




---

THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

---

**REGULAR MEETING OF THE COUNCIL  
OF THE VILLAGE OF LIONS BAY  
HELD ON TUESDAY, JANUARY 9, 2018 at 7:00 PM  
COUNCIL CHAMBERS, 400 CENTRE ROAD, LIONS BAY**

---

**AGENDA**

- 1. Call to Order**
- 2. Adoption of Agenda**
- 3. Public Participation (2 minutes per person totalling 10 minutes maximum)**
- 4. Public Delegation Requests Accepted by Agenda Deadline (10 minutes maximum)**
  - A. Louis Peterson – Volunteerism (Page 5)
- 5. Review & Approval of Minutes of Prior Meetings**
  - A. Regular Council Meeting – December 19, 2017 (Page 7)  
 THAT the Regular Council Meeting Minutes of December 19, 2017 be adopted as circulated.
  - B. Council Strategy Committee Meeting – May 2, 2017 – Rescind Approval  
 THAT the approved Council Strategy Committee Meeting Minutes of May 2, 2017 be rescinded and approved in the next Council Strategy Committee meeting.
- 6. Business Arising from the Minutes**
- 7. Unfinished Business**
  - A. Follow-Up Action Items from Previous Meetings

#	Meeting Date	Description of Action Item	Person Responsible
31	December 19, 2017	Correspondence R2: Nicola Cadwell	Karl

- B. Information and Resource Requests (IRRs) (Page 15)  
 THAT the IRRs be updated in accordance with the following:

**8. Reports****A. Staff**

- i. CFO: Water, Sewer and Solid Waste (Page 19)  
THAT the report “2018 Draft Water, Sewer and Solid Waste Budgets” be received for information purposes.
- ii. CFO: 2018 Preliminary Budget (Page 25)  
THAT the report “2018 Preliminary Budget” be received for information purposes.
- iii. CFO: BDO Audit Report (Page 37)  
THAT the Information Report “BDO Planning Report” be received for information purposes.
- iv. CFO: Cleaning Contract (Page 75)  
THAT Council approve the Contracted Services Agreement with Nutech Facility Services Limited and authorize the Mayor and the Chief Administrative Officer to sign the contract.

**B. Mayor – None****C. Council – None****D. Committees**

- i. Lions Bay Beach Park Advisory Committee Meeting Minutes – November 23, 2017 (Page 89)  
THAT the Lions Bay Beach Park Advisory Committee Meeting Minutes of November 23, 2017 be received for information.

**E. Emergency Services – None****9. Resolutions****10. Bylaws****11. Correspondence**

- A. List of Correspondence to January 4, 2018 (Page 93)  
THAT the following actions be taken with respect to the correspondence:

**12. New Business****13. Public Questions & Comments (2 minutes on any topic discussed in this meeting)****14. Closed Council Meeting**

THAT the meeting be closed to the public on the basis of matters to be considered under the following sections of the *Community Charter*:

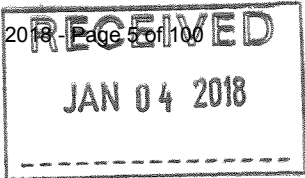
**90** (1) A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

- a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;
- c) labour relations or other employee relations;
- e) the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality;
- f) law enforcement, if the council considers that disclosure could reasonably be expected to harm the conduct of an investigation under or enforcement of an enactment;
- i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose;
- l) discussions with municipal officers and employees respecting municipal objectives, measures and progress reports for the purposes of preparing an annual report under section 98 [annual municipal report];

**15. Reporting Out From Closed Portion of Meeting**

**16. Adjournment**

Intentionally Blank



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

DELEGATION REQUEST FORM

Please forward your Delegation Request Form to the Village Office by 4:00 pm, the Thursday prior to the regular Council meeting. Delegations may speak for a maximum of 10 minutes total.

Today's Date: 04 January 2018 Council Meeting Date: 09 January 2018

SUBJECT OF DELEGATION I wish to speak before the Council regarding:

Volunterism

SUPPORTING MATERIAL I will provide additional information in advance of the Council meeting: (by 12:00 pm the Thursday prior to the Council meeting so that the material can be included in Council package.)

See attachment

ACTION. The specific action I would like Council to take is:

[Empty box for action]

NAME AND ADDRESS OF SPEAKER FOR THE DELEGATION:

Name: Louis K Peterson

Signature: [Redacted]

Organization (if any):

Address: [Redacted]

Phone: [Redacted] Fax:

Email: [Redacted]

Note: A telephone number (where a message can be left with a person or voicemail), fax number or email address is required so that we can contact you in a timely manner.

## Volunteerism

While the elected Council of a Village is the prime official leader and decision-maker for the good of the entire settlement (constrained by the wishes, perceptions and whims of the electorate), the volunteer groups provide a "bricks & mortar glue" that makes a settlement into a community. The volunteer group generally, but not in every case, caters to a segment of the populace, as could be said for a playschool group, a seniors circle, a sports oriented group, a gardening group, a healthy hikers, etc.

While independent focus is inevitable, there are times when collective initiatives would have a potential for a greater good for all. Such would seem to be the case in communities which have developed "Associations" or "Federations", organizations that have the ability to act in an advocacy capacity for all members.

Could Lions Bay benefit from a "Community Association? Perhaps Council would like to explore the possibility.

*Lewis*  




## THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

---

### **REGULAR MEETING OF THE COUNCIL OF THE VILLAGE OF LIONS BAY HELD ON TUESDAY, DECEMBER 19, 2017 at 7:00 PM COUNCIL CHAMBERS, 400 CENTRE ROAD, LIONS BAY**

---

#### **MINUTES**

In Attendance:

Council: Mayor Karl Buhr  
Councillor Fred Bain  
Councillor Ron McLaughlin

Regrets: Councillor Norm Barmeier  
Councillor Jim Hughes

Staff: Chief Administrative Officer Peter DeJong  
Chief Financial Officer Pamela Rooke  
Public Works Manager Nai Jaffer  
Office Coordinator Shawna Gilroy (Recorder)

Delegations: 0

Public: 1

**1. Call to Order**

Mayor Buhr called the meeting to order at 7:06 p.m.

**2. Adoption of Agenda**

Moved/Seconded

THAT the reports in section 8 be re-arranged in the following order:

- 8Ai – CFO: Purchase of Bus Shelter
- 8Aii – CAO: Parking and Traffic Signage Purchase Order Report
- 8Aiii – CAO: Parking Meter Trial Period Report
- 8Aiv – CAO: Secondary Suite Surcharge Fees Report

AND THAT the Agenda be adopted as amended.

**CARRIED**

**3. Public Participation (2 minutes per person totalling 10 minutes maximum)**

None

**4. Public Delegation Requests Accepted by Agenda Deadline (10 minutes maximum)**

None

**5. Review & Approval of Minutes of Prior Meetings**

**A. Regular Council Meeting – December 5, 2017**

Moved/Seconded

THAT the Regular Council Meeting Minutes of December 5, 2017 be approved as circulated.

**CARRIED**

**B. Council Strategy Committee Meeting – May 2, 2017**

That the year 2016 be changed to 2017 in the title of the minutes.

Moved/Seconded

THAT the Council Strategy Committee Meeting Minutes of May 2, 2017 be approved as circulated.

**CARRIED**

**6. Business Arising from the Minutes**

Mayor Buhr reported on Mr. Cox's question regarding the library fees, noting that it is a provincial fee and he is looking into having the fee waived.

**7. Unfinished Business**

**A. Follow-Up Action Items from Previous Meetings**

#	Meeting Date	Description of Action Item	Action
27	October 17, 2017	Correspondence G3: Salish Sea Heritage & House of Commons E-Petition 1269	Complete
30	December 5, 2017	Correspondence R1: Remembrance Day Veterans Memorial	Complete

*Audio: 00:06*

**8. Reports**

**A. Staff**

**i. CFO: Purchase of Bus Shelter**

Moved/Seconded

THAT Council approve an additional capital expenditure of up to \$29,000 for the purchase and installation of a bus shelter to be funded by a 2017 TransLink TRRIP grant in the amount of \$12,523 with the balance to be withdrawn from reserves.

**CARRIED**

Moved/Seconded

THAT the CAO and CFO be authorized to sign all contractual and grant documents necessary to effect the foregoing resolution.

**CARRIED**

*Audio: 00:10*

ii. CAO: Parking and Traffic Signage Purchase Order Report

Council reviewed the parking plan map and Parts 1, 2, 3 and 4 of the report and made amendments.

Moved/Seconded

THAT, having previously resolved that all expenditures against its \$25,000 parking signage budget were to be approved by Council, Council hereby authorizes staff to utilize any and all such budget remaining as follows:

(1) First, to produce parking-related signage as substantially laid out in the "Parking and Traffic Signage Purchase Order" report of 7 December 2017 (the "Report"), in Parts 1 and 4, plus all of Part 2 *except a. (3 hour max at municipal complex), d. (off roadway only signs) and h. (resident permit OK signs)*, with all other signage required, with final count and design to be reviewed and approved by the Mayor, with installation by May 31, 2018, with nominal internal labour costs of \$11,760 to be allocated to operating budget.

(2) Then, to utilise any budget amount remaining (with additional funds to be drawn from reserves if necessary, up to a total project cost of \$4000), to widen the boulevard on the east side of Bayview Road from the Alberta Creek bridge to 265 Bayview Road, as laid out in Part 2 d. of the Report, after consultation with affected residents.

(3) Then, to utilise any amount remaining (with additional funds supplied from 2017 or 2018 operating budget or a new 2018 budget item), for the traffic signage requirements laid out in Part 3 of the report.

**CARRIED**

*Audio: 01:00*

iii. Parking Meter Trial Period Report

Moved/Seconded

(1) THAT, subject to discussion with CN regarding the Lions Bay Beach Park parking lot lease and seeking a better virtual pay solution, the metered parking program with Precision Parklink be renewed for the 2018 summer season (mid-May to mid-September) using rented, refurbished DG4 pay and display meters;

(2) THAT staff further review the pricing structure from the trial period and recommend adjustments accordingly;

(3) THAT residents continue to be able to use their resident passes to park for free at the Sunset Trailhead and Kelvin Grove Lots, but not the Lions Bay Beach Park (LBBP) Lot;

(4) THAT staff consult with the operators of the Marina regarding boat trailers to seek a better solution than the current system in order to free up more parking spaces in the LBBP on weekends;

(5) THAT staff provide further review of the number of hours provided for parking bylaw compliance; and

(6) THAT staff further explore the idea of leasing the Brunswick offramp area from the Ministry of Transportation and Infrastructure (MOTI) with a view to installing a parking meter there.

**CARRIED**

*Audio: 01:48*

*The Mayor declared for the record that, despite owning a registered and inspected secondary suite currently occupied by neither family nor non-family members, and with no plans to change that, he was very comfortable that any views he held or espoused on any aspect of secondary suites were not in conflict of interest, on the basis of an interest in common with a sufficiently significant proportion of other Lions Bay property owners.*

iv. CAO: Secondary Suite Surcharge Fees Report

Council reviewed the Secondary Suite Surcharge Fees report and discussed repealing the Secondary Suite Surcharge Bylaw No. 513, 2017. It was agreed that options 1 and 2 below would be tested and could come back to Council next year should compliance still not be met.

Moved/Seconded

(1) THAT staff create a communications campaign to educate residents about the requirements surrounding Secondary Suites, especially the safety requirements, and the

municipality’s willingness to assist property owners with options to meet those requirements;

(2) THAT staff undertake graduated enforcement of the municipality’s bylaws against those Secondary Suite owners who fail to comply with the Secondary Suite requirements, up to and including registration of section 57 notices and court injunctions; and

(3) THAT Council direct staff to bring forward some amendments to Secondary Suite Surcharge Bylaw No. 513, 2017 to define a Secondary Suite in accordance with Zoning and Development Bylaw No. 520, 2017, clarify the requirement to register a Secondary Suite, and clarify the meaning of occupied in relation to an obligation to pay the surcharge.

**CARRIED  
MAYOR BUHR OPPOSED**

*Audio: 02:12*

B. Mayor  
None

C. Council  
None

*The meeting was recessed at 9:20 p.m. and resumed at 9:25 p.m.*

D. Committees

i. Trees, Views & Landscapes Committee – Tree App #83 – 307 Bayview Place  
Moved/Seconded

THAT as requested, the applicant is permitted to cut and clean the specified trees. All wood and debris must be removed; and

THAT re-planting is required with dwarf evergreens. Public Works to give the applicant three choices of dwarf evergreens. Cost consideration should be taken into account.

**CARRIED**

ii. Trees, Views & Landscapes Committee – Tree App #82 – 280 Mountain Drive  
Moved/Seconded

THAT as requested, the applicant is permitted to cut and clean the specified Australian Pines. All wood and debris must be removed.

**CARRIED**

iii. Board of Variance Meeting – May 15, 2017

Council reviewed the Board of Variance meeting minutes and noted that the decisions are very in depth.

Moved/Seconded

THAT the adopted Board of Variance Meeting Minutes from May 15, 2017 be received for information.

**CARRIED**

E. Emergency Services

None

**9. Resolutions**

None

*Audio: 02:16*

**10. Bylaws**

A. Fees Bylaw No. 497, 2016, Amendment Bylaw No. 534, 2017 - Adoption

Moved/Seconded

THAT Fees Bylaw No. 497, 2016, Amendment Bylaw No. 534, 2017 be adopted.

**CARRIED**

**11. Correspondence**

Moved/Seconded

THAT the following actions be taken with respect to the correspondence:

- G1: Views on Professional Reliance – no action
- G2: The BC Community Achievement Awards – no action
- G3: Prevention of Quagga and Zebra Mussels – no action
- G4: Human Trafficking – no action
- G5: Letter re. UBCM Convention – no action
- R1: Victoria Rogers – Response – no action
- R2: Nicola Cadwell – Mayor Buhr to respond and include in next meeting correspondence

**CARRIED**

**12. New Business**

None

**13. Public Questions & Comments (2 minutes on any topic discussed in this meeting)**

None

**14. Closed Council Meeting**

Moved/Seconded

THAT the meeting be closed to the public on the basis of matters to be considered under the following sections of the *Community Charter*:

- 90 (1)** A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:
  - a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;
  - d) the security of the property of the municipality;
  - g) litigation or potential litigation affecting the municipality;
  - k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public;
  - l) discussions with municipal officers and employees respecting municipal objectives, measures and progress reports for the purposes of preparing an annual report under section 98 [annual municipal report].

**CARRIED**

*The meeting was closed to the public at 9:30 p.m.*

*The meeting was re-opened to the public at 9:55 p.m.*

**15. Reporting Out From Closed Portion of Meeting**

Council adopted the Strategic Plan as amended to be published in due course.

**16. Adjournment**

Moved/Seconded

THAT the meeting be adjourned.

**CARRIED**

*The meeting was adjourned at 9:55 p.m.*

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Corporate Officer

Date Approved by Council:	
---------------------------	--

Intentionally Blank



RESOLUTIONS										
Request ID	Date of Request	Requester	Subject	Information Provided and/or Requested	Requestor's Priority 1 (lo) - 5 (hi)	Rationale	Personnel and/or Financial Resources Est'd by Requestor	Admin Owner	Preliminary Administration Response	Committee Recommendation and/or Council Disposition
60	15/Feb/16	Buhr	Anti-encroachment marketing	Can we undertake an Anti-Encroachment campaign?	2		Staff time	CAO	Let's discuss what this should look like, resources to be devoted to it, timing, communication plan, etc.	THAT "anti-encroachment marketing" be dealt with in the larger context of a comprehensive anti encroachment policy. <b>Boulevard Bylaw required...</b>
63	15/Feb/16	Buhr	2016 water shortage plan	Please provide staff's recommendations for 2016 water contingency plans, and comments on 2015 Water Plan	4	Water supply	Staff time	PWM & CAO	Require confirmation whether this is in reference to an operational water contingency plan, or Village-wide. PWM can work with CAO to ensure that operational plans are referenced within the strategic plan for water contingency and conservation; and that the strategic plan is congruent with EMBC's plans	THAT the "2016 Water Shortage Plan" be referred to the Emergency Plan Steering Committee.
83	15/Feb/16	Buhr	Clean air 1	Learn to Burn campaign	2	Public health		CAO	Metro may have some materials. Once we have data from MAMU, we should discuss appropriate communication plan, resources, etc.	THAT "Clean Air Learn to Burn Campaign" be kept on the IRR sheet but tabled until Fall. <b>Staff to send out Metro brochures with Tax Notices.</b>
87	16/Feb/16	Buhr	Move Bear Smart sign	Can we move the Bear Smart Community sign to a more highly visible location?	3	Council priority (communication)		CAO	Staff to approach the new store owner to request placement.	THAT staff consult with the Bear Smart Committee regarding the preferred location of the Bear Smart sign.
102	25/Apr/16	Waterson	Volunteer Recognition	Request that a policy be drafted regarding Volunteer recognition. Willing to do the initial research to see what other municipalities do and consult with Volunteer organizations. Will report back to Council with a first draft for discussion.	?	Council Priority (Volunteers)	Time to check research and tweak/format draft policy. Consider if there should be any budget allocation.	CAO	Normally, staff would take direction from Council and report back with a draft, but I agree that this is important and support Councillor Waterson's proposed methodology, given my workload. If Council approves, please provide her with input at the outset regarding your thoughts so she can incorporate them early in the process.	THAT Councillor Waterson research Volunteer Recognition policies, obtain Council input and create a first draft for discussion. <b>Does Council wish to reassign this to another Councillor?</b>

