



ANNUAL REPORT 2014



TOWN OF GIBSONS

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TABLE OF CONTENTS

Message from the Mayor	4
Mayor & Council	5
Message from the CAO	6
Organizational Chart	6
Department Roles & Responsibilities	8
2014 Achievements	10
Quick Facts	15
Vision Statement	18
2013-2014 Strategic Plan	19
2015 Initiatives	20
Financial Statements.	22
Permissive Tax Exemptions	54
Contributions to Community	55
Gibsons Landing Harbour Authority	57



MESSAGE FROM THE **MAYOR**

On behalf of my colleagues on Town Council, I am pleased to present the Town of Gibsons' 2014 Annual Report. The report provides an overview of the Town's departments, a few highlights of the last year and a look at the projects planned for 2015.

Looking ahead, while we work to finalize the recently elected Council's Strategic Plan, we will continue to pursue excellence in community engagement and leadership, improve the operational and financial sustainability of the Town's assets and focus on local environment stewardship. Strategic Planning is a process of determining a local government's vision and goals, and developing an action plan to achieve those goals.

Our core responsibility is ensuring the financial health of Gibsons and providing the services and infrastructure that make the Town run. We will be refocusing our efforts to ensure the long term sustainability of our assets. This is increasingly challenging as federal funds and infrastructure grants become more scarce, and will require diligence and forward thinking.

The high quality of life enjoyed in Gibsons is due in no small part to the dedication and commitment of its people, whether in creating a vibrant arts community, volunteering, participating in local government, or in acting as strong ambassadors for our community.

Our hope is that, with your help and support, we will be able to move forward on the initiatives we've prioritized and make this an even better community.

Again, I want to thank all those who contributed to the Town's success in 2014, and look forward to working with the community to fulfill our vision and goals.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wayne Rowe'. The signature is stylized with a large 'W' and 'R'.

Mayor Wayne Rowe

MAYOR AND COUNCIL 2014-2018



Left to Right: Councillors Jeremy Valeriote, Stafford Lumley, Silas White, Charlene SanJenko and Mayor Wayne Rowe

An elected Council comprised of a Mayor and four Councillors governs the Town of Gibsons. Council members are elected for four-year terms to represent the Town at large. The *Community Charter* gives Council the authority to set budgets, levy taxes, and establish policies to guide the growth, development and operation of the community for the benefit and protection of its citizens.

The powers of Mayor and Council are exercised through the adoption of resolutions or the enactment of bylaws at regularly scheduled Council meetings. Council holds two regular meetings each month on the first and third Tuesdays at 7:00 p.m. Meetings are open to the public and agendas are available at Town Hall and on the Town's CivicWeb Portal at <https://gibsons.civicweb.net/Portal>.



Mayor and Council 2011-2014

MESSAGE FROM THE **CAO**



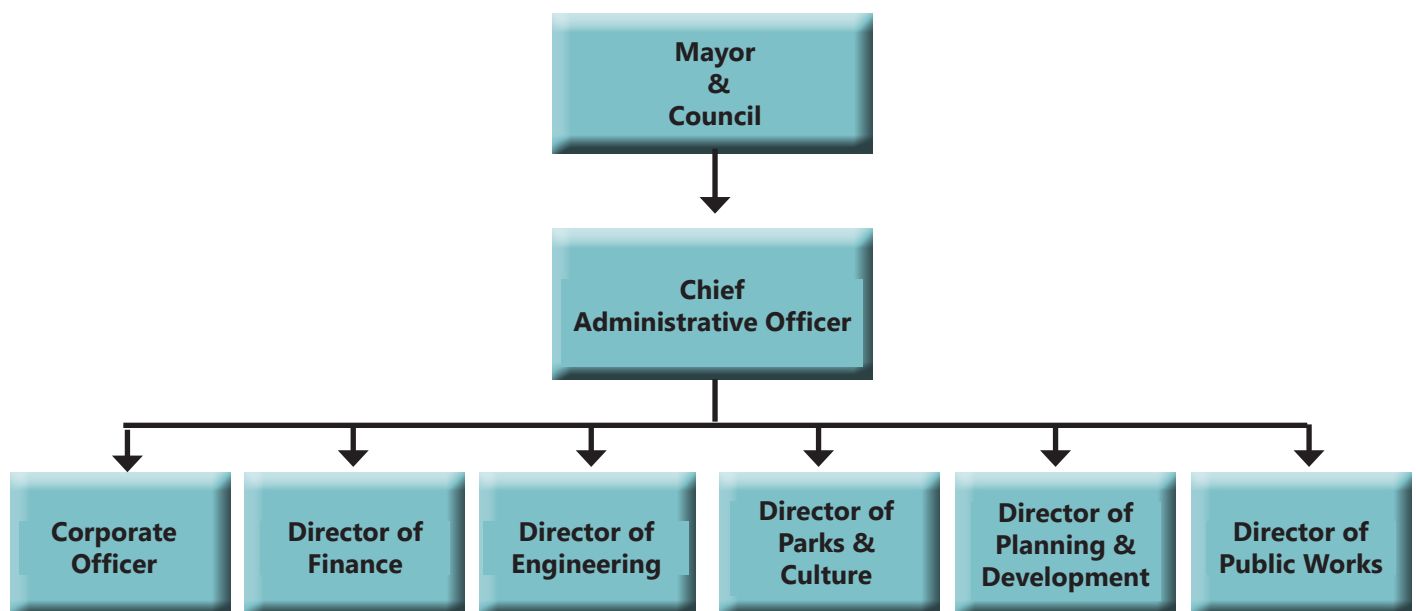
On behalf of the Town's staff, I am pleased to present the Town of Gibsons 2014 Annual Report. As Chief Administrative Officer (CAO), I am responsible for overseeing a team of professionals that manage the day to day operations of the Town and the delivery of efficient and cost-effective services to the public. The CAO is also responsible for advising Mayor and Council on a wide variety of community and governance matters in an objective and unbiased manner, and to recommend and develop policies for Council's consideration.

This Annual Report highlights the work completed in 2014. It is one of the tools we use to communicate with current and future residents, businesses and visitors. We continue to work towards excellence in service and communication to ensure the people we work for receive value for their money.

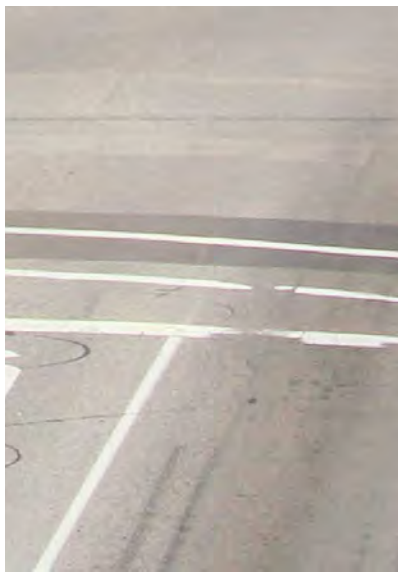
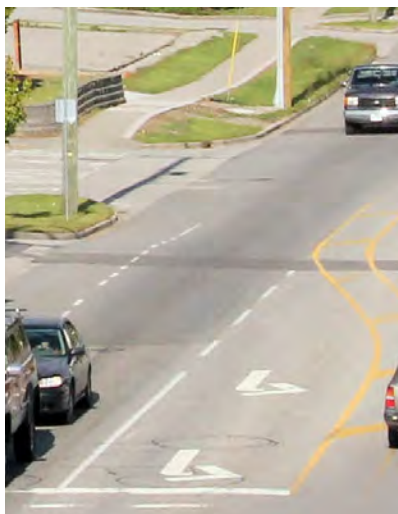
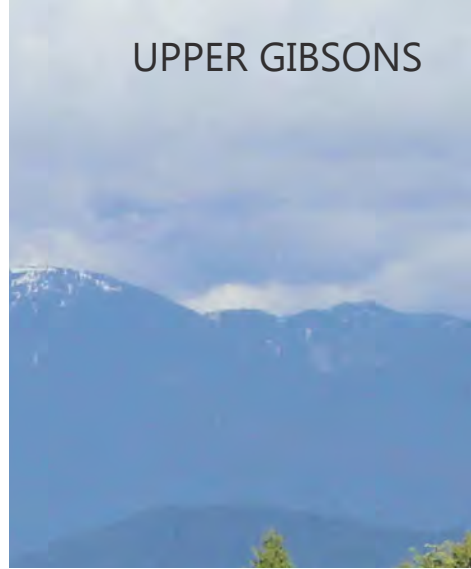
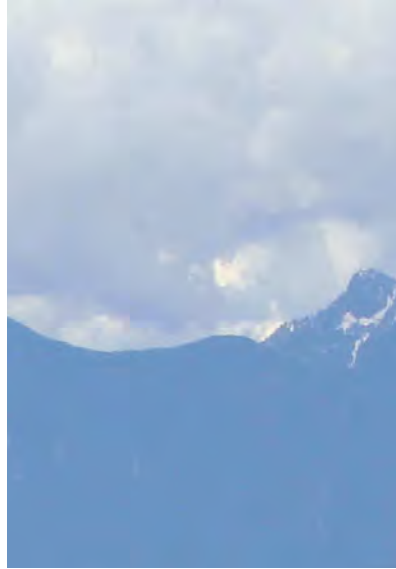
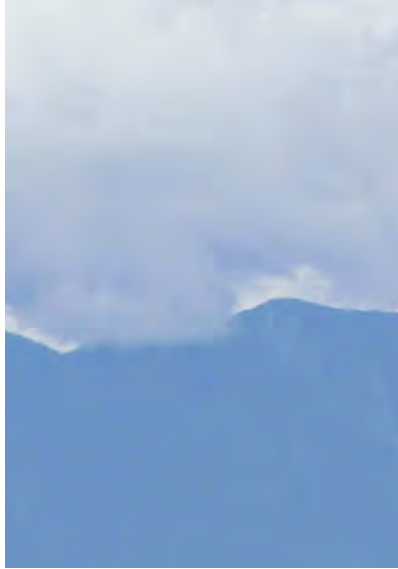
The Town of Gibsons has a dedicated staff who take great pride in their day to day work. We strive to keep Gibsons the beautiful place that it is. I want to thank all the staff for their hard work, customer first approach, and contributions to the long-term success of our community.

