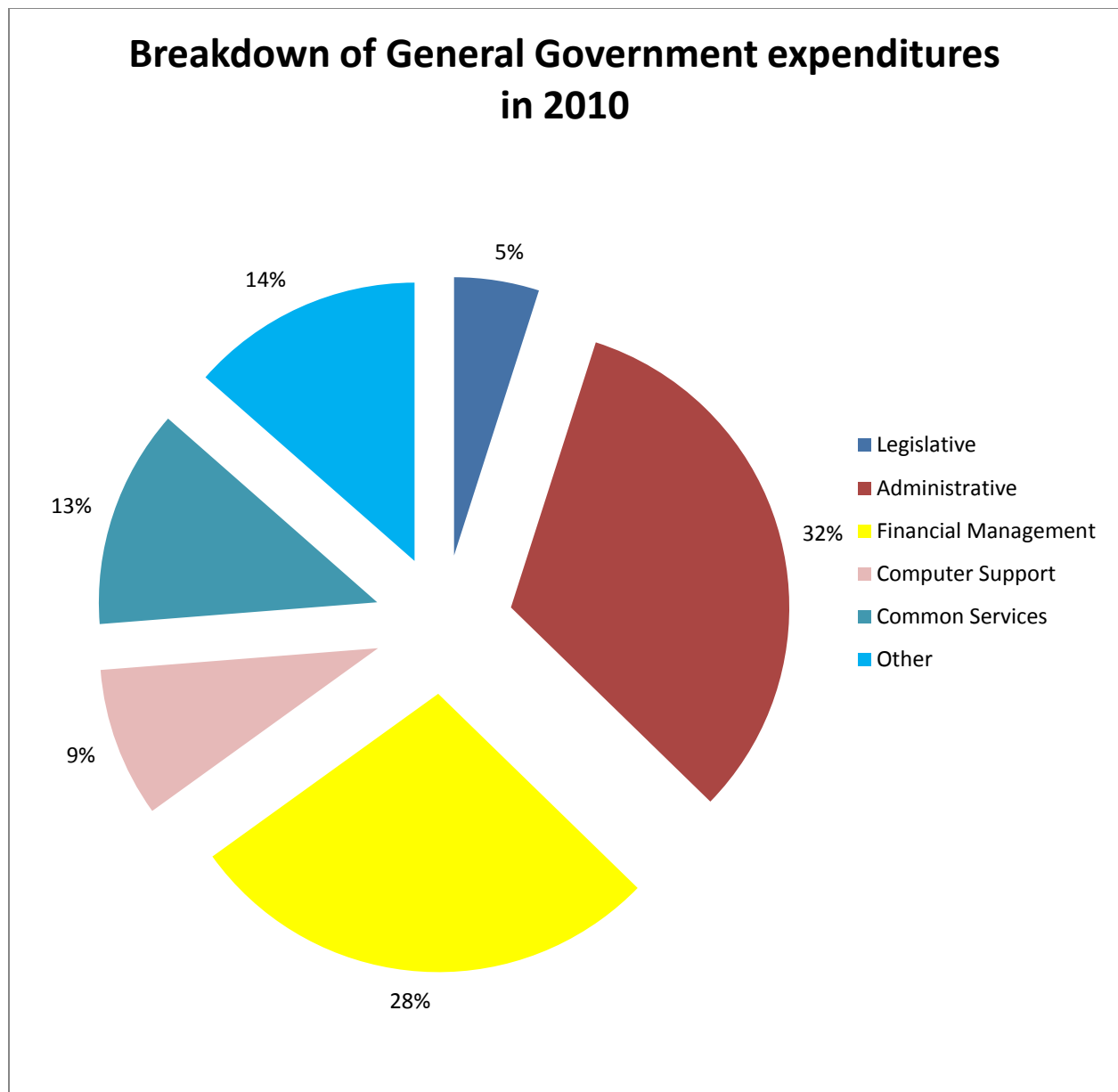
Source: City of Colwood Finance Department

Protective Services is comprised of three different functions including Police Protection, Emergency Preparedness and Regulatory Services. The Royal Canadian Mounted Police (RCMP) provide 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 Emergency Preparedness program ensures that the City is both prepared and able to respond to, and recover from, the 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.



Source: City of Colwood Finance Department

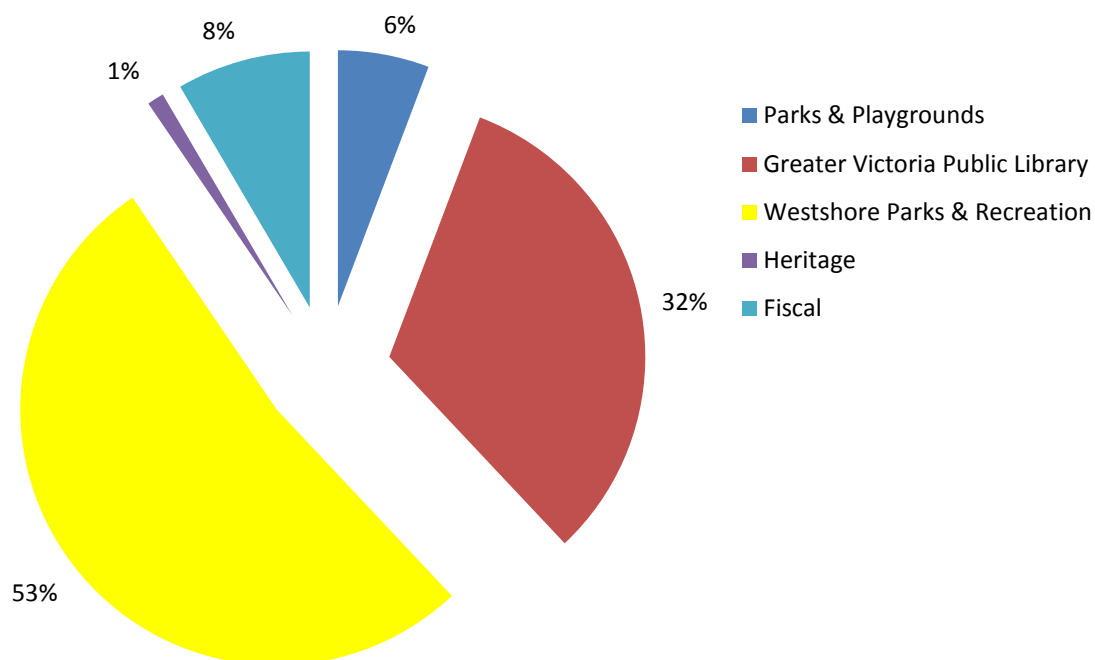
Engineering and Transportation Services is responsible for a wide variety of transportation functions such as parking, engineering operations and streets. As well, this division is responsible for providing services around infrastructure, traffic control, transportation planning, review of land development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



Source: City of Colwood Finance Department

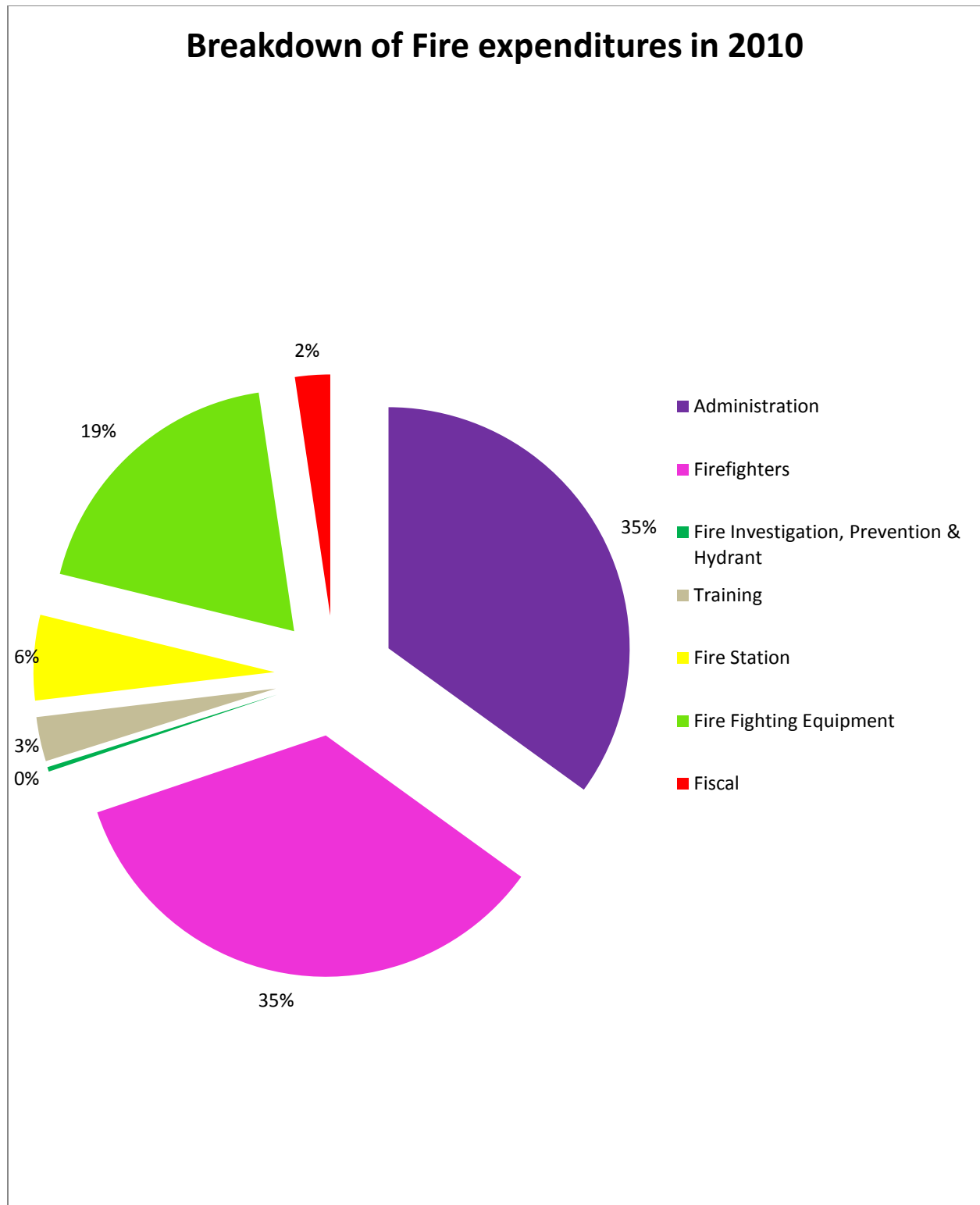
The General Government operations provide the functions of corporate administration, finance, human resources, legislative services and other functions categorized as non-departmental such as information technology (IT) services.

