



**STATEMENT OF FINANCIAL INFORMATION
PREPARED UNDER THE *FINANCIAL INFORMATION ACT*
FOR THE YEAR ENDED DECEMBER 31, 2013**

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STATEMENT OF FINANCIAL INFORMATION
PREPARED UNDER THE *FINANCIAL INFORMATION ACT*
FOR THE YEAR ENDED DECEMBER 31, 2013

MANAGEMENT REPORT

Prepared under the Financial Information Regulation, Schedule 1, section 9

The Financial Statements contained in this Statement of Financial Information under the ***Financial Information Act*** have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control.

The external auditors, MNP LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the *Act*. Their examination includes a review and evaluation of the municipality's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Council.

On behalf of the City of Campbell River

Myriah Foort, CA
Finance Manager



STATEMENT OF FINANCIAL INFORMATION
PREPARED UNDER THE *FINANCIAL INFORMATION ACT*
FOR THE YEAR ENDED DECEMBER 31, 2013

STATEMENT OF FINANCIAL INFORMATION APPROVAL

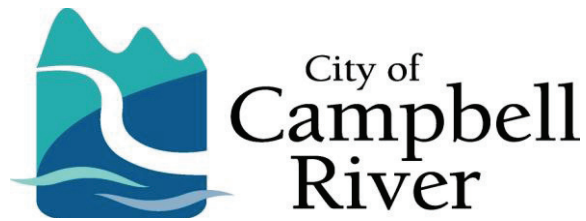
The undersigned, as authorized by the **Financial Information Regulation**, Schedule 1, subsection 9 (2), approves all the statements and schedules, included in this Statement of Financial Information, produced under the *Financial Information Act* .

Myriah Foort, CA

Finance Manager

Walter Jakeway

Mayor



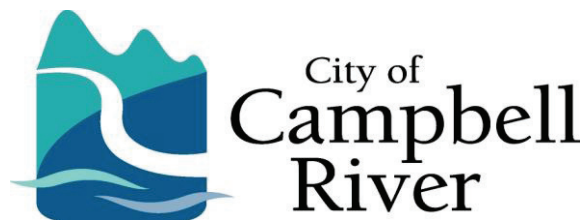
**STATEMENT OF FINANCIAL INFORMATION
PREPARED UNDER THE FINANCIAL INFORMATION ACT
FOR THE YEAR ENDED DECEMBER 31, 2013**

**SCHEDULE SHOWING THE REMUNERATION
AND EXPENSES IN RESPECT OF EACH EMPLOYEE**

Prepared Under the Financial Information Regulation, Schedule 1, Section 6

Elected Officials	Position	Remuneration	Expenses
JAKEWAY, WALTER	Mayor	\$ 61,294	\$ 3,645
ADAMS, ANDREW	Councillor	22,057	2,416
KERR, RON	Councillor	22,057	5,167
MENNIE, RYAN	Councillor	22,057	2,328
MOGLOVE, CLAIRE	Councillor	22,057	6,516
SAMSON, LARRY	Councillor	22,057	3,843
STORRY, MARY	Councillor	22,057	4,264
		\$ 193,639	\$ 28,180

Employees	Position	Remuneration	Expenses
AALDERINK, NATALIE	Finance Manager	\$ 75,015	\$ 1,214
ANDERSON, CAROL	Alarm Room Operator	82,669	1,372
BAIKIE, IAN	Fire Chief	139,103	11,042
BAKER, JOHN	Fire Captain	121,780	503
BELLEFLEUR, KELLY	Firefighter	115,435	9,628
BLACKWELL, ROSS	Land Use Manager	118,525	4,298
BROOKS, TERRY	Engineering Technician	81,805	187
CIARNIELLO, LAURA	GM, Corporate Services	116,379	12,866
CORCORAN, JAMES	Roads Supervisor	90,032	424
DAWSON, KEN	Fire Captain	125,024	480
DECKSHEIMER, JASON	Asset Management Supervisor	86,826	665
DOUGLAS, JULIE	Communications Advisor	82,937	3,426
DUMONT, MICHAEL	Firefighter	100,176	235
DUMONT, STEWART	Firefighter	101,170	385
EPPLER, ANDREW	Dispatcher/Firefighter	94,141	321
EPPLER, PAULA	Alarm Room Operator	82,310	289
FOORT, MYRIAH	Finance Accounting Supervisor	88,550	6,205
GRAEBNER, RICHARD	Foreman II	80,245	112
HADFIELD, ANDREW	Transportation Manager	107,324	5,425
HALL, SHAWN	Firefighter	88,923	218

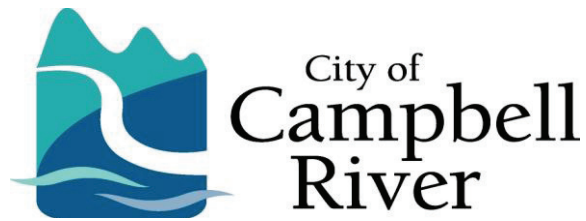


**STATEMENT OF FINANCIAL INFORMATION
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FOR THE YEAR ENDED DECEMBER 31, 2013**

**SCHEDULE SHOWING THE REMUNERATION
AND EXPENSES IN RESPECT OF EACH EMPLOYEE**

Prepared Under the Financial Information Regulation, Schedule 1, Section 6

Employees	Position	Remuneration	Expenses
HANSELL, CHRISTOPHER	Foreman II	77,473	356
HARTLEY, JASON	Capital Works Manager	110,467	2,643
HILDEBRAND, SETH	Fire Prevention Inspector	97,466	6,167
HOFMANN, JAMIE	Alarm Room Operator	83,583	2,452
HOLBROOK, BRUCE	Firefighter	104,172	269
IDIENS, CRAIG	Firefighter	98,592	121
JACOBS, CARRIE	RCMP Municipal Manager	90,305	1,055
KALYN, WARREN	Information Technology Manager	107,556	3,341
KRATZMANN, SCOTT	Firefighter	97,361	2,102
LAGOS, DAVID	Fire Prevention Inspector/Firefighter	102,164	1,863
LAIDLAW, ANDREW	City Manager	175,455	11,571
LOVELY, DAVID	Safety Advisor	82,219	4,514
MARTIN, TERRI	Engineering Technician	75,302	2,033
MASSEE, TYLER	Airport Manager	90,948	3,565
MCKENZIE, MARK	Firefighter	104,183	478
MILNTHORP, ROSS	GM, Parks, Recreation & Culture	114,213	1,396
MORRIS, DAVID	GM, Facilities & Supply Management	133,005	4,483
NEUFELD, RONALD	Deputy City Manager/GM, Operations	134,683	3,616
PARKER, GRANT	Parks Operations Supervisor	90,764	4,993
PENDERGAST, LEE	Firefighter	100,483	2,091
PETERS, JENNIFER	Utilities Manager	106,784	4,009
RALPH, JAMES	Foreman II	79,150	2,009
RIPLEY, PAULA ANNE	Alarm Room Operator	92,900	1,519
RITCHIE, LAURA	Alarm Room Operator	80,680	-
ROGERS, DEBRA	Alarm Room Operator	82,833	1,198
SANDBERG, LORNE	Foreman II	75,717	894
SAXBY, TYLER	Firefighter	96,678	350
SCHULTE, CHRIS	Firefighter	94,639	618
SIRETT, MICHELE	Recreation And Culture Supervisor	94,222	4,450
STEWART, ANDREW	Shift FPO/Firefighter	95,604	18
STEWART, GRAHAM	Utilities Operations Supervisor	99,529	1,903