Sincerely,

Emanuel Machado



UPPER GIBSONS



ROLES AND RESPONSIBILITIES

CORPORATE ADMINISTRATION

Selina Williams, Corporate Officer

The Corporate Services Department supports and manages the Council meeting process, develops and tracks bylaws, maintains and protects corporate records, considers and facilitates access to corporate information, and manages related privacy issues. This department also manages information technology services for the organization and is responsible for communications including media releases, advertising and website management, management of leases for Town owned properties and the provision of clerical services, support and coordination to every department.

Legislative duties of the role of the City Clerk including local government elections, administering oaths, accepting notices, and keeping the corporate seal fall within the mandate of this department.

ENGINEERING

Dave Newman, Director

The Engineering Department is responsible for long-range planning, designing and construction of the infrastructure of the Town of Gibsons in a cost-effective and efficient manner. Engineering staff work closely with the Public Works Department to ensure the continuous and safe operation of the Town's infrastructure and facilities. Reviewing and approving off-site servicing plans for new developments, subdivision, and building permits are also a part of the services provided to the public.

The Department is also responsible for the development and maintenance of record drawings, including infrastructure and property data, as well as other departmental information. Much of this information is recorded in the Town's Geographic Information System which is an important tool that staff uses to assist in providing and presenting property and infrastructure information.

FINANCIAL SERVICES

Ian Poole, Director

The Finance Department is responsible for the overall financial services for the Town including financial planning and reporting, monitoring and reporting of government grants, processing of financial transactions including the purchasing of goods and services, management of all municipal funds and the maintenance of a system of internal controls, billing and collection of property taxes and utility user fees, and monitoring risk management practices and the processing/evaluation of claims.

The Town provides ICBC Autoplan and Driver Licensing Services as an appointed agent under contract to the Insurance Corporation of British Columbia (ICBC). This range of services includes auto insurance renewals, driver examinations, driver license renewals, road tests and special permits.

PUBLIC WORKS

Greg Foss, Director

The Public Works Department is responsible for ensuring the continuous and safe operation of the Town's infrastructure and facilities. This infrastructure includes 32 km of paved roads (excluding Highway 101) and 2 km of gravel lanes, 16 km of sidewalks, street signage, streetlights, water supply system, wastewater collection and treatment system, brush cutting, line painting, vehicle purchasing, drainage system, and municipal buildings.

The department is also responsible for managing solid waste, including the operation of a green waste transfer facility, spring clean-up program, and management of the garbage collection contract.

ROLES AND RESPONSIBILITIES CONT...

PARKS AND CULTURAL SERVICES

Wendy Gilbertson, Director

The Parks and Cultural Services Department is responsible for maintaining 28 parks and civic properties, beach accesses, trails, and natural areas for the use and enjoyment of the public. The department coordinates banners, flags, tennis courts, floral displays, seasonal displays, community events, and manages filming applications. Tree removal and cosmetic pesticide applications are processed in this department. Beach water quality is monitored by the department for nine months of the year.

Gibsons has over 8.25 hectares of parkland per 1,000 residents, well over the national average of parks per capita.

GIBSONS & DISTRICT VOLUNTEER FIRE DEPARTMENT

Bob Stevens, Chief

The Gibsons & District Volunteer Fire Department is a composite fire department comprised of up to 39 volunteer firefighters and 3 paid staff members - Fire Chief, Fire Prevention Officer and Maintenance Technician. The Department operates eight pieces of apparatus and covers an operational area of approximately 25 sq. miles. The Fire Protection Area incorporates the municipality of the Town of Gibsons and portions of electoral areas E and F of the Sunshine Coast Regional District (SCRD), and serves a population of approximately 10,000 people. The Fire Department is a function of the SCRD and the Town is a participating member of this service.

The Fire Department provides services to the public in the form of fire suppression, emergency medical first response, rescue, extrication, hazardous materials control, fire prevention, public education, public assistance, and mutual aid.

PLANNING AND DEVELOPMENT SERVICES

Andre Boel, Director

The Planning, Building and Bylaw Enforcement Department works to promote and enhance Gibsons' social, environmental and economic well-being by working with applicants to ensure that community goals and requirements are met, and by following up on complaints and concerns of residents and building owners.

The Director of Planning provides technical and policy advice to Council in response to community issues and prepares land use plans and Bylaws that set the direction for a sustainable future. Planning staff also process development and signage applications.

The Building Inspector issues Building Permits and is responsible for reviewing plans, inspecting buildings under construction or undergoing renovation and assisting applicants in meeting compliance with the BC Building Code.

The Bylaw Enforcement Officer issues Business Licences, dog tags and responds to concerns regarding dogs at large, parking regulations, and other bylaw issues that may arise. The general operating philosophy is one of education first and warning second before fines or charges are laid. The Bylaw Enforcement Officer works closely with the SPCA, RCMP, Department of Fisheries and Oceans and the Provincial Conservation Officer.

2014 ACHIEVEMENTS

Corporate Administration

- Launched the new Town of Gibsons website - www.gibsons.ca
- Prepared minutes and agendas for 49 regular and 5 InCamera Council and Committee-of-the-Whole meetings
- Hosted 3 Public Hearings
- Responded to 15 requests for information under the *Freedom of Information and Protection of Privacy Act*
- Produced the 2013 Annual Report
- Hosted the 2014 Volunteer Appreciation Event
- Oversaw the implementation of Phase one of the 5-Year Information Technology Strategic Plan
- Conducted the 2014 General Local Elections for the Town of Gibsons
- Planned and provided oversight for the construction of the new records storage area at 464 South Fletcher Road
- Reviewed and updated procedures for internal administration processes
- Drafted necessary legal documents for the Gibsons Landing Harbour Authority transition to the new *Canada Not-For-Profit Corporations Act*



2014 ACHIEVEMENTS CONT...

Engineering Services

- Significant progress was made in asset management, including:
 - Purchase and implementation of Asset Management software
 - Preparation of an Asset Management policy, adopted by Council on July 15, 2014
 - Implementation of a digital work order program
- Completed an updated Pavement Assessment Study
- Completed a Foreshore Condition Assessment
- Completed dredging and improvements to the White Tower ponds
- Continued with upgrades to the Town's Supervisory Control and Data Acquisition (SCADA) system which controls the Town's sanitary sewer and water distribution pumps and processing equipment. Completion of these upgrades will be done during the first quarter of 2015
- Completed a sanitary sewer re-alignment project
- Concluded an efficiency study of the wastewater treatment plant that provides an action plan for the next five years to improve plant operations
- Completed a video inspection of a section of the Town's shoreline truck sanitary sewer to establish condition and a proposed maintenance plan for 2015
- Completed the first year of an annual Town-run cross connection control testing program for water services to commercial, industrial and institutional properties
- Responded to a Boil Water Advisory in June 2014 that resulted in the following improvements being completed on the Town's water system:
 - Inspection of the Parkland reservoir
 - Construction of a chlorination building addition for wells 1 and 4
 - Installation of emergency chlorine injection pumps on the supply lines from the Town's wells
 - Update of the Town's Emergency Response Plan
 - Integrity review of the Town's reservoirs
 - Planning for 2015 work including completion of residential meters and cross connection program, well inspection program, School Road reservoir inspection, update of the Town's communication plan related to the water system, and a Water System Risk Assessment that will identify any items of risk as well as the likelihood and consequence of an occurrence.

