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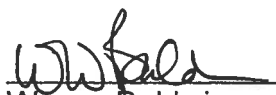
**CITY OF WHITE ROCK  
2014  
STATEMENT OF FINANCIAL INFORMATION**

**In accordance with the Financial Information Act (RSBC 1996 Chapter 140)**

**PARTS I & II**

**THE CORPORATION OF THE CITY OF WHITE ROCK**  
**STATEMENT OF FINANCIAL INFORMATION APPROVAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

The undersigned, represents the Council of the Corporation of the City of White Rock and approves all the statements and schedules included in this Statement of Financial Information, prepared in accordance with the Financial Information Act.

  
\_\_\_\_\_  
Wayne Baldwin  
Mayor  
June 22, 2015

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, prepared in accordance with the Financial Information Act.



Sandra Kurylo, B. Comm., CPA, CMA  
Director of Financial Services  
June 18, 2015

**THE CORPORATION OF THE CITY OF WHITE ROCK**  
**STATEMENT OF FINANCIAL INFORMATION PARTS I & II**  
**(in accordance with the Financial Information Act - (RSBC 1996 Chapter 140))**  
**For the Year Ended December 31, 2014**

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**PART I - CITY OF WHITE ROCK 2014  
STATEMENT OF FINANCIAL INFORMATION  
(2014 AUDITED FINANCIAL STATEMENTS)**

Financial Statements of  
**THE CORPORATION OF**  
**THE CITY OF WHITE ROCK**  
Year Ended December 31, 2014



**KPMG LLP**  
**Chartered Accountants**  
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4720 Kingsway, Suite 2400  
Burnaby, BC V5H 4N2

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## INDEPENDENT AUDITORS' REPORT

To the Mayor and Council

We have audited the accompanying financial statements of The Corporation of the City of White Rock, which comprise the statement of financial position as at December 31, 2014, the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Corporation of the City of White Rock as at December 31, 2014 and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*KPMG LLP*

Chartered Accountants

May 11, 2015  
Burnaby, Canada

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity  
KPMG Canada provides services to KPMG LLP.

# THE CORPORATION OF THE CITY OF WHITE ROCK

## Statement of Financial Position

December 31, 2014, with comparative information for 2013

	2014	2013
<b>Financial Assets</b>		
Cash and cash equivalents (note 2)	\$ 54,242,483	\$ 57,567,913
Temporary investments (note 2)	8,954,375	-
Accounts receivable (note 3)	1,513,921	1,425,309
Loans receivable (note 4)	44,000	57,500
	<u>64,754,779</u>	<u>59,050,722</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 5)	6,030,303	4,996,822
Refundable performance deposits (note 2)	5,942,844	5,106,718
Capital lease obligation (note 7)	82,902	101,942
Debt (note 8)	128,089	139,152
Deferred revenue (note 9)	10,203,619	9,833,551
	<u>22,387,757</u>	<u>20,178,185</u>
Net Financial Assets	42,367,022	38,872,537
<b>Non-Financial Assets</b>		
Tangible capital assets (note 10)	81,732,920	79,617,216
Prepaid expenses	517,052	470,335
Inventories of supplies	70,402	70,697
	<u>82,320,374</u>	<u>80,158,248</u>
Accumulated surplus (note 11)	<u>\$ 124,687,396</u>	<u>\$ 119,030,785</u>

Commitments and contingencies (note 14)

See accompanying notes to financial statements.

  
**SANDRA KURYLO, B. Comm., CPA, CMA**  
Director of Financial Services



# THE CORPORATION OF THE CITY OF WHITE ROCK

## Statement of Operations

Year ended December 31, 2014, with comparative information for 2013

	2014 Budget	2014	2013
<b>Revenue:</b>			
<b>Property taxes:</b>			
General purposes	\$ 20,059,593	\$ 20,060,160	\$ 19,149,600
Regional library and fire protection levies	1,328,537	1,328,555	1,198,212
Business improvement levy	300,600	300,600	299,299
	<u>21,688,730</u>	<u>21,689,315</u>	<u>20,647,111</u>
Receipts in lieu of taxes	19,000	18,958	19,054
Development cost charges (note 9(a))	1,570,000	21,564	85,670
Sanitary sewer fees and parcel tax	3,372,706	3,386,743	3,299,678
Drainage user fees	1,883,380	1,885,241	1,795,043
Sales of services and other revenue (note 17)	8,934,410	8,995,896	8,526,266
Government grants	592,040	479,618	426,264
Developers' contributions of tangible capital assets (note 10(b))	-	675,014	214,440
	<u>38,060,266</u>	<u>37,152,349</u>	<u>35,013,526</u>
<b>Expenses:</b>			
General government	6,395,174	5,416,572	4,624,610
Protection services	10,082,290	9,901,504	9,248,385
Transportation, engineering and operations	5,563,772	4,991,210	5,160,255
Parks, leisure and cultural services	7,483,901	7,111,162	6,614,434
Solid waste services	1,751,600	1,493,897	1,476,935
Sanitary sewer system	2,568,898	1,974,911	2,046,162
Drainage system	1,006,160	606,482	683,360
	<u>34,851,795</u>	<u>31,495,738</u>	<u>29,854,141</u>
Annual surplus	3,208,471	5,656,611	5,159,385
Accumulated surplus, beginning of year	119,030,785	119,030,785	113,871,400
Accumulated surplus, end of year	<u>\$ 122,239,256</u>	<u>\$ 124,687,396</u>	<u>\$ 119,030,785</u>

See accompanying notes to financial statements.

# THE CORPORATION OF THE CITY OF WHITE ROCK

## Statement of Changes in Net Financial Assets

Year ended December 31, 2014, with comparative information for 2013

	2014 Budget	2014	2013
Annual surplus	\$ 3,208,471	\$ 5,656,611	\$ 5,159,385
Acquisition of tangible capital assets	(16,453,000)	(5,394,103)	(4,316,409)
Contribution of tangible capital assets	-	(675,014)	(214,440)
Amortization of tangible capital assets	4,076,200	3,804,223	3,745,379
Loss on disposal of tangible capital assets	-	28,690	173,589
Proceeds on disposal of tangible capital assets	-	120,500	170,085
	(9,168,329)	3,540,907	4,717,589
Acquisition of prepaid expenses	-	(517,052)	(470,335)
Acquisition of inventories of supplies	-	(70,402)	(70,697)
Use of prepaid expenses	-	470,335	433,031
Consumption of inventories of supplies	-	70,697	73,109
Change in net financial assets	(9,168,329)	3,494,485	4,682,697
Net financial assets, beginning of year	38,872,537	38,872,537	34,189,840
Net financial assets, end of year	\$ 29,704,208	\$ 42,367,022	\$ 38,872,537

See accompanying notes to financial statements.