City of Campbell River

STATEMENT OF FINANCIAL INFORMATION
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FOR THE YEAR ENDED DECEMBER 31, 2013

**SCHEDULE SHOWING THE REMUNERATION
AND EXPENSES IN RESPECT OF EACH EMPLOYEE**

Prepared Under the Financial Information Regulation, Schedule 1, Section 6

Employees	Position	Remuneration	Expenses
STUART, DONNA	Alarm Room Operator	82,056	-
TILLAPPAUGH, COLLEEN	Human Resources Manager	90,375	7,063
TRAVANUT, ED	Foreman II	78,477	2,407
TRIPPLE, SUSAN	Alarm Room Operator	77,387	-
VANDENDRIES, CRIS	Firefighter	82,602	618
VATON, JOHN	Fire Captain	119,792	1,480
VRABEL, CHRISTOPHER	Deputy Fire Chief	124,641	13,576
WARK, LYNN	Recreation & Culture Manager	93,024	5,990
WHARTON, REID	Fire Captain	121,822	-
WILLIS, TIMOTHY	Firefighter	96,205	172
WIPPER, PETER	City Clerk	102,504	3,157
ZIRNHELT, AMBER	Sustainability Manager	102,457	4,874
Total employees with remuneration greater than \$75,000		\$ 6,218,840	\$ 174,709
Add: employees with remuneration less than \$75,000		8,876,630	142,145
Add: mayor and council		193,639	28,180
Total remuneration and expenses		\$ 15,289,108	\$ 345,034
Reconciliation			
Total remuneration		\$ 15,289,108	
Employer's portion of CPP and EI		768,658	
Change in accrued wages and benefits, severance agreements, non-taxable benefits paid to third party, allocated overhead and other		1,656,671	
Wages and benefits per Consolidated Financial Statements		\$ 17,714,437	



**STATEMENT OF FINANCIAL INFORMATION
PREPARED UNDER THE *FINANCIAL INFORMATION ACT*
FOR THE YEAR ENDED DECEMBER 31, 2013**

STATEMENT OF SEVERANCE AGREEMENTS

Prepared under the Financial Information Regulation, Schedule 1, subsection 6 (8)

There were no severance agreements made between the City of Campbell River and its non-unionized employees during fiscal year 2013.



**STATEMENT OF FINANCIAL INFORMATION
PREPARED UNDER THE *FINANCIAL INFORMATION ACT*
FOR THE YEAR ENDED DECEMBER 31, 2013**

**SCHEDULE SHOWING TOTAL PAID TO EACH SUPPLIER
FOR GOODS AND SERVICES EXCEEDING \$25,000**

Prepared Under the Financial Information Regulation, Schedule 1, section 7

Supplier Name	Amount Paid
ACE COURIER SERVICES LTD	\$ 26,116
ACKLANDS-GRAINGER INC	48,156
ACME SUPPLIES LTD	49,486
ANDERSON REFRIGERATION LTD.	27,266
ANDREW SHERET LIMITED	90,144
APGN INC	30,473
AQUATECH WEST	33,380
BAILEY WESTERN STAR TRUCKS INC	48,408
BC ASSESSMENT AUTHORITY ACCOUNTS DEPARTMENT	322,096
BC HYDRO & POWER	1,148,374
BC HYDRO CAD-130160 PAYMENT CONTROLS DEPT	238,461
BC TRANSIT	1,286,126
BELL MOBILITY	62,301
BERRY & VALE CONTRACTING LTD.	71,645
BLACK PRESS GROUP LTD	75,203
BMS INTEGRATED SERVICES INC	26,143
BONAVENTURE LAND CORPORATION	29,813
C & L SUPPLY 1988 LTD	25,959
CAMPBELL RIVER EDC RIVERCORP ENTERPRISE	578,867
CAMPBELL RIVER TRAFFIC CONTROLLERS	33,862
CAMPBELL RIVER VOLUNTEER FIRE DEPT NO 2	57,250
CAMPBELL RIVER VOLUNTEER FIRE DEPT NO 1	48,271
CAMPBELL RIVER FAMILY SERVICES	87,200
CLEAN TEAM JANITORIAL INC	87,390
COASTAL ANIMAL CONTROL SERVICES OF BC LTD	96,066
COMOX STRATHCONA REGIONAL HOSPITAL	3,808,127
COMOX VALLEY REGIONAL DISTRICT	339,921



**STATEMENT OF FINANCIAL INFORMATION
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FOR THE YEAR ENDED DECEMBER 31, 2013**

**SCHEDULE SHOWING TOTAL PAID TO EACH SUPPLIER
FOR GOODS AND SERVICES EXCEEDING \$25,000**

Prepared Under the Financial Information Regulation, Schedule 1, section 7

Supplier Name	Amount Paid
CORIX WATER PRODUCTS LP	37,332
CR METAL FABRICATORS LTD	30,138
CROWNE PACIFIC DEVELOPMENT CORP.	38,581
CUPE LOCAL 401	155,891
DA TOWNLEY & ASSOCIATES LTD	1,149,299
DAVEY TREE SERVICES - A DIVISION OF DAVEY TREE	27,485
DELL CANADA INC	40,740
DISCOVERY DIESEL ELECTRIC 06 LTD	99,186
DOMCOR HEALTH SAFETY & SECURITY INC	34,511
DUNCAN ELECTRIC MOTOR LTD	29,007
EB HORSMAN & SON	77,442
ED ROSSE PLUMBING LTD	84,719
EMCON SERVICES INC	39,517
EMCO RESOURCES LTD	103,889
EMTERRA ENVIRONMENTAL (CUMBERLAND)	1,348,817
ENEX FUELS LTD.	175,664
ESRI CANADA - Attn: Accounts Receivable	30,038
EXXONMOBIL AVIATION DIV OF EXXONMOBIL	814,989
FORTIS BC-NATURAL GAS	186,030
FRED SURRIDGE LTD	70,528
FRUSCALZO LODOVICO	87,511
FUSILLI GRILL	157,237
GEMELLA DESIGN INC	53,901
GLOBAL PAYMENTS DIRECT INC	25,769
GRAPHICALLY SPEAKING	69,511
GUILLEVIN INTERNATIONAL CO	102,796



**STATEMENT OF FINANCIAL INFORMATION
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FOR THE YEAR ENDED DECEMBER 31, 2013**