Breakdown of Recreation and Cultural Services expenditures in 2010



Source: City of Colwood Finance Department

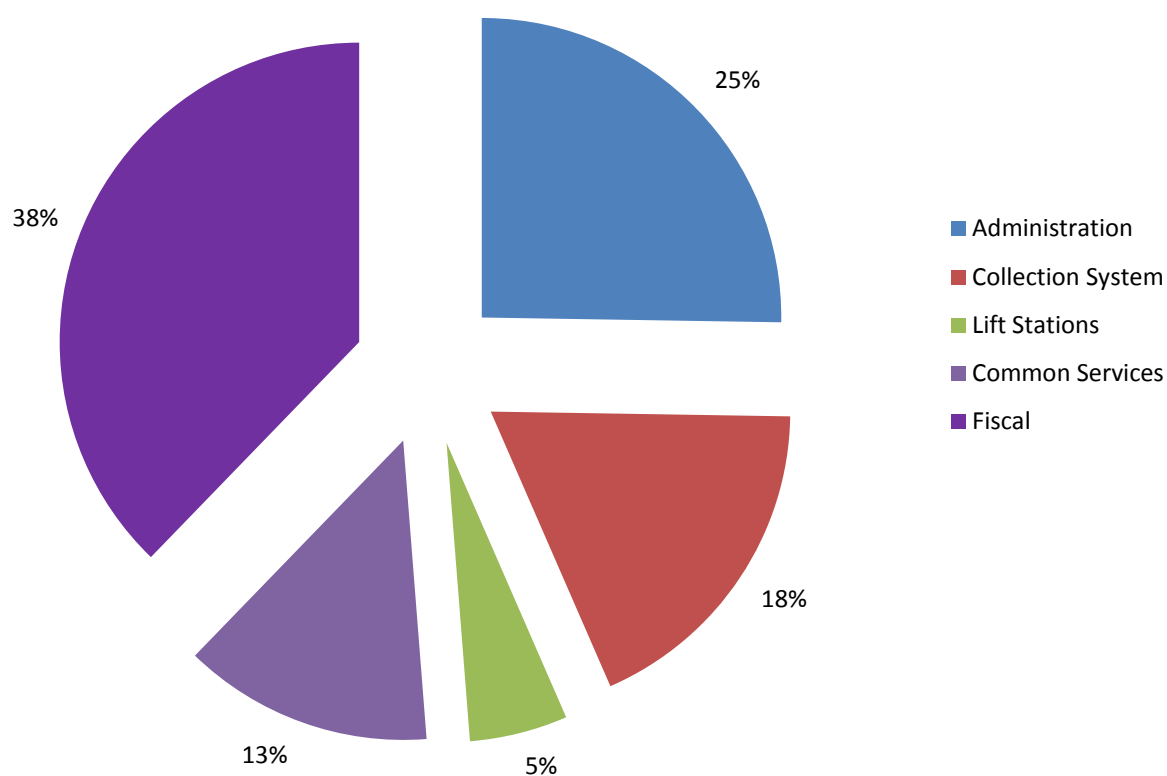
Recreation and Cultural services facilitate the provision of recreation and wellness programs and services throughout the City. As well, this division is responsible for providing services for the maintenance, planning and development of all park facilities which include natural ecosystems, sport and entertainment venues, green space on public lands and playgrounds.



Source: City of Colwood Finance Department

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.

Breakdown of Utility and Enterprise Services expenditures in 2010



Source: City of Colwood Finance Department

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.

2010 Tax Rates

	City of Colwood	School – Province of BC	Capital Regional District	Capital Regional Hospital District	BC Assessment	Municipal Finance Authority	BC Transit
Residential	2.8924	1.9509	0.3954	0.2943	0.0664	0.0002	0.1753
Business	10.6065	6.8000	1.4499	0.7211	0.1987	0.0005	0.8765
Light Industrial	19.7090	6.8000	2.6943	1.0007	0.5051	0.0007	0.8765
Non Profit	9.7700	3.5000	1.3356	0.2943	0.0664	0.0002	0.1753
Farm	92.7700	6.8000	12.6819	0.2943	0.0664	0.0002	0.1753
Utilities	40.0000	14.4000	5.5189	1.0301	0.5051	0.0007	0.8765

2010 General Operating Fund assessment and taxation by property class

	Assessment	% Assessment by Class	Taxation	% Taxation by Class
Residential	2,475,375,477	91.29%	7,159,776	73.18%
Business	219,567,299	8.10%	2,328,841	23.80%
Light Industrial	8,734,507	0.32%	172,148	1.76%
Non Profit	6,484,000	0.24%	63,349	0.65%
Farm	14,505	0.00%	1,346	0.01%
Utilities	1,469,100	0.05%	58,764	0.60%
Total	2,711,644,888		9,784,223	

Taxes collected on behalf of other taxing authorities

	2009	2010
School- Province of BC	6,200,371	6,558,177
Capital Regional District	1,171,128	1,337,599
Capital Regional Hospital	680,208	907,956
BC Assessment	197,407	218,062
Municipal Finance Authority	583	619
BC Transit	556,977	644,176
	8,806,673	9,666,589

Non-consolidated revenues by source (2009-2010)

	2009	2010
Taxation (including special assessments-sewer)	8,630,173	10,585,934
Payments in place of taxes	2,450,463	1,479,550
1% utility taxes	155,159	160,575
User charges	1,197,609	1,993,567
Fines and penalties	259,778	280,070
Investment earnings	120,978	130,454
Unconditional government transfers	997,361	478,195
Conditional government transfers	207,443	369,226
Developer contributions	35,001	890,765
Other	194,204	43,078
	14,248,169	16,411,414

Non-consolidated expenses by source (2009-2010)

	2009	2010
Salaries and wages	5,428,089	5,294,806
Materials, supplies and services	5,959,304	6,004,762
Interest and other	586,969	735,532
Amortization	2,644,429	2,673,323
	14,618,791	14,708,423

Non-consolidated expenses by function (2009-2010)

	2009	2010
General Government	2,208,111	2,483,571
Protective Services	4,346,012	4,198,537
Engineering and transportation services	4,517,298	4,255,557
Environmental health services	164,280	160,754
Environmental and development services	476,823	377,949
Recreation and cultural services	1,909,346	2,052,328
Utility and enterprise services	996,921	1,179,727
	14,618,791	14,708,423

Non-consolidated accumulated surplus (2009-2010)

	2009	2010
Annual Surplus (Deficit)	(370,622)	1,702,991
Accumulated surplus, beginning of year	127,485,980	127,115,358
Accumulated surplus, end of year	127,115,358	128,818,349

Non-consolidated change in net financial assets (2009-2010)

	2009	2010
Change in net financial assets	1,388,362	3,806,511

Reserves (2009-2010)

	2009	2010
New works and equipment	608,332	-
Police building improvements	138,179	139,045
Affordable Housing	220,552	237,985
Amenities	505,477	659,618
Storm Drains	536,092	-
Parklands	19,275	-
Capital Projects	-	845,527
Equipment Replacement	-	306,073
RCMP Surplus	-	491,536
Sewer Capital	-	524,936
Future Operational expense	-	245,979
	2,027,907	3,450,699