2014 ACHIEVEMENTS

Financial Services

- Produced accurate and timely financial reports in accordance with the statutory requirements set forth in the *Community Charter*
- Developed a Five Year Financial Plan Bylaw and Tax Rates
- Processed annual tax payments for ~2,300 properties
- Processed 1,433 Home Owner Grant applications
- Administered 157 residential property tax deferral applications
- Processed semi-annual utility bills for residential and commercial properties
- Processed 1,612 payments to external suppliers and other taxing agencies

ICBC Driver Services

- Performed 13,511 customer transactions – a decrease of 7.4% over 2013
- Captured 23% of the local market share of business
- Earned \$282,869 in gross commissions
- Earned \$32,341 in net profit
- Received a Broker Customer Experience Award of \$4,591 which reflects a superior level of customer satisfaction
- Received a Broker Performance Award of \$1,520 in recognition of an exceptional broker rating

Volunteer Fire Department

- Responded to 198 emergency incidents, most of which were automatic alarms, medical aid and motor vehicle incidents
- Members completed 4,229 hours to training, an average of 120 hours per member
- Upgraded the lighting in the Chaster Road firehall to energy efficient LEDs and started a 4 year turn-out gear replacement schedule
- The Training facility was enhanced with the addition of another container, completed the exterior access stairs and added safety handrails

2014 ACHIEVEMENTS CONT...

Parks and Cultural Services

- Hosted 15 events, Music in the Landing and weekly Sunday Markets in Holland Park
- Responded to 29 tree removal inquiries, removed 9 trees, processed 5 Tree Removal applications and issued 5 Pesticide permits
- Mapped and continued to target suppression of Japanese Knotweed
- Installed Helen Alp memorial garden at Gibsons Marina
- Heritage Theatre grounds refurbished
- Replaced Dougall gazebo roof
- Completed Brothers Park field repair and reopening
- Replaced 26 hanging flower baskets with bird houses for water conservation
- Replaced 26 hanging flower baskets with water tray and wick baskets created by the City of New West to conserve water, maintenance time and costs
- Removed trees at Gibsons Quay and replaced damaged sidewalk
- Road allowance tree maintenance on Gower Point Road
- Gibsons Creek Joint Salmon Spawning Enhancement Project in cooperation with the Squamish Nation and Department of Fisheries and Oceans near completion with the Department of Fisheries and Oceans agreeing to fund the project located on Squamish Nation Lands
- Replacement of seasonal lighting on the Municipal Office
- Banner project, new designs and banners with Connie Johnston coordinator
- Inglis Park rock retaining wall installed

Public Works

- Wired and insulated storage shed for flush truck
- Replaced #11 2004 GMC Sierra (Parks)
- Installed new bio diesel tank for Parks Yard
- Re-roofed old admin building at Waste Water Treatment Plant
- Completed Spring Cleanup event
- Installed new Generator and VFD's for Prouse Road Lift Station
- Boil water advisory upgrades and chlorination
- Completed Uni-Directional flushing program
- Completed brush cutting and dust control programs
- Responded to 716 incident reports (Work orders)
- Responded to 167 BC One calls.
- Maintained 22 Town owned buildings.
-

2014 ACHIEVEMENTS CONT...

Planning and Development Services

- OCP Update Project resulting in a draft OCP for consideration
- Developed the Garden Suite Program
- Participated in regional planning projects such as Sunshine Coast Housing Committee
- Received and processed the following development applications:
 - 1 Official Community Plan Amendment Application
 - 2 Zoning Bylaw Amendment Applications
 - 2 Development Variance Permits
 - 6 Development Permits
 - 1 Board of Variance Application
 - 14 Sign Permits

BYLAW ENFORCEMENT

- Issued 282 tickets under the Bylaw Enforcement Notice System
- Towed 12 vehicles
- Issued 313 Dog Licences
- Responded to 304 complaints
- Issued 559 Business Licences with a total revenue of \$ 99,574

BUILDING INSPECTION

- Worked with the SCRD to promote BC Building Code changes
- Issued 53 building permits with a total construction value of \$10,043,070 including:
 - 9 Single-family new construction
 - 24 Single-family additions and alterations
 - 1 Two-family
 - 3 Multi-family
 - 13 Commercial, industrial and institutional
 - 1 Other



2014 Quick Facts

53

Building Permits Issued

43%

Reduction in water consumption
since 2008

313

Dog Licences Issued

16

Kilometers of Sidewalks

13,511

ICBC Transactions

32

KM paved roads

1929

Year of Incorporation

43%

Reduction in water consumption
since 2008

1433

Home Owner Grant Applications

10

Years for a drop of water falling on
Mt. Elphinstone and entering the
aquifer to make it to the Town's Wells

8.25

Hectares of Parkland per
1000 residents

716

Incident Reports
Public Works

62.5%

Voter Turnout

304

Bylaw Complaints

559

Business Licences Issued

Vision

"We will be recognized as a vibrant, welcoming community with an outstanding quality of life and plentiful cultural and economic opportunities."

Culture & Wellbeing

Green Infrastructure

Housing & LandUse

Climate & Energy

Transportation

Economic Development

Governance & Engagement

Vision

"We will be recognized as a vibrant, welcoming community with an outstanding quality of life and plentiful cultural and economic opportunities"



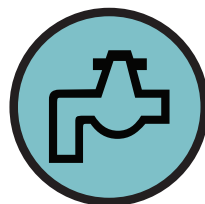
2014 Strategic Objectives



ECONOMIC
FUTURE



COMMUNICATIONS
AND OUTREACH



COMMUNITY
ASSETS



PUBLIC
SERVICE



Initiatives

- » Complete Geoexchange Utility business plan.
- » Hold Economic Development forum.
- » Develop Community profile and fact sheet.
- » Attract a local food market to Gibsons Landing.
- » Maximize Recreational Water Lease potential.
- » Implement Molly's Lane improvements.

- » Improve the Town's website.
- » Update communications strategy.
- » Distribute Citizen Satisfaction Survey.

- » Complete Asset Management Plan.
- » Update water strategy.
- » Review and update the Official Community Plan.
- » Complete Resource Recovery Plan.
- » Improve the Harbour Area seawalk.
- » Improve Armours Beach.
- » Build pedestrian trail network.
- » Build key bicycle network links.
- » Develop foreshore protection strategy.
- » Revise Bylaw to allow Coach Houses.
- » Enhance Charman Creek.
- » Enhance Goosebird Creek.
- » Adopt renewable energy policies.

- » Update internal procedure manuals and document critical functions.
- » Refine records management architecture.
- » Update Council procedure bylaw.
- » Improve forms and public materials.

2015 Initiatives

1. **Community Engagement Policy and Toolkit.**
Develop an organization-wide engagement policy, a decision-making and project design framework, a set of guidelines and tools for effective in-person and digital stakeholder input and a practical toolkit for the set-up of meetings, workshops, etc.
2. **Electronic Meeting Management Solution.**
Implement a fully-electronic meeting management solution to improve efficiencies, increase transparency and access to information and lower the environmental impact of paper agendas.
3. **Procedures Bylaw Update.**
Update Council's Procedures Bylaw to reflect changes in technology, improve meeting efficiency and ensure open and transparent governance.
4. **Armours Beach Site Improvements.**
Remove the unsafe structure, stabilize the slope, create a family-friendly area, install an outdoor shower, railings and bollard and replace the retaining wall with a Greenshores friendly design.
5. **Gibsons Public Market.**
Support the Gibsons Market's goal to become a community hub in lower gibsons.
6. **Public Engagement.**
Initiate interactive and creative community conversations.
7. **Sea Walk Improvements.**
Improve drainage along Winegarden Park and complete the boardwalk replacement portion under wharf.
8. **Pavement Improvements.**
Repave road sections along Gibsons Way, Payne Road and Venture Way and other areas throughout the Town.
9. **Update Development Cost Charges (DCC) Bylaw.**
Review proposed projects, update cost estimates and investigate feasible alternatives related to the storm water system.
10. **Facility Improvements.**
Complete various interior and exterior improvements to the Arts Building, Museum and Health Unit/SD No.46 buildings.
11. **Bike Lane, Sidewalk and Trail Improvements.**
Improve pedestrian safety by replacing damaged sidewalk panels and designing a new sidewalk along North Road between Gibsons Way and Seacot Way to provide safe access to Gibsons Elementary. Build new multi-use pathway connecting Stewart to Shaw Road that is pedestrian, scooter and bike friendly. Improve bike lane connectivity.
12. **Highway 101/School Road Intersection Upgrade.**
Rebuild this key intersection to improve pedestrian and vehicular safety in partnership with the Ministry of Transportation and Infrastructure, School District No. 46 and ICBC.
13. **Resource Recovery Plan.**
Prepare background document to support community engagement, mobilization and education and identify opportunities to improve waste management in Gibsons to support regional waste reduction goals, with a focus on reusing materials to create local jobs.
14. **Geo-Energy Field Assessment.**
Assess the current performance of the geothermal energy fields and identify potential to service future energy requirements.

Gibsons Harbour



Upper Gibsons

Town of Gibsons
Financial Statements
For the year ended December 31, 2014

Contents

Management's Responsibility for the Financial Statements	2
Independent Auditor's Report	3
Financial Statements	
Statement of Financial Position	4
Statement of Operations	5
Statement of Changes in Net Debt	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 19
Schedule 1 - Long-Term Debt	20
Schedule 2 - Government Transfers and Contributions	21
Schedules 3 and 4 - Combined Statement of Operations by Segment	22 - 23
Supplementary Financial Information	
General Fund	
Exhibit A - Statement of Financial Position	24
Exhibit B - Operating Fund Balance and Investment in Tangible Capital Assets	25
Exhibit C - Operating Fund Financial Activities	26
Water Fund	
Exhibit D - Statement of Financial Position	27
Exhibit E - Operating Fund Balance and Investment in Tangible Capital Assets	28
Exhibit F - Operating Fund Financial Activities	29
Sewer Fund	
Exhibit G - Statement of Financial Position	30
Exhibit H - Operating Fund Balance and Investment in Tangible Capital Assets	31
Exhibit I - Operating Fund Financial Activities	32
Reserve Fund	
Exhibit J - Statement of Financial Position	33
Exhibit K - Transactions	34



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Independent Auditor's Report

To the Mayor and Councillors of the Town of Gibsons

We have audited the accompanying financial statements of the Town of Gibsons, which comprise the Statement of Financial Position as at December 31, 2014, and the Statements of Operations, Changes in 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 Town of Gibsons as at December 31, 2014 and the results of its operations, changes in net debt and cash flows for the year ended in accordance with Canadian public sector accounting standards.

Supplementary Information

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in Exhibits A through K is presented for purposes of additional analysis and is prepared without audit.