**SCHEDULE SHOWING TOTAL PAID TO EACH SUPPLIER
FOR GOODS AND SERVICES EXCEEDING \$25,000**

Prepared Under the Financial Information Regulation, Schedule 1, section 7

Supplier Name	Amount Paid
HEART OF THE CITY BIA C/O TEES KIDDLE SPENCER	38,808
HIGHLAND ENGINEERING AND SURVEYING	393,251
H. L. DEMOLITION & WASTE MANAGEMENT LTD	26,885
HOUSEMASTER HOME INSPECTIONS LTD	36,427
IAFF LOCAL 1668	51,619
INSURANCE CORPORATION OF BC	91,727
IMPERIAL OIL	80,712
INLAND KENWORTH PARKER PACIFIC	37,726
JIM CREIGHTON ENTERPRISES	57,400
JUSTICE INSTITUTE OF BRITISH COLUMBIA	39,383
K&L SPOONER CONSTRUCTION LTD.	312,748
KAL TIRE	31,591
KETZA PACIFIC CONSTRUCTION 1993 LTD	70,345
KINETIC CONSTRUCTION LTD	2,432,841
KOERS & ASSOCIATES ENGINEERING LTD	32,971
LEE MAC ELECTRIC LTD	48,064
MAINROAD PAVEMENT MARKING LP	66,909
MAR-TECH UNDERGROUND SERVICES LTD	141,590
MATHOT HOMES LTD	31,288
MCELHANNEY CONSULTING SERVICES LTD	126,879
MEYERS NORRIS PENNY LLP	36,456
MICROSOFT LICENSING GP WRC-CA	52,379
MILESTONE EQUIPMENT CONTRACTING INC	237,109
MINISTER OF FINANCE PROPERTY TAXATION BRANCH	6,168,547
MINISTER OF FINANCE	30,000
M. J. PAWLOWSKI AND ASSOCIATES	64,731



**STATEMENT OF FINANCIAL INFORMATION
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FOR THE YEAR ENDED DECEMBER 31, 2013**

**SCHEDULE SHOWING TOTAL PAID TO EACH SUPPLIER
FOR GOODS AND SERVICES EXCEEDING \$25,000**

Prepared Under the Financial Information Regulation, Schedule 1, section 7

Supplier Name	Amount Paid
MONK OFFICE	46,284
MUNICIPAL INSURANCE ASSOCIATION OF BRITISH	221,055
MUNICIPAL PENSION PLAN	2,359,541
NELSON ROOFING & SHEET METAL LTD	60,011
NORTH ISLAND COMMUNICATIONS INC	35,915
NORTH ISLAND LABORATORIES	25,485
NORTH ISLAND CUSTOM CURBS	128,059
OPUS DAYTONKNIGHT CONSULTANTS LTD	342,164
OUTLOOK LAND DESIGN INC	69,769
PALLADIAN DEVELOPMENTS INC	454,753
PARKWAY PROPERTIES LTD	47,262
PRECISION SERVICE AND PUMPS INC.	48,293
PROFIRE EMERGENCY EQUIPMENT INC	32,688
RAYLEC POWER LP	393,729
RECEIVER GENERAL FOR CANADA RCMP POLICING	4,239,543
RECEIVER GENERAL FOR CANADA	4,055,198
ROGERS BUSINESS SOLUTIONS	25,724
SAFETY NET SECURITY LTD	180,365
SPCA	41,000
STEVE MARSHALL FORD 1996 LTD	305,247
STEWART MCDANNOLD STUART	80,518
STRATHCONA REGIONAL DISTRICT	5,347,902
STRATHCONA MOTORS (2003) LTD	80,854
SUPERIOR PROPANE	27,054
T.A.T. PROPERTIES	35,230
TAYCO PAVING COMPANY	768,881



**STATEMENT OF FINANCIAL INFORMATION
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FOR THE YEAR ENDED DECEMBER 31, 2013**

**SCHEDULE SHOWING TOTAL PAID TO EACH SUPPLIER
FOR GOODS AND SERVICES EXCEEDING \$25,000**

Prepared Under the Financial Information Regulation, Schedule 1, section 7

Supplier Name	Amount Paid
TELUS	114,422
TEMPEST DEVELOPMENT GROUP	68,953
THE FIRE SHOP	25,780
THE SALVATION ARMY - OCEAN CREST	38,417
THYSSENKRUPP ELEVATOR (CANADA) LIMITED	70,930
TIMBERLINE VILLAGE PROPERTY LTD	64,750
TRANE CANADA ULC T42324C	25,789
UNION OF BC MUNICIPALITIES - GAS TAX	26,755
UNITED RENTALS OF CANADA INC	34,034
UNITY BUSINESS SYSTEMS LTD	25,349
UPLAND EXCAVATING LTD	2,506,329
UPLAND READY MIX	42,186
URBAN SYSTEMS LTD	49,795
US BANK - VISA	281,662
VADIM COMPUTER MANAGEMENT GROUP LTD	32,464
VANCOUVER ISLAND REGIONAL LIBRARY	1,147,012
VANCOUVER ISLAND NEWSPAPER GROUP - C/O	33,545
VAN TINE JAMES A	29,369
VEYRON PROPERTIES GROUP LTD	50,022
VIMAR EQUIPMENT	32,095
WACOR HOLDINGS LTD	512,099
WALCO INDUSTRIES LTD	82,449
WASTE MANAGEMENT OF CANADA CORPORATION	38,231
WILLIS CANADA VANCOUVER	110,789
WORKSAFE BC	207,000
XYLEM CANADA COMPANY	65,940



**STATEMENT OF FINANCIAL INFORMATION
PREPARED UNDER THE *FINANCIAL INFORMATION ACT*
FOR THE YEAR ENDED DECEMBER 31, 2013**

**SCHEDULES SHOWING TOTAL PAID TO EACH SUPPLIER
FOR GOODS AND SERVICES EXCEEDING \$25,000**

Prepared Under the Financial Information Regulation, Schedule 1, section 7

Supplier Name	Amount Paid
ZINC PUBLIC RELATIONS INC	51,629
Total suppliers over \$25,000	\$49,805,738
Total suppliers under \$25,000	3,128,946
Total suppliers	\$52,934,685
Add: Grants exceeding \$25,000	
CAMPBELL RIVER ART GALLERY	49,650
CAMPBELL RIVER ARTS COUNCIL	46,504
MUSEUM AT CAMPBELL RIVER	331,821
TIDEMARK THEATRE SOCIETY	410,926
Total grants over \$25,000	838,901
Total suppliers and grants	\$53,773,586
Adjustments	
Debt and Lease Principal Payments	(1,017,392)
Property Tax Collections for Other Governments	(23,181,609)
Amortization Expenses	8,485,919
Tangible Capital Asset Expenditures	(11,549,804)
Wages, Salaries and Benefits	17,714,437
Change in accounts payable and accrued expenses, employees' portion of payroll costs and benefits, payments for non-expense items and other	2,756,630
Total Expenses per Consolidated Statement of Financial Activities	\$46,981,767



**STATEMENT OF FINANCIAL INFORMATION
PREPARED UNDER THE *FINANCIAL INFORMATION ACT*
FOR THE YEAR ENDED DECEMBER 31, 2013**

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

Prepared under the Financial Information Regulation, Schedule 1, Section 5

This organization has not given any guarantees or indemnities under the *Guarantees and Indemnities Regulation*.

