



2011 Annual Report



Presented by the Town of Golden Council per the requirements of the *Community Charter* and the *Financial Information Act*

September 4th, 2012

Authentic.
Community.
Adventure.

Why a Municipal Annual Report?

The *Constitution Act (1982)* and its predecessor the *British North America Act*, assigned certain powers to the provincial and territorial legislatures and all remaining powers of governance rest with Parliament. Canadian municipalities have no constitution-based authority. Legislatures were assigned the responsibility to delegate powers to their respective municipalities from that collection of powers granted to them by the constitution. Consequently, Golden's Town Council must abide by all federal and provincial legislation and can only exercise the powers provided it by the British Columbia Legislative Assembly – principally via the *Community Charter* and the *Local Government Act*.

In BC, a municipality is a corporation of the residents of its area and the purposes of a municipality include:

- (a) Providing for good government of its community;
- (b) Providing for services, laws and other matters for community benefit;
- (c) Providing for stewardship of the public assets of its community; and
- (d) Fostering the economic, social and environmental well-being of its community.

The governing body of a municipality is its Council. To fulfill the municipality's purposes, the *Community Charter* has assigned the mayor, other council members and municipal officers certain powers, responsibilities and obligations. These include an annual requirement to set objectives for the current and following years, to measure progress regarding those objectives and report to the public respecting municipal objectives, services and operations for the previous year. Those services are delivered on behalf of Council (the policy makers) by the Chief Administrative Officer (who implements their policies) and the Staff he leads. The course Council chose to set for 2011 and where the organization actually took us are what this Municipal Annual Report is all about.



Town of Golden Council (as of November, 2011)

Front: Councillors Chris Hambruch & Ron Oszust, Her Worship Mayor Christina Benty & Councillor Mag Magnusson.
Rear: Chief Administrative Officer David Allen, Councillors Mike Pecora, Caleb Moss & John Jackson.

* Former Councillors Kuljit Jaswal and Jamie Fitzgerald contributed toward setting and delivering on the 2011 Strategic Goals.

Contents

Message from the Mayor

Message from the Chief Administrative Officer

1. Governance and Administrative Structure
2. Report on 2011 Council Objectives
3. The Work Plan – Where we Wanted to ‘Get’
4. Highlights of 2011 Accomplishments
5. Performance 2011 – Where we ‘Got’
6. Council’s 2012 Priorities and the Corporate Work Plan
7. Council’s 2013 Priorities
8. Financial Information
 - 8.1 Statement of Financial Information
 - 8.2 Statement of Severance Agreements
 - 8.3 Schedule of Guarantee and Indemnity Agreements
 - 8.4 Management Report
 - 8.5 Key Capital Expenditures for 2010
 - 8.6 2011-2015 Financial Plan
 - 8.7 Statement of Permissive Tax Exemptions for 2010
 - 8.8 Schedule of Remuneration and Expenses
 - 8.9 Schedule of Payments to Suppliers of Goods and Services
 - 8.10 Consolidated (Audited) Financial Statements

Message from the Mayor

From Asset Management to animation of the Spirit Square, from beautification to bylaws, from curbside recycling to the Civic Centre revitalization, 2011 was a busy and fruitful year. Council continues to deliver on some key components in our Official Community Plan in an effort to provide us all with a livable community with leisure, cultural and economic opportunities in a healthy, sustainable environment.

As elected officials, we have been called to a level of service that requires trust, good judgement and informed decision making. Our decisions must reflect that we are looking into the future for our children, their children and beyond. We are mindful of the broad range of needs of all those we serve from the small business owner, the single mom, the senior citizen, the youth, the developer, the young family and everyone in between. In the midst of economic challenges, we will continue to invest in the things that make Golden a place worth living, now and in the future.



To that end, I hope this Annual Report shows our commitment to a better way of doing business. In 2010 we adopted an organization-wide system of objective setting and performance measurement and this report demonstrates the results of its first full-year of use. This new approach has helped us better focus on what we, as a Council, are attempting to accomplish on your behalf and report back to you on our progress – good or bad – at regular intervals. We are proud of its effectiveness, and to our delight, we have been told that Golden has gained a reputation in broad local government circles as a municipality that “punches above its weight”. More importantly though, we are accountable to *you*, so we ask that you review this report and give us feedback about whether *you* feel we are or are not ‘doing it right’.

Together, as residents of Golden, we are responsible to and for one another. We are blessed with many bright and committed individuals that take on different leadership roles in the community, which contributes to the greater good of all local people. Thank you for your resilience, your “CAN DO” spirit and your profound sense of pride in our community.

Christina Benty, Mayor

Message from the Chief Administrative Officer

I am pleased to present the Town of Golden's 2011 Annual Report.

Ours is one of 9,500 Towns and Villages in Canada with a population of less than 10,000 people. Like many small communities in BC, Golden provides a broad range of essential services that have a direct impact on the health, safety, and quality of life of its residents.

While most people take for granted the basic necessities of life, the provision of cost-effective and high quality drinking water, sewage treatment, storm water management, waste management, snow clearing and road maintenance services are an essential foundation to the many other services that the Town provides to the public. Of course ensuring quality of life is far more than providing the basic necessities, and in 2011 this was reflected in the Town's commitment to best practices, support for arts and culture, recreation and parks for residents and visitors, and the protection of community infrastructure and other assets.

I firmly believe an organization's greatest asset is its people, and I am proud to say that the people who work at the Town care about the work they do and the services and programmes they provide to the public. In 2011 we experienced a number of key staffing changes, including the arrival of a new Director of Development Services and Fire Chief in early 2011, a new Chief Financial Officer in July 2011, and we hired a new Manager of Recreation Services in late 2011.

There were a number of significant capital projects in 2011, the largest and arguably the most significant was redevelopment of the 64 year old Golden Civic Centre, which celebrated a three-day long grand opening in the last days of the year. With the support of a talented, dedicated Council Select Committee, the \$3.1 million Civic Centre was completely restored and enhanced with only 7% of the project funded by local taxpayers. News of the new state-of-the-art audio visual equipment, refurbished stage and lighting, and the addition of new multi-purpose rooms have already generated increased "word of mouth" bookings by musicians, and private functions. Locals will also benefit for years to come from the restoration of this local cultural icon.

The Town was also successful in completing the construction of a new \$1.4 million asphalt pathway adjacent to the Trans Canada Highway using only \$185,000 in municipal funding. Other significant capital projects included road base, paving and water/sewer/drainage service upgrades to 12th Street South, and La Fontaine Road.

The Town also made great strides in reducing its environmental footprint through the implementation of a mandatory residential curbside recycling programme, a new Water Smart programme that significantly lowered water consumption, and an amendment to the Official Community Plan committing us to significantly reduce corporate and community-wide Greenhouse Gas Emissions. The new Civic Centre also included substantial improvements to energy efficiency and future operating costs, with the installation of new insulation, energy efficient windows, and heating and ventilation system.





In 2011 we continued to build on integrating Council's annual strategic planning process with an "open source", corporate capacity and performance measurement computer program that we started developing in-house in 2010. This resulted in the development of an ambitious Corporate Work Plan that, once approved by Council, was for the first time fully integrated with the Town's 2011 Five-Year Financial Plan. The end result has been an improvement in the wise use of the Town's limited resources through objective-setting and measuring results, as well as greater transparency and accountability to Council and the public. I believe this 2011 Annual Report reflects these improvements.

Looking ahead, we will continue to work on the development of a long-term Asset Management Plan to maintain and renew our aging infrastructure, undertake a review of recreation services, and update our Official Community Plan to reflect the community's current realities and coming challenges. We will also continue to seek out and implement more innovative ways to communicate and engage with our partners and the public to ensure the services we provide reflect their needs, expectations, and willingness to pay.

David Allen, CAO

1. Governance and Administrative Structure

Governing Body

Town Council

The governing body of a municipality is its Council. Golden's is comprised of 7 elected officials being a Mayor and six Councillors. Empowered by the *Community Charter*, the town council must consider the well being and interests in its decision making, contribute to the evaluation of all policies and programs, participate in council meetings and carry out other duties they are assigned by legislation.



Executive Administration

Chief Administrative Officer

The Chief Administrative Officer (CAO) is responsible for the overall management of the operations of the municipality, ensuring that the policies, programs and other directions of Council are implemented, and for advising and informing Council on the operations and affairs of the municipality. This includes ensuring that all the statutory obligations required under Provincial and Federal legislation are met, and that Council's strategic priorities are identified and addressed through the development of an approved corporate work plan, and ultimately through the annual Five Year Financial Plan.

The Departments

Operations and Public Works

Front and centre to residents, it ensures the day to day functionality of the systems and infrastructure that provide for us our basic community needs for living, including roads, sidewalks and boulevards, water and waste water system management, parks and trails, recreation facilities operations, waste collection services, the cemetery, airport, dykes, and capital works projects related to them.



Development Services

This department provides the framework for sound community development that reflects the public's interest as expressed in the Official Community Plan. The department combines Planning, Building, and Bylaw Enforcement to formulate policies and standards for new development; manage approvals of all types of land development; regulate building construction, ensure compliance with community standards; and facilitate development of best practices to the environment and the residents.



Finance

This department is responsible for ensuring the financial health of the municipality, from long term planning of capital and operating expenditures, to collections and billing of taxes and accounts payable. Included are payroll and utility billing, insurance monitoring, and management of permissive tax exemptions, tax sale and audit requirements, and provincial government reporting.

Corporate Services

The department provides administrative services to Council, the public, and across all departments, responsible for developing and managing the majority of governance and corporate processes, agreements, protocols, licensing and permitting, communications, human resources, technology, bylaws, front counter services, and special service management of the Golden Community Cemetery, COTR House, and oversight of the Resort Municipality Initiative.

Strategic Initiatives

Reporting to the CAO, this was created as a nimble and focused function, to develop strategic and tactical processes for council and staff, and to undertake newly mandated programs and other special projects. The department is highly analytical, also providing research, advice and project support to the other departments. In addition to these dynamic responsibilities, a variety of other Projects and Tasks are assigned to this department such as organization-wide best practices, asset management, water and energy conservation, corporate and community-wide GHG emissions reduction, and Emergency Planning and Response.

Fire/Rescue

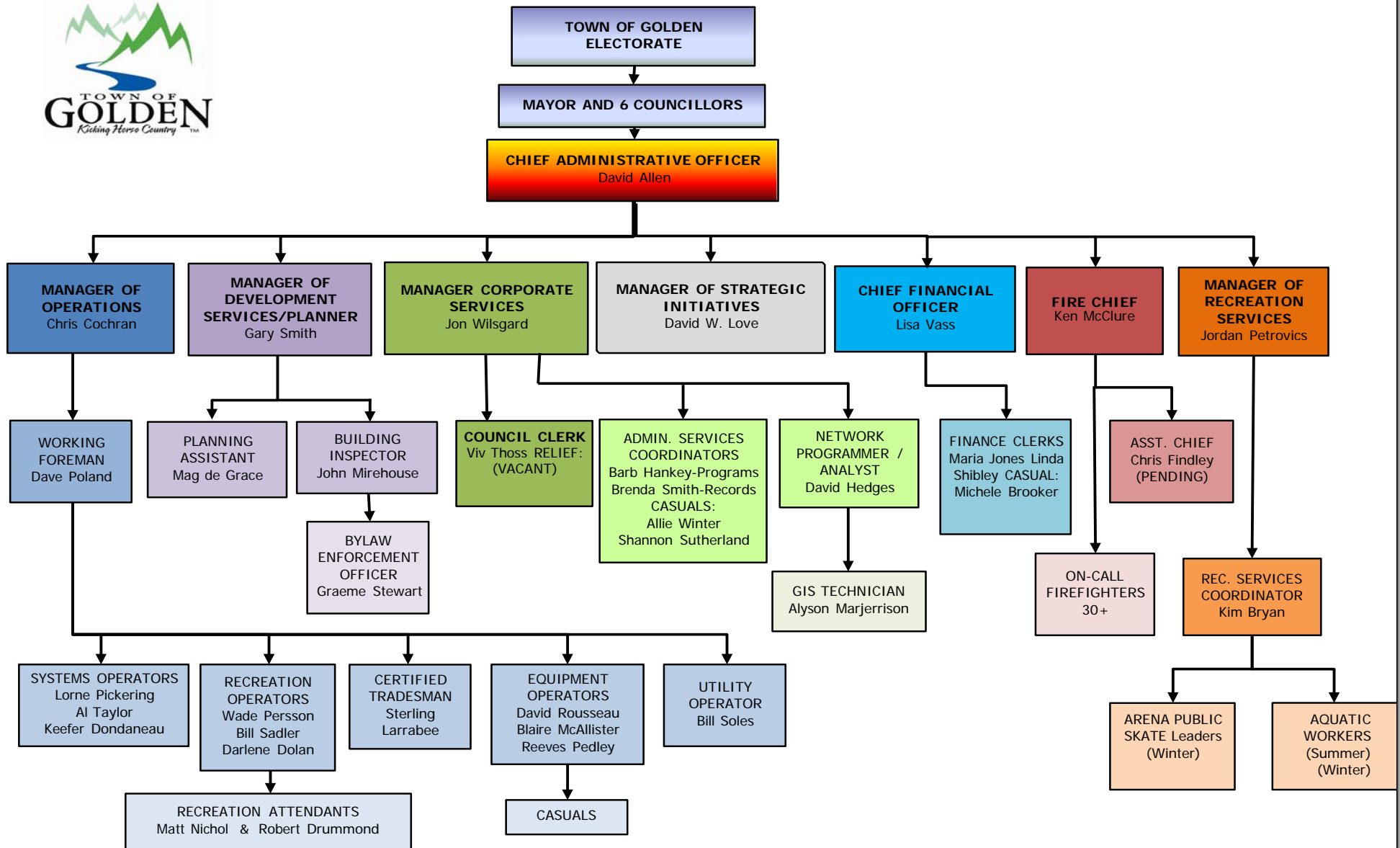
The department combines the expertise and professionalism of a full time Fire Chief and a number of highly trained volunteers to ensure the town is able to respond to fires and life threatening incidents. Equipped with a variety of apparatus and vehicles, the department regularly trains to be an able first responder and incident command entity and takes steps to educate and enforce applicable regulations to businesses and residents.