Chartered Accountants

Vancouver, British Columbia
 April 21, 2015

Town of Gibsons Statement of Financial Position

December 31	2014	2013
		(Restated - Note 2)
Assets		
Financial Assets		
Cash	\$ 34,876	\$ 233,972
Taxes receivable	348,627	392,356
Accounts receivable	593,576	539,385
Portfolio investments (Note 3)	<u>4,627,291</u>	<u>4,482,391</u>
	<u>5,604,370</u>	<u>5,648,104</u>
Liabilities		
Accounts payable and accrued liabilities	801,729	1,026,811
Unearned revenue (Note 4)	224,535	170,822
Interim financing (Note 5) (Schedule 1)	-	625,000
Long-term debt (Note 5) (Schedule 1)	7,465,791	7,213,350
Obligation under capital lease (Note 5)	60,856	82,853
Development cost charges	<u>1,644,366</u>	<u>1,335,017</u>
	<u>10,197,277</u>	<u>10,453,853</u>
Net Debt	<u>(4,592,907)</u>	<u>(4,805,749)</u>
Non-Financial Assets		
Tangible capital assets (Note 9)	47,029,136	47,639,695
Prepaid expenses	<u>8,202</u>	<u>5,720</u>

Town of Gibsons
Statement of Operations

For the year ended December 31	Fiscal Plan 2014 (Note 13)	2014	2013
Revenue (Schedules 3 and 4)			
Taxation (Note 10)	\$ 3,811,373	\$ 3,816,636	\$ 3,564,372
Utility user rates and connection fees	1,189,768	1,176,952	1,083,796
Government transfers (Schedule 2)	633,424	790,791	626,829
Other contributions (Schedule 2)	159,502	54,322	40,296
Sale of services	149,634	230,380	133,594
Other revenue	1,278,861	1,170,972	1,483,380
Contributions from developers for capital works	24,651	149,384	214,871
	<u>7,247,213</u>	<u>7,389,437</u>	<u>7,147,138</u>
Expenses (Schedules 3 and 4)			
General departmental expenditures	4,712,503	5,040,827	4,678,838
Water system	944,086	1,191,841	1,066,880
Sewer system	857,167	910,784	848,673
Motor vehicle license agency	250,553	256,583	250,528
Reserve - Municipal Finance Authority	4,457	3,424	5,238
Interest on long-term debt	375,634	364,258	337,492
Bank charges and debt issue costs	5,100	5,523	5,495
Disposal of tangible capital assets	-	11,432	134,796
	<u>7,149,500</u>	<u>7,784,672</u>	<u>7,327,940</u>
Annual Surplus (Deficit)	97,713	(395,235)	(180,802)
Accumulated Surplus, beginning of year	42,839,666	42,839,666	43,020,468
Accumulated Surplus, end of year	\$42,937,379	\$42,444,431	\$ 42,839,666

Town of Gibsons
Statement of Changes in Net Debt

For the year ended December 31	Fiscal Plan 2014	2014	2013
	(Note 13)		
Annual surplus	\$ 97,713	\$ (395,235)	\$ (180,802)
Acquisition of tangible capital assets	(1,594,000)	(643,748)	(1,633,265)
Amortization of tangible capital assets	1,237,228	1,242,875	1,237,228
Disposal of tangible capital assets	-	11,432	134,797
	<u>(356,772)</u>	<u>610,559</u>	<u>(261,240)</u>
Acquisition of prepaid expenses	-	(2,482)	1,810
Change in net debt for the year	(259,059)	212,842	(440,232)
Net debt, beginning of year	(4,805,749)	(4,805,749)	(4,365,517)
Net debt, end of year	\$ (5,064,808)	\$ (4,592,907)	\$ (4,805,749)

Town of Gibsons
Statement of Cash Flows

For the year ended December 31	2014	2013
Cash provided by (used in)		
Operating transactions		
Annual surplus	\$ (395,235)	\$ (180,802)
Items not involving cash		
Development cost charges recognized	(24,667)	(117,545)
Contributed tangible capital assets	(124,717)	(97,326)
Disposal of tangible capital assets	11,432	134,797
Amortization	<u>1,242,875</u>	<u>1,237,228</u>
	709,688	976,352
Changes in non-cash operating balances		
Accounts and taxes receivable	(10,462)	1,156,057
Accounts payable and accrued liabilities	(225,082)	(568,852)
Prepaid expenses	(2,482)	1,810
Unearned revenue	<u>53,713</u>	<u>65,368</u>
	525,375	1,630,735
Capital transaction		
Acquisition of tangible capital assets	<u>(519,031)</u>	<u>(1,535,939)</u>
Investing transactions		
Change in portfolio investments, net	<u>(144,900)</u>	<u>(626,619)</u>
Financing transactions		
Issuance of long-term debt	95,000	277,000
Development cost charges and contributions	284,428	40,388
Interest on development cost charges	49,588	23,941
Issuance of interim debt	-	625,000
Repayment of debt	(467,559)	(403,158)
Capital lease payments	<u>(21,997)</u>	<u>(36,696)</u>
	(60,540)	526,475
Decrease in cash during the year	(199,096)	(5,348)
Cash, beginning of year	<u>233,972</u>	<u>239,320</u>
Cash, end of year	<u>\$ 34,876</u>	<u>\$ 233,972</u>

Town of Gibsons Notes to the Financial Statements

December 31, 2014

The Town of Gibsons (the "Town") is a municipality in the Province of British Columbia and operates under the provisions of the Local Government Act and Community Charter. The Town provides municipal services such as public works, planning, parks, garbage collection and other general government services.

These financial statements are prepared by management in accordance with Canadian public sector accounting standards using guidelines developed by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

1. Significant Accounting Policies

(a) 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.

Estimate useful lives of tangible capital assets are as follows:

Buildings	50 to 60 years
Equipment and Furniture	5 to 25 years
Vehicles	10 to 15 years
Roads	15 to 80 years
Drainage	30 to 80 years
Other Tangible Capital Assets	15 to 40 years
Sewer Infrastructure	3 to 80 years
Water Infrastructure	10 to 80 years
Work in Progress	Not amortized until put into use

The Town is fortunate to have many natural assets that reduce the need for engineered infrastructure that would otherwise be required. This includes the Gibsons aquifer (water storage and filtration), creeks, ditches and wetlands (rain water management) and the foreshore area (natural seawall). Canadian public sector accounting standards do not allow for the valuation and recording of such assets into the financial statements of the Town. As such, these natural assets are not reported in these financial statements. Nevertheless, the Town acknowledges the importance of these assets and the need to manage them in conjunction with engineered infrastructure.

Town of Gibsons
Notes to the Financial Statements

December 31, 2014

1. Significant Accounting Policies (Continued)

(b) Revenue Recognition

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal services in the year they are levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts. Levies imposed by other taxing authorities are not included as taxes for municipal purposes.

Through the British Columbia Assessments appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded.

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

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

Receipts which are restricted by legislation of senior governments or by agreement with external parties are reported as contributions from developers and others for capital at the time they are received. When the qualifying expenditures are incurred the related contributions from developers and others for capital are brought into revenue.

(c) Government Transfers

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when 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. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

(d) Cash

Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

(e) Portfolio Investments

Portfolio investments represent pooled investment funds and are recorded at market values which approximate cost.

(f) 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 Town 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.

Town of Gibsons
Notes to the Financial Statements

December 31, 2014

1. Significant Accounting Policies (Continued)

(g) Collection of Taxes on Behalf of Other Taxation Authorities

The Town collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of entities are not reflected in these financial statements.

(h) Unearned 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.

Revenues from the sale of business licenses, dog tags and rental revenues pertaining to the subsequent year have been deferred. These amounts will be recognized as revenue in the next fiscal year.

(i) 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. Areas requiring the greatest degree of estimation include useful lives of tangible capital assets and collectability of receivables.

2. Prior Period Adjustment

During 2014, the Town discovered additional land that was registered to it in prior years and as a result, the inventory of tangible capital assets and the financial statements have been retroactively adjusted. The impact of this change was to increase tangible capital assets (land) and accumulated surplus by \$362,602.

The effect of the adjustment above is as follows:

	2013 (restated)	2013 (prev reported)
Tangible capital assets	\$ 47,639,695	\$ 47,277,093
Accumulated surplus	\$ 42,839,666	\$ 42,477,064

Town of Gibsons
Notes to the Financial Statements

December 31, 2014

3. Portfolio Investments

	<u>2014</u>	<u>2013</u>
Bond and Money Market Funds		
- Municipal Finance Authority	<u>\$ 4,627,291</u>	<u>\$ 4,482,391</u>

Bond and money market funds include bank issued notes, bonds and Provincial bonds and debentures. The bond fund yielded an annualized interest rate of 3.80% (2013 - 1.70%) and its investments have maturities ranging from 2015 to 2022. The money market fund yielded an annualized interest rate of 1.09% (2013 - 1.10%) and its investments are redeemable at any time.

4. Unearned Revenue

	<u>2014</u>	<u>2013</u>
Deferred government transfers	\$ -	\$ 71,845
Other	<u>224,535</u>	<u>98,977</u>
	<u>\$ 224,535</u>	<u>\$ 170,822</u>

Unearned revenue represents funds for licenses, fees, other revenues and grants that have been collected but for which services or projects have not yet been performed or completed. These amounts will be recognized as revenue in the fiscal year the services are performed or the project completed.

Included in unearned revenue in prior year are amounts relating to the Community Works gas tax funding. Funds may be used towards designated community energy, water, wastewater, solid waste and capacity building projects as specified in the funding agreements. A new agreement was entered into in 2014 which reduced restrictions on the funds with result that the Town now records as revenue when the funds are allocated to it.

