

2013 Annual Report
For the Year Ended December 31, 2013



VILLAGE OF LIONS BAY



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Message from the Mayor

On behalf of Council, I am pleased to present the 2013 Annual Report. This report provides you with a comprehensive overview of Lions Bay financial performance for the fiscal year ending on December 31, 2013. In addition to the financial data, this publication also provides our citizens with an overview of services and measures.

I am very proud of the work that we accomplished for our community at every level. Our Official Community Plan provides a great vision for our community, strong policy frameworks and our Financial Planning process creates a solid foundation for us to achieve and exceed our goals. This Annual Report provides you with a look back to 2013, and provides you with a sense of where our community is going in the future.



I would like to thank all the members of Council for their passion and dedication to the community. I am very proud to work with each of them as we shape the community we live in and love. I would also like to express my thanks to our wonderful staff.

In accordance with the Community Charter, an annual report must be prepared and made available to the public before June 30 each year. The Charter specifies that the report is to provide information on the financial position and results of operations, and must include, amongst other information the following information:

- the audited annual financial statements for the previous year
- a list of the permissive tax exemptions provided by Council and the amount of property tax that would have been imposed during the previous year if the exemption had not been granted for each exemption
- a report on the services and operations for the previous year
- a progress report on the performance of Lions Bay with respect to established objectives and measures
- a statement of objectives and measures that will be used as the basis for determining the performance during the current year and following year.

However, the Annual Report ought to be much more than this.

I am pleased to present to you our 2013 Annual Report and I am pleased to convey to you, our citizens, that 2013 has been an extraordinary year.

When Council assumed office in 2011, there was much angst about the financial and administrative state of the Village. Early in our mandate, we set our Strategic Goals and made some difficult decisions. As I mentioned last year,



we moved in early 2012 to establish "Best Practices in Policies and Procedures", along with a focus on staffing to support the best outcome for the Village. In 2012 and 2013 we focused on getting our financial house in order and I am pleased to point out that our Financial Statements now show that "Cash and equivalents, end of year have moved from \$1,205,939 in 2012 to Cash and equivalents, end of year of \$2,163,461 in 2013". Pointing to this however, I caution that the Village is still in need to develop cash reserves both for restricted and non-restricted purposes to ensure we continue to have sufficient funds to build and repair our infrastructure. I am also pleased that we have made great strides in developing a much more robust Five Year Financial Plan.

In 2013 we also moved forward to complete a number of the goals within our Official Community Plan, including the development of the Land Use Master Plan, which will be released to the public in 2014. The Village also, after considerable public input, made the decision to move forward with updating our beloved Community Centre. Again, we moved forward only after carefully reviewing and accepting what we determined we could afford. I want to once again thank our MP John Weston, our former MLA Joan McIntyre and our current MLA Jordan Sturdy and their dedicated staffs for their guidance and great support in achieving the two offsetting grants to help pay for our community center.

We have a very limited ability to raise funds and so in 2013 Council focused on attracting staff that help lead the organization forward to find efficiencies and ways to operate the Village more economically. This report provides me with an opportunity to thank all of our staff who are moving us forward in the preparation of "Best Practices and Procedures".

We wish each of you, your family and friends an enjoyable summer!

Sincerely,

Mayor Brenda Broughton





Message from the CAO

Incorporated in 1971, the Village of Lions Bay has a proud history of neighbors helping neighbors. As much as the peace and tranquility and world renowned views have attracted people to come to live in Lions Bay, it has been the sense of community spirit that has kept families here.

This Annual Report is an opportunity to explain how the Village of Lions Bay performed in 2013 and to speak to the future. Since Bob Nelson, the original developer of Lions Bay, sold the first lots in 1958, the Village has grown its population and its physical size. A half century ago, community leaders began building the foundations of a community that we have all inherited and as we move forward into 2014, we can feel proud of what a wonderful community the Village of Lions Bay has become. However, with a ½ century of maturing, comes challenges.



In 2013, the Secretary-Treasurer accepted a position with another municipality and I agreed to come to the Village as your Interim Chief Administrative Officer. Recognizing that the largest single cost to all local governments is labour, Council asked that I assist in developing a strategy to build a strong administrative foundation for the future.

The Village of Lions Bay is a member of Metro Vancouver and has essentially all the legal, administrative, and financial obligations that the other 22 Greater Vancouver Regional District members have. Unfortunately, it has been a challenge for a small Village like Lions Bay, so close to metropolitan Vancouver, to attract and particularly retain professional people due to its small and tight budget, few employees, and complex issues, when other close communities have more staff, greater budgets and greater opportunity for advancement. However, by creating the right environment with solid, understood and complied with policies and procedures, and a balanced and disciplined approach to managing the affairs of the Village, this problem can be addressed, providing there is a culture of respect both inside and outside the Village Office and Council Chamber. In 2013, the Village hired a new Office Coordinator who acts for the CAO in my absence. An experienced senior Accountant was been hired on a contract basis and, most importantly, a succession strategy is being developed.

After many years of planning, 2013 saw Council move forward with the Community Centre renewal and hired an experienced Project Manager to oversee the work. Staff are moving forward reviewing and recommending amendments to many existing policies and procedures and are looking at new policies and bylaws to protect and provide even greater efficiency and effective management of the Village. Recently, the Village website has had a long needed updating and we are seeing a growing number of people accessing this portal. We are also moving to introduce better avenues to communicate to our residents and we are looking at providing more information online and ways we can better communicate what we are working on. However, this cannot happen overnight and with each interruption, the ability for the limited staff to move forward is delayed.

In 2010, the Province passed legislation that introduced public sector accounting standards, as prescribed by Public Sector Accounting Board (PSAB), into local government. This legislation introduced the need for municipalities to recognize and amortize tangible capital assets, such as water infrastructure, roads, buildings and land. What this brought to the forefront is the necessity for local government to look to the establishment of replacement reserves for its aging infrastructure. This has forced all local governments to become more strategic and to better prioritize their limited funding.



While the Village has matured, so has our infrastructure. As our water and sewer infrastructure and roads age, there continues to be the need to upgrade and replace, as has always been done in Lions Bay. Some problems exist because Lions Bay relies almost entirely on residential taxes, Provincial grants and combinations of Federal and Provincial infrastructure grants to build and replace its infrastructure. A major challenge facing all municipalities as well as Lions Bay is developing and adequately funding replacements and building new infrastructure and it is anticipated that a Master Infrastructure Plan will be compiled in 2015.

In 2013, Council moved forward and made a series of decisions to set into motion a strategy to address financial challenges facing the Village and developed a long term financial strategy. The 2014-2018 Five Year Financial Plan recommended a 4% tax increase for 2014 and in the subsequent four years, plus 10% increase to the water and sewer utility rates in order to move them closer to being self-funded. Simply put, 2013 has been a strategic planning year upon which a foundation has been set to grow a strong, sustainable, and resilient future for the Village of Lions Bay.

Lions Bay is experiencing not only an aging demographic, but also a declining population which is resulting in fewer school aged children and a declining elementary school enrollment. A major initiative that was started in 2013 was the Land Use Master Planning Process as part of the implementation of the Village's Official Community Plan. The public consultative planning project is intended to result in a land use study that will, in 2014, likely become a schedule to the OCP.

The 2013 audited financial statements with the audit report and notes to the financial statements are included in this annual report. I am pleased to report that the Village is trending in the right direction and that Net Financial Assets have improved substantially in 2013 and have moved from (\$257,773) in 2012 to a positive of \$77,197 at the end of 2013. Cash and equivalents and investments have moved from \$1,655,824 in 2012 to \$2,163,461 in 2013.

