

2014 Annual Report

For the Year Ended
December 31, 2014



The Municipality of the
Village of Lions Bay
British Columbia, Canada

Message from the Mayor

The Council of the Municipality of the Village of Lions Bay presents herewith its 2014 Annual Report. The pictures in the report come from our *I Love Lions Bay Photo Contest* and attest a community built by people who call Lions Bay home. BC's Community Charter establishes principles for municipal-provincial relations. One of its requirements is this Annual Report of audited financial statements, permissive tax exemptions if any, progress on previously stated objectives, a statement of objectives that will measure performance for the current and following year, and information on municipal services and operations. We hope this and future annual reports do more than just this minimum, and become a reference document for residents, taxpayers, voters and others.



2014 was a Local Government election year in BC, and the Village's 2014-2018 Council was installed on Dec. 2. Councillors Fred Bain and Ron McLaughlin returned, and first-time Mayor Karl Buhr and Councillors Jim Hughes and Helen Waterson were elected. On behalf of Council, I thank outgoing Mayor Brenda Broughton and Councillors Scott Ando and Joanne Ronsley for their service. Six months in, I can confirm the job is quite demanding. More on this in a minute.

Beyond financial results, many more accomplishments of the year are reported in the pages that follow. Thanks to the efforts of Lions Bayers on official Committees of Council, or on bodies like Trailblazers, Arts Council or Events Committee, or who simply volunteer in the day-to-day life of our Village, we live in a community of the people, for the people, by the people. In late 2014 the Village briefly lost water supply and we experienced the tragic loss of one of our children in a rockslide. I'll state again my admiration of our volunteers, our staff and the emergency services in all circumstances. Even though this is a 2014 report, running out of water for a few hours in December provided a foretaste of what may yet occur in the summer of 2015. We face an unprecedented water supply situation, and I urge you to become familiar with the municipality's conservation and contingency plans in this regard. If you are not on the Village's email distribution list, now would be a good time: simply send a note to reception@lionsbay.ca.

I often hear that "it only used to take two people to run this place," and since starting I've been noting down reasons why that is no longer the case. Since 2003 the Community Charter has dictated myriad requirements for the comportment of BC's 161 municipalities, large and small. The Charter, the Local Government Act, the Regional District, the Province and the Feds, require us for example to maintain a dual-disinfection water system (\$560,000 to operate in 2014 before capital investment), produce an Official Community Plan every three years or so (budgeted at \$60,000), have a current Emergency Plan (\$20,000), maintain a standby Emergency Operations Center, provide strict notice and reporting of all municipal meetings, and train and equip our 30-member Fire Department to meet the so-called Playbook, which imposes the same standards on volunteer departments as it does on paid. We are required to respond quickly to Freedom of Information requests (18 requests in 2014), plus meet mandatory purchasing rules under the New West Partnership Trade Agreement, which requires little Lions Bay to produce Requests for Proposals and tender all contracts over \$20,000. We have no purchasing department, no engineering department, and no planning department, yet they are assumed in the way the proverbial higher levels of government distribute funding and resources; as you will see in the SOFI section of this report, we spend a lot on consultants. Like it or not, it costs more and more money to be a municipality.

As a non-career politician it seems to me that current obligations and procedural and legislative requirements are well-suited to protecting public monies and ensuring equal opportunity in BC's four or five large cities. But in a small municipality like Lions Bay, they increasingly divert the resources needed to provide infrastructure, amenities and services in a community of only 1400 residents and 550 tax parcels. Beyond the demands of operating on a budget under pressure, we have first-world-problems of highway noise, lack of parking, overgrown views, and beach overuse and contamination. Being on the wild frontiers of Metro Vancouver, we also deal with wildlife, fire, storms and septic systems. I'm ruefully aware that a one percent increase in property tax on our current tax base raises only \$11,000. I think it's fair to say the next few years will present us strategic choices on whether and how to increase our spending money other than by tax increase.

Council acknowledges these issues and more, and I'm confident that we can look for permanent solutions to some of them in the next few years. I am continually heartened and encouraged by the expressed attitudes and views of Lions Bayers (tell us more at council@lionsbay.ca), and I look to our future with pleasure.

Karl H. Buhr

Karl Buhr

Chief Executive Officer of the Municipality, and Mayor of Lions Bay (mayor.buhr@lionsbay.ca)



Message from the CAO

2014 was a year of great transition for many communities across Metro Vancouver and the Village of Lions Bay was no different.

In 2014 we saw an increase in information requests under FOIPPA and identified the need for additional staff training in order to share the workload. Staff have also developed and implemented a Freedom of Information tracking database which has helped to streamline processes, track progress and better monitor staff hours allocated to information requests. We continue to analyze requests to determine what additional information should be released on our website in the first instance.



Staff spent a significant amount of time working with the Waste Management Task Force to establish how the Village would meet the 2015 organic waste ban being implemented across Metro Vancouver. This initiative supports Metro Vancouver's Zero Waste initiatives as well as the Village's OCP goal of continued focus on reducing, reusing and recycling. The organic waste recycling program was rolled out in January 2015 and we thank residents for their cooperation in making this a seamless and successful transition.

Occurring concurrently with regional initiatives were substantial initiatives from the 2011-2014 Council term reaching fruition.

2014 saw a full staff compliment realized with a personnel restructure late in the year in order to place the best resources in roles that will see them be most successful and effective. Our positive, cohesive team has spent a significant amount of time identifying opportunities to promote efficiencies in every possible aspect of day-to-day operations. One of the key ways to be efficient is to share opportunities with other agencies and we are researching how to share opportunities with neighbouring municipalities, such as training, in order to keep costs down.

The Community Centre Repair and Replace project reached substantial completion in the fall of 2014 after countless hours of discussion, consultation and sometimes heated debate. The renovated facility provides an updated and more functional space for users and staff. The project renewed the lifespan of the building by approximately twenty years and facility use is projected to increase by 25% in 2015 with staff sourcing new program opportunities for residents of all ages. It is staff's hope that 2015 will include a number of themed community events in the renovated facility.

None of these initiatives, large or small, could have been completed without the countless hours devoted by our Village volunteers. If the Village were a body, our volunteers would be its soul. Staff are truly thankful for the drive and dedication they display every day.

We anticipate 2015 being a year of great accomplishment, building off the groundwork laid in 2014, and focussing on planning initiatives to address infrastructure upgrades and emergency planning. We are committed to maintaining a strong focus on community engagement, sustainability planning, and fiscal responsibility. Although external cost pressures have stabilized some from past years, they do continue to rise. Staff and Council are committed to fiscal prudence by identifying strategies to keep externally-driven costs manageable for the municipality.

On behalf of staff, I would like to thank our residents for their support and involvement in working to keep Lions Bay's unique and vibrant identity while also adapting to change. We look forward to continuing our commitment to this community to support and drive a strong, safe and sustainable Village for years to come.

A handwritten signature in black ink, reading 'M Giesbrecht', with a stylized, cursive script.