Recreation Services

The department supervises, coordinates and facilitates operations at key recreation facilities in the community, focusing on maximizing the use of facilities within budgeted guidelines. This includes supporting the development, implementation and promotion of public recreation services by working with non-for-profit user groups and hosting in-house programming. Recreation facilities of focus include the Golden Municipal Swimming Pool, Golden and District Arena, Keith King Memorial Park, the Community Bike Share Program and Public Parks, with contract support operating the Golden Civic Centre, Mount 7 Rec Plex, and Golden Municipal Campground.





2. Report on 2011 Council Objectives

"If you don't know where you're going, you might wind-up someplace else." Yogi Berra

The Town's system of strategic objective-setting is more sophisticated than a baseball game (at least we like to think so), but this bit of common sense is truly sage advice and is at the core of what we try to practice.

The "Town of Golden 2011-2015 Five-Year Financial Plan Public Consultation and Information Package" was released in early 2011. More commonly referred to as the "Budget Book", this described the process followed to develop the 2011 organization-wide objectives – from their origins through their transformation into a challenging set of Projects, or as they are collectively called once adopted by Council, the "Corporate Workplan". The next two pages are outtakes from the 2011 "Budget Book". Note that "Projects" are those things assigned to a Lead Department that receives Support from one or more other departments; whereas anything referred to as a "Task" is simply a "Project" assigned to a single department.

Choosing Strategic Priorities

In August 2010 Town Council met with a professional facilitator and, using the Official Community Plan and public desires as their guide, they developed 'Priorities' for categorizing the 2011 Town operations. The result is the first four things listed to the right.

The next four items are the 'Priorities' assigned to the many other things the Town does: administration, safety and protection, financial planning, land use management, infrastructure renewal and maintenance, bylaw enforcement, etc.

Council and Corporate Strategic Priorities:

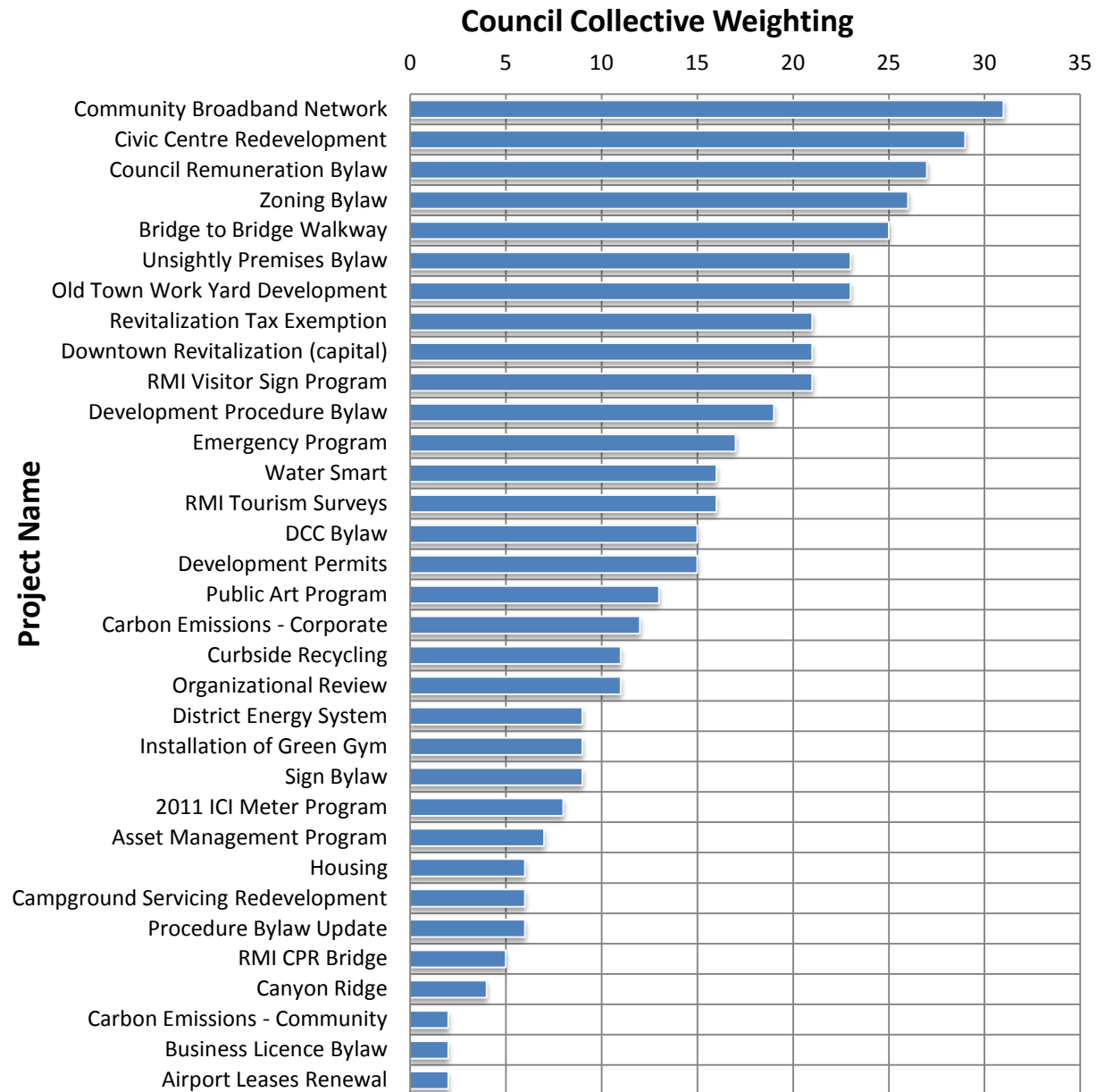
1. "Back to Basics" – finish projects and bylaws
2. Maintain Golden's Cultural Vibrancy
3. Enhance Recreation for residents and tourists
4. Protect our community assets
5. *Statutory Absolute (things we must do, and on a fixed schedule)*
6. *Statutory Flexible (things we must do, but completion time is not fixed)*
7. *Existing Projects/Programmes*
8. *Zingers (unplanned, surprise requirements)*

Identifying Strategic Goals

Also in August, Council identified those things that they thought to be the 'Goals' that should be achieved by the Town in 2011.

The things listed to the right are what were identified by Council. The length of the blue bar beside each 'Goal' shows the degree of importance assigned to each item collectively by all council members.

Note: The 'Goals' listed here are in addition to the many other things that we *must* do, plus the many Projects that already exist.



3. The Work Plan – Where We ‘Wanted to Get’

"Would you tell me which way I ought to go from here?" asked Alice.

"That depends a good deal on where you want to get," said the Cat.

"I really don't care where" replied Alice.

"Then it doesn't much matter which way you go," said the Cat.

- Lewis Carroll

The Financial Plan that supported the approved Corporate Workplan is provided in its entirety in Section 8. Those numbers reported are now audited and found correct in all material ways – and, since it is illegal for a municipality to ‘run an operational deficit’ we’re rather pleased with where we got.

That aside for the moment, the tables below are organized alphabetically by Council Priority and provide the main items of the entire 2011 Workplan (some 164 items). You will see these are the combined total of Council’s Projects for the year ([highlighted in blue](#)) and the many other Projects the organization was already doing or must otherwise continue to do as matters of going concern (see “Municipal Purposes” above).

Note that some items in the tables have an additional notation (T), which identifies them as a “Task”. Tasks are forms of Projects that are assigned to a single department manager without direct support from another department. Tasks may be unique (i.e. assigned to only one department), such as “Cash Flow Management” or “Accounts Payable/Payroll” would be only assigned to the Chief Financial Officer, or Tasks may be common (i.e. may be assigned to some or every department) such as “Employee Supervision” or “Formal Written Reports”.

Regardless whether an item is a Project or a Task, all these things consume Capacity (peoples’ time) and Funding (from taxation, Reserves, Grants, Fees, etc.). What these all have in common is that they were all (excepting “Zingers”) pre-approved by Council for implementation by the Chief Administrative Officer and his Staff, and it was known then that their outcomes would be reported publicly here, in the Annual Municipal Report.

While the Tables that follow are long and detailed, they represent what three dozen people spent thousands of hours doing having been challenged by Council to go where they ‘wanted to get’.

The abbreviations used in the Tables below indicate a person and/or a department:

CAO: Chief Administrative Officer

CFO: Chief Financial Officer

FC: Fire Chief

MCS: Manager of Corporate Services

MDS: Manager of Development Services

MRS: Manager of Recreation Services

MSI: Manager of Strategic Initiatives

Ops: Manager of Operations

Council Priority 1: Back to Basics – Finish Projects/Bylaws

A significant number of Projects were underway, ranging from capital infrastructure improvements, amenity enhancements, implementation of studies, and the updating of fundamental bylaws which regulate and set standards for programs, services, and resident compliance. Council recognized this backlog and set as its first priority the completion or revision of a number of these in 2011.

12th Street South - Phase 2 (Ops)	2011 ICI Meter Program (Ops)	Bridge to Bridge (CAO)
Business License Bylaw (MCS)	Bylaw Adjudication Development (MCS)	Bylaw Updates – Operations (Ops)
Canyon Ridge (MDS)	Carbon Emissions – Community (MSI)	Cemetery Bylaw (MDS)
Communications Plan (MSI)	Council Procedure Bylaw Update (MCS)	Curbside Recycling (MCS)
District Energy System (MSI)	Facilities Energy Audits (T) (MSI)	Housing (MDS)
Housing Committee Support (MDS)	Old Town Works Yard Development (MDS)	Recreation Facilities Bylaw (MRS)
RMI Revitalization Tax Exemption (MSI)	Sign Bylaw (MDS)	Subdivision and Development Bylaw (MDS)
Temp License of Occupation Bylaw (MCS)	Town Hall Renovations (Ops)	Unightly Premises Bylaw (MCS)
Website Design (MCS)	Zoning Bylaw (MDS)	

Council Priority 2: Maintain Golden’s Cultural Vibrancy

A dynamic and vibrant social and cultural community is necessary for a livable community. Maintaining this important aspect of our community’s quality of life was Council’s second priority which was shown by the intention to complete the Civic Centre Redevelopment Project, sustain cultural services through Kicking Horse Culture, fund the Summer Kicks Concert Series in the square, enable a Public Art Program, and foster continuation of the annual Farmers Market.

Civic Centre Redevelopment (CAO)	Farmers’ Market (T) (MCS)	Kicking Horse Culture Agreement (T) (MCS)
RMI Public Art (MCS)	RMI Visitor Sign (MCS)	Summer Kicks Concert Series (T) (MCS)

Council Priority 3: Enhance Recreation for Residents and Tourists

As Resort Municipality combined with our active lifestyle, Council worked to ensure opportunities continued to be improved for us and visitors alike, by completing the bike lane on the Golden Hill, a safer and more amenable crosswalk over Highway 95, upgrading municipal campground features, and supporting a quality of life that included a green gym, iconic way finding signage on our streets and trails, mountain bike trail improvements in the area, completion of the spray park, scrubbing the CPR Bridge, and the launch of Canada’s second only 3rd generation Community Bike Program.

Active Communities (T) (MRS)	Arena Operation (Ops)	Boiler Replacement – Pool (Ops)
Campground Servicing Redevelopment (Ops)	Community Bike Program (MRS)	Early Childhood Dev Coalition (T) (MRS)
Gusher’s Spray Park (MRS)	Highway 95 Pedestrian Crossing (Ops)	Installation of Green Gym (Ops)
Kicking Horse Canyon Bike Lane (Ops)	KKMP Operation (MRS)	Leisure Booking Software (MRS)
Municipal Campground Oversight (T) (MRS)	Not for Profit Registration (T) (MRS)	Outdoor Pool Operation (T) (MRS)
Park Development (T) (Ops)	Rec Master Plan (MRS)	Rec-Plex Roof/Upgrades (Ops)
RMI CPR Bridge (MCS)	RMI Oversight (MCS)	Senior Centre (T) (MRS)
Stomp Down (T) (MRS)	Summer Camps (T) (MRS)	Wixon House (CAO)

Council Priority 4: Protect Our Community Assets

The Town maintains an obligation to ensure preservation of taxpayer assets through maintenance programs, upgrading projects and delivery of top quality emergency services.

14 th Street Lift Station Replacement (Ops)	Asset Management (MSI)	Cash Flow Management (T) (CFO)
Cemetery Marker Levelling (Ops)	Emergency Program Operation (MSI)	Facilities’ Energy Audits (T) (MSI)
FD Operational Guidelines (FC)	Fire Calls (T) (FC)	Fire Hall Maintenance (T) (FC)
Fire Inspections (FC)	Fire Officer/Fighter Training (FC)	Fire Vehicle In-house Maintenance (Ops)
Insurance Matters (T) (CFO)	Interface Fire Mitigation (MSI)	La Fontaine Road (Ops)
Light Truck Procurement - Lease (T) (Ops)	Reservoir Inspection/Maintenance (Ops)	Roadway Upgrades (Ops)
Sewermain Upgrades (Ops)	Sidewalk Maint/Replacement (Ops)	Storm Infrastructure Upgrades (Ops)
Water Model Update (Ops)	Water Smart (conservation) (MSI)	Watermain Upgrades (Ops)

Priority 5: Statutory Absolute (things we must do, and on a fixed schedule)

These Priorities (5, 6, 7 & 8) summarize the host of continuing legal, contractual, programmatic, and unforeseen obligations required both generally of local government concerning governance, financial management, human resources and reporting processes, but also the Golden-specific Projects we continue to implement. These Strategic Priorities include approximately three-quarters of work of Staff and are measured in the expenditures of Corporate Capacity, audited financial outcomes, submission and receipt of reports, contract executions, and completion of Projects and Tasks.