Steels – Wilfert Road

Building and Business Activity Indicators

Business Licence Activity									
2009					2010				
	New	Renewal	Total #	\$ Value	New	Renewal	Total #	\$ Value	Value % change
Total	86	347	433	36,175	97	358	455	40,850	+9.6

Building Permit Activity							
	2009			2010			
	# of Permits	Total \$ Value	Permit Fee \$	# of Permits	Total \$ Value	Permit Fee \$	Value % change
Total	141	20,971,108	234,951	154	\$40,129,721	\$412,564	91.3%

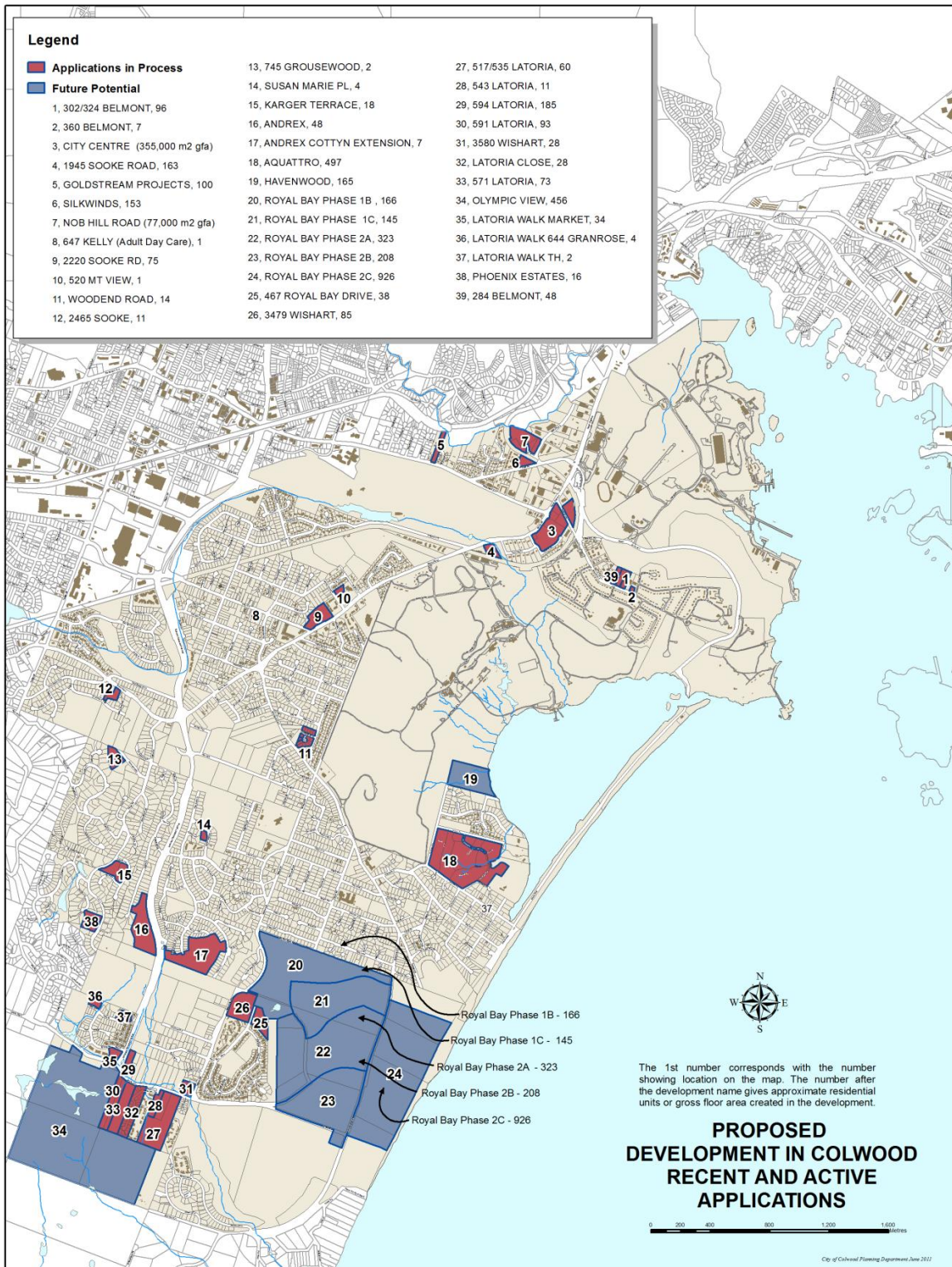
New Units by Type												
2009							2010					
Single dtchd	Dup	Apt	T/H	Det T/H	Mob Home	Total	Single dtchd	Dup	Apt	T/H	Det T/H	Mob Home
45	2	0	22	0	0	141	35	2	-	38	-	-
												75

Subdivision Lots & Stratas Created							
2009				2010			
New Lots	New Bare-land Strata Lots	Lost Lots	New Strata Units	New Lots	New Bareland Strata Lots	Lost Lots	New Strata Units
5	4	0	22	15	1	0	14



Latoria Walk Condominiums

Proposed Development in Colwood





Solar Colwood Program

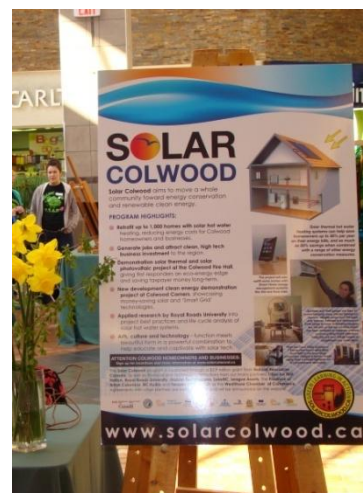
In 2010, the City of Colwood was awarded a grant of \$3.9 million from Natural Resources Canada, with the funds to be used to demonstrate whole community change towards clean and renewable energy. The primary focus is on home retrofits, providing generous incentives for homeowners to install solar hot water systems. The program development stage attracted many partners, who are integral to the program's success:

- ♦ Royal Roads University is conducting the research and monitoring aspect of the program, with several student groups involved in research projects;
- ♦ T'Sou-ke Nation are providing technical expertise based on their T'Sou-ke Solar experiences;
- ♦ BC Hydro asked Colwood to include a pilot project (the first in BC) looking at the energy savings associated with ductless split heat pumps, and provided funding to support the incentives for these systems. Hydro are also co-funding a district energy study;
- ♦ FortisBC (formerly Terasen Gas) are co-funding the district energy study;
- ♦ Horizon Technologies are providing technical expertise on smart home systems;
- ♦ League Assets (the developer for Colwood Corners) will showcase solar and smart home technologies in their new residential development;
- ♦ The Province of British Columbia is supporting the program through its LiveSmart BC home retrofit program, and has expressed interest in demonstrations of electric vehicle charging infrastructure, subject to available funding;
- ♦ The WestShore Chamber of Commerce is providing outreach into the business community as well as the community at large.

Other partners, including the New Car Dealers Association of BC, Camosun College and VanCity Credit Union have since joined the program.

2010 and early 2011 has focused on the program development stage, involving extensive consultation with the program partners and technical experts. Colwood has been working hard to leverage the \$3.9 million, and continues to seek ways to maximise the program benefits for residents and local businesses. The program was announced by (then) Minister Gary Lunn in January 2011, and will be fully launched in 2011 when installations of solar hot water and ductless split heat pumps will occur. The program will be managed by an independent Program Coordinator and supported by an Outreach Coordinator, with both positions fully funded from the federal grant.

Interested homeowners and businesses should visit www.solarcolwood.ca or call 250-478-5999.



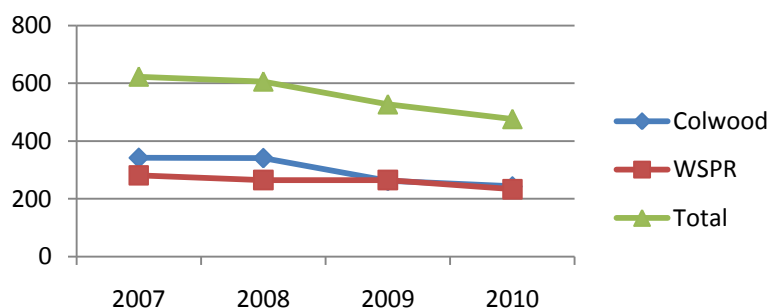


Greenhouse Gas Emissions and Energy Use in Colwood

In 2008, Colwood became a signatory to the Climate Action Charter. This program requires Colwood to measure its corporate emissions profile, become carbon neutral in its operation by 2012, publicly report on its progress to achieve its climate action goals through its proposed actions and become more compact and energy efficient. Colwood's emissions profile includes a proportional amount of the emissions of West Shore Parks and Recreation (WSPR) based on Colwood's share of its ownership. Additional targets of Colwood are to achieve the BC Government's goal of reducing emissions at least 33% by 2020 and to reduce energy consumption of existing municipal buildings and fleets by 15%.

