



STATEMENT OF FINANCIAL INFORMATION
Prepared under the *Financial Information Act*
For the Year Ended December 31, 2014

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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



Ron Bowles
GM, Corporate Services / CFO



STATEMENT OF FINANCIAL INFORMATION
Prepared under the *Financial Information Act*
For the Year Ended December 31, 2014

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*** .

A handwritten signature in black ink, appearing to read "R. Bowles", written over a horizontal line.

Ron Bowles
GM, Corporate Services / CFO

Original Signed by Mayor Adams

A handwritten signature in black ink, appearing to read "A. Adams", written over a horizontal line.

Andrew Adams
Mayor

SCHEDULE SHOWING THE REMUNERATION IN RESPECT OF EACH EMPLOYEE

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

Elected Official	Position	Remuneration		Expenses	
ADAMS, ANDREW	Councillor & Mayor	\$	23,837	\$	5,091
BABCHUK, MICHELE	Councillor		804		317
CORNFIELD, CHARLES	Councillor		804		317
EVANS, COLLEEN	Councillor		804		317
JAKEWAY, WALTER	Mayor		60,985		3,757
KERR, RON	Councillor		22,261		2,697
MENNIE, RYAN	Councillor		21,457		-
MOGLOVE, CLAIRE	Councillor		21,457		3,799
SAMSON, LARRY	Councillor		22,261		3,361
STORRY, MARY	Councillor		20,774		2,425
WRIGHT, MARLENE	Councillor		804		317
		\$	196,246	\$	22,398

SCHEDULE SHOWING THE REMUNERATION IN RESPECT OF EACH EMPLOYEE

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

Employee	Position	Remuneration		Expenses
AMES, MURRAY	Electrician/Operator	\$	78,773	\$ 2,174
BAIKIE, IAN	Fire Chief		132,261	9,937
BAKER, JOHN	Captain		115,467	4,475
BATE, TRACY	Deputy City Clerk		76,406	1,991
BELLEFLEUR, KELLY	Firefighter		107,842	3,936
BLACKWELL, ROSS	Land Use Manager		77,829	6,078
BRODIE, DENNIS	Finance Operations Supervisor		83,739	3,595
BRODIE, SARA	Land Use Supervisor		97,201	3,513
BROVOLD, DARELLE	Property Manager		86,367	5,364
CLARKE, TOM	Parks Foreman II		75,952	2,370
DAWSON, KEN	Captain		116,972	401
DECKSHEIMER, JASON	Asset Management Supervisor		91,803	2,288
DOHERTY, THOMAS	Deputy Fire Chief - Fire Prevention		116,496	9,074
DOUGLAS, JULIE	Communications Advisor		89,097	4,355
DUMONT, MICHAEL	Firefighter		95,383	2,820
DUMONT, STEWART	Fire Prevention Inspector		96,571	2,482
EPPLER, ANDREW	Firefighter		85,141	274
GEORGE, KEVIN	Instrumentation & Telemetry Analyst		76,543	8,024
GRAEBNER, RICHARD	Foreman II		84,137	240
GIRVIN, SHEILA	Human Resources Advisor		82,301	4,855
HADFIELD, ANDREW	Transportation Manager		109,292	4,672
HALL, SHAWN	Firefighter		84,752	514
HANSELL, CHRIS	Foreman II		75,451	997
HARTLEY, JASON	Capital Works Manager		119,566	4,977
HILDEBRAND, SETH	Firefighter		101,070	3,449
HOLBROOK, BRUCE	Firefighter		96,535	1,587
IDIENS, CRAIG	Firefighter		91,356	1,230
JACOBS, CARRIE	RCMP Municipal Manager		92,779	4,905
KALYN, WARREN	Information Technology Manager		109,022	4,793
KRATZMANN, SCOTT	Firefighter		91,029	2,631
LAGOS, DAVID	Firefighter		97,958	2,309
LAIDLAW, ANDREW	City Manager		182,455	6,392
LOVELY, DAVID	Safety Advisor		83,642	5,789
MARTIN, TERRI	Technologist III - Sustainability		77,422	3,040
MASSE, TYLER	Airport Manager		92,779	6,749
MCKENZIE, MARK	Firefighter		101,820	2,243
MILNTHORP, ROSS	GM, Parks, Recreation & Culture		120,469	4,248



STATEMENT OF FINANCIAL INFORMATION
 Prepared under the *Financial Information Act*
 For the Year Ended December 31, 2014