2010 Annual Report (MCS)	2010 Annual Strategic Process (T) (MSI)	2010 Audit Process (T) (CFO)
2011 Annual Report (MSI)	2011 Annual Strategic Process (T) (MSI)	2011 Audit Process (T) (CFO)
2011 Financial Reporting (T) (CFO)	2011 Financial Plan Bylaw (CFO)	2011 Tax Rate Bylaw (CFO)
2011 Tax Sale (T) (CFO)	2012 Corporate Workplan (MSI)	2012 Budget Process (CFO)
Accounts Payable/Payroll (T) (CFO)	Annual Dike Inspection (Ops)	Annual Water Report (T) (Ops)
Bank Reconciliations (T) (CFO)	Budget Amendments (T) (CFO)	Budget Tracking (T) (CFO)
CBT Community Funds Process (T) (MCS)	Collective Agreement (CAO)	General Election (MCS)
HST Reconciliations (T) (CFO)	Human Resources (T) (All)	Occupational Health and Safety (Ops)
Permissive Tax Exemptions (T) (CFO)	Pesticide Bylaw Communications (T) (MCS)	

Priority 6: Statutory Flexible (things we must do, but completion time is not fixed)

Airport Lease Renewals (T) (MCS)	Airport Management (T) (MCS)	Cash Investment Strategy (CAO)
Community Engagement (T) (All)	Contract/Contractor Oversight (T) (All)	Council Reports (T) (CAO)
Cross Connection Control (Ops)	Department Administration (T) (All)	Department Financial Admin (T) (All)
Development Applications (MDS)	Development Cost Charges Bylaw (MDS)	Development Permits Processing (MDS)
Development Procedure Bylaw (MDS)	Employee Supervision (T) (All)	Formal Written Reports (T) (All)
Groundwater Protection Plan (Ops)	Job Description Renewals (MCS)	Legal Case Law Review (T) (MSI)
Manager Performance Evaluations (T) (CAO)	Org-wide Best Practices (MSI)	Org-wide Pro Development (CAO)
Quarterly Strategic Plan Reporting (T) (CAO)	Recurring Meetings (T) (All)	RMI Tourism Surveys (MSI)
Travel Policy Update (MCS)	Workplan Tracking (T) (All)	

Priority 7: Existing Project/Programmes

Carbon Emissions – Corporate (MSI)	Community Broadband Network (MSI)	Council Procedure Bylaw (MSI)
Council Remuneration Bylaw (MSI)	Downtown Revitalization (capital) (Ops)	Farmers’ Market Agreement (T) (MCS)
Kicking Horse Culture Agreement (T) (MCS)	Organizational Review (MSI)	Regional Public Transit (T) (MCS)
RMI Visitor Sign (MCS)	Summer Kicks Concert Series (T) (MCS)	

Priority 8: Zingers (unplanned and unanticipated items that must be taken for action)

Air Quality Management (MSI)	Approving Officer Duties (CAO)	Business Case Workshop (MSI)
CBT CDYF (MSI)	CFIB Response (MSI)	Columbia Basin Treaty (CAO)
Council Orientation Guide (MSI)	Curling Rink Agreement (MSI)	Firewall Litigation (MDS)
Industrial Tax Re-assessment (MSI)	Junior B Hockey (MSI)	Kinbasket Treaty Process (CAO)
Municipal Auditor General (MSI)	Relief CFO Duties (CAO)	Relief MRS Duties (MSI)
Rick Hansen Relay (MSI)	Selkirk Hill Avalanche (MSI)	Senior Staff Recruitment X 4 (CAO)
Species at Risk (MCS)	UBCM Award Submission (MSI)	

4. Highlights of 2011 Accomplishments

Civic Centre Redevelopment

This project was councils' highest priority non infrastructure initiative, born from the results of a community wide Cultural Scan commissioned in 2006 and culminating 2010 in the formation of a project committee to guide it. Unprecedented success in obtaining a myriad of funds, grants, and donations to the project propelled it forward to become an initiative that is now redefining the scope and nature of our cultural fabric. Our new centre is a testament to the volunteers who built it in 1947; preserving much of its architectural and human history, while now able to provide a modern venue for today's performing arts and community needs. The opening gala during the last 3 days of the year was a community-wide success that will be remembered for many years to come.



Corporate Asset Management Leadership

This is a both a concept and reality that affects virtually every municipality across the nation and North America, its premise being the inventory, costs, life span and replacement issues of critical and basic community infrastructure. Golden is in the forefront of dealing with this subject, with our CAO sitting as Co-chair of Asset Management BC, a facilitative organization whose purpose is to promote this best practice both provincially and nationally. We were the focus of a 2011 provincial government funded pilot project which included hosting a three-day workshop to adopt the National Asset Management System (NAMS) that has been successfully used in the Australian public sector for more than 20 years. Three other communities participated and NAMS has since then been increasingly adopted by communities in BC, Saskatchewan, and Alberta. Golden helps lead this approach.



Curbside Waste and Recycling Program

In 2011 we joined and surpassed many communities in the provision of fully automated, regular, and cost effective curb-side garbage and recycling services. The new system places fair controls on the amounts and type of waste residents produce and standardized all containers. This full-cost recovery program helps address bear and other animal problems, is convenient, and comes at a very competitive rate structure. Far more durable and practical than blue bag or box systems, our recycling program has proven immensely popular, saving literally tons of recyclable material from heading to the landfill.



Zoning Bylaw Rewrite

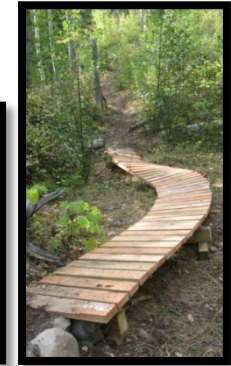
Extensive research of trends and practices and an extensive public engagement process resulted in a nearly completed zoning bylaw to replace the 1993 version having had over 70 amendments to it.



Resort Municipality Initiative Projects



The year marked the fifth and final year of the first RMI strategy plan with the Province, having delivered on 11 projects with total expenditures of over \$3million. In 2011, \$500,000 of investment continued to build upon the Visitor Sign Program, added a pavilion tent to the Spirit Square for summer performances, cleaned up the majority of graffiti on the rail bridge, saw the Green Gym and Community Bike Share program launched, funded mountain bike trail development and an economic impact study, was a funding component of the Civic Centre Rebirth project, and provided for more waste receptacles around the community. A more detailed account of all these accomplishments is available in the *2011 Resort Municipality Initiative Annual Report* located on our website.



Summer Kicks Concerts

Once again the outdoor concert series held in Spirit Square was even more popular than the year before. Funded by the municipality and implemented by Kicking Horse Culture, the shows attract a loyal following of residents and are becoming known to visitors. Animating our square and vitalizing cultural importance continues to be a priority with council and with total attendance over the summer at over 2,500 from an estimated 300 in 2007, it's working.



Community Bike Share Program and Green Gym

The program is the first in Canada to use third-generation bike tracking technology, is the second bike share system in Canada and the first in BC. It now includes 15 bikes serviced by 2 kiosks. In 2011, the system logged 177 trips averaging 2.5 hours each. The program has quickly proven to be a great asset for visitors to explore the town. For every two "Africa Bike 3s" we purchase from Kona, the company donates one to African communities in need.



The Green Gym concept is a rapidly growing amenity trend in communities across North America and in BC. Funded through the RMI program, the gym located next to the Mount 7 Rec Plex provides an array of simple machines designed to provide fun and activity to any age of user.



12th Street and Lafontaine Road Rehabilitation, Downtown Sidewalk Reconstruction

Phase 2 of a possible three phase project was completed on 12th Street which included replacement of deep infrastructure, more hydrants, storm sewers, new sidewalk, and of course, new pavement. On Lafontaine Road, about 300m of road received deep infrastructure replacement and upsizing, storm drainage structures, and new pavement. The downtown pedestrian environment received a big facelift with the complete reconstruction of the sidewalk on the western side of 9th Avenue.



Golden Hill Pathway and Downtown Crosswalk

Years of determined lobbying by Council to the Province resulted in an unprecedented creation of the fully accessible path up the Golden Hill paralleling Highway 1 for which the local taxpayer was responsible for just 15% of the costs. The 1.4 km path includes significant engineered retaining walls, protective fencing and barriers, and signage. It has become a well used and safe thoroughfare for daily commuters and visitors to the community. Council's determined lobbying also resulted in the Province creating the crosswalk between the Post Office and CPR parking lot, including better lane definition along this stretch and meridians to ensure traffic separation.



Water Smart Program

As a signatory to the "Columbia Basin Water Smart Charter", Council committed us to contributing to an overall Basin-wide water consumption reduction of 20% by 2015. This equates to reducing Golden's annual consumption by 240ML (mega, or million litres) from a 2009 baseline of 1,200.8 ML

Using a grant from CBT, we hired a Water Smart Ambassador for the summer. Briefly stated, Golden's conservation in the first year alone was 252.4 million litres, or 21.1% – enough water to fill the municipal swimming pool 420 times (it also saved more than \$20,000 in electrical fees and reduced the corporate carbon emissions by 9 tons). The overall 2011 achievement of the Water Smart Initiative was a 7% Basin-wide reduction in gross water demand from the 2009 baseline, and Golden accounted for 12% of the total conserved by all 23 participating communities.



Energy Emissions Reductions

Corporate: Golden is a 2008 signatory to the BC Climate Action Charter and a founding member of the Columbia Basin Trust Carbon Neutral Kootenays Project – an initiative to reduce and report on Corporate Carbon emissions. In 2009 we assigned this Project to a manager as identified in the OCP a target of a 20% reduction in corporate carbon emission by 2020. By the end of 2010 we had reduced our corporate emissions by 169 tonnes of CO₂e, or 27% from the 2008 baseline, which also saved us over \$137,000 in energy costs in that year alone and earned the Town an nomination for the 2012 Community Energy Association Energy and Climate Action Award . Building on those successes, in 2011 we developed a detailed plan, which included conducting energy audits on our municipal facilities. This identified many energy saving objectives that are being integrated into our Corporate Workplan and Financial Plan and higher-level Asset Management plans.

Community: As required by the amended *Local Government Act*, we adopted a community-wide emissions reductions target in our OCP which calls for a total reduction of 33% by 2020. To take best advantage of the experience gained in corporate reductions planning and operations, Council has created a new Select Committee of local business owners and residents to recommend near-term initiatives to meet the OCP target. It is intended the recommendations be provided to Council by December 2012 in sufficient time for to be considered for inclusion in the 2013 Corporate Workplan and Financial Plan.



5. Performance 2011 – Where We ‘Got’

At the time the 2011 Corporate Workplan was approved, it was decided that quarterly reports would be made to Council rather than the required single report that is the Annual Report. We also decided reporting would consist of three measures for each Project: percentage of completion to date; percentage of Capacity consumed (Managers’ time); and percentage of budget expended.

This new approach to quarterly reporting enhanced our skills at Project design and estimating and, most significantly, taught us the importance of using Project Risk Planning and Assessment (*ISO 31000: Risk Management – Principles and Guidelines*). Overall, this process increased our accountability, sharpened our abilities to recognize good or bad trends, and to adjust to them. Here are the results of the 33 Council Goals:

- ✓ 12 Projects were completed and on budget
- ✓ 4 Projects were completed and under budget
- ✓ 10 Projects were substantially completed and under or on budget
- ✓ 7 Projects were moved to 2012 due to insufficient resources

No.	Strategic Goals (Projects)	% Complete	% Capacity Expended	% Approved Budget
1	Community Broadband	70	83	48
2	Civic Centre Redevelopment	100	135	109
3	Council Remuneration Bylaw	100	200+	100
4	Zoning Bylaw	90	152	60
5	Bridge to Bridge Project (2012-2014)	30	88	5
6	Property Maintenance Bylaw	100	17	100
7	Old Town Works Yard Study	100	41	71
8	Downtown Revitalization Bylaw	100	30	n/a
9	Downtown Revitalization Capital	100	34	100
10	RMI Visitor Sign Program	100	98	100
11	Development Procedure Bylaw (2012)	10	5	10
12	Emergency Program	100	49	73
13	Water Smart	100	91	95
14	RMI Tourism Surveys (2012)	10	8	10
15	DCC Bylaw	60	40	62
16	Development Permits	100	2	Staff time only
17	RMI Public Art Program (2012)	10	5	5
18	Carbon Emissions – Corp	100	59	40
19	Curbside Recycling	100	92	100
20	Organizational Review	50	34	Staff time only
21	District Energy System	100	22	n/a
22	Green Gym	90	69	90
23	Sign Bylaw (2012?)	0	0	0
24	ICI Meter Program	100	16	103
25	Asset Management	100	37	93
26	Housing	100	21	Staff time only
27	Campground Servicing	100	6	68
28	Procedure Bylaw Update (2012)	0	0	0
29	RMI CPR Bridge	100	44	100
30	Canyon Ridge (deficiencies)	80	132	24
31	Carbon Emissions (community) – (2012)	0	23	0
32	Business License Bylaw (2012)	10	0	Staff time only
33	Airport Leases	100	100	Staff time only

The 2011 Corporate Work Plan also included 131 other items (Projects and Tasks) that were not Council goals, but were approved by Council and fell under one of the Strategic Priorities. A sampling is provided below of those more prominent Projects that expended only Staff Capacity and others that cost financial resources in addition to Staff Capacity. If you have an interest in a Project that is not one of the examples below, feel free to contact the Town Office to discuss with the person designated Lead Manager for your Project of interest.