RESOLUTIONS										
Request ID	Date of Request	Requester	Subject	Information Provided and/or Requested	Requestor's Priority 1 (lo) - 5 (hi)	Rationale	Personnel and/or Financial Resources Est'd by Requestor	Admin Owner	Preliminary Administration Response	Committee Recommendation and/or Council Disposition
103	12/May/16	Waterson	Communications Policy/Plan	Request that a policy/plan be drafted regarding communications.		Communications	Staff time required to properly draft a Communications Policy and Plan	CAO	Agreed that one is required, but this will take some time to pull together amidst all the other matters requiring my attention.	THAT the CAO work on a Communication Policy framework as time permits. <b>Mayor working on initial draft.</b>
109	27/Oct/16	Buhr	Hydrology Grants	Can we seek Metro funding for the Watershed Hydrology Study (WHYS?) under their Climate Change Impacts & Adaption Strategy work? Green Municipal Fund: can it be used for the WHYS			Staff time	PWM		staff to review potential grants from Metro and FCM regarding hydrology study with UBC
117	10/Jan/17	Buhr	Signage	Mayor's request for signage changes around Village per email of Jan./16				PWM	Staff has the email and some of these things have been addressed. They will continue to be addressed slowly as time permits. We are consulting with Metro and other LM munis re. some of their signage standards and wording and will work toward a consistent standard.	CAO to review "use at own risk" signage on Lions Bay hiking trails
124	24/Jan/17	Buhr	Remembrance Day Quilt	Need a recommendation on where to hang it.				CAO	Perhaps above fireplace in hall? Or somewhere else in hall?	PW to hang quilt on wall above the couch in Hall kitchen, order a plaque, and CFO to add to Council budget. <b>Update: two case designs in the works. Once the decision is made we will purchase the materials and build it. It should be completed by end of February.</b>
127	7/Mar/17	IC	Feasibility Study	Staff to pursue Metro to gain support for conducting an internal Metro feasibility study into piping drinking water to VOLB			Staff time	PWM		THAT staff pursue Metro staff to gain support for conducting an internal Metro feasibility study into piping drinking water to the Village of Lions Bay. <b>WIP</b>
128	7/Mar/17	IC	Cell Tower	Staff to move forward with an RFP to explore installation of a cell tower on VOLB property			Staff time	PWM		THAT staff move forward with an RFP to explore the installation of a cell tower on Village of Lions Bay property, which would also address municipal needs for the SCADA system. <b>WIP</b>

RESOLUTIONS										
Request ID	Date of Request	Requester	Subject	Information Provided and/or Requested	Requestor's Priority 1 (lo) - 5 (hi)	Rationale	Personnel and/or Financial Resources Est'd by Requestor	Admin Owner	Preliminary Administration Response	Committee Recommendation and/or Council Disposition
144	1/Jun/17	Buhr	Stair Project	Please report on timing and budget adjustments for planned beach work, given that summer beach season has now commenced				PWM	Our intent is to lump all three stair projects – KG, LBBP, and LB Avenue bus stop stairs – into one RFP to be issued in late August	THAT staff look at the location and determine the best options <b>WIP</b>
146	3/Oct/17	Buhr	Upper Chambers	Can we have a brainstorming session for the plan for new Chambers for Council approval, including map, monitor, recording capability, mics, seating, etc?		Need a plan to approve the proposed move		CAO	Yes, staff will work on a plan to identify all aspects of moving Council chambers upstairs and reconfiguring the current chambers area. Please advise any specific requests.	THAT staff provide a report identifying all aspects of moving Council Chambers upstairs and reconfiguring the current chambers area; and THAT Council provide their feedback and/or any particular requests. <b>WIP</b>



## THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

---

<b>Type</b>	<b>Report to Council</b>		
<b>Title</b>	<b>2018 Draft Water, Sewer and Solid Waste Budgets</b>		
<b>Author</b>	<b>Pamela Rooke</b>	<b>Reviewed By:</b>	<b>Peter DeJong</b>
<b>Date</b>	<b>January 4, 2018</b>	<b>Version</b>	
<b>Issued for</b>	<b>January 9, 2018 Regular Council Meeting</b>		

### **RECOMMENDATION**

THAT the report “2018 Draft Water, Sewer and Solid Waste Budgets” be received for information purposes.

### **ATTACHMENTS**

1. 2018 Draft Water, Sewer and Solid Waste Budgets

### **KEY INFORMATION**

The attached 2018 budgets provide the details and backup for the calculation of the user rates that will form the basis of the Water, Sewer and Solid Waste Bylaws that are scheduled for 1st, 2nd and 3rd reading at the February 6, 2018 Council Meeting.

### **FOLLOW UP ACTION**

Staff will be available to respond to any questions at the January 9, 2018 Council meeting. The draft budgets will be reviewed again at the January 23, 2017 meeting.

**Village of Lions Bay  
2018 Draft Water Budget**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
Parcel Tax Lions Bay	256,502	-	-	-	-	-	n/a	
Parcel Tax Brunswick Beach	10,585	10,585	10,585	10,585	10,585	-	0.0%	
Water User Rates	438,356	786,865	834,605	834,605	834,605	-	0.0%	1
Secondary Suite Fees	-	-	16,845	14,000	16,845	2,845	20.3%	
Connection Fees	1,379	(600)	6,961	600	-	(600)	-100.0%	
Build Canada Grant	26,421	96,065	1,273	144,509	-	(144,509)	-100.0%	
CWWF Grant	-	-	715,704	2,250,130	2,012,945	(237,185)	-10.5%	2
Other Grants	-	-	-	-	10,000			3
Loan Proceeds	-	-	456,291	460,870	456,291	(4,579)	-1.0%	2
Disaster Financial Assistance (EMBC)	278,334	99,113	-	-	-	-	n/a	
Other	12,999	14,947	24,937	17,328	19,902	2,574	14.9%	
<b>Total Revenues</b>	<b>1,024,576</b>	<b>1,006,975</b>	<b>2,067,201</b>	<b>3,732,627</b>	<b>3,361,173</b>	<b>(381,454)</b>	<b>-10.2%</b>	
Amortization	149,710	150,939	-	160,631	160,631	-	0.0%	
Communications	2,766	2,764	2,606	2,700	2,700	-	0.0%	
Interest Payments	75,513	75,225	74,930	74,930	89,146	14,216	19.0%	
Emergency Repairs	386,870	99,113	-	-	-	-	n/a	
Insurance	7,105	23,077	22,752	22,752	25,000	2,248	9.9%	
Maintenance	29,904	60,179	25,576	50,577	47,500	(3,077)	-6.1%	
Material, Supplies and Equipment	3,256	24,266	14,737	25,144	24,033	(1,111)	-4.4%	
Professional Fees / Contract Services	56,785	34,887	37,044	94,000	81,000	(13,000)	-13.8%	4
Salaries and Benefits	278,071	263,722	261,623	295,678	324,990	29,311	9.9%	5
Sundry	14,545	14,901	15,801	17,858	17,500	(358)	-2.0%	
Training / Professional Development	598	3,168	853	5,200	4,000	(1,200)	-23.1%	
Utilities	11,888	9,210	10,294	14,183	14,250	67	0.5%	
Internal Allocations	55,000	55,000	55,000	55,000	55,000	-	0.0%	
<b>Total Expenditures</b>	<b>1,072,012</b>	<b>816,450</b>	<b>521,217</b>	<b>818,654</b>	<b>845,750</b>	<b>27,096</b>	<b>3.3%</b>	
<b>Surplus / (Deficit)</b>	<b>(47,436)</b>	<b>190,524</b>	<b>1,545,983</b>	<b>2,913,973</b>	<b>2,515,423</b>			

**Village of Lions Bay  
2018 Draft Water Budget**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
Amortization	149,710	150,939	-	160,631	160,631			
MFA Actuarial Gain on Debt	(12,474)	(14,853)	(14,853)	(17,328)	(19,902)			
<b>Cash Surplus</b>	<b>89,800</b>	<b>326,610</b>	<b>1,531,130</b>	<b>3,057,276</b>	<b>2,656,152</b>			
Capital Expenditures:								
Build Canada Re-budget		(114,525)	(329,393)	(216,264)	-			
CWWF Grant Capital		-	-	(2,711,000)	(2,473,815)			2
Capital Expenditures		(5,650)	(46,370)	(61,500)	-			
Repayment of Debt Principal		(52,726)	(52,726)	(52,872)	(62,709)			
<b>Transfer (from) to Water Surplus</b>		<b>153,709</b>	<b>1,102,641</b>	<b>15,640</b>	<b>119,628</b>			

**Notes:**

- The revenue includes a 0% increase in user rates. Each 1% increase in the user rate provides an increase of \$8,346 in revenue.
- The Clean Water Wastewater Fund (CWWF) grant revenue and related capital expense and the MFA loan have been re-budgeted for 2018 as the project was not completed in 2017.
- Staff will apply for an Infrastructure Planning grant in 2018 for the Bayview Road Watermain Design.
- Budget is comprised of:

Bayview Road Watermain Design	20,000	
Rock Slope Remediation	30,000	
Chlorine Treatment	9,000	
Water Testing	10,000	
General Contract Services	10,000	
UBC Hydrology Study Contribution	2,000	81,000
- Salaries include the addition of a PW employee commencing May 1, 2018.

**Village of Lions Bay  
2018 Draft Sewer Budget**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
Taxation (Parcel Tax)	24,140	25,346	-	-	-	-	n/a	
Utility Fees and Rates	41,164	44,822	67,234	67,234	67,234	(0)	0.0%	1
Secondary Suite Fees	-	-	1,921	1,200	1,921	721	60.1%	
Conection Fees	-	600	3,911	600	-	(600)	-100.0%	
<b>Total Revenues</b>	<b>65,305</b>	<b>70,768</b>	<b>73,066</b>	<b>69,034</b>	<b>69,155</b>	<b>121</b>	<b>0.2%</b>	
Amortization	28,399	29,725	14,628	14,628	14,628	-	0.0%	
Insurance	1,240	2,230	2,123	2,123	2,200	77	3.6%	
Maintenance	25,767	27,737	30,222	26,000	33,000	7,000	26.9%	2
Material, Supplies and Equipment	622	351	212	1,000	4,000	3,000	300.0%	3
Professional Fees / Contract Services	2,494	2,254	-	2,000	5,000	3,000	150.0%	4
Salaries and Benefits	15,237	14,961	13,326	16,409	18,324	1,915	11.7%	5
Sundry	317	1,672	1,772	1,917	1,917	-	0.0%	
Training / Professional Development	-	-	185	1,500	1,500	-	0.0%	
Utilities	1,807	1,982	2,569	2,100	2,500	400	19.0%	
Internal Allocations	4,000	4,000	4,000	4,000	4,000	-	0.0%	
<b>Total Expenditures</b>	<b>79,883</b>	<b>84,912</b>	<b>69,036</b>	<b>71,677</b>	<b>87,069</b>	<b>15,392</b>	<b>21.5%</b>	
<b>Surplus / (Deficit)</b>	<b>(14,578)</b>	<b>(14,144)</b>	<b>4,030</b>	<b>(2,643)</b>	<b>(17,915)</b>			
Amortization	28,399	29,725	14,628	14,628	14,628			
<b>Cash Surplus / (Deficit)</b>	<b>13,821</b>	<b>15,581</b>	<b>18,658</b>	<b>11,985</b>	<b>(3,287)</b>			
Capital Expenditures	-	(34,413)	-	-	-			
<b>Transfer (from) to Sewer Surplus</b>	<b>13,821</b>	<b>(18,832)</b>	<b>18,658</b>	<b>11,985</b>	<b>(3,287)</b>			

Notes:

- 1 The revenue includes a 0% increase in user rates.
- 2 Budget includes \$5,000 for a video inspection of the WWTP outfall pipe per our operating permit (to be completed every five years).
- 3 The budget includes:

Confined Space Rescue Winch	1,500	
Trailer Hitch Davit	1,500	3,000
- 4 Budget includes \$5,000 for a sanitary pipe condition assessment (video inspection of sewer mains in roads).
- 5 Salaries include the addition of a PW employee commencing May 1, 2018.

**Village of Lions Bay  
2018 Draft Solid Waste Budget**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
Garbage User Fees	196,802	199,999	185,795	185,400	183,380	(2,020)	-1.1%	1
Secondary Suite Fees	-	-	3,710	3,000	3,752	752	25.1%	
Miscellaneous Revenue	278	112	192	100	140	40	40.0%	
<b>Total Revenues</b>	<b>197,080</b>	<b>200,111</b>	<b>189,697</b>	<b>188,500</b>	<b>187,272</b>	<b>(1,228)</b>	<b>-0.7%</b>	
Supplies and Education	4,420	1,250	776	3,100	1,000	(2,100)	-67.7%	
Collection Contract	96,462	96,218	56,806	60,112	49,762	(10,350)	-17.2%	2
Recycle Removal Contract	29,383	32,871	39,921	43,671	50,677	7,006	16.0%	3
Green Waste Contract	55,140	53,253	55,438	62,901	69,780	6,879	10.9%	4
Prompt Payment Discounts	5,634	5,554	4,971	5,500	5,200	(300)	-5.5%	
Internal Allocations	9,500	9,500	9,500	9,500	9,500	-	0.0%	
<b>Total Expenditures</b>	<b>200,539</b>	<b>198,645</b>	<b>167,412</b>	<b>184,784</b>	<b>185,919</b>	<b>1,135</b>	<b>0.6%</b>	
<b>Surplus / (Deficit)</b>	<b>(3,459)</b>	<b>1,466</b>	<b>22,286</b>	<b>3,716</b>	<b>1,353</b>			

**Notes:**

- 1 The revenue includes a 0% increase in residential user rates and a small decrease in multi-family user rates.
- 2 The 2017 budget was calculated with 3 months of costs per the old contract and 9 months of costs per the new contract with Waste Control. The 2018 costs are calculated with 12 months of the lower Waste Control costs.
- 3 Recycling costs will increase in 2018 due to reduced prices for the sale of the recycling collected.
- 4 Tipping fees for organics will increase in 2018.



## THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

---

<b>Type</b>	<b>Report to Council</b>		
<b>Title</b>	<b>2018 Preliminary Budget</b>		
<b>Author</b>	<b>Pamela Rooke</b>	<b>Reviewed By:</b>	<b>Peter DeJong</b>
<b>Date</b>	<b>January 4, 2018</b>	<b>Version</b>	
<b>Issued for</b>	<b>January 9, 2018 Regular Council Meeting</b>		

### RECOMMENDATION

THAT the report “2018 Preliminary Budget” be received for information purposes.

### ATTACHMENTS

1. 2018 Preliminary Budget

### KEY INFORMATION

The attached 2018 budget is a preliminary first draft which represents the first step in the 2018 budget process. It has been prepared using the 2018 labour model and includes increases to operating expenses and revenues based on 2017 actual YTD results with nominal increases based on inflation. It also includes some additional operational expenses that are highlighted in the notes to the attached report. It does not include any capital expenditures or supplementary operational expenditures. The purpose of this initial draft is to determine the cash surplus available for capital expenditures, supplementary operating expenditures and transfers to reserves to guide staff and Council in setting priorities and determining the additional items to be included in the 2018 budget.

### FOLLOW UP ACTION

Staff will be available to respond to any questions at the January 9, 2017 Council meeting. The draft budget will be reviewed again at the January 23, 2018 meeting along with a summary of the preliminary capital and supplemental operating requests.

**The Village of Lions Bay  
Consolidated Operating Budget 2018  
(Draft)**

**DRAFT**

	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>Change</b>	<b>%</b>
<b>Revenues</b>				
Taxation	1,453,628	1,453,628	-	0.0%
Utility Fees and Rates	1,087,239	1,085,219	(2,020)	-0.2%
Fees, Licenses and Permits	152,253	169,571	17,318	11.4%
Grants	2,897,116	2,376,245	(520,871)	-18.0%
Loan Proceeds	460,870	456,291	(4,579)	n/a
Land Sales	3,219,250	-	(3,219,250)	n/a
Other Revenue	110,832	112,216	1,384	1.2%
	<b>9,381,188</b>	<b>5,653,169</b>	<b>(3,728,019)</b>	<b>-39.7%</b>
<b>Expenditures</b>				
Administrative Services	992,275	973,119	(19,157)	-1.9%
Council	70,853	57,002	(13,851)	-19.5%
EOC	40,285	19,240	(21,045)	-52.2%
Fire	310,016	324,145	14,129	4.6%
Bylaw	34,233	34,177	(56)	-0.2%
Parks, Recreation and Culture	207,307	217,498	10,191	4.9%
Planning and Development	120,925	73,124	(47,801)	-39.5%
Public Works	475,086	402,555	(72,531)	-15.3%
Water Fund	818,654	845,750	27,096	3.3%
Sewer Fund	71,677	87,069	15,392	21.5%
Solid Waste	184,784	185,919	1,135	0.6%
	<b>3,326,096</b>	<b>3,219,599</b>	<b>(106,497)</b>	<b>-3.2%</b>
<b>Surplus / (Deficit)</b>				
	<b>6,055,092</b>	<b>2,433,570</b>		
<b>Non-cash items included in Surplus/(Deficit)</b>				
Add back amortization	507,494	507,494		
MFA Actuarial Gain on Debt	(20,422)	(23,456)		
	<b>6,542,164</b>	<b>2,917,609</b>		
<b>Cash items NOT included in Surplus/(Deficit)</b>				
Repayment of Debt Principal	(109,521)	(131,442)		
	<b>6,432,643</b>	<b>2,786,167</b>		
CWWF Grant Capital		(2,473,815)		
Capital Expenditures		TBD		
Supplemental Expenditures		TBD		
Transfer from (to) Reserves:				
Gas Tax Funding		(56,450)		
Solid Waste Surplus - based on draft budget		(1,353)		
Water Surplus - based on draft budget		(119,628)		
Sewer Deficit - based on draft budget		3,287		
<b>Cash Surplus</b>		<b>138,207</b>		