Employee	Position	Remuneration	Expenses
MORRIS, DAVID	GM, Facilities & Supply Management	140,553	5,819
NEUFELD, RONALD	Deputy City Manager	150,987	4,738
OBRIEN, CHRIS	Crime Analyst	75,368	1,085
PARKER, GRANT	Parks Supervisor	92,779	4,421
PENDERGAST, LEE	Firefighter	95,637	1,106
PETERS, JENNIFER	Utilities Manager	109,092	3,741
RALPH, JAMES	Technologist III - Utilities	84,850	1,670
RIPLEY, PAULA ANNE	Alarm Room Operator - QA	81,075	199
RITCHIE, LAURA	Alarm Room Operator	84,085	-
SANDBERG, LORNE	Foreman II	76,927	3,395
SAXBY, TYLER	Firefighter	91,791	3,002
SCHULTE, CHRIS	Firefighter	90,754	4,111
SIRETT, MICHELE	Recreation And Culture Supervisor	96,134	7,168
STEWART, ANDREW	Firefighter	91,253	1,162
STEWART, GRAHAM	Wastewater Supervisor	96,077	2,165
TILLAPPAUGH, COLLEEN	Human Resources Manager	100,239	2,555
TRAVANUT, ED	Foreman II	79,189	2,213
VANDENDRIES, CRIS	Firefighter	87,922	2,715
VATON, JOHN	Captain	112,053	1,481
VIAU, NATHALIE	Water Supervisor	89,508	5,068
VRABEL, CHRISTOPHER	Deputy Fire Chief - E911	117,850	16,000
WARK, LYNN	Recreation & Culture Manager	104,713	5,345
WHARTON, REID	Captain	117,229	830
WILLIS, TIMOTHY	Firefighter	91,676	2,430
WIPPER, PETER	City Clerk	109,385	3,071
ZIRNHELT, AMBER	Sustainability Manager	113,032	3,038
Total for employees with remuneration greater than \$75,000		\$ 6,173,837	\$ 227,296
Add: employees with remuneration less than \$75,000		9,507,045	168,051
Add: mayor and council		196,246	22,398
Total remuneration and expenses		\$ 15,877,128	\$ 417,745
Reconciliation			
Total remuneration			\$ 15,877,128
Employer's portion of CPP and EI			813,500
Change in accrued wages and benefits, severance agreements, non-taxable benefits paid to third parties, allocated overhead and other			3,005,991
Wages and benefits per Consolidated Financial Statements			\$ 19,696,619

STATEMENT OF SEVERANCE AGREEMENTS

Prepared under the Financial Information Regulation, Schedule 1, Section 7

There was one severance agreement under which payment commenced between the City of Campbell River and its non-unionized employees during fiscal year 2014.

This agreement represents 9 months of compensation*

*"Compensation" means that the agreement was determined based on the value of salary and benefits. The benefits included pension, medical services plan, extended health, dental, life and accidental death and dismemberment and dependant life insurance

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

Prepared under the Financial Information Regulation, Schedule 1, Section 7

Supplier Name	Amount Paid
AB EDIE EQUITIES INC	35,071
ACKLANDS-GRAINGER INC	47,721
ACME SUPPLIES LTD	40,952
ANDERSON REFRIGERATION LTD.	48,501
ANDREW SHERET LIMITED	114,523
ARCHIE JOHNSTONE PLUMBING & HEATING LTD	187,671
ASHDOWN CONSTRUCTION	95,793
ASSOCIATED ENGINEERING (BC) LTD.	62,935
BAILEY WESTERN STAR TRUCKS INC	68,796
BC ASSESSMENT AUTHORITY ACCOUNTS DEPARTMENT	327,563
BC HOUSING	80,532
BC HYDRO & POWER	1,208,616
BC HYDRO CAD-130160 PAYMENT CONTROLS DEPT	236,498
BC TRANSIT	1,578,365
BEE-LINE TAXI LTD	27,173
BELL MOBILITY INC	67,675
BERRY & VALE CONTRACTING LTD.	103,582
BLACK CREEK FARM & FEED SUPPLY	29,807
BLACK PRESS GROUP LTD	65,653
C & L SUPPLY 1988 LTD	29,069
CAMPBELL RIVER EDC RIVERCORP ENTERPRISE	578,258
CAMPBELL RIVER MARITIME HERITAGE CENTRE	34,918
CAMPBELL RIVER TRAFFIC CONTROLLERS	58,763
CAMPBELL RIVER VOLUNTEER FIRE DEPT NO 2	54,319
CAMPBELL RIVER VOLUNTEER FIRE DEPT NO 1	51,766
CAMPBELL RIVER HEAD INJURY SUPPORT SOCIETY	34,750
CLEAN TEAM JANITORIAL INC	89,090
COASTAL ANIMAL CONTROL SERVICES OF BC LTD	153,611
COAST PIPELINE INC	31,567
COMOX STRATHCONA REGIONAL HOSPITAL	4,084,200
COMOX VALLEY REGIONAL DISTRICT	538,411
CORIX WATER PRODUCTS LP	25,785
CRES 1986 LTD	26,713
C.R. FAMILY SERVICES SOCIETY	150,793
CR METAL FABRICATORS LTD	52,036
CROWNE PACIFIC DEVELOPMENT CORP.	25,440
CUPE LOCAL 401	155,784