Of 33 Other Projects listed as examples below:

- ✓ 20 Projects were completed on time and on budget
- ✓ 4 Projects were substantially completed and on or under budget
- ✓ 4 Projects were put off to 2012 due to insufficient resources
- ✓ 2 Projects were on time but over budget
- ✓ 3 Projects were complete or substantially complete, but over on Capacity

Council Priority 1: Back to Basics – Finish Projects/Bylaws

Strategic Goals (Projects)	% Complete	% Capacity Expended	% Approved Budget
12 th Street South Phase 2	100%	37%	100%
Water Bylaw	100%	100%	100%
Sewer Bylaw	100%	50%	100%
Cross Connection Control Bylaw	100%	40%	100%
Cemetery Bylaw	100%	0%	100%
Communications Plan (website)	90%	44%	85%
Rec Facilities Bylaw (2012)	20%	15%	staff time
Subdivision Bylaw Update (2012)	30%	10%	staff time
Townhall Renovations	100%	48%	114%

Council Priority 2: Maintain Golden’s Cultural Vibrancy

Strategic Goals (Projects)	% Complete	% Capacity Expended	% Approved Budget
Summer Kicks	100%	100%	100%
RMI Banner Program	100%	100%	100%
Civic Centre Redevelopment	100%	136%	109%

Council Priority 3: Enhance Recreation for Residents and Tourists

Strategic Goals (Projects)	% Complete	% Capacity Expended	% Approved Budget
Gusher's Spray Park	100%	15%	40%
KHC – Bike Lane	100%	179%	100%
Leisure Booking Software	100%	10%	staff time
Park Development (2012)	0%	11%	0%
Rec Master Plan (2012)	10%	5%	0%
Rec Plex Roof	100%	40%	90%
RMI Oversight (Admin)	100%	200+%	staff time

Council Priority 4: Protect Our Community Assets

Strategic Goals (Projects)	% Complete	% Capacity Expended	% Approved Budget
14 th Street Lift Station Replacement	90%	15%	90%
Cemetery Marker Levelling	50%	179%	30%
Fire Vehicle In-house Maintenance	100%	10%	staff time
Hwy 1 & 95 Interchange Repairs	100%	11%	70%
Interface Fire Mitigation	100%	5%	100%
Reservoir Inspection & Maintenance	100%	40%	100%
Water Model Upgrade	70%	200+%	40%

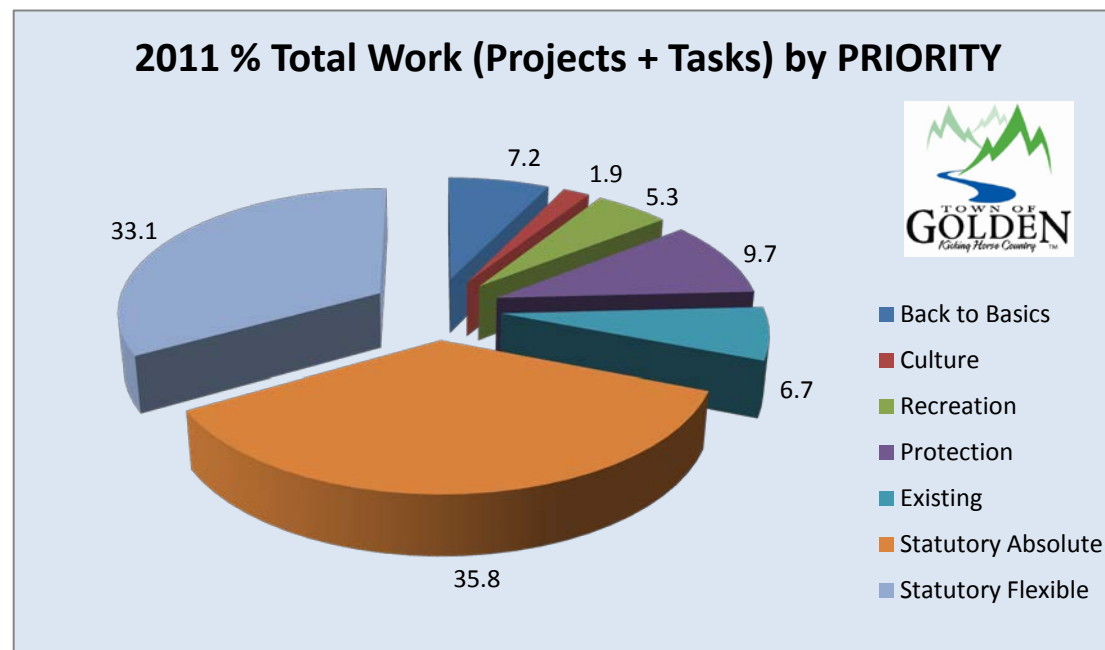
Council Priority 5/6/7: Selected Statutory or Existing Projects

Strategic Goals (Projects)	% Complete	% Capacity Expended	% Approved Budget
2011 Financial Plan	100%	15%	staff time
Annual Report	100%	179%	staff time
2012 Budget Process	30%	10%	staff time
Annual Strategic Process	100%	11%	staff time
Cross Connection Control Program	100%	5%	100%
General Election	100%	40%	staff time
Groundwater Protection Program	100%	200+%	100%

Priority 8: Examples of Zingers (the Capacity Expended shown below represent 64% of total 2011 Zingers)

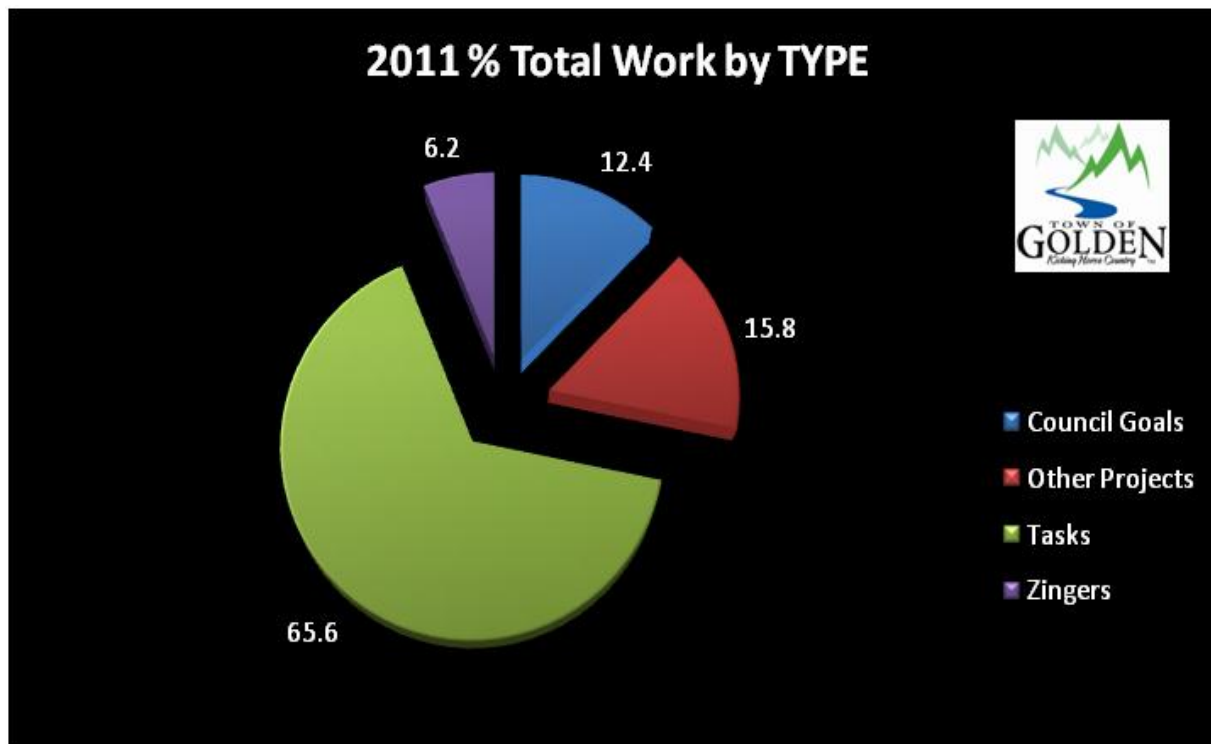
Strategic Goals (Projects)	% Complete	Capacity Expended (Hrs)	% Approved Budget
Selkirk Hill Avalanche	100%	46	staff time
Air Quality Management	100%	86	staff time
Business Case Workshop	30%	47	80%
CBT-Community Directed Youth Fund	100%	7.5	staff time
Council Orientation	100%	39.25	staff time
CFIB Response	100%	16.25	staff time
Junior B Hockey	100%	13.5	staff time
Municipal Auditor General	100%	31.75	staff time
Rick Hansen Relay (2012)	70%	26.5	20%
UBCM Award Submission	100%	14	staff time

The following pie chart identifies the total proportion of Capacity actually expended in 2011 on all Projects and Tasks, identified by Priorities (Zingers excluded). To be specific, "Capacity" is measured in Workplan estimated or reported actual hours worked by Managers on Projects and Tasks.



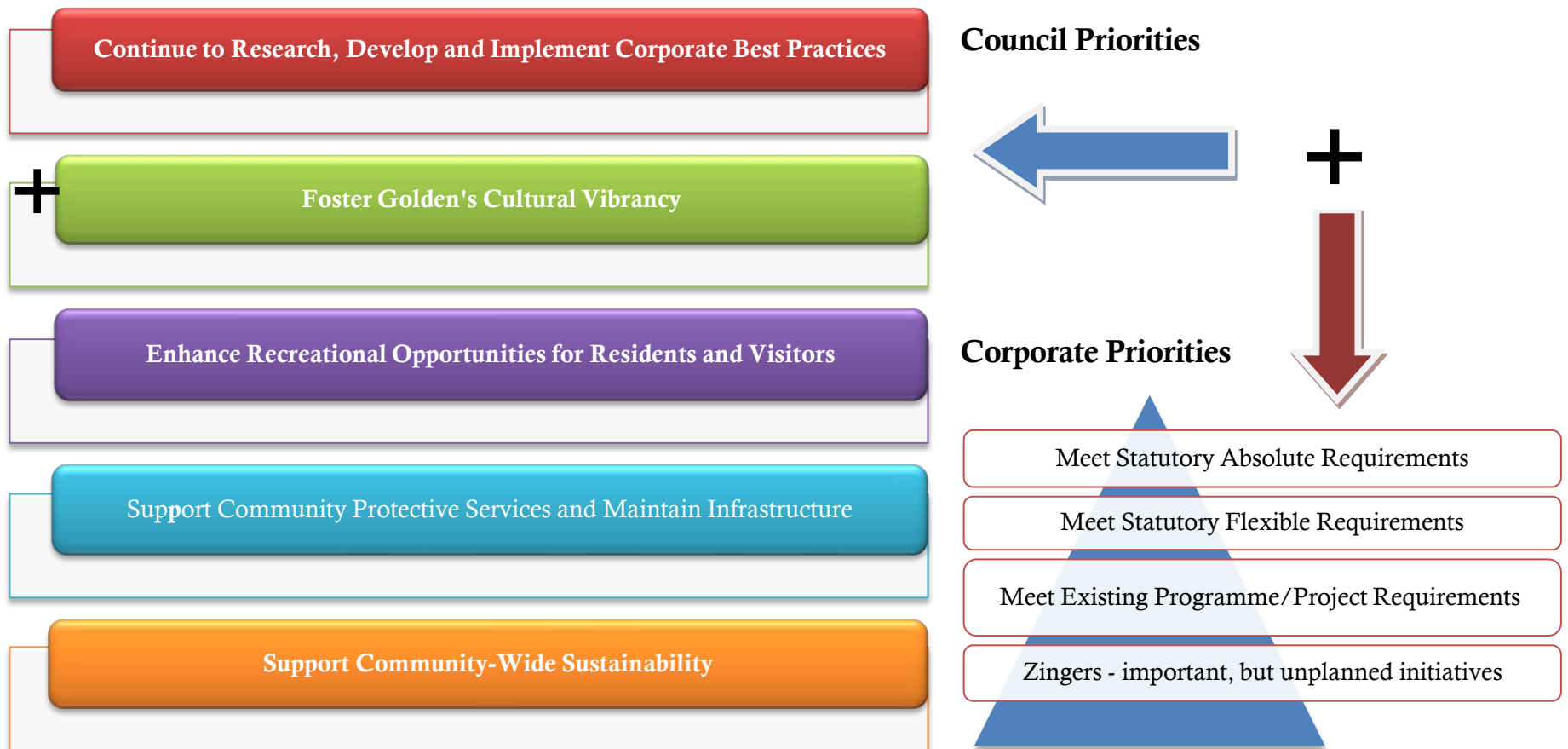
This pie chart identifies the total proportion of actual Capacity expended in 2011 by type of work, Zingers included. The Corporate Workplan is created by estimating the amount of work (and funding) associated with each Project or Task approved at the beginning of the year. Throughout the year, Managers track their time against the approved Projects and Tasks (using software developed in-house) in much the same way as the organization’s financial expenditures (and revenues) are tracked.

This system allows the CAO and management team to periodically review the measures for each Project or Task individually or collectively. Recall it was decided that Performance be measured for every Project and Task by: percentage of completion to date; percentage of Capacity consumed to date (relative to the original estimate); and percentage of budget expended to date (relative to the original estimate). By conducting these periodic reviews – and quarterly reporting to Council and the public – it becomes apparent if Projects or Tasks are being delivered as planned, or if something is going particularly well or poorly, giving the opportunity to appropriately adjust mid-year rather than just reporting all outcomes at year’s end.