5. Debt

(a) Future principal requirements on existing long-term debt:

2015	\$ 508,458
2016	526,843
2017	546,344
2018	500,942
2019	487,540
2020 and onwards	<u>4,895,664</u>
	<u>\$ 7,465,791</u>

Town of Gibsons
Notes to the Financial Statements

December 31, 2014

5. Debt (Continued)

(b) Obligation under capital lease for vehicles:

The future minimum lease payments due under capital lease are as follows:

2015	\$ 23,453
2016	23,453
2017	<u>23,453</u>
Total future minimum lease payments	70,359
Less imputed interest at 2%	<u>(9,503)</u>
Present value of minimum lease payments	<u>\$ 60,856</u>

6. Commitments

(a) Integration of Regional District and Town Water Supply

The Town has entered into a Water Supply Agreement with the Sunshine Coast Regional District to ensure adequate water supply to the residents of the Town. The Town and the Regional District have, in the past, collaborated on several projects.

(b) Residential Garbage Services

The Town entered into an agreement for residential garbage pickup and disposal at an approximate annual cost of \$165,000. The two-year agreement commenced March 1, 2014 and expires Feb 29, 2016.

Town of Gibsons
Notes to the Financial Statements

December 31, 2014

7. Pension Plan

The Town and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly-trusted pension plan. The board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of the benefits. The 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 government.

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 results that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The Town paid \$217,364 (2013 - \$197,975) for employer contributions while employee contributions totaled \$181,041 (2013 - \$169,909) to the plan in fiscal 2014.

8. Accumulated Surplus

The Town segregates its accumulated surplus in the following categories:

	<u>2014</u>	<u>2013</u>
Current Fund ¹	\$ 2,180,164	\$ 2,136,826
Reserve Fund	761,780	677,954
Investment in tangible capital assets	<u>39,502,487</u>	<u>40,024,886</u>
	<u>\$42,444,431</u>	<u>\$ 42,839,666</u>

¹Included in the total are funds held in trust from the Estate of Muriel Haynes of \$187,523 (2013 - \$181,797). The Town, as trustee, hold these funds to be spent on capital improvements at the Gibsons Pool for the general benefit of the community of Gibsons as a whole.

Reserve funds represent funds set aside by bylaw or council resolution for specific purposes.

The investment in tangible capital assets represents amounts already spent and invested in infrastructure.

Town of Gibsons
Notes to the Financial Statements

December 31

9. Tangible Capital Assets

	Land	Buildings	Equipment and Furniture	Vehicles	Roads	Drainage	Geoechange	Capital Assets	Other Tangible Assets	Sewer Infrastructure	Water Infrastructure	Work in Progress	2014 Total	2013 Total
Cost, beginning of year	\$ 8,137,217	\$ 9,541,893	\$ 413,959	\$ 1,214,949	\$ 13,686,697	\$ 5,520,546	\$ 1,095,984	\$ 2,359,136	\$ 10,843,589	\$ 12,197,080	\$ 237,897	\$ 65,248,947	\$ 64,089,384	
Additions		69,824	43,098	23,604	-	-	-	104,019	142,826	179,530	80,847	643,748	1,633,265	
Disposals		(15,451)	-	(28,818)	-	-	-	(5,917)	-	(2,315)	-	(52,501)	(473,702)	
Transfers	-	-	-	-	-	53,008	-	22,361	94,325	31,263	(200,957)	-	-	
Cost, end of year	8,137,217	9,596,266	457,057	1,209,735	13,686,697	5,573,554	1,095,984	2,479,599	11,080,740	12,405,558	117,787	65,840,194	65,248,947	
Accumulated amortization, beginning of year	-	2,896,108	328,622	566,735	5,699,015	1,236,403	58,293	963,254	3,298,980	2,561,842	-	17,609,252	16,710,929	
Amortization	-	218,946	48,657	99,618	264,844	72,212	21,568	76,224	182,046	258,760	-	1,242,875	1,237,228	
Disposals	-	(10,507)	-	(27,318)	-	-	-	(2,810)	-	(434)	-	(41,069)	(338,905)	
Accumulated amortization, end of year	-	3,104,547	377,279	639,035	5,963,859	1,308,615	79,861	1,036,668	3,481,026	2,820,168	-	18,811,058	17,609,252	
Net carrying amount, end of year	\$ 8,137,217	\$ 6,491,719	\$ 79,778	\$ 570,700	\$ 7,722,838	\$ 4,264,939	\$ 1,016,123	\$ 1,442,931	\$ 7,599,714	\$ 9,585,390	\$ 117,787	\$ 47,029,136	\$ 47,639,695	

Town of Gibsons
Notes to the Financial Statements

December 31, 2014

10. Taxation

	Fiscal Plan 2014	2014	2013
General municipal purposes	\$ 2,788,350	\$ 2,791,353	\$ 2,600,203
Specified area requisitions	41,693	41,716	41,714
Collections for other governments			
Province of British Columbia - School	-	2,353,024	2,332,689
Regional Hospital District	-	211,902	206,249
Municipal Finance Authority	-	215	214
British Columbia Assessment Authority	-	70,443	70,220
Regional District	-	2,054,553	1,871,547
Police Tax	-	294,274	285,571
	<u>2,830,043</u>	<u>7,817,480</u>	<u>7,408,407</u>
Transfers to other governments			
Province of British Columbia - School	-	(2,353,020)	(2,332,689)
Regional Hospital District	-	(211,931)	(206,249)
Municipal Finance Authority	-	(215)	(214)
British Columbia Assessment Authority	-	(70,443)	(70,219)
Regional District	-	(2,054,580)	(1,871,628)
Police Tax	-	(294,279)	(285,571)
	<u>-</u>	<u>(4,984,468)</u>	<u>(4,766,570)</u>
Total general municipal taxes	<u>2,830,043</u>	<u>2,833,012</u>	<u>2,641,837</u>
Frontage, local improvement and parcel taxes			
Water system	416,091	417,050	406,320
Sewer system	565,239	566,574	516,215
	<u>981,330</u>	<u>983,624</u>	<u>922,535</u>
	<u>\$ 3,811,373</u>	<u>\$ 3,816,636</u>	<u>\$ 3,564,372</u>

Town of Gibsons Notes to the Financial Statements

December 31, 2014

11. Gibsons Landing Harbour Authority

The Gibsons Landing Harbour Authority (the "GLHA") is an independently operated organization of which the Town of Gibsons is the sole member. The Town controls the board appointments of the GLHA. However, its bylaws require that upon dissolution or wind-up, its net assets will revert to the Department of Fisheries - Government of Canada. As such, the GLHA is not accounted for on a consolidated or equity basis and the transactions and balances of the Harbour Authority are not disclosed elsewhere in these financial statements.

The following summarizes the transactions and balances of the Gibsons Landing Harbour Authority as of its latest fiscal year ended March 31, 2014 as presented in their annual unaudited financial statements:

	2014	2013
Assets		
Cash	\$ 62,029	\$ 188,438
Other assets	30,562	367,713
Work in progress	-	1,311,667
Property and equipment	1,711,280	505,567
	\$ 1,803,871	\$ 2,373,385
Liabilities	\$ 47,726	\$ 566,039
Deferred capital contributions	1,266,151	1,355,263
Net assets	489,994	452,083
	\$ 1,803,871	\$ 2,373,385
Revenues for the year		
Moorage	\$ 205,046	\$ 197,150
Other revenues	238,120	113,956
Project revenue	51,364	1,105,163
	494,530	1,416,269
Expenses for the year		
Wages	137,600	139,222
Other expenses	267,655	190,547
Project expenses	51,364	1,105,163
	456,619	1,434,932
Excess (deficiency) of revenues over expenses for the year	\$ 37,911	\$ (18,663)

Town of Gibsons
Notes to the Financial Statements

December 31, 2014

12. Contingent Liabilities

- (a) As a member of the Sunshine Coast Regional District, the Town is responsible for its portion of any operating deficit or long-term debt related to functions in which it participates.
 - (b) The Sunshine Coast Regional District has requested and has been provided with demand notes drawn in its favour totaling \$270,521 (2013 - \$253,751) to provide for additional funds, should the need arise, to service its debt in which the Town shares.
 - (c) The Town is partially self-insured through the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible that the Town, along with the other participants, would be required to contribute towards the deficit.
-

13. Fiscal Plan

Fiscal plan amounts represent the Financial Plan Bylaw adopted by Council on May 6, 2014 with estimates for amortization of tangible capital assets.

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.

The following shows how these amounts were combined:

	<u>2014</u>	<u>2013</u>
Financial Plan Bylaw surplus for the year	\$ -	\$ -
Addback:		
Capital expenditures	1,594,000	2,355,800
Less:		
Budgeted transfers from accumulated surplus	(177,059)	80,664
Proceeds from borrowing	(82,000)	(945,000)
Amortization	(1,237,228)	(1,077,480)
Adjusted Annual Surplus	<u>\$ 97,713</u>	<u>\$ 413,984</u>

Town of Gibsons Notes to the Financial Statements

December 31, 2014

14. Segmented Information

The Town is a diversified municipal government institution that provides a wide range of services to its citizens such as roads, water, sewer and drainage infrastructure, garbage collection and parks. The Town also contributes to the costs of fire protection and transit which are under the jurisdiction of the Sunshine Coast Regional District. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

Corporate Services

The Corporate Services Department is the communications link between Council and other Municipal Departments and the general public, providing assistance and advice to citizens with respect to Council/Committee processes, reporting procedures and decisions.