Mandy Giesbrecht
Chief Administrative Officer

Governance: 2014-2018 Council



Mayor Karl Buhr

Portfolio:

- Land Use
- Strategic Planning and Partnerships

Committees:

- The Mayor is a member of all Committees of Council



Councillor Fred Bain

Portfolio:

- Infrastructure

Committees:

- Finance
- Infrastructure (Chair)



Councillor Jim Hughes

Portfolio:

- Government

Committees:

- Bylaw & Policy Review (Chair)
- Finance
- Infrastructure

Governance: 2014-2018 Council (cont.)



Councillor Ron McLaughlin

Portfolio:

- Finance

Committees:

- Finance (Chair)
- Trees, View & Landscapes



Councillor Helen Waterson

Portfolio:

- Community

Committees:

- Community Engagement (Chair)
- Finance

Outgoing Council (2011-2014)



Mayor
Brenda Broughton



Councillor
Scott Ando



Councillor
Fred Bain



Councillor
Ron McLaughlin

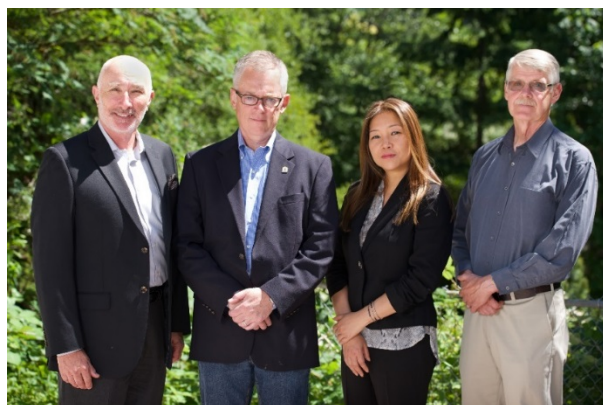


Councillor
Joanne Ronsley

Council Priorities 2015-2016

For 2015-2016, Council will place emphasis on the following priorities and goals:

Council Goals 2015	Deliverables (a partial listing)
<i>Lions Bay will communicate with all residents</i>	<ul style="list-style-type: none"> • Enhance and update village website, newsletters, signage, posters and social media to reach residents with news and information • Provide public computers in the Library, plus email and web training • Develop a Communications Policy & Style Guide to allow for comprehensible communications
<i>Lions Bay will offer high livability by fostering a resident- focused approach to service delivery and quality of life</i>	<ul style="list-style-type: none"> • Install a staff Community Coordinator • Produce Trees, Views & Landscapes Bylaw • Produce a new Building Bylaw • Improve parking for residents and visitors • Continually review Public Works service levels for value to residents, and to identify maintenance and beautification opportunities • Identify changing community needs through a Resident Poll and Survey.
<i>Lions Bay will strive to create a sustainable community for the future.</i>	<ul style="list-style-type: none"> • Support Lions Bay Elementary School, Lions Bay Before & After School Program, and Lions Bay Early Years Childcare • Fund and deliver the Infrastructure Master Plan and prepare shovel-ready RFPs ready for funding applications, particularly around water, roads, drainage, parks and sewers • Review land use and zoning strategy with a view to encouraging development opportunities acceptable to the wider community, focusing on Brunswick Hill and Crystal Falls
<i>Lions Bay will value its volunteers</i>	<ul style="list-style-type: none"> • Review current volunteer policies to define tasks, cover liability and acknowledge ad-hoc participation • Support community events: Art & Garden Show, Fitness Challenge, Firefighter Day, Canada Day, Fall Jazz, etc. • Consider Volunteer Tax Credit
<i>Lions Bay's government will be transparent, responsive, equitable, inclusive, effective, efficient and accountable</i>	<ul style="list-style-type: none"> • Present accessible resident-driven budgets that take into account the realities of funding community of 1500 people; produce 25-year financial model • Review the Village's suite of bylaws, with a view to merging, rationalizing, modernizing or obsoleting them • Set measurable accountabilities for staff and Council • Publish financial and operational key performance indicators • Undertake Town Hall meetings



Administrative Services

This area provides service and support to Council, its Committees & working groups, as well as human resource oversight, legislative services, communications and permits & licensing services.

The Chief Administrative Officer leads, coordinates and provides oversight for all Village staff to ensure accomplishment of legislative requirements, Council priorities and public goals.



2014 Objectives	2014 Accomplishments	Highlights
Bylaws	Preliminary audit of all existing Village bylaws	Active and historical bylaws were consolidated into a database for indexing and ease of reference. Several bylaws were identified for updating; work commenced in 2014 and will continue through 2015 with oversight from the Bylaw & Policy Review Committee.
Policies and Procedures	Preliminary audit of existing policies and procedures	Several Village policies and procedures require updating to meet current employment practices and/or legislative standards. This work began in 2014 with several new policies drafted and existing policies updated. This work will continue through 2015 with oversight from the Bylaw & Policy Review Committee.
Community Centre Renovation Project	Substantially completed	The project reached substantial completion in October 2014 and staff relocated to the renovated space. Programs and users groups resumed use of the renovated Hall facility in early 2015. Finalization of the project and associated financial reporting continued through early 2015.
Staffing	Significant reduction in staff turnover rates	By the end of 2014 the Village saw the trend of high staff turnover come to an end and was successful in attracting new talent to fill vacancies and further enhance the existing staff complement.
Planning & Development	Land Use Master Plan	The municipality began the Land Use Master Plan process in 2014. The draft document was tabled by the outgoing Council for further review by the 2014-2018 Council as part of the next Official Community Plan process, anticipated to be a Council priority in 2016.

Administrative Services (cont.)

2014 Objectives	2014 Accomplishments	Highlights
Communications	Undertaking of a public communications survey	The Village undertook a public communications survey in 2014, the results helped to understand the communication preferences of residents. Communication processes will continue to be reviewed through 2015 in the hopes that a formal communication strategy can be realized.
	Accessibility to Council proceedings and documents	The Village implemented new procedures in 2014 which saw Council meeting proceedings audio uploaded to YouTube for public access. Website updates, commenced in 2013, continued through 2014 in an effort to make public Council documentation, and other key information, more accessible to residents.

Statistics & Key Performance Indicators - Administration

Bylaws Adopted in 2014:	14
Policies Adopted in 2014:	6
Freedom of Information Requests Completed in 2014:	18
Freedom of Information Request Hours Utilized in 2014:	36
Billable Hours:	5



Public Works

The Public Works Department is responsible for all of the Village's infrastructure - from buildings, roads, and parks, to water, sewer, and drainage. In short, we are responsible for the Village-owned infrastructure residents require to make the Village their home on a day to day basis.

The Public Works Department is very small - comprised of only 4.5 regular full-time staff and their Manager - who are dedicated to providing safe, high quality drinking water, helping the community celebrate in Village owned spaces, ensuring water leaks are found and fixed, ensuring the sewer system is in compliance with legislation and regulations, and making the Village a beautiful place to live.