CITY OF CAMPBELL RIVER
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

**CITY OF CAMPBELL RIVER
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013**

Independent Auditors' Report

Financial Reporting Responsibility **1**

Financial Statements

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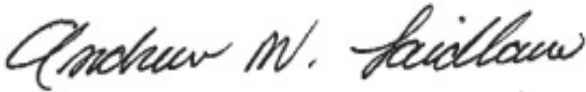
**CITY OF CAMPBELL RIVER
FINANCIAL REPORTING RESPONSIBILITY
For the Year Ended December 31, 2013**

The preparation and presentation of the Consolidated Financial Statement is the responsibility of the management of the City of Campbell River. The Consolidated Financial Statements have been prepared pursuant to Section 167 of the Community Charter and in accordance with Canadian public sector accounting standards. The financial information contained herein necessarily involves the use of estimates and judgments, which have been based on careful assessment of the data, made available through the City's information systems. The City maintains a system of internal accounting controls designed to safeguard our assets and provide reliable financial information.

MNP LLP has been appointed by Council of the City of Campbell River as the City's independent auditor. Their report accompanies the Consolidated Financial Statements.



Myriah Foort, CA
Finance Manager



Andy Laidlaw
City Manager, CFO

Independent Auditors' Report

To the Mayor and Council of the City of Campbell River:

We have audited the accompanying consolidated financial statements of the City of Campbell River, which comprise the consolidated statement of financial position as at December 31, 2013 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies, schedules and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Campbell River as at December 31, 2013 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Campbell River, British Columbia

May 13, 2014

MNP LLP
Chartered Accountants

**CITY OF CAMPBELL RIVER
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2013**

	2013	2012
FINANCIAL ASSETS		
Cash and equivalents (note 2)	52,005,694	46,148,710
Accounts receivable (note 4)	4,043,265	4,728,335
Inventory held for sale	75,453	59,563
Tax sale properties	-	12,938
	56,124,412	50,949,546
LIABILITIES		
Accounts payable and accrued liabilities (note 5)	11,124,487	6,916,861
Deferred revenue (note 6)	14,436,221	14,890,437
Short-term debt (note 7)	600,000	-
Capital lease (note 8 & schedule 1)	104,853	7
Long-term debt (note 9 & schedule 1)	4,810,942	6,086,256
	31,076,503	27,893,561
NET FINANCIAL ASSETS	25,047,909	23,055,985
NON FINANCIAL ASSETS		
Inventory of supplies	261,606	283,146
Prepays	337,680	298,048
Tangible capital assets (schedule 2)	220,288,784	217,851,631
	220,888,070	218,432,825
ACCUMULATED SURPLUS (note 11)	245,935,981	241,488,810

See Contingent liabilities Note 12.



Myriah Foort, CA
Finance Manager



Andy Laidlaw
City Manager, CFO

CITY OF CAMPBELL RIVER
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2013

	2013 Budget (see note 15)	2013 Actual	2012 Actual
REVENUE			
Taxes & parcel taxes	25,981,440	26,005,255	25,116,974
Payments in lieu of taxes	506,000	568,115	579,831
Sale of services	16,487,526	17,497,894	15,405,631
Services provided to other governments	1,440,509	1,422,977	1,395,315
Transfers from other governments	4,258,289	2,603,944	2,113,974
Investment and other income	375,400	964,224	865,349
Other revenue	1,891,760	890,378	2,367,730
Development cost charges recognized	1,850,000	1,619,747	807,928
Contributed capital assets	-	357,038	1,825,370
Gain/(loss) on disposal of capital assets	-	(500,634)	108,154
	52,790,924	51,428,938	50,586,256
EXPENSES			
General government	6,649,962	5,448,781	5,520,800
Protective services	13,711,176	13,329,484	13,591,155
Transportation services	11,704,415	11,575,139	11,298,043
Environmental health services	1,689,878	1,863,417	2,055,622
Public health services	162,957	111,867	160,093
Development services	1,654,895	1,530,670	1,194,624
Recreation and cultural services	6,319,401	6,253,243	6,158,245
Sewer utility services	3,325,793	3,152,298	3,047,056
Water utility services	3,883,662	3,716,868	3,856,582
	49,102,139	46,981,767	46,882,220
ANNUAL SURPLUS	3,688,785	4,447,171	3,704,036
Accumulated Surplus, Beginning of Year	241,488,810	241,488,810	237,784,774
ACCUMULATED SURPLUS (note 11)	245,177,595	245,935,981	241,488,810

See Budget legislative compliance Note 15.

CITY OF CAMPBELL RIVER
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2013

	2013	2012
OPERATING ACTIVITIES		
Annual surplus	4,447,171	3,704,036
Non-cash items included in annual surplus:		
Long-term debt actuarial adjustment	(292,046)	(282,832)
Contributed tangible capital assets	(357,038)	(1,825,370)
(Gain)/loss on tangible capital assets	500,634	(108,154)
Write-off of tangible capital assets	-	16,609
Amortization expense	8,485,919	8,230,609
Decrease in inventory of supplies	21,540	13,527
(Increase) in prepaids	(39,632)	(121,687)
Changes in financial assets and liabilities:		
Accounts receivable	685,070	3,018,770
Inventory held for resale	(15,890)	9,377
Deposits	-	9,739
Tax sale properties	12,938	(12,938)
Accounts payable and accrued liabilities	4,207,627	232,139
Deferred revenue	(454,216)	973,681
	17,202,077	13,857,506
CAPITAL ACTIVITIES		
Proceeds on sale of tangible capital assets	126,095	161,158
Acquisition of tangible capital assets	(11,192,766)	(5,461,868)
	(11,066,671)	(5,300,710)
FINANCING ACTIVITIES		
Debt and lease proceeds	738,970	-
Debt and lease principal repaid	(1,017,392)	(1,466,368)
	(278,422)	(1,466,368)
INCREASE IN CASH AND EQUIVALENTS	5,856,984	7,090,428
CASH AND EQUIVALENTS, BEGINNING OF YEAR	46,148,710	39,058,282
CASH AND EQUIVALENTS, END OF YEAR	52,005,694	46,148,710
<hr/>		
INTEREST RECEIVED	544,353	450,835
<hr/>		
INTEREST PAID	592,183	679,707
<hr/>		

CITY OF CAMPBELL RIVER
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2013

	2013 Budget (see note 15)	2013 Actual	2012 Actual
ANNUAL SURPLUS	3,688,785	4,447,171	3,704,036
TANGIBLE CAPITAL ASSETS			
Acquisition of tangible capital assets	(20,065,190)	(11,192,766)	(5,461,868)
Contributed tangible capital assets	-	(357,038)	(1,825,370)
Net book value of disposed tangible capital assets	-	626,730	53,004
Write-off of tangible capital assets	-	-	16,609
Amortization	7,920,079	8,485,919	8,230,609
	(12,145,111)	(2,437,155)	1,012,984
OTHER NON-FINANCIAL ASSETS			
Decrease in inventory of supplies	-	21,540	13,527
(Increase) in prepaids	-	(39,632)	(121,687)
	-	(18,092)	(108,160)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(8,456,326)	1,991,924	4,608,860
NET FINANCIAL ASSETS, BEGINNING OF YEAR	23,055,985	23,055,985	18,447,125
NET FINANCIAL ASSETS, END OF YEAR	14,599,659	25,047,909	23,055,985

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

The City of Campbell River ("City") was incorporated as a municipal district in 1947 under the provisions of the *British Columbia Municipal Act*, and was reinforced as a city by letters patent in 2005. Its principal activities are the provision of local government services to the residents of the City, as governed by the *Community Charter and the Local Government Act*.