Supplier Name	Amount Paid
DA TOWNLEY	1,173,791
DAVEY TREE SERVICES - A DIVISION OF DAVEY TREE	48,419
DECO PLUS PAINTING AND CONTRACTING LTD	61,231
DEKRA-LITE	26,175
DEL EQUIPMENT LIMITED BC	37,349
DELL CANADA INC	94,424
DIAMOND HEAD CONSULTING LTD	44,373
DUNCAN ELECTRIC MOTOR LTD	45,109
EMCO CORPORATION	38,851
EMCON SERVICES INC	38,904
EMCO RESOURCES LTD	40,894
EMTERRA ENVIRONMENTAL (CUMBERLAND)	1,519,974
ENEX FUELS LTD.	284,079
ESRI CANADA - Attn: Accounts Receivable	50,570
EUROPEAN MASTERS PAINTING LTD	46,641
EXXONMOBIL AVIATION DIV OF EXXONMOBIL	966,917
FIREFOX FIRE SOLUTIONS INC	36,440
FLOORING CANADA	45,341
FORTIS BC ENERGY INC	164,335
FRASER CITY INSTALLATIONS (1989) LTD	225,926
FRED SURRIDGE LTD	26,729
GARY MOSER CONSULTING INC	38,993
GLOBAL PAYMENTS DIRECT INC	30,651
GROUNDS RICHARD W	25,523
GUILLEVIN INTERNATIONAL CO	46,524
HACH SALES & SERVICE CANADA LP	36,866
HEART OF THE CITY BIA C/O JOHN WHEAT	39,004
HIGHLAND ENGINEERING AND SURVEYING	161,990
HOULE ELECTRIC LIMITED	91,741
HR SYSTEMS STRATEGIES INC	33,919
IAFF LOCAL 1668	64,512
ICBC - INSURANCE CORPORATION OF BC	79,959
INLAND KENWORTH PARKER PACIFIC	74,387
ISLAND CRUSHING COMPANY	25,281
JIM CREIGHTON ENTERPRISES	62,750
JOHNSON SECURITY SOLUTIONS LTD	44,456
JR EDGETT EXCAVATING LTD	250,933
K&L SPOONER CONSTRUCTION LTD.	148,240
KAL TIRE	36,238
KENNING ALASTAIR	26,666
KIDZ CONNECTION CHILDCARE	27,563
KIKI'S PRINTING SERVICES`	28,756
KINETIC CONSTRUCTION LTD	2,299,759

Supplier Name	Amount Paid
KUNZ BERND	58,023
LAFRENTZ ROAD MARKING DIV OF CDN ROAD BUILDERS	80,658
LEE MAC ELECTRIC LTD	57,862
MARK RITE LINES EQUIPMENT CO	27,563
MATHOT HOMES LTD	43,895
MCELHANNEY CONSULTING SERVICES LTD	51,437
MEREDY HOLDINGS LTD	114,000
MEYERS NORRIS PENNY LLP	48,510
MICROSOFT LICENSING GP WRC-CA	49,736
MILESTONE EQUIPMENT CONTRACTING INC	149,831
MINISTER OF FINANCE PROPERTY TAXATION BRANCH	6,233,405
MONK OFFICE	106,715
MUNICIPAL INSURANCE ASSOCIATION OF BRITISH	30,970
MUNICIPAL PENSION PLAN	2,393,643
MYRA SYSTEMS CORP	46,216
NEW HORIZONS CARE CORP	98,131
NORTH ISLAND COMMUNICATIONS INC	31,534
OPUS DAYTONKNIGHT CONSULTANTS LTD	258,497
PACIFIC INDUSTRIAL & MARINE LTD	64,964
PALLADIAN DEVELOPMENTS INC	27,233
PARAGON STRATEGIC SERVICES LTD	72,033
PFS STUDIO	38,063
PIONEER HARDWARE LTD	35,257
PRECISION SERVICE AND PUMPS INC.	91,052
PROFIRE EMERGENCY EQUIPMENT INC	35,285
RAYLEC POWER LP	777,544
RECEIVER GENERAL FOR CANADA RCMP POLICING	7,771,126
RECEIVER GENERAL FOR CANADA	4,233,062
REDEKOP (CAMPBELL RIVER) HOMES LTD	62,917
SAFETY NET SECURITY LTD	196,685
SCOTIABANK CENTRAL MORTGAGE UNIT SERVICING	26,172
SEAL TEC INDUSTRIES LTD	31,760
SHAW COMMUNICATIONS INC	25,571
SHEEN ARNOLD MCNEIL	76,101
STANTEC CONSULTING LTD	454,948
STEVE MARSHALL FORD 1996 LTD	31,204
STEWART MCDANNOLD STUART	126,687
STRATHCONA REGIONAL DISTRICT	5,483,705
SUPERIOR PROPANE	40,153
SUPERIOR CITY CONTRACTING SERVICES LTD	157,262
TAYCO PAVING COMPANY	1,115,188
TELUS	121,694
TELUS COMMUNICATIONS COMPANY	88,683