# THE CORPORATION OF THE CITY OF WHITE ROCK

## Statement of Cash Flows

Year ended December 31, 2014, with comparative information for 2013

	2014	2013
Cash provided by (used in):		
Operating:		
Annual surplus	\$ 5,656,611	\$ 5,159,385
Items not involving cash:		
Amortization	3,804,223	3,745,379
Loss on disposal of tangible capital assets	28,690	173,589
Developers' contributions of tangible capital assets	(675,014)	(214,440)
Change in non-cash operating working capital:		
Decrease (increase) in accounts receivable	(88,612)	516,167
Increase in prepaid expenses	(46,717)	(37,304)
Decrease in inventories of supplies	295	2,412
Decrease in loans receivable	13,500	13,500
Increase in accounts payable and accrued liabilities	1,033,481	400,700
Increase in refundable performance deposits	836,126	587,304
Increase in deferred revenue	370,068	692,309
Net change in cash from operating activities	10,932,651	11,039,001
Capital activities:		
Cash used to acquire tangible capital assets	(5,394,103)	(4,316,409)
Proceeds on disposal of tangible capital assets	120,500	170,085
Net change in cash from capital activities	(5,273,603)	(4,146,324)
Financing activities:		
Principal payments on debt	(11,063)	(118,137)
Principal payments on capital leases	(19,040)	(18,176)
Net change in cash from financing activities	(30,103)	(136,313)
Investing activities:		
Change in temporary investments	(8,954,375)	3,984,564
Net change in cash and cash equivalents	(3,325,430)	10,740,928
Cash and cash equivalents, beginning of year	57,567,913	46,826,985
Cash and cash equivalents, end of year	\$ 54,242,483	\$ 57,567,913

See accompanying notes to financial statements.

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements

Year ended December 31, 2014

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The Corporation of the City of White Rock (the "City") is incorporated under the Local Government Act of British Columbia. The City's principal activities include the provision of local government services to residents, businesses and visitors of the incorporated area.

## 1. Significant accounting policies:

The City follows Canadian Public Sector Accounting Standards as prescribed by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada, including the following significant policies:

### (a) Basis of presentation:

The financial statements present the resources and operations including all accounts and funds of the City. All inter-fund transactions, assets and liabilities have been eliminated.

### (b) Budget:

The budget figures reported in the statement of operations represent the 2014 component of *Financial Plan (2014-2018) Bylaw 2013, No. 2046, Amendment No.1 Bylaw, 2014, No. 2058* adopted by the City Council on April 28, 2014.

### (c) Cash and cash equivalents:

Cash and cash equivalents include short-term highly liquid investments with maturity dates within three months of acquisition that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

### (d) Temporary investments:

Temporary investments are recorded at cost which approximates market value and are comprised of term deposits.

### (e) Revenue:

Revenue is recorded on the accrual basis and is recognized when it is earned and measurable. Revenue relating to future periods, including prepaid property taxes, government grants and certain facility upgrade contributions, are reported as deferred revenue and recognized as revenue when earned.

### (f) Development cost charges ("DCCs"):

DCCs collected under the City's Development Cost Charge Bylaw, plus interest earned thereon, are recorded as deferred revenue. DCCs are recognized as revenue when related tangible capital assets are acquired.

### (g) Expenses:

Expenses are recorded on the accrual basis and are recognized as they are incurred. This is upon the receipt of goods or services and/or the creation of a legal obligation. Interest expense on debt and capital lease obligations is accrued to December 31, 2014.

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 1. Significant accounting policies (continued):

### (h) Government Transfers:

Restricted transfers from governments are deferred and recognized as revenue as the related expenditures are incurred or the stipulations in the related agreements are met. Unrestricted transfers are recognized as revenue when received or if the amount to be received can be reasonably estimated and collection is reasonably assured.

### (i) Debt:

Debt is recorded net of repayments and actuarial adjustments.

### (j) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

#### (i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful life - Years
Land improvements	10 to 100
Buildings and facilities	5 to 50
Machinery and equipment	2 to 25
Roads and sidewalks	10 to 50
Sanitary sewers	30 to 80
Storm sewers	30 to 80

Leasehold improvements are amortized using the lesser of the remaining term of the lease, including all renewal terms, or the life of the asset.

Annual amortization is charged commencing when the asset is available for use. Assets under construction are not amortized until the asset is put into productive use.

#### (ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair market value at the date of receipt and also are recorded as revenue.

#### (iii) Arts and heritage assets:

Arts and heritage assets are not recorded as assets in these financial statements as stipulated by PSAB standards.

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

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## 1. Significant accounting policies (continued):

### (j) Non-financial assets (continued):

#### (iv) Interest capitalization:

The City capitalizes the directly attributable interest costs whenever external debt is issued to finance the construction of tangible capital assets.

#### (v) Leased tangible capital assets:

Leases, which transfer substantially all of the benefits and risks incidental to ownership of property, are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

#### (vi) Inventories of supplies:

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

### (k) Employee future benefits:

(i) The City and its employees make contributions to the Municipal Pension Plan. The Municipal Pension Plan is a multi-employer contributory defined benefit pension plan. The City's contributions are expensed as incurred.

(ii) Sick leave and post-employment benefits also accrue to the City's employees. The liability relating to these benefits is actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefit plans are accrued based on projected benefits prorated as employees render services necessary to earn the future benefits.

### (l) Use of accounting estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the determination of the value of developer contributed assets, useful lives of tangible capital assets for amortization, valuation of receivables, accrued sick and other post-employment benefits and provision for contingencies. Adjustments, if any, will be reflected in the financial statements in the period of settlement or change in the amount of the estimate.

### (m) Segment disclosures:

A segment is defined as a distinguishable activity or group of activities of government for which it is appropriate to separately report financial information. The City has provided definitions of segments used by the City as well as presented financial information in segmented format (note 19).