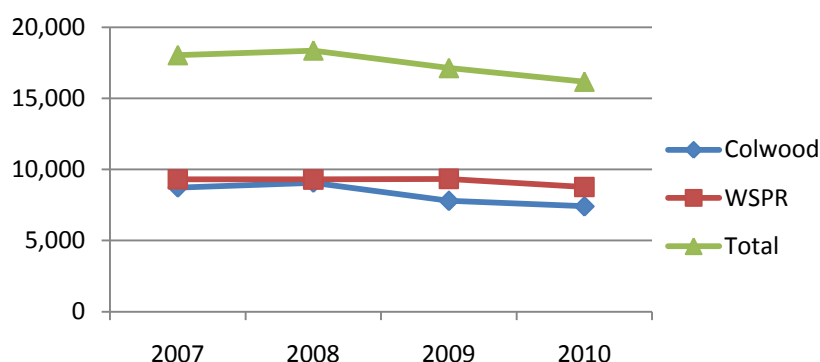
The total corporate greenhouse gas emissions by both Colwood's and Colwood's share of WSPR's operations in 2007, 2008, 2009 and 2010 were 623, 606, 527 and 476 tonnes respectively. The reduction in overall GHG's since 2007 has been 23.6%. The reduction in GHG's due to Colwood's operations only has been 28.9%.

Greenhouse Gas Emissions - tCO₂e



The total energy used by Colwood corporate operations and Colwood's share of WSPR's operations in 2007, 2008, 2009 and 2010 was 18,039, 18,365, 17,131 and 16,175 Gigajoules (GJ) respectively. The reduction in overall energy use since 2007 has been 10%. The reduction in energy used by Colwood's operations only has been 15%, which is Colwood's goal of reducing its energy consumption.

Energy Consumption – GJ



Wood Chips in Parks, Gardens, and Boulevards: What we are doing – and why!

In today's landscapes we are losing many trees to development. Replanting of trees needs a higher priority and our plan is to give this a higher priority. We have limited urban forests and we all need to work together to protect the trees that are left now – for the health of this planet!

The City is actively working to protect these trees and the best way to do that is to protect their root systems. The by-product of ground up branch and leaf materials is put back under our trees because it creates a positive ionic stage in the soil. Never rake this material away from your trees! Leaves and wood chips around the base of our trees keeps them healthier and reduces the need and cost for maintenance, and the wood chips build up huge amounts of nitrogen rich bacteria in the soils and are good for residential use in boulevards and gardens. These chips prevent soil compaction, which is very hard on trees.

Wood Chips produce beautiful humus for the roots to thrive in and they have a huge amount of micro-bacteria and fungus that provide the nutrients for the tree. The tree in turn feeds the micro-bacteria and keeps them working. They also keep moisture in the soil of the trees and root systems and keep it all in a proper cationic stage.

We lose 40% of our topsoil during the winter from dry, heavy winds on the coast. The wood chips retain the topsoil and help protect the root systems of the trees. They are also great for water conservation because they help keep the soil moist.

The City is treating weeds using a weed suppression theory: weeds are covered with wood chips and these wood chips suppress the weeds. When weeds do grow back they are easy to pull out because they root in the wood chips more than the soil. The root system gets weaker and weaker because the weeds have to expend all their energy from their root stocks and it is more difficult for them to reach light. Use of chips also helps keep sidewalks, edges, and shoulders looking nice and clean, which encourages people to keep their properties and boulevard areas nice as well.



Perimeter Park: Demonstrates how beautifully the reclaimed areas are growing back



Herm Williams Park: The Mahonia (Oregon Grape) and Ferns are growing back naturally

Weed-eating shoulders and boulevards is the biggest consumer of parks staff time – time that can be better spent in more important areas, such as our parks and playgrounds. The use of chips in these areas helps suppress the weeds and reduces the need to spray and the frequency of boulevard weed-eating. Weed-eating and spraying not only cuts down the growth, but also destroys the good, natural flora. The number one killer of young saplings of boulevard

trees is weed-eater and mower damage! Our boulevards are now developing into beautiful garden spaces and this practice has reduced weeding labour by almost 80%!



Herm Williams Park: Plants are growing through the wood chips and weeds are suppressed



Gratton Road: Watch this area to see what grows next April!

We strongly encourage wild flowers, bulbs, and native plants to regrow in our boulevards and parks, and our employees put a great deal of effort into encouraging native plants and bulbs to grow within the wood chips. The transition takes some time because the native plants need time to outgrow the old plantings. It's worth the wait because native plantings help reduce maintenance costs and they look beautiful – go look at Gratton Road to see the results of our efforts!

We also encourage you to plant more deciduous trees (e.g. oak, maple, horse chestnut, cherry, dogwood, liquid amber) and to bring your crop of leaves to the public works yard in the fall! These leaves are tremendously valuable in gardens and landscapes. The City offers a free garden waste drop off for all Colwood taxpayers on the 1st and 3rd Saturday of each month. In the spring, come back and help yourself to the free stockpile of leaves/chip compost – readily available 24 hours a day, seven days a week.

A special message of thanks goes out to all the great volunteers who walk through our parks and trails and along the lagoon and city sidewalks cutting down broom and removing other invasive species. We appreciate your efforts and sincerely thank you for helping us keep our City beautiful.

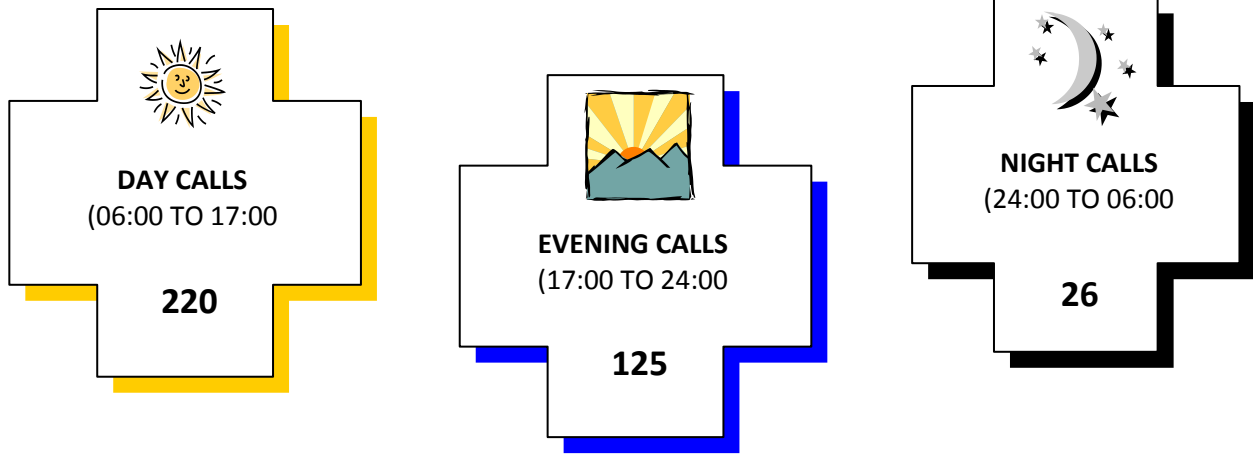
(Article by Scott Brown, Colwood Public Works)



Gratton Road: Boulders allowed the City to reclaim areas and prevent parking on root zones of trees. The wood chips will help re-growth and reduce the requirement for weeding and maintenance.