In 2014 will see the creation of Key Performance Indicators introduced as well as citizen surveys to determine the satisfaction of our residents, with respect to the services you receive, in order to measure how much improvement is made. In addition, the Village will seek new and innovative approaches to generate revenue and to seek new partnerships and the sharing of services.

I want to thank you, our residents, all of our dedicated volunteers, our effective Committee members, our courageous staff and Council for providing such a wonderful community.

Grant McRadu, MBA
Interim CAO



Our Vision

Lions Bay residents value their community as a peaceful, close-knit village, deeply connected to the natural West Coast environment, yet close to a major metropolitan area. The community has a strong sense of self-governance while desiring to stay connected to neighbours and partners in the region.

The recent and dramatic pace of growth along the Sea-to-Sky corridor has created new challenges for Lions Bay. The community must be thoughtful and innovative in making development choices which maintain its unique sense of place, respect the natural environment, enhance its social diversity and provide affordable services to the community.

Lions Bay strives to become a leader among municipalities in creating a sustainable community for future generations.





Council



Mayor
Brenda Broughton

- ❖ Budget and Finance
- ❖ Land Master Planning
- ❖ Community Centre Renewal
- ❖ Public Works
- ❖ Lobbying and Grants
- ❖ Contracts Under Review and Negotiation



Councillor
Scott Ando

- ❖ Infrastructure
- ❖ Policies and Procedures
- ❖ Parking
- ❖ Labour
- ❖ School Parent Advisory Committee Liaison
- ❖ Playschool Association Liaison
- ❖ Events Committee Liaison
- ❖ Tennis Group Liaison



Councillor
Fred Bain

- ❖ Emergency Services and Safety
- ❖ Volunteerism
- ❖ Emergency Program Committee Liaison
- ❖ Fire Rescue Liaison
- ❖ Emergency Social Services Liaison
- ❖ Search and Rescue Liaison
- ❖ Block Watch Liaison
- ❖ BC Ambulance Services Liaison
- ❖ Community Garden Liaison



Councillor
Ron McLaughlin

- ❖ Best Practices
- ❖ Tendering and Procurement
- ❖ Zoning and Planning
- ❖ Bylaw Review
- ❖ Finance
- ❖ Tree Committee Liaison
- ❖ Board of Variance Liaison
- ❖ Arts Council Liaison
- ❖ Historical Society Liaison
- ❖ Trail Blazers Liaison



Councillor
Joanne Ronsley

- ❖ Team Building and Sustainability
- ❖ North Shore Substance Abuse Committee Liaison
- ❖ Invasive Species Liaison
- ❖ Native Plant Garden Liaison
- ❖ Library Group Liaison
- ❖ Bear Smart Liaison
- ❖ Seniors Guild Liaison





Strategic Priorities

STRENGTHENING COMMUNITY

While it is a small community, Lions bay has a strong history of volunteerism. Within the limitations of its character and size, the Village will pursue the provision of community facilities to enhance the social fabric of the community.



Objectives	2013 Accomplishments	Progress
Renewal of the Community Centre	❖ Approved budget of \$950,000 for Phase 2	Project Manager was hired and new scope of the project approved and reopening anticipated September 2014





MANAGING DEVELOPMENT



Development, both from within and outside the community, needs to be carefully managed if the Village is to maintain its unique sense of place and diversity. On the one hand the community wishes to protect its natural setting, the low density character of its single family neighborhoods, and the affordability of its lifestyles.

There is a limited supply of land within the Village to accommodate new development. That being said, opportunities for providing different housing forms for those at different stages of their life will be considered, within the context of compatibility with the character of the Village. This could take the form of suites within houses, and the development or redevelopment of specific sites undertaken in a socially and environmentally sensitive manner.

Objectives

Explore options in consultation with the community to provide alternative housing for a broader array of the community's existing and future demographic and socio-economic composition

2013 Accomplishments

- ❖ R. Barrs and Associates were awarded the contract to assist the Village in developing the Land Use Master Plan, with the goal to assist the Village in managing future development in a way that is sensitive to existing residents and respects the unique ecology of the area while providing a mix of housing, amenities and services

Progress

- ❖ Following a public consultation process, Robert Barrs and Associates will be presenting to Council and the Community a Land Use Master Plan
- ❖ Council will be undertaking a community process as it determines which recommendations and how and when they will be implemented





PROVIDING EFFECTIVE SERVICES

Good quality infrastructure is a key ingredient for sustainable development. Lions Bay prides itself on its efficient delivery of services with relatively low tax rates. This has been accomplished by balancing its revenues against the type of services required by its residents. The Village will continue to search for means to maximize the effectiveness of tax dollars.



Objectives	2013 Accomplishments	Progress
Focus on Infrastructure management	<ul style="list-style-type: none"> ❖ Created the Terms of Reference and appointed members to the Infrastructure Committee 	<p>The Committee has forwarded some initial recommendations to Council and staff. A Master Infrastructure Plan based on past studies and recent improvements will be forthcoming in 2015.</p> <p>Within Water and Sewer Utilities, consultant staff reviews of the projected timing and costs of future infrastructure replacements will be integrated into our financial planning, and escalating user rate structures are being implemented in order to ensure funds are available as required.</p> <p>Within the General Fund, staff will continue to move towards a comprehensive Asset Management approach for all assets owned by the Village. As in past years, a focused effort will be devoted to the leveraging of senior government grant programs and partnerships where appropriate.</p>
Reopen the Community Centre at the least cost	<ul style="list-style-type: none"> ❖ Council approved \$950,000 for Phase 2 construction ❖ Hired an experienced Project Manager to oversee the project 	<p>The Community Centre is projected to reopen in September 2014</p>



MEETING RESPONSIBILITIES IN GOVERNANCE



The work and effort of Lions Bay's early volunteers, councils and staff laid a foundation that has created a wonderful place to live and raise families. With new legislation and new responsibilities, governance is becoming much more complex and expensive. With the Village's limited ability to bring in additional revenues, 2013 was focused on creating a governance structure that is professional and innovative. Facing new challenges each day, the Village is evolving to find innovative ways of providing the highest level of services possible. Building on the strengths of yesterday, the Village will be even stronger.

Objectives

- ❖ To ensure the Village is exercising sound stewardship over its capital assets through strategic asset management practices and capital procurement processes
- ❖ To ensure the Village is prepared to deal with fiscal change and challenge and to ensure fiscal resources are sufficient to meet present and planned and unexpected expenditures

2013 Accomplishments

- ❖ Hiring of Interim CAO, Office Coordinator, and contracted support from an experienced municipal accountant
- ❖ Refreshed and updated the Village website
- ❖ Began the process of updating the Village policies and procedures

Progress

- ❖ Updating job descriptions
- ❖ Hiring of permanent Manager of Public Works
- ❖ Hiring of permanent part time senior municipal accountant
- ❖ Updating and adopting new administrative and operating policies and procedures and ensuring they are known and followed
- ❖ Continue to refine the annual and five year capital and operating budget process
- ❖ Enhance communication with our residents
- ❖ Enhance and seek partnerships with other governments





ENSURING A SAFE COMMUNITY

Lions Bay's location along a major highway and beside a rail line presents challenges in terms of public safety. To address these challenges, Lions Bay has developed a community with a strong emphasis on public safety based on the delivery of protective services, emergency planning, and efforts to ensure highway safety.