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 2. Cash and cash equivalents, and temporary investments:

	2014	2013
Cash balances	\$ 29,327,692	\$ 27,724,210
Cash equivalents:		
Money market securities and term deposits maturing within 90 days of inception	20,954,668	25,926,258
MFA Money Market Fund	3,960,123	3,917,445
	54,242,483	57,567,913
Temporary investments consist of term deposits maturing within 120 days of inception	8,954,375	-
	\$ 63,196,858	\$ 57,567,913

Cash equivalents and temporary investments, including the MFA Money Market Fund, have annual yields that range from 1.15% to 1.85% (2013 - 1.1% to 1.9%).

(a) Included in financial assets are cash and cash equivalents of \$3,441,219 (2013 - \$3,161,531) that can only be used for the acquisition of tangible capital assets as provided for by the DCC Bylaw (note 9(a)).

(b) Included in cash and cash equivalents is an amount of \$5,942,844 (2013 - \$5,106,718) which consists of refundable performance deposits.

## 3. Accounts receivable:

	2014	2013
Property taxes	\$ 914,014	\$ 918,047
Government grants	13,600	64,430
Amount secured by letters of credit	200,000	200,000
Other contributions toward tangible capital asset improvements	27,377	30,188
Other	358,930	212,644
	\$ 1,513,921	\$ 1,425,309

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

#### 4. Loans receivable:

The City has a loan receivable in the amount of \$16,000 (2013 - \$26,000) from The White Rock Lawn Bowling Club (the "Club") to assist in financing the purchase and installation of the Club's artificial green. The loan receivable bears a variable per annum interest rate which is the average annual rate of return the City has achieved on its investments in the 12 months preceding the anniversary date of the loan agreement. The remaining principal will be paid in 2 annual instalments. The interest is paid semi-annually.

The City has a loan receivable in the amount of \$28,000 (2013 - \$31,500) from The Peace Arch Curling Club to assist in financing the purchase and installation of kitchen equipment. The loan receivable bears a variable per annum interest rate which is the average annual rate of return the City has achieved on its investments in the 12 months preceding the anniversary date of the loan agreement. The remaining principal will be paid in 8 equal annual instalments. The interest is paid semi-annually.

#### 5. Accounts payable and accrued liabilities:

	2014	2013
Trade accounts payable and other	\$ 2,670,769	\$ 1,896,895
Due to governments and agencies	1,405,972	1,283,589
Post employment benefits (note 6)	1,337,916	1,283,812
Other payroll liabilities	615,646	532,526
	<b>\$ 6,030,303</b>	<b>\$ 4,996,822</b>

#### 6. Post-employment benefits:

The City provides certain post-employment and sick leave benefits to its employees. These benefits include accumulated non-vested sick leave, post employment gratuity benefits and certain vacation benefits.

	2014	2013
Accrued benefit liability:		
Balance, beginning of year	\$ 1,283,812	\$ 1,211,300
Immediate recognition of		
Workers' Compensation benefits liability	(20,600)	(50,800)
Current service cost	88,400	94,200
Interest cost	45,300	39,800
Benefits paid	(62,396)	(23,788)
Amortization of actuarial loss	3,400	13,100
Balance, end of year	<b>\$ 1,337,916</b>	<b>\$ 1,283,812</b>



# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 6. Post-employment benefits (continued):

	2014	2013
Accrued benefit liability, end of year	\$ 1,337,916	\$ 1,283,812
Unamortized net actuarial loss	83,584	688
<b>Accrued benefit obligation, end of year</b>	<b>\$ 1,421,500</b>	<b>\$ 1,284,500</b>

Actuarial gains and losses for accumulating benefits are amortized over the expected average remaining service period of the related employee group, commencing the year after the gain or loss arises. Post-employment liabilities are included in accounts payable and accrued liabilities.

The significant actuarial assumptions used to determine the City's accrued benefit obligation are as follows:

	2014	2013
Discount rates	3.10%	4.00%
Expected future inflation rates	2.00%	2.00%
Expected wage and salary increases	2.50%	2.50%

## 7. Capital lease obligation:

The City has financed certain equipment by entering into capital leasing arrangements. There are three capital leases repayable in monthly blended installments of \$1,948, including principal and interest. Minimum lease payments due under the capital lease are:

Year ending December 31:	
2015	\$ 23,378
2016	23,378
2017	23,378
2018	16,227
2019	4,539
Minimum capital lease payments	90,900
Less amounts representing interest	7,998
	<b>\$ 82,902</b>

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 8. Debt:

The following debt is outstanding as of December 31, 2014:

	2014	2013
Debentures, net of repayments and actuarial adjustments	\$ 128,089	\$ 139,152

### Debentures:

The City issues debt instruments through the Municipal Finance Authority ("MFA") to finance certain capital acquisitions. Repayments and actuarial adjustments are netted against related long-term debts. Details are as follows:

Bylaw Number	Purpose	Maturity date	Interest rate	Authorized amount	Sinking fund assets	2014	2013
1667	Sanitary Sewers	2023	5.95%	\$ 224,580	\$ 96,491	\$ 128,089	\$ 139,152

Total interest on the debenture debt for the year was \$13,363 (2013 - \$13,363).

The above sanitary sewer fund debt was borrowed under a Local Improvement Construction Bylaw to finance an expansion of sanitary sewer services. Annual principal and interest payments on this debt are being fully recovered from the local area residents.

Principal payments on the outstanding debenture debt over the next five years and thereafter are as follows:

2015	\$ 11,616
2016	12,197
2017	12,807
2018	13,447
2019	14,120
Thereafter	63,902
	\$ 128,089

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 9. Deferred revenue:

	2014	2013
Property taxes	\$ 3,529,401	\$ 3,923,479
Contributions for future capital works	934,238	897,892
Development cost charges (a)	3,441,219	3,161,531
Deferred revenue - facility upgrades	685,971	728,946
Other	1,612,790	1,121,703
	<b>\$ 10,203,619</b>	<b>\$ 9,833,551</b>

### (a) Development cost charges:

	Highways	Drainage	Parkland	Total
Balance, beginning of year	\$ 426,119	\$ 596,712	\$ 2,138,700	\$ 3,161,531
Add:				
Amounts received	72,876	56,226	126,797	255,899
Investment income	6,184	8,515	30,654	45,353
Deduct:				
Acquisition of tangible capital assets	7,258	7,049	7,257	21,564
Balance, end of year	<b>\$ 497,921</b>	<b>\$ 654,404</b>	<b>\$ 2,288,894</b>	<b>\$ 3,441,219</b>



# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 10. Tangible capital assets (continued):

### (a) Assets under construction:

Assets under construction have not been amortized. Amortization of these assets will commence when the asset is put into service.