6. Council’s 2012 Priorities and the Corporate Workplan

With the experience of 2011 Strategic Planning and Corporate Workplan implementation behind us, in 2011 Council began strategic planning for 2012. An important lesson learned was that joint Council/Staff planning would be superior to the segregated and somewhat disjointed system used the previous time. The result was a more efficient but equally effective process. The five ‘Council Priorities’ combined with four ‘Corporate Priorities’ shown below are refinements of the 2011 Priorities. This was presented publicly in the “2012-2016 Five-Year Financial Plan Public Consultation and Information Package” (i.e. ‘Budget Book’) in early 2012. The document is available in its entirety at the Town Office and on the Town Website.



As the Strategic Planning process matured, we realized Council should still set the overall Priorities at the beginning of the process, but that they and Staff should work together to create a single, consolidated list of Objectives as the next step in the overall process. Similar to 2011, once the remaining steps were followed, the Corporate Workplan shown below was the result. The Statutory Projects are about the same as 2011 so they are not listed, but they most certainly exist. Progress on these Projects will be periodically presented to Council throughout the year, and they will of course be the main subject of the 2012 Annual Report that will be released next summer.

BEST PRACTICES	CULTURAL VIBRANCY	SUSTAINABILITY
Amend Travel Policy Building Bylaw Business License Bylaw Bylaw Notice System Computer Use Policy Continue Job Description Review Council Photo and Gallery Update Dev Permit, Rezoning/OCP Amendments Development Procedures Bylaw Fire Preplanning Logo Redevelopment New Website Completion Officers and Indemnity Bylaw Old Town Works Yard Organizational Review Policy and Procedure Cataloguing Program Oversight - Policy Dev Rec Booking Software Social Media Policy SOL Committee Establishment Staff Confidentiality Agreements Termination Policy TLO Mobile Vendor Policy Training Data Software Water Loss Management Water meter Assessment	Civic Centre Redevelopment Museum Public Art Program Rick Hansen Relay	Carbon Emissions - Community Carbon Emissions - Corporate Cemetery Development Plan Civic Centre User Fee Bylaw Community Broadband Network Community Wireless Energy Planning - Corporate Rec Pricing Structure RMI - Highway 1 Corridor Enhancement RMI Monitoring Success Water Smart
	PROTECTION & INFRASTRUCTURE	
	13th Street Rail Crossing Improvements 14th Street Lift Station Replacement Asset Management Bridge to Bridge Emergency Management Fire Hall New Door Fire Operational Guidelines Well 5 Rehabilitation	
	RECREATION	
	Arena Community Bike Share Community Shuttle Curling Rink Nordic Centre Completion Rec Marketing Rec Research and Development Rec Review and Formal Plan Snowmobile Trail Maintenance Visitor Sign Program	
		EXISTING PROJECTS/PROGRAMMES
		Airport Committee and Operations CBT Community Funds Process Civic Centre Building Fit-up Civic Centre Property Development DCC Bylaw Groundwater Protection Plan Kinbasket Treaty Committee KKMP Concession Upgrades Sewermain Upgrades Sidewalk Maintenance/Replacement Storm System Upgrades Swimming Pool Enhancements Traffic Circle Irrigation and Landscaping UV Enclosure Phase 2 Water Model Update Watermain Upgrades

7. Council’s 2013 Priorities

Like in 2010 and 2011, Council met this year to identify their Priorities for the coming year and, as always, this was done using the OCPs overarching theme of socio-cultural, economic and environmental sustainability. On-going development will lead to a set of Projects created by Council and Staff working together. As with previous years, only those Projects that coincide with Council’s Priorities will survive the selection process and actually form a part of the 2013 Corporate Workplan and supporting Financial Plan. The chosen Priorities – in no particular rank order – are as follows:



8. Financial Information

- 8.1 Statement of Financial Information
- 8.2 Statement of Severance Agreements
- 8.3 Schedule of Guarantee and Indemnity Agreements
- 8.4 Management Report
- 8.5 Key Capital Expenditures for 2011
- 8.6 2011-2015 Financial Plan
- 8.7 Statement of Permissive Tax Exemptions for 2011
- 8.8 Schedule of Remuneration and Expenses
- 8.9 Schedule of Payments to Suppliers of Goods and Services

8.1 Statement of Financial Information

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



Lisa Vass
Chief Financial Officer
August 15th, 2012



Christina Benty
Mayor
August 15th, 2012

8.2 Statement of Severance Agreements

There was one severance agreement under which payment commenced between the Town of Golden and a non-unionized employee during the fiscal year 2011, representing six months' salary and totaling \$33,000.



Lisa Vass
Chief Financial Officer
August 15th, 2012



Christina Benty
Mayor
August 15th, 2012

8.3 Schedule of Guarantee and Indemnity Agreements

In 2011 the Town of Golden did not guarantee any loans under the *Guarantee and Indemnities Regulation*.



Lisa Vass
Chief Financial Officer
August 15th, 2012



Christina Benty
Mayor
August 15th, 2012

8.4 Management Report

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with Canadian Generally Accepted Accounting Principles, and the integrity and objectivity of these statements are management's responsibility.

Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

The Mayor and Council of the Town of Golden are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls, and exercise this responsibility through its external auditors.

The external auditors, Adams, Wooley Certified General Accountants, conducted an independent examination, in accordance with Canadian Generally Accepted Auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.



Lisa Vass
Chief Financial Officer
August 15th, 2012

6.5 Key Capital Expenditures for 2011

General Capital Expenditures

General Government

Website upgrade	7,783.84
Servers	8,370.15
Town Hall Renovations	73,951.48

Protective Services

Fire Department Equipment	16,636.06
---------------------------	-----------

Recreation Services

Pool-Boiler replace	69,510.35
Trails-KHCP Bike Path Local Motion	370,288.43
Rec Plex Roof - Towns For Tomorrow	66,682.57
Civic Centre Renovation	2,577,612.07
KKMP-Concession Improvements	7,940.73
Spray Park	4,149.24

Transportation Services

Vehicles & Rolling Equipment	72,467.75
Paving - LaFontaine	220,759.72
Conduit - Eastend Signage	4,533.67
Road Work - 12th Street Upgrade	850,702.03
9th Ave N Sidewalk	37,647.35
TCH - canyon project	85,000.00
	<u>4,474,035.44</u>

Resort Municipality Initiative

Community Square Development	16,482.03
Signage	372,419.57
Mural	43,395.20
	<u>432,296.80</u>

Sewer Capital

TCH - canyon project	57,500.00
LaFontaine - sewer mains	24,938.83
12th Street South	87,840.97
Roof - UV chamber	12,286.71
14th Street Lift Station Replacement	52,697.19
	<u>235,263.70</u>

Water Capital

Metering Residential(50)	26,393.25
Metering (x connections)	22,483.13
LaFontaine - metering	10,000.00
Well 5 Design	10,219.01
12th Street South	87,734.10
TCH - canyon project	57,500.00
LaFontaine - watermain upsize	105,574.08
	<u>319,903.57</u>

Broadband Capital

Conduit under TCH	24,992.23
Generator	46,824.26
	<u>71,816.49</u>

Total Capital Expenditures	<u><u>5,533,316.00</u></u>
-----------------------------------	-----------------------------------

6.6 2011-2015 Financial Plan

TOWN OF GOLDEN - FINANCIAL PLAN						
BYLAW NO. 1284, 2011						
SCHEDULE 'A'						
FOR THE 5 YEAR PERIOD 2011 TO 2015						
	2011	2012	2013	2014	2015	2011 - %
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	OF TOTAL
REVENUES						
Property Taxes						
Municipal property tax	(4,023,000)	(4,224,150)	(4,308,633)	(4,394,806)	(4,482,702)	31.52%
Grants in lieu and 1% utility tax	(125,830)	(132,122)	(134,764)	(137,459)	(140,208)	0.99%
	(4,148,830)	(4,356,272)	(4,443,397)	(4,532,265)	(4,622,910)	32.50%
Other government requisitions	(2,985,575)	(3,134,854)	(3,197,551)	(3,261,502)	(3,326,732)	23.39%
Less: other government tax transfers	2,985,325	3,134,591	3,197,283	3,261,229	3,326,453	-23.39%
Net property taxes	(4,149,080)	(4,356,534)	(4,443,665)	(4,532,538)	(4,623,189)	32.50%
Water and Sewer User Fees	(1,353,000)	(1,516,000)	(1,613,650)	(1,619,860)	(1,651,847)	10.60%
Sales of Services	(637,145)	(669,597)	(683,009)	(696,669)	(709,583)	4.99%
Arena Revenues	(137,200)	(135,000)	(135,000)	(135,000)	(135,000)	1.07%
Other Rev.Own Sources (Licences, Penalty)	(223,500)	(234,675)	(239,369)	(244,156)	(249,039)	1.75%
Unconditional Government Grants	(2,474,263)	(2,430,000)	(965,000)	(705,800)	(749,796)	19.38%
Other Government Transfers and Grants	(945,250)	(680,150)	(674,093)	(689,155)	(705,838)	7.40%
Other Contributions	(30,000)	(631,500)	(32,130)	(32,773)	(33,428)	0.24%
Proceeds from Borrowing	0	(3,827,500)	(1,700,000)	0	0	0.00%
Transfers from own funds						
Reserve funds	(1,112,490)	(627,200)	(666,694)	(311,568)	(211,923)	8.72%
From other accounts or funds	(1,343,400)	(542,000)	(552,000)	(562,200)	(574,104)	10.52%
Development cost charges	0	0	0	0	0	0.00%
Accumulated surplus'	(367,815)	(1,306,395)	(239,822)	(283,599)	(337,271)	2.82%
TOTAL REVENUES	(12,773,143)	(16,956,551)	(11,944,432)	(9,813,318)	(9,981,018)	100.00%
EXPENDITURES						
Municipal Operations						
General government services	1,396,442	1,476,264	1,495,589	1,525,501	1,571,011	10.94%
Protective services	456,182	478,991	488,571	498,342	508,309	3.57%
Transportation services	1,387,410	1,456,781	1,485,916	1,515,634	1,545,947	10.87%
Environmental health services	294,050	308,753	314,928	321,226	327,651	2.30%
Economic development services	436,990	458,840	468,016	477,377	486,924	3.42%
Planning & Development services	510,229	655,740	608,855	661,032	707,253	4.00%
Recreation and cultural services	568,390	589,810	601,606	613,638	625,911	4.45%
Shared Emergency services	95,050	110,000	110,000	110,000	110,000	0.74%
Airport services	84,600	55,000	56,000	57,000	60,000	0.66%
Cemetery services	41,500	50,000	50,000	50,000	50,000	0.33%
Broadband services	76,000	28,000	28,000	28,000	28,000	
Waterworks services	529,500	656,000	604,650	554,190	569,174	4.15%
Sewerage services	535,490	710,000	599,000	665,670	682,674	4.19%
Total operations	6,411,833	7,034,178	6,911,131	7,077,611	7,272,854	49.63%
Arena expenditures	384,800	346,000	354,000	363,000	372,000	3.01%
Fiscal Services	6,000	6,300	6,426	6,555	6,686	0.05%
Debt & interest	464,610	587,841	499,597	509,589	519,781	3.64%
Capital expenditures	4,982,500	8,380,000	3,559,000	1,230,000	1,170,604	38.97%
Transfers to Own Funds						
Reserve funds	20,000	21,000	21,420	21,848	22,285	0.16%
To other accounts or funds	503,400	581,233	592,858	604,715	616,809	3.94%
Accumulated surplus'	0	0	0	0	0	0.00%
TOTAL EXPENDITURES	12,773,143	16,956,551	11,944,432	9,813,318	9,981,019	100.00%

Schedule B

Town of Golden 2011-2015 Financial Objectives and Policies

Community Charter Requirement #1: Funding Sources

Table 1 shows the proportion of total revenue to be raised from each funding source in 2011.

Revenue Source	% of Total Revenue	Dollar Value
Property Taxes	41.6%	\$4,149,080
User Fees and Charges	21.3%	\$2,127,345
Other Sources	2.6%	\$254,000
Proceeds from Borrowing	0.0%	\$0.0
Government Grants	34.5%	\$3,445,013
Total	100%	\$9,975,438

Table 1.

Community Charter Requirement #2: Distribution among Property Classes

Table 2 shows the distribution of property taxes among the property classes in 2011.

Property Class	% of Total Property Taxation	Dollar Value
Class 1 – Residential	46.49%	\$1,870,466
Class 2 – Utilities	4.62%	\$185,714
Class 4 – Major Industry	5.37%	\$215,863
Class 5 – Light Industry	0.82%	\$32,980
Class 6 – Business	42.58%	\$1,713,061
Class 8 – Recreational/non-profit	0.12	\$4,916
Total	100%	\$4,023,000

Table 2.

Community Charter Requirement #3: Use of Permissive Tax Exemptions

The Town will continue the practice of adopting an annual “Permissive Tax Exemption Bylaw”.

6.7 Statement of Permissive Tax Exemptions for 2011

In accordance with the notice requirements of Section 227 and the authority of Section 224 of the *Community Charter*, the following properties are proposed by bylaw, for permissive property taxation exemption for the 2011 calendar year. Also included are required estimates of exemption amounts for the following two years.