Objectives

To continue to work with RCMP, Lions Bay Fire Rescue, Emergency Social Services, and Lions Bay Search and Rescue to ensure Lions Bay is a safe community; prepared for any emergency situation

2013 Accomplishments

- ❖ Lions Bay Fire-rescue transitioned onto E-Comm's Wide Area Radio Network, resulting in enhanced communication between police, fire and ambulance personnel responding to emergencies along the southern section of the Sea-to-Sky corridor which will allow the LBFR to take advantage of the full range of interoperability with their mutual-aid fire partners on the North Shore
- ❖ The Village has advised the Province and Metro Vancouver that LBFR will no longer respond to fire calls outside of the Village boundaries unless there is an existing mutual aid agreement in place or a fee for service is in place

Progress

- ❖ Hired a By-law Officer and enhanced by-lawed enforcement
- ❖ Continue the goal of enhancing the preparedness of the Emergency Operations Centre and volunteers
- ❖ Continue to work with RCMP to ensure Lions Bay is a safe community
- ❖ There is a growing need to work more closely with Conservation Officers and to better educate our residents as interaction between humans, bears, coyotes and cougars increase





Serving the Community

ADMINISTRATIVE SERVICES

The Village Hall staff has the primary responsibility of helping Council to lead and manage the Village. The Village is a complex business and has many responsibilities.

The Village also has the responsibility of ensuring the finances of the Village are sound and efficiently managed and spent. Specifically, Finance provides financial planning, budgeting, rate setting and financial reporting.



2013 Highlights

- ❖ Purchased and implemented a new computer system and enhanced MAIS Accounting System
- ❖ Enhanced and updated the Village website
- ❖ Developed a new framework for a comprehensive review of the Village's approach to fees and charges

Looking Forward

- ❖ Work with new in-coming Council to develop realistic and affordable 4 year Strategic and Business Plans
- ❖ Introduce performance measurements, where appropriate
- ❖ Need to determine an appropriate governance structure for management of assets
- ❖ Continue to develop lifecycle maintenance and replacement schedules for all categories of assets, integrate with capital plans and document long-term funding strategies
- ❖ Refine the annual budget process to ensure alignment of Council's strategic priorities and annual business goals
- ❖ Prepare for and conduct a 2014 civic election
- ❖ Research and implement best practices
- ❖ Initiate tender and Request for Proposal processes for audit, banking and other municipal contracts, where appropriate





PLANNING & DEVELOPMENT SERVICES

The Village's Building Inspector is responsible for administering the Village's zoning and construction bylaws. From performing inspections to approving building permits, the Building Inspector looks after most planning and development related issues.

2013 Highlights

- ❖ In 2013 a Secondary Suites Committee was struck and recommendations came forward to Council legalizing suites within single family dwellings but which are regulated for health and safety

Looking Forward

- ❖ Will work with the Province and Federal governments to access as much of the Build Canada funding as possible to offset future infrastructure costs
- ❖ The Land Use Master Plan will be presenting recommendations to Council that will likely become a schedule to the OCP and will make recommendations that will ensure the sensitive development of new and existing sites, and conceptual development plans and design guidelines for redeveloped sites and possibly new greenfield sites.





LIONS BAY FIRE RESCUE SERVICES

Lions Bay Fire Rescue is responsible for fire protection, rescue services, first responder medical aid and fire prevention. The department has more than 20 active members and trains every Wednesday night and Sunday morning.



2013 Highlights

- ❖ 116 calls for service:
 - 46 Motor Vehicle Accidents
 - 42 Medical Responses
 - 1 Structure Fire
 - 27 Miscellaneous Events
- ❖ 2013 Firefighters Day generated a \$7,000 donation to BC Children's Hospital
- ❖ LBFR assisted with the annual Lions Club Christmas Tree Sale at Ambleside Park
- ❖ 6 members left LBFR for permanent placements in North Shore departments – a clear indicator of LBFR's first class training programs

Looking Forward

- ❖ Active hiring is ongoing
- ❖ New burn building and house structure being built on the training site for specialized training





PUBLIC WORKS

The Public Works Department is responsible for maintaining the Village's water treatment and distribution system which is comprised of two water treatment plants, multiple reservoirs and pressure reducing valves and over 20 km of pipe. Public Works provides a safe and continuous supply of drinking water to residents by providing and maintaining mains, reservoirs, pump stations, and treatment. The department also maintains two kilometers of sewer pipes and the sewer treatment plant. Additionally, the department maintains all of the Village's parks and beaches. The Village contracts out garbage collection, but the Village will be taking a more active role in addressing Climate Change issues as well addressing new legislation such as the Metro Vancouver Integrated Solid Waste and Resource Management Plan.

2013 Highlights

- ❖ Work on critical infrastructure continued, and long-term planning was advanced by the creation of the Infrastructure Committee to ensure the Village is prepared for the years ahead in terms of infrastructure planning

Looking Forward

- ❖ Hiring of a permanent Manager of Public Works
- ❖ Researching and implementing best practices, where appropriate
- ❖ Working closely with residents and other governments to address Climate Action issues

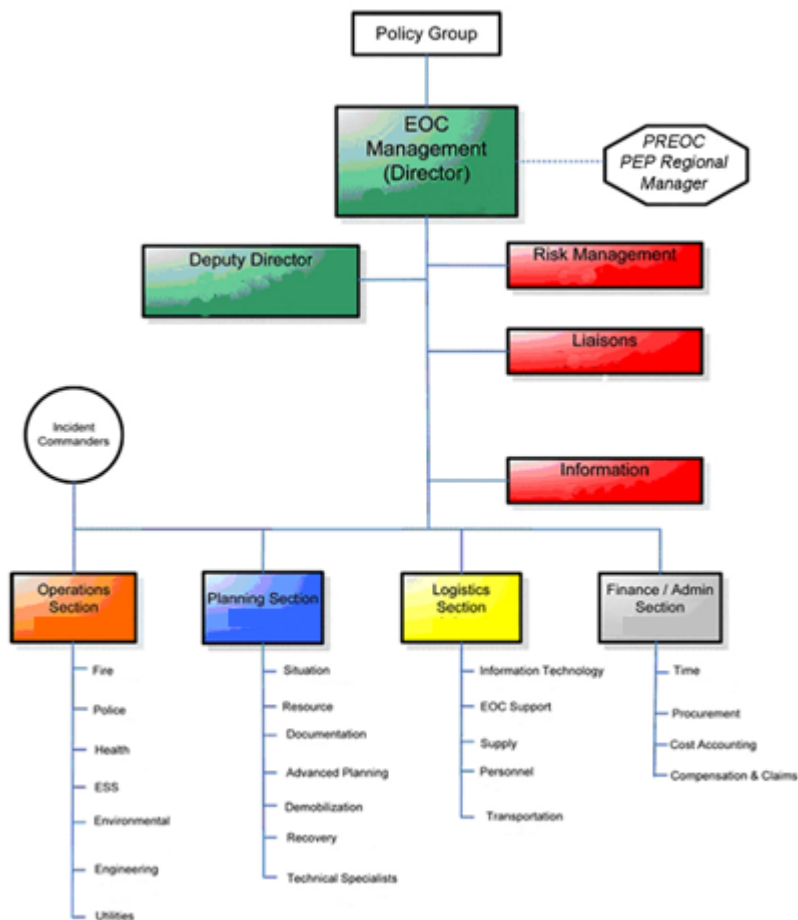




EMERGENCY OPERATIONS CENTRE

The Emergency Operations Centre (EOC) is activated at the request of the Incident Commander or senior municipal officials to provide overall jurisdictional direction and control, coordination and resource support during an emergency event. The EOC has five key functions during an emergency event: Management, Operations, Planning, Logistics and Finance/Administration.

EOC Framework:



EOC Response Goals:

8 Goals in Priority

1. Provide for the safety and health of all responders.
2. Save lives.
3. Reduce suffering.
4. Protect public health.
5. Protect government infrastructure.
6. Protect property.
7. Protect the environment.
8. Reduce economic and social losses.