### (b) Contributed tangible capital assets:

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year was comprised of:

	2014	2013
Roads and sidewalks	\$ 367,698	\$ 113,695
Sanitary sewers	78,491	-
Storm sewers	228,825	100,745
<b>Developers' contributions of tangible capital assets</b>	<b>\$ 675,014</b>	<b>\$ 214,440</b>

### (c) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value.

### (d) Works of art and historical treasures:

The City manages and controls various works of art and non-operational historical cultural assets including totem poles, sculptures and paintings located at City sites and public display areas. These assets are not recorded as tangible capital assets.

### (e) Write-down of tangible capital assets:

There were no write-downs of tangible capital assets during the year.

## 11. Accumulated surplus:

	Statutory Reserves	Non-Statutory Reserves	Other Surplus Funds	Investment in Tangible Capital Assets	Total
General Fund	\$ 10,649,005	\$ 12,793,789	\$ 4,330,712	\$ 57,336,760	\$ 85,110,266
Sanitary Sewer Fund	112,687	9,153,819	1,107,116	11,873,045	22,246,667
Drainage Fund	-	5,326,892	377,418	11,626,153	17,330,463
<b>Total for 2014</b>	<b>\$ 10,761,692</b>	<b>\$ 27,274,500</b>	<b>\$ 5,815,246</b>	<b>\$ 80,835,958</b>	<b>\$ 124,687,396</b>
<b>Total for 2013</b>	<b>\$ 10,898,517</b>	<b>\$ 24,285,647</b>	<b>\$ 5,199,445</b>	<b>\$ 78,647,176</b>	<b>\$ 119,030,785</b>

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 12. Investment in tangible capital assets:

	2014	2013
Tangible capital assets	\$ 81,732,920	\$ 79,617,216
Less:		
Capital lease obligation	(82,902)	(101,942)
Debt	(128,089)	(139,152)
Deferred revenue - facility upgrades	(685,971)	(728,946)
<b>Investment in tangible capital assets</b>	<b>\$ 80,835,958</b>	<b>\$ 78,647,176</b>

## 13. Reserves:

### (a) Statutory Reserves:

	2014	2013
General fund:		
Land sale reserve	\$ 3,300,889	\$ 3,289,809
Equipment replacement reserve	4,252,035	4,161,997
Capital works machinery & equipment reserve	3,056,240	3,283,052
Off-street parking facilities reserve	7,488	7,385
Local improvement reserve	32,353	32,353
Sanitary Sewer Fund:		
Terry Road local improvement reserve	112,687	123,921
	<b>\$ 10,761,692</b>	<b>\$ 10,898,517</b>

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 13. Reserves (continued):

### (b) Non-Statutory Reserves:

	2014	2013
General fund:		
Capital project reserve	\$ 4,831,098	\$ 4,810,243
Computer replacement reserve	135,601	128,801
Economic development reserve	54,190	83,090
Pier preservation reserve	132,069	74,069
Police equipment reserve	212,852	208,452
Roadworks reserve	1,834,837	2,136,118
Density bonus policy reserve	310,611	411,756
Public art contribution reserve	116,108	406,218
Parking reserve	302,000	-
Buena Vista rental house reserve	64,200	54,200
Community Works Fund Agreement reserve	107,170	-
Secondary suite reserve	520,720	-
Other operating reserve	1,847,433	1,989,394
Incomplete capital projects	2,324,900	1,791,200
Sanitary Sewer Fund:		
Capital project reserve	7,061,245	5,749,101
Pump station reserve	1,265,674	1,257,152
Incomplete capital projects	826,900	704,000
Drainage Fund		
Capital project reserve	4,158,192	3,647,053
Operating reserve	25,000	25,000
Incomplete capital projects	1,143,700	809,800
	<b>\$ 27,274,500</b>	<b>\$ 24,285,647</b>

## 14. Commitments and contingencies:

### (a) Borrowing liability:

The City has a contingent liability with respect to debentures of the Greater Vancouver Sewerage and Drainage District and the Greater Vancouver Regional District, to the extent provided for in their respective Enabling Acts, Acts of Incorporation and Amending Acts. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

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## 14. Commitments and contingencies (continued):

### (b) Third party claims:

There are various lawsuits and claims pending by and against the City. The outcome of these claims is undeterminable and it is the opinion of management that final determination of these claims will not materially affect the financial statements of the City.

### (c) Lease commitments:

The City entered into a five-year agreement, initially ending July 31, 2008, to lease certain parcels of real property from The Burlington Northern and Santa Fe Railway Company. Under the terms of this agreement, the City is committed to annual rent payments as well as the costs of all taxes, utilities, insurance, repairs and maintenance of the leased premises. This is accounted for as an operating lease. This agreement provides for renewal options consisting of three additional five-year terms.

In January 2013, the City exercised its second option to renew this lease for the five-year term ending July 31, 2018. During this period the City is committed to annual base rent payments of \$400,000.

The City has entered into various leases for office and other operating equipment. Total annual commitments for the next five years, net of applicable taxes are approximately as follows:

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Year ending December 31:	
2015	\$ 35,738
2016	31,836
2017	17,818
2018	15,903
2019	8,828
	<hr/>
	\$110,123

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### (d) Agreements and contractual obligations:

In addition to the leases described above, the City has entered into various agreements and contracts for services and construction with periods ranging from one to five years. These commitments are in the normal course of operations.



# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 14. Commitments and contingencies (continued):

### (e) Debt agreement with the MFA:

The City issues debt instruments through the MFA. As a condition of these borrowings, the City is required to execute demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the MFA. The debt agreement with the MFA provides that if at any time the scheduled payments provided for in the agreement are not sufficient to meet the MFA's obligations in respect to such borrowing, the resulting deficiency becomes the joint and several liability of the City and all other participants to the agreement through the MFA. The City is similarly liable on a contingent basis for the debt of other municipalities secured through the MFA. Details of the contingent demand notes at December 31, 2014 are as follows:

	2014	2013
Sanitary sewer	\$ 7,364	\$ 7,364

These contingent demand loans are not recorded in the City's financial statements as they are not likely to be paid.