Finance

The Finance Department is responsible for the overall financial and risk management of the Town. A segment of this department is the ICBC Autoplan and Driver Licensing Agency.

ICBC Autoplan and Driver Licensing Agency

This department provides ICBC Autoplan and Driver Licensing services. Autoplan services consist of vehicle registration and insurance renewals and Driver Licensing services include driver licence renewals, road tests and the processing of motor vehicle fines.

Parks and Cultural Services

The Parks and Cultural Services Department contributes to the quality of life and personal wellness of the community through the provision of a variety of special events, programs, services and facilities.

Planning

This department provides short-term and long-term planning services.

- Short-Term Planning includes the processing of subdivision and development applications.
- Long-Term Planning includes work with the community on reviewing the Town's Official Community Plan, developing new Neighbourhood Plans, the Trail and Bicycle Plan and

Town of Gibsons
Schedule 1 - Long-Term Debt

For the year ended December 31

Loan		Year of Maturity	Rate	Balance Outstanding	
Authorization Bylaw	Purpose			2014	2013
General					
881	Local improvement	2018	5.550%	\$ 121,213	\$ 147,996
890	Downtown revitalization	2019	3.150%	380,750	447,301
1057	Road improvement	2022	2.900%	385,990	426,270
1057	Road improvement	2017	*	195,350	260,350
1093	Road improvements	2029	4.130%	69,537	72,877
1105	Capital improvements	2020	4.500%	190,016	217,561
1126	RCMP Building	2031	3.560%	2,058,894	2,142,434
				<u>3,401,750</u>	<u>3,714,789</u>
Water					
1093	Cross connection control and water meter	2029	4.130%	708,485	742,506
1057	Water mains	2022	2.900%	257,327	284,180
1134	Zone 2 Reservoir	2032	2.900%	925,532	960,233
686	Water mains	2034	3.300%	720,000	-
				<u>2,611,344</u>	<u>1,986,919</u>
Sewer					
576	Waste Water Treatment Plant upgrade	2031	4.850%	1,452,697	1,511,642
Water					
1187	Interim financing		*	-	625,000
				<u>\$ 7,465,791</u>	<u>\$ 7,838,350</u>

* This financing bears interest at the 30-day Banker's Acceptance rate, is calculated daily and is payable monthly

Town of Gibsons
Schedule 2 - Government Transfers and Contributions

For the year ended December 31	Fiscal Plan 2014	2014	2013
Government Transfers			
Federal Government			
In lieu of taxes - general	\$ 3,355	\$ 9,906	\$ 6,937
In lieu of taxes - water	1,710	570	1,677
In lieu of taxes - sewer	2,403	801	2,205
	<u>7,468</u>	<u>11,277</u>	<u>10,819</u>
Provincial Government			
General fund			
Small Communities	312,740	310,793	312,740
Planning	24,030	4,000	5,925
Street lighting	1,340	1,607	955
Other	-	25,014	4,375
Water fund			
Community Works	287,846	303,711	146,660
Towns for tomorrow	-	-	11,344
	<u>625,956</u>	<u>645,125</u>	<u>481,999</u>
Local Government			
General fund			
Other	-	134,389	134,011
	<u>\$ 633,424</u>	<u>\$ 790,791</u>	<u>\$ 626,829</u>
Other contributions			
General fund			
Other	\$ 123,000	\$ 28,000	\$ -
Water fund			
Other	<u>36,502</u>	<u>26,322</u>	<u>40,296</u>
	<u>\$ 159,502</u>	<u>\$ 54,322</u>	<u>\$ 40,296</u>

Town of Gibsons
Schedule 3 - Statement of Operations by Segment

For the year ended December 31, 2014

	General Government Services	ICBC Autoplan Driver Licence Agency	Protective Services	Planning and Economic Development Services	Public Works	Park Services	Unallocated	Water Utility	Sewer Utility	Total 2014 Actual	Total 2014 Fiscal Plan
											(Note 13)
Revenues											
General taxes	\$ -	\$ -	\$ -	\$ -	\$ 297,197	\$ -	\$ 2,535,815	\$ 417,050	\$ 566,574	\$3,816,636	\$ 3,811,373
Government transfers	13,404	-	-	4,000	110,092	37,514	320,699	304,281	801	790,791	633,424
Other contributions	28,000	-	-	-	-	-	-	26,322	-	54,322	159,502
Contributions from developers for capital works	-	-	-	-	112,084	-	-	37,300	-	149,384	24,651
Utility charges	-	-	-	-	-	-	-	675,853	501,099	1,176,952	1,189,768
Sale of services	5,644	-	-	-	224,736	-	-	-	-	230,380	149,634
Other revenue	312,425	282,869	209,991	-	-	-	354,759	5,537	5,391	1,170,972	1,278,861
Total revenues	359,473	282,869	209,991	4,000	744,109	37,514	3,211,273	1,466,343	1,073,865	7,389,437	7,247,213
Expenses											
Operating											
Goods and services	965,012	6,353	22,936	258,838	675,711	191,924	-	658,054	400,571	3,179,399	2,525,354
Labour	748,129	250,230	155,111	173,643	652,094	439,414	-	272,406	286,734	2,977,761	3,001,727
Interest, issue and other	175,501	-	-	-	-	-	-	106,510	91,194	373,205	385,191
Disposal of tangible capital assets	-	-	-	-	-	-	9,551	1,881	-	11,432	-
Amortization	1,888,642	256,583	178,047	432,481	1,327,805	631,338	9,551	1,038,851	778,499	6,541,797	5,912,272
	758,015	-	-	-	-	-	-	261,381	223,479	1,242,875	1,237,228
Total expenses	2,646,657	256,583	178,047	432,481	1,327,805	631,338	9,551	1,300,232	1,001,978	7,784,672	7,149,500
Excess (deficiency) in revenues over expenses	\$ (2,287,184)	\$ 26,286	\$ 31,944	\$ (428,481)	\$ (583,696)	\$ (593,824)	\$ 3,201,722	\$ 166,111	\$ 71,887	\$ (395,235)	\$ 97,713

Town of Gibsons
Schedule 4 - Statement of Operations by Segment

For the year ended December 31, 2013

	General Government Services	ICBC Autoplan Driver Licence Agency	Protective Services	Planning and Economic Development Services	Public Works	Park Services	Unallocated	Water Utility	Sewer Utility	Total 2013 Actual	Total 2013 Fiscal Plan
											(Note 13)
Revenues											
General taxes	\$ -	\$ -	\$ -	\$ -	\$ 247,789	\$ -	\$ 2,394,048	\$ 406,320	\$ 516,215	\$ 3,564,372	\$ 3,540,994
Government transfers	-	-	-	5,925	104,921	34,420	319,677	159,681	2,205	626,829	735,514
Other contributions	-	-	-	-	-	-	-	40,296	-	40,296	4,000
Contributions from developers for capital works	-	-	-	-	-	-	214,871	-	-	214,871	210,685
Utility charges	-	-	-	-	-	-	-	616,022	467,774	1,083,796	1,083,214
Sale of services	5,478	-	-	-	128,116	-	-	-	-	133,594	126,754
Other revenue	439,721	291,204	242,334	-	-	-	481,555	1,108	27,458	1,483,380	1,147,265
Total revenues	445,199	291,204	242,334	5,925	480,826	34,420	3,410,151	1,223,427	1,013,652	7,147,138	6,848,426
Expenses											
Operating											
Goods and services	722,378	6,084	21,055	177,776	587,010	256,502	-	567,206	349,124	2,687,135	2,220,589
Labour	727,523	244,444	160,130	173,218	638,208	449,971	-	250,102	276,960	2,920,556	2,806,331
Interest, issue and other	181,917	-	-	-	-	-	-	74,678	91,630	348,225	330,042
Disposal of tangible capital assets	-	-	-	-	-	-	6,660	128,136	-	134,796	-
Amortization	1,631,818	250,528	181,185	350,994	1,225,218	706,473	6,660	1,020,122	717,714	6,090,712	5,356,962
	765,067	-	-	-	-	-	-	249,572	222,589	1,237,228	1,077,480
Total expenses	2,396,885	250,528	181,185	350,994	1,225,218	706,473	6,660	1,269,694	940,303	7,327,940	6,434,442
Excess (deficiency) in revenues over expenses	\$ (1,951,686)	\$ 40,676	\$ 61,149	\$ (345,069)	\$ (744,392)	\$ (672,053)	\$ 3,403,491	\$ (46,267)	\$ 73,349	\$ (180,802)	\$ 413,984

Town of Gibsons
Supplementary Financial Information - Exhibit A
General Fund - Statement of Financial Position
(Unaudited)