2013 Community Grants

Organization	Amount Awarded
Emergency Social Services	\$3,183
Kelvin Grove Berm Stewards	\$500
Lions Bay Arts Council	\$4,712
Lions Bay Bear Smart Program	\$186
Lions Bay Community Garden	\$287
Lions Bay Events Committee	\$300
Lions Bay Historical Society	\$351
Lions Bay Reading Centre	\$2,029
Lions Bay Volunteer Gardeners	\$693
Native Plant Garden	\$311
TOTAL	\$12,552

**The above figures do not include in-kind costs associated with each group.*

PERMISSIVE TAX EXEMPTIONS

There were no permissive tax exemptions in 2013.





Financial Stewardship

Statement

Statement of Financial Position

Purpose

This statement is the private sector equivalent of the balance sheet, listing the Village's financial and non-financial assets and financial liabilities, totaling to the accumulated surplus or deficit. The difference between the financial assets and the financial liabilities is termed net financial assets if a positive result occurs, or net financial debt if a negative result occurs. A positive net financial asset result indicates that the Village has generated financial resources to fund future activities, and alternatively, a net financial debt result would mean the Village would need to finance that amount from future budgets.

Statement of Operations

This statement is the private sector equivalent of the income statement, summarizing revenues raised in the year to fund operating and capital needs, lists expenses explaining the cost of goods and services consumed during the year (including amortization of assets), how the organization changed in net value for the period (surplus or deficit), and the new accumulated surplus at year end. This statement reflects the combined operations of the operating and reserve funds for the Village.

Statement of Changes in Net Financial Assets (Net Debt)

This statement is unique to governments accounting for all revenues against all operating expenses and tangible capital asset expenditures (excluding amortization) to calculate whether the Village had an increase in net financial assets or decrease in net financial assets (net debt).

This statement is important as it reports the extent to which annual expenditures (cost of goods and services) are met with the revenues recognized within the year. Revenues are recognized from several sources including revenues from own sources (e.g. taxation, user fees, licence fees, sale of service revenues), utilization of existing financial resources (e.g. reserves), and incurring liabilities (e.g. debt, capital leases).



Statement

Statement of Cash Flows

Purpose

This statement reports the change to cash and cash equivalents (highly liquid investments readily convertible to cash) for the year, showing how the Village financed its activities and met its cash commitments.

The ending balance represents a pool of cash or ready sources of cash that a government has available to meet its ongoing activities and obligations and emergencies. Essentially, cash is generated and used in the context of four major activities; operating activities, capital activities, investing activities and financing activities.



Village of Lions Bay
Financial Statements
For the year ended December 31, 2013

Village of Lions Bay
Financial Statements
For the year ended December 31, 2013

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Independent Auditor's Report

To the Mayor and Councilors of the Village of Lions Bay

We have audited the accompanying financial statements of the Village of Lions Bay, which comprise the Statement of Financial Position as at December 31, 2013, the Statements of Operations, Change in Net Financial Assets and 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.

Auditor's 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 auditor's 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Village of Lions Bay as at December 31, 2013 and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

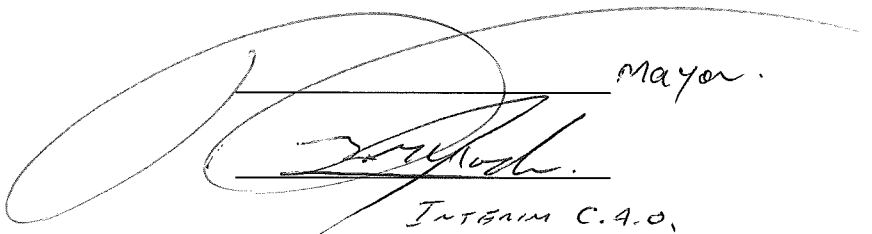
Chartered Accountants

Vancouver, British Columbia
May 13, 2014

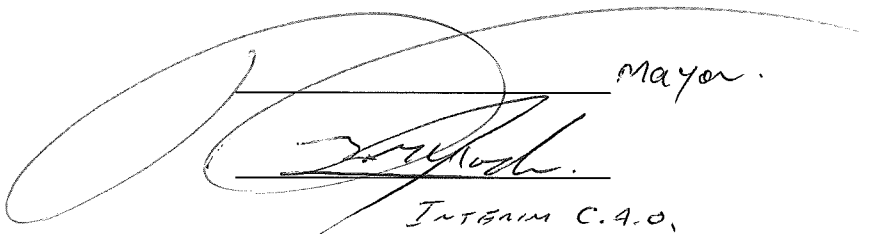
Village of Lions Bay
Statement of Financial Position

December 31	2013	2012
Financial Assets		
Cash and cash equivalents	\$ 2,163,461	\$ 1,205,939
Portfolio investments	-	449,885
Accounts receivable	191,735	421,151
Grant receivable	18,957	7,383
	<u>2,374,153</u>	<u>2,084,358</u>
Liabilities		
Accounts payable	155,361	271,013
Developer deposits (Note 4)	98,500	86,500
Deferred revenue (Note 1)	441,343	441,343
Sick, overtime, wellness and vacation payable	29,501	38,681
Long term debt (Note 2)	1,423,673	1,504,594
Capital lease obligation (Note 3)	148,578	-
	<u>2,296,956</u>	<u>2,342,131</u>
Net Financial Assets (Debt)	<u>77,197</u>	<u>(257,773)</u>
Non-Financial Assets		
Tangible capital assets (Schedule 3)	19,694,553	19,883,302
Prepaid expenses	1,912	6,221
	<u>19,696,465</u>	<u>19,889,523</u>
Accumulated Surplus (Note 9)	<u>\$ 19,773,662</u>	<u>\$ 19,631,750</u>

Approved by Council:



 Mayor.



 Interim C.A.O.

Village of Lions Bay
Statement of Operations

For the year ended December 31	Financial Plan 2013	2013	2012
	(Note 7)		
Revenue (Schedule 1 & 2)			
Taxation (Note 5)	\$ 1,335,529	\$ 1,337,556	\$ 1,305,246
Utility user rates and connection fees	548,975	568,241	566,516
Government transfers	687,742	320,717	445,556
Sale of services	44,715	78,051	75,377
Other revenues	69,250	162,146	85,566
Gain on disposal of tangible capital assets	-	34,820	5,233
	<u>2,686,211</u>	<u>2,501,531</u>	<u>2,483,494</u>
Expenses (Schedule 1 & 2)			
General departmental expenses	1,478,968	1,442,424	1,405,984
Water system operations	499,676	414,665	407,514
Sewer system operations	61,839	53,139	10,996
Amortization expense	451,833	449,391	450,754
	<u>2,492,316</u>	<u>2,359,619</u>	<u>2,275,248</u>
Annual Surplus	193,895	141,912	208,246
Accumulated Surplus, beginning of year	<u>19,631,750</u>	<u>19,631,750</u>	<u>19,423,504</u>
Accumulated Surplus, end of year	<u>\$ 19,825,645</u>	<u>\$ 19,773,662</u>	<u>\$ 19,631,750</u>

Village of Lions Bay
Statement of Change in Net Financial Assets

<u>For the year ended December 31</u>	Financial Plan 2013 (Note 7)	2013	2012
Annual surplus	\$ 193,895	\$ 141,912	\$ 208,246
Change in Tangible Capital Assets			
Acquisition of tangible capital assets	(791,500)	(298,085)	(199,833)
Amortization of tangible capital assets	451,833	449,391	450,754
Gain on disposals of tangible capital assets	-	(34,120)	(4,233)
Proceeds on sale of tangible capital assets	-	71,564	9,500
Change in Other Non-Financial Assets			
Expense (acquisition) of prepaid expenses	-	4,308	(2,217)
Change in net financial assets (debt) for the year	382,645	334,970	462,217
Net financial debt, beginning of year	(257,773)	(257,773)	(719,990)
Net financial assets (debt), end of year	\$ 124,872	\$ 77,197	\$ (257,773)