The notes to the Consolidated Financial Statements are an integral part of these statements. They provide detailed information and explain the significant accounting and reporting policies and principles that form the basis for these statements. They also provide relevant supplementary information and explanations which cannot be conveniently expressed in the Consolidated Financial Statements.

1. Significant accounting policies

a) Basis of presentation

The Consolidated Financial Statements of the City are the representations of management prepared in accordance with Canadian public sector accounting standards. Budget information has been aggregated to comply with these reporting standards.

b) Reporting entity

The Consolidated Financial Statements reflect the assets, liabilities, revenues, expenses and changes in financial position of the reporting entity which comprises all the organizations that are accountable for the administration of their financial affairs and resources to Council and are owned or controlled by the City. This includes Campbell River Economic Development Corporation (Rivercorp). All inter-fund balances and transactions are eliminated.

The Cemetery Trust Funds administered by the City are specifically excluded from the Consolidated Financial Statements and are reported separately (Note 3).

c) Accrual accounting

Items recognized in the financial statements are accounted for in accordance with the accrual basis of accounting. The accrual basis of accounting recognizes the effect of transactions and events in the period in which they occur, regardless of whether there has been a receipt or payment of cash or its equivalent. Assets are recognized until the future economic benefit underlying the asset is partly or wholly used or lost. Liabilities are recognized until the obligation or condition(s) underlying the liability is partly or wholly satisfied.

d) Revenue recognition

Revenue is recorded in the period in which the transactions or events that gave rise to the revenue occur. Following are the types of revenue received and a description of their recognition:

i) Taxation

Taxes for Municipal Purposes are recognized in the year levied. Levies imposed by other taxing authorities (Note 14) are not included in these financial statements.

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

ii) Sale of services

Sale of services are recognized in the year that the service is provided or the amount is earned, provided the amount can be estimated and collection is reasonably assured.

iii) Transfers from other governments

The City recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the City recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

iv) Other revenue

Investment income, taxation penalties and actuarial earnings are recorded in the year they are earned, provided the amount can be estimated and collection is reasonably assured.

v) Development cost charges and other deferred revenues

Development cost charges are recognized in the year that they are used to fund an eligible capital project that has been authorized by bylaw. Receipts which are restricted by agreement with external parties are reported as Deferred Revenue at the time they are received. When the qualifying expenses are incurred the related Deferred Revenue is brought into revenue. Deferred Revenues are comprised of the amounts shown in Note 6.

vi) Contributed capital assets

Contributions are recorded when the event giving rise to the contribution occurs.

e) Cash and equivalents

Investments are held with the MFA. The Money Market Fund provides a method by which municipalities in British Columbia can access high quality investments not otherwise available to them while retaining a high degree of security and liquidity. The interest rate is variable and the funds are redeemable upon 24 hours notice. The carrying value of investments is based on the cost method whereby the cost of the investment is adjusted to reflect investment income, which is accruing, and any permanent decline in market value. The investment balances detailed in Note 2 are reported at market value which is also cost on December 31, 2013.

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

f) Long-term debt

All long-term debt is borrowed from the Municipal Finance Authority of BC (MFA). Interest payments and actuarial earnings related to long-term debt obligations are recorded on an accrual basis. Actuarial revenue is investment earnings on the City's principal payments made to, and invested by, the MFA, prior to the MFA using these funds to retire the related debt. The actuarial interest rate is set when the debt is issued to the City and may be adjusted by MFA during the term of the debt if market conditions dictate that the rate can no longer be achieved. The rates of interest on outstanding debt are 3.25% to 5.25% as disclosed on Schedule 1. Actual actuarial earnings beyond the set rate are paid to the City when the related debt is retired. Actuarial revenue is recognized and compounded annually starting in the second year of the debt term.

g) Financial instruments

The City's financial instruments consist of cash and equivalents, accounts receivable, accounts payable and accrued liabilities, short-term and long-term debt. Unless otherwise noted, it is management's opinion that the City is not exposed to significant interest, currency or credit risk arising from these financial instruments. Interest rates for the capital lease and long-term debt are set at fixed rates for the term. The City does not have significant foreign currency denominated transactions. Accounts receivable are due from a broad base of customers, except as otherwise commented on in Note 4.

h) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of goods and services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. Intangible assets, such as water rights and mineral resources, are not recorded in the financial statements.

i) Tangible capital assets

Tangible capital assets are recorded at cost, net of disposals, write-downs and amortization. The useful life is applied on a straight line basis to calculate amortization that is calculated when the asset is put in use. In the year of addition amortization is calculated at one-half and no amortization is recorded in the year of disposal.

The estimated useful lives that the City uses to amortize its tangible capital assets are:

Asset	Useful life (yrs)
Land	N/A
Buildings	20-60
Furniture, machinery & equipment	3-25
Drainage infrastructure	30-80
Roads, bridges & highways	15-60
Marine infrastructure	30-40
Sewer infrastructure	20-60
Water Infrastructure	20-60

Carrying costs directly attributable to the acquisition, construction or development activity, excluding interest costs, are capitalized to the point in time the asset is substantially complete and ready for use. Contributions of tangible capital assets are recorded at fair value at the date of contribution.

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

ii) Inventory

Inventories are recorded at the lower of cost and net realizable value. Cost is determined using the weighted average cost basis.

i) Use of estimates/measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring use of management estimates relate to the useful lives of tangible capital assets, determination of employee future benefits, accrual for retroactive wages and the outcome of litigation and claims. Accounts receivable are recorded after considering the collectability of the amounts and setting up an allowance for doubtful accounts, if necessary. Actual results will depend on future economic events and could differ from the estimates. Adjustments, if any, will be reflected in the period of settlement or upon a change in the estimate.

j) Recent accounting pronouncements

i) Liability for contaminated sites

In June 2010, the Public Sector Accounting Board (PSAB) issued PS 3260 *Liability for Contaminated Sites* to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, establishes when to recognize and how to measure a liability for remediation, and provides the related financial statement presentation and disclosure requirements.

PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The City has not yet determined the effect of the new section on its consolidated financial statements.

2. Cash and equivalents

	2013	2012
General operating fund	41,721,519	34,520,957
Development cost charged deferred revenue	6,720,937	7,034,981
Fixed asset replacement reserve fund	2,405,921	3,230,251
Parks acquisition & development reserve fund	842,290	1,072,349
Parkland acquisition reserve fund	296,372	271,715
Facility reserve fund	18,655	18,457
	52,005,694	46,148,710

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

3. Trust funds

The City holds trust funds under British Columbia law for purposes of maintaining public cemeteries. These funds are excluded from the Consolidated Financial Statements and are comprised of the following:

	December 31, 2012	Collections	Expenses	December 31, 2013
CR Municipal Cemetery	312,744	4,136	3,374	313,506
Elk Falls Memorial Cemetery	192,707	8,635	2,079	199,263
	<u>505,451</u>	<u>12,771</u>	<u>5,453</u>	<u>512,769</u>

4. Accounts receivable

	2013	2012
Property taxes	1,747,349	1,788,444
Utilities	293,245	21,448
Airport	51,779	84,263
Due from other governments	1,023,308	811,668
Other	916,516	1,780,865
Development cost charges	11,068	241,647
	<u>4,043,265</u>	<u>4,728,335</u>

Other receivables includes from one customer an amount of \$839,748 (2012 - \$881,498) which is a structured payment established through a local service agreement and is collected as part of the annual tax levy with the final payment occurring in 2027. The annual repayment amount is \$81,353 based on an interest rate of 4.71% over the 19 year repayment term.