**Village of Lions Bay  
2018 Draft Budget**

**Revenues**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
<b>Taxation</b>								
General Municipal Property Tax	987,338	1,105,803	1,404,485	1,404,442	1,404,442	-	0.0%	1
Fire Levy - from Municipal Taxation	206,878	231,703	-	-	-	-	n/a	
Parcel Taxes	291,227	35,931	10,585	10,585	10,585	-	0.0%	
Grants in Lieu	33,267	34,367	38,577	38,601	38,601	-	0.0%	
	<b>1,518,711</b>	<b>1,407,804</b>	<b>1,453,647</b>	<b>1,453,628</b>	<b>1,453,628</b>	<b>-</b>	<b>0.0%</b>	
<b>Utility Fees and Rates</b>								
Water User Rates	438,356	786,865	834,605	834,605	834,605	-	0.0%	
Sewer User Rates	41,164	44,822	67,234	67,234	67,234	(0)	0.0%	
Solid Waste User Rates	196,802	199,999	185,795	185,400	183,380	(2,020)	-1.1%	
	<b>676,322</b>	<b>1,031,686</b>	<b>1,087,634</b>	<b>1,087,239</b>	<b>1,085,219</b>	<b>(2,020)</b>	<b>-0.2%</b>	
<b>Fees, Licenses and Permits</b>								
Building Permits	9,907	11,357	91,353	58,500	75,000	16,500	28.2%	
Board Of Variance Application Fee	2,500	1,000	2,000	3,000	2,000	(1,000)	-33.3%	
Secondary Suite Surcharge Fees	11,490	17,098	22,476	18,200	22,518	4,318	23.7%	
Other Permits	245	2,530	3,655	750	1,000	250	33.3%	
Fire Training Programs	1,450	300	900	300	300	-	0.0%	
Recreation Programs	5,727	3,855	2,695	3,700	2,600	(1,100)	-29.7%	
Hall Rental	9,204	9,113	8,501	7,500	8,500	1,000	13.3%	
In-Kind Revenue	2,013	5,715	90	3,160	-	(3,160)	-100.0%	
Boat Space Rentals	5,000	5,800	9,894	7,250	7,625	375	5.2%	
Rental Agree - BC Ambulance	23,234	25,113	25,113	25,113	25,113	-	0.0%	
Parking Fines	17,233	8,098	9,934	8,000	9,000	1,000	12.5%	
Parking Passes - Annual	2,000	1,240	1,520	1,200	1,200	-	0.0%	
Parking Passes - Other	5,562	5,793	20,783	5,300	5,300	-	0.0%	2
Dog Licences	3,420	4,860	4,800	4,000	4,000	-	0.0%	
Filming Revenue	5,280	2,200	3,100	1,750	2,000	250	14.3%	
Tree Cutting Applications	360	400	450	750	500	(250)	-33.3%	
Tax Information Charges	1,840	2,160	2,220	1,800	2,000	200	11.1%	
Miscellaneous	2,192	4,116	1,887	1,980	915	(1,065)	-53.8%	
	<b>108,657</b>	<b>110,746</b>	<b>211,370</b>	<b>152,253</b>	<b>169,571</b>	<b>17,318</b>	<b>11.4%</b>	
<b>Grants</b>								
Small Community Grant	310,738	296,372	298,898	295,000	295,000	-	0.0%	
New Build Canada Grant	26,421	73,860	1,273	144,509	-	(144,509)	-100.0%	
CWWF Grant	-	-	715,704	2,250,130	2,012,945	(237,185)	-10.5%	3
CN Railway Grant	-	-	-	84,152	-	(84,152)	-100.0%	
Translink Grant	-	-	-	25,000	-	(25,000)	-100.0%	
Gas Tax Funding	54,616	56,451	56,502	56,450	56,450	-	0.0%	

**Village of Lions Bay  
2018 Draft Budget**

**Revenues**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
Provincial Government Grants	-	-	-	20,000	-	(20,000)	-100.0%	
Federal Government Grants	-	2,177	-	-	-	-	n/a	
Disaster Financial Assistance (EMBC)	278,334	99,113	-	-	-	-	n/a	
Other Grants	37,989	2,350	23,642	21,875	11,850	(10,025)	-45.8%	
	<b>708,098</b>	<b>530,322</b>	<b>1,096,020</b>	<b>2,897,116</b>	<b>2,376,245</b>	<b>(520,871)</b>	<b>-18.0%</b>	
<b>Other Revenue</b>								
External Borrowing	-	-	456,291	460,870	456,291	(4,579)	-1.0%	3
Net Proceeds from Land Sales	-	-	-	3,219,250	-	(3,219,250)	-100.0%	
Insurance Proceeds	-	-	134,084	-	-	-	n/a	
Fire Department Callouts Highway	28,466	35,711	8,333	26,000	21,000	(5,000)	-19.2%	
Donations to LB Fire Department	36,050	9,118	1,000	10,000	6,000	(4,000)	-40.0%	
Fire Fighter Day Revenue	-	25,152	23,234	20,000	24,000	4,000	20.0%	
Fire Department Miscellaneous	8,291	-	-	-	-	-	n/a	
Tax Penalties and Interest	24,239	24,983	23,528	22,800	22,100	(700)	-3.1%	
Admin Fees - Schools Taxes	2,783	2,856	2,959	2,800	2,800	-	0.0%	
MFA Actuarial Interest	14,701	17,506	20,422	20,422	23,456	3,034	14.9%	
Bank Return on Investment	11,444	13,152	20,422	6,110	11,360	5,250	85.9%	
Miscellaneous	859	4,082	13,106	1,500	1,500	-	0.0%	
Water/Sewer Connection Fees	1,904	94	10,872	1,200	-	(1,200)	-100.0%	
	<b>128,738</b>	<b>132,653</b>	<b>714,250</b>	<b>3,790,952</b>	<b>568,507</b>	<b>(3,222,445)</b>	<b>-85.0%</b>	
<b>Total Revenues</b>	<b>3,140,527</b>	<b>3,213,211</b>	<b>4,562,922</b>	<b>9,381,188</b>	<b>5,653,169</b>	<b>(3,728,019)</b>	<b>-39.7%</b>	

**Notes:**

- 1 The revenue includes a 0% property tax increase. Each 1% increase in property taxation provides an increase of \$14,044 in revenue.
- 2 The 2017 actual parking revenue included the parking meter revenue. There is no parking meter revenue included in the 2018 draft budget.
- 3 The Clean Water Wastewater Fund (CWWF) grant revenue and related capital expense and the MFA loan have been re-budgeted for 2018 as the project was not completed in 2017.

**Village of Lions Bay  
2018 Draft Budget**

**General Fund - Administration**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
<b>Expenditures</b>								
Amortization	335,783	309,558	-	332,235	332,235	-	0.0%	
Communications	40,076	51,395	43,294	59,437	53,250	(6,187)	-10.4%	
Fiscal Charges	3,628	3,729	4,494	3,750	4,250	500	13.3%	
Insurance	31,032	32,197	30,211	30,900	33,000	2,100	6.8%	
Internal Allocations	(53,500)	(53,500)	(53,500)	(53,500)	(53,500)	-	0.0%	
Maintenance	2,926	5,006	3,150	7,212	7,000	(212)	-2.9%	
Material, Supplies and Equipment	10,586	9,670	10,950	12,477	13,700	1,223	9.8%	
Professional Fees / Contract Services	52,922	53,033	55,392	104,500	70,000	(34,500)	-33.0%	1
Salaries and Benefits	408,142	462,362	478,475	474,219	491,089	16,870	3.6%	
Sundry	2,781	5,233	3,033	2,942	3,500	558	19.0%	
Training / Professional Development	13,506	14,325	13,453	15,445	16,595	1,150	7.4%	
Utilities	1,745	1,825	1,845	2,658	2,000	(658)	-24.8%	
	<b>849,627</b>	<b>894,832</b>	<b>590,796</b>	<b>992,275</b>	<b>973,119</b>	<b>(19,157)</b>	<b>-1.9%</b>	

**Notes:**

1 Budget is comprised of:

Legal Fees	30,000	
Contract Services - Minute Taking	1,500	
Audit Fees	37,000	
General Contract Services	1,500	70,000

2017 budget included \$20k for asset management and \$20k for records management which will be re-budgeted in 2018.

**Village of Lions Bay  
2018 Draft Budget**

**General Fund - Council**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
<b>Expenditures</b>								
Council Communication	128	11,655	84	250	250	-	0.0%	
Council - Office Supplies	442	144	147	200	200	-	0.0%	
Professional Services	-	4,358	133	-	-	-	n/a	
Salaries and Benefits	41,537	38,884	37,648	43,003	43,802	799	1.9%	
Council Funded Events	4,111	4,540	5,425	7,400	5,750	(1,650)	-22.3%	
Election	-	13,208	7,691	14,000	4,000	(10,000)	-71.4%	1
Conferences & Conventions	4,276	940	-	3,500	1,000	(2,500)	-71.4%	
Association Dues / Memberships	342	351	410	500	500	-	0.0%	
Travel	2,248	1,901	1,070	2,000	1,500	(500)	-25.0%	
	<b>53,084</b>	<b>75,982</b>	<b>52,608</b>	<b>70,853</b>	<b>57,002</b>	<b>(13,851)</b>	<b>-19.5%</b>	

**Notes:**

1 2017 budget included \$10,000 for the by-election.

**Village of Lions Bay  
2018 Draft Budget**

**General Fund - EOC Services**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
<b>Expenditures</b>								
Communications	1,710	1,701	3,036	3,750	1,750	(2,000)	-53.3%	1
Grants	3,306	2,331	908	4,535	5,490	955	21.1%	2
Maintenance	3,978	5,121	7,314	6,000	6,500	500	8.3%	
Material, Supplies and Equipment	-	(18)	-	500	500	-	0.0%	
Training / Professional Development	12,500	317	-	21,000	1,000	(20,000)	-95.2%	3
Utilities	4,063	989	6,338	4,500	4,000	(500)	-11.1%	
	<b>25,558</b>	<b>10,441</b>	<b>17,596</b>	<b>40,285</b>	<b>19,240</b>	<b>(21,045)</b>	<b>-52.2%</b>	

**Notes:**

- 1 2017 budget Included \$2,000 for the LB Alert - Emergency communication system.
- 2 Includes \$4,890 grant request from ESS (\$3,935 in 2017).
- 3 2017 budget Included \$20,000 for Emergency Management Planning.  
This amount will be re-budgeted in 2018.

**Village of Lions Bay  
2018 Draft Budget**

**General Fund - Fire Department**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
<b>Expenditures</b>								
Communications	42,421	46,998	48,350	57,825	71,145	13,320	23.0%	1
Fiscal Charges	172	190	157	200	200	-	0.0%	
Insurance	10,417	11,318	12,221	12,316	15,500	3,184	25.9%	
Maintenance	37,015	36,828	41,281	38,750	40,000	1,250	3.2%	
Material, Supplies and Equipment	39,189	30,267	139,354	32,400	39,500	7,100	21.9%	2
Salaries and Benefits	101,609	98,852	98,346	119,675	105,050	(14,625)	-12.2%	
Training / Professional Development	29,499	29,100	27,877	45,950	49,850	3,900	8.5%	
Utilities	1,864	1,373	2,169	2,900	2,900	-	0.0%	
	<b>262,185</b>	<b>254,925</b>	<b>369,755</b>	<b>310,016</b>	<b>324,145</b>	<b>14,129</b>	<b>4.6%</b>	

**Notes:**



- 1 Budget includes \$15,000 for the annual radio levy (through E-Comm).
- 2 Budget includes \$13k for uniforms.

**Village of Lions Bay  
2018 Draft Budget**

**General Fund - Bylaw Services**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
<b>Expenditures</b>								
Communications	706	797	914	850	1,000	150	17.6%	
Material, Supplies and Equipment	3,272	1,661	2,908	4,300	3,800	(500)	-11.6%	
Professional Fees / Contract Services	2,678	1,523	1,625	2,000	2,000	-	0.0%	
Salaries and Benefits	15,703	19,017	19,194	24,583	25,377	794	3.2%	1
Training / Professional Development	-	2,484	-	2,500	2,000	(500)	-20.0%	
	-	<b>22,359</b>	<b>24,641</b>	<b>34,233</b>	<b>34,177</b>	<b>(56)</b>	<b>-0.2%</b>	

**Notes:**

- 1 Budgeted for 3 days per week from May 18 to September 30 - 8 hours Friday, 12 hours Saturday, Sunday and stats.

**Village of Lions Bay  
2018 Draft Budget**

**General Fund - Parks and Recreation**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
<b>Expenditures</b>								
Communications	-	595	545	350	600	250	71.4%	
Grants	34,836	33,691	23,483	27,940	31,323	3,383	12.1%	1
Insurance	2,600	2,400	2,400	2,746	3,000	254	9.2%	
Maintenance	28,401	19,797	37,874	27,616	30,750	3,134	11.3%	
Material, Supplies and Equipment	233	3,564	3,545	4,000	5,000	1,000	25.0%	
Professional Fees / Contract Services	4,995	2,418	10,200	22,500	2,500	(20,000)	-88.9%	2
Recreation Programs	4,834	3,354	2,294	2,960	2,300	(660)	-22.3%	
Salaries and Benefits	115,377	105,318	117,498	112,219	134,275	22,056	19.7%	3
Sundry	(140)	471	105	515	250	(265)	-51.5%	
Utilities	5,004	3,735	5,065	6,461	7,500	1,039	16.1%	
	<b>196,141</b>	<b>175,342</b>	<b>203,010</b>	<b>207,307</b>	<b>217,498</b>	<b>10,191</b>	<b>4.9%</b>	

**Notes:**

1 Budgeted for the 2018 Municipal Grants as submitted - to be approved by Council:

	Cash	In-Kind	Total
LB Historical Society	608	240	848
LB Events Committee	2,800	2,350	5,150
Senior Circle	3,100	1,500	4,600
LB Arts Council	4,000	400	4,400
LB House Concerts (new)	7,800	1,300	9,100
Lions Bay Trail Blazers	1,250	200	1,450
Lions Bay Caroling Team	130	25	155
LB Community Scholarship Foundation	900	170	1,070
LB Community Garden	250	150	400
Sea to Sky Invasive Species Council	1,500	-	1,500
Bear Smart Program	500		500
Curly Stewart Award	500		500
Regional Flood Management Society	500		500
Sea to Sky Clean Air Society	300		300
Canada Day (grant funded)	850		850
	<b>24,988</b>	<b>6,335</b>	<b>31,323</b>

2 2017 budget included \$22,500 for the execution of a landscaping plan - \$20,000 funded by MOTI. Unspent portion to be re-budgeted in 2018.

3 Salaries include the addition of a PW employee and an increase in the hours for the parks employee from part-time (0.8 FTE) to full-time (1.0 FTE) effective May 1, 2018.

**Village of Lions Bay  
2018 Draft Budget**

**General Fund - Planning and Development**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
<b>Expenditures</b>								
Communications	963	900	2,218	1,200	4,000	2,800	233.3%	1
Professional Fees / Contract Services	2,812	18,973	20,609	86,868	36,310	(50,558)	-58.2%	2
Salaries and Benefits	18,780	45,171	25,839	29,657	30,039	382	1.3%	
Sundry	500	213	525	750	750	-	0.0%	
Training / Professional Development	948	995	1,480	2,450	2,025	(425)	-17.3%	
	<b>24,004</b>	<b>66,253</b>	<b>50,671</b>	<b>120,925</b>	<b>73,124</b>	<b>(47,801)</b>	<b>-39.5%</b>	

**Notes:**

- 1 Budget includes advertising for public meetings.
- 2 2017 budget included \$60k for a planning consultant, of which only \$29.4k was spent. The 2018 budget includes a part-time planner (3 days per week starting April 1 offset by a re-budget of the unspent 2017 planning consultant budget (\$30.6k) and land surveys.

**Village of Lions Bay  
2018 Draft Budget**

**General Fund - Public Works**

	2015 Actual	2016 Actual	YTD Actual 2017	2017 Budget	2018 Budget	Change	%	Notes
<b>Expenditures</b>								
Communications	11,026	15,296	10,624	15,606	14,500	(1,106)	-7.1%	
Interest Payments	16,048	15,016	13,952	16,526	19,458	2,933	17.7%	
Insurance	12,408	10,959	12,141	11,500	12,500	1,000	8.7%	
Internal Allocations	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	-	0.0%	
Maintenance	90,489	76,218	75,103	214,398	121,247	(93,151)	-43.4%	1
Material, Supplies and Equipment	30,468	23,392	37,136	31,121	30,000	(1,121)	-3.6%	
Professional Fees / Contract Services	38,762	29,588	20,962	20,000	20,000	-	0.0%	
Salaries and Benefits	154,438	171,882	157,441	168,935	187,350	18,415	10.9%	2
Sundry	44	32	-	-	-	-	n/a	
Training / Professional Development	2,856	3,311	1,370	6,000	6,000	-	0.0%	
Utilities	-	5,909	6,212	6,000	6,500	500	8.3%	
<b>Total Expenditures</b>	<b>341,539</b>	<b>336,601</b>	<b>319,941</b>	<b>475,086</b>	<b>402,555</b>	<b>(72,531)</b>	<b>-15.3%</b>	

**Notes:**

1 The 2017 budget included \$107,205 for the improvement of the KG and BB railway grade crossings offset by budgeted grant revenue of \$84,152 (80% of costs). The grant was not received and the work was not completed. The 2018 budget includes \$35,300 to complete the work on the KG railway grade crossing offset by a re-budget of the unspent 2017 railway grade crossing budget.

2 Salaries include the addition of a PW employee commencing May 1, 2018.



## THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

---

<b>Type</b>	<b>Report to Council</b>		
<b>Title</b>	<b>Information Report – BDO Planning Report</b>		
<b>Author</b>	<b>Pamela Rooke</b>	<b>Reviewed By:</b>	<b>Peter DeJong</b>
<b>Date</b>	<b>January 4, 2018</b>	<b>Version</b>	<b>-</b>
<b>Issued for</b>	<b>January 9, 2018 Regular Council Meeting</b>		

### RECOMMENDATION

THAT the Information Report “BDO Planning Report” be received for information purposes.