Supplier Name	Amount Paid
TETRA TECH EBA INC	59,212
TOWER FENCE PRODUCTS COURTENAY DIVISION	25,687
TRANE CANADA ULC T42324C	32,353
UNITED RENTALS OF CANADA INC	36,631
UNITY BUSINESS SYSTEMS LTD	56,230
UPLAND EXCAVATING LTD	1,625,565
UPLAND READY MIX	26,743
UPLAND CONTRACTING LTD	575,928
URBAN SYSTEMS LTD	53,714
US BANK - VISA	327,027
VADIM SOFTWARE	35,525
VANCOUVER ISLAND REGIONAL LIBRARY	1,237,332
VANCOUVER ISLAND NEWSPAPER GROUP - C/O	48,819
VAN TINE JAMES A	48,978
WALCO INDUSTRIES LTD	71,044
WESTVAC INDUSTRIAL LTD	26,990
WILLIS CANADA INC (VANCOUVER)	115,763
WINDLEY CONTRACTING (2010) LTD	758,278
WORKSAFE BC	214,200
WORLEYPARSONS CANADA SERVICES LTD	33,783
ZINC PUBLIC RELATIONS INC	30,914
Total suppliers over \$25,000	\$ 55,799,571
Total suppliers under \$25,000	3,744,108
Total suppliers	\$ 59,543,679
Add: Grants exceeding \$25,000	
CAMPBELL RIVER ART GALLERY	49,500
CAMPBELL RIVER ARTS COUNCIL	45,633
MUSEUM AT CAMPBELL RIVER	316,531
TIDEMARK THEATRE SOCIETY	185,902
Total grants over \$25,000	597,566
Total suppliers and grants	\$ 60,141,244
Adjustments	
Debt and Lease Principal Payments	(946,683)
Property Tax Collections for Other Governments	(24,035,639)
Amortization Expenses	8,820,951
Tangible Capital Asset Expenditures	(14,517,366)
Wages, Salaries and Benefits	19,696,619
Change in accounts payable and accrued expenses, employees' portion of payroll costs and benefits, payments for non-expense items and other	1,750,478
Total Expenses per Consolidated Statement of Operations	\$ 50,909,604

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

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

The City of Campbell River has not given any guarantees or indemnities under the *Guarantees and Indemities Regulation*.

CITY OF CAMPBELL RIVER
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2014

**CITY OF CAMPBELL RIVER
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2014**

Independent Auditors' Report

Financial Reporting Responsibility **1**

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**CITY OF CAMPBELL RIVER
FINANCIAL REPORTING RESPONSIBILITY
For the Year Ended December 31, 2014**

The preparation and presentation of the Consolidated Financial Statements 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.



Ron Bowles
General Manager, Corporate Services / 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, 2014 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 1 to 3 and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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, 2014 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 11, 2015

MNP LLP
Chartered Accountants

**CITY OF CAMPBELL RIVER
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2014**

	2014	2013
FINANCIAL ASSETS		
Cash and equivalents (note 2)	54,848,836	52,005,694
Accounts receivable (note 4)	4,745,545	4,043,265
Inventory held for sale	98,203	75,453
Tax sale properties	63,356	-
	59,755,940	56,124,412
LIABILITIES		
Accounts payable and accrued liabilities (note 5)	7,535,090	8,936,535
Deposits and holdbacks	2,222,928	2,187,952
Deferred revenue (note 6)	16,141,322	14,436,220
Short-term debt (note 7)	1,300,000	600,000
Capital lease (note 8 & schedule 1)	68,065	104,853
Long-term debt (note 9 & schedule 1)	3,598,982	4,810,942
	30,866,387	31,076,502
NET FINANCIAL ASSETS	28,889,553	25,047,910
NON FINANCIAL ASSETS		
Inventory of supplies	292,152	261,606
Prepays	92,552	337,680
Tangible capital assets (schedule 2)	225,710,975	220,288,784
	226,095,679	220,888,070
ACCUMULATED SURPLUS (note 11)	254,985,237	245,935,981

See Contingent liabilities Note 12.



Ron Bowles
General Manager, Corporate Services / CFO

CITY OF CAMPBELL RIVER
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2014

	2014 Budget (see note 15)	2014 Actual	2013 Actual
REVENUE			
Taxes & parcel taxes	27,015,270	27,227,568	26,005,255
Payments in lieu of taxes	499,000	569,140	568,115
Sale of services	18,250,320	19,287,076	17,497,894
Services provided to other governments	1,502,654	1,510,112	1,422,977
Transfers from other governments	4,890,169	3,332,656	2,603,944
Investment and other income	493,493	1,080,288	964,224
Other revenue	10,934,362	1,395,744	890,378
Development cost charges recognized	706,750	286,628	1,619,747
Contributed tangible capital assets	-	5,294,573	357,038
Loss on disposal of tangible capital assets	-	(24,925)	(500,634)
	64,292,018	59,958,860	51,428,938
EXPENSES			
General government	6,595,548	6,058,115	5,448,781
Protective services	14,289,475	14,941,469	13,329,484
Transportation services	12,259,523	12,140,483	11,575,139
Environmental health services	2,015,964	2,051,050	1,863,417
Public health services	160,397	152,762	111,867
Development services	1,522,724	1,454,792	1,530,670
Recreation and cultural services	6,681,720	6,783,239	6,253,243
Sewer utility services	3,758,427	3,531,645	3,152,298
Water utility services	4,296,972	3,796,049	3,716,868
	51,580,750	50,909,604	46,981,767
ANNUAL SURPLUS	12,711,268	9,049,256	4,447,171
Accumulated Surplus, Beginning of Year	245,935,981	245,935,981	241,488,810
ACCUMULATED SURPLUS (note 11)	258,647,249	254,985,237	245,935,981

See Budget legislative compliance Note 15.