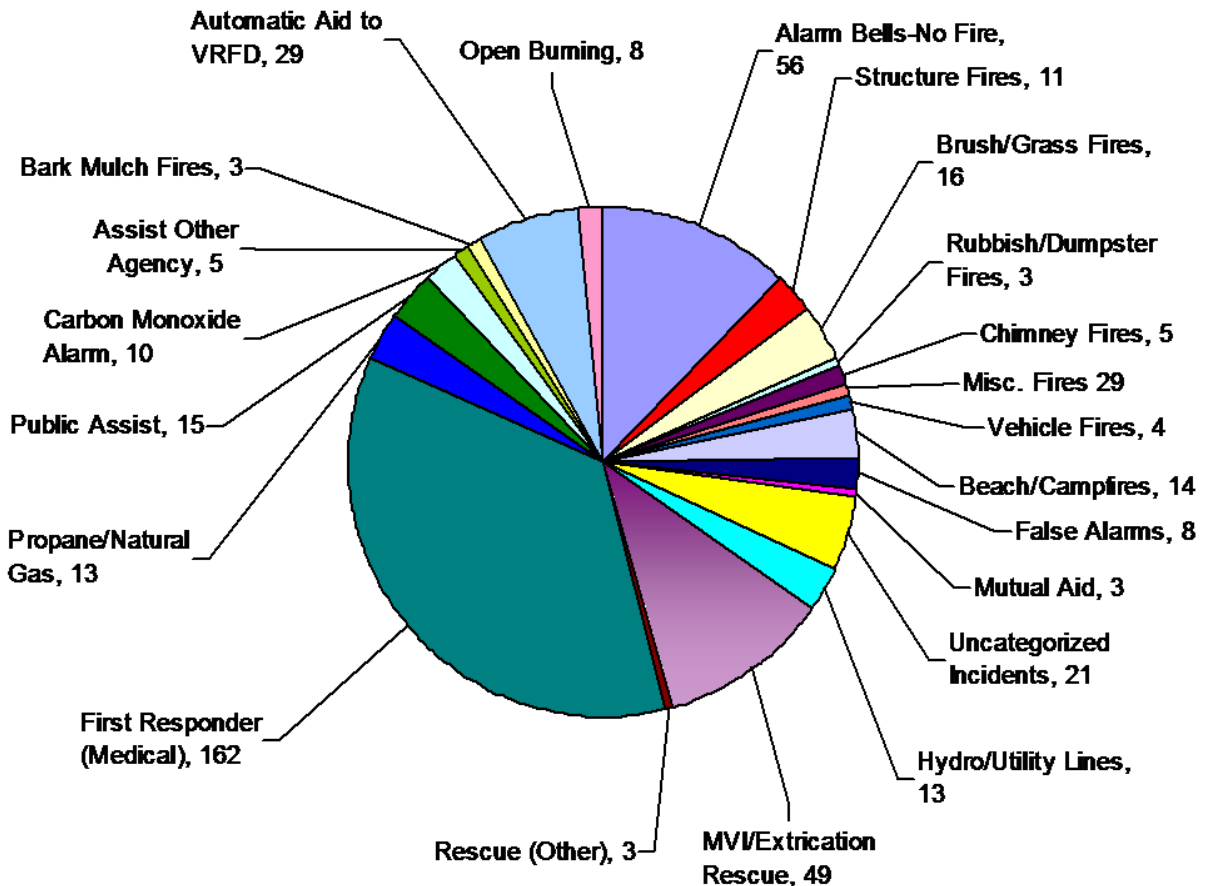
Colwood Fire Rescue

2010 EMERGENCY RESPONSE SUMMARY



Note: Colwood Fire Department attended a total of 371 Emergency Calls in 2010

2010 RESPONSES BY TYPE OF CALL



Colwood Emergency Program 2010 Annual Report



When we see the disasters happening around the world we should realize how fortunate we are to live in Colwood, where we do not face many of the hazards seen in other locations. However we do face a number of hazards and must ensure that we as the City and our residents are knowledgeable and prepared to handle these events.

Our front line responders, Colwood Fire-Rescue and Public Works are committed to ensuring that all staff and volunteer members are trained in the Incident Command System and the introductory Emergency Operations Centre levels. All staff at City Hall were required to undertake Emergency Operations Centre training and participate in at least one emergency exercise during 2010.

Colwood is fortunate to have a strong Emergency Support Service team of volunteers who are trained and ready to assist our residents in emergencies ranging from a family displaced from their home due to a fire, to a large scale includes of 39 dedicated members. In 2010 they responded to a total of five callouts, two of which were in Colwood. These volunteers dedicate themselves to always being ready to assist others and conducted a number of public information sessions as well as participating in the annual Emergency Vehicle Display to promote Emergency Preparedness Week. Training is another important role these volunteers are dedicated to and they collectively donated 28 days of their time in a variety of courses to enhance their skills and knowledge. Also, 14 members attended the annual Vancouver Island Emergency Preparedness Conference.



We are also fortunate to have a group of dedicated emergency communications volunteers, commonly called “ham radio” operators. These members operated from a base radio station adjacent to the Council Chambers and join with other groups throughout Greater Victoria to ensure that we have communications with other municipalities and Provincial agencies during an emergency if other communications systems fail. Colwood also has a trailer equipped with communications equipment that can be taken to the site of emergencies to provide a vital communications link; this trailer has been used throughout the year to support community events.



The Colwood Emergency Planning Committee made up of City department heads and partner agencies including the RCMP, DND, Westshore Parks and Recreation, BC Ambulance, and Royal Roads University meet on a regular basis to ensure our plans, training and exercises are up to date and consistent among all agencies. Our Emergency Program Coordinator was active at the Regional level meeting with the other local government coordinators and emergency coordinators from agencies such as Vancouver Island Health Authority, Emergency Management BC and the utility companies in order

to enhance our overall response capability.

The Colwood Emergency Program relies heavily on volunteers; we thank them for their support.



Municipal Bylaw Enforcement Officers work very closely with inside City staff, public works, Colwood Fire Department, and West Shore RCMP to keep the community safe and ensure compliance with City bylaws. In addition to the many ongoing activities undertaken with respect to municipal enforcement, they played an active role in planning for the three-day collaborative celebrations at the Esquimalt Lagoon in June, 2010 to celebrate the 150th Anniversary of Fisgard Lighthouse, the Canadian Navy's 100th Anniversary, and Colwood's Silver Jubilee (25th Anniversary). These events attracted thousands of people from all over the Greater Victoria.

Municipal (Bylaw) Enforcement Response by Major Issue

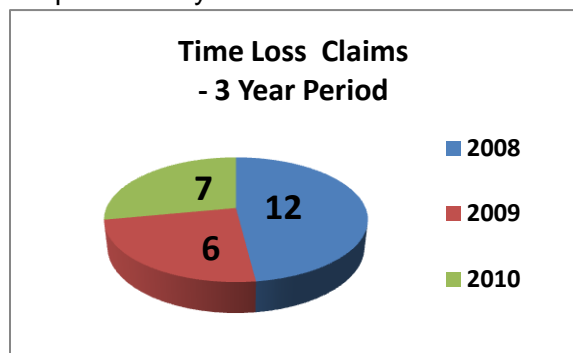
COMPLAINTS	YEAR		
	<u>2010</u>	<u>2009</u>	<u>2008</u>
Administration – cfs	32	37	0
Building Bylaw	6	7	9
Noise Bylaw	19	42	30
Unsightly Premises	27	40	33
Business License	4	3	9
Parks	21	15	3
Engineering – cfs	11	1	0
Blasting	0	0	0
Roads & Boulevards	89	56	90
Truck Route	20	22	15
Unlicensed Vehicles	45	21	14
Fire – cfs	8	17	0
Fire Regulation	0	4	6
Open Fires	18	15	6
Incinerator	0	2	0
Beach Fires	6	8	0
Planning – cfs	4	0	0
Illegal suites	201	10	15
Zoning	1	4	13
Land use	4	3	5
Grow Op	0	0	3
Other	47	10	23
TOTAL	525	319	274



Occupational Health and Safety - 2010 Accomplishments

The Occupational Health and Safety Program (OH&S) was developed in 2004. Since the development of the program, all relevant information has been documented to enable the City to compare, on a yearly basis, the types and frequency of injuries and initiatives to prevent future injuries from occurring. The Program includes staff working in Public Works and City Hall (Police and Fire Department staff fall under site specific programs). This division manages issues and tracks statistics related to Worker Compensation Board (WCB), first aid incident findings, and information on the overall health and wellness of staff by looking at sick time statistics.

The following charts demonstrate success toward reducing the number of first aid incidents and time loss claims over the past three years.



Number of First Aid Incidents

	2010	2009	2008
January	2	4	3
February	4	2	2
March	1	1	6
April	1	0	2
May	1	1	4
June	1	2	4
July	1	2	4
August	0	3	3
September	4	2	1
October	2	6	2
November	2	2	1
December	1	0	2
Total	20	25	32

Sick Time Statistics

According to Statistics Canada, nationally, the average full-time employee in the public sector missed 11.8 days a year in 2010. It is presumed that this is an average of Inside and outside worker sick time. The City's statistics for sick time used by the all employees includes all full-time, part-time, and temporary employees and includes outside workers (public works – 8 hour day), inside workers (City Hall – 7 hour day), and the Fire Department (used 8 hour day).

2010: Sick Time Statistics	Public Works	City Hall	Fire Department
Number of staff counted: 59	20	33	6
Total Hours sick leave	1,772	1,828.49	323.5
Average Hours per person	88.6	55.4	53.91
Average Number of Sick Days per year	11.075	7.9	6.73
Canadian Average	11.8 days per year		

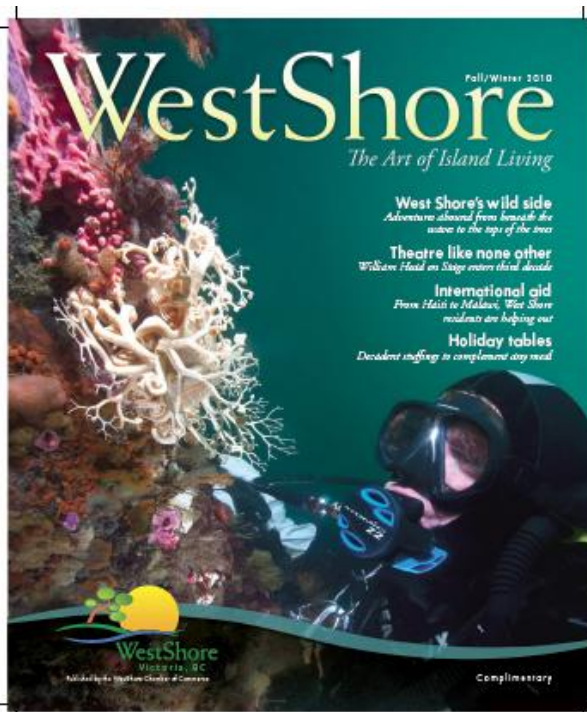
In 2010, the average number of sick days used in all three areas identified in the chart above are below the national average of 11.8 days per person per year.