Village of Lions Bay
Statement of Cash Flows

For the year ended December 31

2013

2012

Cash provided by (used in)

Operating transactions

Annual surplus \$ 141,912 \$ 208,246

Items not involving cash

Amortization expense 449,391 450,754

Gain on disposal of tangible capital assets (34,120) (4,233)

Changes in non-cash operating balances

Accounts receivable 217,842 5,756

Deferred revenue 12,000 414,343

Accounts payable (115,652) 101,902

Sick, overtime, wellness and vacation payable (9,180) (25,354)

Prepaid expenses 4,308 (2,217)

666,501 1,149,197

Capital transactions

Cash used to acquire tangible capital assets (136,863) (199,833)

Proceeds on sale of tangible capital assets 71,564 9,500

(65,299) (190,333)

Investing transactions

Redemption (purchase) of portfolio investments 449,885 (46,577)

Financing transactions

Repayment of capital lease obligation (12,644) -

Repayment of long-term debt principal (80,921) (58,039)

Increase in cash and equivalents during the year

957,522 854,248

Cash and equivalents, beginning of year

1,205,939 351,691

Cash and equivalents, end of year

\$ 2,163,461 \$ 1,205,939

Non cash transaction:

Tangible capital assets additions through capital leases \$ 161,222 \$ -

Supplemental information:

Interest paid on long-term debt \$ 88,879 \$ 91,745

Village of Lions Bay

Summary of Significant Accounting Policies

December 31, 2013

The Village of Lions Bay ("The Village") is a municipality in the province of British Columbia operating under the provisions of the Community Charter. The Village provides a wide range of services to the residents such as parks and recreation, fire and rescue, general government services, solid waste collection, and maintenance of roads, storm drainage, water and sewer infrastructure and facilities. The Village prepares its financial statements in accordance with Canadian public sector accounting standards using guidelines developed by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants Canada.

Basis of Accounting The basis of accounting followed in these financial statements is an accrual method and includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period the goods and services are acquired and a liability is incurred.

The financial statements include the accounts of all funds of the Village. Interfund transactions and balances have been eliminated.

Investments Investments are carried at market value which approximates cost.

**Cash and
Cash Equivalents** Cash and cash equivalents include bank balances and bank term deposits or guaranteed income certificates with duration of less than three months. All amounts are held at Canadian chartered banks and are denominated in Canadian dollars.

**Tangible Capital
Assets** Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is put into use. Contributed tangible capital assets are recorded at fair value at the time of the contribution.

Estimated useful lives of tangible capital assets are as follows:

Land improvements	7 to 40 years
Buildings	20 to 50 years
Drainage	25 to 40 years
Equipment, furniture, and vehicles	5 to 20 years
Infrastructure - water	5 to 80 years
Infrastructure - sewer	5 to 100 years
Roads	10 to 60 years
Other	5 to 60 years

Village of Lions Bay

Summary of Significant Accounting Policies

December 31, 2013

Revenue Recognition

Taxes are recorded when they meet the definition of an asset, have been authorized and the taxable event occurs. Taxes receivable are recognized net of allowance for anticipated uncollectible amounts.

Through the British Columbia Assessments appeal process, taxes may be adjusted by way of supplementary roll adjustments. The affects of these adjustments on taxes are recognized at the time they are awarded. Levies imposed by other taxing authorities, including the Vancouver General Regional District, are not included as taxes for municipal purposes.

Charges for sewer, water usage and solid waste collection are recorded as user fees. Connection fee revenues are recognized when the connection has been established.

Government transfers, which include legislative grants, are recognized in the financial statements when received if the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Government transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Sales of service and other revenue is recognized on an accrual basis.

Change in Accounting Policies

In 2013, the Village adopted the provisions of the public sector accounting standard "PS3410 Government Transfers". This new standard can be applied either retroactively or prospectively, however the requirements of this standard did not differ from the treatment the Village had previously been following and therefore, no change was required. Government transfers are recognized as revenue when authorized and eligibility criteria have been met unless the transfer contains stipulations that create a liability. If the transfer contains stipulations that create a liability, the related revenue is recognized over the period that the liability is extinguished.

The most significant government transfer relates to provincial grant in the amount of \$440,343 for the Community Recreation Program (Note 1). These funds are deferred until such time that they are spent on eligible projects.

In 2013, the Village also adopted the provisions of the public sector accounting standard "PS3510 Tax Revenue". The requirements of this standard did not differ from the treatment the Village had previously been following and therefore, no change was required.

Village of Lions Bay
Summary of Significant Accounting Policies

December 31, 2013

Leased Assets	Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the Village and the obligation, including interest thereon, is repaid over the term of the lease. All other leases are accounted for as operating leases and the rental costs are expensed as incurred.
Use of Estimates	The preparation of financial statements in accordance with Canadian public sector accounting standards 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 amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. A significant area requiring management estimates relates to the useful life of tangible assets for amortization calculations.
Financial Instruments	The Village's financial instruments consist of cash and equivalents, portfolio investments, accounts receivable, grant receivable, accounts payable and long-term debt. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant interest, currency or credit risk arising from these financial instruments.
Deferred Revenue	Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purpose.

Village of Lions Bay
Notes to Financial Statements

December 31, 2013

1. Deferred Revenues

Deferred revenue consists of a restricted cash donation in the amount of \$1,000 from The Horns Project Productions Ltd. for the beautification of The Village's garden and a deferred government transfer in the amount of \$440,343 for the community centre renewal capital project with eligibility criteria not being fully met as at December 31, 2013.

	2013	2012
Deferred government transfer, opening balance	\$ 441,343	\$ 441,343
2013 Additions	-	-
2013 Expensed portions	-	-
Deferred government transfer, ending balance	\$ 441,343	\$ 441,343

2. Long-term Debt

Loan Authorization Bylaw No. 353 was adopted on January 20th, 2005 and gave approval for the Village to borrow up to \$250,000 to assist in providing water services to the specified area of Brunswick Beach whose owners had opted to finance their share of costs over twenty years through a local parcel tax. The actual amount of the loan honoured was \$114,000. The interest rate is 5.1% and the debt matures in 2025. The balance outstanding under this bylaw at year-end was \$75,140 (2012 - \$81,403).

Loan Authorization Bylaw No. 401 and 374 were respectively adopted on June 2, 2008 and September 19, 2006 and gave approval for the Village to borrow up to \$800,000 and \$600,000 to assist in providing construction improvements to the water system servicing the Village of Lions Bay. The interest rate is 5.15% and the debt matures in 2028. The balance outstanding under the bylaws at year-end was \$1,144,211 (2012 - \$1,207,557).

Loan Authorization Bylaw No. 380 was adopted on September 19, 2006 and gave approval for the Village to borrow up to \$1,300,000 to assist in providing construction improvements to the Village of Lions Bay road system. In 2008, Council reduced the approved borrowing for the bylaw to \$500,000 and \$250,000 was borrowed. The interest rate is 5.15% and the debt matures in 2028. The balance outstanding under this bylaw at year-end was \$204,323 (2012 - \$215,635).

Village of Lions Bay
Notes to Financial Statements

December 31, 2013

2. Long-term Debt (Continued)

Future principal payments required on long-term debt are as follows:

2014	\$	60,841
2015		60,980
2016		61,122
2017		61,267
2018		61,417
2019 and onwards		<u>1,118,047</u>
	\$	<u>1,423,674</u>

3. Capital Lease

During 2013, The Village entered into three vehicle lease obligations with future payments requirements as follows:

2014	\$	35,785
2015	\$	35,785
2016	\$	35,785
2017	\$	35,785
2018		<u>15,741</u>
Total future minimum lease payments		158,881
Less: Imputed interest		<u>(10,303)</u>
Present value of minimum lease payments	\$	<u>148,578</u>

4. Developer Deposits

Bylaw 330 requires an applicant for certain building permits to pay a damage deposit of \$1,500 when the work is under \$50,000 and \$3,000 when the work is over \$50,000. The deposit less any costs incurred by the Village in restoring or replacing any damaged works or property will be returned to the applicant. The total cash on deposit of \$98,500 (2012 - \$86,500) has been reported under the liability because the deposits will be returned to the applicants. Any portion of these deposits used for replacing damaged works or property will be taken into income by the Village at such time.