<u>Property Holder</u>	<u>Property Address</u>	<u>Roll Number</u>	<u>Exempted Municipal Taxes</u>		
			<u>2011</u>	<u>2012</u>	<u>2013</u>
Golden Sikh Cultural Society (Sikh Temple)	603 13 th St. S.	00186.005	1,802	1,933	2,010
Christian and Missionary Alliance	710 10 th St. S.	00227.000	472	527	548
Christian & Missionary Alliance (Free Methodist Church)	712 10 th St. S.	00229.000	991	1,065	1108
Pentecostal Assemblies of Canada (Pentecostal Church)	717 10 th St. S.	00269.000	1,158	1,254	1,304
Trinity Lutheran Church of Golden	909 9 th St. S.	00371.007	1,840	1,739	1,809
Synod Diocese Kootenay (St. Paul's Anglican Church)	911 9 th St. S.	00371.008	260	238	247
Church of England (St. Paul's Anglican Church)	913 9 th St. S.	00371.010	1,009	955	993
Trustees of the Congregation of the United Church of Canada	901 11 th Ave. S.	00393.000	1,184	1,455	1,513
Trustees - Golden Jehovah's Witnesses	1218 9 th St. S.	00404.008	546	508	528
Trustees - Golden Jehovah's Witnesses	1218 9 th St. S.	00404.010	949	883	918
BC Corp. Seventh Day Adventist Church	913 11 th St. S.	00441.020	955	1,061	1,103
Sacred Heart Catholic Church	808 11 th St. S.	00590.150	4,366	4,626	4,811
President of Lethbridge Stake (Church of Jesus Christ of the LDS)	1529 Lafontaine Rd.	00196.070	2,763	2,902	3,018
Trustees Golden Baptist Church	1343 Pine Dr.	00660.045	2,917	3,051	3,173
Interior Health Authority (Golden Hospital)	835 9 th Ave. S.	00345.025	22,107	24,159	25,125
Interior Health Authority (Durand Manor)	803 9 th St. S.	00345.026	9,000	9,244	9,614
Interior Health Authority (Mountain View Assisted Living)	750 8 th Ave. S.	00345.023	4,086	7,940	8,258
Interior Health Authority	825 9 th Ave. S.	00289.020	6,643	7,901	8,217
Golden and District Senior Citizens Housing Society (Purcell View Apts.)	806 12 th St. S.	00501.000	2,344	2,533	2,635
Rocky Mountain Housing Society (Home for the Handicapped)	601 11 th St. S.	00234.000	1,205	1,294	1,346
Synod Diocese Kootenay (Abbeyfield House)	915 9 th St. S.	00372.000	3,797	3,882	4,038
Golden Community Resources Society (Patlar Holdings Ltd.)	421 – 9 th Ave. N.	00141.000	2,251	2,327	2,420
Golden Light Horse Association (Golden Rodeo Grounds)	1700 Reflection Lk Rd.	00193.008	2,178	2,237	2,326
Golden Pacific #122 Branch - Royal Canadian Legion (Class 8 only)	1011 11 th St. S.	00426.010	448	563	585
Golden & District Historical Society (Museum)	1302 11 th Ave. S.	00554.020	1,047	1,081	1,124
Town of Golden & BC Hydro (Golden & District Search & Rescue)	1100 12 th St. S.	00470.100	1,793	0	0
Golden Family Centre Society (Patlar Holdings Ltd.)	421 – 9 th Ave. N.	00141.000	3,957	4,090	4,254
Crown Provincial (Golden and Area Comm. Econ. Devt. Soc.)	111 Gldn-Dnld Uppr Rd.	00655.015	11,991	13,229	13,759
Town of Golden (Golden Seniors Branch #150)	1401 9 th St. S.	00193.015	4,272	4,304	4,476
Golden Women's Resource Centre Society (Kwiatek Deborah Lynn)	419 9 th Ave. N.	00143.000	1,879	1,932	2,010
Golden Food Bank Society (Marie Lynn Simard, Ann Elizabeth Galligan)	1115 9 th St. S.	00348.000	1,356	1,401	1,457
Golden District Arts Council (0798724 BC Ltd.)	516 9 th Ave. N.	00160.000	3,901	3,847	4,001
Golden and District Chamber of Commerce (CP Railway Co.)	500 10 th Ave. S.	00595.009	2,121	2,105	2,189
School District #6 (Golden Alternate School)	1019 15 th St. S.	00556.011	16,105	18,344	19,078
TOTAL EXEMPTION VALUE			\$123,693	\$134,610	\$139,994

6.8 Schedule of Remuneration and Expenses

ELECTED COUNCIL	Remuneration	Expenses	Benefits
BENTY, Christina	21,639.13	2,348.77	92.86
PECORA, Mike	11,163.21	1,579.40	92.86
JACKSON, John	564.41		92.86
MOSS, Caleb	11,438.21	982.63	92.86
MAGNUSSON, Mag	10,750.71	1,482.05	92.86
JASWAL, Kuljit	10,075.68	1,157.75	
HAMBRUCH, Chris	11,575.71	3,219.81	92.85
FITZGERALD, Jamie	11,313.18	2,448.18	
OSZUST, Ron	564.41		92.85
	89,084.65	13,218.59	650.00

WAGES and SALARIES	Salaries	Expenses
Salaries over \$75,000		
ALLEN, David	121,331.43	4,579.02
COCHRAN, Chris	98,129.89	2,971.65
WILSGARD, J	82,574.81	2,460.23
PICKERING, L	82,203.97	269.19
POLAND, D	78,423.95	269.19
TAYLOR, A	78,865.04	269.19
Total Over \$75,000	541,529.09	10,818.47
Total Salaries under \$75,000	1,785,553.34	59,492.90
Total Salaries and Wages	2,327,082.43	71,251.42
Volunteer Fireman Honourarium	92,523.50	940.05

Employee Benefit Costs Paid By Employer

Canada Pension Plan	81,694.43
Employment Insurance	35,868.54
BC Life and Casualty Company	56,181.53
Pacific Blue Cross	84,652.28
Medical Services Plan	34,363.50
Municipal Pension Plan	158,024.57
Workers Compensation	25,911.59
	476,696.44

6.9 Schedule of Payments to Suppliers of Goods and Services

Name	Amount
ABSOLUTELY HAMMERED CONTRACTING INC.	64,226.27
ADAMS WOOLEY	37,244.29
BC ASSESSMENT AUTHORITY	60,231.00
BC HYDRO	52,014.87
BC HYDRO & POWER AUTHORITY	294,185.93
BC LIFE & CASUALTY COMPANY	56,181.53
BC TRANSIT	175,267.00
BLACK PRESS GROUP LTD.	34,584.55
BLAEBERRY VALLEY PLUMBING LTD	33,872.94
CANADIAN UNION OF PUBLIC EMPLOYEES	30,354.59
CDW CANADA INC	36,345.05
CHALET CHEVROLET PONTIAC BUICK GMC	34,580.00
COLUMBIA SHUSWAP REGIONAL DISTRICT	892,488.84
CVCU MASTERCARD	112,620.63
DeGRAAF, WILHELMINA	47,263.84
DHANWANT ARTS INTERNATIONAL INC	59,547.34
EMIL ANDERSON CONSTRUCTION CO. LTD.	373,995.56
FOCUS (Golden)	145,224.73
FRED SURRIDGE LTD	57,675.95
G. KEENLEYSIDE CONSTRUCTION	43,512.26
GOLDEN & AREA COM. ECON. DEV. SOCIETY	118,267.16
GOLDEN & DISTRICT AIR QUALITY COMMITTEE	60,000.00
GOLDEN & DISTRICT COMMUNITY FOUNDATION	284,992.00
GOLDEN & DISTRICT SENIOR CITIZENS	54,066.00
GOLDEN CONCRETE	43,689.86
GOLDEN HARDWARE & BUILDING SUPPLIES LTD.	38,929.03
GOLDEN INSTALLATIONS LTD.	107,767.45
GOTTLER BROS. TRUCKING & EXCAVATING LTD.	58,922.28
INSTITUTE of PUBLIC WORKS ENGINEERING	61,394.99
INSURANCE CORPORATION OF BC	29,664.12
JEPSON PETROLEUM LTD.	120,565.98
JMAIFF, DELANEE	27,438.88
KEN OLSON LTD.	2,386,833.50
KICKING HORSE CULTURE	76,028.44
KOOTENAY PUMPING SYSTEMS LTD.	86,200.80
LEFTWICH IRON WORKS	50,337.37
LEONARD BROWN ARCHITECTS	119,951.81
LNB CONSTRUCTION LTD	858,151.09
MINISTER OF FINANCE	2,078,693.18
MINISTER OF FINANCE - MPP	288,881.36
MINISTER OF FINANCE - MSP	35,924.00

Name	Amount
MUNICIPAL INSURANCE ASSOCIATION OF B.C.	26,051.00
MURDY & MCALLISTER	57,726.32
NAPA AUTO PARTS	52,478.60
PACIFIC BLUE CROSS	84,652.28
PARKY'S HEATING & COOLING	76,094.59
PIONEER FOREST CONSULTING LTD.	43,904.00
POWER PAVING	104,828.64
RECEIVER GENERAL FOR CANADA	709,825.08
REGIONAL DIST. OF EAST KOOTENAY	178,412.00
RINGHEIM & COMPANY IND SALES	26,828.84
SPRING HONDA	25,621.12
STARTEC REFRIGERATION SERVICES LTD	62,016.15
SUDDWICK HOMES	228,826.35
SUPER CLEAN CARPET CLEANING & SUPPLIES	27,527.36
SUPERIOR PROPANE INC.	96,833.02
TELUS	25,750.10
TOM LEE MUSIC CO. LTD.	27,644.80
TWENTY FOUR SEVEN RESPONSE INC.	33,000.00
URBAN SYSTEMS LTD. (CALGARY)	314,211.49
VP WASTE SOLUTIONS LTD.	200,758.97
WORKERS' COMPENSATION BOARD	25,940.61
Payments Made (Vendors Over \$25000):	12,057,047.79
Micellaneous Payments (\$25000 and Under):	1,777,495.86
Total Payments Made: (Cash Basis)	<u>13,834,543.65</u>

Prepared on a "Cash Basis" and due to the timing of payments is different from related expenditure totals in the Consolidated Financial Statements which are prepared on an accrual basis.

6.10 Consolidated Financial Statements (Attached)

TOWN OF GOLDEN
Consolidated Financial Statements
Year Ended December 31, 2011

TOWN OF GOLDEN
Index to Consolidated Financial Statements
Year Ended December 31, 2011

	Page
AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Management's Responsibility for Financial Reporting	2
Consolidated Statement of Financial Position	3
Consolidated Statement of Operations	4
Consolidated Statement of Changes in Net Financial Assets	5
Consolidated Statement of Cash Flow	6
Notes to Consolidated Financial Statements	7 - 17
Consolidated Schedule of Tangible Capital Assets <i>(Schedule 1)</i>	18
Consolidated Statement of Statutory Reserve Fund Activities <i>(Schedule 2)</i>	19

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of Town of Golden

We have audited the accompanying consolidated financial statements of Town of Golden, which comprise the consolidated statement of financial position as at December 31, 2011, and the consolidated statements of operations and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

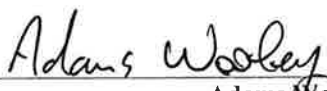
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements,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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Town of Golden as at December 31, 2011, and the results of its operations and its cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

Cranbrook, BC
August 7, 2012


Adams Wooley
Certified General Accountants

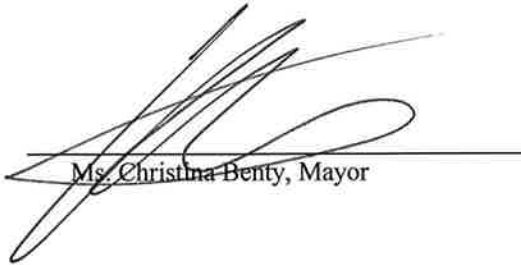
Management's Responsibility for Financial Reporting

The Consolidated financial statements of the Town of Golden have been prepared in accordance with generally accepted accounting principles. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

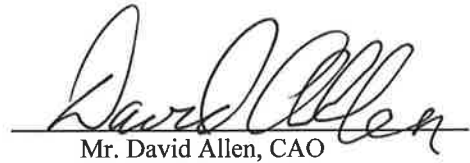
The integrity and reliability of the Town of Golden reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Mayor and Council are responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. Council meets periodically with management and the auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, Council approves the financial statements. Council also considers the engagement or re-appointment of the external auditors.

The Consolidated financial statements have been audited on behalf of the mayor and council by Adams Wooley, Certified General Accountants, in accordance with Canadian Auditing Standards.



Ms. Christina Benty, Mayor



Mr. David Allen, CAO

Golden, BC
August 07, 2012

TOWN OF GOLDEN
Consolidated Statement of Financial Position
December 31, 2011

	2011	2010
Financial assets		
Cash and short term investments <i>(Note 3)</i>	\$ 3,181,455	\$ 6,461,187
Accounts receivable <i>(Note 4)</i>	1,934,795	1,119,776
Municipal Finance Authority <i>(Note 13)</i>	252,915	250,404
	<u>5,369,165</u>	<u>7,831,367</u>
Liabilities		
Accounts payable and accrued liabilities	932,869	724,447
Wages and benefits payable	217,710	183,142
Municipal Finance Authority <i>(Note 13)</i>	252,915	250,404
Deferred revenue <i>(Note 5)</i>	1,315,135	1,969,900
Restricted deposits <i>(Note 6)</i>	175,113	346,038
Long term debt <i>(Notes 7 and 13)</i>	3,923,744	4,215,921
	<u>6,817,486</u>	<u>7,689,852</u>
Net financial assets	<u>(1,448,321)</u>	<u>141,515</u>
Non-financial assets		
Tangible capital assets <i>(Note 8)</i>	63,903,005	60,724,388
Prepaid expenses	97,669	203,501
	<u>64,000,674</u>	<u>60,927,889</u>
	<u>\$ 62,552,353</u>	<u>\$ 61,069,404</u>
Represented by:		
Operating fund	\$ 277,765	\$ 1,494,602
Statutory reserve fund <i>(Note 11)</i>	616,632	595,825
Non-statutory reserve fund <i>(Note 11)</i>	1,486,111	2,210,409
Capital fund reserves <i>(Note 11)</i>	192,585	260,101
	<u>2,573,093</u>	<u>4,560,937</u>
Equity in tangible capital assets <i>(Note 9)</i>	<u>59,979,260</u>	<u>56,508,467</u>
	<u>\$ 62,552,353</u>	<u>\$ 61,069,404</u>

ON BEHALF OF COUNCIL


 _____ Councillor

 _____ Councillor

The attached notes are an integral part of these financial statements.