2014 Objectives	2014 Accomplishments	Highlights
Annual Workplan	Workplan created to year-end of 2014	The first annual workplan for the Village was created in mid-2014, and provided the basis for both the 2015 Annual Work Plan and the Village's first documented Levels of Service.
Policies and Procedures	Creation of new administrative and Occupational Health and Safety (OHS) policies and procedures	Once the new work plan and programs were in place, new policies and procedures were created and implemented to ensure that workplace safety was paramount, and that clear, consistent policies and procedures would guide all staff activities. Key new policies and procedures implemented in mid-2014 onward include the Safe Working Parameters for Unstable Terrain Upslope, Administrative Guidelines for Call-out Policy, and the Leak Detection Notification and Follow-up Procedures.
New Programs	Annual work programs were created in 2014 to compliment the new annual work plan.	With the advent of the new work plan, many new work programs were created in mid-2014, including the Village's new Water Main Flushing Program, Storm Season Preparedness Program, a water Leak Detection and Response Program, and a Snow and Ice Response Program.
Staffing	New Manager of Public Works and Services was hired in late June, 2014	A new Manager of Public Works and Services was hired, and transitioned successfully into the existing team.
Planning & Development	Metro Vancouver Organics Ban preparation for 2015	As a result of extensive planning in 2014, the 2015 Village-wide shift to adhere to Metro Vancouver's ban on organics in the garbage stream was a considerable success

Public Works (cont.)

2014 Objectives	2014 Accomplishments	Highlights
Customer Service Requests	Timely and balanced response to resident and Village staff's requests for service.	Public Works staff continued to ensure residents' requests for service (CSRs) were responded to in a timely and transparent manner, utilizing Microsoft Outlook to track each CSR and its resolution. This tracking began in April of 2014.
Emergency Response	Response to significant Village Emergencies	The Village had two significant debris slide emergencies that severely impacted its water supply infrastructure, and significant rainstorm events that caused considerable flooding and prevented Village staff from being able to access the Village's water intake areas. Public Works staff worked closely with the Village's Administrative staff, Provincial Emergency Program Staff, various Ministry staff, and other municipalities to enable a seamless response to significant emergent situations.

Statistics & Key Performance Indicators - Public Works

Service requests (CSRs) addressed April-December 2014:	91
Leaks addressed (municipal side) July - December 2014:	2
Leaks found (private side) August - December 2014:	11
Boil Water Advisories Issued	3



Public Safety

Lions Bay Fire Rescue

Lions Bay Fire Rescue is responsible for Fire Protection, Rescue Services, First Responder Medical Aid and Fire Prevention in the Village and on Highway 99.

The department has 30 members and trains every Wednesday night and Sunday morning.



Andrew Oliver
Fire Chief

2014 Objectives	Looking Forward - 2015 and Beyond
Firefighters Day, the main annual fundraiser for the Department, generated \$4,000 in donations to BC Children's Hospital	First class Burn Building to be completed
Assisted with the annual Lions Club Christmas Tree sale at Ambleside Park; received Lions Club donation of a Thermal Imaging Camera (TIC) valued at \$10,000	Evaluating anticipated summer water supply requirement for interface firefighting; facilitating delivery of water tankers as a contingency for the expected 2015 summer water shortage
3 members left for permanent placement in North Shore departments - a clear indicator of LBFR's first class training program	Grant application to Whistler Blackcomb Foundation for a Holmatro Hydraulic Pump to power heavy equipment for use in response efforts
Mutual Aid Agreement negotiated with Britannia Beach for fire and rescue coverage	Anticipating donation of \$6,000 for purchase of a specialty pump for drafting water; anticipated to be especially useful during this dry summer
Strachan Point fire, LBFR crews worked throughout the night with assistance from neighbouring units	In-depth weekend training sessions for Automobile Extrication have taken place; Bowen Island Fire have requested LBFR to provide them with similar training
	Intensive two-day Interface Fire Fighting course for all LBFR personnel

Statistics & Key Performance Indicators - Lions Bay Fire Rescue

2014 Calls for Service:	132
Motor Vehicle Accidents	49
Medical Responses	47
Structure Fires	3
Miscellaneous Events	33
PEP Reimbursements	\$23,088

Public Safety (cont.)

Police

Policing services are provided to the Village by the Sea to Sky RCMP Detachment, located in Squamish. The Village sees an extremely low crime rate, with the highest number of calls for service related to traffic incidents and abandoned 9-1-1 calls.

Type	2014 Statistics	2013 Statistics
Calls for Service	439	425
Violent Crime:		
• Robbery	1	0
• Domestic Violence	2	0
• Assault	4	2
Property Crime	44	24
Other Crime*	106	90
Total Collisions	38	42
Collisions (Hwy. 99 only)	37	38
Motor Vehicle Incidents	34	36
Impaired Drug/Alcohol Infractions	6	4

**95% of Other Crime is attributed to abandoned 9-1-1 calls.*

Bylaw Enforcement

The municipality's primary goal is to achieve bylaw compliance through dialogue and education. The Village employs a Bylaw Enforcement officer on a part time, seasonal basis between May and September to address key issues where escalation to enforcement measures is warranted, mostly related to animal control, parking, and noise.

Statistics	
Municipal Tickets Written	217
Ticket Disputes Escalated to Adjudication:	2
• Successful in Adjudication	1
• Unsuccessful in Adjudication	1
Fines Collected:	
• Parking Infractions	\$3,835
• Non-Parking Infractions	\$500

Community Involvement

Volunteers - The Heart of Lions Bay

Volunteers are one of the most important resources in our community. They give to our community in big and small ways, by donating their time, physical labour, expertise, experience, and always, their love of our Village. We are a close-knit community because of the many volunteers who devote countless hours contributing to the essence of what makes Lions Bay, a unique and special place to live.

Volunteers are also essential to the running of our Village. You will find them delivering critical services such as our fire department who are on call 24 hours a day and are one of the most respected volunteer Fire and Rescue departments in the region. Emergency Social Services who although you don't see much of them, meet regularly and are trained to respond to emergent situations. Our Block Watch program is supported by a watchful team of 25+ Block Captains. Our small but committed team of Trail Blazers have for the last 15+ years, opened up and maintain our much-loved hiking trails. Through the efforts of the Bear Smart Committee, Lions Bay is designated a Bear Smart community. Our Parent Advisory Committee actively supports the enrichment of the Lions Bay School and the Lions Bay Playschool is managed solely by an association of dedicated parent Volunteers. The Arts Council, Library Group, Historical Society, Native Garden Team, 55+ Team and the Events Committee Team bring us together and keep us engaged.

There are also numerous Council committees, supported by resident members, who provide their expert advice to help us do our job.

It is with sincere appreciation and gratitude that we acknowledge those who give so generously. Volunteers play a vital part in the vibrancy and dynamic spirit of Lions Bay and their invaluable involvement and support enriches the lives of each and every resident of Lions Bay. The volunteers are truly the heart of our Village.

Volunteer Groups	Council Committees
Lions Bay Scholarship Foundation	Infrastructure Committee
Bear Smart Committee	Bylaw and Policy Review Committee
Lions Bay Library Group	Community Engagement Committee
Emergency Social Services	Board of Variance
Lions Bay Arts Council	Trees, Views and Landscapes Committee
Trailblazers	Finance Committee
Native Plant and Garden Group	Filming Committee
Lions 55+ Team	Secondary Suites Committee
Block Watch	
Historical Society	
Lions Bay Seniors Guild	
Lions Bay PAC	
Lions Bay Playschool Association	
Lions Bay Events Committee	
Community Garden Group	

Community Involvement (cont.)