Village of Lions Bay
Notes to Financial Statements

December 31, 2013

5. Taxation

	Financial Plan 2013 (Note 7)	2013	2012
General purposes	\$ 1,103,539	\$ 1,106,343	\$ 1,082,576
Collections for other tax authorities			
School and RCMP - Province	-	875,284	847,732
Regional District	-	36,406	34,804
Greater Vancouver Transportation Authority	-	202,759	196,341
Municipal Finance Authority	-	123	120
British Columbia Assessment Authority	-	37,939	36,155
	<u>1,103,539</u>	<u>2,258,854</u>	<u>2,197,728</u>
Transfers to other tax authorities			
Province of British Columbia	-	875,284	847,732
Regional District	-	36,747	34,804
Greater Vancouver Transportation Authority	-	202,759	196,341
Municipal Finance Authority	-	124	120
British Columbia Assessment Authority	-	37,939	36,155
	<u>-</u>	<u>1,152,853</u>	<u>1,115,152</u>
Available for general purposes	1,103,539	1,106,001	1,082,576
Water utility parcel taxes	212,040	211,605	203,670
Sewer utility parcel taxes	19,950	19,950	19,000
	<u>\$ 1,335,529</u>	<u>\$ 1,337,556</u>	<u>\$ 1,305,246</u>

Village of Lions Bay
Notes to Financial Statements

December 31, 2013

6. Contingent Liabilities and Commitments

- (i) The Village is responsible as a member of the Greater Vancouver Regional District for its portion of any operating deficits or capital debt related to functions in which it participates.
 - (ii) The Village partially insures itself through the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible that the Village along with the other participants, would be required to contribute towards the deficit.
 - (iii) The Village is the subject to litigation in regard to employment matters. In addition, the Village is from time to time involved in other lawsuits. The Village vigorously defends any such claims. At December 31, 2013 there is not sufficient information available to allow the Village to make a reasonable estimate of the potential for loss, if any, resulting from outstanding matters. Accordingly, these financial statements contain no provision for such amounts. Amounts will be recorded in the financial statements in the period in which additional information becomes available that allows a reasonable estimate to be made.
-

7. Financial Plan

Financial plan amounts represent the Financial Plan By-Law adopted by Council on May 9, 2013 with estimates for items treated differently under PSAB accounting.

The Financial Plan anticipated use of surpluses accumulated in previous years to balance against current year expenditures in excess of current year revenues. In addition, the Financial Plan anticipated capital expenditures rather than amortization expense and repayment of debt during the year.

The following shows how these amounts were combined:

	<u>2013</u>
Financial Plan Bylaw surplus for the year	\$ -
Add back:	
Capital expenditures	791,500
Repayment of Debt	60,705
Less:	
Budgeted transfers from accumulated surplus	(206,477)
Amortization	<u>(451,833)</u>
	<u>\$ 193,895</u>

Village of Lions Bay
Notes to Financial Statements

December 31, 2013

8. Pension Plan

The Village and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly-trusted pension plan. The Plan's Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of the benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 179,000 active members and approximately 71,000 retired members. Active members include approximately 35,000 contributors from local governments and 6 contributors from the Village.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. 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 with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The Village paid \$24,126 (2012 - \$25,502) for employer contributions while employees contributed \$21,439 (2012 - \$22,063) to the plan in fiscal 2013.

9. Accumulated Surplus

The components of accumulated surplus are as follows:

	<u>2013</u>	<u>2012</u>
Invested in tangible capital assets	\$ 18,270,880	\$ 18,492,966
Reserve funds	595,340	464,109
Unrestricted amounts	<u>907,442</u>	<u>674,675</u>
	<u>\$ 19,773,662</u>	<u>\$ 19,631,750</u>

The increase in reserve funds in the current year of \$131,231 is the result of \$122,302 of unrestricted funds transferred to the community centre renewal capital project with the balance of \$8,929 representing interest credited to reserve funds for the year.

December 31, 2013

10. Segmented Information

The Village is a diversified municipal government institution that provides a wide range of services to its residents such as parks and recreation, maintenance of roads, fire and rescue, sewer and water utilities and solid waste collection. Key functional segments have been separately disclosed in Schedule 1. Following is a brief description of these segments and the activities they provide:

General Government

This segment relates to the general administration of the Village. It also includes revenues and expenses such as property tax revenues, legal costs, etc. that cannot be directly attributed to a specific segment.

Protective Services

Protective Services comprise of fire and rescue services, bylaw enforcement and emergency services. The fire and rescue department is responsible for providing fire suppression service, fire prevention programs, training and education and highway call-out services. The members of the fire department are volunteer fire fighters.

Public Works Operation

Public works and transportation is responsible for the maintenance of roads, storm drainage, water and sewer infrastructure and building facilities.

Solid Waste Collection

Solid waste collection consists of recycling services and waste collection.

Planning and Development

This segment includes building inspection, zoning and community planning such as land use master plan.

Recreational and Cultural Services

This service area provides services meant to improve the health and development of the residents. They include recreation programs in community centre, maintenance of trails, parks and beaches.

Village of Lions Bay
Notes to Financial Statements

December 31, 2013

11. Expenses by Objects

	Financial Plan 2013 (Note 7)	2013	2012
Goods and services	\$ 1,123,678	\$ 948,017	\$ 863,846
Labour	827,637	873,332	868,904
Debt charges - interest	89,168	88,879	91,744
Amortization Expense	451,833	449,391	450,754
Total Expenses	\$ 2,492,316	\$2,359,619	\$ 2,275,248

12. Comparative Figures

Certain comparative amounts have been restated to conform with the current year's presentation.

Village of Lions Bay
Schedule 1 - Combined Statement of Operations by Segment

For the year ended December 31, 2013

	General Government	Protective Services	Public Works Operation	Solid Waste Collection	Planning and Development	Park Recreation and Culture	Water Utility	Sewer Utility	2013 Actual	2013 Financial Plan
										(Note 7)
Revenues										
General taxes	\$ 1,106,001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 211,605	\$ 19,950	\$ 1,337,556	\$ 1,335,529
Utility charges	-	-	-	191,017	-	-	343,204	34,020	568,241	548,975
Government grants - Federal	-	-	-	-	-	122,302	-	-	122,302	120,000
Government grants - Provincial	196,742	871	-	-	-	802	-	-	198,415	567,742
Gain on sale of tangible capital assets	34,820	-	-	-	-	-	-	-	34,820	-
Sales of services	1,750	12,529	-	2,350	30,110	31,312	-	-	78,051	44,715
Other revenue	95,300	58,188	-	-	-	425	8,233	-	162,146	69,250
	<u>1,434,613</u>	<u>71,588</u>	<u>-</u>	<u>193,367</u>	<u>30,110</u>	<u>154,841</u>	<u>563,042</u>	<u>53,970</u>	<u>2,501,531</u>	<u>2,686,211</u>
Expenses										
Operating										
Goods and services	202,922	152,605	152,811	182,029	5,405	64,634	149,259	38,352	948,017	1,123,678
Labour	322,422	82,224	213,482	-	14,107	36,998	189,312	14,787	873,332	827,637
Amortization	283,898	-	-	-	-	-	143,884	21,609	449,391	451,833
	<u>809,242</u>	<u>234,829</u>	<u>366,293</u>	<u>182,029</u>	<u>19,512</u>	<u>101,632</u>	<u>482,455</u>	<u>74,748</u>	<u>2,270,740</u>	<u>2,403,148</u>
Interest	-	-	12,785	-	-	-	76,094	-	88,879	89,168
	<u>809,242</u>	<u>234,829</u>	<u>379,078</u>	<u>182,029</u>	<u>19,512</u>	<u>101,632</u>	<u>558,549</u>	<u>74,748</u>	<u>2,359,619</u>	<u>2,492,316</u>
Excess (deficiency) in revenues over expenses	<u>\$ 625,371</u>	<u>\$ (163,241)</u>	<u>\$ (379,078)</u>	<u>\$ 11,338</u>	<u>\$ 10,598</u>	<u>\$ 53,209</u>	<u>\$ 4,493</u>	<u>\$ (20,778)</u>	<u>\$ 141,912</u>	<u>\$ 193,895</u>

