

Life. The Okanagan Way.



2016

ANNUAL REPORTLake Country, BC



Life. The Okanagan Way

Nestled in the scenic Okanagan Valley between Kelowna and Vernon, Lake Country is part of the fast-growing Central Okanagan region with a population of more than 185,000—the largest population centre between Vancouver and Calgary. Bisected by Highway 97 and boasting easy air access via the Kelowna International Airport, Lake Country has become a hub of growth and innovation for tourism, agriculture, technology, business and the arts.

Serene Okanagan lakes, exquisite orchards and vineyards, and miles of sun-drenched landscapes: this is **Life**, the **Okanagan Way**—and it's what makes Lake Country the perfect setting for work and play.

Lake Country is home to four distinct neighbourhood communities which were incorporated as a district municipality in 1995: Oyama, Winfield, Carr's Landing and Okanagan Centre.

A place to learn

The Okanagan Valley is home to three centres of higher learning, Okanagan College, the University of British Columbia's Okanagan campus and the Centre for Arts and Technology. Accommodating more than 15,000 students and generating an economic impact upwards of \$300 million per year, the Okanagan's post-secondary institutions are the economic engines driving growth through research, development and job-ready graduates. More than half of Lake Country's workforce holds a trades certificate or college or university degree.

A place to grow

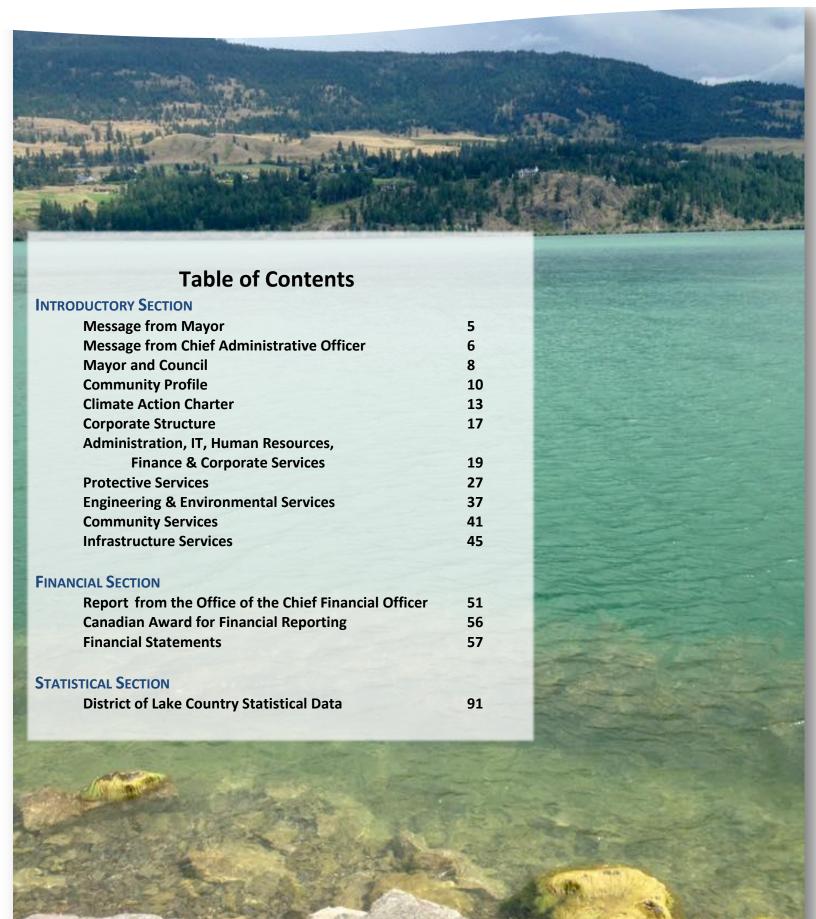
Central Okanagan and the Okanagan Valley continue to undergo significant urban development, and currently have more than 568 hectares of development-ready, industrially-zoned land available to meet the growing demands of a population expected to reach 250,000 by 2030. In the District of Lake Country, more than ten hectares of commercially-zoned land have been serviced and set aside for the development of the community's commercial and cultural core, a traditional mixed-use commercial and residential neighbourhood. The District of Lake Country is committed to helping business build, work and invest in the area, and offers competitive businesses tax rates lower than the provincial average.

A place to prosper

Lake Country isn't just a place to work—it's a place to truly live. Residents enjoy hot summers and temperate winters with boundless opportunities for year-round recreation: from water sports to cycling, golfing, skiing, hiking and much more. Within a one-hour drive of three destination ski resorts and enjoying miles of lake front beaches and parks, Lake Country is an outdoor enthusiast's paradise. The vibrant, tight-knit community is also rich in culture, offering extraordinary arts and entertainment, as well as acclaimed fine and casual dining. A place to learn, grow and prosper, Lake Country offers limitless opportunity set in unspoiled natural beauty.



Life. The Okanagan Way.



Message from the Mayor



On behalf of Council, I am pleased to present the District of Lake Country's Annual Report for 2016.

As in previous years infrastructure upgrades continue to be a major focus for Council and staff. The completion of Woodsdale Road, Bottom Wood Lake Road, Sherman Rd and Greenhow Road upgrades have improved pedestrian and cycling safety immensely along those routes. Plans and priorities are in place to continue with other routes within the Transportation for Tomorrow Plan and as additional grant programs become available.

We have not yet achieved the transfer of old Hwy 97 to have complete responsibility for the Pelmewash Parkway but we anticipate a settlement in the near future. We have done some long-range planning for Pelmewash and based on community input over the past few years, a design will be undertaken in 2017.

Thank you to everyone that provided input into the Parks and Recreation Master Planning process. Work is continuing

to have this long range planning document completed for our community. The development of the Okanagan Rail Trail is anticipated to start in 2018 as plans are made based on the design and generous donations continue to come in from many individuals, families and organizations.

We again thank our many volunteers in so many capacities that help to make Lake Country a great place to live. We are truly an "Engaged Community" with our many service clubs, arts, cultural and heritage organizations, sports organizations, and environmental and social organizations that include all ages from all parts of our community.

Development activity has increased and our tax base, while still primarily residential, will see greater diversity with a number of new commercial applications and construction adding to the tax roll.

James Baker Mayor

LAKE COUNTRY

Message from the Chief Administrative Officer

I am very pleased to present the District of Lake Country's 2016 Annual Report. 2016 was another very busy and productive year marked by tremendous growth and innovation. I am very proud to provide you with these achievements and an outline of upcoming goals and objectives as the organization has worked hard to accomplish many goals that have made and are making a huge difference in the community.

We look forward to more accomplishments in 2017 and we are sure that Council and staff are working hard again and once more to provide our citizens the best quality of life in the region.

2016 was the first year for the implementation of our Transportation for Tomorrow long term plan. Thanks to the visionary approach of Council, we have begun to successfully tackle roads and transportation renewal which hugely affects our community. We have 200 kilometres of roads, many of which were built more than three decades ago. As we look at the



community growth and transportation potential, it is part of our renewal to consider and integrate alternative transportation opportunities to all of our roads, such as bike and walking paths. This is adding character to our community and aims to further integration with main recreation corridors such as the recently acquired Okanagan Rail Trail Corridor and the soon to be acquired Pelmewash Parkway. This hard work on Active Transportation is placing Lake Country as the leader in Central Okanagan.

Additionally, we are working on our Parks and Recreation Master Plan, which we hope to complete and have approved this year. Lake Country offers a unique environment: we are close enough to the hustle and bustle of bigger centres such as Kelowna and Vernon, and yet we enjoy the serenity and beauty of a natural setting envied by many.

As an organization, the District of Lake Country is widely recognized as a leader in local government in many fields. The diversity of its Ward system and population is creating growth and opportunities for the District to provide unique services and to foster a quality of living unparalleled both in the Central Okanagan Region and provincewide. In 2016, we have introduced a 'Good to Great' vision for the 21st century. With this vision, we, as an organization, are working hard to find ways to increase performance, show value, truly integrate our local government with the community, and use technology to create a leading edge in service delivery and public engagement.

At this time, I wish to take the opportunity to thank Council, staff and the community for supporting our many initiatives that make Lake Country a desirable place to live.

There are many accomplishments we are proud to report to the community which are included in this report. I invite you all to take the time to read this document and to provide us with feedback and ideas to make this document better and, more importantly, to make our community a great place to live, work and play.

Alberto S. De Feo Ph.D.(Law) Chief Administrative Officer

Mayor and Council 2016 Committee Appointments



Mayor James Baker

Access & Age-friendly Committee, Committee of the Whole, Joint Advisory Committee (OKIB).

Regional District: Board of Directors, Governance and Services Committee.

External: Airport Advisory Committee, UBC External Community Advisory Committee.



Councillor Owen Dickie (Oyama)

Agricultural Advisory Committee, Committee of the Whole, Joint Advisory Committee (OKIB), Parcel Tax Roll Review Panel (alternate), Parks and Recreation Advisory Committee, Okanagan Regional Library Board, Tourism Development Commission, Water Services Advisory Committee. **External:** Lake Country Health Planning Society (alternate), Lake Country Senior Housing Society Board, Winfield Senior Citizens' Society (alternate).



Councillor Blair Ireland (Okanagan Centre)

Committee of the Whole, Joint Advisory Committee (OKIB), Parks and Recreation Advisory Committee, Public Art Advisory Commission, Water Services Advisory Committee, Parcel Tax Review Panel. **External:** Airport Advisory Committee (alternate), Lake Country Chamber of Commerce, Tourism Kelowna (alternate).



Councillor Penny Gambell (Councillor-at-Large)

Agricultural Advisory Committee, Committee of the Whole, Economic Planning & Development Committee, Joint Advisory Committee (OKIB), Parcel Tax Roll Review Panel (alternate), Water Services Advisory Committee.

Regional District: Board of Directors (alternate). **External**: Safe Schools Committee, Tourism Kelowna.



Councillor Rob Geier (Winfield)

Committee of the Whole, Joint Advisory Committee (OKIB), Parks and Recreation Advisory Committee, Public Art Advisory Commission, Parcel Tax Roll Review Panel.

External: Lake Country Health Planning Society, Safe Schools Committee (alternate).



Councillor Bill Scarrow (Councillor-at-Large)

Access & Age-friendly Committee, Committee of the Whole, Joint Advisory Committee (OKIB), Parcel Tax Roll Review Panel (alternate).

External: Economic Development Commission (RDCO) (alternate), Lake Country Senior Housing Society Board (alternate), Winfield Senior Citizens' Society.



Councillor Matt Vader (Carr's Landing)

Committee of the Whole, Economic Planning & Development Committee, Joint Advisory Committee (OKIB), Parcel Tax Roll Review Panel, Tourism Development Commission.

External: Economic Development Commission (RDCO), Municipal Insurance Association, Okanagan Regional Library Board (alternate).

2014 - 2018 Council



Councillor Owen Dickie (Oyama)

Councillor Blair Ireland (Okanagan Centre) Councillor Rob Geier (Winfield)

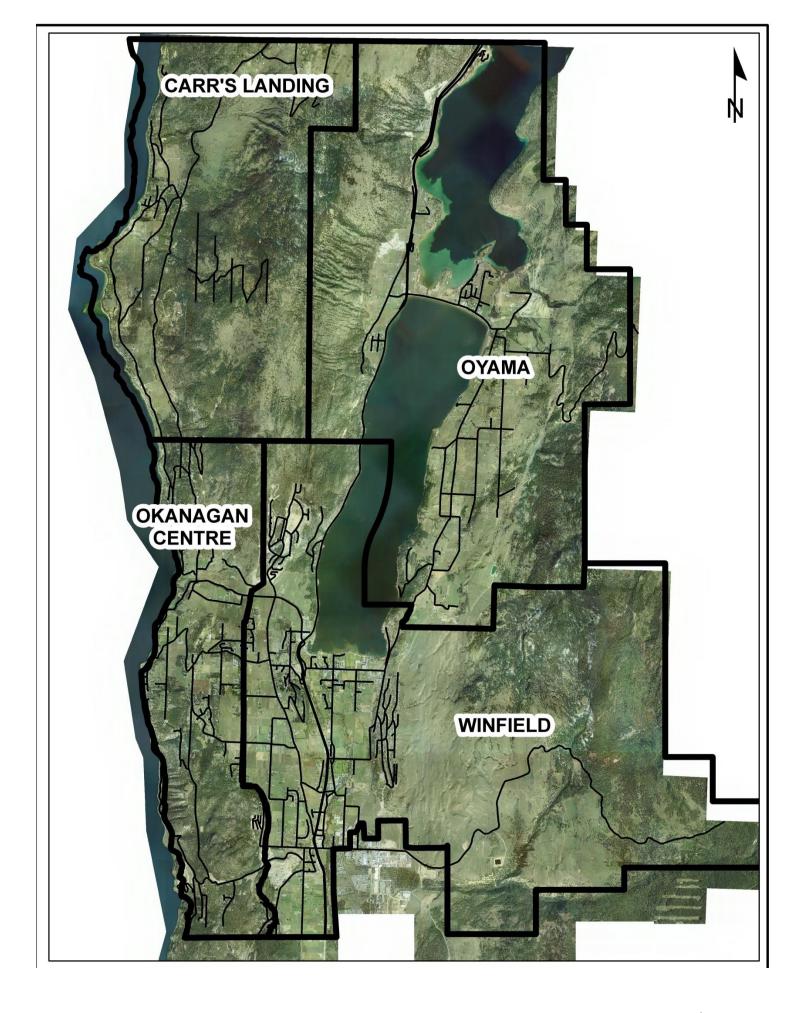
Mayor James Baker Councillor Matt Vader (Carr's Landing)

Councillor Bill Scarrow (At Large) Councillor Penny Gambell (At Large)

Council's Vision:

Develop a strong sense of community. Promote a positive community image. Provide housing for all. Encourage responsible economic development. Build a comprehensive and integrated trail network. Create a vibrant social and commercial town centre. Protect and enhance our natural environment. Foster diverse agricultural opportunities. Encourage enjoyment of our unique lake resources. Promote environmental stewardship. Promote an active schedule of cultural and social events. Develop a sustainable financial plan for servicing and growth.

LAKE COUNTRY



Community Profile

The District of Lake Country, located in the heart of the Okanagan Valley between Kelowna and Vernon, is a beautiful and unique area rich in cultural history. Lake Country has a population of approximately 14,183 according to BC Statistics, and is made up of four distinct communities: Carr's Landing, Okanagan Centre, Oyama and Winfield.

Lake Country is surrounded by lakes, as its name suggests. Okanagan Lake acts as the western boundary while Wood Lake and the southern-most portion of Kalamalka Lake are encompassed by the municipality. Comprising a geographic area of 122.16 square kilometers, Lake Country is home to world-renowned wineries and is only minutes away from the Kelowna International Airport, UBC Okanagan, world-class golf courses and beautiful ski hills. The area offers a balance of rural and urban experiences with major income sources being agriculture and tourism. Forty percent of the District is within the Agricultural Land Reserve and major crops include apples, peaches, pears and cherries. A large portion of apples grown in Canada are from Lake Country's orchards. Since its incorporation on May 2, 1995, the District of Lake Country has continued to grow and thrive.

Carr's Landing

Carr's Landing was once called Cus-in-so-nook, meaning Place of Fickle Women. The early pioneers called it Sunnywold. By 1901 Andrew Carr, a Civil War veteran from Illinois, and his wife Agnes had built their home just north of where the Geen's fruit packing house stands today. The Carr's Landing wharf was built below the house at R. S. Marshall Park where sailing lessons are now held each summer. Settlers such as the Carrs, Thorlaksons and Gibsons farmed close to the lake and ranchers like Joseph Cools ran cattle into the Charolais area.

Okanagan Centre

At the height of its success, Okanagan Centre was a thriving community with services that included two packing houses, a hotel, a cannery, a general store and a butcher shop. The settlement of Okanagan Centre began around 1900 when Northcote Caeser and T.F. Valentine purchased Rainbow Ranch. In 1903, Caeser and Valentine sold most of Rainbow Ranch but kept 18 acres of the south-west corner and continued ranching. By 1910, there were two hotels, a general store, a butcher shop with a packing house and cannery under construction. By 1913, orchardists were packing their own fruit and the community was at the height of its development.

Oyama

Oyama was named after Field Marshall Iwao Oyama who fought in the Japanese-Russian War from 1900 to 1905. Oyama was also the name given to the first post office in the area which was established between 1906 and 1908. As early as 1867 (Canada's Confederation), Tom Wood and Cornelius O'Keefe drove cattle from Washington State, USA to the north end of Okanagan Lake. In 1893 the first white settlers began arriving with ranching and the planting of orchards commencing in the early 1900s. Oyama Lake, located in the mountains to the east, provided irrigation to the fruit growers. After World War I another influx of settlers arrived and many descendants of these first settlers reside in Oyama today. Local stores began opening in 1908 through 1910 decreasing the need for residents to travel to Vernon.

Winfield

The first land bought by a European settler in Winfield was 160 acres purchased by Ford Brent in 1867. He then sold the land in 1871. Also in 1871, Thomas Alva Wood, the man responsible for the current names of Wood Lake and Winfield, bought 160 acres and started up Winfield ranch. In 1875, Thomas Wood was named Justice of the Peace. In 1872 the Postill family purchased a 300-acre plot to the south of Mr. Wood and within a few years a sawmill started up at the Postill ranch and was running at full capacity. The 1890's were a decade in which Winfield showed many signs of community development. Winfield had its first telephone installed in the 1890's, the first fruit trees were planted, the first church services were held at Winfield Lodge (Thomas Wood's lodge) and more families began settling in Winfield during these years.

Arts, Culture, Amenities

Serene Okanagan lakes, exquisite orchards and vineyards, and miles of sun-drenched landscapes: this is life, the Okanagan way - and it's what makes Lake Country the perfect setting for work and play. Our vibrant, tight-knit community is also rich in culture, offering extraordinary arts and entertainment, a museum, an art gallery, live music open air concerts every Saturday during the summer, festivals/special events, a seasonal Farmers' Market, as well as acclaimed fine and casual dining.