CITY OF CAMPBELL RIVER
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2014

	2014	2013
OPERATING ACTIVITIES		
Annual surplus	9,049,256	4,447,171
Non-cash items included in annual surplus:		
Long-term debt actuarial adjustment	(302,067)	(292,046)
Contributed tangible capital assets	(5,294,573)	(357,038)
Loss on tangible capital assets	24,925	500,634
Amortization expense	8,820,951	8,485,919
(Increase)/decrease in inventory of supplies	(30,546)	21,540
(Increase)/decrease in prepaids	245,128	(39,632)
Changes in financial assets and liabilities:		
Accounts receivable	(702,280)	685,070
Inventory held for resale	(22,750)	(15,890)
Tax sale properties	(63,356)	12,938
Accounts payable and accrued liabilities	(1,401,445)	3,203,556
Deposits and holdbacks	34,976	1,004,071
Deferred revenue	1,705,102	(454,216)
	12,063,321	17,202,077
CAPITAL ACTIVITIES		
Proceeds on sale of tangible capital assets	249,297	126,095
Acquisition of tangible capital assets	(9,222,793)	(11,192,766)
	(8,973,496)	(11,066,671)
FINANCING ACTIVITIES		
Debt and lease proceeds	700,000	738,970
Debt and lease principal repaid	(946,683)	(1,017,392)
	(246,683)	(278,422)
INCREASE IN CASH AND EQUIVALENTS	2,843,142	5,856,984
CASH AND EQUIVALENTS, BEGINNING OF YEAR	52,005,694	46,148,710
CASH AND EQUIVALENTS, END OF YEAR	54,848,836	52,005,694
INTEREST RECEIVED	548,344	544,353
INTEREST PAID	560,684	592,183

CITY OF CAMPBELL RIVER
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2014

	2014 Budget (see note 15)	2014 Actual	2013 Actual
ANNUAL SURPLUS	12,711,268	9,049,256	4,447,171
TANGIBLE CAPITAL ASSETS			
Acquisition of tangible capital assets	(29,688,825)	(9,222,793)	(11,192,766)
Contributed tangible capital assets	-	(5,294,573)	(357,038)
Net book value of disposed tangible capital assets	-	274,222	626,730
Write-off of tangible capital assets	-	-	-
Amortization	8,297,000	8,820,951	8,485,919
	(21,391,825)	(5,422,193)	(2,437,155)
OTHER NON-FINANCIAL ASSETS			
(Increase)/decrease in inventory of supplies	-	(30,546)	21,540
(Increase)/decrease in prepaids	-	245,128	(39,632)
	-	214,582	(18,092)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(8,680,557)	3,841,645	1,991,924
NET FINANCIAL ASSETS, BEGINNING OF YEAR	25,047,910	25,047,910	23,055,985
NET FINANCIAL ASSETS, END OF YEAR	16,367,353	28,889,553	25,047,910

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2014

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, 2014

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 Municipal Finance Authority of BC (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, 2014.

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2014

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, deposits and holdbacks, 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, 2014

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

	2014	2013
General operating fund	43,071,253	41,721,519
Development cost charged deferred revenue	7,859,660	6,720,937
Fixed asset replacement reserve fund	2,538,438	2,405,921
Parks acquisition & development reserve fund	866,225	842,290
Parkland acquisition reserve fund	494,605	296,372
Facility reserve fund	18,655	18,655
	54,848,836	52,005,694

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2014

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, 2013	Collections	Expenses	December 31, 2014
CR Municipal Cemetery	313,506	3,918	3,475	313,949
Elk Falls Memorial Cemetery	199,263	9,883	2,209	206,937
	<u>512,769</u>	<u>13,802</u>	<u>5,684</u>	<u>520,887</u>

4. Accounts receivable

	2014	2013
Property taxes	1,613,927	1,747,349
Utilities	16,240	293,245
Airport	77,431	51,779
Due from other governments	1,955,682	1,023,308
Other	1,053,401	916,516
Development cost charges	28,864	11,068
	<u>4,745,545</u>	<u>4,043,265</u>

Other receivables includes from one customer an amount of \$796,031 (2013 - \$839,748) 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 and accrued liabilities

	2014	2013
Trade accounts payable	1,427,147	2,772,105
Due to other governments	1,859,815	3,140,516
Accrued wages and benefits	4,169,115	2,932,712
Accrued interest	79,013	91,202
	<u>7,535,090</u>	<u>8,936,535</u>

Full-time permanent employees receive up to one-third or one-sixth of their sick bank on retirement, per their respective collective agreement. Permanent employees are also entitled to awards of supplemental vacation on certain anniversary years. The value of the liabilities for sick leave and supplemental vacation as at December 31, 2014 are calculated by an Actuary engaged by the City and reflect the likelihood that eligible employees will become entitled to such benefits. The assumptions used for the actuarial valuation in 2014 are based on an interest (discount) rate of 3.1% per annum and a future inflationary rate of 2.5%. There are no additional liabilities accrued for these amounts as they are included in the sick leave, vacation, and banked overtime liability accounts:

	2014	2013
Sick leave liability	873,877	859,636
Sick leave actuarial adjustment	72,582	-
Vacation liability	1,116,525	1,098,892
Vacation actuarial adjustment	426,818	-
Banked overtime liability	180,816	155,851
Wages and other accruals	1,498,497	818,333
	<u>4,169,115</u>	<u>2,932,712</u>

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2014

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 (2014 - \$28,864, 2013 - \$11,068). The funded DCC's are disclosed as short-term investments in Note 2 (2014 - \$7,859,660, 2013 - \$6,720,937).

	December 31, 2013	Transfers	Collections	December 31, 2014
Development cost charges				
Park development	454,559	249	62,437	516,747
Parkland acquisition	934,690	447	142,331	1,076,574
Roads	2,664,062	287,236	636,781	3,013,607
Sanitary sewer	309,867	526	192,683	502,024
Storm drains	523,649	2,837	35,078	555,890
Water	1,845,179	867	379,370	2,223,682
	6,732,005	292,162	1,448,680	7,888,523
Deferred revenue				
Future local improvement projects	2,818,028	284,797	26,737	2,559,968
Prepaid property taxes	426,869	594,463	1,082,380	914,786
Community Works Fund	3,453,524	870,236	1,362,857	3,946,145
Parkland acquisition	296,372	-	205,683	502,055
Other	709,422	2,282,508	1,902,930	329,844
	7,704,214	4,032,003	4,580,587	8,252,799
	14,436,220	4,324,165	6,029,267	16,141,322

7. Short-term debt

Short-term financing is secured through the Municipal Finance Authority of BC for capital initiatives approved under loan authorizations. Interest is calculated daily on a variable rate basis at prime less 1.28%. In 2014 the rate was 1.74%. 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, 2014

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:

2015	2016	2017	2018	2019
36,053	18,872	13,139	-	-

The net book value of leased tangible capital assets at December 31, 2014 is \$100,540 (2013 - \$116,008).

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
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
2019	84,846	49,891	134,737

The City has no debt assumed by others on its behalf, and has not directly assumed any debt for others (Note 12b).

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:

	2014	2013
General	114,546	143,784
Sewer	11,405	10,902
	125,950	154,686

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2014

11. Accumulated surplus

	<u>2014</u>	<u>2013</u>
Unappropriated surplus		
General	5,406,285	6,917,926
Airport	-	-
Sewer	9,443,402	8,282,388
Water	5,131,410	3,012,869
Rivercorp	12,651	100,917
	<u>19,993,748</u>	<u>18,314,100</u>
 Non-statutory reserves		
General	9,184,042	7,912,320
Airport	441,440	381,905
Sewer	928,614	1,018,057
Water	270,143	269,744
	<u>10,824,240</u>	<u>9,582,026</u>
 Statutory reserves		
Fixed asset replacement	2,538,438	2,405,921
Parkland acquisition & development	866,225	842,290
Facilities	18,655	18,655
	<u>3,423,318</u>	<u>3,266,866</u>
 Investment in tangible capital assets		
General	134,636,604	131,063,018
Airport	12,099,682	12,130,252
Sewer	37,477,159	36,062,414
Water	36,514,900	35,497,351
Rivercorp	15,587	19,954
	<u>220,743,931</u>	<u>214,772,989</u>
 Total	<u>254,985,237</u>	<u>245,935,981</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, 2014

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 182,000 active members and approximately 75,000 retired members.

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 allocating the obligation, assets and cost to the individual employers participating in the Plan.

The City of Campbell River paid \$1,354,268 (2013 - \$1,287,652) for employer contributions while employees contributed \$1,119,370 (2013 - \$1,065,318) to the Plan in fiscal 2014.

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 of Campbell River. Readers are referred to the Strathcona Regional District 2014 Audited Financial Statements for specific information and detail.

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, 2014, 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 \$258,169 (2013 - \$255,400) 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 (2013 - \$576,180) 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, 2014

14. Property tax collections for other governments

	2014	2013
BC Assessment Authority	328,352	320,848
Comox Strathcona Regional Hospital District	4,074,200	3,806,664
Comox Strathcona Regional Solid Waste Board	145,204	47,424
Municipal Finance Authority	976	952
Provincial School Levy	14,319,955	14,149,239
Strathcona Regional District	3,927,839	3,714,541
Regional Library	1,239,113	1,141,941
	24,035,639	23,181,609

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 May 6, 2014, to the exception of the amounts noted below.