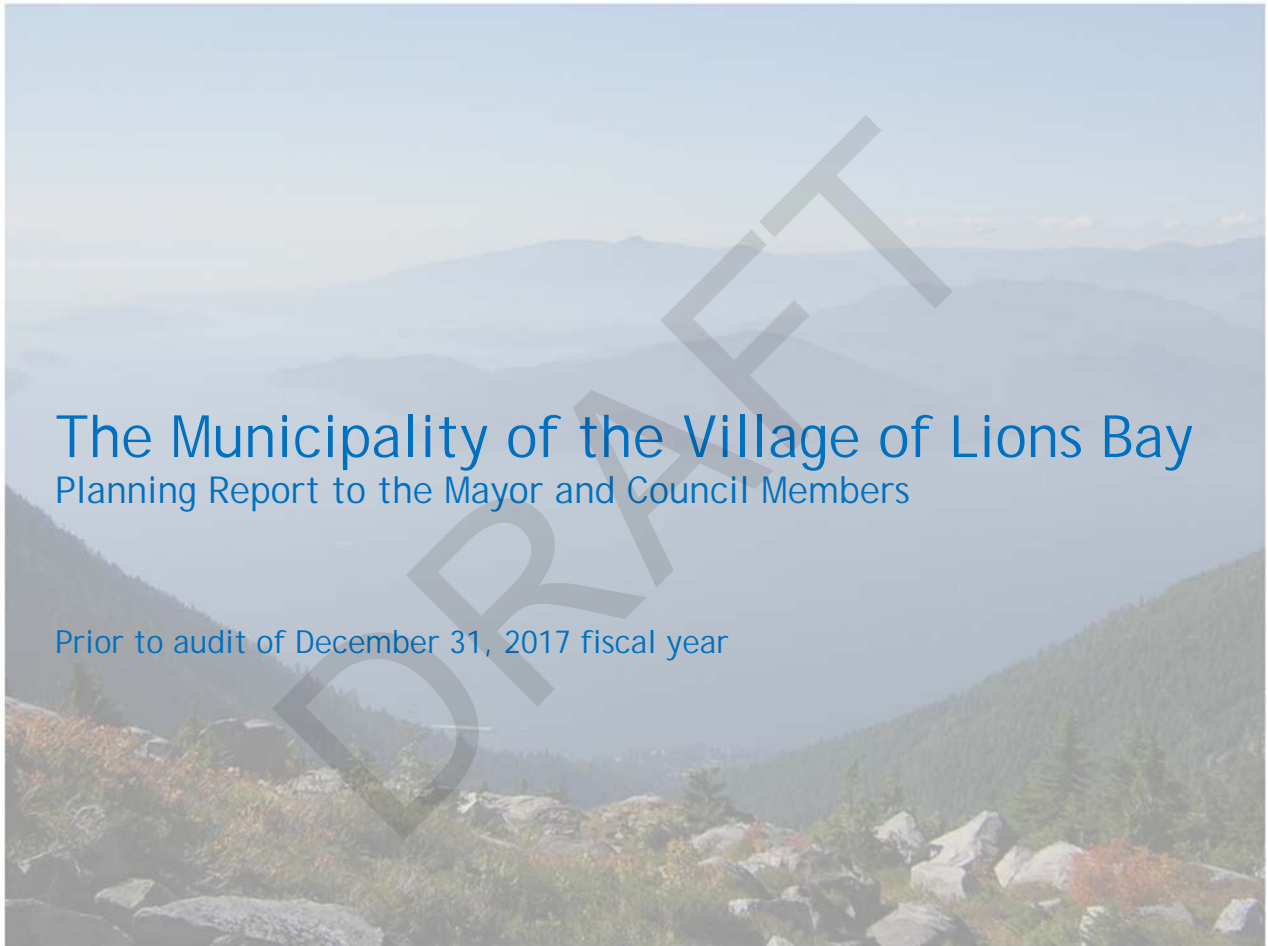
### ATTACHMENTS

- The Municipality of the Village of Lions Bay  
Planning Report to the Mayor and Council Members

### KEY INFORMATION

As part of the annual audit process, BDO issues an audit planning report to Mayor and Council for their review. The report highlights and explains key issues relevant to the audit of the financial statements for the year ended December 31, 2017.

For Council’s consideration.



# The Municipality of the Village of Lions Bay

## Planning Report to the Mayor and Council Members

Prior to audit of December 31, 2017 fiscal year

Direct Line: 604-443-4716

E-mail: bcox@bdo.ca

January 4, 2018

Mayor and Council  
The Municipality of the Village of Lions Bay  
400 Centre Road  
Lions Bay, BC V0N 2E0

Dear Mayor and Council Members:

We are pleased to present our audit plan for the audit of the financial statements of the Village of Lions Bay ("the Village") for the year ended December 31, 2017.

Our report is designed to highlight and explain key issues which we believe to be relevant to the audit including audit risks, the nature, extent and timing of our audit work and the terms of our engagement. The audit planning report forms a significant part of our overall communication strategy with the Mayor and Council and is designed to promote effective two-way communication throughout the audit process. It is important that we maintain effective two-way communication with the Mayor and Council throughout the entire audit process so that we may both share timely information. The audit process will conclude with a Mayor and Council meeting and the preparation of our final report to the Council.

This report has been prepared solely for the use of the Mayor and Council and should not be distributed without our prior consent. Consequently, we accept no responsibility to a third party that uses this communication.

The Mayor and Council play an important part in the audit planning process and we look forward to meeting with you to discuss our audit plan as well as any other matters that you consider appropriate.

Yours truly,

Bill Cox, FCPA, FCA  
Partner through a corporation  
BDO Canada LLP  
Chartered Professional Accountants

BC/mkn



## TABLE OF CONTENTS

Executive Summary	4
APPENDIX A - Your BDO Engagement Team	9
APPENDIX B - Audit Strategy	10
APPENDIX C - Management Responsibilities	11
APPENDIX D - Circumstances Affecting Timing and Fees	12
APPENDIX E - Council Responsibilities	13
APPENDIX F - Auditor's Considerations of Possible Fraud and Illegal Activities	14
APPENDIX G - Independence Letter	16
APPENDIX H - Communication Requirements	18
APPENDIX I - Resources and Services	19
APPENDIX J - Changes in Accounting Standards With Potential to Impact the Village	21
APPENDIX K - Prior Year's Management Letter	32

DRAFT



## EXECUTIVE SUMMARY

### ENGAGEMENT LETTER

The terms and conditions of our engagement are included in the most recent engagement letter, dated November 24, 2016.

### RESPONSIBILITIES

It is important for Council to understand the responsibilities that rest with the external auditor and the responsibilities of those charged with governance. BDO's responsibilities are outlined within the most recent engagement letter, dated November 24, 2016. The oversight and financial reporting responsibilities of Council as they pertain to the annual audit are summarized below.

- Oversee the work of the external auditor engaged for the purpose of issuing an independent auditor's report.
- Report on all non-audit services to be provided to the Village by the external auditor.
- Facilitate the resolution of disagreements between management and the external auditor regarding financial reporting matters, if any.
- Refer to Appendix E for full details on the responsibilities of Council.

### ENGAGEMENT OBJECTIVES

- Express an opinion as to whether the financial statements present fairly, in all material respects, the financial position, results of operations, changes in its net assets, and cash flows of the Village in accordance with Public Sector Accounting Standards ("PSAB").
- Present significant findings to the Mayor and Council including key audit and accounting issues, any significant deficiencies in internal control and any other significant matters arising from our work.
- Provide opinions on the C2 - Home Owner Grant/Treasure/Audit Certificate and the compliance with agreement relating to Part 8 of the School Act (British Columbia).
- Provide timely and constructive management letters. This will include deficiencies in internal control identified during our audit. (See Appendix K for prior year's management letter.)
- Consult regarding accounting, indirect taxes and reporting matters as requested throughout the year.
- Read the other information included in the Village's Annual Report to identify material inconsistencies, if any, with the audited financial statements.



## AUDIT STRATEGY

Overall, balance will be tested based on substantive procedures (such as analysis of data and obtaining direct evidence as to the validity of the items) in combination with analytical review and testing due to the issues we have noted in the past relating to the reliability of the internal control.

Refer to Appendix B for a high level overview of our audit strategy.

## MATERIALITY

Misstatements, including omitted financial statement disclosures, are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances and include an assessment of both quantitative and qualitative factors and can be affected by the size or nature of a misstatement, or a combination of both.

For purposes of our audit, we have set preliminary materiality at \$63,000 for the Village and a preliminary performance materiality at \$47,250.

Our materiality calculation is based on the Village's prior year results. In the event that actual results vary significantly from those used to calculate preliminary materiality, we will communicate these changes to Council as part of our year end communication.

We will communicate all corrected and uncorrected misstatements identified during our audit to the Council, other than those which we determine to be "clearly trivial". Misstatements are considered to be clearly trivial for purposes of the audit when they are inconsequential both individually and in aggregate.

We encourage management to correct any misstatements identified throughout the audit process.

## RISKS AND PLANNED AUDIT RESPONSES

Based on our knowledge of the Village's operations, our past experience, and knowledge gained from management and Council, we have identified the following significant risks; those risks of material misstatement that, in our judgment, require special audit consideration.

Significant risks arise mainly because of the complexity of the accounting rules, the extent of estimation and judgment involved in the valuation of these financial statement areas, and the existence of new accounting pronouncements that affect them. We request your input on the following key risks and whether there are any other areas of concern that the Council have identified.



## RISKS AND PLANNED AUDIT RESPONSES (CONTINUED)

	Audit Risk	Proposed Audit Approach
Recognition of Revenue	Accounting standards have changed in this area and are complex and open to interpretation. There is a risk that revenue may be incorrectly deferred into future periods.	<p>Grant funding will be confirmed through a review of the agreements, which ensures that the amounts recorded exist, are complete and are recorded accurately.</p> <p>Grant expenditures will also be reviewed to ensure that they meet the requirements per the grant agreement.</p> <p>Other revenues streams also contain revenue recognition issues which will be reviewed in accordance with latest revenue recognition standards.</p>
Management Override of Internal Controls	The Village's current internal control systems could be subject to an override of existing controls by management resulting in unauthorized transactions or unauthorized adjustments to the accounting records.	Review of significant transactions recorded in the various ledgers for unusual or non-recurring adjustments not addressed by other audit procedures.

Other items considered areas of focus are as follows:

	Audit Risk	Proposed Audit Approach
Cash and Investments	<p>Cash planning and investment management are important aspects of good financial controls.</p> <p>Due to its nature, cash and investments are almost always considered to be a risk area in any audit.</p>	Our planned audit procedures include review of reconciliations, substantive testing of transactions and confirmations of end of period balances. We will also review reports on return and investment strategies.
Staff Salaries	A significant single type of expenditure that covers many employees and departments. As a municipality, this figure is often of particular interest to financial statement users (taxpayers).	Application of computer audit testing to analyze all payroll transactions in the year is a key step to identify unusual payroll relationships for testing. We will also perform systems testing, tests of controls and analytical review of staff salary and levels.



<b>Tangible Capital Assets and Accumulated Amortization</b>	With continuous changes in technology and innovation, the useful lives of tangible capital assets owned by the Village will need to be re-evaluated to determine if they are still accurate. This involves a high level of estimation and coordination of the finance department with other departments.	We will perform substantive testing of additions and disposals in the year and amortization calculations. Useful lives of existing assets will be reviewed for changes in estimates, if applicable. Repairs and maintenance ledgers will also be reviewed for possible capital items that have been expensed.
<b>Assets Held for Sale</b>	The Village currently has a piece of real estate listed for public sale. As the property has not yet sold as at December 31, 2017, accounting standards require the asset to be separately disclosed on the statement of financial position as "asset held for sale".	We will ensure the property is appropriately disclosed and valued in the financial statements as held for sale. If a sales agreement is entered into before the financial statements are finalized, we will work with management to disclose the subsequent event.

## FRAUD RISK

Canadian generally accepted auditing standards require us to discuss fraud risk with Council on an annual basis. We have prepared the following comments to facilitate this discussion.

Required Discussion	BDO Response	Question to Council
Details of existing oversight processes with regards to fraud.	Through our planning process, and based on prior years' audits, we have developed an understanding of your oversight processes including: <ul style="list-style-type: none"> <li>• Annual Council meeting with management to discuss fraud</li> <li>• Discussions at regular Council meetings and our attendance at some of those meetings;</li> <li>• Review of related party transactions; and</li> <li>• Consideration of tone at the top.</li> </ul>	Are there any new processes or changes in existing processes relating to fraud that we should be aware of?
Knowledge of actual, suspected or alleged fraud.	Currently, we are not aware of any fraud.	Are you aware of any instances of actual, suspected or alleged fraud affecting the Village?

Refer to Appendix F for our considerations of possible fraud and illegal activities during the performance of our audit.

## FINAL ENGAGEMENT REPORTING



As part of our final reporting to Council, we will provide a communications package to support Council in discharging their responsibilities. This communication will include any identified significant deficiencies in internal controls. See Appendix H for a comprehensive list of communication requirements throughout the audit.

DRAFT



## OTHER MATTERS

<b>Timing</b>	<p>The following schedule has been agreed to with management:</p> <ul style="list-style-type: none"> <li>• Interim audit fieldwork - December 13 - 15, 2017</li> <li>• Year-end audit fieldwork - April 16 - 20, 2018</li> <li>• Review of draft financial statements with Council - May 8, 2018</li> <li>• Finalization of financial statements - Immediately subsequent to approval by Mayor &amp; Council</li> </ul>
<b>Independence</b>	<p>Our annual independence letter has been included as Appendix G.</p>
<b>Management Representations</b>	<p>As part of our audit finalization we will obtain written representation from management, a copy of these representations will be included as part of our final report.</p>
<b>New Accounting Standards</b>	<p>Refer to Appendix J for changes in standards.</p>

DRAFT



## APPENDIX A - Your BDO Engagement Team

Name	Title	Email	Phone
Bill Cox, FCPA, FCA	Engagement Partner	bcox@bdo.ca	604.443.4716
Kayan Yu, CPA, CA	Senior Manager	kayu@bdo.ca	604.646.4417
Billy Lee	Audit Senior	bilee@bdo.ca	604.688.5421

DRAFT



## APPENDIX B - Audit Strategy

Our overall audit strategy involves extensive partner and manager involvement in all aspects of the planning and execution of the audit and is based on our overall understanding of the Village.

We will perform a risk-based audit which allows us to focus our audit effort on higher risk areas and other areas of concern for management and the Council.

To assess risk accurately, we need to gain a detailed understanding of the Village's operations and the environment it operates in. This allows us to identify, assess and respond to the risks of material misstatement.

To identify, assess and respond to risk, we obtain an understanding of the system of internal control in place in order to consider the adequacy of these controls as a basis for the preparation of the financial statements. We then determine whether adequate accounting records have been maintained and assess the adequacy of these controls and records as a basis upon which to design and undertake our audit testing.



Based on our risk assessment, we design an appropriate audit strategy to obtain sufficient assurance to enable us to report on the financial statements.

We choose audit procedures that we believe are the most effective and efficient to reduce audit risk to an acceptably low level. The procedures are a combination of testing the operating effectiveness of internal controls, substantive analytical procedures and other tests of detailed transactions.

Having planned our audit, we will perform audit procedures maintaining an appropriate degree of professional skepticism, in order to collect evidence to support our audit opinion.



## APPENDIX C - Management Responsibilities

All facets of the Village's internal controls including those governing the accounting records, systems and financial statements will be impacted by the organization's complexity, the nature of risks, and the related laws, regulations, or stakeholder requirements. It is management's responsibility to determine the level of internal control required to respond reasonably to the Village's risks.

The preparation of the Village's financial statements including all disclosures in accordance with Canadian public sector accounting standards is the responsibility of management. Among other things, management is responsible for:

1. Designing and implementing internal controls over financial reporting to enable the preparation of financial statements that are free of material misstatements;
2. Informing the Village's auditors of any deficiencies in design or operation of internal controls;
3. Updating the Village's auditors for any material change in the Village's internal controls including if the individuals responsible for the controls that have changed;
4. Identifying and complying with any laws, regulations, and/or agreements which apply to the Village;
5. Recording any adjustments required to the financial statements to correct material misstatements;
6. Safeguarding of assets;
7. Providing the auditor with all financial records, and related data which may be related to the recognition, measurement and or disclosure of transactions in the financial statements;
8. Providing accurate copies of all minutes of the regular and closed meetings of Council;
9. Providing timely, accurate information as requested for the completion of the audit;
10. Allowing unrestricted access to persons or information as requested as part of the audit;
11. Notifying the auditor of any circumstances which arise between the date the audit work is completed and the approval date of the financial statements.

### Representation Letter

We will make specific inquiries of the Village's management about the representations embodied in the financial statements and internal control over financial reporting. During the completion of our audit documentation, we will require management to confirm in writing certain representations in accordance with Canadian generally accepted auditing standards. These representations are to be provided to us in the form of a representations letter which will be provided as near as practicable to, but not after the date of our auditor's report on the financial statements.



## APPENDIX D - Circumstances Affecting Timing and Fees

Our professional fee for the audit is based on careful consideration of the time required to complete the required work. Circumstances may arise during the engagement which could significantly impact the targeted completion dates and or the extent of work required to complete the audit. As a result, additional fees may be necessary. Such circumstances include, but are not limited to, the following:

### Significant Issues

1. Changes in the design or function of internal controls can impact the audit and result in additional substantive testing;
2. Significant number of proposed adjustments which are identified during the audit work;
3. Significant changes are required to the format or information contained in the financial statements;
4. New issues resulting from changes to:
  - a. Accounting standards, policies or practices
  - b. Special events or transactions which were not contemplated in the original budget
  - c. The financial reporting process or systems involved
  - d. Accounting personnel or availability of accounting personnel
  - e. The requirement to include specialists in the audit work
5. Changes to the scope of the audit.

### Audit Execution

1. Audit schedules are not provided in a timely manner, are not mathematically correct, or do not agree to the underlying accounting records.
2. There are significant delays in responding to our requests for information or responses require significant further investigation.
3. The quality of the supporting information for the audit work has deteriorated from our previous experience.
4. A complete working paper package is not provided on the agreed upon date.
5. There is a limitation of access to the financial staff required to complete the audit.



## APPENDIX E - Council Responsibilities

### General Responsibilities

It is Council's responsibility to provide oversight of the financial reporting process. This includes management's preparation of the financial statements, monitoring of the Village's internal controls, overseeing the work of the external auditor, facilitating the resolution of disagreements between management and the auditor, as well as the final review of the financial statements and other annual reporting.

### Significant Audit Findings

Based on the work we perform, any significant identified deficiencies in internal control will be reported to you in writing. The purpose of our audit is to express an opinion on the financial statements. While our audit includes a consideration of the internal control structure of the Village, our work is focused on those controls relevant to financial reporting. As such, our work was not designed to provide an opinion on the effectiveness of the internal controls.

We will communicate our views regarding any significant qualitative aspects of the Village's accounting practices. This would include the selection and application of accounting policies, estimates and financial statement disclosure. If during our audit we feel that the selected policies, estimates or disclosures are not appropriate for the Village under its reporting framework, we will communicate these matters to Council.

In addition, we will communicate:

- Any significant difficulties which arose during the audit;
- Any reasons identified which may cause doubt as to the Village's ability to continue as a going concern;
- The written representations we will request from management;
- Any identified unadjusted misstatements;
- Any identified or suspected fraudulent activities.



## APPENDIX F - Auditor's Considerations of Possible Fraud and Illegal Activities

We are responsible for planning and performing the audit to obtain reasonable assurance that the financial statements are free of material misstatements, whether caused by error or fraud, by:

- Identifying and assessing the risks of material misstatement due to fraud;
- Obtaining sufficient and appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- Responding appropriately to fraud or suspected fraud identified during the audit.

The likelihood of not detecting a material misstatement resulting from fraud is higher than the likelihood of not detecting a material misstatement resulting from error because fraud may involve collusion, as well as sophisticated and carefully organized schemes designed to conceal it.