December 31	2014	2013
Assets		
Current		
Cash	\$ 34,876	\$ 233,972
Portfolio investments	2,221,145	2,469,420
Accounts receivable		
Province of British Columbia	11,090	1,080
Other	201,130	198,521
Due from water operating fund	25,224	-
Taxes receivable	348,627	392,356
Utility fees receivable	203,151	153,872
Prepaid expenses	8,202	5,720
Deposit - Municipal Finance Authority	65,816	63,962
	<u>3,119,261</u>	<u>3,518,903</u>
Capital fund		
Due from general operating fund	52	52
Tangible capital assets	27,745,132	28,296,372
	<u>27,745,184</u>	<u>28,296,424</u>
	<u>\$ 30,864,445</u>	<u>\$ 31,815,327</u>
Liabilities		
Operating fund		
Accounts payable and accrued liabilities	\$ 761,252	\$ 991,842
Due to water capital fund	354,005	287,579
Due to water operating fund	-	89,132
Due to sewer operating fund	537,878	696,523
Due to general capital fund	52	52
Unearned revenue	224,535	98,977
Provision for future expenditures	826,853	658,319
Reserve - Municipal Finance Authority	65,816	63,962
Fund balance	348,870	632,517
	<u>3,119,261</u>	<u>3,518,903</u>
Capital fund		
Long-term debt	3,401,750	3,714,789
Obligation under lease payable	60,856	82,853
Investment in tangible capital assets	24,282,578	24,498,782
	<u>27,745,184</u>	<u>28,296,424</u>
	<u>\$ 30,864,445</u>	<u>\$ 31,815,327</u>

Town of Gibsons
Supplementary Financial Information - Exhibit B
General Fund - Operating Fund Balance
and Investment in Tangible Capital Assets
(Unaudited)

For the year ended December 31 **2014** **2013**

Operating fund balance

Balance, beginning of year	\$ 632,517	\$ 667,996
Deficit for the year	(283,647)	(35,479)
Balance, end of year	\$ 348,870	\$ 632,517

Investment in Tangible Capital Assets

Balance, beginning of year	\$ 24,498,782	\$ 24,303,675
Contributions from operating fund for:		
Acquisition of tangible capital assets	24,261	443,170
Lease payments	21,997	36,696
Reduction of long-term debt	257,890	209,540
Acquisition of tangible capital assets from provision for future expenditures	56,376	41,315
Contribution from reserve fund for:		
Acquisition of tangible capital assets	48,271	93,745
Contributed tangible capital assets	87,417	97,326
Contribution from Municipal Finance Authority		
Sinking fund for debt reduction	55,150	45,042
Disposition of tangible capital assets	(9,551)	(6,660)
Amortization	(758,015)	(765,067)
Balance, end of year	\$ 24,282,578	\$ 24,498,782

Town of Gibsons
Supplementary Financial Information - Exhibit C
General Fund - Operating Fund Financial Activities
(Unaudited)

For the year ended December 31	2014	2013
Revenue		
Taxation	\$ 2,833,012	\$ 2,641,837
Government transfers and other contributions	513,709	464,943
Sale of services		
General government services	250,644	250,478
Transportation services	301,861	239,619
Capital equipment recoveries	85,075	48,497
Other revenue		
Licences, permits and fines	209,991	242,334
Rents	256,796	409,711
ICBC Autoplan and Driver Licensing Commissions	282,869	291,204
Interest on investments	46,470	34,814
Penalties and interest on taxes	76,281	91,722
Donations	168,080	284,611
Sundry	21,594	28,574
Appropriation from provision for future expenditures	55,613	98,927
Contribution from developers	-	23,800
	<u>5,101,995</u>	<u>5,151,071</u>
Expenditures		
General departmental expenditures		
General government	1,713,141	1,449,901
Protective services	178,047	181,185
Transportation services	891,298	828,779
Environmental services	436,507	396,439
Planning and economic development services	432,481	350,994
Park services	631,338	706,473
Motor vehicle licence agency	256,583	250,528
Debt charges		
Interest	168,124	173,449
Sundry	5,523	5,495
Transfers		
Reserve fund	86,075	11,775
Provision for future expenditures	280,523	139,153
Reserve - Municipal Finance Authority	1,854	2,973
Capital fund	24,261	443,170
Debt principal	279,887	246,236
	<u>5,385,642</u>	<u>5,186,550</u>
Deficit for the year	\$ (283,647)	\$ (35,479)

Town of Gibsons
Supplementary Financial Information - Exhibit D
Water Fund - Statement of Financial Position
(Unaudited)

December 31	2014	2013
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Assets

Operating fund

Accounts receivable		
User fees receivable	\$ 87,802	\$ 85,793
Due from general operating fund	-	89,132
Deposit - Municipal Finance Authority	31,895	23,846
	119,697	198,771

Capital fund

Accounts receivable	-	18,758
Due from general operating fund	354,005	287,579
Tangible capital assets	9,753,812	9,772,627
	10,107,817	10,078,964
	\$ 10,227,514	\$ 10,277,735

Liabilities

Operating fund

Accounts payable	\$ 22,387	\$ 16,880
Reserve - Municipal Finance Authority	31,895	23,846
Due to general operating fund	25,224	-
Unearned revenue	-	71,845
Provision for future expenditures	239,146	31,425
Fund balance	(198,955)	54,775
	119,697	198,771

Capital fund

Interim financing	-	625,000
Long-term debt	2,611,344	1,986,919
Investment in tangible capital assets	7,496,473	7,467,045
	10,107,817	10,078,964
	\$ 10,227,514	\$ 10,277,735

Town of Gibsons
Supplementary Financial Information - Exhibit E
Water Fund - Operating Fund Balance
and Investment in Tangible Capital Assets
(Unaudited)

<u>For the year ended December 31</u>	<u>2014</u>	<u>2013</u>
Operating fund balance		
Balance, beginning of year	\$ 54,775	\$ 124,749
Deficit for the year	<u>(253,730)</u>	<u>(69,974)</u>
Balance, end of year	\$ (198,955)	\$ 54,775
Investment in Tangible Capital Assets		
Balance, beginning of year	\$ 7,467,045	\$ 7,585,898
Contributions from operating fund for:		
Acquisition of property and equipment	126,242	-
Reduction of debt	88,269	88,269
Contribution from Municipal Finance Authority for:		
Sinking fund for debt reduction	7,307	3,630
Disposition of tangible capital assets	(1,881)	(128,136)
Amortization	(261,381)	(249,572)
Contributions from others	26,322	-
Contributed tangible capital assets	37,300	-
Provincial grants	<u>7,250</u>	<u>166,956</u>
Balance, end of year	\$ 7,496,473	\$ 7,467,045

Town of Gibsons
Supplementary Financial Information - Exhibit F
Water Fund - Operating Fund Financial Activities
(Unaudited)

For the year ended December 31	2014	2013
Revenue		
User rates	\$ 568,449	\$ 505,215
Parcel tax	417,050	406,320
Connection fees and recoveries	107,404	110,807
Government transfers and other contributions	297,031	33,021
Miscellaneous	5,537	1,108
Appropriation from provision for future expenditures	31,425	34,705
Contribution from capital fund	-	9,105
	<u>1,426,896</u>	<u>1,100,281</u>
Expenditures		
Water supply		
Administration	245,182	286,749
Service of supply	460,276	340,968
Transmission, distribution and pumping	415,001	379,591
Debt charges		
Interest	105,661	73,570
Transfers		
Capital fund	126,242	-
Provision for future expenditures	239,146	-
Debt principal	88,269	88,269
Reserve - Municipal Finance Authority	849	1,108
	<u>1,680,626</u>	<u>1,170,255</u>
Deficit for the year	<u>\$ (253,730)</u>	<u>\$ (69,974)</u>

Town of Gibsons
Supplementary Financial Information - Exhibit G
Sewer Fund - Statement of Financial Position
(Unaudited)

December 31	2014	2013
Assets		
Operating fund		
Accounts receivable - user fees	\$ 90,403	\$ 81,361
Deposit - Municipal Finance Authority	25,595	24,874
Due from general operating fund	<u>537,878</u>	<u>696,523</u>
	<u>653,876</u>	<u>802,758</u>
Capital fund		
Tangible capital assets	<u>9,530,197</u>	<u>9,570,701</u>
	<u>\$ 10,184,073</u>	<u>\$ 10,373,459</u>
Liabilities		
Operating fund		
Accounts payable	\$ 18,094	\$ 18,094
Reserve - Municipal Finance Authority	25,595	24,874
Provision for future expenditures	25,000	136,826
Fund balance	<u>585,187</u>	<u>622,964</u>
	<u>653,876</u>	<u>802,758</u>
Capital fund		
Long-term debt	1,452,697	1,511,642
Investment in tangible capital assets	<u>8,077,500</u>	<u>8,059,059</u>
	<u>9,530,197</u>	<u>9,570,701</u>
	<u>\$ 10,184,073</u>	<u>\$ 10,373,459</u>

Town of Gibsons
Supplementary Financial Information - Exhibit H
Sewer Fund - Operating Fund Balance
and Investment in Tangible Capital Assets
(Unaudited)

For the year ended December 31	2014	2013
Operating fund balance		
Balance, beginning of year	\$ 622,964	\$ 666,347
Deficit for the year	<u>(37,777)</u>	<u>(43,383)</u>
Balance, end of year	\$ 585,187	\$ 622,964
Investment in Tangible Capital Assets		
Balance, beginning of year	\$ 8,059,059	\$ 8,144,218
Contributions from operating fund for:		
Acquisition of tangible capital assets	46,150	79,528
Reduction of long-term debt	44,793	44,793
Provision for future expenditures	136,826	1,225
Amortization	(223,479)	(222,589)
Contributions from Municipal Finance Authority for:		
Sinking fund for debt reduction	14,151	11,884
Balance, end of year	\$ 8,077,500	\$ 8,059,059

Town of Gibsons
Supplementary Financial Information - Exhibit I
Sewer Fund - Operating Fund Financial Activities
(Unaudited)