### (f) E-Comm Emergency Communications for Southwest British Columbia Incorporated ("E-Comm"):

The City is a shareholder of the Emergency Communications for Southwest British Columbia Incorporated ("E-Comm"). The City receives services for the regional 9-1-1 call centre for Greater Vancouver Regional District and the Wide Area Radio network from E-Comm. The City has two Class A shares (of a total 28 Class A and 23 Class B shares issued and outstanding as at December 31, 2014). As a Class A shareholder, the City shares in both funding the future operations and capital obligations of E-Comm (in accordance with a cost sharing formula), including any lease obligations committed to by E-Comm up to the shareholder's withdrawal date. Class B shareholders are only obligated to share in funding of the ongoing operating costs. The City has recorded its proportionate obligations.

### (g) Municipal Insurance Association of British Columbia (the "Association"):

The City is a participant in the Association. Should the Association pay out claims in excess of premiums received, it is possible that the City, along with the other participants, would be required to contribute towards the deficit. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 15. Pension Plan:

The City 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. Active members include approximately 36,000 contributors from local government and 130 contributors from the City of White Rock.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The City paid \$919,400 (2013 - \$843,400) for employer contributions to the Plan in fiscal 2014.

## 16. Collections for other governments:

The City collects certain taxation revenue on behalf of other government bodies. These funds are excluded from the City's financial statements as they are not revenue of the City. Such taxes collected and remitted to other government bodies during the year are as follows:

	2014	2013
Province of British Columbia - school tax	\$ 10,917,761	\$ 10,619,010
South Coast BC Transportation Authority – TransLink tax	2,098,255	2,010,374
Other regional bodies	731,222	688,751
	<b>\$ 13,747,238</b>	<b>\$ 13,318,135</b>

## 17. Sales of services and other revenue:

	2014	2013
Parking	\$ 3,105,970	\$ 2,967,481
Parks, leisure and cultural services	1,501,730	1,416,987
Licences and permits	1,410,551	1,394,075
Interest and penalties	997,760	868,248
Contributions toward tangible capital asset improvements	180,101	181,471
Other	1,799,784	1,698,004
	<b>\$ 8,995,896</b>	<b>\$ 8,526,266</b>

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

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## 18. Comparative Information:

Certain of the comparative information have been reclassified to conform with the financial statement presentation adopted in the current year.

## 19. Segmented information:

The City is a diversified municipal government institution that provides a wide range of services to its citizens, visitors and many others. In compliance with PS2700, *Segment Disclosures*, certain financial information is required to be reported for major activities involving these services. Each of these major activities is comprised of various City departments and/or divisions as noted below.

**General Government – Mayor & Council, City Manager, City Clerk, Financial Services, Human Resources, Development Services and Information Services.** These departments are responsible for many legislative, operational and administrative support services including but not limited to City Council bylaw and procedural matters, levying and collecting property taxes, hiring City staff, supporting the City's information technology infrastructure, preparing land use plans and approving new development in the City.

**Protection Services – Police, Fire, Permits & Licenses and Bylaw Enforcement (non-parking related).** These departments are responsible for ensuring public safety and security, preventing crimes as well as enforcing various laws.

**Transportation, Engineering and Operations – Public Works, Engineering and Parking.** These areas are responsible for providing and maintaining the systems that enable the community to use transportation facilities such as roads, sidewalks and parking lots. This category also includes management and administrative services to the City's Operations Department.

**Parks, Leisure and Cultural Services – Leisure Services and Parks.** These areas are responsible for providing, facilitating the development of, and maintaining high quality parks, recreation facilities and cultural services such as the public library.

**Solid Waste Services** – These services involve the City's garbage collection, green waste collection and recycling programs.

**Sanitary Sewer System** – These services involve the provision and maintenance of all systems related to the distribution and disposal of sanitary sewage.

**Drainage System** – These services include the provision and maintenance of all systems involving the distribution of stormwater run-off in the City.

# THE CORPORATION OF THE CITY OF WHITE ROCK

Notes to Financial Statements (continued)

Year ended December 31, 2014

## 19. Segmented information (continued):

	General Government	Protection Services	Transportation Engineering and Operations	Parks, Leisure and Cultural Services	Solid Waste Services	Sanitary Sewer System	Drainage System	Adjustments	2014	2013
<b>Revenue:</b>										
Property taxes:										
General purposes	\$ 20,060,160	\$ 488,114	\$ -	\$ 840,441	\$ -	\$ -	\$ -	\$ -	\$ 20,060,160	\$ 19,149,900
Regional library and fire protection levies	-	-	-	-	-	-	-	-	1,328,555	1,198,212
Business improvement levy	300,600	-	-	-	-	-	-	-	300,600	299,299
	20,360,760	488,114	-	840,441	-	-	-	-	21,689,315	20,647,111
Receipts in lieu of taxes	18,958	-	-	-	-	-	-	-	18,958	19,054
Development cost charges	14,515	-	-	-	-	-	7,049	-	21,564	85,970
Sanitary sewer fees and parcel tax	-	-	-	-	-	3,388,743	-	-	3,388,743	3,298,678
Drainage user fees	-	-	-	-	-	-	1,885,241	-	1,885,241	1,795,043
Sales of services and other revenue:										
Parking	-	-	3,105,970	-	-	-	-	-	3,105,970	2,967,481
Parks, leisure and cultural services	-	-	-	1,501,730	-	-	-	-	1,501,730	1,416,987
Licenses and permits	847,991	582,560	-	-	-	-	-	-	1,410,551	1,394,075
Interest and penalties	985,523	-	-	-	-	12,237	-	-	997,760	868,248
Contributions toward tangible capital asset improvements	-	-	126,448	44,953	-	8,700	-	-	180,101	181,471
Other	1,663,313	112,322	197,009	42,975	192,301	197,089	204,113	(809,348)	1,798,784	1,698,004
Government grants	392,852	35,840	-	51,128	-	-	-	-	479,618	426,264
Developers' contributions of tangible capital assets	-	-	387,698	-	-	78,491	228,825	-	675,014	214,440
	24,283,912	1,198,636	3,797,125	2,481,225	192,301	3,683,270	2,325,228	(809,348)	37,152,349	35,013,526
<b>Expenses:</b>										
Salaries, wages & benefits	2,882,195	4,772,975	1,934,233	2,013,470	489,461	293,234	302,245	(434,118)	12,233,695	12,091,359
Contracted services	937,153	4,695,655	1,438,635	2,927,970	813,886	1,671,090	260,229	(202,878)	12,541,740	11,613,612
Supplies and other	1,390,940	220,808	415,451	654,622	122,057	133,250	133,605	(172,352)	2,898,379	2,384,562
Amortization	201,946	212,068	1,202,891	1,515,100	88,493	280,699	303,026	-	3,804,223	3,745,379
Interest on debt	4,338	-	-	-	-	13,363	-	-	17,701	19,229
	5,416,572	9,901,504	4,991,210	7,111,162	1,493,897	2,391,638	999,105	(809,348)	31,495,738	29,854,141
<b>Annual surplus (deficit)</b>	\$ 18,867,340	\$ (8,702,868)	\$ (1,194,085)	\$ (4,629,937)	\$ (1,301,596)	\$ 1,291,634	\$ 1,326,123	\$ -	\$ 5,658,611	\$ 5,159,385