During the audit, we will perform risk assessment procedures and related activities to obtain an understanding of the entity and its environment, including the Village's internal control system, to obtain information for use in identifying the risks of material misstatement due to fraud and make inquiries of management regarding:

- Management's assessment of the risk that the financial statements may be materially misstated due to fraud, including the nature, extent and frequency of such assessments;
- Management's process for identifying and responding to the risks of fraud in the Village, including any specific risks of fraud that management has identified or that have been brought to its attention, or classes of transactions, account balances, or disclosures for which a risk of fraud is likely to exist;
- Management's communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud in the Village; and
- Management's communication, if any, to employees regarding its view on business practices and ethical behaviour.

In response to our risk assessment and our inquiries of management, we will perform procedures to address the assessed risks, which may include:

- Inquiring of management, members of Council and others related to any knowledge of fraud, suspected fraud or alleged fraud;
- Performing disaggregated analytical procedures and considering unusual or unexpected relationships identified in the planning of our audit;
- Incorporating an element of unpredictability in the selection of the nature, timing and extent of our audit procedures; and



- Performing additional required procedures to address the risk of management's override of controls including:
  - Testing internal controls designed to prevent and detect fraud;
  - Testing the appropriateness of a sample of adjusting journal entries and other adjustments for evidence of the possibility of material misstatement due to fraud;
  - Reviewing accounting estimates for biases that could result in material misstatements due to fraud, including a retrospective review of significant prior years' estimates; and
  - Evaluating the business rationale for significant unusual transactions.

DRAFT



## APPENDIX G - Independence Letter

January 4, 2018

Mayor and Council  
Village of Lions Bay  
400 Centre Road  
Lions Bay, BC V0N 2E0

Dear Mayor and Council Members:

We have been engaged to audit the financial statements of the Village of Lions Bay (the "Village") for the year ended December 31, 2017.

Canadian generally accepted auditing standards (GAAS) no longer require that we communicate formally to you in regard to Independence Matters, however we consider it to be a good practice. As such, we are reporting to you regarding all relationships between the Village (and its related entities) and our firm that, in our professional judgment, may reasonably be thought to bear on our independence.

In determining which relationships to report, these standards require us to consider relevant rules and related interpretations prescribed by the Institute of Chartered Professional Accountants of British Columbia and applicable legislation, covering such matters as:

- Holding a financial interest, either directly or indirectly in a client;
- Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- Economic dependence on a client; and
- Provision of services in addition to the audit engagement.

We are not aware of any relationships between the Village and our firm that, in our professional judgment, may reasonably be through to bear on our independence.

We hereby confirm that we are independent with respect to the Village within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia as of the date of this letter.



This letter is intended solely for the use of Mayor and Council and management and should not be used for any other purposes.

Yours truly,

Bill Cox, CPA, FCA  
Partner through a corporation of  
BDO Canada LLP  
Chartered Professional Accountants

BC/mkn

DRAFT

## APPENDIX H - Communication Requirements

Required Communication	Audit Planning Letter	Audit Results Letter	Communication Completed
1. Our responsibilities under Canadian GAAS	✓		Y
2. Our audit strategy and audit scope	✓		Y
3. Fraud risk factors	✓		Y
4. Going concern matters		✓	N
5. Significant estimates or judgments		✓	N
6. Audit adjustments		✓	N
7. Unadjusted misstatements		✓	N
8. Omitted disclosures		✓	N
9. Disagreements with Management		✓	N
10. Consultations with other accountants or experts		✓	N
11. Major issues discussed with management in regards to retention		✓	N
12. Significant difficulties encountered during the audit		✓	N
13. Significant deficiencies in internal control		✓	N
14. Material written communication between BDO and Management		✓	N
15. Any relationships which may affect our independence	✓		Y
16. Any illegal acts identified during the audit		✓	N
17. Any fraud or possible fraudulent acts identified during the audit		✓	N
18. Significant transactions with related parties not consistent with ordinary business		✓	N
19. Non-compliance with laws or regulations identified during the audit		✓	N
20. Limitations of scope over our audit, if any		✓	N
21. Written representations made by Management		✓	N
22. Any modifications to our opinion, if required		✓	N

## APPENDIX I - Resources and Services

### OTHER BDO SERVICES

<b>Solutions</b>	<p>BDO Solutions provides accounting software management tools need to run a better operation. Our expert team understands the complex reporting requirements government entities must adhere to, as well as the limited resources they have to address these needs. Spend more time serving your constituents, better manage budgets, allocate time and resources more effectively and improve your ability to focus on the work that really matters to your organization.</p> <p>For more information, please visit the following link: <a href="http://www.bdosolutions.com/ca/">http://www.bdosolutions.com/ca/</a></p>
<b>Succession Planning</b>	<p>Having a strong strategic plan, such as a succession plan for key employees and strategic planning for the Board, is critical to an organization's success. With our succession planning services, we can help your organization with:</p> <ul style="list-style-type: none"><li>• Planning for a change in leadership</li><li>• Setting a strategic direction for the Board</li><li>• Develop a strategic business plan for operations</li><li>• Aligning all three groups of stakeholders (Board, employees and members) and enhancing communication</li></ul> <p>For more information, please visit the following link: <a href="http://www.bdo.ca/en/Services/Advisory/Business-Transition/pages/default.aspx">http://www.bdo.ca/en/Services/Advisory/Business-Transition/pages/default.aspx</a></p>
<b>Risk Advisory</b>	<p>As Canada's leading financial advisory firm, BDO helps organizations and their management teams effectively assess, develop and manage strategic initiatives.</p> <p>Visit the following link to find out more: <a href="http://www.bdo.ca/en/Services/Advisory/Financial-Advisory/pages/default.aspx">http://www.bdo.ca/en/Services/Advisory/Financial-Advisory/pages/default.aspx</a></p>
<b>Outsourcing</b>	<p>Our dedicated team of professional bookkeepers across Canada combined with our powerful Microsoft cloud technology platform can provide you and your organization with a world class bookkeeping solution that gives you anytime access to your financial information. Our BDO Client Portal provides you with access to comprehensive business management functionality and enables you to make proactive and informed decisions for your organization.</p> <p>Visit the link below to find out how we can create a customized bookkeeping solution for your organization: <a href="http://www.bdo.ca/en/Services/Outsourcing/Bookkeeping/pages/default.aspx">http://www.bdo.ca/en/Services/Outsourcing/Bookkeeping/pages/default.aspx</a></p>



## Indirect Tax

Government Entities operating in Canada are impacted by commodity taxes in some way or another. These include GST/HST, QST, PST, various employer taxes, and unless managed properly, can have a significant impact on your organization's bottom line. The rules for Government Entities can be especially confusing, and as a result many organizations end up paying more for indirect tax than they need to.

Government Entities must keep on top of changes to ensure they are taking advantage of the maximum refund opportunities. At BDO, we have helped a number of organizations of all sizes with refund opportunities, which can reduce costs for the organization and improve overall financial health.

For more information, please visit the following link:

<http://www.bdo.ca/en/Services/Tax/Indirect-Tax/pages/default.aspx>

## BDO PUBLICATIONS

BDO's national and international accounting and assurance department issues publications on the transition and application of Public Sector Accounting Standards. In addition, we offer a wide array of publications on Accounting Standards for Private Enterprises (ASPE), International Financial Reporting Standards (IFRS), and Accounting Standards for Not-for-profit organizations (ASNPO).

For additional information on PSAS, including links to archived publications and model financial statements, refer to the link below:

<http://www.bdo.ca/en/library/services/assurance-and-accounting/pages/default.aspx>.

## MYPDR

Class is in session! Meeting Your Professional Development Requirements (MYPDR) is an educational program designed to support our clients, contacts and alumni in achieving their ongoing professional development requirements.

Through the MYPDR program, we are committed to providing timely, relevant topics that can support you in meeting your ongoing professional development needs. For more information on the MYPDR program or to register, please visit <http://www.cvent.com/d/34qqxp>.



## APPENDIX J - Changes in Accounting Standards With Potential to Affect the Village

*The following summarizes the status of new standards and the changes to existing standards as of the fall of 2017. The Appendix also reviews Exposure Drafts, Statements of Principles, Projects and Post Implementation Reviews that provide information on the future direction of CPA Public Sector Accounting Handbook.*

For the Village, likely the most significant standard on the horizon relates to "Asset Retirement Obligations". This standard is currently at the "Exposure Draft" stage which means that it will likely soon be finalized. The standard will require an assessment of all tangible capital assets (infrastructure, buildings, equipment, etc.) for costs that may be legally required to be incurred upon decommissioning of the asset. (The most common example is asbestos in buildings.) Further detail is provided below.

### **NEW STANDARDS - PSAS (NOT YET EFFECTIVE)**

#### *Amendments to the Introduction*

PSAB amended the introduction to Public Sector Accounting Standards to clarify the applicability of the CPA PSA Handbook for various public sector entities. A government component, for example a provincial Ministry, that prepares standalone statements, would be directed to use PSAB effective on or after January 1, 2017.

#### *Section PS 1201, Financial Statement Presentation*

This Section revises and replaces Financial Statement Presentation, Section PS 1200. The following changes have been made to the Section:

- Remeasurement gains and losses are reported in a new statement;
- Other comprehensive income that can arise when a government includes results of government business enterprises and government business partnerships in its summary financial statements is reported in the statement of remeasurement gains and losses; and
- The accumulated surplus or deficit is presented as the total of the accumulated operating surplus or deficit and the accumulated remeasurement gains and losses.

Part of this standard will not have much of an impact until Section PS 3450 - Financial Instruments has been adopted.

The standard is effective for fiscal years beginning on or after April 1, 2012. In the case of governments, the new requirements are effective for fiscal years beginning on or after April 1, 2019. For entities with a December year end, this means that 2020 is the first year that the standard must be followed. However, we are expecting that the Standard will be further deferred. Earlier adoption is permitted.



### ***Section PS 2200, Related Party Disclosures***

This new Section defines a related party and establishes disclosures required for related party transactions.

A related party exists when one party has the ability to exercise control or shared control over the other. Two or more parties are related when they are subject to common control or shared control. Related parties also include individuals that are members of key management personnel and close family members.

- Disclosure of key management personnel compensation arrangements, expense allowances and other similar payments routinely paid in exchange for services rendered is not required.
- Two entities that have a member of key management personnel in common may be related depending upon that individual's ability to affect the policies of both entities in their mutual dealings.
- Disclosure is only required when transactions and events between related parties have or could have a material financial effect on the financial statements.
- Determining which related party transactions to disclose is a matter of judgment based on the assessment of certain factors.

This Section is effective for fiscal periods beginning on or after April 1, 2017. For entities with a December year end, this means that 2018 is the first year that the standard must be followed. Earlier adoption is permitted.

### ***Section PS 2601, Foreign Currency Translation***

This Section revises and replaces *PS 2600, Foreign Currency Translation*. The following changes have been made to the Section:

- The definition of currency risk is amended to conform to the definition in *PS 3450, Financial Instruments*;
- The exception to the measurement of items on initial recognition that applies when synthetic instrument accounting is used is removed;
- At each financial statement date subsequent to initial recognition, non-monetary items denominated in a foreign currency that are included in the fair value category in accordance with Section PS 3450 are adjusted to reflect the exchange rate at that date;
- The deferral and amortization of foreign exchange gains and losses relating to long-term foreign currency denominated monetary items is discontinued;
- Until the period of settlement, exchange gains and losses are recognized in the statement of remeasurement gains and losses rather than the statement of operations; and
- Hedge accounting and the presentation of items as synthetic instruments are removed.

The new requirements are to be applied at the same time as *PS 3450, Financial Instruments*, and are effective for fiscal years beginning on or after April 1, 2012. In the case of governments, the new requirements have been delayed and are now effective for fiscal years beginning on or after April 1, 2019. For entities with a December year end this means 2020 is the first year that the standard must be followed. However, we expect that the standard will be further deferred. Earlier adoption is permitted.



### ***Section PS 3041, Portfolio Investments***

This Section revises and replaces Section *PS 3040, Portfolio Investments*. The following changes have been made:

- The scope is expanded to include interests in pooled investment funds;
- Definitions are conformed to those in *PS 3450, Financial Instruments*;
- The requirement to apply the cost method is removed, as the recognition and measurement requirements within Section PS 3450 apply, other than to the initial recognition of an investment with significant concessionary terms; and
- Other terms and requirements are conformed to Section PS 3450, including use of the effective interest method.

This Section is to be applied for government organizations are effective for fiscal years beginning on or after April 1, 2012. In the case of governments, the new requirements are effective for fiscal years beginning on or after April 1, 2019. For entities with a December year end, this means that 2020 is the first year that the standard must be followed. Earlier adoption is permitted.

### ***Section PS 3420, Inter-Entity Transactions***

This new Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

The main features are:

- Inter-entity transactions involving the transfer of assets or liabilities should be recognized by both a provider and a recipient at carrying amount, exchange amount or fair value depending on the particular circumstances of each case.
- Inter-entity transactions in the normal course of operations or under a policy of cost allocation and recovery should be recognized on a gross basis at the exchange amount.
- A recipient may recognize unallocated costs as a revenue and expense at carrying amount, fair value or another amount based on existing policy, accountability structure or budget practice depending on the particular circumstances of each case.
- Information about inter-entity transactions would be disclosed in accordance with the new Section on related party disclosures.

This Section is effective for fiscal periods beginning on or after April 1, 2017. For entities with a December year end, this means that 2018 is the first year that the standard must be followed. Earlier adoption is permitted.

### ***Section PS 3210, Assets***

This new Section provides additional guidance on the definition of assets and establishes general disclosure standards for assets. Disclosure of types of assets that are not recognized is required.

However, this standard does not address intangible assets which are still not recognized under the PSAB accounting framework.

This Section is effective for fiscal periods beginning on or after April 1, 2017. For entities with a December year end, this means that 2018 is the first year that the standard must be followed. Earlier adoption is permitted.

### ***Section PS 3320, Contingent Assets***

This new Section defines and establishes disclosure standards on contingent assets. Disclosure about contingent assets is required when the occurrence of the confirming future event is likely.

This Section is effective for fiscal periods beginning on or after April 1, 2017. For entities with a



December year end, this means that 2018 is the first year that the standard must be followed. Earlier adoption is permitted.

### ***Section PS 3380, Contractual Rights***

This new Section defines and establishes disclosure standards on contractual rights. Disclosure about contractual rights is required including the description about their nature and extent and the timing.

This Section is effective for fiscal periods beginning on or after April 1, 2017. For entities with a December year end, this means that 2018 is the first year that the standard must be followed. Earlier adoption is permitted.

### ***Section PS 3430, Restructuring Transactions***

This Section addresses a problem area for public sector accounting. In the past there was no Canadian standard that addressed acquisition of services and service areas, therefore, accountants looked to the US and international standards for guidance.

This new Section defines a restructuring transaction and establishes standards for recognizing and measuring assets and liabilities transferred in a restructuring transaction. A restructuring transaction is defined as a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities, that does not involve an exchange of consideration based primarily on the fair value of the individual assets and liabilities transferred.

- The net effect of the restructuring transaction should be recognized as a revenue or expense by the entities involved.
- A recipient should recognize individual assets and liabilities received in a restructuring transaction at their carrying amount with applicable adjustments at the restructuring date.
- The financial position and results of operations prior to the restructuring date are not restated.
- A transferor and a recipient should disclose sufficient information to enable users to assess the nature and financial effects of a restructuring transaction on their financial position and operations.

This Section applies to restructuring transactions occurring in fiscal years beginning on or after April 1, 2018. For entities with a December year, end this means that 2019 is the first year that the standard must be followed. Earlier adoption is permitted.

### ***Section PS 3450, Financial Instruments***

PSAB approved amendments to *Section PS 3450, Financial Instruments*, to align the reporting of income on externally restricted assets that are financial instruments with the requirements in Section PS 3100, Restricted Assets and Revenues. The amendments clarify the application of Section PS 3100 (paragraphs PS 3100.11 - .12) when accounting for:

- A change in the fair value of a financial asset in the fair value category that is externally restricted;
- Income attributable to a financial instrument that is externally restricted; or
- A gain or loss associated with a financial instrument that is externally restricted.

These amendments recognize the importance of the nature of restrictions and the terms of contractual agreements in reporting such transactions and events when externally restricted assets and income are involved.

This new Section, although not as demanding as the private sector section, establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives.

The main features of the new Section are:



- Items within the scope of the Section are assigned to one of two measurement categories: fair value, or cost or amortized cost;
- Almost all derivatives, including embedded derivatives that are not closely related to the host contract, are measured at fair value;
- Fair value measurement also applies to portfolio investments in equity instruments that are quoted in an active market;
- Other financial assets and financial liabilities are generally measured at cost or amortized cost;
- Until an item is derecognized, gains and losses arising due to fair value remeasurement are reported in the statement of remeasurement gains and losses;
- Budget-to-actual comparisons are not required within the statement of remeasurement gains and losses;
- When the reporting entity defines and implements a risk management or investment strategy to manage and evaluate the performance of a group of financial assets, financial liabilities or both on a fair value basis, the entity may elect to include these items in the fair value category;
- New requirements clarify when financial liabilities are derecognized;
- The offsetting of a financial liability and a financial asset is prohibited in absence of a legally enforceable right to set off the recognized amounts and an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously; and
- New disclosure requirements of items reported on and the nature and extent of risks arising from financial instruments.

The new requirements are to be applied at the same time as *PS 2601, Foreign Currency Translation* and for government organizations are effective for fiscal years beginning on or after April 1, 2012. In the case of governments, the new requirements have been delayed, mainly due to concerns of the senior government, and are effective for fiscal years beginning on or after April 1, 2019. For entities with a December year end this means 2020 is the first year that the standard must be followed. However, we expect that this Standard will be further deferred. Earlier adoption is permitted. This Standard should be adopted with prospective application except for an accounting policy related to embedded derivatives within contracts, which can be applied retroactively or prospectively.

Note also the exposure draft "Financial Instruments: Transition" (discussed below) that proposed clarification of some detailed aspects of the Financial Instruments standard.

## EXPOSURE DRAFTS - PSAS

### *Asset Retirement Obligations: Deliberating (Closed for comment)*

A new accounting standard that addresses the reporting of legal obligations associated with the retirement of tangible capital assets is required.

Reporting guidance on asset retirement obligations was covered in the pre-changeover accounting standards in Part V of the CPA Canada Handbook - Accounting. There is not yet specific accounting guidance in this area in the CPA Canada Public Sector Accounting (PSA) Handbook. Government organizations transitioning to the PSA Handbook would need guidance in this area.