5. Accounts payable

	2013	2012
Trade accounts payable	2,772,105	1,077,892
Due to other governments	3,140,516	1,412,684
Accrued wages and benefits	2,932,712	3,147,314
Accrued interest	91,202	95,090
Deposits and holdbacks	2,187,952	1,183,881
	<u>11,124,487</u>	<u>6,916,861</u>

Full-time permanent employees receive up to one-third or one-sixth of their sick bank on retirement, per their respective collective agreement. There are no additional liabilities accrued for these amounts as they are included in the sick leave, vacation, and banked overtime liability accounts:

	2013	2012
Sick leave liability	859,636	848,427
Vacation liability	1,098,892	935,622
Banked overtime liability	155,851	154,829
Wages and other accruals	818,333	1,208,436
	<u>2,932,712</u>	<u>3,147,314</u>

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

6. Deferred revenue

Included in deferred revenue are contributions from developers collected under the Development Cost Charges (DCC) Bylaw. These contributions will be recognized as revenue in future years when these funds are used for expenses as permitted by the Development Cost Charges Bylaw and the relevant sections of the *Local Government Act*, unless otherwise authorized by the Ministry of Community, Sport and Cultural Development.

Payment of DCC's can be deferred over a three year period, therefore a portion of the DCC's are unfunded and are offset by an amount in Accounts Receivable as disclosed in Note 4 (2013 - \$11,068, 2012 - \$241,667). The funded DCC's are disclosed as short-term investments in Note 2 (2013 - \$6,720,937, 2012 - \$7,034,981).

	December 31, 2012	Transfers	Collections	December 31, 2013
Development cost charges				
Park development	365,646	17,476	106,389	454,559
Parkland acquisition	773,475	31,434	192,649	934,690
Roads	2,539,937	212,846	336,971	2,664,062
Sanitary sewer	1,320,180	1,244,330	234,017	309,867
Storm drains	501,489	-	22,160	523,649
Water	1,775,901	355,307	424,585	1,845,179
	7,276,628	1,861,393	1,316,771	6,732,006
Deferred revenue				
Future local improvement projects	2,752,656	-	65,372	2,818,028
Prepaid property taxes	287,495	449,841	589,215	426,869
Community Works Fund	3,484,313	1,314,292	1,283,503	3,453,524
Parkland acquisition	271,715	-	24,657	296,372
Other	817,630	478,000	369,792	709,422
	7,613,809	2,242,133	2,332,539	7,704,215
	14,890,437	4,103,526	3,649,310	14,436,221

7. Short-term debt

Short-term financing is secured through the Municipal Finance Authority for capital initiatives approved under loan authorizations. Interest is calculated daily on a variable rate bases at prime less 1.28%. In 2013 the rate was 1.72%. Short term borrowing is replaced by long term debt periodically when balances and interest rates are considered appropriate.

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

8. Capital leases

The City has equipment capital lease obligations with MFA Leasing Corporation and Cansel Leasing. The annual lease payments, including applicable taxes for the next five years are:

2014	2015	2016	2017	2018
36,790	36,053	18,872	13,139	-

The net book value of leased TCA assets at December 31, 2013 is \$116,008 (2012 - \$4,804).

9. Long-term debt

Debt is reported at the gross amount. See Schedule 1 for maturity dates, interest rates and payments in the year. The principal payments for the next five years are:

Year	General	Sewer	Total
2014	860,000	49,891	909,891
2015	666,008	49,891	715,899
2016	457,781	49,891	507,672
2017	245,264	49,891	295,155
2018	209,033	49,891	258,924

The City has no debt assumed by others on its behalf, and has assumed no debt for others.

10. Municipal Finance Authority debt reserve fund

The Municipal Finance Authority (MFA) of British Columbia provides capital financing for regional districts and their member municipalities. The MFA is required to establish a debt reserve fund. Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the debt reserve fund certain amounts set out in the debt agreements. The MFA pays into the debt reserve fund these monies from which interest earned thereon less administrative expenses becomes an obligation to the regional districts. It must then use this fund if at any time there are insufficient funds to meet payments on its obligations. When this occurs the regional districts may be called upon to restore the fund.

Upon the maturity of a debt issue, the unused portion of the debt reserve fund established for that issue will be discharged to the City. The proceeds from these discharges will be credited to income in the year they are received. The City's MFA debt reserve fund is comprised of:

	2013	2012
General	143,784	152,796
Sewer	10,902	10,568
	154,686	163,364

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

11. Accumulated surplus

	<u>2013</u>	<u>2012</u>
Unappropriated surplus		
General	6,917,926	4,752,035
Airport	-	68,951
Sewer	8,282,388	8,064,595
Water	3,012,869	1,497,787
Rivercorp	100,917	96,047
	<u>18,314,100</u>	<u>14,479,415</u>
 Non-statutory reserves		
General	7,912,320	9,188,145
Airport	381,905	301,337
Sewer	1,018,057	1,154,472
Water	269,744	279,017
	<u>9,582,026</u>	<u>10,922,971</u>
 Statutory reserves		
Fixed asset replacement	2,405,921	3,230,251
Parkland acquisition & development	842,290	1,072,348
Facilities	18,655	18,457
	<u>3,266,866</u>	<u>4,321,056</u>
 Investment in tangible capital assets		
General	131,063,018	130,666,752
Airport	12,130,252	13,067,566
Sewer	36,062,414	32,747,054
Water	35,497,351	35,259,172
Rivercorp	19,954	24,824
	<u>214,772,989</u>	<u>211,765,368</u>
 Total	<u>245,935,981</u>	<u>241,488,810</u>

The Unappropriated surplus is available to temporarily finance operations until planned revenues including property taxes are received, or for other operating or capital purposes as determined by Council.

The Non-statutory reserves have been set aside by decision of Council for a specified purpose. In the normal course of operations, these funds will be used to finance the future services or capital works for which they have been appropriated.

The Statutory reserves have been established by bylaw in accordance with the Community Charter and their use is restricted by legislation. In the normal course of operations, these funds will be used to finance the future services or capital works for which they have been appropriated.

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

12. Contingent liabilities

a) Pension liability

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

The most recent actuarial valuation as at December 31, 2012, indicated a \$1.370 billion 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 accrues assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocation the obligation, assets and cost to the individual

The City paid \$1,287,652 (2012 - \$1,228,354) for employer contributions while employees contributed \$1,065,318 (2012 - \$1,011,843) to the Plan in fiscal 2013.

b) Regional District debt

Debt issued by the Strathcona Regional District is a direct joint and several liability of the Regional District and each member municipality, including the City.

c) Claims for damages

In the normal course of a year, the City is faced with lawsuits and other claims for damages. It is the opinion of management that at year end the City's estimated exposure for such liabilities is not considered to be significant.

d) Property assessment appeals

As at December 31, 2013, there was one assessment appeal pending. The outcome of this appeal is not known however the amount is insignificant. The City has a non-statutory reserve for the provision for tax refunds totaling \$255,400 (2012 - \$252,637) which is part of the Non-statutory reserves in Note 11.