**PART II - CITY OF WHITE ROCK 2014  
STATEMENT OF FINANCIAL INFORMATION**

**SUPPLEMENTARY INFORMATION  
(SCHEDULE OF REMUNERATION AND EXPENSES,  
SCHEDULE OF PAYMENTS TO SUPPLIERS OF  
GOODS AND SERVICES, ETC.)**

**THE CORPORATION OF THE CITY OF WHITE ROCK**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**  
**SCHEDULE OF DEBTS**

For information on the long-term debt and all other debt owed by the City of White Rock as of December 31, 2014, refer to the 2014 Audited Financial Statements Note 8, "Debt", included in Part 1 of the Statement of Financial Information.

**THE CORPORATION OF THE CITY OF WHITE ROCK**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**  
**SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS**

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

**THE CORPORATION OF THE CITY OF WHITE ROCK**

**SCHEDULE SHOWING THE REMUNERATION AND EXPENSES PAID TO OR ON BEHALF OF EACH EMPLOYEE**

**YEAR ENDED DECEMBER 31, 2014**

**1. Elected Officials**

Name	Position	Remuneration	Expenses
BALDWIN, Wayne	Mayor	\$ 59,928	\$ 10,102
CAMPBELL, Al	Councillor	27,529	4,114
CHESNEY, David	Councillor	1,764	-
FATHERS, Helen	Councillor	29,626	3,819
HUTCHINSON, Louise	Councillor	27,861	2,924
KNIGHT, Megan	Councillor	1,764	-
LAWRENCE, William	Councillor	27,961	7,014
MEYER, Grant	Councillor	28,627	683
ROBINSON, Larry	Councillor	6,315	-
SINCLAIR, Lynne	Councillor	1,764	-
<b>Totals</b>		<b>\$ 213,139</b>	<b>\$ 28,656</b>

The above expense figures are based on the criteria defined in the Financial Information Act.

**2. Employees**

The schedule below shows:

- i) In respect to each employee earning more than \$75,000, the total remuneration paid to the employee and the total amount paid for his/her expenses and
- ii) A consolidated total of all remuneration paid to all other employees.

Remuneration includes gross salaries (including taxable benefits, vehicle allowances, retroactive pay, overtime, vacation and other banked time paid out, etc). The amounts noted with an " \* " below include unused vacation and other banked time paid out.

Expenses include travel, memberships, training, registration fees and other similar perquisites and amounts.

Name	Position	Remuneration	Expenses
AMBARDAR, Robert	Manager Engineering	\$ 131,952 *	\$ 895
ARTHUR, Tracey	City Clerk	134,379 *	2,958
ATKINSON, Robert	Deputy Fire Chief	112,773 *	236
BANCROFT, Michael	Firefighter	82,929	1,049
BARAGAR, Teresa	Manager RCMP Support Services	81,594	1,045
BINDRA, Raghbir S	Firefighter	92,243	1,452
BIRD, Evan	Firefighter	102,160 *	354
BLOCK, Stephen	Firefighter, Captain	109,951	354
BOOTH, Scott	Firefighter	91,232	354
BOTTRILL, Daniel	Chief Administrative Officer	202,547	5,583
CONNELLY, Maureen	Deputy City Clerk	83,740 *	950
COOPER, Karen	Director Planning & Development	99,623 *	3,384
continued on following page			



Name	Position	Remuneration	Expenses
continued from previous page			
CRAM, Andrew	Firefighter	\$ 89,848	\$ 354
DAVISON, James	Firefighter	102,174	976
FULTON, Cordell	Firefighter	99,641 *	2,131
GAREAU, Guy	Building Official I	99,963 *	1,356
GREEN, Matthew	Manager Parking Services	86,307 *	802
GURALIUK, Mike	Facilities Maintenance Worker	78,361 *	29
HAMILTON, Scott	Firefighter	102,391 *	771
JOHNSTON, Shannon	Manager Accounting & Budgets	117,834 *	1,761
JOHNSTONE, Jacqueline	Director Human Resources	132,433 *	2,174
KAMEKA, Eric	Firefighter	87,877	434
KOLESZAR, Neil	Foreman Operations	75,172 *	776
KURYLO, Sandra	Director of Financial Services	156,493 *	1,389
LEMIRE, Philip	Fire Chief	135,106 *	5,155
LIN, Ying	GIS Applications Developer	86,948 *	1,279
MAGNUS, Christina	Executive Assisstant to Mayor & CAO	77,436 *	207
MANN, Richard	Firefighter	86,582	1,020
MCKINNON, Cory	Firefighter	87,318	354
McNABB, Alan	Firefighter, Captain	78,631	-
MOLLAN, Kenneth	Firefighter	86,801	355
MOSSOP, David	Firefighter	96,344 *	462
ORSER, Dale	Firefighter, Captain	106,507	354
PASSAS, Michael	Firefighter	92,506 *	355
RYAN, Patrick	Firefighter	87,786	355
SCHLASE, Bob	Deputy Fire Chief	116,536	1,003
SLACK, Paul	Manager Operations	110,118 *	207
SMITH, Douglas	Firefighter	97,420 *	1,175
ST. LOUIS, Gregory	Director Engineering & Municipal Operations	159,073	2,210
STARK, MIKE	Firefighter	116,363 *	760
STEPURA, Eric	Director Leisure Services	135,385 *	4,590
TIEARNEY, Ashley	Human Resources Advisor	79,355 *	1,289
WILSON, Richard	Building Inspector II	114,123 *	2,260
WOLFE, Edward	Deputy Fire Chief	112,004 *	4,169
SYLVIA, Yee	Manager Community Recreation	85,936 *	4,315
ZANIC, Boris	GIS Specialist	83,485	335
ZOTA, Chris	Manager Information Services	114,149 *	3,481
Consolidated total of all remuneration paid to other employees		5,087,182	39,446
Total Employees		\$ 9,986,711	\$ 106,703