TOWN OF GOLDEN
Consolidated Statement of Operations
Year Ended December 31, 2011

	Budget 2011	2011	2010
Revenues			
Net taxes for municipal purposes <i>(Note 10)</i>	\$ 4,354,080	\$ 4,353,521	\$ 4,226,259
Sale of services	1,771,145	1,855,927	1,899,409
Licences, permits and fines	79,000	97,428	86,811
Interest and penalties	153,500	127,341	214,601
Transfers from other governments/agencies	3,693,623	4,074,279	1,672,258
MFA Actuarial adjustment	35,000	54,536	45,309
Gain on disposal of assets and other	-	-	45,079
	<u>10,086,348</u>	<u>10,563,032</u>	<u>8,189,726</u>
Expenses			
General government	1,471,442	1,684,794	1,435,325
Protective services	601,232	576,361	452,863
Transportation	1,554,930	1,564,128	1,368,743
Environmental health services	294,050	312,162	247,915
Water supply and distribution	502,150	492,092	453,566
Sewer services	501,950	452,938	449,222
Cemetery	41,500	39,436	26,986
Economic development and planning	491,500	398,304	459,154
Planning development services	510,229	432,626	377,641
Recreation and cultural services	586,960	582,462	614,244
Fiscal services	231,870	190,080	188,666
Loss on disposal of assets	-	68,368	5,706
Amortization	3,298,535	2,286,332	2,268,416
	<u>10,086,348</u>	<u>9,080,083</u>	<u>8,348,447</u>
Annual surplus/(deficit)	-	1,482,949	(158,721)
Accumulated surplus at beginning of year	-	61,069,404	61,228,125
Accumulated surplus at end of year	<u>\$ -</u>	<u>\$ 62,552,353</u>	<u>\$ 61,069,404</u>

The attached notes are an integral part of these financial statements.

TOWN OF GOLDEN
Consolidated Statement of Changes in Net Financial Assets
Year Ended December 31, 2011

	2011	2010
Annual surplus/(deficit)	\$ 1,482,949	\$ (158,721)
Acquisition of tangible capital assets	(5,533,316)	(2,831,251)
Amortization	2,286,332	2,268,416
Loss on disposal of assets	68,368	5,706
	<u>(3,178,616)</u>	<u>(557,129)</u>
	<u>(1,695,667)</u>	<u>(715,850)</u>
Consumption of prepaid expense	105,831	40,194
	<u>(1,589,836)</u>	<u>(675,656)</u>
Net financial assets, beginning of year	<u>141,515</u>	<u>817,171</u>
Net financial assets, end of year	<u>\$ (1,448,321)</u>	<u>\$ 141,515</u>

The attached notes are an integral part of these financial statements.

TOWN OF GOLDEN
Consolidated Statement of Cash Flow
Year Ended December 31, 2011

	2011	2010
Operating transactions		
Annual surplus (deficit)	\$ 1,482,949	\$ (158,721)
Non-cash items:		
Amortization	2,286,332	2,268,416
Loss on disposal of assets	68,368	5,706
Prepaid expenses	105,831	40,195
	<u>3,943,480</u>	<u>2,155,596</u>
Changes to financial assets/liabilities		
Accounts receivable	(815,019)	(140,904)
Accounts payable and accrued liabilities	208,421	(208,591)
Deferred revenue	(654,765)	88,562
Wages and benefits payable	34,568	(70,934)
	<u>(1,226,795)</u>	<u>(331,867)</u>
* Cash flow from operating transactions	<u>2,716,685</u>	<u>1,823,729</u>
Capital transactions		
Purchase of tangible capital assets	<u>(5,533,316)</u>	<u>(2,831,251)</u>
Financing transactions		
Proceeds from borrowing	-	173,325
Principal payment on long-term debt	(168,867)	(270,156)
Actuarial adjustment on long-term debt	(54,536)	(45,309)
Repayment of long-term debt under capital lease	(68,773)	(93,842)
Increase (decrease) in restricted deposits	(170,925)	152,930
	<u>(463,101)</u>	<u>(83,052)</u>
CASH FLOW	<u>(3,279,732)</u>	<u>(1,090,574)</u>
Cash and short term investments- beginning of year	<u>6,461,187</u>	<u>7,551,761</u>
CASH AND SHORT TERM INVESTMENTS - END OF YEAR	<u>\$ 3,181,455</u>	<u>\$ 6,461,187</u>

The attached notes are an integral part of these financial statements.

TOWN OF GOLDEN
Notes to Consolidated Financial Statements
Year Ended December 31, 2011

1. DESCRIPTION OF BUSINESS

The Town of Golden (the "Town") was incorporated on June 26, 1957 under statute of the Province of British Columbia. The Town's principal activities include the provision of local government services to residents of the incorporated area. These include cemetery, community development, fire, infrastructure maintenance, legislative and enforcement, parks, recreation and leisure, police, public transit, solid waste, water utility, sewer utility and fiscal services. The town is also responsible for the Golden Airport and the running of the Golden and District Recreation Centre.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Consolidated Financial Statements of the Town of Golden (the "town"), which are the representation of management, are prepared in accordance with Canadian generally accepted accounting principles for government as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The Consolidated Financial statements reflect the combined results and activities of the reporting entity which is comprised of the Operating, Capital and Reserve funds and all organizations that are accountable for the administration of their financial affairs and resources to the Council and are controlled or owned by the Town. Inter-fund transactions have been eliminated on consolidation.

1. Operating funds: These funds include the General, Water and Sewer operations of the town. They are used to record the operating costs of the services provided by the town.
2. Capital funds: These funds include the General, Water and Sewer Capital Funds. They are used to record the acquisition and disposal of property and equipment and their related financing.
3. Reserve Funds: Under the Community Charter, City Council may, by bylaw, establish reserve funds for specified purposes. Money in a reserve fund, and interest earned thereon, must be expended by bylaw only for the purpose for which the fund which the fund was established. If the amount in a reserve fund is greater than required, City Council may, by bylaw, transfer all or part of the balance to another reserve fund.

Basis of consolidation

The consolidated financial statements include the accounts of the General, Water and Sewer funds as well as the Golden Airport and Cemetery. Inter-fund balances and transactions have been eliminated. The consolidated financial statements include organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

The town operates the Golden and District Recreation Centre for the Columbia Shuswap Regional District on a full cost recovery basis. The assets, liabilities, revenues and expenditures of the Golden and District Recreation Centre are not included in the consolidated financial statements of the town.

Revenue recognition

Unrestricted grants and contributions are recognized as revenue in the year received or receivable if the amount to be receivable can be reasonably estimated and collection is reasonably assured.

Restricted grants or contributions received under funding agreements which relate to a subsequent period are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Funding received before this criterion has been met, is reported as deferred revenue on the statement of financial position until the period in which the specified purpose or related expense is incurred.

(continues)

TOWN OF GOLDEN
Notes to Consolidated Financial Statements
Year Ended December 31, 2011

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Investments

Investments are recorded at cost, except for investments in the Municipal Finance Authority of British Columbia pooled investments, which are carried at market value. When, in the opinion of management, there is a permanent decline in value, investments are written down to their net realizable value.

Tangible capital assets

Tangible capital assets, comprised of capital assets and capital work-in-progress, are stated at cost less accumulated amortization and are classified according to their functional use. Donated tangible capital assets are reported at fair value at the time of donation. Tangible capital assets are amortized over their estimated useful lives using the straight-line method at the following rates:

Land improvements	15 - 50 years
Buildings and other structures	10 - 75 years
Equipment, vehicles and technology	3 - 50 years
Roads and transportation infrastructure	10 - 100 years
Water infrastructure	10 - 100 years
Sewer infrastructure	10 - 100 years

The Town regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets cost.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Deferred revenue

Deferred revenue includes amounts collected from developers under Development Cost Charge bylaw, interest earned on these charges, prepaid taxes and funding received for which the resources have not yet been used for the purpose or purposes specified.

Reserve for future expenditures

Reserve funds are allocations within Equity for Future operating and capital expenditures, reserved either internally or by statute for specific future purposes. Transfers to or from reserves are reflected as an adjustment to the respective fund.

Use of estimates

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the period. Significant areas requiring estimates include the determination of net recoverable value of assets and provisions for contingencies. As such actual amounts could differ from the estimates.

Financial instruments

Unless otherwise noted, it is management's opinion that the town is not exposed to significant interest, currency or credit risk arising from its financial instruments. The fair values of its financial instruments approximate their carrying values, unless otherwise noted.

(continues)

TOWN OF GOLDEN
Notes to Consolidated Financial Statements
Year Ended December 31, 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Pension expenditure

The town and its employees contribute to the Municipal Pension Plan, a joint trusted pension plan. The plan is a multi-employer defined benefit plan. The plan is accounted for as a defined contribution plan.

Taxes collected for others

The town acts as an agent for the collection of taxes imposed by other authorities as follows:

1. Columbia Shuswap Regional Hospital District
2. Kootenay East Kootenay Regional Hospital District
3. Columbia Shuswap Regional District
4. B.C. Assessment Authority
5. Municipal Finance Authority of British Columbia
6. Minister of Finance - Education & Police

Federal gas tax

The federal gas tax is funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the Town of Golden and the Union of British Columbia Municipalities. Gas tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements.

3. CASH AND SHORT TERM INVESTMENTS

	2011	2010
Cash and investments are comprised of:		
Cash	\$ 422,843	\$ 852,762
Money market investments	2,504,153	5,357,715
Wood Gundy cash and equivalents	21,492	21,492
Bond portfolio (1)	232,967	229,218
Total cash and investments	3,181,455	6,461,187
Less: amount held to fund statutory reserves per schedule 2	(616,632)	(595,825)
Less: restricted deposits (note 6)	(175,113)	(346,038)
Less: deferred revenue - DCC Reserve funds (note 5)	(551,179)	(525,352)
	\$ 1,838,531	\$ 4,993,972

1. Bond portfolio

				2011	2010
Bond	Maturity	Market Value	Face Value	Carrying Value	Carrying Value
Province of BC	2012	219,194	228,857	228,155	224,788
Government of Canada	2021	7,097	11,000	4,812	4,430
		\$ 226,291	\$ 239,857	\$ 232,967	\$ 229,218

TOWN OF GOLDEN
Notes to Consolidated Financial Statements
Year Ended December 31, 2011

4. ACCOUNTS RECEIVABLE

	2011	2010
Accounts receivable are recorded net of allowance and comprised of:		
Taxes and grants in place of taxes	\$ 266,398	\$ 628,247
Trade and other	1,668,397	491,529
	\$ 1,934,795	\$ 1,119,776

5. DEFERRED REVENUE

	Development cost charge - Water	Development cost charge - Sewer	General Fund	Total
Balance December 31, 2010	\$ 429,875	\$ 95,477	\$ 1,444,548	\$ 1,969,900
Withdrawals during the year	-	-	(1,444,548)	(1,444,548)
Developer contribution	11,008	-	-	11,008
Interest earned	12,126	2,693	-	14,819
	453,009	98,170	-	551,179
Additions during the year				
Prepaid taxes	-	-	701,616	701,616
Hotel Room Tax (Resorts) funding	-	-	62,340	62,340
Balance December 31, 2011	\$ 453,009	\$ 98,170	\$ 763,956	\$ 1,315,135

6. RESTRICTED DEPOSITS

The town has received the following deposits which have been specifically designed and set aside for internally and externally restricted purposes.

	2011	2010
Assets		
Cash	\$ 175,113	\$ 346,038
Equity		
Willy Forest Snofest	\$ 756	\$ 756
Dance recital - Mirror fund	1,189	1,189
Olympic Legacy fund	19,000	19,000
Air Quality Management	4,360	64,360
Sponsor Beach and Park donations	9,567	9,567
FreeRide Park additions	4,309	4,309
Communities in Bloom	500	500
Tax Sale Deposits	-	132,139
Landscaping deposits	41,100	41,100
Security temporary building	94,332	73,118
	\$ 175,113	\$ 346,038

TOWN OF GOLDEN
Notes to Consolidated Financial Statements
Year Ended December 31, 2011

7. LONG TERM DEBT	<u>2011</u>	<u>2010</u>
General fund	\$ 2,993,870	\$ 3,165,696
Water utility fund	361,125	376,051
Sanitary sewer fund	444,533	481,185
Capital leases <i>(Note 13(4))</i>	<u>124,216</u>	<u>192,989</u>
	<u>\$ 3,923,744</u>	<u>\$ 4,215,921</u>

(continues)

TOWN OF GOLDEN
Notes to Consolidated Financial Statements
Year Ended December 31, 2011

7. LONG TERM DEBT *(continued)*

Principal repayment terms are approximately:

	2012	\$ 317,451
	2013	277,515
	2014	281,186
	2015	279,758
	2016	168,367
	Thereafter	<u>2,599,467</u>
		<u>\$ 3,923,744</u>

The town issues debt instruments through the Municipal Finance Authority, Pursuant to loan authorization bylaws issued under the authority of section 179 of the Community Charter, to finance certain capital expenditures. Debenture debt principal is disclosed net of sinking fund balances managed by the Municipal Finance Authority.