Village of Lions Bay
Schedule 2 -Combined Statement of Operations by Segment

For the year ended December 31, 2012

	General Government	Protective Services	Public Works Operation	Solid Waste Collection	Planning and Development	Park Recreation and Culture	Water Utility	Sewer Utility	2012 Actual	2012 Financial Plan
Revenues										
General taxes	\$ 1,082,576	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 203,670	\$ 19,000	\$ 1,305,246	\$ 1,295,972
Utility charges	-	-	-	213,202	-	-	320,914	32,400	566,516	568,128
Government grants - Federal	-	-	-	-	-	850	-	-	850	850
Government grants - Provincial	420,948	23,648	-	-	-	110	-	-	444,706	761,417
Gain on sales of TCA	5,233	-	-	-	-	-	-	-	5,233	-
Sales of services	2,010	-	-	-	16,307	57,060	-	-	75,377	102,124
Other revenue	29,224	56,342	-	-	-	-	-	-	85,566	139,341
	1,539,991	79,990	-	213,202	16,307	58,020	524,584	51,400	2,483,494	2,867,832
Expenses										
Operating										
Goods and services	133,703	152,627	120,056	188,599	6,131	41,703	210,266	10,761	863,846	947,935
Labour	338,871	81,157	273,852	-	13,309	51,259	110,221	235	868,904	1,041,635
Amortization	286,274	-	-	-	-	-	142,871	21,609	450,754	-
	758,848	233,784	393,908	188,599	19,440	92,962	463,358	32,605	2,183,504	1,989,570
Interest	-	-	4,717	-	-	-	87,027	-	91,744	89,722
	758,848	233,784	398,625	188,599	19,440	92,962	550,385	32,605	2,275,248	2,079,292
Excess (deficiency) in revenues over expenses	\$ 781,143	\$ (153,794)	\$ (398,625)	\$ 24,603	\$ (3,133)	\$ (34,942)	\$ (25,801)	\$ 18,795	\$ 208,246	\$ 788,540

Village of Lions Bay
Schedule 3 - Tangible Capital Assets

For the year ended December 31, 2013

	Land	Buildings	Equipment & Furniture & Vehicle	Land Improvements	Water	Sewer	Roads	Storm Sewer	Other	WIP - General	2013 Total	2012 Total
Cost, beginning of year	\$ 11,150,183	\$ 1,351,952	\$ 1,527,517	\$ 147,052	\$ 6,702,430	\$ 421,824	\$ 4,343,823	\$ 101,450	\$ 81,801	\$ 114,258	\$ 25,942,290	\$ 25,775,657
Additions	-	-	197,326	-	37,068	-	-	-	-	63,691	298,085	199,833
Disposals	(34,558)	-	(142,550)	-	-	-	-	-	-	-	(177,108)	(33,200)
Cost, end of year	11,115,625	1,351,952	1,582,293	147,052	6,739,498	421,824	4,343,823	101,450	81,801	177,949	26,063,267	25,942,290
Accumulated amortization, beginning of year	-	767,318	711,401	40,051	1,992,705	253,368	2,216,614	70,986	6,545	-	6,058,988	5,636,167
Amortization	-	28,207	135,916	7,226	143,884	21,609	116,807	1,910	1,636	-	457,195	450,754
Disposals	-	-	(147,469)	-	-	-	-	-	-	-	(147,469)	(27,933)
Accumulated amortization, end of year	-	795,525	699,848	47,277	2,136,589	274,977	2,333,421	72,896	8,181	-	6,368,714	6,058,988
Net carrying amount, end of year	\$ 11,115,625	\$ 556,427	\$ 882,445	\$ 99,775	\$ 4,602,909	\$ 146,847	\$ 2,010,402	\$ 28,554	\$ 73,620	\$ 177,949	\$ 19,694,553	\$ 19,883,302



Looking Forward

Consolidated Financial Plan 2014 - 2018

	2014	2015	2016	2017	2018
Revenues					
Fees, Licenses, Permits and Fines	103,115	105,309	105,827	106,654	107,342
Government Transfers Capital	489,000				
Small Community Grant	196,742	298,000	298,000	298,000	298,000
Other grants	26,350	11,350	11,350	11,350	11,350
Other	18,000	15,400	15,400	15,400	15,400
Taxation	1,400,155	1,468,691	1,541,428	1,618,678	1,700,783
Utility Fees and Rates	591,576	656,633	705,656	759,228	817,798
Transfer from Reserves	155,000	-	-	-	-
Grand Total	2,979,938	2,555,383	2,677,661	2,809,311	2,950,673
Expenditures					
Amortization	467,117	474,117	481,117	488,117	495,117
General Government	667,118	568,976	577,924	586,664	595,524
Protection Services	246,117	249,292	252,518	255,796	259,125
Public Works	362,147	378,012	383,913	389,919	396,150
Planning and Development	59,986	20,318	20,655	20,999	21,348
Parks, Recreation and Facilities	149,350	151,693	154,046	156,430	158,860
Solid Waste	187,205	211,713	211,720	211,728	211,736
Sewer Fund	62,585	63,541	64,506	65,490	66,492
Water Fund	469,045	476,262	483,505	490,794	498,407
Interest Payments	92,679	91,438	90,150	88,825	87,503
Grand Total	2,763,348	2,685,362	2,720,055	2,754,762	2,790,262
Surplus/(Deficit)	216,590	(129,979)	(42,395)	54,548	160,411
Adjustments Required to Balance Financial Plan to Conform With Legislative Requirements					
Non-cash items included in Annual Surplus (Deficit)					
Amortization on tangible capital assets	467,117	474,117	481,117	488,117	495,117
Cash surplus	683,707	344,138	438,722	542,665	655,528
Cash items NOT included in Annual Surplus (Deficit)					
Repayment of Debt Principal	(92,618)	(93,584)	(94,580)	(95,155)	(75,997)
Capital Expenditures	(1,510,800)	(228,000)	(72,500)	(57,500)	(37,500)
Transfer to Restricted Reserves	(180,000)	(313,000)	(406,000)	(488,000)	(495,000)
Transfer from Restricted Reserves	180,000	228,000	72,500	57,500	37,500
Transfer from unrestricted reserve	919,711	62,446	61,858	40,490	(84,531)
Financial Plan Balance	-	-	-	-	-