2014 Community Grants

Organization	Amount Awarded
Emergency Social Services	\$4,238
Lions Bay Arts Council	\$7,800
Lions Bay Bear Smart Program	\$380
Lions Bay Community Garden	\$107
Lions Bay Events Committee	\$1,000
Lions Bay Historical Society	\$750
Lions Bay Reading Centre	\$2,595
Lions Bay Trailblazers	\$544
Lions Bay Volunteer Gardeners	\$602
Native Plant Garden	\$780
TOTAL	\$18,796

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

Permissive Tax Exemptions

There were no permissive tax exemptions in 2014.



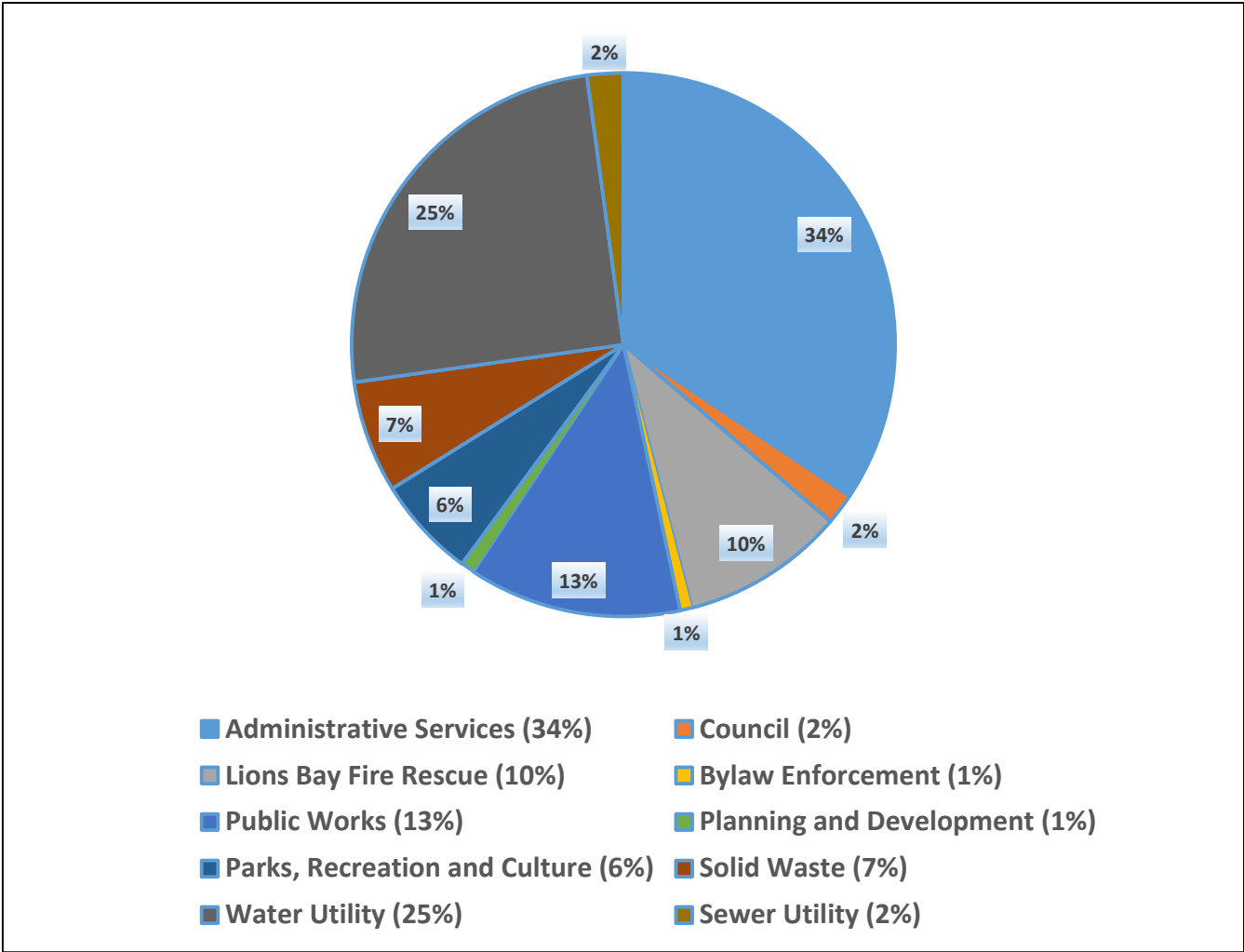
Financial

The Financial section includes the 2014 audited financial statements and the Schedules of Remuneration and Amounts Paid to Suppliers from the 2014 Statement of Financial Information. The graph below illustrates the distribution of the 2014 expenses.



Pamela Rooke
Chief Financial Officer

Breakdown of 2014 Expenses



Financials (cont.)

Statement	Purpose
Statement of Financial Position	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 of Cash Flows	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, 2014**

Management's Responsibility for the Financial Statements

The accompanying financial statements of the Village of Lions Bay (the "Village") are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada. A summary of the significant accounting policies are described in the summary of significant accounting policies which proceed the notes to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Village. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Village's financial statements.



Pamela Rooke, CPA, CMA
Chief Financial Officer



Mandy Giesbrecht
Chief Administrative Officer

May 12, 2015



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925 West Georgia Street
Vancouver BC V6C 3L2 Canada

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, 2014, the Statements of Operations, Change in Net Financial Assets (Net Debt) 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, 2014 and the results of its operations, changes in net financial assets (net debt) and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants

Vancouver, British Columbia
May 12, 2015

Village of Lions Bay
Statement of Financial Position

<u>December 31</u>	<u>2014</u>	<u>2013</u>
Financial Assets		
Cash and cash equivalents	\$ 1,532,197	\$ 2,163,461
Accounts receivable	273,475	191,735
Grant receivable	7,917	18,957
	<u>1,813,589</u>	<u>2,374,153</u>
Liabilities		
Accounts payable	346,133	155,361
Developer deposits (Note 4)	107,500	98,500
Deferred revenue (Note 1)	15,000	441,343
Sick, overtime, wellness and vacation payable	42,941	29,501
Long- term debt (Note 2)	1,352,176	1,423,673
Capital lease obligation (Note 3)	121,247	148,578
	<u>1,984,997</u>	<u>2,296,956</u>
Net Financial Assets (Debt)	<u>(171,408)</u>	<u>77,197</u>
Non-Financial Assets		
Tangible capital assets (Schedule 3)	20,245,422	19,694,553
Prepaid expenses	14,076	1,912
	<u>20,259,498</u>	<u>19,696,465</u>
Accumulated Surplus (Note 9)	<u>\$ 20,088,090</u>	<u>\$ 19,773,662</u>