Bylaw Number	Purpose	Interest Rate	Maturity Date	2011	2010
General					
942	Street paving and construction	8.880	2015	\$ 16,693	\$ 20,382
943	Street paving and construction	8.880	2015	21,904	26,744
948	Street paving and construction	8.880	2015	171,440	209,322
954	Street paving and construction	8.000	2015	75,452	92,124
1211	Street paving and construction	4.820	2027	1,084,607	1,132,391
1211	Street paving and construction	4.650	2028	581,861	605,471
	Land purchase	1.250	2014	50,000	50,000
1211	Street paving and construction	4.900	2029	932,806	966,495
	Loan Payable - College of the Rockies	-		59,107	62,767
				<u>\$ 2,993,870</u>	<u>\$ 3,165,696</u>
Water					
1211	Waterworks construction	4.650	2028	\$ 268,552	\$ 279,448
1211	Waterworks construction	4.900	2029	92,573	96,603
				<u>\$ 361,125</u>	<u>\$ 376,051</u>
Sewer					
875	Sewer construction	8.000	2012	\$ 12,720	\$ 18,629
944	Sewer treatment plant upgrade	8.880	2015	70,850	86,505
1211	Sewer construction	4.650	2028	268,551	279,448
1211	Sewer construction	4.900	2029	92,412	96,603
				<u>\$ 444,533</u>	<u>\$ 481,185</u>
				<u>\$ 3,799,528</u>	<u>\$ 4,022,932</u>

TOWN OF GOLDEN
Notes to Consolidated Financial Statements
Year Ended December 31, 2011

8. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2011 Net book value	2010 Net book value
Land and improvements	\$ 11,116,649	\$ 959,238	\$ 10,157,411	\$ 10,245,574
Buildings	8,664,438	2,435,934	6,228,504	3,720,771
Equipment, vehicles and technology	4,997,983	2,192,607	2,805,376	2,893,860
Roads and transportation infrastructure	53,655,059	23,872,771	29,782,288	29,010,268
Sewer infrastructure	14,569,232	5,203,574	9,365,658	9,568,439
Water infrastructure	9,855,095	4,490,436	5,364,659	5,285,476
Capital work-in-progress	199,109	-	199,109	-
	<u>\$ 103,057,565</u>	<u>\$ 39,154,560</u>	<u>\$ 63,903,005</u>	<u>\$ 60,724,388</u>

9. EQUITY IN TANGIBLE CAPITAL ASSETS

Equity in tangible assets (TCA) represent the net book value (NBV) of total capital assets less long term obligations assumed to acquire those assets. The change in consolidated equity in tangible capital assets is as follows:

	2011	2010
Equity in TCA, beginning of year	\$ 56,508,467	\$ 55,715,357
Add: Capital Acquisitions	5,533,316	2,831,251
Debt principal repayment	168,868	270,155
Capital lease repayment	68,773	93,842
Actuarial Adjustment	54,536	45,309
Less: Proceeds from the issue of debt	-	(173,325)
Dispositions at NBV	(68,368)	(5,706)
Amortization	(2,286,332)	(2,268,416)
Equity in TCA, end of year	<u>\$ 59,979,260</u>	<u>\$ 56,508,467</u>

10. NET TAXATION FOR MUNICIPAL PURPOSES

	2011	2010
Property taxes		
General purposes	\$ 4,048,954	\$ 3,965,359
Collections for other governments	3,007,469	3,059,570
Frontage taxes	205,084	204,096
	<u>7,261,507</u>	<u>7,229,025</u>
Requisitions		
Province of B.C. school taxes	(2,008,760)	(2,069,612)
Columbia Shuswap Regional Hospital District	-	(18,635)
East Kootenay Regional Hospital District	(178,412)	(184,532)
Columbia Shuswap Regional District	(431,930)	(448,041)

(continues)

TOWN OF GOLDEN
Notes to Consolidated Financial Statements
Year Ended December 31, 2011

10. NET TAXATION FOR MUNICIPAL PURPOSES *(continued)*

British Columbia Assessment Authority	(60,231)	(63,700)
Police Tax	(228,490)	(218,082)
Municipal Finance Authority	(163)	(164)
	(2,907,986)	(3,002,766)
	\$ 4,353,521	\$ 4,226,259

11. RESERVES

	Balance Dec 31/10	Contributions from Developers Earnings	Transfers and Others	2011 Interest	Balance Dec 31/11
Statutory reserves:					
Land sales	\$ 85,660	\$ -	\$ -	\$ 2,417	\$ 88,077
Parking	73,052	-	-	2,061	75,113
Equipment replacement	188,124	-	5,883	5,322	199,329
Cemetery care fund	248,989	-	1,375	3,749	254,113
	\$ 595,825	\$ -	\$ 7,258	\$ 13,549	\$ 616,632
Non-statutory reserves:					
Airport	\$ 55,597	\$ -	\$ -	\$ 1,568	\$ 57,165
Asset renewal	-	-	20,000	-	20,000
Cemetery expansion	59,858	-	-	1,689	61,547
Carbon tax	5,163	-	-	146	5,309
Computer and office	6,500	-	7,894	38	14,432
Economic development	-	-	-	-	-
Fire hall and equipment	288,682	-	(156,352)	7,727	140,057
Flood and snow	143,403	-	(80,000)	3,833	67,236
Legal and insurance	20,063	-	-	566	20,629
Planning and studies	44,670	-	-	1,260	45,930
Public works	33,752	-	-	952	34,704
Recreation	415,489	-	(235,418)	11,094	191,165
Safety	37,390	-	-	1,055	38,445
Solid waste	66,813	-	-	1,885	68,698
Water meters	24,500	-	(24,500)	626	626
Water	752,353	-	(197,904)	20,697	575,146
Sewer	256,176	-	(118,067)	6,913	145,022
	\$ 2,210,409	\$ -	\$ (784,347)	\$ 60,049	\$ 1,486,111
Capital Fund Reserves:					
General	\$ 51	\$ -	\$ -	\$ 1	\$ 52
New deal gas tax	73,446	-	(73,809)	1,028	665
MFA deposit refund					
Water	157,372	-	-	4,439	161,811
Sewer	29,232	-	-	825	30,057
	\$ 260,101	\$ -	\$ (73,809)	\$ 6,293	\$ 192,585
	\$ 3,066,335	\$ -	\$ (850,898)	\$ 79,891	\$ 2,295,328

TOWN OF GOLDEN
Notes to Consolidated Financial Statements
Year Ended December 31, 2011

12. TOTAL EXPENDITURES BY OBJECT

	2011	2010
Salaries, wages and benefits	\$ 2,797,006	\$ 2,524,412
Contracted and general services	2,736,188	2,279,623
Materials, goods and utilities	952,008	855,915
Bank charges, short/long-term interest	240,181	246,109
Other expenditures	68,368	173,972
Amortization	2,286,332	2,268,416
	\$ 9,080,083	\$ 8,348,447

13. COMMITMENTS AND CONTINGENT LIABILITY

1. Debt instruments

The town issues debt instruments through the Municipal Finance Authority. As a condition of these borrowings, 1% of gross proceeds are required to be deposited into a debt reserve fund. The town is also required to execute demand notes in connection with each debenture whereby the town may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent demand notes at December 31, 2011 are as follows:

	General Fund	Water Utility Fund	Sanitary Sewer Fund	2011	2010
Cash deposits	\$ 57,816	\$ 4,487	\$ 13,881	\$ 76,184	\$ 73,672
Demand notes	136,029	12,156	28,546	176,731	176,732
	\$ 193,845	\$ 16,643	\$ 42,427	\$ 252,915	\$ 250,404

2. Pension

The municipality and its employees contribute to the Municipal Pension Plan (plan), a jointly trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the plan, including investment of the assets and administration of benefits. The plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 173,000 active members and approximately 63,000 retired members. Active members include approximately 35,000 contributions from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of the plan funding. The most recent valuation as at December 31, 2009, indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012, with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The Town of Golden paid \$155,431 (2010 - \$149,022) for employer contributions to the plan in fiscal 2011.

3. Insurance

The town participates in the Municipal Insurance Association of British Columbia pooled insurance plan. Under the terms of participation, the town could become liable for its proportional share of any claim losses in excess of funds held by the Association. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

(continues)

TOWN OF GOLDEN
Notes to Consolidated Financial Statements
Year Ended December 31, 2011

13. COMMITMENTS AND CONTINGENT LIABILITY *(continued)*

4. Capital leases

	Original Purchase Price	Monthly Payment	2011	Final Residual Value
MFA Lease - Loader ^(a)	\$ 268,309	\$ 3,595	\$ -	\$ -
MFA Lease - Sweeper ^(b)	222,822	3,303	124,216	124,216
	<u>\$ 491,131</u>	<u>\$ 6,898</u>	<u>\$ 124,216</u>	<u>\$ 124,216</u>

a) The monthly payments are based upon the Canadian Prime Rate minus 1% for a term of 60 months. The lease interest rate is variable and changes in interest rates will result in adjustments in favour of the Lessor or Lessee, as applicable, on the final lease payment. The Canadian Prime Rate minus 1% at December 31, 2011 is 1.5%.

b) The monthly payments are based upon the Canadian Prime Rate minus 1% for a term of 60 months. The lease interest rate is variable and changes in interest rates will result in adjustments in favour of the Lessor or Lessee, as applicable, on the final lease payment. The Canadian Prime Rate minus 1% at December 31, 2011 is 1.5 %.

The town intends to exercise its exclusive purchase option on this lease in the future and has included the asset and the corresponding debt on the Consolidated Statement of Financial Position.

14. FISCAL PLAN

The Financial Plan (Budget) By-law adopted by Council on December 11, 2010 was not prepared on a basis consistent with that used to report results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated use surplus accumulated in previous years to reduce current year expenditures in excess of current year revenues to nil. In addition, the budget expensed all tangible capital asset expenditures and did not provide a provision for amortization expense. As a result the budget figures presented in the statements of operations and change in Net Debt represent the Financial Plan adopted by Council on December 11, 2010 with the adjustment as follows:

	2011	2010
Capital expenditures	\$ 5,754,412	\$ 4,211,000
Long term debt repayment	290,710	345,900
Budget transfers from(to) accumulated surplus	(2,746,587)	(2,379,750)
Borrowing	-	(170,000)
Budget surplus per statement of operations	<u>\$ 3,298,535</u>	<u>\$ 2,007,150</u>

TOWN OF GOLDEN
Notes to Consolidated Financial Statements
Year Ended December 31, 2011

15. SEGMENTATION INFORMATION

The Town of Golden is a diversified municipal government institution that provides a wide range of services to its citizens such as transit, police, fire, water and sewer. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and activities they encompass are as follows:

General Government

This item related to the revenues and expenses that relate to the operations of the Municipality itself and cannot be directly attributed to specific segment.

Protective Services

Protection is comprised of fire and flood protection services. The fire department is responsible to provide fire suppression service, fire prevention programs and education. Parts of the Town are on a flood plain and every spring flooding is a problem.

Transportation

Transportation is responsible for the Town's roadways, pathways, sidewalks and BC Transit services.

Environmental health services

Environmental services consists of providing waste disposal.

Water Supply and Distribution

This service provides the Town's drinking water.

Sewer Services

This service provides the Town's solid waste water processing service, which meets Provincial standards.

Cemetery

This services relates the to care of the Town's cemetery.

Economic Development and Planning

This department provides a number of services including Town planning, maintenance and enforcement of building and construction codes and review all property development plans.

Recreation and Culture

This service is meant to improve the health and well being of the Town's citizens. Which includes activities like swimming, skating and walking.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. In measuring and reporting segment revenues from transactions with other segments. Amounts that are directly attributed to a number of segments have been allocated on a reasonable basis as follows:

Taxation, fees and user charges - allocated to those segments that are funded, based on the net surplus.

Grants - based on percent of budgeted expenses.

TOWN OF GOLDEN
Consolidated Schedule of Tangible Capital Assets
Year Ended December 31, 2011

	Land and Land Improvements	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures			Capital Work-in progress	2011 Total	2010 Total
				Water	Sewer	Roads			
Opening balance	\$ 11,116,649	\$ 6,325,430	\$ 4,786,471	\$ 9,621,496	\$ 14,462,131	\$ 52,023,650	\$ -	\$ 98,335,827	\$ 95,823,001
Additions	-	2,638,666	241,939	309,685	182,567	1,941,350	199,109	5,533,316	2,831,250
Disposals	-	(319,658)	(30,427)	(76,086)	(75,466)	(309,941)	-	(811,578)	(318,424)
Write downs	-	-	-	-	-	-	-	-	-
Closing balance, Dec. 31	11,116,649	8,664,438	4,997,983	9,855,095	14,569,232	53,655,059	199,109	103,057,565	98,335,827
Accumulated amortization									
Opening balance	871,075	2,604,659	1,892,611	4,336,020	4,893,692	23,013,382	-	37,611,439	35,655,740
Amortization expense	88,163	176,613	313,689	201,417	356,523	1,149,927	-	2,286,332	2,268,417
Effects of disposals and write down adjustments	-	(345,338)	(13,693)	(47,001)	(46,641)	(290,538)	-	(743,211)	(312,718)
Closing balance, Dec. 31	959,238	2,435,934	2,192,607	4,490,436	5,203,574	23,872,771	-	39,154,560	37,611,439
Net book value for year ended December 31, 2011	\$ 10,157,411	\$ 6,228,504	\$ 2,805,376	\$ 5,364,659	\$ 9,365,658	\$ 29,782,288	\$ 199,109	\$ 63,903,005	\$ 60,724,388

TOWN OF GOLDEN
Consolidated Statement of Statutory Reserve Fund Activities
Year Ended December 31, 2011

	Land Sales	Parking	Equipment Replacement	Cemetery Care Fund	2011 Total	2010 Total
Opening balance	\$ 85,660	\$ 73,052	\$ 188,124	\$ 248,989	\$ 595,825	\$ 706,548
Transfers in	-	-	5,883	1,375	7,258	-
Developer fees	-	-	-	-	-	131,925
Earnings	2,417	2,061	5,322	3,749	13,549	10,852
Transfers out	-	-	-	-	-	(253,500)
Closing balance, Dec. 31	\$ 88,077	\$ 75,113	\$ 199,329	\$ 254,113	\$ 616,632	\$ 595,825