General Fund Financial Plan 2014 - 2018

	2014	2015	2016	2017	2,018
Revenues					
Fees, Licenses, Permits and Fines	103,115	105,309	105,827	106,654	107,342
Government Transfers Capital	489,000				
Small Community Grant	196,742	298,000	298,000	298,000	298,000
Other grants	26,350	11,350	11,350	11,350	11,350
Other	12,000	9,400	9,400	9,400	9,400
Taxation	1,146,068	1,190,298	1,236,297	1,284,136	1,333,889
Utility Fees and Rates	186,005	210,505	214,915	219,413	224,002
Transfer from Reserves	140,000				
Grand Total	2,299,280	1,824,861	1,875,789	1,928,954	1,983,982
Expenditures					
Amortization	301,623	301,623	301,623	301,623	301,623
Communications	102,755	104,296	105,861	107,449	109,060
Debenture Interest Payments	16,885	15,925	14,925	13,895	12,995
Fiscal Charges	1,550	1,573	1,597	1,621	1,645
Grants	20,226	20,226	20,226	20,226	20,226
Insurance	52,600	52,789	52,981	53,176	53,373
Internal Allocations	(49,000)	(49,000)	(49,000)	(49,000)	(49,000)
Maintenance	158,490	170,867	173,280	175,730	178,216
Materials, supplies, and equipment	85,900	87,184	88,487	89,810	91,153
Professional Fees / Contract Services	438,261	323,907	325,069	326,249	327,447
Salaries and benefits	765,485	778,166	790,918	803,532	816,353
Sundry	16,650	9,746	9,843	9,942	10,043
Training / Professional Development	67,705	68,721	69,751	70,798	71,860
Utilities	11,300	11,530	11,764	12,003	12,248
Grand Total	1,990,431	1,897,552	1,917,325	1,937,054	1,957,241
Surplus/(Deficit)	308,849	(72,691)	(41,537)	(8,100)	26,742
Adjustments Required to Balance Financial Plan to Conform With Legislative Requirements					
Non-cash items included in Annual Surplus (Deficit)					
Amortization on tangible capital assets	301,623	301,623	301,623	301,623	301,623
Cash surplus	610,472	228,932	260,086	293,523	328,365
Cash items NOT included in Annual Surplus (Deficit)					
Repayment of Debt Principal	(40,173)	(41,139)	(42,135)	(42,710)	(23,552)
Capital expenditures	(1,156,800)	(85,500)	(35,000)	-	-
Transfer from (to) Water Fund	(319,993)	(81,502)	81,363	125,670	216,792
Transfer from (to) Sewer Fund	(13,218)	1,763	7,328	13,527	20,427
Transfer from/(to) reserves	919,711	(22,554)	(271,642)	(390,010)	(542,031)
Financial Plan Balance	-	-	-	-	-



Water Fund Financial Plan 2014-2018

	2014	2015	2016	2017	2,018
Revenues					
Parcel Tax	232,142	254,254	278,578	305,333	334,765
Utility Fees and Rates	368,149	404,964	445,460	490,006	539,007
Other	6,000	6,000	6,000	6,000	6,000
Transfer from Restricted Reserve	15,000				
Grand Total	621,291	665,218	730,038	801,340	879,772
Expenditures					
Amortization	143,884	148,884	153,884	158,884	163,884
Communications	2,500	2,538	2,576	2,614	2,653
Debenture Interest Payments	75,794	75,513	75,225	74,930	74,628
Insurance	7,000	7,105	7,212	7,320	7,430
Internal Allocations	45,000	45,000	45,000	45,000	45,000
Maintenance	23,500	23,853	24,210	24,573	24,942
Materials, supplies, and equipment	14,700	14,921	15,144	15,371	15,602
Professional Fees / Contract Services	85,000	86,275	87,569	88,883	90,216
Salaries and benefits	269,095	273,853	278,597	283,345	288,376
Sundry	3,750	3,806	3,863	3,921	3,980
Training / Professional Development	5,000	5,075	5,151	5,228	5,307
Utilities	13,500	13,838	14,183	14,538	14,901
Grand Total	688,723	700,659	712,614	724,608	736,919
Surplus/(Deficit)	(67,432)	(35,441)	17,424	76,731	142,853
Adjustments Required to Balance Financial Plan to Conform With Legislative Requirements					
Non-cash items included in Annual Surplus (Deficit)					
Amortization on tangible capital assets	143,884	148,884	153,884	158,884	163,884
Cash Surplus	76,452	113,443	171,308	235,615	306,737
Cash items NOT included in Annual Surplus (Deficit)					
Repayment of Debt Principal	(52,445)	(52,445)	(52,445)	(52,445)	(52,445)
Capital Expenditures	(344,000)	(142,500)	(37,500)	(57,500)	(37,500)
Transfer from (to) general fund	319,993	81,502	(81,363)	(125,670)	(216,792)
Financial Plan Balance	-	-	-	-	-



Sewer Fund Financial Plan 2014 - 2018

	2014	2015	2016	2017	2018
Revenues					
Taxation	21,945	24,140	26,553	29,209	32,130
Utility Fees and Rates	37,422	41,164	45,281	49,809	54,790
Grand Total	59,367	65,304	71,834	79,017	86,919
Expenditures					
Amortization	21,610	23,610	25,610	27,610	29,610
Insurance	1,240	1,259	1,277	1,297	1,316
Internal Allocations	4,000	4,000	4,000	4,000	4,000
Maintenance	30,000	30,450	30,907	31,370	31,841
Materials, supplies, and equipment	1,000	1,015	1,030	1,046	1,061
Professional Fees / Contract Services	1,750	1,776	1,803	1,830	1,857
Salaries and benefits	21,528	21,908	22,288	22,678	23,076
Sundry	317	322	327	331	336
Training / Professional Development	750	761	773	784	796
Utilities	2,000	2,050	2,101	2,154	2,208
Grand Total	84,195	87,151	90,116	93,100	96,102
Deficit	(24,828)	(21,847)	(18,282)	(14,083)	(9,183)

Adjustments Required to Balance Financial Plan to Conform With Legislative Requirements

Non-cash items included in Annual Surplus (Deficit)

Amortization of tangible capital assets	21,610	23,610	25,610	27,610	29,610
Cash Surplus	(3,218)	1,763	7,328	13,527	20,427

Cash items NOT included in Annual Surplus (Deficit)

Capital Expenditures	(10,000)	-	-	-	-
Transfer from (to) general fund	13,218	(1,763)	(7,328)	(13,527)	(20,427)

Financial Plan Balance	-	-	-	-	-
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2014 - 2018 Schedule of Debt Repayments

	2014	2015	2016	2017	2018
Interest Payments	92,679	91,438	90,150	88,825	87,503
Principal Payments	92,618	93,584	94,580	95,155	75,997
Total Annual Repayments	185,297	185,022	184,730	183,980	163,500

2014 - 2018 Schedule of Capital Expenditures

	2014	2015	2016	2017	2018
Building	1,027,000	-	35,000	-	-
Equipment	49,800	64,500	-	-	-
Roads	80,000	21,000	-	-	-
Water Infrastructure	344,000	142,500	37,500	57,500	37,500
Sewer	10,000	-	-	-	-
Total Capital Expenditures	1,510,800	228,000	72,500	57,500	37,500





2014 REVENUE DISCLOSURE STATEMENT

Proportion of Revenue from Each Funding Source

REVENUE SOURCE	% Total Revenue
Property and Parcel Taxes	47.5%
Utility Fees and Rates	20.1%
Government Transfers	16.6%
Grants	7.6%
Transfers from Reserves	4.2%
Fees, Licences, Permits and Fines	3.5%
Other Revenues	0.5%
Total	100.0%

Property Tax Distribution

The distribution of property tax revenue among the property classes is shown in the table below.

The objective of Council is to set tax rates based on the principle of equity and responsiveness to economic goals. Historically, the tax base for the Village of Lions Bay has been residential (99.6%) and therefore the tax revenues are predominantly from residential properties.

PROPERTY CLASS	% PROPERTY VALUE TAX	
	2013	2014
Residential (1)	99.6%	99.6%
Utilities (2)	0.1%	0.1%
Business (6)	0.2%	0.2%
Recreation (8)	0.1%	0.1%
TOTAL	100%	100%



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