Pamela Rooke

Pamela Rooke, CPA, CMA
Chief Financial Officer

Karl H. Buhr

Karl Buhr
Mayor

Village of Lions Bay
Statement of Operations

For the year ended December 31	Financial Plan 2014	2014	2013
	(Note 7)		
Revenue (Schedule 1 & 2)			
Taxation (Note 5)	\$ 1,400,155	\$ 1,402,897	\$ 1,337,556
Utility user rates and connection fees	591,576	622,131	568,241
Government transfers	702,092	733,300	320,717
Sale of services	64,915	69,160	78,051
Other revenues	66,200	143,832	162,146
Loss (gain) on disposal of tangible capital assets	-	(3,400)	34,820
	<u>2,824,938</u>	<u>2,967,920</u>	<u>2,501,531</u>
Expenses (Schedule 1 & 2)			
General departmental expenses	2,066,224	1,931,652	1,726,322
Water system operations	612,929	664,850	558,549
Sewer system operations	84,195	56,990	74,748
	<u>2,763,348</u>	<u>2,653,492</u>	<u>2,359,619</u>
Annual Surplus	61,590	314,428	141,912
Accumulated Surplus, beginning of year	<u>19,773,662</u>	<u>19,773,662</u>	<u>19,631,750</u>
Accumulated Surplus, end of year	<u>\$ 19,835,252</u>	<u>\$ 20,088,090</u>	<u>\$ 19,773,662</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Village of Lions Bay
Statement of Change in Net Financial Assets (Net Debt)

For the year ended December 31	Financial Plan 2014 (Note 7)	2014	2013
Annual surplus	\$ 61,590	\$ 314,428	\$ 141,912
Change in Tangible Capital Assets			
Acquisition of tangible capital assets	(1,510,800)	(1,043,317)	(298,085)
Amortization of tangible capital assets	467,117	489,048	449,391
Loss (gain) on disposals of tangible capital assets	-	3,400	(34,120)
Proceeds on sale of tangible capital assets	-	-	71,564
Change in Other Non-Financial Assets			
Expense (acquisition) of prepaid expenses	-	(12,164)	4,308
Change in net financial assets (net debt) for the year	(982,093)	(248,605)	334,970
Net financial assets (net debt), beginning of year	77,197	77,197	(257,773)
Net financial assets (net debt), end of year	\$ (904,896)	\$ (171,408)	\$ 77,197

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Village of Lions Bay
Statement of Cash Flows

For the year ended December 31	2014	2013
Cash provided by (used in)		
Operating transactions		
Annual surplus	\$ 314,428	\$ 141,912
Items not involving cash		
Amortization expense	489,048	449,391
Loss (gain) on disposal of tangible capital assets	3,400	(34,120)
Changes in non-cash operating balances		
Accounts receivable	(70,700)	217,842
Deferred revenue	(417,343)	12,000
Accounts payable	190,772	(115,652)
Sick, overtime, wellness and vacation payable	13,440	(9,180)
Prepaid expenses	(12,164)	4,308
	<u>510,881</u>	<u>666,501</u>
Capital transactions		
Cash used to acquire tangible capital assets	(1,043,317)	(136,863)
Proceeds on sale of tangible capital assets	-	71,564
	<u>(1,043,317)</u>	<u>(65,299)</u>
Investing transactions		
Redemption of portfolio investments	-	449,885
Financing transactions		
Repayment of capital lease obligation	(27,331)	(12,644)
Repayment of long-term debt principal	(71,497)	(80,921)
Decrease (increase) in cash and equivalents during the year	(631,264)	957,522
Cash and equivalents, beginning of year	<u>2,163,461</u>	<u>1,205,939</u>
Cash and equivalents, end of year	<u>\$ 1,532,197</u>	<u>\$ 2,163,461</u>
Non cash transaction:		
Tangible capital assets additions through capital leases	\$ -	\$ 161,222
Supplemental information:		
Interest paid on long-term debt	\$ 83,615	\$ 88,879

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Village of Lions Bay Summary of Significant Accounting Policies

December 31, 2014

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, 2014

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.

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.

Village of Lions Bay
Summary of Significant Accounting Policies

December 31, 2014

Financial Instruments The Village's financial instruments consist of cash and equivalents, 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, 2014

1. Deferred Revenue

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 \$14,000 for the accessibility walkway and seniors' program with eligibility criteria not being met as at December 31, 2014.

	<u>2014</u>	<u>2013</u>
Deferred government transfer, opening balance	\$ 441,343	\$ 441,343
2014 Receipt	14,000	-
2014 Expended	<u>(440,343)</u>	<u>-</u>
Deferred government transfer, ending balance	<u>\$ 15,000</u>	<u>\$ 441,343</u>

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 \$69,709 (2013 - \$75,140).

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 \$1,088,154 (2013 - \$1,144,211).

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 \$194,313 (2013 - \$204,323).

Village of Lions Bay
Notes to Financial Statements

December 31, 2014

2. Long-term Debt (Continued)

Repayments of debt required in the next five years and thereafter are as follows:

2015	\$	75,681
2016		78,628
2017		81,690
2018		84,872
2019		88,180
Thereafter		<u>943,125</u>
	\$	<u>1,352,176</u>

3. Capital Lease

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

2015	\$	37,120
2016	\$	37,120
2017	\$	37,120
2018	\$	<u>16,408</u>
Total future minimum lease payments		127,768
Less: Imputed interest at 5.38%		<u>(6,521)</u>
Present value of minimum lease payments	\$	<u>121,247</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 \$107,500 (2013 - \$98,500) 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, 2014

5. Taxation

	Financial Plan		
	2014	2014	2013
	(Note 7)		
General purposes	\$ 1,146,068	\$ 1,149,469	\$ 1,106,343
Collections for other tax authorities			
School and RCMP - Province	-	787,734	875,284
Regional District	-	36,593	36,406
Greater Vancouver Transportation Authority	-	182,891	202,759
Municipal Finance Authority	-	109	123
British Columbia Assessment Authority	-	34,053	37,939
	1,146,068	2,190,849	2,258,854
Transfers to other tax authorities			
Province of British Columbia	-	787,734	875,284
Regional District	-	36,817	36,747
Greater Vancouver Transportation Authority	-	182,891	202,759
Municipal Finance Authority	-	109	124
British Columbia Assessment Authority	-	34,053	37,939
	-	1,041,604	1,152,853
Available for general purposes	1,146,068	1,149,245	1,106,001
Water utility parcel taxes	232,142	231,707	211,605
Sewer utility parcel taxes	21,945	21,945	19,950
	\$ 1,400,155	\$ 1,402,897	\$ 1,337,556

Village of Lions Bay
Notes to Financial Statements

December 31, 2014

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, 2014 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 13, 2014 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>2014</u>
Financial Plan Bylaw surplus for the year	\$ -
Add back:	
Capital expenditures	1,510,800
Repayment of Debt	92,618
Less:	
Budgeted transfers from accumulated surplus	(1,074,711)
Amortization	(467,117)
	<u>\$ 61,590</u>

Village of Lions Bay
Notes to Financial Statements

December 31, 2014

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 182,000 active members and approximately 75,000 retired members. Active members include approximately 36,000 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 \$27,109 (2013 - \$24,126) for employer contributions while employees contributed \$26,886 (2013 - \$21,439) to the plan in fiscal 2014.