### **3. Reconciliation**

Total remuneration - elected officials	\$ 213,139
Total remuneration - employees	9,986,711
Subtotal	10,199,850
Differences:	
There are differences due to inconsistent reporting formats and accounting treatments required by Public Sector Accounting Board (PSAB) for the Financial Statements versus the Financial Information Regulation for the Statement of Financial Information.	
For example:	
a) This schedule is prepared on a "cash basis of accounting" versus the Salaries, Wages and Benefits from Note 19 in the Financial Statements which is prepared on an "accrual accounting basis". This statement does not include the amounts paid due to severance agreements which are included in the Financial Statements	(53,812)
b) This schedule does not include the employer portion of contributions to WCB, registered pension plans, extended health, and dental plans and other employee benefits that are included in the Salaries, Wages and Benefits from the Financial Statements Note 19	1,595,148
c) This schedule does not include the employer portion of Employment Insurance and Canada Pension Plan paid to the Receiver General of Canada that are included in the Salaries, Wages and Benefits from the Financial Statement Note 19	492,509
Total per Financial Statements Note 19, Salaries, Wages & Benefits	\$ 12,233,695
Variance	\$ -

### **4. Statement of Severance Agreements**

There was one severance agreement in accordance with the Financial Information Act made between the City of White Rock and its non-unionized employees during fiscal year 2014. This agreement represents seven months of compensation.

THE CORPORATION OF THE CITY OF WHITE ROCK

SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES  
FOR THE YEAR ENDED DECEMBER 31, 2014

Schedule showing the aggregate of amounts paid to all suppliers of goods and services who received more than \$25,000 during the year ended December 31, 2014. This schedule includes payments for the purposes of grants or contributions.

**1. Suppliers > \$25,000**

SUPPLIER NAME	AMOUNT PAID
AECOM CANADA LIMITED	\$ 52,466
AON REED STENHOUSE INC.	121,454
ASSOCIATED ENGINEERING (BC) LTD	38,357
BC HYDRO	438,200
BELL MOBILITY	63,507
BFI CANADA	289,973
BLACK PRESS GROUP LTD.	55,519
BLUE PINE ENTERPRISES LTD	148,975
BNSF RAILWAY COMPANY	420,053
BULL HOUSSER & TUPPER LLP	162,230
CANADA CUSTOMS & REVENUE AGENCY	492,554
CEDAR CREST LANDS (BC) LTD.	68,241
CHEVRON CANADA LTD.	199,549
CITY OF SURREY	527,084
COBRA ELECTRIC LTD	28,617
COLUMBIA BITHULITHIC LTD.	47,863
CRESCENT ELECTRICAL CONTRACTORS LTD	180,513
CROWN CONTRACTING LTD	46,538
DAMS FORD LINCOLN SALES LTD.	73,057
DAVIS LLP	37,319
DEAD LEVEL CONSTRUCTION LTD	123,341
DELL CANADA INC.	72,117
DIGITAL PAYMENT TECHNOLOGIES CORP.	65,438
DILLON CONSULTING LIMITED	46,503
DOUGNESS HOLDING LTD.	138,343
E-COMM EMERGENCY COMMUNICATIONS FOR BC INC	71,502
EMCO LIMITED	30,514
EPCOR WHITE ROCK WATER INC	560,765
ESRI CANADA LTD.	31,360
EXCLUSIVE FLOORS LTD	33,600
FORTIS BC	95,937
FRASER RICHMOND SOIL & FIBRE LTD.	61,758
FRASER VALLEY REGIONAL LIBRARY	840,413
GDI SERVICES (CANADA) LP	201,715
1-800-GOT JUNK?	28,447
GREATER VANCOUVER REGIONAL SEWER & DRAINAGE	1,281,556
HYTEK MECHANICAL INC	29,195
IMPERIAL PAVING LTD	1,742,009
INSURANCE CORP OF BC	80,777
INTACT GENERAL CONTRACTING LTD	136,332
IRC BUILDING SCIENCES GROUP INC	35,773
JONATHAN MORGAN & COMPANY LIMITED	130,059
KAL TIRE - SURREY 681	76,850
KIAN CONCERT SOUND	27,399
KLEIN DENIS	78,440
KPMG LLP	57,614
LEVELTON CONSULTANTS LTD	96,765
MAINROAD CONTRACTING LTD.	49,707
MEDICAL SERVICES PLAN OF B.C.	117,622
continued on following page	

SUPPLIER NAME	AMOUNT PAID
continued from previous page	
METRO VANCOUVER	227,135
MICROSOFT LICENSING GP	50,593
MILLS BASICS	30,876
MIRAMAR VILLAGE A BCS 3236	29,972
MUNICIPAL INSURANCE ASSOC. OF BC.	177,363
MUNICIPAL PENSION PLAN	908,929
PACIFIC BLUE CROSS	297,437
PARKTORIA TECHNOLOGIES LLC	35,649
PETERBILT PACIFIC INC.	33,368
POSTAGE BY PHONE - PITNEY BOWES	35,437
PROFESSIONAL MECHANICAL LTD	501,604
PROMAX AUDIO VISUAL SYSTEMS INC	84,504
PW TRENCHLESS CONSTRUCTION INC	108,367
R F BINNIE & ASSOCIATES LTD	143,186
RECEIVER GENERAL FOR CANADA	3,582,919
ROLLINS MACHINERY LTD.	521,663
SMITHRITE DISPOSAL LTD.	73,411
SOUTHWEST CONTRACTING LTD	201,667
SUN LIFE ASSURANCE COMPANY OF CANADA	33,351
SUNRISE LANDSCAPING LTD.	176,315
SUPERIOR CITY SERVICES LTD.	114,777
T & S POWER DIGGING	30,476
TALL TIMBER TREE SERVICES LTD	27,824
TELUS	101,727
TEMPEST DEVELOPMENT GROUP	302,990
THUNDERBIRD PLASTICS LTD.	37,899
URBAN SYSTEMS LTD.	92,520
VADIM COMPUTER MANAGEMENT GROUP LTD.	89,244
WASTE MANAGEMENT OF CANADA CORPORATION	40,182
WEB EXPRESS	38,730
WENJADE MANAGEMENT INC	39,690
WEST COAST NISSAN	31,441
WINVAN PAVING LTD	172,800
WORK SAFE BC	212,263
XEROX CANADA LTD.	30,997
YOUNG ANDERSON BARRISTERS	143,129
TOTAL AMOUNT	\$ 18,594,355