Adjustments to the 2014-2018 Financial Plan Annual Surplus

Annual surplus, as per Statement of Operations	12,711,268
Adjustments for non-cash item:	
Amortization offset	8,297,000
Debt proceeds	700,000
Debt principal repayments	(1,146,657)
Capital expenses	(29,688,825)
Net transfer (to)/from reserves & unappropriated surplus	9,127,214
	-

CITY OF CAMPBELL RIVER
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2014

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

Water utility services - 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, 2014**

SCHEDULE 1

Bylaw	Description	Maturity Date	Interest Rate %	Balance at Dec 31, 2013	Debt Issued	Principal Payments	Actuarial Adjust	Balance at Dec 31, 2014
Long-term debt								
2968	Issue #81	22/04/14	4.86	16,897	-	10,892	6,005	-
2969	Issue #81	22/04/14	4.86	27,751	-	17,889	9,862	-
3050	Issue #81	22/04/14	4.86	9,620	-	6,201	3,419	-
3073	Issue #85	02/12/14	4.90	246,675	-	159,009	87,666	-
2964	Issue #92	06/04/15	4.55	2,442	-	875	322	1,245
2966	Issue #92	06/04/15	4.55	1,977	-	708	261	1,008
2967	Issue #92	06/04/15	4.55	10,698	-	3,831	1,412	5,455
2968	Issue #92	06/04/15	4.55	6,394	-	2,291	844	3,259
3071	Issue #92	06/04/15	4.55	59,762	-	21,406	7,889	30,467
3073	Issue #92	06/04/15	4.55	493,563	-	176,785	65,157	251,621
3074	Issue #92	06/04/15	4.55	6,511	-	2,332	860	3,319
2967	Issue #99	19/10/16	5.00	394,834	-	96,118	30,367	268,349
3073	Issue #99	19/10/16	5.00	478,146	-	116,399	36,774	324,973
2964	Issue #102	12/01/17	4.82	78,318	-	14,576	3,867	59,875
2966	Issue #102	12/01/17	4.82	67,130	-	12,493	3,315	51,322
2967	Issue #102	12/01/17	4.82	49,229	-	9,162	2,431	37,636
3303	Issue #103	23/04/23	4.65	141,874	-	9,713	2,104	130,057
2964	Issue #104	20/11/18	5.15	326,303	-	49,516	10,728	266,059
2966	Issue #104	20/11/18	5.15	360,333	-	54,681	11,847	293,805
3074	Issue #104	20/11/18	5.15	131,729	-	19,990	4,331	107,408
3301	Issue #104	20/11/23	5.15	500,074	-	34,235	7,417	458,422
3302	Issue #104	20/11/23	5.15	364,751	-	24,971	5,410	334,370
3302	Issue #106	10/13/24	4.13	105,204	-	6,668	1,133	97,403
3301	Issue #112	06/10/25	3.73	156,511	-	9,260	1,156	146,095
				4,036,726	-	860,001	304,577	2,872,148
Sanitary Sewer								
3345	Issue #112	06/10/25	3.73	379,847	-	22,474	2,806	354,567
3345	Issue #117	10/11/26	3.25	493,068	-	27,418	2,237	463,413
				872,915	-	49,892	5,043	817,980
Accrued actuarial adjustment				(98,699)	-	-	(7,553)	(91,146)
Total long-term debt				4,810,942	-	909,893	302,067	3,598,982
Capital leases								
Equipment		05/28/14	1.25	1,035	-	1,035	-	-
Equipment		05/28/17	2.00	14,012	-	4,012	-	10,000
Equipment		12/28/17	2.00	44,348	-	10,762	-	33,586
Equipment		02/01/16		45,458	-	20,981	-	24,477
Total capital lease				104,853	-	36,790	-	68,065
Total long-term liabilities				4,915,795	-	946,683	302,067	3,667,047

**CITY OF CAMPBELL RIVER
FINANCIAL STATEMENTS
CONSOLIDATED TANGIBLE CAPITAL ASSET CONTINUITY SCHEDULE
As at December 31, 2014**

SCHEDULE 2

	Land	Buildings	Machinery & Equipment	Engineered Structures	Assets Under Construction	Total 2014	Total 2013
COST							
Opening balance	32,399,283	34,115,929	17,190,047	291,414,151	4,741,599	379,861,010	369,344,513
Additions	-	170,789	903,384	10,991,441	2,451,752	14,517,366	11,549,804
Construction completed	-	-	23,296	4,152,854	(4,176,149)	-	-
Disposals	-	-	(148,603)	(302,359)	(13,410)	(464,372)	(1,033,307)
Closing balance	32,399,283	34,286,718	17,968,125	306,256,086	3,003,792	393,914,003	379,861,010
ACCUMULATED AMORTIZATION							
Opening balance	-	17,074,908	11,882,216	130,615,102	-	159,572,226	151,492,882
Amortization current year	-	872,234	803,417	7,145,299	-	8,820,951	8,485,919
Amortization from disposals	-	-	(143,103)	(47,047)	-	(190,150)	(406,575)
Closing balance	-	17,947,142	12,542,530	137,713,354	-	168,203,027	159,572,226
NET BOOK VALUE	32,399,283	16,339,575	5,425,594	168,542,732	3,003,792	225,710,975	220,288,784

Included in the disposals of tangible capital assets is \$13,410 of write downs (2013 - \$0).