Lake Country has over 50 kms of beautiful walking trails and is home to many amenities including athletic fields, parks, beaches, an arena, a curling club, waterpark, tennis and padel courts as well as a skateboard park. The many community facilities such as the Community Complex, the Creekside Theatre, the Beasley Park Gazebo, various community halls and the Lake Country Senior Citizens' Activity Centre are all available for public use and host various events throughout the year which are enjoyed by residents from all over the Okanagan valley.

Community Parks

- Swalwell Park
- **Beasley Park**
- **Jack Seaton Park**
- Okanagan Centre Museum Park
- Okanagan Centre Linear Park (Beach)
- Pixton Beach Linear Park
- Coral Beach Park
- Pioneer Park
- Creekside Park & Memorial Park

Neighbourhood Parks

- Apex Drive Park
- McCarthy Park
- **Dewar Park**
- Coral Beach North & South
- **Nuyens Park**
- Gable Road End
- R. S. Marshall Park
- Whiskey Cove Road End
- Cemetery Park

Regional Parks

- Kaloya Regional Park
- Kopje Regional Park
- Okanagan Centre Safe Harbour
- Reiswig Regional Park









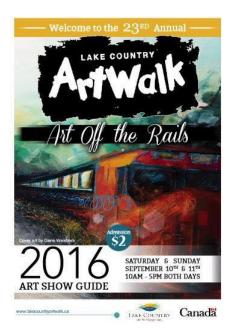
ArtWalk

ArtWalk is a highly successful annual arts festival that features more than 300 Okanagan artists, photographers and sculptors as well as musical entertainment, art demonstrations, paint-offs, live model drawing, children's activities, live theatre productions, prizes, great food, and much more.

ArtWalk began in 1994 and in 1999 became a Lake Country community event which has grown in popularity and now draws thousands of people from all over the country.

The 23rd annual ArtWalk took place September 10-11, 2016 on the theme: "Art off the Rails.

In 2017, the theme for the September 9-10, 2017 event will be "*Colour Me Canada*" in honour of Canada's 150th birthday.











Climate Action Charter

The District of Lake Country was one of the 180 local governments, along with the Province of BC and the Union of BC Municipalities (UBCM) that signed the Climate Action Charter (CAC) tackling the challenges posed by climate change, and pledging to take action to significantly cut both corporate and community-wide greenhouse gas emissions; measure and report on the community greenhouse gas emission profile; and work to create compact, more energy efficient communities.

Carbon neutrality is based on "traditional services" which include administration and governance; drinking, storm and waste water; solid waste collection, transportation and diversion; road and traffic operations; arts, recreation and

cultural services and fire protection. Emissions related to new construction, business travel, employee commuting and the external production of goods used for the services are not included. As a general guideline for measuring emissions, if the District pays for the service the District must account for the emissions related to that service.

Communities that have signed onto the CAC and thereby agree to publicly report on their climate action progress are eligible for the Climate Action Revenue Incentive Program (CARIP) grant. The following report meets the CARIP requirements to publicly report on climate actions undertaken by the District in 2016 and outlines our intended actions for 2017.



Corporate Measure

The District has updated its Corporate Carbon Neutral Action Plan which calculates the energy that is used corporately by the District and which provides for the conversion to calculate the GHG emissions produced.

Community Wide Measure

In addition to using the Community Energy and Emissions Inventory (CEEI) to measure progress, a Community Energy & Emissions Plan was prepared in 2012 by the District of Lake Country in consultation with BC Hydro and the Community Energy Association.

Plan

The District's Official Community Plan (OCP), which was adopted in August 2010, outlines the following policies and actions to reach the goals of achieving carbon neutrality in municipal operations as per the CAC; and reducing community wide greenhouse gas emissions by 33% below 2007 levels by 2020 as per the *Local Government Act* (LGA)

- Inventory operational greenhouse gas emissions.
- Adopt a municipal sustainable purchasing policy.
- Reduce or offset operational greenhouse gas emissions.
- Identify opportunities for alternative energy creation.
- Further develop and implement the greenhouse gas emissions reduction strategy.
- Implement a greenhouse gas emissions strategy to reduce community wide emissions.
- Complete an air quality assessment and inventory.
- Participate in the Regional Air Quality Management Program.

• Investigate the feasibility of requiring major new District buildings to achieve a Leadership in Energy and Environmental Design (LEED) or equivalent green building standard.

Corporate Actions 2016

- Continuation of planting drought-tolerant plants during the development of parks.
- Regional Community Clean-up Month (April); garbage bags and gloves are also provided year round for community groups.
- Continued implementation of Natural Environment Development Permits throughout the community.
- Continuation of recommendations regarding Fleet replacement based on E3 Fleet Management Program.
- Continued compliance to the Carbon Neutral Action Plan.
- Continued issuance of Development Permits for Greenhouse Gas Reduction and Energy Conservation.
- Continued implementation of Integrated Community Sustainability Plan and Community Energy and Emissions Plan.
- Continued to monitor and implement infrastructure upgrades that meet green building standards where appropriate and cost effective.



Community Wide Actions 2016

- Continued to focus density within Identified Growth Areas outlined within the OCP.
- Continuation of the Green Building Rebates to incentivize energy-efficient development.
- Continued operation of municipal hydroelectric generation facility.
- Continued planning and design charrette for Pelmewash Parkway.
- Begin greenway development process with small project.
- Continued to implement Transportation for Tomorrow Plan
- Continuation of curbside recycling and yard waste collection.
- Ongoing participation in the Living Greener Initiative which encourages residents to conserve and live sustainably through the use of an annual calendar and media ads.
- Continued the implementation of the Greenhouse Gas Reduction and Resource Conservation Development Permits throughout the community.
- Continued to install solar-powered bus shelters throughout the community.
- Composter sale to residents (yearly program) to help recycle kitchen scraps, in addition to sale of rain barrels and cone digester.
- Continued to require water meters to be installed in new construction projects; and complete universal metering project with installation of meters in all properties.
- Continuation of water restrictions.
- Continued planting within the Arboretum at Jack Seaton Park as budget allows.
- Continued use of the Landscaping Guidelines within Development Permit Areas to establish further private greenspace throughout the community.
- Added pedestrian walkway and bike lanes for 1.5 km road connecting neighbourhood to schools.
- Installation of water meters throughout the community.
- Implementation of the Water Master Plan.
- Bond Road watermain and street improvements 1 km of pedestrian pathway.
- Restoration of Bottom Wood Lake Road to facilitate safe active transportation between Main Street and schools to Wood Lake tourist node.



2017 Proposed Corporate and Community Wide Actions

- Official Community Plan review and update.
- Continue work towards implementation of Integrated Sustainability Action Plan.
- Continue compliance to the Carbon Neutral Action Plan.
- Continue compliance to the Community Energy and Emissions Plan.
- Continue issuance of Development Permits for Natural Environment.
- Continue issuance of Development Permits for Greenhouse Gas and Energy Reduction.
- Explore opportunities for green grant funding for infrastructure projects where applicable.
- Continue support for Energy Demand Management programs.
- Will continue to research and analyze green options for corporate building upgrades where applicable.
- Continue operation of municipal hydroelectric generation facility.
- Continue to communicate effectively to the public regarding green initiatives and community improvements where applicable.
- Continue adherence to xeriscape landscape guidelines for Development Permits.
- Continuation of Regional Household Waste Collection Program that includes recycling and yard waste composting.
- Continuation of Regional Commercial Waste Reduction Program which includes recycling.
- Undertake Transportation Master Plan projects that serve to implement Official Community Plan with a focus on multi-modal transportation providing alternatives to vehicles.
- Continue replacement of corporate fleet vehicles as per E3 Fleet Management Program.
- Continue implementation of the Transportation for Tomorrow.
- Continue installation of water meters.
- Continue implementation of the Water Master Plan.





Life. The Okanagan Way.

MAYOR & COUNCIL

CHIEF ADMINISTRATIVE OFFICER (CAO)

Community Services Engineering & Environmental Services

Administration & Corporate Services

Protective Services

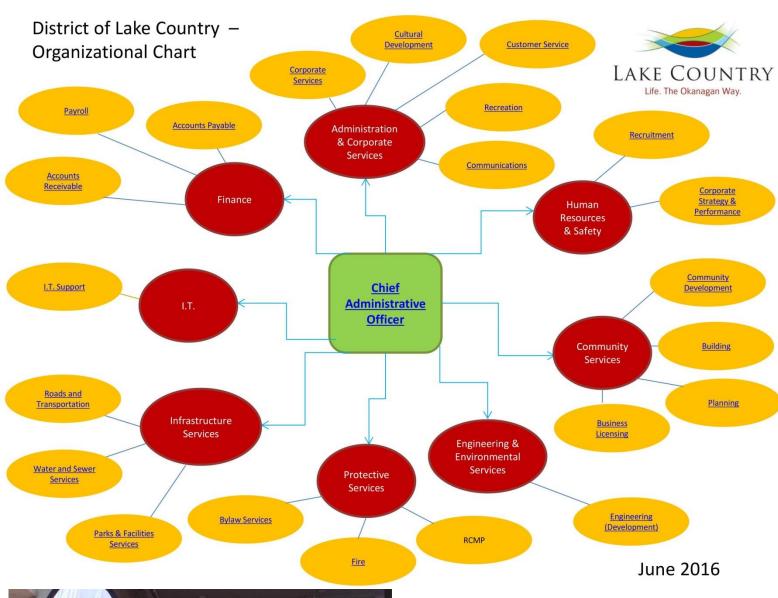
Infrastructure Services

2016 SENIOR MANAGEMENT

Chief Administrative Officer (CAO)	Alberto De Feo
Chief Financial Officer	Tanya Garost
Director of Community Services	Mark Koch
Director of Engineering & Environmental Services	Michael Mercer
Director of Infrastructure Services	Greg Buchholz
Director of Protective Services	Steve Windsor
Corporate Services Manager	Reyna Seabrook
Human Resources & Safety Manager	Holly Flinkman
IT Support and Network Administrator	Jakub Tokarowski
Community Development Manager	Jamie McEwan



Corporate Structure









Life. The Okanagan Way.



Administration is responsible for the daily operations of the organization, communications, legal matters and overseeing all departments while working in cooperation with Mayor and Council. The Chief Administrative Officer, Human Resources Manager, Corporate Services Manager, Cultural Development Coordinator, Communications Officer and Executive Assistant, along with the Customer Services Supervisor and two Customer Service Clerks comprise the Administration Department.

Human Resources is responsible for recruiting and staff development, wellness and safety.

Information Technology (IT) is responsible for computer network maintenance and support services and information technology.

The Finance Department is responsible for financial management and planning; policy development; cash, portfolio and debt management; accounting and payroll services; collection of tax and utility fees; and financial reporting and analysis. The Finance Department consists of the Chief Financial Officer and five staff.

Corporate Services is responsible for the preparation of bylaws, land negotiations, Freedom of Information requests, agendas and minutes and District events as well as communications, performance and cultural community events, customer service and recreational programming.

Administration,
Human Resources,
Information
Technology,
Finance &
Corporate Services

2016 Achievements

Administration, Human Resources, IT, Finance & Corporate Services

Strategic Priorities

Council and senior staff continue to use, and regularly update, a Strategic Priorities Chart detailing the organization's top priorities, acknowledging the foundation laid by planning efforts, and identifying Council's ongoing commitment to strategic governance. The regular updating of the chart ensures that everyone is 'on the same page', roles are clear, focus is defined and progress is monitored. Regular Strategy Sessions are held in conjunction with approving Priority Setting and Decision Making Guidelines or Policies.

Council identified five (5) principal priorities to be accomplished:



BUDGET: In 2016 Council was determined to apply any revenue resulting from community growth toward reducing the impact on tax payers, and therefore a 2016 budget with a zero percent property tax increase for Lake Country tax payers was approved.

As a result of construction growth during 2015 and BC Assessment roll figures showing a 3.28 percent tax base increase in revenue for the municipality, recommendations were put forward to maintain existing services, incorporate inflationary increases as well as some items already prioritized by Council in order to reduce the amount required to fund the base budget through taxation. The <u>January 12, 2016 report to Council</u> itemizes the various requests and recommendations.

Some significant community projects that were approved were:

- The final phase of the Water Meters installation (\$1.2 million)
- The upgrade of the Seymour Sewer Lift Station (\$750,000)
- Various funding for planning the development and management of the recently acquired Rail Corridor (approx. \$200,000)
- Safe Routes to School Program (\$1.8 million) Specifically: the Greenhow Pathway; the Sherman Road Improvements; the Woodsdale Road Improvements (linked to the Seymour Lift Station Upgrade project); Bottom Wood Lake Road – Berry to Lodge Improvements; and Carr's Landing Road Improvements (\$500,000).

"Council and staff have been working very hard together to provide projects and services without an excessive burden to tax payers," said Mayor James Baker. "Our priority is on keeping Lake Country in a sustainable position and delivering the services that residents value most."

2016 Achievements

Administration, Human Resources, IT, Finance & Corporate Services,

Creekside Theatre and Live in Lake Country! websites

Webpages were developed for Creekside Theatre and Live in Lake Country! to integrate with www.okanaganway.ca consistent with the community branding and yet maintain their individual character for promoting theatre entertainment and summer concerts in the parks. Both www.liveinlakecountry.ca domain names were retained and redirect website visitors to the appropriate section of the okanaganway.ca website.

Online Ticketing System

The benefits and services provided through an online ticketing system were investigated and a contract arrangement was established with Kelowna Tickets for online ticket sales.

First Lake Country Indoor Children's Festival

The first ever Lake Country Indoor Children's Festival presented by TD Bank was hosted at the Lake Country Community Complex on Saturday, February 27th from 11am to 3pm.

Fun for children of all ages included: face painting, bouncy castle, caricatures by Marzio, a talent competition, Trixie the Clown, and entertainer Leif David in the Creekside Theatre; artisan booths, craft tables and a pop-up clothing store as well as LCFD Firefighter Combat Challenge, a building blocks area hosted by Lake Country Health Planning Society and a drum booth by Wentworth Music for young musicians.

"There are so many families in Lake Country and neighbouring Kelowna and Vernon, that organizing a Children's Festival at our terrific Community Complex was at the top of my list of priority activities to make happen in 2016," says Cultural Development Coordinator Ryan Donn. "As a parent myself, I'm always attentive to events for families that offer interactive fun and learning experiences for a variety of ages. Having TD Bank as the title sponsor is a really good fit because they have a very community-minded approach to business and a local presence on Lake Country's Main Street."



Staff Suggestion and Cost Saving Program

A cost savings suggestion program was implemented in 2016 to provide the opportunity for staff to offer their input on how to save the District money. Staff are encouraged to share their input on workplace savings and ideas to benefit and save money in delivering services for the community.

Customer Comment Card

The District implemented a system for the public to provide customer feedback through a comment card with drop boxes available on both floors of Municipal Hall. Feedback collected is reviewed by Department Managers with the objective of improving service to better meet the needs of citizens.



Health Resource Communication

The HR department has been actively liaising with various health resources in the community to improve communication between the agencies and community groups to meet the needs of Lake Country citizens.

Smoking Regulation Bylaw

A Smoking Regulation Bylaw to regulate smoking and vaping in parks, trails, public buildings and spaces was developed after consulting with Interior Health and other local governments on best practices. A communications plan was designed to inform and educate the public on the new restrictions contained within the Smoking Regulation Bylaw. Human Resources and Communications staff also worked with UBC Okanagan Nursing students to develop some public outreach materials.

Lake Country's Smoking Regulation Bylaw prohibits smoking in any public space, <u>at or within 7.5 metres</u> of any park, transit stop, common area, outdoor customer service area, or within 7.5 metres measured on the ground from any point of opening into any building including any doorway, opening window or air intake. The only exception is the ceremonial use of tobacco in a traditional Aboriginal cultural ceremony.

Mock Water Billing

The Finance Department, Communications, and Infrastructure Services worked collaboratively to develop a new water bill to reflect metered consumption based on proposed new rates. A communications plan was implemented to increase customer awareness and understanding of the importance of water use accountability. Water utility customers received a quarterly "mock bill" to educate them on the cost of their consumption so they can make changes to consumption patterns and implement conservation strategies to reduce their bill the following year.

Fees Bylaw

The Business Systems Review and Council's Strategic Priorities identified the need to review and adjust fees, where appropriate. Numerous fees were evaluated in terms of cost recovery, applicability, fee structure and inflation. An updated Fees Bylaw was adopted by Council in the third quarter.

Increase Activity Guide Advertising

The quantity and quality of advertising by community groups and businesses was increased in the seasonal Activity Guide published in the Spring and Fall of each year with the goal of covering the direct cost of the guide.

Largest outdoor Yoga class – Sol-ful

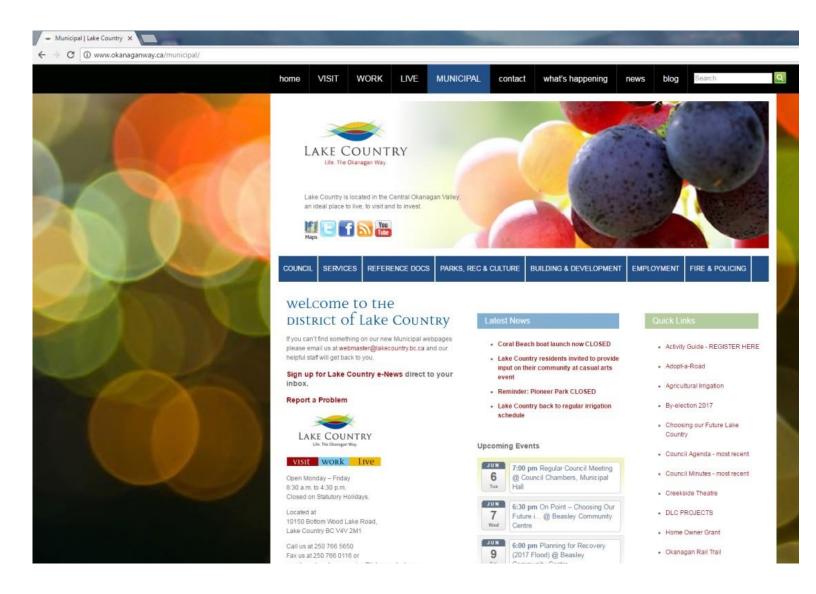
Yogis of all varieties shared the grass at Beasley Park in Lake Country on Sunday, June 19th for the first ever Sol-ful Summer Solstice Yoga event. The beautiful green park on the shores of Wood Lake was the perfect location to stretch, rejuvenate, meditate, chant, drum, or even try SUP Yoga on the water.