Go Green / Go Local / Grow Local!

The City of Colwood is open for business and aiming to be a grid positive, carbon neutral, water smart, green learning city where people can live, love, learn, work, invest, retire, play and prosper in our thriving Oceanside Community. In 2009, the City Council provided funding for a two-year pilot project with the WestShore Chamber of Commerce called **Colwood Community Place (CCP)**, a local resource for finding practical information about energy conservation, delicious and nutritious food, cool eco-options for the home, recycling, composting, alternative transportation, green building/renovation ideas and more. A highlight for 2010 included CCP's role in helping the city celebrate its Silver Jubilee in 2010. CCP continues to evolve. To learn more about this initiative and to take action, visit www.colwoodcommunityplace.ca or www.climateaction.ca.

WestShore – The Art of Island Living (Magazine)

The WestShore Chamber of Commerce promotes the region through numerous events and publications. The WestShore magazine is full of interesting information about stories and events in Colwood, Highlands, Langford, Metchosin, Sooke, and View Royal. The Chamber of Commerce works hard to promote the business community (500+ members consisting of large and small businesses and home-based businesses; educational institutions, not for profit organizations, and local governments). Staff and volunteers work hard to improve the quality of life in the entire West Shore and do this through collaborative initiatives, educational opportunities, outreach events, and showcasing these communities. Their focus is on local businesses and also encompasses important topics that include developing the business community, tourism, community health, climate action, transportation, working with local governments, and engaging the community by promoting the many amazing community amenities offered in the West Shore. A new visitor and community information hub is now located in their office at 2830 Aldwynd Road in Langford: The Hive ... learn more at www.thehivewest.ca. To learn more about businesses, events, and amazing things in your community – and those around you! – visit www.westshore.bc.ca.



Appendix

- A. Declaration of Disqualification of Council Members*
- B. 2010 Permissive Tax Exemptions*
- C. Audited Consolidated Financial Statements for year ended
December 31, 2010*



Appendix A

Declaration of Disqualification of Council Members

The following information is provided in accordance with Section 98(2)(e) of the *Community Charter*, S.B.C. 2003, c. 26, as amended:

I hereby declare that there have been no applications for the declaration of disqualification of a Council member made pursuant to Section 111 of the *Community Charter* in 2010 pertaining to the City of Colwood.

Dated: June 6, 2011

Pat VanBuskirk
Corporate Officer



Appendix B

2010 Permissive Tax Exemptions

Approved through Bylaw No. 1174

In accordance with Section 98(2)(b) of the Community Charter, we disclose that the following properties were provided permissive tax exemptions by Colwood City Council in 2010. Permissive tax exemptions are those exemptions granted by bylaw in accordance with Section 224 of the Community Charter.

Roll Number	Civic Address	Name of Property Owner	Property Value	Tax Class	Tax Rate	Exemption Value
05522.100	510 Mount View Avenue	Anglican Synod Diocese	\$1,657,800	8	9.7700	\$ 15,904
04953.020	3319 Painter Road	Congregation of the Pilgrim United Church	\$ 699,000	8	9.7700	\$ 6,829
05169.510	3307 Wishart Road	Westside Bible Church	\$ 557,000	8	9.7700	\$ 5,442
05531.001	2225 Sooke Road	Colwood Women's Institute	\$ 918,000	8	9.7700	\$ 8,969
05462.010	619 Kelly Road	Colwood Pentecostal Church	\$1,481,000	8	9.7700	\$ 14,469
TOTAL:						\$ 51,613

Appendix C

Consolidated Financial Statements of

CITY OF COLWOOD

Year ended December 31, 2010

Consolidated Financial Statements of

CITY OF COLWOOD

Year ended December 31, 2010

CITY OF COLWOOD

Consolidated Financial Statements

Year ended December 31, 2010

Financial Statements

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Consolidated Statement of Operations	4
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Consolidated Statement of Cash Flows	6
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MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying financial statements of the City of Colwood (the "City") are the responsibility of management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. A summary of the significant accounting policies are described in note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The City's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the City. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the City's consolidated financial statements.



Chief Administrative Officer

Director of Finance



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

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

INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors of the City of Colwood

We have audited the accompanying consolidated financial statements of the City of Colwood which comprise the consolidated statement of financial position as at December 31, 2010, the consolidated statements of operations, change in net debt and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Colwood as at December 31, 2010, and its consolidated results of operations and its consolidated changes in net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants

May 9, 2011
Victoria, Canada

CITY OF COLWOOD

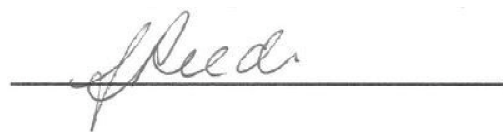
Consolidated Statement of Financial Position

December 31, 2010, with comparative figures for 2009

	2010	2009
Financial assets:		
Cash and cash equivalents (note 2)	\$ 10,290,815	\$ 9,244,463
Property taxes receivable	1,231,955	1,276,357
Accounts receivable	2,083,279	1,691,654
	<u>13,606,049</u>	<u>12,212,474</u>
Financial liabilities:		
Accounts payable and accrued liabilities	3,921,003	4,849,332
Prepaid property taxes	125,443	114,667
Deferred revenue (note 3)	3,146,838	1,763,577
Refundable deposits	552,685	1,595,343
Capital leases	842,200	939,682
Debt (note 4):		
Short-term	9,393,731	10,606,640
Long-term	6,465,458	6,821,529
	<u>24,447,358</u>	<u>26,690,770</u>
Net debt	(10,841,309)	(14,478,296)
Non-financial assets:		
Tangible capital assets (note 6)	138,920,324	140,995,561
Inventory of supplies	962,421	975,913
Prepaid expenses	115,017	130,079
	<u>139,997,762</u>	<u>142,101,553</u>
Accumulated surplus (note 7)	\$ 129,156,453	\$ 127,623,257

Commitments and contingencies (note 10)

The accompanying notes are an integral part of these consolidated financial statements.



Director of Finance

CITY OF COLWOOD

Consolidated Statement of Operations

Year ended December 31, 2010, with comparative figures for 2009

	Budget (unaudited - note 11)	2010	2009
Revenue:			
Taxation, net (note 8)	\$ 12,105,524	\$ 12,226,059	\$ 11,235,795
User charges	2,860,960	3,196,826	2,488,702
Fines and penalties	177,300	280,070	259,778
Investment earnings	66,000	130,454	120,978
Unconditional government transfers (note 9)	681,544	478,195	997,361
Conditional government transfers (note 9)	681,250	697,015	222,862
Developer contributions	505,000	890,765	35,001
Other	138,200	(413,294)	284,446
Total revenue	17,215,778	17,486,090	15,644,923
Expenses:			
General government	2,021,115	2,483,571	2,208,111
Protective services	4,650,780	4,198,537	4,346,012
Engineering and transportation services	2,992,018	4,255,555	4,517,298
Community services:			
Environmental health services	138,350	160,754	164,280
Environmental and development services	396,300	377,949	476,823
Recreation and cultural services	3,901,621	3,296,801	3,335,333
Utility and enterprise services	812,137	1,179,727	996,921
Total expenses	14,912,321	15,952,894	16,044,778
Annual surplus (deficit)	2,303,457	1,533,196	(399,855)
Accumulated surplus, beginning of year	127,623,257	127,623,257	128,023,112
Accumulated surplus, end of year	\$ 129,926,714	\$ 129,156,453	\$ 127,623,257

The accompanying notes are an integral part of these consolidated financial statements.

CITY OF COLWOOD

Consolidated Statement of Change in Net Debt

Year ended December 31, 2010, with comparative figures for 2009

	Budget (unaudited - note 11)	2010	2009
Annual surplus (deficit)	\$ 2,303,457	\$ 1,533,196	\$ (399,855)
Acquisition of tangible capital assets	-	(1,221,441)	(850,514)
Amortization of tangible capital assets	-	2,706,495	2,682,244
Proceeds on sale of tangible capital assets	-	7,543	-
Change in proportionate share of West Shore	-	582,640	(43,489)
	2,303,457	3,608,433	1,388,386
Acquisition of prepaid expenses	-	-	(250,778)
Consumption of inventory of supplies	-	13,492	30,736
Use of prepaid expenses	-	15,062	188,568
	-	28,554	(31,474)
Change in net financial assets (debt)	2,303,457	3,636,987	1,356,912
Net debt, beginning of year	(14,478,296)	(14,478,296)	(15,835,208)
Net debt, end of year	\$ (12,174,839)	\$ (10,841,309)	\$ (14,478,296)

The accompanying notes are an integral part of these consolidated financial statements.