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SCHEDULE 3
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	General Government		Protective Services		Transportation Services		Environmental Health Services		Public Health Services		Development Services	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
REVENUE												
Taxes & parcel taxes	25,951,862	24,730,822	-	-	180,120	183,883	-	-	-	-	58,532	55,740
Payments in lieu of taxes	569,140	568,115	-	-	-	-	-	-	-	-	-	-
Sale of services	305,063	132,550	1,712,705	1,612,482	2,900,522	2,420,964	2,140,308	2,017,552	67,043	64,586	963,088	1,105,487
Services provided to other governments	1,100,976	1,044,323	349,580	319,098	-	-	-	-	59,556	59,556	-	-
Transfers from other governments	1,079,816	706,897	313,585	302,113	1,884,238	1,389,088	379	13,297	-	-	-	-
Investment and other income	878,846	825,731	-	-	96,113	13,779	-	-	-	-	-	-
Other revenue	-	-	-	-	184,987	91,626	12,900	61,182	-	-	360,485	268,217
Development cost charges recognized	-	-	-	-	286,628	137,435	-	-	-	-	-	-
Contributed tangible capital assets	-	-	-	-	3,809,223	294,223	-	-	-	-	-	-
Loss on disposal of tangible capital assets	-	-	-	-	(24,925)	(500,634)	-	-	-	-	-	-
	29,885,702	28,008,438	2,375,870	2,233,693	9,316,906	4,030,364	2,153,586	2,092,031	126,599	124,142	1,382,106	1,429,444
EXPENSES												
Amortization	281,043	303,640	361,839	378,955	4,507,977	4,484,141	-	-	534	400	5,220	6,740
Interest & debt issue	(7,807)	(624)	-	-	520,585	556,937	-	-	-	-	-	-
Operating expenses	1,128,128	580,571	7,761,024	7,337,396	5,060,785	4,690,644	1,983,614	1,820,960	49,185	34,624	1,018,921	1,008,286
Wages & benefits	4,656,751	4,565,194	6,818,606	5,613,133	2,051,135	1,843,417	67,436	42,457	103,043	76,843	430,651	515,644
	6,058,115	5,448,781	14,941,469	13,329,484	12,140,483	11,575,139	2,051,050	1,863,417	152,762	111,867	1,454,792	1,530,670
ANNUAL SURPLUS (DEFICIT)	23,827,588	22,559,657	(12,565,599)	(11,095,791)	(2,823,577)	(7,544,775)	102,536	228,614	(26,163)	12,275	(72,686)	(101,226)

See Note 16 for description of Segment Reporting categories.

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SCHEDULE 3
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	Recreation & Culture Services		Total General Government		Sewer Utility Services		Water Utility Services		Consolidated	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
REVENUE										
Taxes & parcel taxes	339,150	338,300	26,529,665	25,308,745	697,903	696,510	-	-	27,227,568	26,005,255
Payments in lieu of taxes	-	-	569,140	568,115	-	-	-	-	569,140	568,115
Sale of services	1,019,130	996,458	9,107,858	8,350,079	4,665,827	4,256,748	5,513,391	4,891,067	19,287,076	17,497,894
Services provided to other governments	-	-	1,510,112	1,422,977	-	-	-	-	1,510,112	1,422,977
Transfers from other governments	54,639	192,549	3,332,656	2,603,944	-	-	-	-	3,332,656	2,603,944
Investment and other income	-	-	974,959	839,510	79,508	96,953	25,822	27,761	1,080,288	964,224
Other revenue	10,790	56,770	569,162	477,795	3,000	240,131	823,582	172,452	1,395,744	890,378
Development cost charges recognized	-	-	286,628	137,435	-	1,200,000	-	282,312	286,628	1,619,747
Contributed tangible capital assets	-	-	3,809,223	294,223	752,130	14,690	733,220	48,125	5,294,573	357,038
Loss on disposal of tangible capital assets	-	-	(24,925)	(500,634)	-	-	-	-	(24,925)	(500,634)
	1,423,708	1,584,077	46,664,477	39,502,189	6,198,368	6,505,032	7,096,015	5,421,717	59,958,860	51,428,938
EXPENSES										
Amortization	1,226,341	1,191,045	6,382,954	6,364,921	1,075,948	967,144	1,171,626	1,153,855	8,820,951	8,485,920
Interest & debt issue	-	-	512,778	556,313	34,628	34,628	11,530	452	558,935	591,393
Operating expenses	1,997,964	1,790,904	18,999,621	17,263,385	1,572,727	1,382,572	1,451,173	1,544,060	21,833,098	20,190,017
Wages & benefits	3,558,934	3,271,294	17,686,556	15,927,982	848,342	767,954	1,161,721	1,018,501	19,696,619	17,714,437
	6,783,239	6,253,243	43,581,909	40,112,601	3,531,645	3,152,298	3,796,049	3,716,868	50,909,604	46,981,767
ANNUAL SURPLUS (DEFICIT)	(5,359,530)	(4,669,166)	3,082,567	(610,412)	2,666,723	3,352,734	3,299,966	1,704,849	9,049,256	4,447,171

See Note 16 for description of Segment Reporting categories.