2017 Objectives

Administration, IT, Human Resources, Finance & Corporate

Social Plan (Strategy Session)	Measure	Target
A strategy session to discuss Council goals with regards to framework of the Social Plan. The Plan will acknowledge challenges facing the municipality in addressing community concerns and identify opportunities for the municipality to work together with individuals and community groups to improve quality of life.	Hold Strategy Session with Council	2017
Corporate Business Plan	Measure	Target
The District Corporate Business Plan represents the linkage between Council vision, the District's strategic priorities, and the financial tools needed to accomplish the vision and complete the priorities. The current plan needs to be updated.	Corporate Business Plan updated	2017
ICSP Recommendation Review	Measure	Target
The Integrated Community Sustainability Plan was approved by Council back in 2013 with a number of recommendations to be implemented. As time goes by, many action items have been completed. The need to review all the recommendations and prioritize their implementation is now needed to move the plan even further.	 Review list of recommendations and prioritize implementation 	2017
Lake Country Good to Great	Measure	Target
Focus shift from the traditional business systems of local government administration to a more strategic approach intended to address more relevant demands requested by the community at large and by individual members of the public. Addressing provision of services, both at the operational and infrastructure levels, proactively through the identification of priorities and multi-year plans, and the correspondent funding strategies.	 All staff involved in improving relationships with the public, Increased public involvement and consultation on major plans and initiatives 	2017
By-Election	Measure	Target
A By-Election will be held in June to fill the vacant Council seats as a result of the passing of Oyama Ward Councillor, Owen Dickie, and the resignation of Carr's Landing Ward Councillor, Matt Vader.	By-election held and seats on Council filled	June 2017
Website Redesign	Measure	Target
An updated website design will be undertaken to make the District of Lake Country website mobile friendly, platform agnostic, and enable citizens to do business with the District beyond the regular office hours – right time, right device, right information.	New website design implemented	2017
Council Procedures Bylaw	Measure	Target
Conduct a review of the 2014 bylaw that sets out procedures to be followed by Council and Council committees with the intent of updating and clarifying.	Bylaw adopted	December 2017
Budget Format	Measure	Target
Improve readability and consistency in formatting of the financial plan. Changes are intended to improve the presentation and understandability of the document by staff, Council and the public.	Updated easy to read/understand format	2017

Purchasing Policy	Measure	Target
Update the policy to reflect current practices, review procedures and ensure compliance with recommendations provided by the Auditor General of Local Government.	Updated policy approved by Council	2017
Permissive Tax Exemption Policy	Measure	Target
Review and update the policy to ensure consistency with Council objectives, improve reporting and communication with impacted property owners requesting permissive tax exemptions and reflect current processes for applying permissive tax exemptions.	Updated policy approved by Council	2017



2017 Objectives

Administration, IT, Human Resources, Finance & Corporate Services

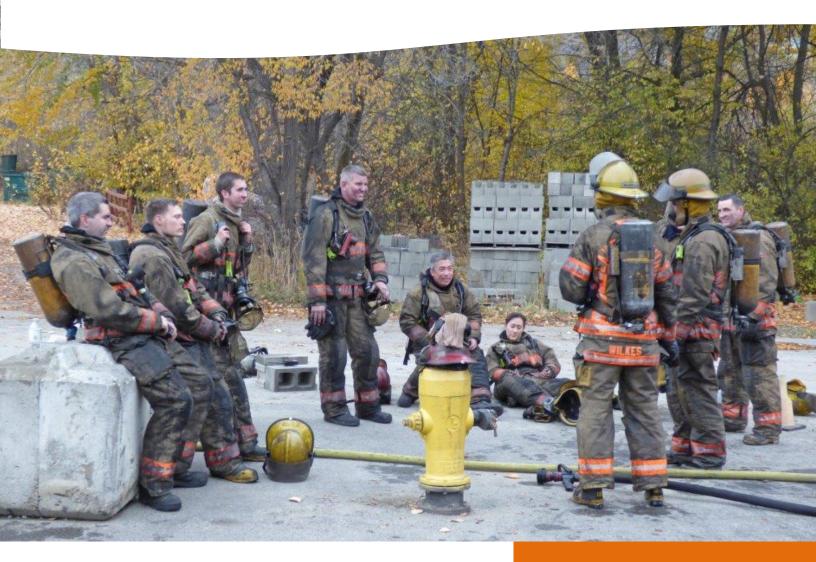
Succession Plan	Measure	Target
 With key employees beginning to retire and potential turnover risks, the District of Lake Country is beginning to design a program for succession planning. It will summarize key areas of information including: Strategic Leadership – identifying who can be and is interested in leadership roles Technical Expertise – identifying skills and creating knowledge retention tools Difficult to Recruit – identifying positions that are challenging to fill when vacant and providing action plans of cross training, knowledge sharing and recruitment action plans Knowledge Transfer – identifying persons that have been in a position for many years and duties are not well documented. 	Program designed	2017







Life. The Okanagan Way.



Protective Services consists of the Director of Protective Services/Fire Chief, Deputy Fire Chief, a maintenance operator, a fire inspector and a clerical position supporting 65 paid on-call fire fighters operating out of three fire stations: Station 71 (Winfield), Station 81 (Carr's Landing) and Station 91 (Oyama); in addition to two clerical positions at the RCMP station and a Bylaw Enforcement Officer.

As well as providing clerical support to the local RCMP detachment and Bylaw Enforcement services, the department provides emergency services, participates in the regional emergency and rescue programs and is responsible for fire inspections on commercial and industrial buildings, businesses, daycares and schools.

Protective Services

2016 Achievements

Emergency & Fire

Capital Project - Fire Equipment

- Truck Exhaust Extractor Oyama Hall (\$19,903)
- Gas Detection Equipment (\$10,840)
- Fire Computer Equipment (\$979)

Bylaw Enforcement

Seasonal Bylaw Officer changed from Commissionaires contract to seasonal Lake Country employee.

Service Awards

At the annual awards ceremony, LCFD fire fighter Graham Kershaw received a 30 year award for Federal Fire Services Exemplary Service; Bob Smith received a 25 year BC Long Service Award; Fire Fighter of the Year for each station was announced as follows: Station 71 – Ben Burbine; Station 81 – Bob Smith; Station 91 – Chris Casparis; and the following were noted for Best Attendance: Station 71 – Eric Bauld; Station 81 – Adam Youngest; Station 91 – Chris Casparis. Team leaders for the Fire Prevention program Cory Drinkwater and Tim Kim were acknowledged; as well as the GESS Firefighter Work Experience Program team leaders Erid De Gelder & Ryan Murdain.

Programs

Change First Medical Responder program to Canadian Red Cross Implementation of provincial playbook level of response

Hiring

Hired RCMP Exhibit Clerk to free up RCMP Corporal's ability to be out in the community

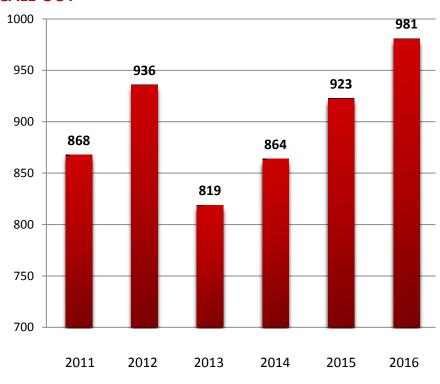




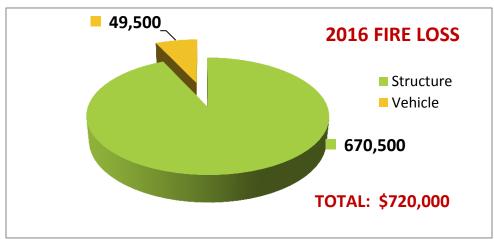
CALL VOLUME

	71	81	91	Total
Incidents by Station	Winfield	Carr's	Oyama	
		Landing		
Structure Fires	20	1	3	24
Vehicle Fires	6	0	3	9
Wild Fires	5	3	1	9
Motor Vehicle Accidents	72	0	20	92
Alarm	65	9	11	85
Medical Calls	519	14	52	585
Burn Permit Complaints	36	1	2	39
Other (airport, lift assist, electric, gas, marine, public service, campfires)	120	4	14	138
TOTAL	843	32	106	981

CALL-OUT







Burning Permits

	Sold:	Revenue:
2012	358	\$ 6,530
2013	409	\$ 8,760
2014	415	\$ 9,920
2015	422	\$ 8,600
2016	418	\$ 7,580

New Business Licenses

Storefront	26
Home Business	96
Non-Resident	13
Mobile	5
Inter-Municipal	38
2016 TOTAL:	178
TOTAL LICENSES:	680

Municipal Tickets

	BYLAW	RCMP
Highways & Traffic	185	75
Burning	10	
Building Regulation	26	
Parks, Public Spaces	7	2
Nuisance	1	2
Soil Regulation	1	
Zoning		
TOTAL:	230	79
2016 TOTAL:	309	
2015 TOTAL:	588	

Inspections

Required by Fire Services Act

- New Business License 178
- Regular Inspections
- Follow up/Other 352 TOTAL: 11 541

(2015 – 477 Inspections)

Bylaw Complaints Reported

Zoning Bylaw Issues	71
Traffic Related	103
Noise	29
Unsightly Premises	9
Burning	18
Signage	3
Weeds/Trees	11
Dumping	10
Camping	13
Odor/Smell	5
Animals/Dogs	25
Short-Term Rentals/RV	
Overstays	2
Building	5
Misc (Trespassing, busking,	
fireworks)	13
Illegal suites	2
Buoys	8
2016 TOTAL:	327

Emergency & Fire Training

Recruit Class #6:

- Oct 2015 to Oct 2016
- 9 new recruits (3 per station)
- Firefighter Level 2 Certified (accredited)

Ice Rescue: Dive Rescue International (Regional program

- Recertification 20 members
- Initial Certification 12 members

Live Structure Fire Training: Vernon

- Live Burn facility contract for 3 sessions
- 34 members participated in one or more sessions

HazMat Operations: IAFF (ProBoard)

12 members Certified (accredited)

Pumps & Pumping Operations

4 members participated

Naloxone FMR Training (endorsement)

Entire Fire Department Licensed

Spring Training Seminar: Oliver

• 4 members attended (weekend)

Conferences / Workshops

- Fire Chiefs Association of BC (Windsor/Penner)
- Fire Prevention Officers of BC (DeGelder)
- Value Based Leadership (Windsor)
- Wildland Observation & Origin Scene Protection (Windsor)

Officer Training:

- Incident Safety Officer class of 21 officers & firefighters
- Incident Command Systems (Level 200) class of 12 firefighters & 14 municipal staff
- Incident Command Systems (Level 300) class of 5 officers & senior firefighters
- Fire Cause and Origin I (Investigation) 3 officers participated
- Company Inspections 5 officers participated
- New Vehicle Technology & Advance Extrication 2 firefighters participated
- First Medical Responder new FMR Instructor Certified through Canadian Red Cross
- Primary Care Paramedic Professional Day 5 members participated
- Fire Officer 1 Program Completion (Accredited Certification) – Ryan Murdain





Public Education

SAFE Program

Grade 3
Emphasis on Home Escape Planning

High School Junior Firefighters Program

(6) Grade 12 students participated







2017 Objectives

Protective Services – Emergency & Fire & Bylaw Enforcement

Bylaw Enforcement Review	Measure	Target
Undertake a review directed by Council on whether to move from a	 Review 	2017
complaint driven system to a more active enforcement based program.	presented	
Firehall Business Case	Measure	Target
Present a business case to the community for the construction of Station	 Community 	2017
71 Winfield.	informed &	
	engaged	
Computer Mapping (CAD)	Measure	Target
Installation of mobile CAD program to connect dispatch maps to fire	 Installation of 	Multi-year
vehicles	programs	project
Officer Training	Measure	Target
Increase the level of training for the fire department officer pool to meet	 Training 	2017
the Provincial playbook requirements. In addition continue to support	scheduled	
Emergency Management training for municipal staff to meet our		
commitment to regional emergency preparation.		
Emergency Preparedness Training	Measure	Target
This program trains District staff to be able to work at the Emergency	 Continue 	Multi-year
Operations Centre (EOC) as part of the regional staffing commitment.	training	project



Royal Canadian Mounted Police 2016 Achievements

Staffing Levels

Throughout the majority of 2016 RCMP staffing levels for the detachment were eleven (11) regular members. This includes eight (8) Constables (includes the school resource officer role), two (2) Corporals and the Detachment Commander Sergeant. The three Police Clerk positions are part of the District of Lake Country municipal staff.



Lake Country File Counts

- 1) Last quarter file count down 3% (1139 from 1174)
- 2) 2016 files up slightly from 2015 (1.5%)
- 3) Last quarter prisoner count up 12% (9 from 8)



Royal Canadian Mounted Police 2016 Achievements

The following are continuing priorities for the District of Lake Country Detachment:

Crime Reduction

Steps were taken to reduce crime by focusing efforts on the right chronic and/or prolific offenders. The goal is to reduce property crime by 5%; reduce total reported criminal code offences by 5%; and reduce overall reported incidents of violent crime by 5%. The results were Criminal Code offences were down 25% from Q2 of 2015. At the time of reporting in November 2016, the following statistical report was provided: six (6) individuals under curfew conditions; two (2) individuals under reporting conditions; six (6) individuals charges with breaching their conditions; property crime up 7% from Q2 of 2016 (theft from homes under construction/theft form vehicles); individual located/arrested due to a report of a prowler surfing vehicles – found to be in possession of break and enter instruments and stolen property recovered, with charges pending.

Road Safety

Traffic enforcement and motor vehicle-related issues remain a high priority for Lake Country with the goal of reducing the number of motor vehicle accidents and fatalities associated with alcohol with the following goals: to reduce fatal collisions by 5%; reduce alcohol-related fatal collisions by 5%, and reduce serious injury collisions by 5%.

There were a total of 55 collisions (44 non-injury / 11 injury) in Q2 which is down 12%. The following results were reported:

- 17 individuals issued 90 day Immediate Roadside Prohibitions (Fail/Refuse/Warn)
- 4 Impaired Operation of a Motor Vehicle
- 3 individuals issued 24 hour driving prohibitions for drugs or alcohol
- 3 individuals charged with excessive speeding.

Boat Safety

Results:

- 40 inspections conducted on Wood, Kalamalka and Okanagan lakes
- Poor compliance: 37 found to be in contravention.

Reduced files associated to Domestic Violence

Results:

- Domestic disputes in Q2 down 58%
- Spousal assaults in Q2 up 14% (one file).

Citizens on Patrol

Q2: patrols were active 9 dates for 29.5 patrol hours and 65.5 administrative hours, logging 767 kms; and working 18.5 hours for Canada Day special event.

Hiring

In 2016 a municipal employee was hired part-time in the role of Exhibit Custodian to free up a regular member to focus on operational duties.

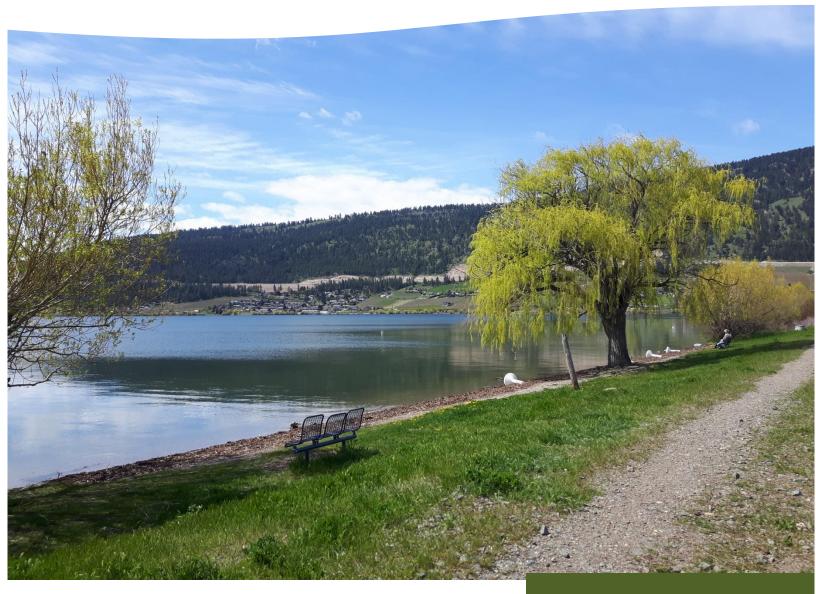
Royal Canadian Mounted Police 2017 Objectives

Crime Reduction	Measure	Target
RCMP will engage with community partners to reduce crime: Reduce property crime by 5% Reduce total reported criminal code offences by 5%	Measurable statistics	2017
 Reduce total reported criminal code offences by 5% Reduce overall reported incidents of violent crime by 5% 		
Road Safety	Measure	Target
 Continue in advances in support of road safety: Reduce fatal collisions by 5% Reduce alcohol-related fatal collisions by 5% Reduce serious injury collisions by 5% 	 Measurable statistics showing reduction of collisions 	2017
Reduce files associated with domestic violence	Measure	Target
Collaborate with Community Stakeholders to reduce incidents of domestic violence: Reduce the number of repeat offenders by 5% Reduce the number of partner-related assaults by 5%	Reduction in repeat offences	2017





Life. The Okanagan Way.



The Engineering & Environmental Services Department works on various special projects with other neighbouring jurisdictions; provides engineering and technical expertise to the Community Services department and oversees the application of District bylaws for subdivisions and developments; works with the Regional District and neighbouring municipalities for operations of solid waste, recycling and transit services.