CITY OF COLWOOD

Consolidated Statement of Cash Flows

Year ended December 31, 2010, with comparative figures for 2009

	2010	2009
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ 1,533,196	\$ (399,855)
Items not involving cash:		
Amortization of tangible capital assets	2,706,495	2,682,244
Change in proportionate share of West Shore	582,640	(43,489)
Actuarial adjustment on debt	(47,322)	(53,053)
Changes in non-cash operating assets and liabilities:		
Property taxes receivable	44,402	(438,603)
Accounts receivable	(391,625)	290,115
Accounts payable and accrued liabilities	(928,329)	677,243
Prepaid property taxes	10,776	(8,191)
Deferred revenue	1,383,261	855,493
Refundable deposits	(1,042,658)	50,826
Inventory of supplies	13,492	30,736
Prepaid expenses	15,062	(62,210)
	3,879,390	3,581,256
Capital activities:		
Acquisition of tangible capital assets	(1,221,441)	(850,514)
Proceeds on sale of tangible capital assets	7,543	-
	(1,213,898)	(850,514)
Financing activities:		
Capital lease proceeds	-	1,036,273
Capital lease payments	(97,482)	(591,312)
Short-term debt payments	(1,212,909)	(6,355,674)
Long-term debt proceeds	144,912	6,077,000
Long-term debt payments	(453,661)	(146,943)
	(1,619,140)	19,344
Increase in cash and cash equivalents	1,046,352	2,750,086
Cash and cash equivalents, beginning of year	9,244,463	6,494,377
Cash and cash equivalents, end of year	\$ 10,290,815	\$ 9,244,463
Supplemental cash flow information:		
Cash paid for interest	\$ 522,162	\$ 434,850
Cash received from interest	84,885	138,785

The accompanying notes are an integral part of these consolidated financial statements.

CITY OF COLWOOD

Notes to Consolidated Financial Statements

Year ended December 31, 2010

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

The City provides municipal services such as police, fire, public works, engineering, planning, parks, recreation, community development, conference facilities and other general government operations.

1. Significant accounting policies:

The consolidated financial statements of the City are prepared by management in accordance with Canadian public sector accounting standards 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 and expenses 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:

The City follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Government transfers:

Government transfers are recognized in the 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. Transfers received for which expenses are not yet incurred are included in deferred revenue.

(d) Deferred revenue:

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired.

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

1. Significant accounting policies (continued):

(d) Deferred revenue (continued):

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 revenue in amounts which equal the associated expenses.

(e) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(f) Cash equivalents:

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition.

(g) Investments:

Investments are recorded at cost. Investments in the Municipal Finance Authority of British Columbia ("MFA") Bond, Intermediate and Money Market Funds are recorded at cost plus earnings reinvested in the funds.

(h) Long-term debt:

Long-term debt is recorded net of related sinking fund balances.

(i) 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 benefits are also available to the City's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

1. Significant accounting policies (continued):

(j) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

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

Asset	Useful life - years
Building and building improvements	25 - 70
Vehicles, machinery and equipment	5 - 25
Water and wastewater infrastructure	75 - 100
Parks and land improvements	15 - 40
Roads infrastructure	10 - 75

Amortization is charged annually, including in the year of acquisition and disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets

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

(iii) Natural resources

Natural resources that have not been purchased are not recognized as assets in the financial statements.

(iv) Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

1. Significant accounting policies (continued):

(j) Non-financial assets (continued):

(v) Interest capitalization

The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(vi) Leased tangible capital assets

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(vii) Inventory of supplies

Inventory of supplies held for consumption is recorded at the lower of cost and replacement cost.

(k) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities, performing actuarial valuations of employee future benefits and estimating the useful lives of tangible capital assets. Actual results could differ from these estimates.

2. Cash and cash equivalents:

	2010	2009
Bank deposits	\$ 3,627,496	\$ 1,321,702
MFA - Money Market Fund	6,663,319	7,922,761
Total	\$ 10,290,815	\$ 9,244,463

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

3. Deferred revenue:

Deferred revenue, reported on the consolidated statement of financial position, is comprised of the following:

	2010	2009
Building permit fees	\$ 148,269	\$ 106,500
Federal Gas Tax funds	1,143,002	701,065
Development cost charges	358,557	140,940
Cash in lieu of parklands	310,218	239,565
Provincial government grants	376,789	379,640
West Shore	76,087	195,867
Sidewalk fund	166,602	-
Frontage	505,824	-
Other	61,490	-
Total deferred revenue	\$ 3,146,838	\$ 1,763,577

Gas tax funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the City 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.

	2010	2009
Opening balance of unspent funds	\$ 701,065	\$ 258,470
Add:		
Amounts received during the year	444,752	450,897
Interest income restricted for projects	7,185	3,198
	451,937	454,095
Less amount spent on projects and recorded as revenue	(10,000)	(11,500)
	\$ 1,143,002	\$ 701,065

4. Debt:

(a) Short-term debt:

Short-term debt of \$9,393,731 (2009 - \$10,606,640) is with the MFA and bears interest at 1.70%. It is the City's intention to repay the short-term debt in 2011 by issuing long-term debt instruments through the MFA.

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

4. Debt (continued):

(b) Long-term debt:

The City issues long-term debt instruments through the MFA. The amount payable of \$6,320,546 (2009 - \$6,821,529) is net of the sinking fund balance of \$956,454 (2009 - \$1,230,470).

Included in long-term debt is the City's proportionate share of a West Shore five year fixed rate term loan for \$144,912.

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

	Total
2011	\$ 388,647
2012	388,647
2013	388,647
2014	388,647
2015	388,647

(d) Maturities and interest rates:

Existing long-term debt matures from 2016 to 2024 and interest rates range from 3.15% to 4.9%.

(e) Interest expense:

Total interest expense during the year was \$519,955 (2009 - \$460,848).

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

5. Employee future benefit obligations:

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

	2010	2009
Accrued sick leave	\$ 189,781	\$ 193,742
Retirement benefit payments	190,423	185,631
	<u>\$ 380,204</u>	<u>\$ 379,373</u>

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.

	2010	2009
Accrued benefit obligation:		
Balance, beginning of year	\$ 379,373	\$ 367,531
Current service cost	38,317	41,307
Interest cost	7,566	7,439
Benefits paid	(45,052)	(36,904)
Balance, end of year	<u>\$ 380,204</u>	<u>\$ 379,373</u>

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

	2010	2009
Discount rates	5.00 %	5.00 %
Expected future inflation rates	2.50 %	2.50 %
Expected wage and salary increases	3.00 %	3.00 %

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

5. Employee future benefit obligations (continued):

Municipal Pension Plan

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

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012, with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The City paid \$353,453 (2009 - \$369,263) for employer contributions.

GVLRA – CUPE Long-Term Disability 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 as of December 31, 2007. At December 31, 2010, the total plan provision for approved and unreported claims was \$11,368,636 with a net surplus of \$963,472. The City paid \$19,426 (2009 - \$20,290 for employer contributions and City employees paid \$19,426 (2009 - \$20,290) for employee contributions to the plan in fiscal 2010.

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

6. Tangible capital assets:

	Land	Building and improvements	Vehicles, building machinery and equipment	Water and wastewater infrastructure	West Shore	Parks and land improvements	Roads infrastructure	Total 2010	Total 2009
Cost:									
Balance, beginning of year	\$57,684,463	5,571,245	8,933,701	29,346,007	14,858,368	1,085,474	61,539,680	\$179,018,938	\$178,116,814
Additions	475,000	-	70,452	-	675,989	-	-	1,221,441	850,514
Disposals	-	-	(75,025)	-	-	-	-	(75,025)	-
Change in West Shore share	-	-	-	-	(673,656)	-	-	(673,656)	51,610
Balance, end of year	58,159,463	5,571,245	8,929,128	29,346,007	14,860,701	1,085,474	61,539,680	179,491,698	179,018,938
Accumulated amortization:									
Balance, beginning of year	-	1,889,735	4,411,064	3,357,393	2,614,314	571,387	25,179,484	38,023,377	35,333,012
Disposals	-	-	(67,482)	-	-	-	-	(67,482)	-
Amortization	-	143,767	423,399	311,599	236,447	45,098	1,546,185	2,706,495	2,682,244
Change in West Shore share	-	-	-	-	(91,016)	-	-	(91,016)	8,121
Balance, end of year	-	2,033,502	4,766,981	3,668,992	2,759,745	616,485	26,725,669	40,571,374	38,023,377
Net book value, end of year	\$58,159,463	3,537,743	4,162,147	25,677,015	12,100,956	468,989	34,814,011	\$138,920,324	\$140,995,561

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

6. Tangible capital assets (continued):

(a) Assets under construction:

There were no assets under construction at year end.

(b) Contributed tangible capital assets:

There were no contributed assets recognized during the year.