9. Accumulated Surplus

The components of accumulated surplus are as follows:

	<u>2014</u>	<u>2013</u>
Invested in tangible capital assets	\$ 18,771,999	\$ 18,122,302
Reserve funds	657,827	595,340
Unrestricted amounts	658,264	1,056,020
	<u>\$ 20,088,090</u>	<u>\$ 19,773,662</u>

The increase in reserve funds in the current year of \$62,487 represents the receipt of \$54,616 of unrestricted funds for Gas Tax Funding with the balance of \$7,871 representing interest credited to reserve funds for the year.

December 31, 2014

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 the community centre, maintenance of trails, parks and beaches.

Village of Lions Bay
Notes to Financial Statements

December 31, 2014

11. Expenses by Objects

	Financial Plan 2014 (Note 7)	2014	2013
Goods and services	\$ 1,147,443	\$1,015,222	\$ 948,017
Labour	1,056,109	1,065,607	873,332
Debt charges - interest	92,679	83,615	88,879
Amortization Expense	467,117	489,048	449,391
Total Expenses	\$ 2,763,348	\$ 2,653,492	\$ 2,359,619

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, 2014

	General Government	Protective Services	Public Works Operation	Solid Waste Collection	Planning and Development	Park Recreation and Culture	Water Utility	Sewer Utility	2014 Actual	2014 Financial Plan
	(Note 7)									
Revenues										
Taxation	\$ 1,149,245	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 231,707	\$ 21,945	\$ 1,402,897	\$ 1,400,155
Utility user rates and connection fees	-	-	-	196,361	-	-	388,348	37,422	622,131	591,576
Government transfers	250,532	-	-	-	-	482,768	-	-	733,300	702,092
Sales of services	2,220	14,576	1,650	-	36,612	14,102	-	-	69,160	64,915
Other revenues	51,350	78,608	-	-	-	1,000	12,874	-	143,832	66,200
Loss on disposal of tangible capital assets	(3,400)	-	-	-	-	-	-	-	(3,400)	-
	<u>1,449,947</u>	<u>93,184</u>	<u>1,650</u>	<u>196,361</u>	<u>36,612</u>	<u>497,870</u>	<u>632,929</u>	<u>59,367</u>	<u>2,967,920</u>	<u>2,824,938</u>
Expenses										
Operating										
Goods and services	217,952	180,770	136,225	176,603	5,906	72,827	195,454	29,485	1,015,222	1,147,443
Labour	423,825	95,634	183,008	-	15,405	87,159	254,680	5,896	1,065,607	1,056,109
Amortization	319,719	-	-	-	-	-	147,720	21,609	489,048	467,117
	<u>961,496</u>	<u>276,404</u>	<u>319,233</u>	<u>176,603</u>	<u>21,311</u>	<u>159,986</u>	<u>597,854</u>	<u>56,990</u>	<u>2,569,877</u>	<u>2,670,669</u>
Interest	-	-	16,619	-	-	-	66,996	-	83,615	92,679
	<u>961,496</u>	<u>276,404</u>	<u>335,852</u>	<u>176,603</u>	<u>21,311</u>	<u>159,986</u>	<u>664,850</u>	<u>56,990</u>	<u>2,653,492</u>	<u>2,763,348</u>
Excess (deficiency) in revenues over expenses	<u>\$ 488,451</u>	<u>\$ (183,220)</u>	<u>\$ (334,202)</u>	<u>\$ 19,758</u>	<u>\$ 15,301</u>	<u>\$ 337,883</u>	<u>\$ (31,921)</u>	<u>\$ 2,377</u>	<u>\$ 314,428</u>	<u>\$ 61,590</u>

Village of Lions Bay
Schedule 2 - 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										
Taxation	\$ 1,106,001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 211,605	\$ 19,950	\$ 1,337,556	\$ 1,335,529
Utility user rates and connection fees	-	-	-	191,017	-	-	343,204	34,020	568,241	548,975
Government transfers	196,742	871	-	-	-	123,104	-	-	320,717	689,092
Sales of services	1,850	12,529	2,350	-	30,110	31,213	-	-	78,051	105,215
Other revenues	95,124	58,264	100	-	-	425	8,233	-	162,146	7,400
Gain on disposal of tangible capital assets	34,820	-	-	-	-	-	-	-	34,820	-
	<u>1,434,537</u>	<u>71,664</u>	<u>2,450</u>	<u>191,017</u>	<u>30,110</u>	<u>154,742</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	\$ 625,295	\$ (163,165)	\$ (376,628)	\$ 8,988	\$ 10,598	\$ 53,110	\$ 4,493	\$ (20,778)	\$ 141,912	\$ 193,895

Village of Lions Bay
Schedule 3 - Tangible Capital Assets

For the year ended December 31, 2014

	Land	Buildings	Equipment & Furniture & Vehicle	Land Improvements	Water	Sewer	Roads	Storm Sewer	Other	WIP - General	2014 Total	2013 Total
Cost, beginning 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
Additions	-	1,041,416	55,839	48,626	36,873	-	9,050	-	-	29,463	1,221,267	298,085
Disposals	-	-	(17,000)	-	-	-	-	-	-	(177,950)	(194,950)	(177,108)
Cost, end of year	11,115,625	2,393,368	1,621,132	195,678	6,776,371	421,824	4,352,873	101,450	81,801	29,462	27,089,584	26,063,267
Accumulated amortization, beginning 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
Amortization Disposals	-	54,155	145,712	9,171	147,720	21,609	107,135	1,910	1,636	-	489,048	457,195
	-	-	(13,600)	-	-	-	-	-	-	-	(13,600)	(147,469)
Accumulated amortization, end of year	-	849,680	831,960	56,448	2,284,309	296,586	2,440,556	74,806	9,817	-	6,844,162	6,368,714
Net carrying amount, end of year	\$ 11,115,625	\$ 1,543,688	\$ 789,172	\$ 139,230	\$ 4,492,062	\$ 125,238	\$ 1,912,317	\$ 26,644	\$ 71,984	\$ 29,462	\$ 20,245,422	\$ 19,694,553

Statement of Financial Information (SOFI)

VILLAGE OF LIONS BAY

FINANCIAL INFORMATION ACT REPORT Year Ended December 31, 2014

Schedule of Remuneration

<i>Name</i>	<i>Position</i>	<i>Remuneration*</i>	<i>Expenses**</i>
MAYOR & COUNCIL:			
Scott Ando	Councillor	6,223.36	65.30
Fred Bain	Councillor	6,789.12	137.60
Brenda Broughton	Mayor	12,446.72	2,669.25
Karl Buhr	Mayor	1,131.52	275.02
Jim Hughes	Councillor	565.76	-
Ron McLaughlin	Councillor	6,789.12	-
Joanne Ronsley	Councillor	6,223.36	2,882.49
Helen Waterson	Councillor	565.76	-
Total Council		40,734.72	6,029.66
STAFF:			
Employees in excess of \$75,000:			
Garth Begley	Public Works - Operator 2	84,042.01	1,050.00
Will Emo	Public Works - Operator 1	91,078.62	650.01
Neale Mullen	Public Works - Operator 1	77,189.18	1,300.92
Alberto Urrutia	Public Works - Water operator	99,549.37	1,226.41
Add amounts paid to Employees < \$75,000:		293,335.43	8,074.89
Total Staff		645,194.61	12,302.23
TOTAL COUNCIL AND STAFF		685,929.33	18,331.89