Staff includes: a Director of Engineering & Environmental Services, an Engineering Technician II and a clerk.

Engineering & Environmental Services

Engineering and Environmental Services

Provided Community services with referral responses for over 124 files including 47 development permit and 13 subdivision files – an increase of over 35% from 2015.

Major construction and subdivision servicing projects included:

- The Lakes final Phases 9 and 10 and Cadence at The Lakes Phase 4;
- The Uplands subdivision on Chase Road; and
- Construction began on Tyndall Road and Lakestone Phase 3 The Benchlands.

Okanagan Rail Corridor

Purchase of the Okanagan Rail Corridor was finalized on June 1, 2015 by the District of Lake Country, the City of

Kelowna, and the Regional District of North Okanagan. As a condition of the sale CN was responsible for track removal and environmental site remediation. Removal of the rail was completed in 2016; and planning for the development of the rail corridor continues through the District's participation in the Inter-Jurisdictional Development Team along with the City of Kelowna, the Okanagan Indian Band and the Regional District of North Okanagan. Contingent on funding, the first goal is to establish a basic, continuous gravel trail along the length of the corridor with work beginning as early as Spring 2018.

Community input was gathered for the initial phase of trail development and plans were made so additional feedback collected from the engagement process will be retained for future reference, for use in any future planning and development of the rail trail corridor. Residents were invited to review the concept and give their feedback. Staff were on hand to answer questions regarding the design and provide an opportunity for input during the following public information opportunities:

"The intention is to develop the corridor in phases, with the initial phase being construction of a gravel trail with road crossings, signage, fencing, and barriers to provide a basic level of safe and accessible use by pedestrians and cyclists," said Andrew Gibbs, Inter-jurisdictional Development Team Project Manager.

Monday Mar. 14

4 – 6:30 p.m. Oyama Community Hall, 15710 Oyama Rd. District of Lake Country

Tuesday Mar. 15

4 – 6:30 p.m. Parkinson Recreation Centre, 1800 Parkinson Way City of Kelowna

Wednesday Mar. 16

4 – 6 p.m. Winfield Memorial Hall, 10130 Bottom Wood Lake Rd. Okanagan Indian Band

Thursday Mar. 17

4 – 6:30 p.m. Coldstream Municipal Hall, 9901 Kalamalka Rd. District of Coldstream



Engineering and Environmental Services

Pelmewash Parkway

From even before the opening of the new Highway 97 alignment in August 2013, negotiations have been going on with the provincial Ministry of Transportation and Infrastructure for the transfer of the "old highway" now known as Pelmewash Parkway to the ownership and control of the municipality.

Negotiations were ongoing through 2016 and progress was made toward the planned turn-over of ownership in 2018.



Subdivision and Development Servicing **Bylaw Update**

The Subdivision and Development Servicing Bylaw ensures that new development is appropriately serviced and meets the District's requirements for infrastructure and objectives as outlined in documents such as the Zoning Bylaw and Official Community Plan.

The Engineering and Environmental Services Department has continued to work to update and revise the Subdivision and Servicing Bylaw to ensure it is current with regard to standards and technologies. The Bylaw was completed December 2016.

Blasting Bylaw

857 (Nuisance Bylaw), 2013.

Council adopted Blasting Bylaw 965, 2016 setting out regulations for blasting in Lake Country. Blasting permits can be issued for 90-days and require a pre-blast survey, notifications and reporting. Council also put fines of \$500 in place for failing to comply with the bylaw by adopting MTI Amendment Bylaw 966, 2016 and Bylaw Notice Enforcement Amendment Bylaw 967, 2016.

Blasting activities will be restricted to between 8:30 a.m. and 4:30 p.m. Monday to Friday (excluding holidays), with violation penalties upon

conviction reaching up to \$10,000. In addition, the property owner must indemnify and defend the municipality against any legal claims arising from blasting activities on their property. Blasting operations must be posted and neighbours notified of blasting activity. The District of Lake Country's Blasting Bylaw has been developed in compliance with the Provincial legislation surrounding the Occupational Health and Safety Act (2010) that outlines

the best practices for blasting to ensure the safety of employees on the construction site through guidelines formed by WorkSafeBC. The bylaw also falls under s.8 and s.15 of the Community Charter and follows local regulation Bylaw

Blasting can allow for the creation of new areas of development but must be monitored by engineers, blasters, regulators, and project supervisors in order to maintain the stability of the earth where they are excavating," said Michael Mercer, Director of Engineering and Environmental Services. "If not supervised and regulated, complaints of vibrations and instability of preexisting foundations of structures on neighbouring properties occur."

2017 Objectives

Engineering and Environmental Services

Okanagan Rail Corridor	Measure	Target
Continue to work with the Inter-jurisdictional Development Team to facilitate the development of the discontinued Rail Corridor.	16km of the Okanagan Rail Corridor within the Lake Country boundaries developed in collaboration with partners	2017
Pelmewash Parkway	Measure	Target
Continue to negotiate to reach a conclusion in the transfer of Pelmewash Parkway from the ownership and control of the provincial government Ministry of Transportation and Infrastructure to the District of Lake Country.	District ownership of Pelmewash Parkway	2018
Evans Road Rail Corridor Crossing	Measure	Target
A detailed design for crossing the rail corridor at Evans Road will be undertaken in 2017.	Design new crossing	2017
Moberly Road Water System Local Service Area	Measure	Target
Establish Local Service Area and interconnect with District water distribution system	Establishment of Local Service Area Bylaw	2017
Upland Reservoir Analysis	Measure	Target
Analysis and review of the upland dams.	Consultant Report and recommendations	2017
Highway Access and Driveway Regulation Bylaw	Measure	Target
Review and update of current bylaw.	Amended bylaw	2017
Highways and Traffic Regulation Bylaw	Measure	Target
Review and update of current bylaw	Amended bylaw	2017





Life. The Okanagan Way.



The Community Services Department is responsible for ensuring that the community develops gracefully by providing all planning, policy, building inspection, sustainability, economic development, subdivision, and development approval services, including: official community plan amendment, zoning amendment, soil removal, temporary use permits and Agricultural Land Reserve applications. This team is also responsible for Business Licensing and support for the Agricultural Advisory Committee and Economic Development and Tourism Committee. The Department consists of a Director, Community Development Manager, two Planners, one Development Services Technical Clerk, Chief Building Inspector, a Building Inspector, Plan Checker, a Development Services Clerk and a Building Clerk.

Community Services

Community Services

Tourism Strategy

A new Tourism Strategy was developed for Lake Country recognizing the role that tourism plays in the local economy. The project engaged stakeholders and provided solid direction to expand this sector.

Visitor Information Centre Contract

A multi-year contract was renewed with TLC Management for delivering the Visitor Information Centre services both from a static location at Gatzke Orchards and kiosk location on Main Street near the entrance to Kangaroo Creek Farm.

Fibre Optic Network

TELUS announced an investment of more than \$14.5 million to connect more than 90 per cent of homes and businesses in Lake Country directly to its fibre optic network. Construction work began in the fall of 2016, and TELUS anticipates connecting all homes and businesses before the end of 2017.

Once the build is complete, Lake Country residents and businesses on TELUS PureFibre will have access to TELUS' first-ever symmetrical 150 Mbps Internet plan, offering customers lightning-fast download and upload speeds of 150 Mbps. TELUS has made significant investments to bring fibre directly to the doorsteps of homes, businesses, schools and hospitals in all major Okanagan communities from Vernon to Osoyoos, making the Okanagan region home to the most technologically advanced network in Western Canada.

Lake Country Recognized for Reducing Corporate Greenhouse Gas Emissions

Lake Country was awarded Level 2 recognition by the Joint Provincial UBCM Green Communities Committee for its achievements in reducing corporate greenhouse gas emissions for the 2015 reporting year.

Lake Country signed the Climate Action Charter in 2007 making a commitment to work with the Province and UBCM to take action on climate change and reduce greenhouse gas emissions in the community and corporate operations. Lake Country demonstrated progress on fulfilling the commitments in the Charter. The Level 2 award recognizes the District's completion of a corporate carbon inventory and familiarity with the Community Energy and Emissions Inventory (CEEI).

By reducing or offsetting municipal carbon emissions, Lake Country intends to provide an example of how municipal carbon neutrality can become a reality, and by doing the right thing can also position themselves for continued senior government grants. "Our plan has allowed us to inventory all aspects of the municipal operation over time, identify cost saving areas and historic trends, as well as focus on those facilities needing the most attention," says Mayor James Baker.

Open for Business Award

Lake Country was recognized as one of the most Open for Business communities in British Columbia. During the Union of British Columbia Municipalities (UBCM) 2016 Conference in Victoria, Mayor James Baker received the prestigious Open for Business Award from Minister for Small Business and Red Tape Reduction Coralee Oakes.



Community Services

Highest Construction Year in Lake Country History

In 2016 all previous construction records were surpassed – with a total construction value of \$92.8 million.

On average since incorporation, there have been 76 single family residences built each year, but in 2016 there were 142 alone, plus 47 new secondary suites.

Citizens of Lake Country can expect to participate more in defining the long range vision for the community during 2017 through the ongoing Parks and Recreation Master Plan as well as an Official Community Plan update. These overarching plans ensure community livability is enhanced and growth and development are managed in a sustainable way to include the amenities that Lake Country residents want to enjoy long into the future.

"Lake Country was one of the first municipalities in the Okanagan valley a few years ago to approve registered secondary suite development zones to support a diversity of housing needs in the community," said Mark Koch, Director of Community

Services. "Council is very interested in making sure the housing in Lake Country is accessible to a wider range of neonle at all stages of their life."

Development Process Application/Guides

Streamlining the process of developing land in Lake Country, a series of Development Process Applications/Guides were compiled to walk property owners through the application process to achieve their development vision.

Okanagan Rail Corridor Land Strategy

With the purchase of the Okanagan Rail Corridor lands through Lake Country, Council sought to identify non-core areas/excess lands that could be sold.



2017 Objectives

Community Services

Official Community Plan – Community Engagement	Measure	Target
A series of community events will be undertaken to engage the community in providing input into the Official Community Plan update.	 Community Engagement on OCP update 	2017
Glenmore Industrial Lands Development Strategy	Measure	Target
Assess new road alignment feasibility for industrial lands near the Glenmore transportation corridor	 Review roads for development of industrial lands 	2017
Dock Licensing Review	Measure	Target
Review the current process for licensing docks to update it to better serve the community's needs.	 Update dock licensing process 	2017
Short Term Rentals Policy Review	Measure	Target
Council is exploring options to appropriately provide short term rentals in the community. Staff will provide a review of policy options for consideration.	Implement needed changes	2017
Public Land Strategy	Measure	Target
Review all community lands to determine future needs for infrastructure, parks, recreation and other community needs.	Identify public land use needs	2017
Lakestone Master Plan Update		
Review and update Lakestone Master Plan with minor adjustments and continuity in maintaining the same density.	Update plan	2017
Housing Needs Assessment		
Assess the housing market in Lake Country to establish a baseline for future strategic housing initiatives.	 Complete assessment 	2017
Business Licensing Bylaw		
Draft a new Business Licensing Bylaw and Fees structure to reflect community values and integrate innovative economic development policy.	Rewrite and adopt a new bylaw	2017
Tourism Accommodation Study		
Study the local tourism accommodation market to understand what tourism accommodation product is most feasible for Lake Country to attract and retain.	Complete the study	2017
Vacation Rental Policy		
Develop a policy framework to regulate vacation rentals in the community.	Engage community & provide policy advice to Council	2017
Farm Worker Housing		
Assess the policy work completed in surrounding communities and engage local stakeholders to provide advice on the matter to Council.	Report to Council	2017
Boating Impact Study – in collaboration with OCCP		
To determine the impact that boats may be having on Kalamalka and Wood Lake source waters & devise strategies to support the report's recommendations.	 Strategies developed for implementation 	2017
Regional Growth Strategy Implementation Strategy w/partners		
In collaboration with CORD and regional partners develop an implementation strategy for RGS recommendations	Develop plan for implementation 2016 Appual Repo	2017



Life. The Okanagan Way.



The Infrastructure Services Department encompasses five main areas: water, roads, sewer, parks, and drainage. The Infrastructure Services team is responsible for roads & traffic control, sewer, water systems quality and conservation, drainage and street lighting, parks and facilities. The largest department in the organization consists of a Director, a Roads Superintendent, Utility Superintendent, Parks & Facilities Superintendent, Water Quality Technician, Utility Operators (5), Engineering Technicians (3), Public Works Operators (3), Parks & Facilities Crew Leader, Parks & Facilities Operators (4), Gardener, and Clerks (2) as well as seasonal Skate Patrol/cashier, Water Quality Assistant, and summer student positions.

Infrastructure Services

Infrastructure Services

New Playground at Pioneer Park

Pioneer Park in Oyama got a facelift and new playground funded by a \$35,000 provincial grant. Kelowna-Lake Country MLA Norm Letnick joined Mayor James Baker and Lake Country Council members, staff and community members to celebrate the completion of the park upgrades July 12th, 2016.

"The Infrastructure Services staff worked together to deliver an outstanding playground for families in Oyama," said Mayor James Baker. "The location at the south end of Kalamalka Lake is beautiful and now the park is more animated for use by families with young children."



Universal Water Metering

Universal metering was approved by Council as part of the Water Master Plan in 2012 after an extensive public consultation process. In 2014 the first phase of water meter installations occurred in the Oyama area, focusing on irrigation connections. In 2015-2016 the second phase was focused on installing water meters on all residential services connected to the Lake Country water system. It also included upgrading the existing meters to make them compatible with the District's new reading system, and completing irrigation installations. Council approved \$1.5 million dollars for this phase, funded from within the existing general water revenues and revenues generated from the Eldorado micro-hydro generation facility.

The benefits of water metering are numerous:

- Metering has been shown to reduce consumption by 15% to 30%;
- Those that use less and conserve water will pay less, compared to those that don't;
- When a community uses less water, future water infrastructure upgrades can be reduced and deferred, saving rate payers money in the long term; and
- With better information, the District can more quickly identify and control leaks.

Newly-metered customers will be charged based on their consumption in 2017 after the 2016 one year 'mock billing' cycle. Water rate increases identified through the Water Master Plan are to be fully implemented by 2017 – after which rates are expected to remain stable. Initiatives, such as universal metering, detailed in the Water Master Plan will ensure Lake Country's water system can support our growing community and is resilient to future climate and regulatory changes.

Infrastructure Services

Parks and Recreation Master Plan

The Master Plan will guide planning and decision making related to parks and recreation for the next 20 years. Residents' input on parks and recreation spaces, facilities, trails, programs and services offered by the District of Lake Country was collected to help the municipality make important decisions on future community investment.

A multi-faceted public engagement process through 2015-2016 garnered significant input from citizens of all ages by using a mobile kiosk approach at various public events and the high school, using social media and traditional media as well as stakeholder workshops.

Bike Lockers

Using the work of local artist, Sheila Tansey, two new bike lockers in Lake Country are now decked out as public art that promote active transportation. As the road upgrades identified in Lake Country's *Transportation for Tomorrow* program are made to include more safe pedestrian pathways, sidewalks and bike lanes, it is hoped that more people in the community will choose to get around using active transportation methods like walking and cycling, and will feel safer doing it. Woodsdale Rd., Bottom Wood Lake Rd., Sherman Dr. and Greenhow Rd. were upgraded during the 2016 summer so students heading to school in September would notice a positive difference.

"We now have the best looking bike lockers in the region and we want to encourage more people to get out of cars and walk or cycle," said Director of Infrastructure Services, Greg Buchholz. "When they drive by the new bike locker at the roundabout at Bottom Wood Lake Rd and Berry Rd, by the bus stop, we hope people will think about using a more active form of transportation like walking or cycling to get around the community."



Infrastructure Services

Water Conservation

Through increased public outreach and information sharing – via Okanagan Basin Water board (OBWB) Make Water Work campaign – work is ongoing to achieve widespread adoption of a conservation ethic regarding water use. Additionally, implementation of Universal Water Metering in Lake Country will contribute to conservation of water based on the user pay principle wherein households that use less water will pay less on their quarterly utility bill.

Transportation for Tomorrow

The Transportation for Tomorrow plan presents an affordable solution for the implementation and sustainability of the District's transportation vision focusing on roadway infrastructure and its importance for not only vehicles but pedestrians, cyclists, accessibility and transit users alike. The plan addresses three areas of focus that are key to keeping our roads serviceable.

- 1) Maintenance: required to ensure they are safe and passable.
- 2) Renewal: as they won't last forever.
- 3) Improvements: to meet our community vision of providing safe alternatives to cars.

After two months of reviewing and discussing funding options, Council made a decision in December 2015 to implement a funding strategy over the next four years that included an ongoing \$125 parcel tax to every property that started in 2016 which will be supplemented with consecutive property tax increases of up to a maximum of 1.83% which equates to approximately \$35 per household with an average assessment value of \$500,000 per year in the following three years.