(c) Works of art and historical treasures:

The City manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

(d) Write-down of tangible capital assets:

No write-down of tangible capital assets occurred during the year.

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

7. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2010	2009
Surplus:		
Invested in tangible capital assets	\$ 122,363,847	\$ 122,627,710
Other	2,685,924	1,486,695
Total surplus	125,049,771	124,114,405
Reserves set aside by Council:		
Future sewer contingencies	(268,684)	499,214
Future operational contingencies	626,307	326,000
Future sewer expansion	-	96,540
Future sewer enhancement	-	172,722
Carry-forward capital projects	-	67,000
West Shore	298,360	319,469
Total reserve funds	655,983	1,480,945
Reserve funds set aside for specific purposes by Council:		
New works and equipment	-	608,332
Police building improvements	139,045	138,179
Affordable housing	237,985	220,552
Amenities	659,618	505,477
Storm drains	-	536,092
Parklands	-	19,275
Capital projects	845,527	-
Equipment replacement	306,073	-
RCMP surplus	491,536	-
Sewer capital	524,936	-
Future operational expense	245,979	-
Total reserve funds	3,450,699	2,027,907
	\$ 129,156,453	\$ 127,623,257

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

8. Taxation:

Taxation revenue, reported on the consolidated statement of operations, is comprised of the following:

	2010	2009
General	\$ 19,180,264	\$ 17,224,551
Payments in place of taxes	1,479,550	2,450,463
Special assessments - sewer	998,411	1,088,868
1% utility taxes	160,575	155,159
	21,818,800	20,919,041
Less taxes levied for other authorities:		
Capital Regional District - General Operating	1,066,956	1,171,135
Capital Regional District - Sewer Operating	196,695	204,210
Capital Regional Hospital District	907,955	678,520
School Authorities	6,558,277	6,874,407
BC Assessment Authority	218,062	197,409
Municipal Finance Authority	620	584
BC Transit	644,176	556,981
	9,592,741	9,683,246
	\$ 12,226,059	\$ 11,235,795

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

9. Government transfers:

The City recognizes the transfer of government funding as revenue or expense in the period that the events giving rise to the transfer occurred. The Government transfers reported on the consolidated statement of operations are:

	2010	2009
Conditional transfers:		
Federal - West Shore Parks and Recreation Society	\$ 253,789	\$ 8,273
Provincial:		
West Shore Parks and Recreation Society	190	7,146
West Nile Virus	-	7,649
Other	2,940	16,716
Energy and emissions	25,000	-
Infrastructure	159,708	-
Federal gas tax	10,000	11,500
Other:		
West Shore Parks and Recreation Society - Regional		
District	73,810	-
Bear Mountain Arena	171,578	171,578
	697,015	222,862
Unconditional:		
Provincial:		
Small communities	68,008	428,314
Traffic fines	45,562	181,360
Casino revenue sharing	363,125	377,187
Other	1,500	10,500
	478,195	997,361
Total revenue	\$ 1,175,210	\$ 1,220,223

10. Commitments and contingencies:

(a) Contingent liabilities:

The Capital Regional District (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.

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

10. Commitments and contingencies (continued):

(a) Contingent liabilities (continued):

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) Municipal Finance Authority contingent demand notes:

Under borrowing arrangements with the MFA, the City is required to lodge security by means of demand notes and interest-bearing cash deposits based on the amount of the borrowing. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are included in the City's financial assets as restricted receivables and are held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the City. At December 31, 2010 there were contingent demand notes of \$306,160 (2009 - \$354,505) which are not included in the financial statements of the City.

(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.

(d) Commitments:

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 90% of policing costs. The 2010 estimated cost of this contract is \$1,942,000 (2009 - \$1,743,000).

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

11. Budget data:

The unaudited budget data presented in these consolidated financial statements is based upon the 2010 operating and capital budgets approved by Council on May 10, 2010. Amortization was not contemplated on development of the budget and, as such, has not been included. The chart below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget amount
Revenue:	
City	\$ 20,458,926
West Shore	1,532,173
Less:	
Transfers from own funds	(175,321)
Proceeds on debt issue	(4,600,000)
Total revenue	17,215,778
Expenses:	
City	20,458,926
West Shore	1,931,340
Less:	
Debt repayment	(4,600,000)
Transfer to own funds	(2,045,446)
Debt principal payments	(832,499)
Total expenses	14,912,321
Annual surplus	\$ 2,303,457

12. West Shore Parks and Recreation Society:

(a) Capital asset transfer:

The CRD transferred the lands and facilities comprising the Juan de Fuca Recreation Centre to the following municipal members (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). Effective January 1, 2007 the Town of View Royal became a member of the Society.

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

12. West Shore Parks and Recreation Society (continued):

(a) Capital asset transfer (continued):

In 2002 the lands and facilities were transferred to the Municipalities in their proportionate share, as specified in the Co-Owners' Agreement. The lands and facilities were reallocated amongst the members on January 1, 2007 when the Town of View Royal became a member. Future improvements are allocated among the members as per the cost sharing formula in effect each year for each service or facility, as outlined in a Members' Agreement. For 2010, the City's share of improvements purchased by the Society on its behalf is \$633,348.

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 2010, the City recorded a loss of \$582,640 (2009 - gain of \$43,489).

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, 2010 was \$737,000.

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.

(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 2010, the City's proportion for consolidation purposes was 24.2% (2009 - 25.4%).

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

12. West Shore Parks and Recreation Society (continued):

(b) Consolidation (continued):

Condensed financial information for the Society is as follows:

	2010	2009
Financial assets	\$ 2,809,521	\$ 3,085,770
Financial liabilities	2,205,113	1,841,117
Net financial assets	604,408	1,244,653
Non-financial assets	795,491	758,343
Accumulated surplus	\$ 1,399,899	\$ 2,002,996
Invested in tangible capital assets	\$ 779,067	\$ 743,107
Reserve funds	1,235,341	1,259,889
Other	(614,509)	-
	\$ 1,399,899	\$ 2,002,996
Revenues	\$ 7,051,888	\$ 5,501,066
Requisition from members	4,163,307	3,647,206
	11,215,195	9,148,272
Expenses	7,654,985	5,623,643
Requisition for members	4,163,307	3,647,206
	11,818,292	9,270,849
Annual deficit	\$ (603,097)	\$ (122,577)

13. 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.

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

13. 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 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 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 2009-2013 consolidated financial plan.

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

13. Segmented information (continued):

Utility and Enterprise Services (continued):

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

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

13. Segmented information (continued):

	General Government	Protective Services	Engineering and Transportation Services	Community and Development Services	Utility and Enterprise Services	Total
2010						
Revenue:						
Taxation	\$ 2,071,094	\$ 3,535,776	\$ 3,585,903	\$ 2,038,084	\$ 995,202	\$ 12,226,059
User charges	82,865	426,654	82,900	1,347,722	1,256,685	3,196,826
Government transfers	-	45,562	628,781	500,867	-	1,175,210
Other	542,892	5,930	749,055	(409,882)	-	887,995
Total revenue	2,696,851	4,013,922	5,046,639	3,476,791	2,251,887	17,486,090
Expenses:						
Salaries and wages	1,144,345	1,754,918	1,601,791	1,997,459	247,602	6,746,115
Materials, supplies and services	919,382	2,157,472	609,941	1,555,347	522,610	5,764,752
Interest and other	323,527	53,295	154,035	-	204,675	735,532
Amortization	96,317	232,852	1,889,788	282,698	204,840	2,706,495
Total expenses	2,483,571	4,198,537	4,255,555	3,835,504	1,179,727	15,952,894
Annual surplus (deficit)	\$ 213,280	\$ (184,615)	\$ 791,084	\$ (358,713)	\$ 1,072,160	\$ 1,533,196

CITY OF COLWOOD

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

13. Segmented information (continued):

	General Government	Protective Services	Engineering and Transportation Services	Community and Development Services	Utility and Enterprise Services	Total
2009						
Revenue:						
Taxation	\$ 1,622,937	\$ 3,345,295	\$ 3,466,698	\$ 2,034,556	\$ 766,309	\$ 11,235,795
User charges	44,520	434,049	44,934	1,338,956	626,243	2,488,702
Government transfers	-	181,360	829,967	208,896	-	1,220,223
Other	563,148	5,173	-	131,882	-	700,203
Total revenue	2,230,605	3,965,877	4,341,599	3,714,290	1,392,552	15,644,923
Expenses:						
Salaries and wages	1,072,575	1,727,313	1,822,995	2,038,471	217,723	6,879,077
Materials, supplies and services	808,754	2,373,762	686,634	1,080,035	382,912	5,332,097
Interest and other	262,315	15,474	117,721	564,391	191,459	1,151,360
Amortization	64,467	229,463	1,889,948	293,539	204,827	2,682,244
Total expenses	2,208,111	4,346,012	4,517,298	3,976,436	996,921	16,044,778
Annual surplus (deficit)	\$ 22,494	\$ (380,135)	\$ (175,699)	\$ (262,146)	\$ 395,631	\$ (399,855)



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