RECONCILIATION OF AMOUNTS PAID:

ADD: Benefits paid by employer (non taxable)	102,783.24
Other labour costs in financial statements ***	255,790.16
Wage and benefit accruals	21,104.27
Total \$	1,065,607.00

Total per Schedule 1 of the Financial Statements \$ 1,065,607.00

-

* *Remuneration includes taxable benefits, vacation payouts and retroactive salary adjustments*

** *Expenses include travel expenses, memberships, tuition, relocation, vehicle leases, extraordinary hiring expenses, registration fees and similar amounts paid directly to an employee, or to a third party on behalf of the employee, and which has not been included in 'remuneration'*

*** *Other labour costs include contracted labour and the volunteer fire department*

Statement of Financial Information (SOFI) (cont.)

VILLAGE OF LIONS BAY

FINANCIAL INFORMATION ACT REPORT

Year Ended December 31, 2014

SCHEDULE OF AMOUNTS PAID TO SUPPLIERS FOR GOODS AND SERVICES

<i>Supplier Accounts</i>	<i>Amount Paid in 2014</i>
AON REED STENHOUSE	44,488.00
BC ASSESSMENT AUTHORITY ***	34,052.82
BC HYDRO	40,314.65
BDO CANADA LLP	29,673.84
DMC DUBAS MANAGEMENT & CONSTRUCTION INC.	185,824.42
E-COMM	27,590.00
G E Koba Enterprises	84,901.47
G. MCRADU CONSULTING LTD.	111,021.86
GCR RAIL CROSSINGS	25,680.33
GERALD LONGSON	126,767.02
GVRD TAX AUTHORITY ***	36,817.00
KINDRED CONSTRUCTION	378,363.21
L & A EQUIPMENT LTD.	28,280.51
METRO VANCOUVER	149,509.82
MINISTRY OF FINANCE (SCHOOL & POLICE TAX) ***	527,804.59
MUNICIPAL PENSION PLAN	50,819.33
MURDY & MCALLISTER	41,328.83
OLIVER, ANDREW	27,965.87
REVENUE CANADA	182,749.13
ROB BARRS & ASSOCIATES	40,149.42
SEA TO SKY NETWORK SOLUTIONS	41,375.85
SMITHRITE DISPOSAL LTD	175,899.77
SUVARNA, HARO	87,004.55
TRANSLINK TAX AUTHORITY ***	182,891.29
VISA SCOTIABANK	37,352.91
ZEEMAC VEHICLE LEASE INC	41,400.13
Total for Suppliers Paid > \$ 25,000	2,740,026.62
Other Supplier Payments	894,372.61

There were no payments to suppliers for grants and contributions exceeding \$25,000

All Payments	3,634,399.23
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*** Other Taxing Authority Payments

Statement of Financial Information (SOFI) (cont.)

VILLAGE OF LIONS BAY

SCHEDULE OF AMOUNTS PAID TO SUPPLIERS FOR GOODS AND SERVICES RECONCILIATION TO FINANCIAL STATEMENTS:

	All Payments	3,634,399.23
Deduct:		
Payroll related payments	-	572,595.85
HST/ GST rebates	-	99,061.67
Net acquisition of capital expenditures	-	1,043,317.00
Flow throughs to other tax authorities	-	781,674.74
Debt/ capital lease related payments	-	176,840.82
Reimbursable from the Province	-	67,650.71
Refunds and deposits	-	26,830.27
Accrual/ Cash accounting differences		148,793.83
Total payments for Goods & Services (As per financial statement)		1,015,222.00
Debt charges - interest		83,615.00
Amortization		489,048.00
Labour		1,065,607.00
Total Expenses		2,653,492.00
Total Expenses as per Financial Statements		2,653,492.00

Looking Forward

Consolidated Financial Plan 2015 - 2019

	2015	2016	2017	2018	2019
Revenues					
Fees, Licenses, Permits and Fines	121,550	121,986	123,459	124,954	126,471
Small Community Grant	310,738	285,000	285,000	285,000	285,000
Other Grants	345,016	53,000	53,000	53,000	53,000
Other	445,451	48,255	51,172	54,206	57,360
Taxation	1,521,604	1,594,756	1,672,186	1,753,487	1,838,853
Utility Fees and Rates	672,545	690,922	715,468	741,241	768,303
Grand Total	3,416,904	2,793,919	2,900,285	3,011,888	3,128,987
Expenditures					
Amortization	504,202	514,452	524,702	534,952	545,202
General Government	587,403	599,011	610,147	620,558	632,085
Protection Services	284,366	270,573	273,497	276,436	279,455
Public Works	432,605	364,434	370,489	376,408	382,762
Planning and Development	26,736	63,099	27,508	27,884	28,308
Parks, Recreation and Facilities	179,897	167,130	169,298	171,395	173,691
Solid Waste	190,205	190,205	190,205	190,205	190,205
Sewer Fund	71,077	67,114	68,122	69,119	70,173
Water Fund	997,417	545,903	554,106	561,986	570,639
Interest Payments	91,561	90,241	88,882	87,634	87,193
Grand Total	3,365,469	2,872,162	2,876,955	2,916,577	2,959,712
Surplus/(Deficit)	51,435	(78,243)	23,329	95,311	169,276
Adjustments Required to Balance Financial Plan to Conform With Legislative Requirements					
Non-cash items included in Annual Surplus (Deficit)					
Amortization on Tangible Capital Assets	504,202	514,452	524,702	534,952	545,202
MFA Actuarial Gain on Debt	(14,701)	(17,506)	(20,422)	(23,456)	(26,610)
Cash Surplus	540,936	418,703	527,609	606,807	687,867
Cash items NOT included in Annual Surplus (Deficit)					
Repayment of Debt Principal	(94,927)	(96,102)	(97,311)	(77,693)	(61,570)
Capital Expenditures	(657,712)	(80,000)	(70,000)	(70,000)	(70,000)
Transfer from (to) Reserves	179,703	(242,602)	(360,298)	(459,114)	(556,297)
Financial Plan Balance	-	-	-	-	-

Looking Forward (cont.)