The **Transportation for Tomorrow** 20 year plan for 'getting around Lake Country in safe and enjoyable ways' sets the framework for street improvements. During 2016 important projects were delivered with a focus on providing safe routes to schools and connecting neighbourhoods as follows:

- 1) Woodsdale Road Street Improvements (April to July)
 - (Seymour Rd to Bottom Wood Lake Rd)
 - New paved pedestrian pathways with traffic separation
 - New dedicated cycle lanes
 - Upgrade of road and drainage systems
 - Installation of new sewer force main and Seymour Rd lift station
- Bottom Wood Lake Road Street Improvements (June to September)
 - (Lodge Rd to Berry Rd)
 - Construction of new pedestrian pathways with street lighting
 - New dedicated cycle lanes
 - Road and drainage upgrades
 - New Taiji Ct intersection
- 3) Sherman Drive Street Improvements (July to September)
 - New pedestrian pathway
 - New cycle lanes on uphill side of road
 - Road and drainage upgrades and landscaping
- 4) Greenhow Road Street Improvements (July to September)
 - New pedestrian pathway
 - Road and drainage upgrades



2017 Objectives

Infrastructure Services

Parks and Recreation Master Plan Report	Measure	Target
Comprehensive Master Plan document that will guide the provision of parks and recreational services over the next 20 years.	 Report with Master Plan document to Council 	2017
Universal Water Metering	Measure	Target
Universal water metering is the second priority within the Water Master Plan. From 2015-2016 farms, homes and businesses in the District of Lake Country were supplied with a water meter and mock bills were sent out quarterly during 2016 showing customers their actual consumption and what their bill would be if they were paying based on the metered rate. Meters measure water use, which is essential information for making sound management decisions and environmental stewardship. In 2017 all customers will be billed based on actual metered consumption.	All District water customers billed based on metered consumption	2017
Liquid Waste Management Plan Amendment Update	Measure	Target
The District has been going through the process of updating and revising its LWMP to chart the course of future action with respect to stormwater and other wastewaters, including the management, collection, treatment and return of effluent to the environment. The focus during 2017 will be to find a solution for effluent disposal.	Complete LWMP Amendment update	2017
Glenmore Interchange Functional Design	Measure	Target
Review road alignment feasibility for development of industrial area	Functional design prepared	2017
Pelmewash Parkway Design		
Design Pelmewash Parkway to refurbish and improve the corridor to realize the full potential not only as a transportation network to connect the community, but also as a linear park.	Design prepared	2017
Wastewater Operations/Management	Measure	Target
Service delivery assessment of wastewater operations and management will continue to consider the cost/benefit of internal vs contracted services and determine how to deliver the service in the future. Council decisions based on recommendations of the assessment will begin to be implemented in 2017.	 Service delivery review complete and recommendations implemented 	2017

2017 Objectives

Infrastructure Services

Transportation for Tomorrow	Measure	Target
The Transportation for Tomorrow 20 year plan for 'getting around Lake Country in safe and enjoyable ways' sets the framework for street improvements. During 2017 important projects will be delivered with a focus on providing safe routes to schools and connecting neighbourhoods as follows: 1) Oceola Road (April to September)	 Road upgrade projects complete 	2017
 New paved pedestrian pathways with traffic separation New dedicated cycle lanes Upgrade of road and drainage systems Landscaping 		





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This report, provided by the Chief Financial Officer, summarizes the District of Lake Country's 2016 operating and capital results, as well as provides an analysis on reserves and outstanding debt.

This report is intended to be read in conjunction with, and as a supplement to, the Annual Financial Statements.

Report from the Office of the Chief Financial Officer

Report from the Chief Financial Officer

May 18, 2016

To Mayor Baker and Members of Council:

I am pleased to present the District of Lake Country's 2016 Annual Report, which includes the District's audited 2016 financial statements and statistical information.

The 2016 financial statements have been prepared by District staff pursuant to Section 167 of the Community Charter and are the responsibility of management. Management's responsibilities also include maintaining a system of internal controls for financial statement reliability purposes and for the protection of the District's assets. The financial statements have been prepared in accordance with generally accepted accounting principles for local governments, as established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

Grant Thornton LLP, the District's independent external auditors, have examined the District's financial statements in accordance with generally accepted auditing standards. In their opinion, as expressed in their audit report, the District's financial statements present fairly in all material respects the financial position of the District of Lake Country as at December 31, 2016, and the results of operations and cash flows for the year then ended.

In compliance with PSAS, the following financial statements were presented for Council's review at a meeting of Council May 9, 2017.

Statement of Financial Position

Some items that are unique to PSAS financial reporting are as follows:

- Separation of financial assets and non-financial assets in typical financial statements of a business, a balance sheet is separated into three main categories assets, liabilities and shareholders' equity. In public sector financial statements, total assets are not specifically presented. Assets are separated between "financial" assets and "non-financial" assets:
 - <u>Financial Assets</u> are assets that generate cash flow and can be used to repay liabilities. Financial Assets include cash and cash equivalents and accounts receivables.
 - Non-Financial Assets generally do not provide cash flow and include tangible capital assets and other assets that are utilized on a continuing basis for public purposes having a useful life beyond one year. These assets are reflected at net book value (initial cost less amortization to date) and not intended to be sold in the normal course of operations.
- **Net Debt or Net Financial Assets** With this separation of financial assets and non-financial assets, a performance measure unique to public sector financial statements results. The difference between financial assets and liabilities either reflects a "net debt" or "net financial asset" position.
 - Net Debt A net debt position indicates the extent that debt and other liabilities have been taken on by the municipality to fund the delivery of services, investments in tangible capital assets and other transactions. Future revenue streams need to contemplate the requirement to repay debt obligations as they come due based on established repayment terms. In 2015 the District was in a Net debt position of \$(1,573,953).

- Net Financial Assets A net financial asset position indicates the extent that net financial resources are available to fund future operations and spending. In 2016 the District had moved to a net financial asset position of \$3,840,080. This is due to repayment of debt and an increase in cash and cash equivalents due to the surplus that was recognized in 2016. As well, not as much capital was completed as has been budgeted for, resulting in excess cash at year end.
- The net debt and net financial assets will fluctuate from year to year depending on how much is spent on capital and how much surplus is recognized. However, the District should see a net financial asset position more as the reserves are held in line with the Reserve Policy adopted by Council.
- Accumulated Surplus or Deficit the accumulated sum of non-financial assets and net financial assets. The
 District is in a "surplus" position. The surplus position reflects that net financial and physical resources are
 available to provide future services. In the event that an entity would be in a net deficit position, this would
 reflect that future revenues are required to finance historical operations.

Statement of Operations and Accumulated Surplus

This statement provides the budgeted and actual revenues and expenses of the District for the fiscal year. Revenues are presented by their sources of funds (i.e. taxation, user fees, government transfers, etc.) Expenses are presented by function or major program (i.e. Protective services, Water, sewer, etc.) The accumulated surplus represents the accumulated results experienced by the City over the years.

2016 revenues were in excess of budget by \$5.4M or 20% (Actual - \$31.7M – Budget \$26.3M) due to the following:

- Sale of Services revenue in excess of budget by approximately \$386K due to arena, theatre, recreation and garbage revenues higher than expected, as well as water capital expenditure charge revenue higher than budgeted due to the large amount of development in 2016
- Permits & licences revenues in excess of budget by approximately \$715K due to the excess of building permit revenue over budget
- Government transfers less than budget by \$801K due to the water meter project being incomplete and funding for that project not yet recognized.
- Developer contributions far exceeded budget by approximately \$4.5M due the large amount of development in the District and the transfer of the assets from the developers to the District related to that development (roads, sidewalks, utility infrastructure etc.)
- Other revenue was \$335K above budgeted due to the sale of some land in the District.

2016 expenses were \$373K or 1.9% less than budgeted (\$20M budgeted and \$19.6M actual).

2016 Expenses Budget to Actual							
				%			
Expenses	Budget	Actual	\$ Difference	Difference	Explanation		
General Government services	2,277,650	2,416,380	(138,730)	6.1%	additional unbudgeted wage payouts		
Protective services	3,325,980	3,152,718	173,262	-5.2%	savings in RCMP budget		
					amortization was more than budgeted		
					due to the addition of all the developer		
					contributed assets that do have		
					amortization in the first year of		
Transportation servicess	3,911,590	4,063,207	(151,617)	3.9%	acquisition		
					incomplete projects at year end that		
Community services	1,205,595	1,059,391	146,204	-12.1%	resulted in carryforwards (OCP etc.)		
					additional expenses for staff etc. offset		
					by the additional revenues recognized		
Parks and recreation services	2,477,495	2,636,116	(158,621)	6.4%	above		
					water systems maintenance under		
Water services	2,887,057	2,515,110	371,947	-12.9%	budget		
Sewer services	1,660,556	1,527,398	133,158	-8.0%	sewer maintenance costs under budget		

Statement of Changes in Net Debt

Explains the changes in net debt, reconciling the opening to the closing balance of net debt reported in the Statement of Financial Position.

Statement of Cash Flows

Explains the changes to cash and cash equivalents, reconciling the opening to the closing balance of cash and cash equivalents reported in the Statement of Financial Position.

Notes to Financial Statements and Schedules

Provides further details on information provided in the financial statements noted above.

Schedule 1 – Schedule of Tangible Capital Assets

Summary of changes to the net book value of all District tangible capital assets and work in progress held by category.

<u>Schedule 2 – Schedule of Accumulated Surplus</u>

Summary of changes to reserves as well as the net investment in tangible capital assets.

Schedule 3 – Schedule of Segment Disclosure

Further details of the use of financial resources (revenue and expenses) by the District by function or segment.

APPLICABLE POLICIES AND LEGISLATION:

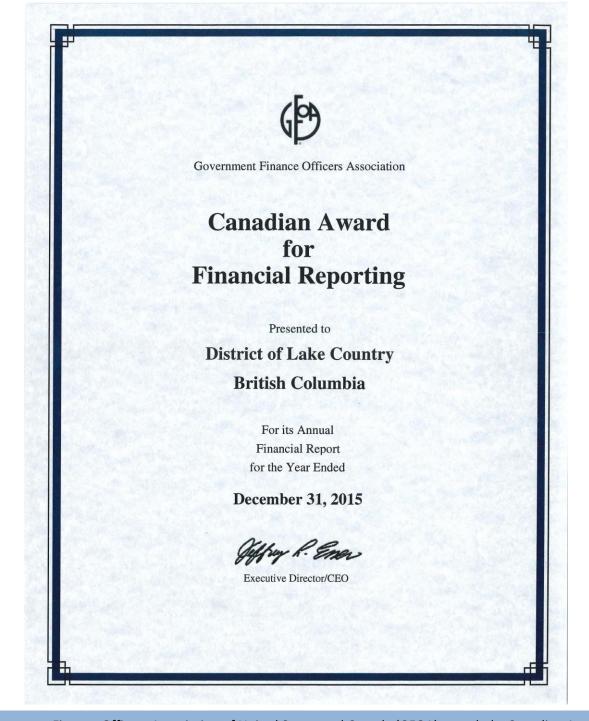
Section 167 if the Community Charter describes the financial reporting requirements for local governments. Municipal financial statements for a fiscal year must be prepared by the Financial Officer and presented to Council for its acceptance. The financial statements are to be submitted to the Inspector of Municipalities by May 15th of the year following the end of the fiscal year.

Respectfully Submitted,

Janya Gerest

Tanya Garost, CPA, CA Chief Financial Officer

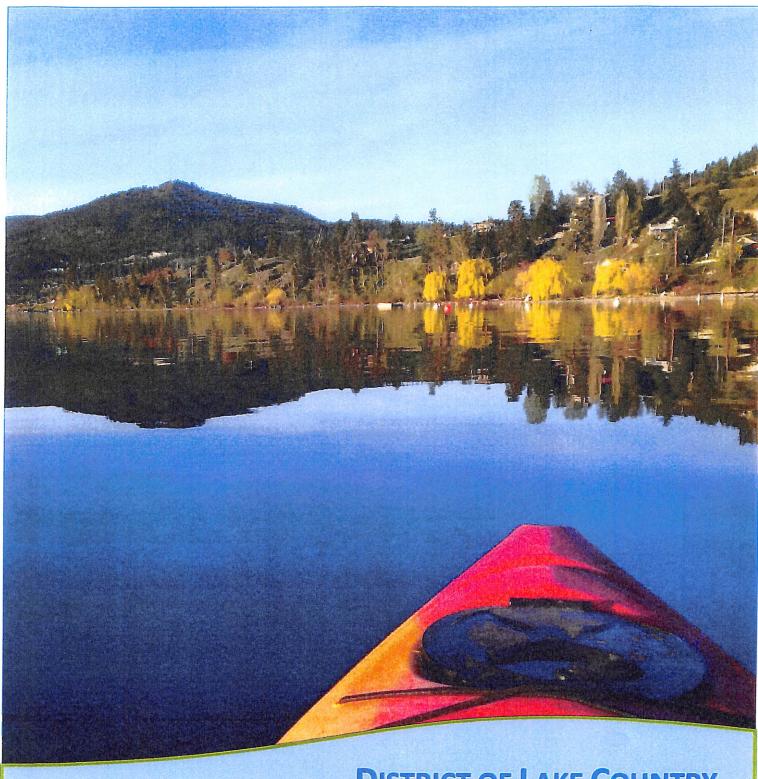
District of Lake Country



The Government Finance Officers Association of United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the District of Lake Country for its annual financial report for the fiscal year ended December 31, 2015. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technician guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to the program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to the GFOA.





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DISTRICT OF LAKE COUNTRY 2016 **FINANCIAL STATEMENTS**





Municipal Hall
Finance Department
10150 Bottom Wood Lake Road
Lake Country, BC V4V 2M1
Tel: 250-766-5650
Fax: 250-766-0116

May 9, 2017

The Mayor and Council District of Lake Country

Mayor Baker and Council:

In accordance with Section 167 of the Community Charter, I am pleased to present the 2016 Annual Financial Statements of the District of Lake Country for the fiscal year ended December 31, 2016. These statements include the Independent Auditors' Report, the financial statements and the notes and schedules to the financial statements for the District of Lake Country.

The financial statements for the year ended December 31, 2016 were prepared by the District in accordance with Canadian Public Sector Accounting Standards. The integrity and objectivity of these statements are management's responsibility. Management is also responsible for implementing and maintaining a system of good internal controls to safeguard the District's assets and to provide reasonable assurance that reliable and consistent financial information is provided.

Council is responsible for ensuring management fulfills its responsibility for financial reporting and internal control.

The auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion regarding the Annual Financial Statements. The audit was planned and performed to obtain reasonable assurance as to whether the financial statements are free from material error or misstatement.

The District strives to ensure that services are effectively and efficiently delivered to meet Council's and the community's goals and vision. The District is committed to providing sound financial management and long-term strategic planning to achieve these objectives.

Respectfully submitted,

Tanya Garost, CPA, CA Chief Financial Officer

Janya Gerest



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Independent auditors' report

Grant Thornton LLP 200 - 1633 Ellis Street Kelowna BC V1Y 2A8

T (250) 712-6800 (800) 661-4244 (Toll Free) F (250) 712-6850 www.GrantThornton.ca

To the members of Council of the District of Lake Country

We have audited the accompanying financial statements of the District of Lake Country ("the District"), which comprise the statement of financial position as at December 31, 2016, and the statement of operations and accumulated surplus, the statement of changes in net assets and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditors' responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

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

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

Opinior

In our opinion, the financial statements present fairly, in all material respects, the financial position of the District of Lake Country as at December 31, 2016, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Kelowna, Canada May 9, 2017 Great Thornton LLP
Chartered Professional Accountants

Audit • Tax • Advisory
Grant Thornton LLP. A Canadian Member of Grant Thornton International Ltd

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December 31, 2016

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Statement of Financial Position

As at December 31	2016	2015
Financial assets		
Cash and cash equivalents (Note 3)	\$ 22,741,442	\$ 17,304,357
Accounts receivable (Note 4)	4,654,964	3,877,878
	27,396,406	21,182,235
Liabilities		
Accounts payable and accrued liabilities (Note 5)	2,443,005	2,123,673
Security deposits	3,941,474	2,912,815
Deferred revenue (Note 6)	1,281,647	1,172,233
Restricted revenue (Note 7)	4,727,327	4,178,579
Long-term debt (Note 8)	11,162,873	12,368,888
	23,556,326	22,756,188
Net financial assets (debt)	3,840,080	(1,573,953)
Non-financial assets		
Tangible capital assets (Schedule 1)	125,679,318	118,973,851
Accumulated surplus (Schedule 2)	\$ 129,519,398	\$ 117,399,898

Contingent liabilities and commitments (Note 9)

Tanya Garost, CPA, CA Chief Financial Officer James Baker Mayor

Statement of Operations and Accumulated Surplus

For the year ended December 31	2016 Budget	2016 Budget 2016 Actual	
Revenue			
Taxation (Note 10)	\$ 12,868,920	\$ 12,862,902	\$ 11,659,707
Utility revenues	4,282,122	4,378,676	4,026,799
Services provided to other governments	662,129	708,023	655,713
Sale of services	2,599,310	2,984,831	2,607,783
Permits & licences	661,600	1,377,013	1,038,624
Interest on Investments	531,060	593,542	574,867
Government transfers (Note 11)	2,604,001	1,802,712	1,321,902
Developer contributions	1,743,458	6,285,559	3,068,747
Other revenue	392,501	727,621	250,490
	26,345,101	31,720,879	25,204,632
Expenses			
General government services	2,277,650	2,416,380	2,065,821
Protective services	3,325,980	3,152,718	3,035,750
Transportation services	3,911,590	4,063,207	4,238,606
Environmental services	1,339,850	1,351,201	959,846
Community services	1,205,595	1,059,391	1,006,228
Parks and recreation services	2,477,495	2,636,116	2,373,243
Water services	2,887,057	2,515,110	2,391,520
Sewer services	1,660,556	1,527,398	1,524,858
Interest expense	889,003	879,858	843,738
	19,974,776	19,601,379	18,439,610
Annual surplus	6,370,325	12,119,500	6,765,022
Accumulated surplus, beginning of year	117,399,898	117,399,898	110,634,876
Accumulated surplus, end of year	\$ 123,770,223	\$ 129,519,398	\$ 117,399,898

Statement of Changes in Net Financial Assets

For the Year Ended December 31		2016 Budget	:	2016 Actual	2015 Actual	
Unrestricted annual surplus		6,370,325	\$	12,119,500	\$	6,765,022
Acquisition of tangible capital assets		(8,231,380)		(5,379,953)		(8,117,562)
Developer contribution of tangible capital assets		-		(4,478,491)		(1,683,199)
Amortization of tangible capital assets		2,919,730		3,125,232		2,984,954
Net gain on disposal of tangible capital assets		-		(442,398)		(255)
Proceeds from disposal of tangible capital assets		192,300		470,143		7,255
Decrease/(increase) in net debt		1,250,975		5,414,033		(43,785)
Net financial debt, beginning of year		(1,573,953)		(1,573,953)	_	(1,530,168)
Net financial assets (debt), end of year	\$	(322,978)	\$	3,840,080	\$	(1,573,953)

Statement of Cash Flows

For the year ended December 31		2016		2015
Net inflow (outflow) of cash and cash equivalents related to the following activities				
Operating activities				
Annual surplus for the year	\$	12,119,500	\$	6,765,022
Adjustment for non-cash items				
Amortization of tangible capital assets		3,125,232		2,984,954
Developer contribution of tangible capital assets		(4,478,491)		(1,683,199)
Net gain on disposal of tangible capital assets		(442,398)		(255)
Actuarial adjustment on long-term debt		(347,260)		(307,908)
(Increase)/decrease in				
Accounts receivable		(777,086)		2,939,188
Increase/(decrease) in				
Accounts payable and accrued liabilities		319,331		(555,317)
Security deposits		1,028,659		(676,262)
Deferred revenue		109,414		110,924
		10,656,901		9,577,147
Financing activities				
Restricted revenue development cost charges, net		545,868		2,120,888
Restricted revenue parkland acquisition funds		2,880		3,508
Proceeds from issuance of long-term debt		-		2,615,000
Repayment of long-term debt		(858,754)		(765,006)
		(310,006)		3,974,390
Capital activities		<u> </u>		
Acquisition of tangible capital assets		(5,379,953)		(8,117,562)
Proceeds from disposal of tangible capital assets		470,143		7,255
		(4,909,810)		(8,110,307)
Increase in cash and cash equivalents		5,437,085		5,441,230
Cash and cash equivalents, beginning of year		17,304,357		11,863,127
	<u>-</u>		 ċ	
Cash and cash equivalents, end of year	<u> </u>	22,741,442	<u>\$</u>	17,304,357
Supplementary cash flow information	_			
Interest expense	\$	879,858	\$	843,738

Notes to the Financial Statements For the year ended December 31, 2016

The notes to the financial statements are an integral part of the statements. They explain the significant accounting and reporting policies and principles underlying these statements. They also provide relevant supplementary information and explanations which cannot be conveniently expressed in the financial statements.