13. Related party transactions

The City is the sole shareholder of Campbell River Economic Development Corporation (Rivercorp). Its purpose is to provide economic development services to the City through retention, enhancement and recruitment of business. Transactions of Rivercorp are consolidated at December 31st each year. During the year Rivercorp received \$576,180 (2012 - \$562,180) as funding contributions from the City which have been eliminated upon consolidation of Rivercorp into the City's financial statements.

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

14. Property tax collections for other governments

	<u>2013</u>	<u>2012</u>
BC Assessment Authority	320,848	318,401
Comox Strathcona Regional Hospital District	3,806,664	3,630,231
Comox Strathcona Regional Solid Waste Board	47,424	-
Municipal Finance Authority	952	953
Provincial School Levy	14,149,239	14,072,121
Strathcona Regional District	3,714,541	3,548,397
Regional Library	1,141,941	1,099,756
	<u>23,181,609</u>	<u>22,669,859</u>

15. Budget legislative compliance

The following table reconciles the difference between the Statement of Operations Surplus/Deficit and the Financial Plan (Budget) balance, where sources of funds equal use of funds, demonstrating how the City has complied with the legislative requirement for a balanced budget.

The budget amounts presented throughout these financial statements are based on the Five Year Financial Plan bylaw adopted by Council on March 19, 2013, to the exception of the amounts noted below.

Adjustments to the 2013-2017 Financial Plan Annual Surplus

Annual surplus, as per Statement of Operations	3,688,785
Adjustments for non-cash item:	
Amortization offset	7,920,079
Debt proceeds	600,000
Debt principal repayments	(1,013,238)
Capital expenses	(20,065,190)
Net transfer (to)/from reserves & unappropriated surplus	8,869,564
	<u>-</u>

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

16. Segmented reporting

The City of Campbell River provides various City services within various divisions. The consolidated schedule segmented reporting as disclosed in Schedule 3 reflects those functions offered by the City as summarized below:

General government - activities related to the administration of the City as a whole including central administration, finance, human resources, information technology and legislative operations.

Protective services - activities related to providing for the security of the property and citizens of the City including policing, fire protection, emergency planning, building inspection, animal control and bylaw enforcement.

Transportation services - activities related to transportation and transit services including airport operations, maintenance of roads, sidewalks, street lighting and signage.

Environmental health services - activities related to solid waste management.

Public health services - activities related to child care, victim services and cemetery maintenance.

Development services - activities related to community planning and development.

Recreation & cultural services - activities related to all recreation and cultural services including the maintenance of parks, recreation and fitness programs as well cultural facilities including the museum.

Sewer utility - activities related to gathering, transporting, storing, treating and discharging sewage and reclaimed water.

Water utility - activities related to treating, storing, supplying and transporting water.

17. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

**CITY OF CAMPBELL RIVER
FINANCIAL STATEMENTS
CONSOLIDATED SCHEDULE OF LONG-TERM LIABILITIES
As at December 31, 2013**

SCHEDULE 1

Bylaw	Description	Maturity Date	Interest Rate %	Balance at Dec 31, 2012	Debt Issued	Principal Payments	Actuarial Adjust	Balance at Dec 31, 2013
Long-term debt								
Storm Drains								
3011	Issue #79	03/06/12	5.25	3,947	-	2,544	1,403	-
				<u>3,947</u>	<u>-</u>	<u>2,544</u>	<u>1,403</u>	<u>-</u>
Local Improvements								
3012	Issue #79	03/06/12	5.25	109,894	-	70,839	39,055	-
2968	Issue #81	22/04/14	4.86	32,990	-	10,892	5,201	16,897
2969	Issue #81	22/04/14	4.86	54,180	-	17,888	8,541	27,751
3050	Issue #81	22/04/14	4.86	18,782	-	6,201	2,961	9,620
3073	Issue #85	02/12/14	4.90	481,604	-	159,009	75,920	246,675
2964	Issue #92	06/04/15	4.55	3,592	-	874	276	2,442
2966	Issue #92	06/04/15	4.55	2,908	-	708	223	1,977
2967	Issue #92	06/04/15	4.55	15,739	-	3,831	1,210	10,698
2968	Issue #92	06/04/15	4.55	9,408	-	2,290	724	6,394
3071	Issue #92	06/04/15	4.55	87,931	-	21,406	6,763	59,762
3073	Issue #92	06/04/15	4.55	726,200	-	176,785	55,852	493,563
3074	Issue #92	06/04/15	4.55	9,580	-	2,332	737	6,511
2967	Issue #99	19/10/16	5.00	516,453	-	96,117	25,502	394,834
3073	Issue #99	19/10/16	5.00	625,428	-	116,399	30,883	478,146
2964	Issue #102	12/01/17	4.82	96,052	-	14,576	3,158	78,318
2966	Issue #102	12/01/17	4.82	82,330	-	12,493	2,707	67,130
2967	Issue #102	12/01/17	4.82	60,376	-	9,162	1,985	49,229
3303	Issue #103	23/04/23	4.65	153,235	-	9,712	1,649	141,874
2964	Issue #104	20/11/18	5.15	384,230	-	49,516	8,411	326,303
2966	Issue #104	20/11/18	5.15	424,300	-	54,680	9,287	360,333
3074	Issue #104	20/11/18	5.15	155,114	-	19,990	3,395	131,729
3301	Issue #104	20/11/23	5.15	540,123	-	34,234	5,815	500,074
3302	Issue #104	20/11/23	5.15	393,963	-	24,971	4,241	364,751
3302	Issue #106	10/13/24	4.13	112,705	-	6,668	833	105,204
3301	Issue #112	06/10/25	3.73	166,527	-	9,260	756	156,511
				<u>5,263,644</u>	<u>-</u>	<u>930,833</u>	<u>296,085</u>	<u>4,036,726</u>
Sanitary Sewer								
3345	Issue #112	06/10/25	3.73	404,154	-	22,473	1,834	379,847
3345	Issue #117	10/11/26	3.25	521,583	-	27,418	1,097	493,068
				<u>925,737</u>	<u>-</u>	<u>49,891</u>	<u>2,931</u>	<u>872,915</u>
Accrued actuarial adjustment				<u>(107,072)</u>	<u>-</u>	<u>-</u>	<u>(8,373)</u>	<u>(98,699)</u>
Total long-term debt				<u>6,086,256</u>	<u>-</u>	<u>983,268</u>	<u>292,046</u>	<u>4,810,942</u>
Capital leases								
	Equipment	01/28/13	3.25	7	-	7	-	-
	Equipment	05/28/14	1.25	-	3,168	2,133	-	1,035
	Equipment	05/28/17	2.00	-	17,945	3,933	-	14,012
	Equipment	12/28/17	2.00	-	54,915	10,567	-	44,348
	Equipment	02/01/16		-	62,942	17,484	-	45,458
Total capital lease				<u>7</u>	<u>138,970</u>	<u>34,124</u>	<u>-</u>	<u>104,853</u>
Total long-term liabilities				<u>6,086,263</u>	<u>138,970</u>	<u>1,017,392</u>	<u>292,046</u>	<u>4,915,795</u>