This project will address the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets.

### *Revenue (Closed for comment)*



Revenue recognition principles that apply to revenues of governments and government organizations other than government transfers and tax revenue require development.

The Public Sector Accounting Handbook has two Sections that address two major sources of government revenues, government transfers and tax revenue. Revenues are defined in Section PS 1000, Financial Statement Concepts. Recognition and disclosure of revenues are described in general terms in Section PS 1201, Financial Statement Presentation.

This project will address recognition, measurement and presentation of revenues that are common in the public sector.

## **INVITATIONS TO COMMENT - PSAB**

### ***Employment Benefits***

Identified as the top priority in PSAB's 2014 Project Priority Survey, the Board has approved a project to review Section PS 3250, Retirement Benefits, and Section PS 3255, Post-employment Benefits, Compensated Absences and Termination Benefits. Since the issuance of these Sections decades ago, new types of pension plans have been introduced and there have been changes in the related accounting concepts.

The first stage of this project will involve looking at issues such as deferral of experience gains and losses, and discount rates. The second stage will involve determining how to account for shared risk plans, multi-employer defined benefit plans and vested sick leave benefits. Other improvements to existing guidance will also be considered.

A new, comprehensive Handbook Section on employment benefits will replace the two existing Sections.

## **STATEMENTS OF PRINCIPLES - PSAB**

### ***Concepts Underlying Financial Performance (Statement of principles being developed)***

The conceptual framework in Sections PS 1000, Financial Statement Concepts, and PS 1100, Financial Statement Objectives, require review with a focus on measuring the financial performance of public sector entities.

This review was identified as a high priority in the Public Sector Accounting Board's (PSAB) 2010-2013 Strategic Plan in response to a suggestion from the senior government finance community.

This project will consider the concepts underlying the measure of financial performance. The review may result in amendments to the conceptual framework and could also affect Section PS 1201, Financial Statement Presentation.

### ***Public Private Partnerships (Closed for comments)***

Identified as a priority in PSAB's 2014 Project Priority Survey, the Board approved a project to develop authoritative guidance specific to public private partnerships.

In recent years, governments across Canada are increasingly using various forms of public private partnership arrangements for the provision of assets and delivery of services.



This project is expected to develop in two stages. The first stage will involve contemplating specific issues, including project scope, recognition and measurement of a public private partnership and disclosure requirements. Other issues will also be considered. The second stage will involve determining how to account for public private partnerships.

The objective is to develop a public sector accounting standard specific to public private partnerships.

## PROJECTS - PSAB

### Financial Instruments - Subsequent Issues

Since the issuance of Section PS 3450, Financial Instruments, there have been reports of transition and other issues that have been brought to the Public Sector Accounting Board's (PSAB) attention.

The objective of this project is to consider these issues as they arise.

## POST IMPLEMENTATION REVIEW - PSAB

### Government Transfers

This post-implementation review of Section PS 3410, Government Transfers, will help the Public Sector Accounting Board (PSAB) assess any implementation challenges encountered by stakeholders, and the nature, extent and cause of any ongoing issues.

This is the first post-implementation review undertaken by PSAB. Such reviews consider whether the standard has been implemented and achieved the intended objectives.

## STATUS OF CURRENT PROJECTS - PSAB

Standards for public sector organizations	2017	2017	2018	2018
	Q3	Q4	Q1	Q2
Asset Retirement Obligations				
Concepts Underlying Financial Performance				
Employment Benefits		Invitation to Comment		
Financial Instruments - Subsequent Issues				
Public Private Initiative	Statement of Principles			
Revenue				
Impairment of Non-Financial Assets	Project Deferred			
PSA Handbook Terminology	Project Deferred			



## **NEW STANDARDS - AUDITING AND ASSURANCE STANDARDS BOARD (AASB)**

### ***Auditor Reporting***

Users of audited financial statements are asking auditors to provide more information in their reports about significant matters in the financial statements, as well as about the conduct of the audit.

The International Auditing and Assurance Standards Board (IAASB) and the AASB believe that a quality audit should be accompanied by an informative auditor's report that delivers value to the entity's stakeholders. The IAASB has undertaken a project to revise the auditor reporting standard.

Revisions that the IAASB makes to its auditor reporting standard (i.e., ISA 700, Forming an Opinion and Reporting on Financial Statements) will be reflected in the equivalent CAS with limited Canadian-specific amendments, if any are necessary.

### ***Auditor Reporting - Special Considerations***

The IAASB is proposing amendments to ISA 800, Special Considerations - Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks, and ISA 805, Special Considerations - Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement, resulting from significant revisions to its auditor reporting standards.

The IAASB will address the voluntary communication of key audit matters and naming the engagement partner in the auditor's report on a single financial statement or an element of a financial statement.

Revisions that the IAASB makes to these standards will be reflected in the equivalent CASs with limited Canadian-specific amendments, if any are necessary.

### ***Auditor Reporting - Summary Financial Statements***

The IAASB is proposing amendments to ISA 810, Engagements to Report on Summary Financial Statements, resulting from significant revisions to its auditor reporting standards.

The IAASB will address issues related to key audit matters, going concern and other information.

Revisions that the IAASB makes to this standard will be reflected in the equivalent CAS with limited Canadian-specific amendments, if any are necessary.

### ***Financial Statement Disclosures***

Financial statement disclosures have become more detailed and complex as a result of evolving financial reporting standards.

The International Auditing and Assurance Standards Board (IAASB) has commenced a project to develop guidance on the audit of financial statement disclosures.



The objective of the IAASB project is to gain robust understanding of the views and perspectives on issues relevant to auditing disclosures in a financial statement audit. The IAASB's objectives further include:

- determining whether revisions (in the form of new or revised requirements, or additional application material) to the International Standards on Auditing (ISAs) with respect to auditing disclosures are required;
- considering how such revisions should be presented (for example, within the relevant ISAs or in a separate ISA); and
- determining whether another type of non-authoritative guidance should be developed and, if so, developing the content.

The Auditing and Assurance Standards Board (AASB) is committed to adopting the ISAs. Revisions that the IAASB makes to the ISAs will be reflected in the equivalent Canadian Auditing Standards (CASs). Should the IAASB develop a new ISA, the AASB will adopt the standard in an equivalent CAS. Amendments, if any, that the AASB makes to the ISA wording would be in accordance with the AASB's criteria for such amendments, as set out in Appendix 1 of the Preface to the CPA Canada Handbook - Assurance.

#### ***Responsibilities Relating to Other Information***

International Standard on Auditing (ISA) 720, The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements, is being revised by the International Auditing and Assurance Board (IAASB) to ensure that it continues to be capable of enhancing the credibility of financial statements.

Revised ISA 720 will specify appropriate responsibilities of the auditor relating to the range of other information in documents containing audited financial information. Revisions will also be made to take into account how such information is disseminated.

The AASB is committed to adopting the ISAs. Accordingly, revisions that the IAASB makes to ISA 720 will be reflected in Canadian Auditing Standard (CAS) 720. Amendments, if any, that the AASB would make to the ISA wording would be in accordance with the AASB's criteria for such amendments, as set out in Appendix 1 of the Preface to the CPA Canada Handbook - Assurance.

### **EXPOSURE DRAFTS - AASB**

#### ***Auditing Accounting Estimates (Closed for comments)***

Accounting estimates and related disclosures have become more complex. Stakeholders have indicated that clearer or additional guidance is needed to enable auditors to appropriately deal with these complexities.

The International Auditing and Assurance Standards Board (IAASB) is proposing revisions to ISA 540, *Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures*.



The IAASB proposals include establishing more robust requirements and appropriately detailed guidance to foster audit quality. This would be done by driving auditors to perform appropriate procedures in relation to accounting estimates and related disclosures.

It is anticipated that these revisions would also seek to emphasize the importance of the appropriate application of professional skepticism.

***Quality Control (Exposure draft being developed)***

Auditors must effectively manage audit quality, both at the firm and the engagement level, with high-quality audits supporting financial stability.

Through consultations with stakeholders, the International Auditing and Assurance Standards Board (IAASB) identified a need to strengthen standards addressing quality control.

Therefore, the IAASB is proposing revisions to:

- ISQC 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*; and
- ISA 220, *Quality Control for an Audit of Financial Statements*.

The IAASB proposals includes revisions to these standards to:

- Strengthen and improve a firms' management of quality for all engagements by more explicitly incorporating a quality management approach, fostering the ability of the standards to be applied to a wide range of circumstances; and
- Focus on identifying, assessing and responding to quality risks in a broad range of engagement circumstances.

**PROJECTS - AASB**

***Group audits***

Many audits today are audits of group financial statements - also known as group audits - these type of engagements can be very challenging.

This is a result of complex group structures, cultural and language barriers, differences in laws and regulation, involvement of component auditors and many other factors.

The IAASB is proposing revisions to ISA 600, *Special Considerations - Audits of Group Financial Statements (Including the Work of Component Auditors)* to:

- Strengthen the auditor's approach to planning and performance of a group audit; and
- Clarify the interaction of ISA 600 to the other ISAs.

***Identifying and Assessing the Risks of Material Misstatement***

There are challenges involved in identifying and assessing audit risks for entities – in particular, those that vary in size and nature. Clearer or additional guidance is needed to help address these challenges.



As a result, the International Auditing and Assurance Standards Board (IAASB) is proposing revisions to ISA 315, *Identifying and Assessing the Risks of Material Misstatement through Understanding of the Entity and its Environment*.

The IAASB proposal includes establishing more robust requirements and appropriately detailed guidance to drive auditors to perform appropriate risk assessment procedures in accordance with the size and nature of the entity. This would be done by focusing on enhancing the auditor's approach to understanding the entity and risk assessment activities in light of the changing environment.

It is anticipated that the IAASB will consider whether and how ISA 315, in organization and structure, can be modified to promote a more effective risk assessment.

DRAFT



## APPENDIX K - Prior Year's Management Letter

April 27, 2017

Ms. Pamela Rooke, CPA, CMA  
Chief Financial Officer  
Village of Lions Bay  
400 Centre Road  
Lions Bay, BC V0N 2E0

Dear Ms. Rooke:

As your external auditors, we are engaged to provide an audit opinion on your yearend financial statements. An external audit requires testing of transactions and balances and review of those internal control systems upon which we may place reliance. A positive opinion on the financial statements does not necessarily mean that your internal control systems are all operating effectively. This is because we review only those internal control systems where we feel that failure in those systems could result in a material error on the financial statements. With those systems that we do review, our focus is on the assertions necessary to meet our financial statement audit objectives.

Our review of systems, transactions and balances as well as discussions with staff at various levels gives us a unique insight into your operations. While conducting this work we make note of items that come to our attention where we feel that improvement could be made or alternatives could be considered. We are fortunate in that we work with a great number of clients and observe a wide variety of processes. We see firsthand any procedures that are emerging as best practices.

As matters come to our attention, we make note of these for subsequent follow-up. For minor matters we discuss directly with the staff involved. More important matters are brought forward in this letter (known as a management letter).

It is worth noting that we have management letter comments for virtually all audits of all clients. The existence of points does not mean that there are significant problems with your systems or staff. They are just recommendations to make good systems better.



## Status of Prior Year Recommendations

### 1. Approval of Timesheets

To ensure that employees are being paid fairly for time worked and payroll expenses are accurate, we recommended that all timesheets should be reviewed and approved by the employee's respective supervisor for each pay period. This recommendation was made in 2014 and 2015.

In 2016, we also observed timesheets that were not signed off by supervisors, as well as payroll reports that had no documented evidence of review and approval. As such, we continue to recommend that all timesheets are physically signed off as evidence of review. Public works staff timesheets should be approved by the public works manager, administrative staff timesheets should be approved by CAO, and the CAO's timesheet should be approved by CFO.

We further recommend that all payroll reports be reviewed and signed off by the CFO.

*Management 2016 update:*

*During 2016, we implemented an approval process where the Public Works staff's timesheets are approved by the Public Works manager; the administrative staff's timesheets and the managers' timesheets are approved by the CAO; and the CAO's timesheet is approved by the CFO. In addition, the bi-weekly payroll reports are reviewed and signed off by the CFO.*

### 2. Approval of Expenses

During the 2015 audit, we noted that the fire department spent \$34,668 on expenditures that were unauthorized, not budgeted for, and were not approved by Council prior to the purchases.

We recommended that purchase orders (PO's) or other appropriate approvals be prepared prior to ordering goods and services. The approvals should include review and approval by either the CFO or CAO. These changes would improve internal control as well as budget management.

*Management 2016 update:*

*Staff are currently working with the Fire Chief to implement purchase order (PO) procedures which require the issuance of a PO approved by the Fire Chief or the CFO prior to the ordering of goods and services. There were no unauthorized burn building purchases made in 2016.*



## Current Year Observations

### 1. Bank Reconciliations

During our work over cash, we noted that the same individual prepares and reviews the bank reconciliation. As the monthly bank reconciliation is a key control over fraud and misappropriation of cash, appropriate segregation of duty should be practiced.

We recommend that the bank reconciliation be performed by a member of the administration staff and reviewed by the CFO in a timely manner.

*Management response:*

*Due to the small size of the Village office, there are only two finance staff. The Municipal Accountant prepares the accounts payable cheques and posts the deposits, so for segregation of duties, the CFO completes the bank reconciliations. In 2017, we will implement a policy that requires the bank reconciliations to be signed off by the CAO.*

### 2. Receipting of Revenue Transactions

During our work over revenues, we noted certain revenue transactions, such as hall rentals and silent auctions, were not receipted. There is a risk that revenue amounts are not completely or accurately recorded without supporting documentation. Further, there is a risk that a customer may dispute amounts paid to the Village if a receipt is not issued.

We recommend that all revenue transactions be receipted. No cash amounts should be received by the Village without a pre-numbered receipt being issued to a customer.

*Management response:*

*Management will review the cash receipts procedures with staff to ensure that all revenue transactions are receipted and will work with the fire department to ensure that adequate backup is received for the silent auction purchases made during the 2017 Fire Fighters Day.*

While our audit did not reveal any significant misstatements or irregularities, it is important to understand that our audit procedures are designed specifically to gather sufficient and appropriate audit evidence to support our opinion on the financial statements and would not necessarily uncover all errors or fraud, if present.

This communication is prepared solely for the information of management and those charged with governance and is not intended for any other purposes. We accept no responsibility to a third party who uses this communication.

We would like to express our appreciation for the co-operation and assistance which we received from you and your staff during the course of the audit.



We are pleased to discuss with you further any matters mentioned in this letter at your convenience.

Yours truly,

Bill Cox, FCPA, FCA  
Partner through a corporation  
BDO Canada LLP  
Chartered Professional Accountants

BC/mkn

cc: Council

DRAFT

Intentionally Blank



## THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

<b>Type</b>	<b>Request for Decision</b>		
<b>Title</b>	<b>Contracted Services Agreement - Cleaners</b>		
<b>Author</b>	<b>Pamela Rooke</b>	<b>Reviewed By:</b>	<b>Peter DeJong</b>
<b>Date</b>	<b>January 4, 2018</b>	<b>Version</b>	<b>1</b>
<b>Issued for</b>	<b>January 9, 2018 Regular Council Meeting</b>		

### RECOMMENDATION

THAT Council approve the Contracted Services Agreement with Nutech Facility Services Limited and authorize the Mayor and the Chief Administrative Officer to sign the contract.

### ATTACHMENTS

1. Contracted Services Agreement – Nutech Facility Services Limited

### KEY INFORMATION

The Village of Lions Bay has engaged Nutech Facility Services Limited to provide weekly cleaning services for the Village facilities: Municipal Hall, Broughton Hall, Public Works Building, Emergency Services Building (Klatt) and the beach washrooms (seasonally from April - September).

### FINANCIAL CONSIDERATIONS

The monthly cost is \$905.69 (\$1,247.75 including the beach washrooms).

### OPTIONS

1. Approve the recommendation above;
2. Amend the recommendation and then approve;
3. Do not approve the recommendation.



## THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

---

### **FOLLOW UP ACTION**

Assuming the recommendation is approved, the Mayor and Chief Administrative Officer will sign the contract and staff will send to the cleaners for execution.

**CONTRACTED SERVICES AGREEMENT**

THIS AGREEMENT dated for reference \_\_\_\_\_, 2017

BETWEEN:

**VILLAGE OF LIONS BAY**, a municipality duly incorporated under the laws of British Columbia and having an address at 400 Centre Road, Lions Bay, BC, V0N 2E0 (the "Municipality")

AND:

**NUTECH FACILITY SERVICES LTD.**, a corporation having an address at 281-5489 Byrne Road, Burnaby, BC V5J 3J1 (the "Contractor")

GIVEN THAT the Municipality wishes to engage the Contractor to provide Janitorial Services, and the Contractor wishes to provide such services to the Municipality in accordance with the terms and conditions of this Agreement;

This Agreement is evidence that in consideration of payment by the Municipality to the Contractor (the receipt and sufficiency the Consultant acknowledges) and in consideration of the promises exchanged below, the Municipality and the Contractor agree with each other as follows:

**Definitions**

1. In this Agreement, in addition to the words defined above:
  - a. "Terms of Reference" means, having regard to the Request for Proposals issued by the Municipality on November 2, 2016 and the Contractor's Proposal in response, the scope of work set out in the Contractor's Negotiated Proposal attached hereto as Schedule "A" and forming part of this Agreement;
  - b. "Services" means the acts, services and work described in the Terms of Reference and all acts, services and work necessary to achieve the objectives set out in the Terms of Reference.
  - c. "Fees" means the amount to be paid for the work and services described in the Terms of Reference.

**Services To Be Performed By the Contractor**

2. The Contractor agrees to perform the Services during the Term, in accordance with the Terms of Reference, on the terms and conditions of this Agreement.

**Term**

3. The term of this Agreement commences on Tuesday, August 8, 2017 and expires on December 31, 2019 (the "Term"), unless terminated sooner in accordance with this Agreement.

### **Warranty As To Quality of Services**

4. The Contractor represents and warrants to the Municipality that:
  - a. the Contractor the education, training, skill, experience, resources and supporting personnel, if applicable, necessary to perform the Services; and
  - b. the Services will be performed in accordance with all applicable enactments and laws, and with all relevant codes, rules, regulations and standards of any professional or industry organization or association; and
  - c. The persons as noted in the Terms of Reference will perform the Services under this Agreement;

and the Contractor acknowledges and agrees that the Municipality has entered into this Agreement relying on the representations and warranties in this section.