1. Nature of business

The District of Lake Country ("the District") was incorporated under the laws of British Columbia in 1995 and is engaged in the operation of a municipality.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards.

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

Basis of presentation

The District's resources and operations are segregated into General, Water, Sewer and Statutory Reserve Funds for accounting and financial reporting purposes. Each of these funds is further segregated into operating and capital funds, where applicable. The financial statements include all of the accounts of these funds.

Accrual accounting

The financial statements are prepared using the accrual basis of accounting.

Cash and cash equivalents

Management classifies all term deposits and highly liquid investments that are cashable on demand as cash equivalents.

Tangible capital assets

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

Notes to the Financial Statements For the year ended December 31, 2016

2. Significant accounting policies (continued)

Tangible capital assets (continued)

The estimated useful lives are as follows:

Tangible capital assets	Estimated useful life
Land	Indefinite
Land improvements	10 - 50 years
Buildings	50 years
Furniture and equipment	5 - 20 years
Vehicles and machinery	8 - 20 years
IT Infrastructure	5 years
Road surface	20 years
Road base	80 - 99 years
Other road structures	20 - 50 years
Water, sewer, and other structures	25 - 80 years

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

Work in Progress is valued at cost and represents capital projects under construction but not yet ready for use. Amortization commences once the individual projects are capitalized.

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

The District has numerous works of art located throughout the District which are not reflected in these financial statements due to the subjectivity as to their value.

Supplies on hand

Supplies are charged to operations when purchased.

Capitalization of interest

The District capitalizes interest on temporary borrowing until the completion of the project that is to be financed by debenture debt at the current rate of the District's short-term borrowing.

Debenture debt

Outstanding debenture debt is reported net of sinking fund balances.

Debt charges

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

Notes to the Financial Statements
For the year ended December 31, 2016

2. Significant accounting policies (continued)

Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- an environmental standard exists;
- · contamination exceeds the environmental standard;
- · the District is directly responsible and accepts responsibility;
- it is expected that the future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring.

Municipal Finance Authority debt reserve deposits

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

	ſ	Demand Notes		Cash Deposits		Total 2016		Total 2015
General Fund	\$	224,705	\$	103,783	\$	328,488	\$	325,666
Water Fund		104,385		38,420		142,805		141,761
Sewer Fund		316,340		182,730		499,070		494,101
	\$	645,430	\$	324,933	\$	970,363	\$	961,528

Reserve funds

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

Budget figures

The budget figures are from the 5-Year Financial Plan Bylaw, adopted before May 15th of each year. Subsequent amendments have been made by Council to reflect changes in the budget as required by law. The financial plan is prepared on a cash basis for revenue and expenses. For comparative purposes, the District has prepared a reconciliation of the budget figures to the financial statements in the following table:

Notes to the Financial Statements For the year ended December 31, 2016

2. Significant accounting policies (continued)

Budget figures (continued)

		2016 Budget	_	2016 Actual
Revenue				
Property taxes	\$	10,599,818	\$	10,588,823
Parcel taxes		1,899,732		1,914,981
Fees and charges		8,363,280		9,602,897
Other revenue, net of internal charges		4,063,813		4,022,487
Transfer from DCC restricted revenue		1,418,458		1,113,200
Contributed tangible capital assets		<u>-</u>		4,478,491
Total revenue	_	26,345,101	_	31,720,879
Expenses				
General municipal operations		14,538,160		14,679,014
Water operations, net of internal charges		2,887,057		2,515,109
Sewer operations, net of internal charges		1,660,556		1,527,398
Interest expense	_	889,003	_	879,858
Total expenses	_	19,974,776	_	19,601,379
Annual surplus		6,370,325		12,119,500
Capital, Debt and Reserve Transfers				
Transfer to statutory reserves		(2,541,498)		(226,092)
Transfer from statutory reserves		1,066,518		•
Transfer to non statutory reserves		(1,346,361)		(6,669,188)
Transfer from non statutory reserves		2,646,580		2,687,261
Proceeds from borrowing		145,000		-
Principal repayment		(873,954)		(858,754)
Actuarial adjustment on long term debt		(347,260)		(347,260)
Acquisition of tangible capital assets		(8,231,380)		(5,379,953)
Developer contribution of tangible capital assets		-		(4,478,491)
Gain on disposal of tangible capital assets		-		(442,398)
Proceeds from disposal of tangible capital assets		192,300		470,143
Amortization		2,919,730		3,125,232
Net debt and reserve transfers		(6,370,325)	_	(12,119,500)
Financial plan balance	<u>\$</u>	-	\$	-

Notes to the Financial Statements For the year ended December 31, 2016

2. Significant accounting policies (continued)

Revenue recognition

Taxes are recognized as revenue in the year they are levied. Through the BC Assessment appeal process property assessment values may be adjusted through a supplementary roll. Decreases or increases of taxation as a result of these re-assessments are recognized at the time they are awarded.

Fees and charges for protective, transportation, environmental, development, community and customer services, water and sewer fees are recorded on the accrual basis and recognized as earned, which is usually when services are provided.

Investment income is recorded on the accrual basis and recognized when earned.

Government transfers are recognized as revenue in the period that the transfer is authorized, eligibility criteria, if any, have been met by the District, and a reasonable estimate of the amount to be received can be made.

Developer contributions are recognized as revenue during the period in which the related costs are incurred or when infrastructure is turned over to the District.

Expenses

Expenses are recorded in the period in which the goods or services are acquired and a liability is incurred.

Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of employee benefit plans, allowance for doubtful accounts receivable, provision for contingencies and tangible capital assets estimated useful life and related amortization. Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

Notes to the Financial Statements For the year ended December 31, 2016

3. Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term investments with maturities of 90 days or less from the date of acquisition. Cash and cash equivalents are recorded at cost and are comprised of the following:

	2016			2015	
Cash	\$	2,865,662	\$	128,192	
Term Deposits		13,184,818		7,078,192	
Municipal Finance Authority Investment Funds		3,886,208		7,883,720	
Chartered Bank Accrual Notes and Debentures		2,804,754		2,214,253	
Total Cash and Cash Equivalents	<u>\$</u>	22,741,442	\$	17,304,357	

Included in 2016 cash and cash equivalents is \$1,253,748 (2015 - \$754,359) relating to performance deposits, the use of which is subject to certain restrictions.

Operating line of credit

The District has an operating line of credit with the Canadian Imperial Bank of Commerce for an authorized amount of \$1,500,000, bearing interest at bank prime rate. At the balance outstanding on the operating line of credit was \$nil (2015 - \$nil).

4. Accounts receivable

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

	2016		 2015	
Property tax receivables	\$	633,576	\$ 755,920	
Trade receivables		677,115	392,851	
Performance deposit letters of credit		2,661,748	2,158,451	
Due from other governments		369,155	289,330	
Water utility fees		306,324	274,953	
Prepaid expenses	•	7,046	 6,373	
	\$	4,654,964	\$ 3,877,878	

Notes to the Financial Statements For the year ended December 31, 2016

5. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are comprised of the following:

	 2016		
Accounts payable	\$ 1,211,648	\$	954,289
Due to other governments	592,192		636,951
Trade contract holdbacks	227,782		127,331
Wages and benefits	 411,383		405,102
·	\$ 2,443,005	\$	2,123,673

6. Deferred revenue

The District records deferred revenue for funds received in advance on services not yet rendered and is recognized as revenue during the period in which the services are provided. Because these funds are restricted in nature, they are shown as a liability.

	2015			Deferred revenue received		Deferred revenue recognized		2016
Prepaid taxes	\$	1,049,025	\$	1,174,364	\$	(1,049,025)	\$	1,174,364
Prepaid water utility fees		13,220		22,210		(13,220)		22,210
Prepaid leisure service fees		24,009		23,730		(24,009)		23,730
Deferred parcel tax		26,166		-		-		26,166
Other		59,813		34,901	_	(59,537)		35,177
	\$	1,172,233	\$	1,255,205	\$_	(1,145,791)	<u>\$</u>	1,281,647

7. Restricted revenue

Development cost charges and parkland acquisition funds

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

Notes to the Financial Statements For the year ended December 31, 2016

7. Restricted revenue (continued)

	Development cost charge restricted revenue 2016	Parkland acquisition restricted revenue 2016	Total 2016	Total 2015
Financial assets:				
Cash	\$ 4,545,543	\$ 181,784	\$ 4,727,327	\$ 4,178,579
	4,545,543	181,784	4,727,327	4,178,579
Balance, beginning of year	3,999,675	178,904	4,178,579	2,054,183
Contributions from developers	1,590,829	-	1,590,829	2,466,808
Interest on investments	68,239	2,880	71,119	60,083
Capital financing	(771,318)	-	(771,318)	(58,410)
Operational financing	(341,882)	_	(341,882)	(344,085)
Balance, end of year	\$ 4,545,543	\$ 181,784	\$ 4,727,327	\$ 4,178,579

In accordance with Section 937.01 of the Local Government Act, no DCC's were waived or reduced for eligible development as defined under Section 933.1 of the Act.

The balances of the DCC reserves can be itemized as follows:

	2016	2015
Roads DCC	\$ 2,196,901	\$ 1,926,448
Drainage DCC	481,635	439,743
Park DCC	1,537,733	1,371,585
Water DCC	688,042	469,839
Sewer DCC	 (358,768)	 (207,940)
	\$ 4,545,543	\$ 3,999,675

Notes to the Financial Statements
For the year ended December 31, 2016

8. Long-term debt

	Interest rate	Year of maturity	Balance, beginning o year	f Additions	Principal payment	Actuarial adjustment	Balance, end of year
General Fund							
MFA Issue 70	5.720%	2019	\$ 449,774	\$ -	\$ 53,039	\$ 52,053	\$ 344,681
MFA Issue 78	5.850%	2022	263,514	-	17,164	15,201	231,149
MFA Issue 104	5.150%	2028	1,232,195	-	56,317	17,792	1,158,086
MFA issue 105	4.900%	2029	388,626	-	16,790	4,455	367,381
MFA Issue 109	1.830%	2020	225,000	-	50,000	-	175,000
MFA Issue 133	2.750%	2035	2,615,000	<u> </u>	92,469	-	2,522,531
			5,174,109		285,779	89,501	4,798,828
Water Fund							
MFA Issue 65	4.550%	2017	69,976	-	14,183	19,951	35,842
MFA Issue 104	5.150%	2018	85,193	-	20,739	6,552	57,902
MFA Issue 105	4.900%	2024	618,824	-	46,214	12,261	560,349
MFA Issue 114	3.650%	2026	290,839	-	21,960	-	268,879
MFA Issue 114	3.650%	2026	190,072	-	14,352	-	175,720
MFA Interim Capital	CDCR +.5%	2017	234,160	-	117,080	-	117,080
MFA Issue 127	3.300%	2029	423,085	<u> </u>	22,240	890	399,955
			1,912,149		256,768	39,654	1,615,727
Sewer Fund							
MFA Issue 70	5.745%	2024	2,538,439	-	145,900	88,823	2,303,716
MFA Issue 73	6.345%	2020	106,353	-	10,277	9,164	86,912
MFA Issue 73	6.345%	2020	251,473	•	24,298	21,669	205,506
MFA Issue 75	3.050%	2021	1,018,215	-	75,605	74,089	868,521
MFA Issue 78	2.100%	2022	371,451	-	24,194	21,427	325,830
MFA Issue 126	3.850%	2033	996,699	<u> </u>	35,933	2,933	957,833
			5,282,630		316,207	218,105	4,748,318
Total long-term debt			\$ 12,368,888	\$ -	\$ 858,754	\$ 347,260	\$ 11,162,873

Notes to the Financial Statements
For the year ended December 31, 2016

8. Long-term debt (continued)

The principal repayments on long-term debt required in each of the next five years are as follows:

	2017		2018	2019	2020	2021	
General Fund	\$ 285,780	\$	285,780	\$ 285,780	\$ 207,741	\$	182,741
Water Fund	258,092		128,202	108,886	110,363		111,893
Sewer Fund	 316,206		316,206	 316,206	 316,206		281,632
	\$ 860,078	\$	730,188	\$ 710,872	\$ 634,310	\$	576,266

9. Contingent liabilities and commitments

Regional District of Central Okanagan

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

Legal actions

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

Pension liability

The District and its employees contribute to the Municipal Pension Plan (a jointly trusteed pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2015, the plan has about 189,000 active members and approximately 85,000 retired members. Active members include approximately 37,000 contributors from local government.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. The rate is then adjusted to the extent there is amortization of any funding deficit.

Notes to the Financial Statements For the year ended December 31, 2016

9. Contingent liabilities and commitments (continued)

Pension liability (continued)

The most recent valuation for the Municipal Pension Plan as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis.

The District paid \$441,676 (2015 - \$408,395) for employer contributions, while employees contributed \$358,019 (2015 - \$351,549) to the plan in fiscal 2016.

The next valuation will be as at December 31, 2018 with results available in 2019.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

Commitments

The District has entered into various agreements and contracts for services with periods ranging from one to twenty years.

Employee benefit obligations

Unionized Employees of the District are entitled to accumulate earned benefits related to sick leave. Regular full and part time unionized employees accumulate sick leave on a pro-rata basis at a rate of 12 days per year to a maximum of 100 days.

Upon leaving the District, unionized employees with 10 years of service are entitled to 25% of their accumulated sick leave to a maximum of 25 days. After fifteen years of service, or where the combination of an employee's age plus years of service is a minimum of 70, employees are entitled to 50% of their accumulated sick leave to a maximum of 50 days.

The deferred liability related to sick leave is valued at management's best estimate, which is based on past experience and assumptions about retirement, wage and salary increases and employee turnover. At December 31, 2016 the total accrued sick bank liability is \$86,070 (2015 - \$145,289).

Notes to the Financial Statements For the year ended December 31, 2016

10. Taxation

In 2016 the District collected \$9,293,903 (2015 - \$8,986,180) on behalf of other taxing jurisdictions and transferred this amount to those other authorities. The collections and transfers are itemized as follows:

	2016	2015
Collections for and transfers to other governments		
Taxes collected		
Property taxes	\$ 19,787,481	\$ 19,029,881
Special assessments	1,987,368	1,224,381
1% utility tax	194,371	186,101
Penalties and interest on taxes	164,725	179,953
Grant in lieu of taxes	22,860	25,571
	22,156,805	20,645,887
Less transfer to other governments		
Province of BC (school taxes)	6,175,539	5,967,701
BC Assessment Authority	179,602	177,724
Municipal Finance Authority	635	575
Regional Hospital District	1,059,487	1,027,111
Okanagan Regional Library	562,224	533,220
Regional District of Central Okanagan	1,316,416	1,279,849
	9,293,903	8,986,180
Net taxes available for municipal purposes	\$ 12,862,902	\$ 11,659,707

Notes to the Financial Statements For the year ended December 31, 2016

11. Government transfers

In 2016 the District received and recorded as revenue the following transfers:

	2016		 2015
Federal Conditional Transfers			
Federal EcoEnergy	\$	33,734	\$ 39,099
Provincial Unconditional Transfers			
Traffic Fine Revenue Sharing Grant		87,613	92,718
Small Community Grant		344,718	337,393
Climate Action Revenue Incentive Program	_	15,889	 16,077
		448,220	 446,188
Provincial Conditional Transfers			
Building Canada Fund		485,208	9,257
Other Conditional Transfers	_		1,492
		485,208	 10,749
Regional and Other External Conditional Transfers			
Gas Tax Community Works Fund		546,398	528,597
Gas Tax General Strategic Priorities Fund		-	10,000
Okanagan Basin Water Board		289,152	 287,269
		835,550	 825,866
Total government transfers	\$	1,802,712	\$ 1,321,902

12. Letters of credit

As of December 31, 2016, the District is holding letters of credit in the amount of \$2,661,748 (2015 - \$2,158,452), which are received as security related to performance deposits.

Notes to the Financial Statements For the year ended December 31, 2016

13. Segmented information

The District of Lake Country is a diversified municipal government that provides a wide range of services to its citizens. For management reporting purposes the District's operations and activities are organized and reported by funds and departments. The General Fund reports on property tax supported operations, which include services provided by the District to citizens such as general government, protective, transportation, environmental, planning and development and community and customer services. The utility operations are comprised of the water and sewer systems, each accounting for its own operations and programs within their own funds. Operating results reported by the following segments is included in Schedule 3.