General Fund Financial Plan 2015 - 2019

	2015	2016	2017	2018	2019
Revenues					
Fees, Licenses, Permits and Fines	121,550	121,986	123,459	124,954	126,471
Small Community Grant	310,738	285,000	285,000	285,000	285,000
Other Grants	89,000	53,000	53,000	53,000	53,000
Other	32,977	33,402	33,844	34,304	34,782
Taxation	1,230,377	1,289,497	1,352,193	1,418,024	1,487,147
Utility Fees and Rates	190,005	190,005	190,005	190,005	190,005
Grand Total	1,974,647	1,972,891	2,037,501	2,105,287	2,176,405
Expenditures					
Amortization	324,859	333,859	342,859	351,859	360,859
Communications	107,170	108,778	110,409	112,065	113,746
Interest Payments	16,048	15,016	13,952	13,007	12,875
Fiscal Charges	3,350	3,350	3,350	3,350	3,350
Grants	34,274	29,124	29,124	29,124	29,124
Insurance	55,439	56,548	57,679	58,832	60,009
Internal Allocations	(59,000)	(59,000)	(59,000)	(59,000)	(59,000)
Maintenance	187,395	190,555	193,408	196,304	199,244
Materials, Supplies, and Equipment	84,627	85,855	87,100	88,365	89,648
Professional Fees / Contract Services	391,605	345,421	311,153	312,912	314,697
Salaries and Benefits	782,072	796,347	809,824	820,390	833,571
Sundry	12,350	12,983	13,117	13,254	13,393
Training / Professional Development	90,350	72,623	73,712	74,818	75,941
Utilities	11,580	11,870	12,166	12,470	12,782
Grand Total	2,042,119	2,003,327	1,997,955	2,027,752	2,060,239
Surplus/(Deficit)	(67,472)	(30,436)	39,547	77,535	116,165
Adjustments Required to Balance Financial Plan to Conform With Legislative Requirements					
Non-cash items included in Annual Surplus (Deficit)					
Amortization on Tangible Capital Assets	324,859	333,859	342,859	351,859	360,859
MFA Actuarial Gain on Debt	(2,227)	(2,652)	(3,094)	(3,554)	(4,032)
Cash Surplus	255,159	300,771	379,312	425,840	472,993
Cash items NOT included in Annual Surplus (Deficit)					
Repayment of Debt Principal	(42,343)	(43,375)	(44,439)	(24,672)	(8,395)
Capital Expenditures	(165,188)	(55,000)	(45,000)	(45,000)	(45,000)
Transfer from (to) Water Fund	(221,559)	38,752	66,550	96,467	127,496
Transfer from (to) Sewer Fund	(5,773)	1,455	3,876	6,479	9,204
Transfer from/(to) Reserves	179,703	(242,602)	(360,298)	(459,114)	(556,297)
Financial Plan Balance	-	-	-	-	-

Looking Forward (cont.)

Water Fund Financial Plan 2015-2019

	2015	2016	2017	2018	2019
Revenues					
Parcel Tax	267,087	279,912	293,378	307,518	322,365
Utility Fees and Rates	441,376	457,695	480,080	503,584	528,263
Grants	256,016	-	-	-	-
Disaster Financial Assistance (EMBC)	400,000	-	-	-	-
Other	12,474	14,853	17,328	19,902	22,578
Grand Total	1,376,953	752,460	790,786	831,004	873,205
Expenditures					
Amortization	157,733	158,983	160,233	161,483	162,733
Communications	2,500	2,538	2,576	2,614	2,653
Interest Payments	75,513	75,225	74,930	74,628	74,318
Emergency Repairs	400,000	-	-	-	-
Insurance	7,105	7,247	7,392	7,540	7,691
Internal Allocations	55,000	55,000	55,000	55,000	55,000
Maintenance	35,120	35,647	36,182	36,724	37,275
Materials, Supplies, and Equipment	14,700	14,921	15,144	15,371	15,602
Professional Fees / Contract Services	162,600	105,039	106,615	108,214	109,837
Salaries and Benefits	298,142	302,793	308,000	312,834	318,392
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	1,230,663	780,111	789,269	798,097	807,690
Surplus/(Deficit)	146,290	(27,651)	1,517	32,907	65,516
Adjustments Required to Balance Financial Plan to Conform With Legislative Requirements					
Non-cash items included in Annual Surplus (Deficit)					
Amortization on tangible capital assets	157,733	158,983	160,233	161,483	162,733
MFA Actuarial Gain on Debt	(12,474)	(14,853)	(17,328)	(19,902)	(22,578)
Cash Surplus	291,549	116,478	144,422	174,488	205,671
Cash items NOT included in Annual Surplus (Deficit)					
Repayment of Debt Principal	(52,584)	(52,726)	(52,872)	(53,021)	(53,174)
Capital Expenditures	(460,524)	(25,000)	(25,000)	(25,000)	(25,000)
Transfer from (to) general fund	221,559	(38,752)	(66,550)	(96,467)	(127,496)
Financial Plan Balance	-	-	-	-	-

Looking Forward (cont.)

Sewer Fund Financial Plan 2015 - 2019

	2015	2016	2017	2018	2019
Revenues					
Taxation	24,140	25,346	26,614	27,944	29,342
Utility Fees and Rates	41,164	43,222	45,384	47,653	50,035
Grand Total	65,304	68,569	71,997	75,597	79,377
Expenditures					
Amortization	21,610	21,610	21,610	21,610	21,610
Insurance	1,240	1,265	1,290	1,316	1,342
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	11,750	6,926	7,030	7,136	7,243
Salaries and Benefits	19,970	20,274	20,611	20,928	21,290
Sundry	317	322	327	331	336
Training / Professional Development	750	761	773	784	796
Utilities	2,050	2,101	2,154	2,208	2,263
Grand Total	92,687	88,724	89,732	90,729	91,783
Deficit	(27,383)	(20,155)	(17,734)	(15,131)	(12,406)
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	21,610	21,610	21,610	21,610
Cash Surplus (Deficit)	(5,773)	1,455	3,876	6,479	9,204
Cash items NOT included in Annual Surplus (Deficit)					
Capital Expenditures	-	-	-	-	-
Transfer from (to) general fund	5,773	(1,455)	(3,876)	(6,479)	(9,204)
Financial Plan Balance	-	-	-	-	-

Looking Forward (cont.)

2015 - 2019 Schedule of Debt Repayments

	2015	2016	2017	2018	2019
Interest Payments	91,561	90,241	88,882	87,634	87,193
Principal Payments	94,927	96,102	97,311	77,693	61,570
Total Annual Repayments	186,488	186,343	186,193	165,327	148,763

2015 - 2019 Schedule of Capital Expenditures

	2015	2016	2017	2018	2019
Building	103,436	10,000	-	-	-
Equipment	57,058	45,000	45,000	45,000	45,000
Roads	4,694	-	-	-	-
Water Infrastructure	460,524	25,000	25,000	25,000	25,000
Sewer	-	-	-	-	-
Total Capital Expenditures	625,712	80,000	70,000	70,000	70,000

Looking Forward (cont.)

2015 REVENUE DISCLOSURE STATEMENT

Proportion of Revenue from Each Funding Source

REVENUE SOURCE	% Total Revenue
Property and Parcel Taxes	44.5%
Utility Fees and Rates	19.7%
Grants	19.2%
Fees, Licences, Permits and Fines	3.6%
Other Revenues	13.0%
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 (99.76%) and therefore the tax revenues are predominantly from residential properties.

PROPERTY CLASS	% PROPERTY VALUE TAX	
	2014	2015
Residential (1)	99.64%	99.76%
Utilities (2)	0.12%	0.05%
Business (6)	0.19%	0.16%
Recreation (8)	0.05%	0.03%
TOTAL	100.00%	100.00%



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