### **Remuneration and Reimbursement**

5. The Municipality must pay the Contractor for the Services in the amount provided in the Terms of Reference in accordance with this Agreement.

### **Invoices**

6. Not more than once each month, the Contractor may deliver an invoice to the Municipality, in respect of the immediately preceding month, setting out the aggregate amount of fees and disbursements claimed for Services performed in that preceding month.

### **Payment by the Municipality**

7. The Municipality must, to the extent the Municipality is satisfied the fees and disbursements are for Services reasonably and necessarily performed by the Contractor and subject to sections 8 and 9, pay the Contractor the fees and disbursements claimed in any invoice delivered in accordance with section 2, within 30 days after delivery of an invoice to the Municipality.

### **Completion of Services**

8. The Contractor expressly acknowledges and agrees that it is a fundamental term of this Agreement that the Services be completed on or before the end of the Term, and that should the Contractor fail to complete the Services by that date the Municipality may retain and set off up to 5% of the total fees payable to the Contractor under this Agreement payable to the Contractor for the Services, as liquidated damages.
9. The right of the Municipality under section 8 will not apply to the extent the Contractor fails to complete the Services before the end of the Term due to circumstances beyond the Contractor's reasonable control, including a labour strike, Acts of God or any failure by the Municipality to provide materials as required under this Agreement (each, an "Event of Delay") but not including delays in materials, equipment or labour required to be provided by the Contractor. The Municipality will only consider an Event of Delay where the Contractor has notified the Municipality of such within twenty- four hours of the occurrence of the Event of Delay. The Municipality shall determine, acting reasonably, whether the

event has arisen due to circumstances beyond the Contractor's reasonable control, and shall advise the Contractor of the extended Term as determined by the Municipality.

#### **Termination or Suspension at the Municipality's Discretion**

10. Despite the rest of this agreement, the Municipality may, in its sole discretion, by giving notice to the Contractor, terminate or suspend all, or any part, of the Services. If the Municipality terminates or suspends all or part of the Services under this section, the Contractor may deliver an invoice to the Municipality for the period between the end of the month for which the last invoice was delivered by the Contractor and the date of termination or suspension. The Municipality must, to the extent the Municipality is satisfied the fees and disbursements are for Services reasonably and necessarily performed by the Contractor and subject to sections 8 and 9, pay the Contractor the fees and disbursements claimed in any invoice delivered in accordance with section 2, within 30 days after delivery of an invoice to the Municipality. The Contractor is not entitled to, and irrevocably waives and releases, damages or compensation for costs incurred, loss of profit, or loss of opportunity, directly or indirectly arising out of termination or suspension of all, or any part, of the Services.

#### **Termination For Default**

11. Despite the rest of this agreement, the Municipality may terminate all, or any part of, the Services, by giving notice of termination to the Contractor, which is effective upon delivery of the notice, if:
  - a. the Contractor breaches this agreement and the Contractor has not cured the breach, or is not diligently pursuing a cure for the breach to the satisfaction of the Municipality, in the Municipality's sole discretion, within five days after notice of the breach is given to the Contractor by the Municipality; or
  - b. the Contractor becomes bankrupt or insolvent, a receiving order is made against the Contractor, an assignment is made for the benefit of its creditors, an order is made or resolution passed for the winding up or dissolution of the Contractor, or the Contractor takes the benefit of any enactment relating to bankrupt or insolvent debtors.
12. Without limiting any other right or remedy available to the Municipality, if the Municipality terminates part or all of the Services under this section, the Municipality may arrange, upon such terms and conditions and in such manner as the Municipality considers appropriate, for performance of any part of the Services remaining to be completed, and the Contractor is liable to the Municipality for any expenses reasonably and necessarily incurred by the Municipality in engaging the services of another person to perform those Services. The Municipality may set off against, and withhold from amounts due to the Contractor such amounts as the Municipality determines, acting reasonably, are necessary to compensate and reimburse the Municipality for the expenses described in this section.

#### **Indemnity**

13. Without limiting any other obligation of the Contractor under this Contract or otherwise:
  - a. The Contractor hereby agrees to Indemnify and Save Harmless the Municipality, its elected officials, officers, employees, servants, agents and others for whom the Municipality is in law responsible,

from and against any liability, loss, claims, demands, damages, fines and penalties, costs and expenses (including consulting fees), investigatory and legal expenses, and any other actions or causes of actions, suits, caused by or attributed to any wilful or negligent act, omission, delay, or allegations thereof on the part of the Contractor, its officers, employees, subcontractors, agents, licensees, assignees, invitees or other persons engaged in the performance, non-performance or attempted performance of the Work pursuant to this Contract or anyone else for whom the Contractor is in law responsible.

- b. Should the Municipality be made a party to any litigation commenced by or against the Contractor, then the Contractor will protect, indemnify and hold the Municipality harmless and will promptly pay all costs, expenses, and legal fees (on a solicitor and own client basis) incurred or paid by the Municipality in connection with such litigation upon demand. The Contractor will also promptly pay upon demand all costs, expenses and legal fees (on a solicitor and own client basis) that may be incurred or paid by the Municipality in enforcing the terms, covenants and conditions in this Contract.
- c. The Contractor's obligation under this indemnification section will survive the expiry or early termination of this Contract.

#### **Insurance**

- 14. a. The Contractor shall obtain and maintain during the Term a Broad form Commercial General Liability policy for a limit of not less than two million (\$2,000,000.00) dollars per occurrence with respect to third party liability claims for bodily injury, property damage, personal injury. This policy shall include but shall not be limited to: Premises and Operation Liability, Blanket Contractual Liability, Products and Completed Operations, Tenants' Legal Liability, Non-Owned Automobile Liability, Owner's and Contractor's Protective Liability, Contingent Employers' Liability, Breach of Conditions clause. The Municipality shall be added as an "Additional Insured" along with Cross-Liability and Severability of Interest clauses.
- b. All such insurance policies shall stay in force and not be amended, cancelled or allowed to lapse and shall contain the necessary "Endorsements" to provide the Municipality with thirty (30) days prior written notice by Registered Mail to the attention of the Municipality Corporate Officer/Secretary.
- c. The Contractor agrees to be responsible for any and all deductible amounts including any claim expenses incurred and policy premiums payments. All of the required Contractor's insurance policies shall be primary, non-contributing with respect to any insurance carried by the Municipality. The Municipality reserves the right to impose such higher limits or other types of insurance as would reasonably be required of a prudent Contractor of similar operations.

#### **Records**

- 15. The Contractor:
  - a. must keep reasonably detailed accounts and records of its performance of the Services, including invoices, receipts and vouchers, which must at all reasonable times be open to audit and inspection by the Municipality, which may make copies and take extracts from the accounts and records;

- b. must afford facilities and access to accounts and records for audit and inspection by the Municipality and must furnish the Municipality with such information as the Municipality may from time to time require regarding those documents; and
- c. must preserve, for at least two years after:
  - (i) completion of the Services; or
  - (ii) termination of this agreementwhichever applies.

### **Confidential Information**

- 16. Except as required by law, the Contractor must not, during or after the Term, divulge or disclose any secret or confidential information, or any information that the Contractor receives in connection with this agreement which in good faith or good conscience ought not be disclosed.

### **Delivery of Records**

- 17. If the Municipality terminates all or part of the Services under this agreement, the Contractor must immediately deliver to the Municipality, without request, all Service-related documents in the Contractor's possession or under its control.

### **Ownership of Intellectual Property**

- 18. By this section, the Contractor irrevocably grants to the Municipality the unrestricted licence for the Municipality to use all technical information and intellectual property, including designs and inventions, conceived or developed, or first actually reduced to practice, in performing the Services. The Contractor agrees that the licence granted by this section includes the right for the Municipality, at any time, to adapt, use and modify all such technical information and intellectual property for the Municipality's uses set out above.

### **Agreement for Services**

- 19. This is an agreement for the performance of services and the Contractor is engaged under the agreement as an independent contractor for the sole purpose of providing the Services. Except as is otherwise expressly prescribed in this agreement, neither the Contractor nor any of its employees or contractors is engaged by the Municipality as an employee or agent of the Municipality. The Contractor is solely responsible for any and all remuneration and benefits payable to its employees and contractors, and all payments or deductions required to be made by any enactment, including those required for Canada Pension Plan, employment insurance, workers' compensation and income tax. This agreement does not create a joint venture or partnership, and the Contractor has no authority to represent or bind the Municipality in any way.

### **Conflict of Interest**

- 20. The Contractor must not perform, for gain, any services for any person other than the Municipality, or have an interest in any contract other than this agreement, if the Municipality determines, acting reasonably, that performance of the services, or the Contractor 's interest in the contract, creates a

conflict of interest between the obligations of the Contractor to the Municipality under this agreement and the obligations of the Contractor to the other person or between the obligations of the Contractor to the Municipality under this agreement and the Contractor 's pecuniary interest.

### **Assignment**

21. No part of this agreement may be assigned or subcontracted by the Contractor without the prior written consent of the Municipality, and any assignment or subcontract made without that consent constitutes a breach by the Contractor of this agreement. The Contractor agrees that, among other things, the Municipality may refuse its consent if the Municipality, in its sole discretion, determines that the proposed assignee or subcontractor has not got the skill, experience or corporate resources necessary to perform the Services. A permitted subcontract does not relieve the Contractor from any obligation already incurred or accrued under this agreement or impose any liability upon the Municipality.

### **Time of the Essence**

22. Time is of the essence of this agreement.

### **Severance**

23. If any portion of this agreement is held to be illegal or invalid by a court of competent jurisdiction, the illegal or invalid portion must be severed and the decision that it is illegal or invalid does not affect the validity of the remainder of this agreement.

### **Notice**

24. Any notice, direction, demand, approval, certificate or waiver which may be or is required to be given under this agreement must be in writing and delivered personally or by courier or sent by fax or e-mail, addressed as follows:

- a. To the Municipality:

Village of Lions Bay  
Box 141, 400 Centre Road  
Lions Bay, BC V0N 2E0  
Phone Number: (604) 921-9333  
Fax Number: (604) 921-6643  
E-mail Address: [cao@lionsbay.ca](mailto:cao@lionsbay.ca)  
Attention: Peter DeJong

- b. To the Contractor:

Nutech Facility Services Ltd.  
Suite 281, 5489 Byrne Road  
Burnaby, BC V5J 3J1  
Phone Number: (604) 568-8346  
E-Mail Address: [jessie.rai@nutechfacility.ca](mailto:jessie.rai@nutechfacility.ca)  
Attention: Jessie Rai

or to such other address, e-mail address or fax number of which notice has been given as provided in this section. Any notice, direction, demand, approval or waiver delivered is to be considered given on the next business day after it is dispatched for delivery. Any notice, direction, demand, approval or waiver sent by fax or e-mail is to be considered given on the day it is sent, if that day is a business day and if that day is not a business day, it is to be considered given on the next business day after the date it is sent.

### **Interpretation and Governing Law**

25. In this agreement:
- a. reference to the singular includes a reference to the plural, and vice versa, unless the context requires otherwise;
  - b. reference to a particular numbered section or schedule is a reference to the correspondingly numbered section or schedule of this agreement;
  - c. the word "enactment" has the meaning given to it in the *Interpretation Act* (British Columbia) on the reference date of this agreement;
  - d. reference to any enactment is a reference to that enactment as amended, unless otherwise expressly provided;
  - e. reference to a month is a reference to a calendar month; and
  - f. section headings have been inserted for ease of reference only and are not to be used in interpreting this agreement.
26. This agreement is governed by, and is to be interpreted according to, the laws of British Columbia.

### **Binding on Successors**

27. This agreement enures to the benefit of and is binding upon the parties and their respective successors, subcontractors, trustees, administrators and receivers, despite any rule of law or equity to the contrary.

### **Entire Agreement**

28. This agreement is the entire agreement between the parties and it terminates and supersedes all previous communications, representations, warranties, covenants and agreements, whether verbal or written, between the parties with respect to the subject matter of this agreement.

### **Waiver**

29. Waiver of any default by either party must be express and in writing to be effective, and a waiver of a particular default does not waive any other default.

As evidence of their agreement to be bound by the above terms and conditions of this agreement, the parties have executed this agreement below, on the respective dates written below.

**VILLAGE OF LIONS BAY** by its authorized signatories:

\_\_\_\_\_  
Mayor

c/s

\_\_\_\_\_  
Corporate Officer:

Date executed: \_\_\_\_\_, 2017.

**NUTECH FACILITY SERVICES LTD.** by its authorized signatories:

\_\_\_\_\_

\_\_\_\_\_

Date executed: \_\_\_\_\_, 2017

## **SCHEDULE "A"**

### **TERMS OF REFERENCE**

#### **INTENT OF SOLICITATION**

The Contractor will provide cleaning services on a weekly basis every Sunday evening. The Contractor will work cooperatively with the Village to meet the objective to provide a high level of customer service in a timely and efficient fashion, at the Municipal Hall, the Community Centre, the Public Works Building and the Emergency Services Building, as follows:

#### **ENTRANCE AREA, OFFICES, WORKSTATIONS, MEETING ROOMS AND GYMNASIUM**

##### **WEEKLY**

1. Empty all waste receptacles
2. Vacuum all carpets, including edges and corners. Sweep and damp mop all tile and wood flooring
3. Dust/damp wipe all horizontal surfaces; i.e. tops of desks, tables, filing cabinets, shelves and window ledges - *open surfaces*
4. Spot clean partition glass
5. Spot clean walls, doors, light switches, etc.
6. Dust computer screens with a dry duster
7. Clean and disinfect all telephone sets
8. Damp wipe/disinfect all door knobs

##### **BI-WEEKLY**

1. Dust/damp wipe all baseboards
2. Wipe down/spot clean all furniture

##### **MONTHLY**

1. Dust/damp wipe chair legs
2. Perform high dusting - up to 9 feet

##### **SEMI-ANNUALLY**

1. Cleaning accessible windows (Interior only)

#### **COMMON AREAS, HALLWAYS AND OPEN AREAS**

##### **WEEKLY**

1. Empty all waste receptacles
2. Vacuum all carpets, including edges and corners. Sweep and damp mop all tile and wood flooring
3. Dust/damp wipe all horizontal surfaces; i.e. tops of desks, tables, filing cabinets, shelves and window ledges - *open surfaces*
4. Spot clean partition glass

5. Spot clean walls, doors, light switches, etc.
6. Dust computer screens with a dry duster
7. Clean and disinfect telephone sets
8. Damp wipe/disinfect all door knobs

**BI-WEEKLY**

1. Dust/damp wipe all baseboards
2. Wipe down/spot clean all furniture

**MONTHLY**

1. Dust/damp wipe all chair legs
2. Perform high dusting - up to 9 feet

**SEMI-ANNUALLY**

1. Cleaning accessible windows (Interior only)

**LUNCHROOMS, KITCHENS AND EATING AREAS**

**WEEKLY**

1. Empty all waste receptacles. Remove and dispose of trash, organics and recycling in outside receptacles
2. Sweep and damp mop all tile flooring
3. Damp wipe tops of tables and counter tops. Clean and disinfect all sinks
4. Damp wipe exterior of cupboards
5. Damp wipe exterior of fridge and microwave
6. Spot clean walls and doors
7. Replace/refill hand towel dispensers
8. Replace/refill soap dispensers
9. Clean interior of microwave
10. Damp wipe/disinfect door knobs

**BI-WEEKLY**

1. Dust/damp wipe all baseboards

**MONTHLY**

1. Dust/damp wipe all chair legs
2. Perform high dusting - up to 9 feet

**WASHROOMS, CHANGE ROOMS AND LOCKER AREAS**

**WEEKLY**

1. Empty all waste receptacles
2. Sweep and damp mop all tile flooring

3. Clean mirrors and partition glass
4. Damp wipe exterior of cupboards
5. Clean and disinfect all sinks, toilets and urinals
6. Spot clean walls and doors
7. Replace/refill hand towel dispensers
8. Replace/refill soap dispensers
9. Damp wipe/disinfect all door knobs
10. Clean and disinfect partitions and doors
11. De-scale and scrub inside/outside of toilets and urinals

#### **BI-WEEKLY**

1. Dust/damp wipe all baseboards

#### **MONTHLY**

1. Clean and disinfect all showers (Public Works Building and Emergency Services Building)
2. Perform high dusting - up to 9 feet

#### **ADDITIONAL SERVICES**

1. Weekly public park washroom cleaning (seasonal – April through September)
2. On call cleaning services (per event)

#### **SUPPLIES AND EQUIPMENT**

The Contractor will be expected to supply all equipment (vacuum, mops, brooms, brushes, dustpans) and cleaning supplies (cleaning liquids and/or powders, rags, paper towel). The Village will provide consumer supplies (hand soap, toilet paper, garbage bags).

#### **REMUNERATION**

Village Office/Council Chambers	\$204.72 per month
Community Hall	\$221.03 per month
Meeting Space	\$127.88 per month
Public Works Yard (Office Area)	\$181.03 per month
Emergency Services Building	\$171.03 per month
<b><u>Total Monthly Billing</u></b>	<b><u>\$905.69</u></b>
Season cleaning of park washrooms (April – September):	
Lions Bay Beach Park	\$171.03 per month
Kelvin Grove Beach Park	\$171.03 per month
On-call cleaning services (Village Hall special events)	\$85.00 per cleaning

Intentionally Blank



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

---

**MEETING OF THE LIONS BAY BEACH PARK ADVISORY COMMITTEE  
HELD ON TUESDAY, NOVEMBER 23, 2017 at 7:00 PM  
COUNCIL CHAMBERS, 400 CENTRE ROAD, LIONS BAY**

---

**MINUTES**

In Attendance:

Council: Councillor Ron McLaughlin (Chair)

Staff: Public Works Manager Nai Jaffer  
Administrative Assistant Susan Loutet

Advisory Committee Members:

Oliver Brunke  
Robin Spano  
Heather Hood  
Mattie Gildenhuis

Regrets: Mayor Karl Buhr (Ex Officio)  
Russ Meiklejohn

**1. Call to Order**

Councillor McLaughlin called the meeting to order at 7:02 p.m.

**2. Approval of Agenda**

Moved/Seconded

THAT the agenda be adopted.

**CARRIED**

**3. Approval of Minutes**

Moved/Seconded

THAT the minutes of the Lions Bay Beach Park Advisory Committee meeting of November 9, 2017 be approved as circulated.