For the year ended December 31	2014	2013
Revenue		
User rates	\$ 500,449	\$ 465,714
Parcel tax	566,574	516,215
Connection fees and recoveries	650	2,060
Government transfers and other contributions	801	2,205
Miscellaneous	5,391	27,458
	<u>1,073,865</u>	<u>1,013,652</u>
Expenditures		
Administration	244,461	246,069
Maintenance		
Collection system	250,127	221,705
Treatment system	409,917	373,310
Debt charges		
Interest	90,473	90,473
Transfers		
Reserve - Municipal Finance Authority	721	1,157
Provision for future expenditures	25,000	-
Capital fund	46,150	79,528
Debt principal	44,793	44,793
	<u>1,111,642</u>	<u>1,057,035</u>
Deficit for the year	<u>\$ (37,777)</u>	<u>\$ (43,383)</u>

Town of Gibsons
Supplementary Financial Information - Exhibit J
Reserve Fund - Statement of Financial Position
(Unaudited)

December 31	2014	2013
<hr/>		
Assets		
Cash and short-term deposits	\$ 2,406,146	\$ 2,012,971
<hr/>		
Liabilities and Fund Balances		
Development cost charges		
Roads	\$ 386,071	\$ 260,598
Drainage	724,128	657,205
Water	97,281	41,540
Sewer	436,886	375,674
	<hr/>	<hr/>
	1,644,366	1,335,017
Fund balances		
Capital works	310,357	240,316
Public parking	112,785	109,341
Park acquisition	338,638	328,297
	<hr/>	<hr/>
	761,780	677,954
	<hr/>	<hr/>
	\$ 2,406,146	\$ 2,012,971
<hr/>		

Town of Gibsons
Supplementary Financial Information - Exhibit K
Reserve Fund - Transactions
(Unaudited)

For the year ended December 31, 2014

	Capital Works	Public Parking	Acquisition	Park	Development Cost Charges				2014	2013
					Roads	Drainage	Water	Sewer		
Balance, beginning of year	\$ 240,316	\$ 109,341	\$ 328,297	\$ 260,598	\$ 657,205	\$ 41,540	\$ 375,674	\$ 2,012,971	\$ 2,052,229	
Interest received	7,570	3,444	10,341	11,872	21,895	2,713	13,108	70,943	35,229	
Contributions										
General operating fund	86,075	-	-	-	-	-	-	86,075	11,775	
Developers	-	-	-	138,268	45,028	53,028	48,104	284,428	66,173	
Expenditures	(23,604)	-	-	(24,667)	-	-	-	(48,271)	(152,435)	
Balance, end of year	\$ 310,357	\$ 112,785	\$ 338,638	\$ 386,071	\$ 724,128	\$ 97,281	\$ 436,886	\$2,406,146	\$ 2,012,971	

PERMISSIVE TAX EXEMPTIONS

A permissive tax exemption (PTE) is an exemption from the payment of municipal tax. Each year Council grants various permissive tax exemptions to help support organizations that provide services considered to be an extension of municipal services and that are deemed to contribute to the well being of the community. When granting a PTE, Council ensures that the exemption will not provide an unfair competitive advantage and that the resulting tax burden is a justifiable expense. To strike a balance, Council considers requests for exemptions in concert with the various other needs of the community.

Following is a listing of organizations granted a permissive tax exemption in 2014, along with the amount of municipal taxes that would have been imposed on the property if it were not considered exempt.

NAME OF PROPERTY OWNER	PROPERTY VALUE	TAX CLASS	TAX* EXEMPTION
Good Samaritan Society (Christenson Village)	\$13,585,00	1	\$22,237
Gibsons Community Fellowship Society	209,000	8	\$659
Gibsons Community Fellowship Society	257,600	8	\$813
Gibsons United Church	513,500	8	\$1,620
Pentacostal Assemblies of Canada (Christian Life Assembly)	988,500	8	\$3,119
Royal Canadian Legion Branch #109	413,000	8	\$1,303
Parish of St. Aidan and St. Bartholomew's Anglican Church	1,417,000	8	\$4,471
Parish of St. Aidan and St. Bartholomew's Anglican Church	285,300	1	\$623
Gibsons Congregation of Jehovah's Witnesses	280,400	8	\$885
The Convention of Baptist Churches of BC (Calvary Baptist Church)	569,900	8	\$1,798
Roman Catholic Archbishop of Vancouver (St. Mary's Catholic Church)	658,300	8	\$2,077
Sunshine Coast Kiwanis Village (Village Apartments)	1,238,000	1	\$2,702
S.C. Community Services Society (Community Treasures Thrift Shop)	385,600	6	\$1,189
S.C. Community Services Society (Farnham Family Place)	307,000	1	\$670
	<hr/> \$21,108,100		<hr/> \$44,165

*This includes a statutory exemption component, if applicable.

CONTRIBUTIONS TO THE COMMUNITY

GRANTS OF ASSISTANCE

Organization	2014	2013
1st Gibsons Scouts	500	0
ANCA Foundation	0	1,062
Canada Day Committee	2,100	2,900
Citizens on Patrol	0	2,000
Coast Cultural Alliance	1,000	0
Community Justice for the Sunshine Coast	1,250	2,000
Deer Crossing Art Farm (Synchronicity Festival and Ignite)	2,000	1,000
Gibsons & District Chamber of Commerce (Visitor Services)	45,000	45,000
Gibsons & District Chamber of Commerce (V.I. Park, Maps, Banner)		0
Gibsons Economic Development	13,000	60,280
Gibsons / Elphinstone Community School Youth Worker	10,853	10,650
Gibsons Annual Zombie Walk	830	0
Gibsons Outrigger Race	1,000	0
Gibsons Public Art Gallery	3,000	5,388
Rising Tide Theatre	250	0
Royal Canadian Air Cadets	300	0
School District No. 46 - Student Bursary	1,000	1,000
Sea Calvalcade Committee	13,686	13,963
Sunshine Coast Arts Council	0	950
Sunshine Coast Community Services Society (Children's Festival & Duck Pluck)	1,000	1,000
Sunshine Coast Community Services Society (Housing for Homeless)	2,000	0
Sunshine Coast Community Services Society (Crisis Support Worker)	1,000	0
Sunshine Coast Community Services Society (Homeless Outreach)	0	2,500
Sunshine Coast Community Services Society (Parent & Tot Summer Prog.)	1,250	0
Sunshine Coast Conservation Society	500	2,000
Sunshine Coast Dance Society	0	1,000
Sunshine Coast Film Society	0	500
Sunshine Coast Jazz Society	2,000	2,000
Sunshine Coast Lacrosse Association	750	0
Sunshine Coast Museum and Archives	2,000	0
Sunshine Coast Sockeye Water Polo	0	1,000
Sunshine Coast Teen Parent Education Society	500	0
Sunshine Coast Tourism	7,200	7,200
Special Olympics Sunshine Coast	1,000	600
Transition Sunshine Coast Canada	250	0
Transportation Choices Sunshine Coast	750	1,000
	\$115,969	\$164,993

CONTRIBUTION TO THE COMMUNITY CONT...**2014 SUBSIDIZED RENTS**

Group	Area / sq. ft.	Rent /sq. ft.	# of months	Value (\$)
Arts Building Society (Old Library)	1,680	\$4.75	8	\$5,323
Gibsons School of the Arts (Old Library)	1,680	6.19	3	2,601
Sunshine Coast Museum and Archives	5,220	6.00	12	31,320
Gibsons Minor Ball Association	513	6.00	12	3,078
Gibsons Lions Club (KinHut)	1,524	6.00	12	9,144
Gibsons Kinsmen Club (KinHut)	1,524	6.00	12	9,144
Jack & Jill Preschool	800	6.00	12	4,800
Gibsons Seniors Society (Harmony Hall)	5,270	6.00	12	31,620
Gibsons Landing Heritage Society (Heritage Playhouse Theatre)	5,094	6.00	12	30,564
Gibsons Curling Club	11,935	6.00	12	71,610
				\$199,203

GIBSONS LANDING HARBOUR AUTHORITY

The Gibsons Landing Harbour Authority (GLHA) is a federally established corporation of which the Town of Gibsons is the sole member. The Town Council appoints the board of directors. The GLHA was formed in 1997 to provide harbour users with a safe, well maintained, and well run public marine facility.

The GLHA is the locally controlled non-profit body comprised of board members from the community and fishing industry that is responsible for the day to day operation of the harbour and its facilities. The Small Craft Harbours branch of the Department of Fisheries and Oceans (DFO) continues to own the wharf, and funds major repairs to the harbour facilities. DFO sees the Harbour Authority Program as an efficient and economical way of offering services to the commercial fishers, strengthening public investment in the harbour, and providing opportunities for the communities to participate in the planning, operation and maintenance of the harbour facilities.

There is a strong user demand of the harbour not only from the Sunshine Coast residents, but from the Lower Mainland and surrounding communities as well. These users are extremely diverse with strong representation from the commercial fishing, marine commercial and recreational/tourism sectors.

The exceptional location, attractive facility and breadth of services offered at GLHA have made it a desirable berthing site. Commercial fishing boats are present in the winter, early spring and late fall, while transient pleasure craft occupy their berths during the warm summer months.

The Board meets with, and reports to, Council quarterly at Committee-of-the-Whole meetings. Serving on the board of the Gibsons Landing Harbour Authority for 2013 were: Gerry Harris, Henning Rasmussen, Terry Rhodes, Fred Strom, Ken Fiedler, Ron Sayer, Tony Kristian, Ron Nelson, and Joseph Wright. Council's representative is Councillor Gerry Tretick.



TOWN OF GIBSONS

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