General government services

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

Protective services

Protective services are comprised of police services provided by the Royal Canadian Mounted Police and fire services. The mandate of the police is to ensure the safety of the lives and property of citizens, preserve peace and good order, prevent crimes from occurring, detect offenders, and enforce the law. The fire department is responsible for effective fire protection and public safety services to the District. This includes fire prevention, fire safety inspections, fire control and/or suppression. Bylaw enforcement is also reported under this department.

Transportation services

Transportation services are responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway and drainage systems and street lighting.

Environmental services

Environmental services are comprised of transit, garbage and recycling services, as well as the Lake Country hydroelectric generating station.

Community services

Community Services monitor compliance with Council policies governing subdivision, land use and building inspection. This department also provides economic development services within the municipality.

Parks & recreation

Parks & Recreation services provide services related to recreation, leisure and culture. The facilities managed within this department include parks, arena, seniors centre, community theatre and the community complex.

Notes to the Financial Statements For the year ended December 31, 2016

13. Segmented information (continued)

Water systems

The Water department provides safe drinking water to citizens of Lake Country. Revenue and expenses represent the amounts that are directly attributable to the function of the water department. Water is accounted for in its own fund.

Sewer system

The Sewer department manages the wastewater treatment plants and sewer collection system. Sewer is accounted for in its own fund.

14. Expenses by object

Total expenses by object are itemized in Schedule 3 – Segment Disclosure.

15. Comparative figures

Certain comparative figures have been reclassified to conform to the presentation format adopted for the current year.

Schedule 1 - Schedule of Tangible Capital Assets

For the Year Ended December 31		Land	lm	Land provements		Buildings	•	Furniture & Equipment		Vehicle & Machinery	inf	IT rastructure
COST												
Opening Balance	\$	23,443,895	\$	3,739,370	\$	24,299,368	\$	1,884,368	\$	4,323,998	\$	409,723
Add: additions		293,500		40,473		19,903		138,372		109,349		32,223
Less: disposals/transfers		-		-	_	-		(30,645)		(66,188)		(14,058)
Closing balance	_	23,737,395		3,779,843		24,319,271		1,992,095		4,367,159		427,888
ACCUMULATED AMORTIZATION												
Opening Balance		-		640,537		4,835,077		916,892		1,955,405		286,177
Add: amortization		-		144,245		526,201		128,415		235,587		45,197
Less: accumulated amortization on disposals				-		_		(18,009)		(52,486)		(12,652)
Closing balance	,	-		784,782	_	5,361,278		1,027,298		2,138,506		318,722
Net book value, December 31, 2016	_	23,737,395	_	2,995,061	_	18,957,993	_	964,797	_	2,228,653		109,166
Net book value, December 31, 2015	\$	23,443,895	\$	3,098,833	\$	19,464,291	\$	967,476	\$	2,368,593	\$	123,546

District of Lake Country

Schedule 1 - Schedule of Tangible Capital Assets

		Engineerin	g Structures				
For the Year Ended December 31	Water	Sewer	Roads	Environmental & Other	Work-in- Progress	2016 Total	2015 Total
COST							
Opening Balance	\$ 34,848,762	\$ 15,764,079	\$ 34,442,015	\$ 4,118,791	\$ 1,947,636	\$149,222,005	\$ 139,500,433
Add: additions	2,553,759	1,271,812	4,170,461	-	3,798,927	12,428,779	16,355,782
Less: disposals/transfers	-	-	-	-	(2,570,336)	(2,681,227)	(6,634,210)
Closing balance	37,402,521	17,035,891	38,612,476	4,118,791	3,176,227	158,969,557	149,222,005
ACCUMULATED AMORTIZATION							
Opening Balance	6,574,631	3,212,419	11,157,713	669,303	-	30,248,154	27,335,389
Add: amortization	756,235	290,824	895,558	102,970	-	3,125,232	2,984,954
Less: accumulated amortization on disposals	-	-	-		-	(83,147)	(72,189)
Closing balance	7,330,866	3,503,243	12,053,271	772,273		33,290,239	30,248,154
Net book value, December 31, 2016	30,071,655	13,532,648	26,559,205	3,346,518	3,176,227	125,679,318	
Net book value, December 31, 2015	\$ 28,274,131	\$ 12,551,660	\$ 23,284,302	\$ 3,449,488	\$ 1,947,636		\$ 118,973,851

Contributed tangible capital assets received in 2016 from developers and recorded in the financial statements is \$4,478,491 (2015 - \$1,683,199).

Schedule 2 - Schedule of Accumulated Surplus

For the year ended December 31		Balances, Beginning of Year	W	/ithdrawals	_ C	ontributions	Transfer to Capital	Interest & Actuarial Adjustments	<u>. </u>	Balaı	nces, End of Year
Surplus and Non-Statutory Reserves									_		
General fund surplus	\$	1,265,667	\$	-	\$	739,579	\$ -	\$ 18	33	\$	2,005,429
Water fund surplus		1,064,977		-		(96)	•	18,17	72		1,083,053
Sewer fund surplus		307,820		-		101,685	•	5,77	75		415,280
General capital reserve		1,030,918		-		533,675	(101,667)	20,07	75		1,483,001
Sewer capital reserve		548,572		-		525,000	(342,527)	10,30)2		741,347
Water capital reserve		330,179		-		1,165,871	(444,051)	11,14	12		1,063,141
Climate action reserve		397,650		-		272,511	•	8,59	96		678,757
Community works gas tax reserve		446,296		-		546,398	(700,000)	5,75	54		298,448
Equipment acquisition and replacement reserve		686,643		-		174,347	(169,895)	11,09	91		702,186
Facilities reserve		155,045		(1,000)		5,110	(6,200)	2,51	18		155,473
Financial stabilization reserve		378,505		(24,000)		-	-	5,90)1		360,406
Fire facilities and equipment reserve		613,742		-		281,065	-	12,14	14		906,951
Future servicing works reserve		947,661		-		693,868	(158,846)	-			1,482,683
Information technology reserve		61,673		-		75,000	(23,415)	1,40	9		114,667
Policing reserve		622,993		(22,869)		103,121	-	10,67	76		713,921
Future capital expenditures reserve	•	1,110,905		-		945,261	(180,494)	-			1,875,672
Solid waste reserve		360,172		-		243,100	(61,791)	7,25	8		548,739
Transportation infrastructure reserve		465,517				127,800	(450,506)	4,89	97		147,708
		10,794,935		(47,869)		6,533,295	(2,639,392)	135,89	93		14,776,862
Statutory Reserves											
Access to body of water reserve		-		-		180,806	-	-			180,806
Land sale reserve		-		<u>-</u>		45,286		-			45,286
		-		-		226,092	-	<u> </u>			226,092
Investment in Non Financial Assets		•									
Equity in tangible capital assets		106,604,963		(3,152,977)		10,717,198	-	347,26	50	1	114,516,444
Accumulated surplus	Ś	117,399,898	Ś	(3,200,846)	Ś	17,476,585	\$ (2,639,392)				129,519,398

Schedule 3 - Schedule of Segment Disclosure

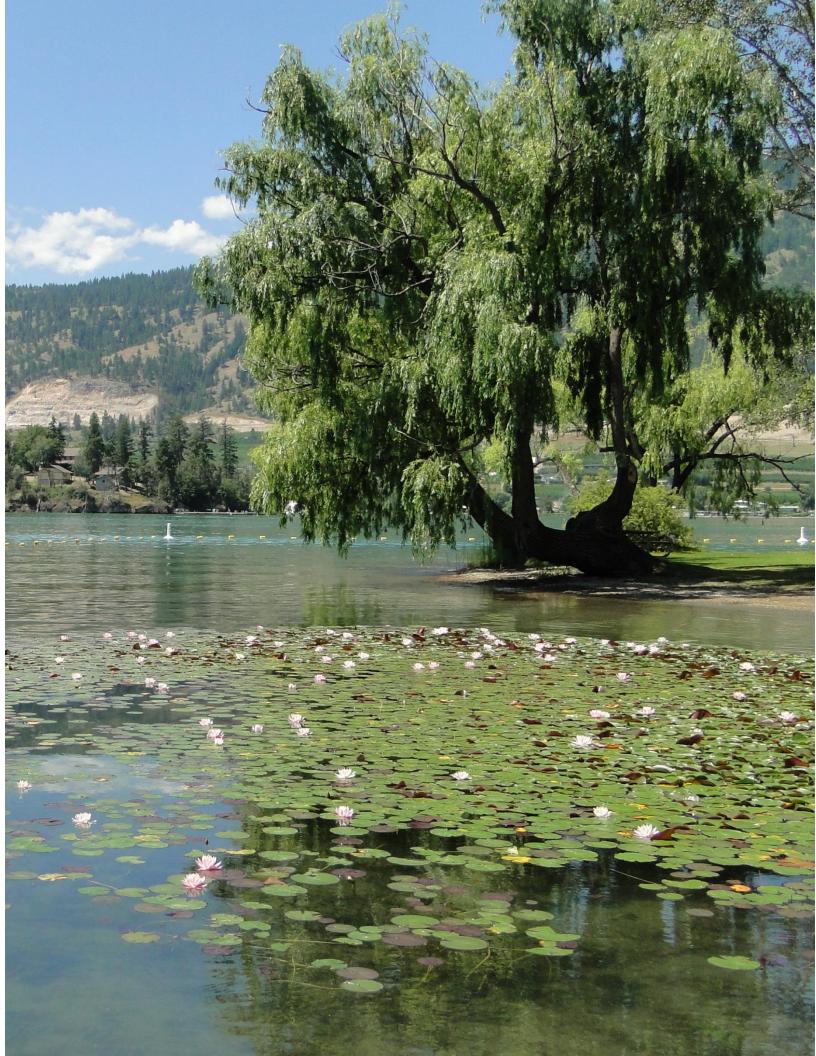
	General Gover	nment Services	Protective	Services	Transportation Services		
For the year ended December 31	2016 Budget	2016 Actual	2016 Budget	2016 Actual	2016 Budget	2016 Actual	
Revenue							
Taxation	\$ 10,540,548	\$ 10,520,044	\$ 1,130,815	\$ 1,130,426	\$ -	\$ -	
Utility revenues	-	-	-	-	-	-	
Services provided to other governments	-	-	287,230	286,371	-	-	
Sale of services	35,000	54,863	35,100	27,803	245,000	182,312	
Permits & licences	103,000	121,988	19,000	18,985	54,500	83,720	
Interest on investments	260,101	311,836	-	-	-	-	
Government transfers	874,39 7	872,005	83,300	87,613	-	_	
Developer contributions	100,000	693,868	-	-	600,200	3,219,218	
Other revenue	149,404	596,349	95,100	-	5,006	64,992	
Total revenue	12,062,450	13,170,953	1,650,545	1,551,198	904,706	3,550,242	
Expenses							
Salaries, wages and benefits	1,492,600	1,666,374	1,062,600	1,066,311	524,700	521,797	
Contract services	525,450	477,836	1,862,500	1,701,470	2,338,900	2,329,463	
Grants to community organizations	24,000	17,493	7,500	7,000	-,,	-	
Materials and supplies	69,800	99,929	162,500	151,502	107,100	112,892	
Utilites	45,800	43,383	41,880	38,503	75,000	86,835	
Amortization	120,000	102,936	189,000	187,480	865,890	1,007,569	
Loss on disposal of tangible capital assets	-	8,429	<u>-</u>	452	-	4,651	
Interest expense	4,800	17	-	-	33,201	33,201	
Total expenses	2,282,450	2,416,397	3,325,980	3,152,718	3,944,791	4,096,408	
Annual surplus (deficit)	\$ 9,780,000	\$ 10,754,556	\$ (1,675,435)	\$ (1,601,520)			

Schedule 3 - Schedule of Segment Disclosure

		Environmer	ntal	Services		Communi	ty S	ervices	_	Parks and	Rec	reation
For the year ended December 31	2016 Budget		2016 Actual		· 	2016 Budget		2016 Actual		2016 Budget		2016 Actual
Revenue												
Taxation	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Utility revenues		-		-		-		-		-		-
Services provided to other governments		-		59,750		-		-		55,000		55,000
Sale of services		1,395,000		1,466,611		84,600		132,843		538,300		667,128
Permits & licences		-		-		485,100		1,152,320		-		-
Interest on Investments		-		-		-		-		-		-
Government transfers		36,000		33,734		-		-		535,000		35,000
Developer contributions		-		-		-		-		94,800		62,055
Other revenue		276		-	_	-		<u>.</u>		37,415		58,380
Total revenue		1,431,276		1,560,095		569,700		1,285,163		1,260,515		877,563
Expenses												
Salaries, wages and benefits		306,300		292,609		865,800		865,322		868,580		923,910
Contract services		867,150		890,019		327,795		175,114		694,954		729,729
Grants to community organizations		-		-		-		-		118,100		120,592
Materials and supplies		25,900		25,649		12,000		18,955		249,861		242,513
Utilites		4,000		3,788		-		-		172,500		186,738
Amortization		136,500		139,136		•		-		373,500		432,634
Loss on disposal of tangible capital assets		-		-		-		-		-		-
Interest expense		28,001	_	28,000		-		<u>.</u>	_	249,799		249,846
Total expenses		1,367,851		1,379,201		1,205,595		1,059,391		2,727,294	_	2,885,962
Annual surplus (deficit)	\$	63,425	\$	180,894	\$	(635,895)	\$	225,772	\$	(1,466,779)	\$	(2,008,399

Schedule 3 - Schedule of Segment Disclosure

		Water S	yst	ems	 Sewer	Sys	tem	 ·		Totals	
For the year ended December 31		2016 Budget		2016 Actual	 2016 Budget		2016 Actual	 2016 Budget		2016 Actual	 2015 Actual
Revenue											
Taxation	\$	110,232	\$	108,632	\$ 1,087,325	\$	1,103,800	\$ 12,868,920	\$ 1	12,862,902	\$ 11,659,707
Utility revenues		3,622,122		3,684,375	660,000		694,301	4,282,122		4,378,676	4,026,799
Services provided to other governments		-		-	319,899		306,902	662,129		708,023	655,713
Sale of services		212,310		386,971	54,000		66,300	2,599,310		2,984,831	2,607,783
Permits & licences		-		-	-		-	661,600		1,377,013	1,038,624
Interest on Investments		51,854		57,826	219,105		223,880	531,060		593,542	574,867
Government transfers		788,036		487,091	287,268		287,269	2,604,001		1,802,712	1,321,902
Developer contributions		397,136		864,850	551,322		1,445,568	1,743,458		6,285,559	3,068,747
Other revenue		105,200		7,900	 100		-	 392,501		727,621	 250,490
Total revenue		5,286,890		5,597,645	 3,179,019		4,128,020	 26,345,101	:	31,720,879	 25,204,632
Expenses											
Salaries, wages and benefits		815,000		703,579	96,300		94,896	6,031,880		6,134,798	5,402,111
Contract services		557,400		345,605	939,073		820,858	8,113,222		7,470,094	7,224,028
Grants to community organizations		-		-	-		-	149,600		145,085	173,964
Materials and supplies		415,300		399,612	58,000		4,810	1,100,461		1,055,862	1,042,019
Utilites		306,700		283,186	125,000		134,485	770,880		776,918	768,796
Amortization		792,657		783,128	442,183		472,349	2,919,730		3,125,232	2,984,954
Loss on disposal of tangible capital assets		-		-	-		-	-		13,532	_
Interest expense		114,253		112,517	 458,949		456,277	 889,003		879,858	843,738
Total expenses		3,001,310	_	2,627,627	 2,119,505		1,983,675	 19,974,776		19,601,379	18,439,610
Annual surplus (deficit)	<u>\$</u>	2,285,580	\$	2,970,018	\$ 1,059,514	\$: <u>\$</u>	2,144,345	\$ 6,370,325	\$	12,119,500	\$ 6,765,022





Life. The Okanagan Way.