**CARRIED**

**4. Business arising from the minutes**

### Ongoing Operating

- The cedar tree at the centre of the park is to be assessed by Burley Brothers Tree Service the week of November 27, 2017.
- Washroom cleaning and garbage collection for the weekends during the summer months-: Options research in progress. The cleaners for the LB Marina is a possibility. Public Works will check with the Marina.
- Costs for tubular galvanized boat/paddle board storage unit, in progress. Racks may be placed along the fence separating the park from the Marina as well as retaining some in their existing locations. Racks against the fence would need to store boats parallel to the fence. Paddle board storage should be such that the boards are stored vertically. Staff mentioned the possibility of adding locking rings so that boats and boards can be locked. Maybe paddleboards could go on the opposite side of the park, where the kayaks are now or even on both sides of the park. We should have a better idea of requirement after the survey is in. Susan to send Heather the kayak/paddleboard information as it stands at the moment. We have 61 boat spaces and 11 persons on the wait list.

## **5. Unfinished Business**

- Landscape Design - Russ will work on a landscape design / plan for the park that will consider the removal of the large cedar which has been topped and is showing signs of deterioration, landscape terraces, a larger washroom with outside shower, cleaning facilities and a water bottle refilling station, a new larger boat/paddle board storage facility, and an expanded covered public area, as well as other features. Public Works will provide what documentation it can to Russ. The CAO has ordered a topographical survey.

## **6. New Business**

- A. Robin advised that the architect she approached could be consulted, but any formal plans would require remuneration.
- B. Discuss and Resolve Survey Monkey – All questions were reviewed and some questions adjusted. Any other changes to Oliver by November 27, to review and then Oliver to send to Ron by November 28. “Purpose of this Survey” was agreed to be accepted. Interest in small skate park, basketball court and slide on dock to be added. Strike all questions on Infrastructure, alcohol consumption and lifeguards in summer. Survey Monkey to go in Karl’s article in Village Update December 1<sup>st</sup> and December 8<sup>th</sup>. Also to go on website and at the Village Office, with posters around the Village. Feedback from the Survey Monkey is due by December 15<sup>th</sup>. Oliver and his team to analyse the survey results and provide a brief report for the next meeting. Staff will prepare a poster advertising the

survey – posters to be placed on the Village’s notice boards including at the post office.

- B. Budget – The Lions Bay Beach Park must be sustainable for 30 years with a lasting holistic plan. Council is awaiting the Committee’s report before determining a budget for 2018 and beyond through the 5 year financial plan. There is already 30K budgeted to the park for 2017 for replacing the wooden stairs. Maybe out-sourcing of grants can be considered.

**7. Public Questions and Comments**

- None

**8. Adjournment**

It was agreed that the next meeting would be December 21, 2017 at 7:00 PM in Council Chambers.

Moved/Seconded

THAT the meeting be adjourned.

**CARRIED**

The meeting was adjourned at 8:17 p.m.

Intentionally Blank

## VILLAGE OF LIONS BAY

---

### Incoming Correspondence - January 9, 2018

*General Correspondence:*

G-1: Cannabis Tax Revenue (Page 1)

G-2: Quagga and Zebra Mussels - Village of Pemberton Response (Page 2)

G-3: Managing Residential Wood Smoke in Metro Vancouver (Page 5)

G-4: CAEH Housing First Training Invitation (Page 6)



**Office of the Mayor**  
2760 Cameron Road, West Kelowna, British Columbia V1Z 2T6  
Tel (778) 797.2210 Fax (778) 797.1001

December 13, 2017

Dear Local Governments of British Columbia,

With cannabis sales becoming legal in 2018, there must be a formal agreement that will divide the tax revenue on cannabis sales in a fair and equitable manner. Current discussions regarding revenue sharing involve the Federal and Provincial governments with no inclusion of local governments. Ultimately, the legalization will entail additional costs for local governments both in social and policing costs. A Federation of Canadian Municipalities (FCM) paper is stating that the impact may affect policing, fire services, building codes, city planning, municipal licensing and standards, public health, social services, communications, law, etc.

City of West Kelowna Mayor and Council is requesting your support, by writing to the Province to lobby them to agree to 50% of the provincial share of the cannabis tax sharing formula be provided to local governments. This is an adequate and equitable share to help support costs and services incurred by local governments.

Thank you for your consideration.

Sincerely, on behalf of Council,

A handwritten signature in cursive script that reads "Doug Findlater".

Doug Findlater  
Mayor



PO Box 100  
7400 Prospect  
St.

Pemberton  
British  
Columbia  
CANADA  
V0N2L0

P. 604.894.6135  
F. 604.894.6136

www.pemberton.  
ca

December 15, 2017

Honourable George Heyman  
Minister of Environment and Climate Change Strategy  
PO Box 9047 Stn Prov Govt  
Rm 112, Parliament Buildings  
Victoria, BC V8W9E2

VIA EMAIL: ENV.Minister@gov.bc.ca

**Re: Prevention of Quagga and Zebra Mussels**

---

Dear Honourable Heyman,

On behalf of the Village of Pemberton, we write to express our concern about the threat of Quagga and Zebra mussels. We understand that the District of Sicamous submitted a resolution at UBCM that was endorsed in which more funding from the Provincial Government was requested to increase awareness and education for the threat of Quagga and Zebra mussels into BC Lakes.

The effects to ALL BC Lakes would be devastating:

- Zebra and quagga mussels filter water to the point where food sources such as plankton are removed, altering food webs. This also causes clearer water, allowing sunlight to penetrate deeper, increasing growth of aquatic vegetation. One mussel can produce one million mussels per year.
- Impact fish and wildlife by increasing toxic algal blooms.
- Large colonies affect spawning areas, impacting the survival of fish eggs.
- Affects recreational activities by cutting swimmers feet as a result of their sharp shell
- Non-reversible once infested with mussels, all BC Lakes will be contaminated and there is currently no solution to destroy them.
- Cost to British Columbia will be Billions, to government, taxpayers and businesses if mussels manage to get into our eco-system
- Eco-system compromised, water intakes plugged, fish destroyed, beaches destroyed
- No long-term research provided on drinking water quality
- Negative tourism impact

**Solutions:**

- Guard the boarders - cost British Columbia Millions to guard the boarders 24/7 365 days per year to prevent infestation or Boat border crossing hours, that work.
- Train border patrols – this is a serious issue, they must collect the correct information from boaters (of all kinds such as zodiacs, blow up paddle boards)
- More conservation officers, with more authority
- This is no longer a campaign, it should now be a department of the government with funding to continue prevention
- This is no longer a provincial problem, it is a federal problem, lakes that are contaminated in Canada should not be allowed to let boats leave without inspection to prevent contaminating other lakes.
- Transport Canada should now prevent float planes from hopping provinces and states
- Education – Major Media campaign announcing BC's commitment to keep our waters pristine. TV, Billboards, News paper, social media
- All Municipalities and Regional Districts should run a banner on their website home pages – “British Columbia is Committed to keeping their lakes Quagga and Zebra Mussel free. Please respect our Lakes and boarder crossing patrols, STOP at the boat inspection stations”. This should have a link to a website explaining the seriousness of this issue, and explain fines for breaking the law by transporting invasive species.
- All British Columbia tourism sites should also announce and run the banner on their sites. Tourism will stay healthy if BC lakes stays healthy.
- Boaters registration, should include education
- Immediate allocations of funds dedicated to research, to enable BC biologists to work on a solution with Manitoba & US studies research groups. Let's work on removing them, together.
- Collaborate with infested US bordering Lakes on research and prevention of cross contamination.
- Collaborate with Alberta and Saskatchewan to stay mussel free

**Funding:**

BC government will find the funds (billions) if we lose the battle against mussels, as we'll need to manage the problem. This is how we can help fund the prevention now (millions):

- Out of province user pay at all BC boat ramps
- Lake passes for BC boaters
- All fines are allocated back to the program
- Boat registration increase some funding back to project

Thank you for your consideration of this issue.

Yours Truly,

**VILLAGE OF PEMBERTON**



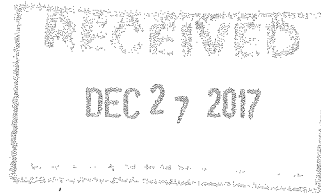
Mike Richman  
Mayor

Cc: Mark Zarcharias, Deputy Minister (via email: [DM.ENV@gov.bc.ca](mailto:DM.ENV@gov.bc.ca))  
Wendy Booth, UBCM President (via email: [wndbooth@gmail.com](mailto:wndbooth@gmail.com))  
UBCM Members (via emails)

Parks, Planning and Environment Department  
Tel. 604.431.3752 Fax 604.436.6701

December 18, 2017

Librarian  
Lions Bay Library  
c/o PO Box 141, 400 Centre Road  
Lions Bay, BC, V0N 2E0



Dear Sir or Madam:

**Re: Information about Proposals to Manage Residential Wood Smoke in Metro Vancouver**

As part of Metro Vancouver's public consultation on proposals for a phased approach to regulating wood smoke emissions from indoor residential wood burning in the region, Metro Vancouver is currently sharing information and seeking input and feedback on the following:

- A seasonal restriction on the use of indoor residential wood burning appliances between May 15 and September 15, from May 2020.
- Registration requirements for indoor residential wood burning appliances based on the amount of particulate matter released, from September 2022.
- Prohibition on residential wood smoke emissions from unregistered appliances, unless other conditions apply, from September 2025.

Rack cards summarizing the above information are included in this package. We anticipate that people in your community may find this information useful and request that you make the rack cards available on any public information rack in your library. If you would like additional copies to make available for interested members of the public, we would be pleased to provide them.

More information about the proposed regulatory measures is available in the [Discussion Paper](#) and additional information including online comments form, presentations and consultation activities can be found on the Metro Vancouver project webpage [here](#).

For additional copies of the rack cards please do not hesitate to contact us through [RWB@metrovancouver.org](mailto:RWB@metrovancouver.org) or by calling 604-432-6200.

Sincerely,

A handwritten signature in black ink, appearing to read "Francis J. Ries". The signature is fluid and cursive.

Francis J. Ries, B.Sc. P.Eng.  
Acting Program Manager, Bylaw and Regulation Development,  
Air Quality and Climate Change

jes/slc

Enclosure: Managing Residential Wood Smoke in Metro Vancouver rack cards

**From:** [HPSCE-MV](#)  
**Subject:** CAEH Housing First Training Invitation - Feb. 7 - Elected Officials  
**Date:** Thursday, January 04, 2018 11:17:34 AM  
**Attachments:** [image001.png](#)  
[Housing First Training - Map and Parking Information.pdf](#)

# Housing First 101:

## An Information Session for Elected Officials On this Approach to Addressing Homelessness



Wednesday, February 7<sup>th</sup>  
9:00 AM - 12:00 PM

Holiday Inn Express Vancouver-Metrotown  
4405 Central Blvd, Burnaby  
Capilano Room

Please see the attached pdf for map,  
parking, and SkyTrain directions.

Metro Vancouver Community Entity (MV CE) for the Homelessness Partnering Strategy (HPS) has funded Housing First projects since January 2015. Collectively, we have learned much about delivering Housing First services – and we have identified gaps and challenges.

This is also the case nationwide. In response, the federal government is offering Housing First training through the Canadian Alliance to End Homelessness (CAEH). CAEH has provided a wide range of Housing First training modules and brings the benefit of experiences from service providers across Canada to the training offered here.

In consultation with the HPS Community Advisory Board, the MV CE has organized a CAEH Housing First training session specifically for elected officials in the Metro Vancouver region.

The session will open with an overview of the HPS Housing First approach, partnership, the context of community coordination. It will be interactive and will allow time for your questions; please send in advance any questions you want to ensure are included in the session.

Please RSVP and send your questions to [Alison.Brodie@metrovancover.org](mailto:Alison.Brodie@metrovancover.org) by January 29<sup>th</sup>.



## CAEH Housing First Training

### Holiday Inn Express Vancouver-Metrotown

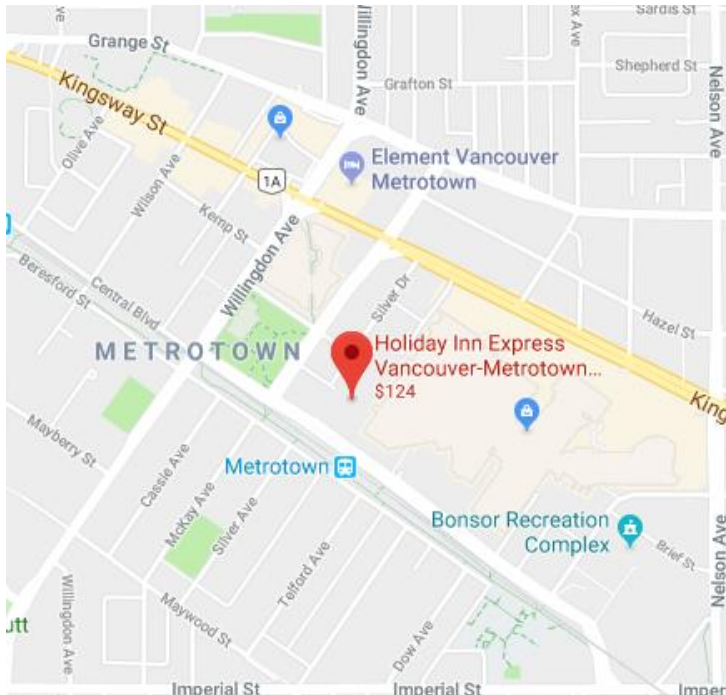
4405 Central Blvd, Burnaby

Capilano Room

*Please see the street map and link below.*

### Transit & Parking

- The Holiday Inn Express Vancouver-Metrotown is only a three-minute walk from the Metro Town SkyTrain station.
- If you choose to drive, day parkers are accommodated in a large designated pay parking area for visitors in the mall parking lot under Sport Chek.
- Visitors can park in the mall lot free for 4 hours.



[https://www.google.ca/maps/place/Holiday+Inn+Express+Vancouver-Metrotown+\(Burnaby\)/@49.2268069,-123.0112634,15z/data=!4m5!3m4!1s0x0:0x3845fb01005a9c93!8m2!3d49.2267508!4d-123.0036245](https://www.google.ca/maps/place/Holiday+Inn+Express+Vancouver-Metrotown+(Burnaby)/@49.2268069,-123.0112634,15z/data=!4m5!3m4!1s0x0:0x3845fb01005a9c93!8m2!3d49.2267508!4d-123.0036245)

# **ON-TABLE ITEMS**

**Village of Lions Bay  
2018 Budget  
Proposed Capital and Operational Re-Budgets**

<b>All Funds</b>
------------------

<b>Description</b>	<b>Amount</b>	<b>Notes</b>
CWWF Grant - Water Tanks	2,473,818 (2,473,818)	Capital Expenditures Grant and Loan
Detailed Bridge Inspections	15,619	work started in 2017
Lions Bay Beach Park	29,814	put towards LBPPAC recommendations
Kelvin Grove Stairs to Beach	15,000	should be able to use proceeds from land sale
Emergency Generator	15,000	
Street Signage - Parking Plan	13,460	
Fire Dept. - Medical AED's	5,100	back ordered - to be deliver in January
Fire Dept. - Hall Exhaust System	6,500	obtaining quotes
Fire Dept. - Burn Building	30,000	working on building permit, engineer inspections
Emergency Management Consultant	20,000	
Records Management	17,800	Map scanning commenced in 2017
Asset Management	20,000	
Planning Consultant	30,600	to offset cost of 3 day a week planner
	<b>218,893</b>	

**Village of Lions Bay  
2018 Budget  
Proposed Capital and Supplemental Requests**

<b>General Fund</b>
---------------------

<b>Description</b>		<b>Amount</b>	<b>Notes</b>
Lions Bay Avenue Stairs to Bus Stop	80,000 <u>(40,000)</u>	40,000	Capital expenditure TransLink grant revenue
Emergency Generator(s)	30,000 <u>(15,000)</u>	15,000	Capital expenditure (1 or 2 units) 2017 re-budget
Asset Management	30,000 (20,000) (15,000) <u>5,000</u>		Asset Management Plan 2017 re-budget UBCM Grant - 2018 expenditures
Public Works (per attached)		58,387	
Additional PW truck for new staff member		7,500	5 year lease commencing July 1
Computer for Office		2,000	to replace existing computer
Computer server for Office		8,000	to replace existing server
		<u><b>130,887</b></u>	
Lions Bay Beach Park		TBD	can use \$29,814 of 2017 re-budgets
EOC supplies - based on emergency consultant report		TBD	
Part-time emergency planning co-ordinator		TBD	
Office Renovation - Council Chambers		TBD	
Fire Truck Reserve		TBD	

**Public Works Proposed Capital Requests**

<b>Description</b>	<b>Quantity</b>	<b>Unit Cost</b>	<b>Total</b>
1 Outdoor event seating	70	35.98	2,518.60
3 Generator	1	3,199.00	3,199.00
4 Log Splitter	1	2,799.00	2,799.00
5 Salter	1	7,700.00	7,700.00
6 Dump Trailer	1	8,595.00	8,595.00
8 Spool Gun	1	1,100.00	1,100.00
9 Rolling Cabinet	1	2,300.00	2,300.00
14 12000lbs Truck Lift	1	7,500.00	7,500.00
15 Dry Cut Chop Saw	1	600.00	600.00
16 Drill Mill	1	2,500.00	2,500.00
17 Electric chainsaw	1	525.00	525.00
18 Hand tools (wrenches sockets etc)	1	1,800.00	1,800.00
19 Chainsaw	1	1,500.00	1,500.00
20 Chainsaw	1	620.00	620.00
21 Weedwacker	1	510.00	510.00
22 Inverter	1	1,020.00	1,020.00
23 Welding fume extractor	1	2,700.00	2,700.00
24 Electric cement mixer	1	900.00	900.00
25 Hoepack compactor for Backhoe	1	10,000.00	10,000.00
			<b>58,386.60</b>

**Village of Lions Bay  
2018 Budget  
Additional Revenue**

**Temporary Use Permits**

(assume 10)

Revenue:

	<b>Fee</b>	<b>Total</b>
Application Fees	250	2,500
Permits	1,000	10,000
Inspections	250	2,500

Expenses:

Building Inspector Time	250	(2,500)
Planning time covered by Planner	-	-

**Net Revenue**

**12,500**

**Subdivisions**

(assume 5)

Revenue:

Initial Meeting	250	1,250
Preliminary Review Process	2,000	10,000
Final Approval	1,000	5,000

Expenses:

Planning time covered by Planner	-	-
----------------------------------	---	---

**Net Revenue**

**16,250**

**28,750**