**CITY OF CAMPBELL RIVER
FINANCIAL STATEMENTS
CONSOLIDATED TANGIBLE CAPITAL ASSET CONTINUITY SCHEDULE
As at December 31, 2013**

SCHEDULE 2

	Land	Buildings	Machinery & Equipment	Engineered Structures	Assets Under Construction	Total 2013	Total 2012
COST							
Opening balance	32,937,010	33,680,691	16,566,942	285,345,486	814,384	369,344,513	362,357,254
Additions	33,362	435,238	971,739	5,740,217	4,369,248	11,549,804	7,287,238
Construction completed	-	-	13,765	428,266	(442,031)	-	-
Disposals	(571,090)	-	(362,399)	(99,818)	-	(1,033,307)	(299,979)
Closing balance	32,399,282	34,115,929	17,190,047	291,414,151	4,741,601	379,861,010	369,344,513
ACCUMULATED AMORTIZATION							
Opening balance	-	16,146,075	11,278,845	124,067,962	-	151,492,882	143,492,639
Amortization current year	-	928,833	944,509	6,612,577	-	8,485,919	8,230,609
Amortization from disposals	-	-	(341,138)	(65,437)	-	(406,575)	(230,366)
Closing balance	-	17,074,908	11,882,216	130,615,102	-	159,572,226	151,492,882
NET BOOK VALUE	32,399,282	17,041,021	5,307,831	160,799,049	4,741,601	220,288,784	217,851,631

These schedules are an integral part of these financial statements.

CITY OF CAMPBELL RIVER
 FINANCIAL STATEMENTS
 CONSOLIDATED SCHEDULE OF SEGMENTED REPORTING
 For the Year Ended December 31, 2013

SCHEDULE 3
 (page 1 of 2)

	General Government		Protective Services		Transportation Services		Environmental Health Services		Public Health Services		Development Services	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
REVENUE												
Taxes & parcel taxes	24,730,822	23,835,337	-	-	183,883	192,988	-	-	-	-	55,740	54,100
Payments in lieu of taxes	568,115	579,831	-	-	-	-	-	-	-	-	-	-
Sale of services	132,550	152,112	1,612,482	1,435,705	2,420,964	2,278,647	2,017,552	2,003,101	64,586	77,033	1,105,487	789,786
Services provided to other governments	1,044,323	1,021,904	319,098	313,855	-	-	-	-	59,556	59,556	-	-
Transfers from other governments	706,897	766,123	302,113	774,345	1,389,088	489,159	13,297	71,049	-	-	-	-
Investment and other income	825,731	722,068	-	-	13,779	1,438	-	-	-	-	-	-
Other revenue	-	-	-	-	91,626	252,889	61,182	36,405	-	-	268,217	199,517
Development cost charges recognized	-	-	-	-	137,435	117,928	-	-	-	-	-	-
Contributed capital assets	-	-	-	-	294,223	1,287,332	-	-	-	-	-	-
Gain/(loss) on disposal of capital assets	-	-	-	-	(500,634)	108,154	-	-	-	-	-	-
	28,008,438	27,077,375	2,233,693	2,523,905	4,030,364	4,728,535	2,092,031	2,110,555	124,142	136,589	1,429,444	1,043,403
EXPENSES												
Amortization	303,640	314,033	378,955	359,007	4,484,141	4,327,969	-	-	400	839	6,740	8,710
Interest & debt issue	(624)	554	-	-	556,937	596,528	-	-	-	-	-	-
Operating expenses	580,571	190,996	7,337,396	7,396,449	4,690,644	4,428,836	1,820,960	2,018,791	34,624	63,812	1,008,286	734,974
Wages & benefits	4,565,194	5,015,217	5,613,133	5,835,699	1,843,417	1,944,710	42,457	36,831	76,843	95,442	515,644	450,940
	5,448,781	5,520,800	13,329,484	13,591,155	11,575,139	11,298,043	1,863,417	2,055,622	111,867	160,093	1,530,670	1,194,624
ANNUAL SURPLUS (DEFICIT)	22,559,657	21,556,575	(11,095,791)	(11,067,250)	(7,544,775)	(6,569,508)	228,614	54,933	12,275	(23,504)	(101,226)	(151,221)

See Note 16 for description of Segment Reporting categories.

These schedules are an integral part of these financial statements.

CITY OF CAMPBELL RIVER
 FINANCIAL STATEMENTS
 CONSOLIDATED SCHEDULE OF SEGMENTED REPORTING
 For the Year Ended December 31, 2013

SCHEDULE 3
 (page 2 of 2)

	Recreation & Culture Services		Total General Government		Sewer Utility Services		Water Utility Services		Consolidated	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
REVENUE										
Taxes & parcel taxes	338,300	336,250	25,308,745	24,418,675	696,510	697,309	-	990	26,005,255	25,116,974
Payments in lieu of taxes	-	-	568,115	579,831	-	-	-	-	568,115	579,831
Sale of services	996,458	1,014,030	8,350,079	7,750,414	4,256,748	4,099,592	4,891,067	3,555,625	17,497,894	15,405,631
Services provided to other governments	-	-	1,422,977	1,395,315	-	-	-	-	1,422,977	1,395,315
Transfers from other governments	192,549	13,298	2,603,944	2,113,974	-	-	-	-	2,603,944	2,113,974
Investment and other income	-	-	839,510	723,506	96,953	101,005	27,761	40,838	964,224	865,349
Other revenue	56,770	450,698	477,795	939,509	240,131	25,007	172,452	1,403,214	890,378	2,367,730
Development cost charges recognized	-	90,000	137,435	207,928	1,200,000	-	282,312	600,000	1,619,747	807,928
Contributed capital assets	-	-	294,223	1,287,332	14,690	216,629	48,125	321,409	357,038	1,825,370
Gain/(loss) on disposal of capital assets	-	-	(500,634)	108,154	-	-	-	-	(500,634)	108,154
	1,584,077	1,904,276	39,502,189	39,524,638	6,505,032	5,139,542	5,421,717	5,922,076	51,428,938	50,586,256
EXPENSES										
Amortization	1,191,045	1,165,865	6,364,921	6,176,423	967,144	938,371	1,153,855	1,115,815	8,485,920	8,230,609
Interest & debt issue	-	48,551	556,313	645,633	34,828	34,638	452	-	591,393	680,271
Operating expenses	1,790,904	1,752,157	17,263,385	16,586,015	1,382,572	1,495,759	1,544,060	1,885,132	20,190,017	19,966,906
Wages & benefits	3,271,294	3,191,672	15,927,982	16,570,511	767,954	578,288	1,018,501	855,635	17,714,437	18,004,434
	6,253,243	6,158,245	40,112,601	39,978,582	3,152,298	3,047,056	3,716,868	3,856,582	46,981,767	46,882,220
ANNUAL SURPLUS (DEFICIT)	(4,669,166)	(4,253,969)	(610,412)	(453,944)	3,352,734	2,092,486	1,704,849	2,065,494	4,447,171	3,704,036

See Note 16 for description of Segment Reporting categories.

These schedules are an integral part of these financial statements.