2016 Tax Exemptions Provided by Council

Year ended December 31, 2016

	Municipal Taxes	Other Taxes	Total Taxes
Church Buildings			
BC Association of 7th Day Adventists	2,075	1,331	3,406
The Missionary Church	1,743	1,118	2,861
Kelowna Christian Centre Society	2,354	1,510	3,864
St. Francis Anglican Church	1,179	756	1,935
Roman Catholic Bishop of Nelson	4,711	3,005	7,716
Christian and Missionary Alliance	2,206	1,415	3,621
Winfield Jehovah's Witness Trustees	4,374	2,805	7,179
Winfield United Church	2,147	1,377	3,524
Camps			
Girl Guides Association Central Okanagan Division	16,148	12,320	28,468
Camp Hatikvah Foundation	22,931	18,236	41,167
BC Lions Society for Children with Disabilities	7,009	5,859	12,868
Community Halls			
Oyama Community Club	2,458	1,577	4,035
Oyama Community Club (Royal Canadian Legion Branch 189)	1,321	1,349	2,670
Winfield Memorial Hall	7,507	4,778	12,285
Community Hall Association of OK Centre	4,897	3,749	8,646
Not for Profit Service Organizations			
Central Okanagan SD #23, Boys & Girls Club	15,115	14,219	29,334
Lake Country/LC Heritage & Cultural Society	7,703	7,474	15,177
Oceola Fish & Game Club	8,133	6,270	14,403
Central Okanagan Rebroadcast Society	235	240	475
Winfield Curling Club & Horseshoe Club & Seniors Society	14,581	14,872	29,453
Lake Country Seniors Housing Society	11,712	7,081	18,793
District of Lake Country Land - Fire Hall Site	1,370	1,191	2,561

^{*} Church buildings and the land beneath the buildings are statutorily exempt and is not included in total

	2016	2015	2014	2013	2012
				2010	
Population	14,183	14,035	13,015	12,149	12,041
Link to BC Stats <u>demogr</u>	<u>aphic detail</u> for Lake C	ountry.			
Number of Taxable Properties	6,108	5,695	5,624	5,535	5,519
Assessments by Class					
Residential	2,832,981,454	2,579,727,151	2,453,579,788	2,487,591,413	2,481,407,581
Utilities	3,691,981	4,183,373	4,143,918	3,989,258	3,890,078
Light Industry	14,108,500	12,579,100	12,573,500	12,622,400	11,448,000
Business	115,147,605	101,214,954	97,068,105	89,504,705	87,086,043
Recreational	10,738,600	9,677,700	10,607,900	10,002,600	8,566,500
Farm	8,072,076	7,931,818	7,878,410	7,881,414	7,834,349
	2,984,740,216	2,727,501,496	2,585,851,621	2,611,591,790	2,600,232,951
	1				
Average Residential Single Family Dwelling	507,000	492,000	475,000	488,000	493,000
Single raining Dwelling	307,000	492,000	473,000	488,000	493,000
Municipal Mill Rates by					
Class (including fire)	2016	2015	2014	2013	2012
Residential	3.2389	3.4035	3.397	3.1634	3.0340
Utilities	42.3068	42.4906	42.4057	42.5589	42.6439
Light Industry	16.7582	17.6397	15.5469	13.8892	15.0737
Business	7.5286	8.3348	8.3198	8.6317	8.4039
Recreational	6.6256	6.8051	6.7286	7.4761	8.4039
Farm	0.8704	0.8990	0.9034	0.8842	.8546
Revenues by Class (including fire)	2016	2015	2014	2013	2012
Decidential	9,169,152	8,773,517	8,328,527	7,863,214	7,522,151
Residential	J,10J,1J2	-, ,		•	•
Utilities	155,463	176,990	174,960	168,987	165,079
			174,960 195,287	168,987 175,000	165,079 172,167
Utilities	155,463	176,990			
Utilities Light Industry	155,463 236,198	176,990 221,637	195,287	175,000	172,167
Utilities Light Industry Business	155,463 236,198 866,901	176,990 221,637 843,607	195,287 807,587	175,000 772,578	172,167 731,866



% of Overall Tax Revenue by Class	2016	2015	2014	2013	2012
Residential	87.2%	86.9%	86.9%	86.8%	86.8%
Utilities	1.5%	1.8%	1.8%	1.9%	1.9%
Light Industry	2.3%	2.2%	2.0%	1.9%	2.0%
Business	8.2%	8.4%	8.4%	8.5%	8.4%
Recreational	0.7%	0.6%	0.7%	0.8%	0.8%
Farm	0.1%	0.1%	0.1%	0.1%	0.1%
	40 707 404	40.020.004	40 200 646	47.744.720	47 000 006
Total property tax collections	19,787,481	19,029,881	18,398,646	17,741,739	17,099,096
Taxes per capita	741	719	736	746	720
Debt per capita	787	881	832	969	934
Reserves per capita	1,391	1,066	872	649	562
Consolidated Revenues (see notes)	31,720,879	25,204,632	31,339,389	21,041,107	22,288,414
Consolidated Expenses					
(see notes)	19,601,379	18,439,610	18,778,412	17,816,647	17,512,114
Annual Surplus	12,119,500	6,765,022	12,560,977	3,224,460	4,776,300

	Business License Revenue												
Year	Change of Partial year License Name/Location		Full Year	License	Inter-M Lice	unicipal nse	Total Revenue						
	\$ / unit	Units	\$ / unit	Units	\$ / unit	Units	\$ / unit	Units					
2016	\$25.00	20	\$45.00	10	\$90.00	669	\$150.00	172	\$86,960.00				
2015	\$25.00	13	\$45.00	13	\$90.00	620	\$150.00	148	\$78,160.00				
2014	\$25.00	12	\$45.00	13	\$90.00	609	\$150.00	126	\$74,595.00				
2013	\$25.00	14	\$45.00	9	\$90.00	610	\$150.00	141	\$76,805.00				
2012	\$25.00	5	\$45.00	10	\$90.00	634	\$150.00	140	\$78,885.00				
2011	\$25.00	14	\$45.00	11	\$90.00	612	\$150.00	127	\$74,975.00				
2010	\$25.00	10	\$45.00	11	\$90.00	637	\$150.00	135	\$78,325.00				
2009	\$25.00	9	\$45.00	17	\$90.00	621	\$150.00	106	\$72,780.00				
2008	\$25.00	5	\$45.00	11	\$90.00	638	\$150.00	88	\$71,217.50				
2007	\$25.00	4	\$37.50	26	\$75.00	698	-	-	\$53,425.00				

	Yearly Building Statistics											
	2016 2015 20											
Category	Permit	Value	Permit	Value	Permit	Value						
Single Family Dwelling	148	\$64,106,213	113	\$47,774,634	83	\$31,030,370						
Commercial	29	\$7,075,400	22	\$3,604,500	12	\$7,116,000						
Agriculture	9	\$634,090	12	\$985,250	7	\$1,187,400						
Industrial	1	\$350,000	1	\$17,000	2	\$1,350,000						
Institutional	0	\$0	2	\$1,850,000	5	\$5,000						
Multi-Family Dwelling*	15	\$10,050,892	18	\$7,210,890	11	\$4,077,066						
Other	230	\$10,615,634	171	\$7,471,426	148	\$5,982,695						
Total Permits/Values	432	\$92,832,229	339	\$68,913,700	268	\$50,748,531						

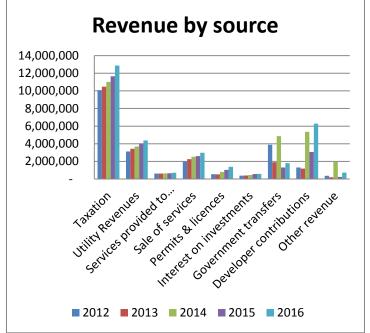
^{*}Multi-family dwelling permits represent the number of permits issued rather than the number of units constructed. One multi-family dwelling permit may consist of two or more units.



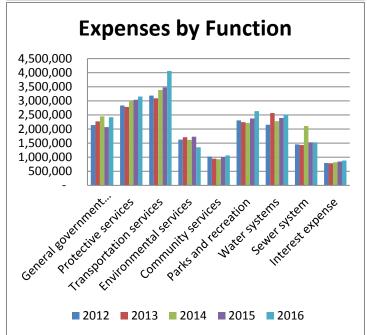
2016	2015	2014	2013	2012
12,862,902	11,659,707	11,027,339	10,479,644	10,077,945
4,378,676	4,026,799	3,689,719	3,427,409	3,130,075
708,023	655,713	635,877	628,216	625,829
2,984,831	2,607,783	2,528,815	2,251,632	1,964,490
1,377,013	1,038,624	802,460	542,219	552,157
593,542	574,867	464,972	407,382	393,450
1,802,712	1,321,902	4,868,777	1,915,020	3,886,836
6,285,559	3,068,747	5,357,014	1,190,699	1,315,254
727,621	250,490	1,964,416	198,886	376,446
31,720,879	25,204,632	31,339,389	21,041,107	22,322,482
	12,862,902 4,378,676 708,023 2,984,831 1,377,013 593,542 1,802,712 6,285,559 727,621	12,862,90211,659,7074,378,6764,026,799708,023655,7132,984,8312,607,7831,377,0131,038,624593,542574,8671,802,7121,321,9026,285,5593,068,747727,621250,490	12,862,902 11,659,707 11,027,339 4,378,676 4,026,799 3,689,719 708,023 655,713 635,877 2,984,831 2,607,783 2,528,815 1,377,013 1,038,624 802,460 593,542 574,867 464,972 1,802,712 1,321,902 4,868,777 6,285,559 3,068,747 5,357,014 727,621 250,490 1,964,416	12,862,902 11,659,707 11,027,339 10,479,644 4,378,676 4,026,799 3,689,719 3,427,409 708,023 655,713 635,877 628,216 2,984,831 2,607,783 2,528,815 2,251,632 1,377,013 1,038,624 802,460 542,219 593,542 574,867 464,972 407,382 1,802,712 1,321,902 4,868,777 1,915,020 6,285,559 3,068,747 5,357,014 1,190,699 727,621 250,490 1,964,416 198,886

Expenses by function	2016	2015	2014	2013	2012
General government services	2,416,380	2,065,821	2,446,228	2,268,103	2,139,867
Protective services	3,152,718	3,035,750	2,996,264	2,782,719	2,836,025
Transportation services	4,063,207	3,474,075	3,386,829	3,091,575	3,185,475
Environmental services	1,351,201	1,724,377	1,614,304	1,709,655	1,622,393
Community services	1,059,391	1,006,228	921,514	945,099	1,018,823
Parks and recreation	2,636,116	2,373,243	2,213,099	2,240,651	2,305,317
Water systems	2,515,110	2,391,520	2,276,600	2,567,726	2,153,679
Sewer system	1,527,398	1,524,858	2,105,941	1,431,347	1,455,536
Interest expense	879,858	843,738	817,633	779,772	794,999
	19,601,379	18,439,610	18,778,412	17,816,647	17,512,114





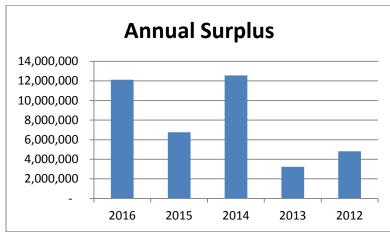


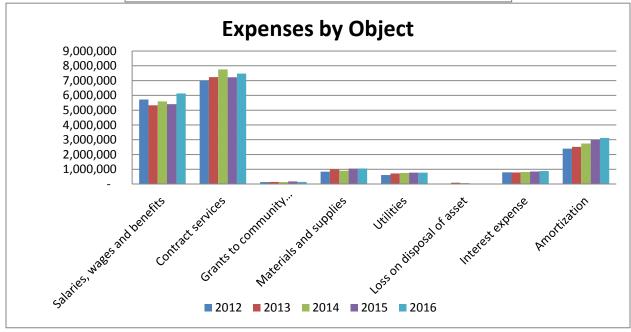


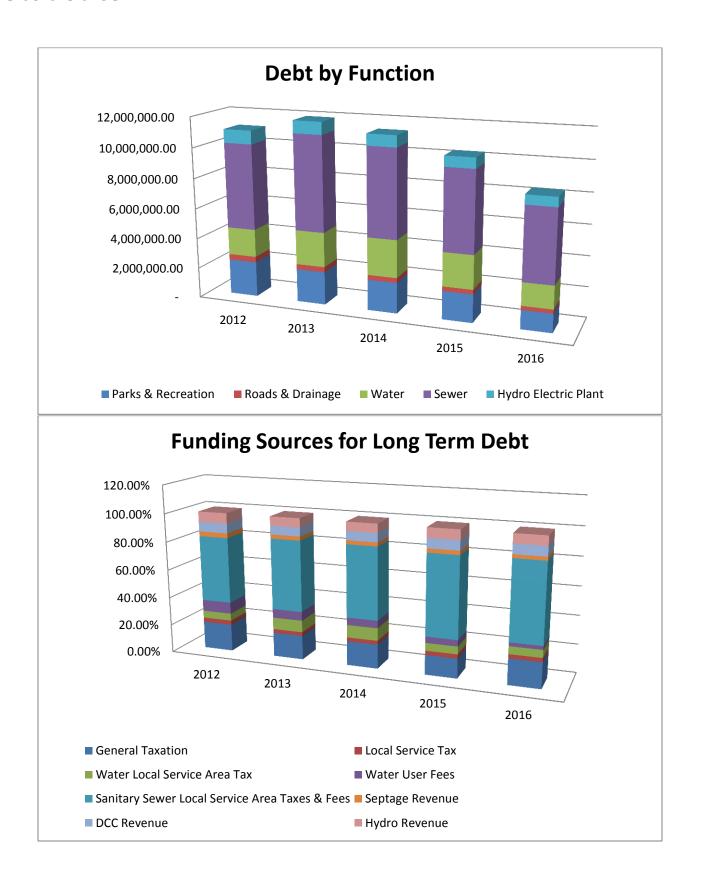


Annual Surplus	2016	2015	2014	2013	2012
	12,119,500	6,765,022	12,560,977	3,224,460	4,810,368

Expenses by Object	2016	2015	2014	2013	2012
Salaries, wages and benefits	6,134,798	5,402,111	5,590,648	5,327,920	5,720,212
Contract services	7,470,094	7,224,028	7,757,771	7,241,712	7,006,872
Grants to community organizations	145,085	173,964	135,870	147,007	134,474
Materials and supplies	1,055,862	1,042,019	904,769	996,964	841,473
Utilities	776,918	768,796	753,477	713,748	608,175
Loss on disposal of asset	13,532	N/A	71,744	90,793	5,788
Interest expense	879,858	843,738	817,633	779,772	794,999
Amortization	3,125,232	2,984,954	2,746,500	2,518,731	2,400,121
	19,601,379	18,439,610	18,778,412	17,816,647	17,512,114

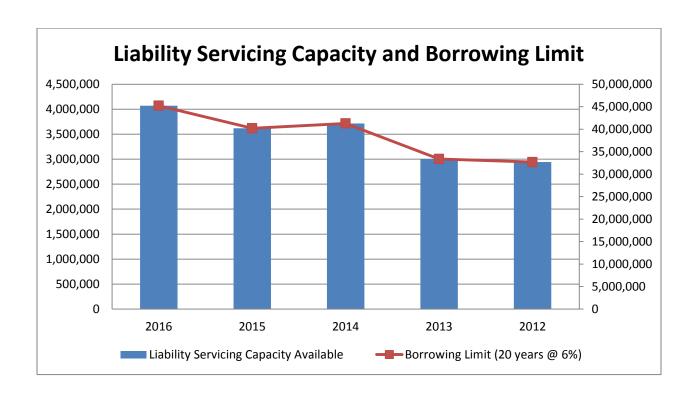


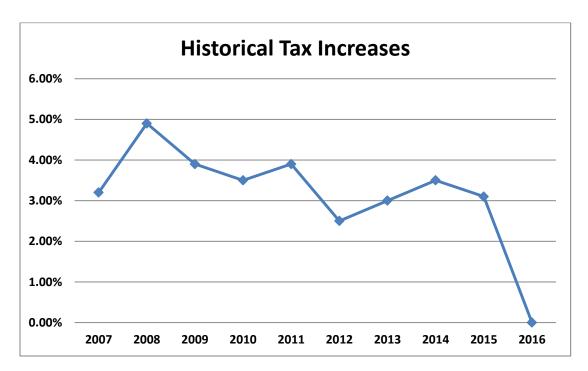


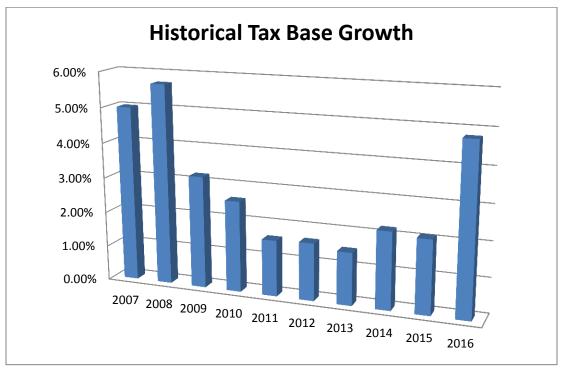


Debt Capacity Last 5 years					
	2016	2015	2014	2013	2012
Total Revenue for Purposes of Limit	23,277,638	20,952,008	21,137,414	17,990,413	17,511,594
Liability Servicing Limit	5,819,410	5,238,002	5,284,354	4,497,603	4,377,899
Actual Debt Servicing Cost	1,738,613	1,608,728	1,559,059	1,484,182	1,426,285
Additional Debt Servicing Cost	9,556	9,556	9,556	9,556	9,556
Liability Servicing Capacity Available	4,071,241	3,619,718	3,715,739	3,003,865	2,942,058
Borrowing Limit (20 years @ 6%)	45,236,011	40,219,089	41,285,989	33,376,278	32,689,533
Accumulated Surplus/(Deficit)	129,519,398	117,399,898	110,634,876	98,073,899	95,498,706
Net Assets/(Debt)	3,840,080	(1,573,953)	(1,530,168)	(5,020,499)	(5,242,746)

602.1 - Liability Servicing Limit







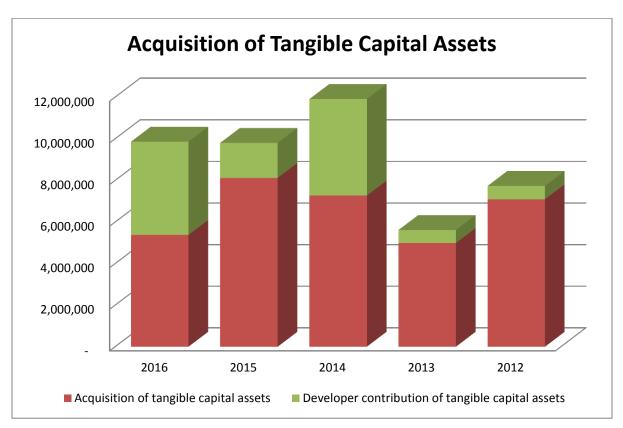
2016 Principal Corporate Tax Payers (Top 10)

Company	Sector	Property
Terasen Gas Inc.	Utility	Gas Utility
0713065 BC LTD.	Retail	Coopers Village Centre
BC Tree Fruits Cooperative	Agricultural	Grower Coop
Markui Contracting Ltd.		
Kon Kast (Oyama) Holdings Ltd.	Industrial	Gravel Pit
BC Hydro & Power Authority	Utility	Hydro Utility
OK Builders Supplies Ltd.	Industrial	Gravel Pit
Wood Lake Acquisitions Inc.	Campground	Wood Lake Campground
MacDonald Lakeshore Properties Ltd.		
Tween Lakes Resort Ltd.	Housing	Land Cooperative

Statistics

Acquisition of Tangible Capital Assets Last 5 Years

	2012	2013	2014	2015	2016
Acquisition of tangible capital assets	7,097,467	4,989,714	7,269,450	8,117,562	5,379,953
Developer contribution of tangible capital assets	636,202	625,023	4,633,941	1,683,199	4,478,491
	7,733,669	5,614,737	11,903,391	9,800,761	9,858,444





Life. The Okanagan Way.