## **2. Other Suppliers**

CONSOLIDATED TOTAL PAID TO SUPPLIERS WHO RECEIVED AGGREGATE PAYMENTS OF \$25,000 OR LESS	\$ 2,709,458
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## **3. Payments of Grants and Contributions**

SUPPLIER NAME	AMOUNT PAID
SOUTH SURREY/WHITE ROCK CHAMBER OF COMMERCE	\$ 37,760
TOURISM WHITE ROCK	132,000
WHITE ROCK BUSINESS IMPROVEMENT ASSOCIATION	305,616
WHITE ROCK MUSEUM & ARCHIVES SOCIETY	125,000
WHITE ROCK EVENTS SOCIETY 2013	42,000
AGGREGATE GRANT AND CONTRIBUTION PAYMENTS OF \$25,000 OR LESS:	
FUNDING ASSISTANCE	44,950
GRANTS IN AID	21,950
TOTAL GRANTS AND CONTRIBUTIONS	\$ 709,276

#### 4. Reconciliation

Total of payments exceeding \$25,000 paid to suppliers	\$ 18,594,355
Total of payments of \$25,000 or less paid to suppliers	2,709,458
Total of grants and contributions	709,276
Subtotal	\$ 22,013,089
Differences:	
There are differences due to inconsistent reporting formats and accounting treatments required by Public Sector Accounting Board (PSAB) for the Financial Statements versus the Financial Information Act for the Statement of Financial Information.	
For example:	
a) This schedule includes the employer portion of contributions to WCB, registered pension plans, extended health, and dental plans and other employee benefits that are not included in the Contracted Services, and Supplies and Other from the Financial Statements Note 19.	(1,595,148)
b) This schedule includes the employer portion of Employment Insurance and Canada Pension Plan paid to the Canada Customs and Revenue Agency that are not included in the Contracted Services, and Supplies and Other from the Financial Statements Note 19.	(492,509)
c) This schedule does not include the items categorized as employee expenses and shown on the Statement of Remuneration. These items are included in the Contracted Services, and Supplies and Other from the Financial Statements Note 19.	135,359
d) This schedule includes payments for the acquisition of tangible capital assets that are not included in the Contracted Services, and Supplies and Other from the Financial Statements Note 19.	(5,394,103)
e) This schedule does not include the loss on disposal of tangible capital assets that is included in the Contracted Service, and Supplies and Other from the Financial Statements Note 19.	28,690
f) This schedule is prepared on a cash basis versus the Contracted Services, and Supplies and Other from Note 19 in the Financial Statements which is prepared on an accrual accounting basis. There are also different accounting treatments for other items such as HST/GST.	744,741
Total per Financial Statements Note 19, Contracted Services, and Supplies and Other	\$ 15,440,119
Variance	\$ -

Prepared in accordance with the Financial Information Regulation, Schedule 1, section 7 and the Financial Information Act, section 2

THE CORPORATION OF THE CITY OF WHITE ROCK

FOR THE YEAR ENDED DECEMBER 31, 2014

MANAGEMENT REPORT REQUIRED BY SECTION 9(3)  
OF SCHEDULE 1 TO THE REGULATIONS UNDER THE  
FINANCIAL INFORMATION ACT (RSBC 1996 Chapter 140)

Notes:

**Financial Management Report**

1. The financial management report required under Section 9(3) follows this page.

**Information required under Section 9(4)**

2. The roles of the following regarding the preparation and approval of the Statement of Financial Information ("Statement") hereunder:

City Council - approval of the Statement

Finance and Audit Committee – acceptance of Part I, 2014 Financial Statements

Management/Director of Financial Services - preparation and approval of the Statement

Auditors - audit of the Part I, 2014 Financial Statements.



Sandra Kurylo, B. Comm., CPA, CMA  
Director of Financial Services

**THE CORPORATION OF THE CITY OF WHITE ROCK**  
**STATEMENT OF FINANCIAL INFORMATION - FINANCIAL MANAGEMENT**  
**REPORT**

**YEAR ENDED DECEMBER 31, 2014**

Part I of the Statement of Financial Information contains the City's 2014 Financial Statements. As indicated in the Director of Financial Services Report, these Statements were prepared by management of the City of White Rock and audited by the City's independent auditors.

This report provides a synopsis of the City's 2014 financial results and its financial position as of December 31, 2014.

**2014 Financial Results**

Details on 2014 financial results are provided in the Statement of Operations.

**Revenues**

Revenues for 2014 were \$37,152,349. They were \$907,917 lower than the budget of \$38,060,266. Major variances from budget are explained below.

Revenues from development cost charges were \$1,548,436 lower than budget. That does not mean that the City received less development cost charges than expected. This figure represents develop cost charges that were used during the year to fund capital projects. It was lower than budget mainly because planned parkland acquisitions, funded by development cost charges, did not occur. Similarly, some contributions towards capital projects were also budgeted and not recorded as revenue because the work was not complete. In these cases, actual revenues shown were below budget. These amounts were offset by other revenues that exceeded budget, such as developers' contributions of tangible capital assets, investment income and revenues from building permits.

**Expenses**

Overall, expenses totalled \$31,495,738 and were \$3,356,057 lower than the budget shown of \$34,851,795.

This was a result of cost savings due to a labour disruption, a deferral of sanitary and storm sewer work, and savings in the RCMP contract and other City operating budgets. As well, contingency funds that were budgeted were not required during the year.

### **Accumulated Surplus**

Accumulated surplus is a combination of the City's reserves, investment in tangible capital assets and other surplus funds. As of December 31, 2014 the total accumulated surplus was \$124,687,396, compared to \$119,030,785 at the end of 2013. Details on the City's reserves, which totalled \$38,036,192 on December 31, 2014, are provided in note 13 of the 2014 Financial Statements. Investment in tangible capital assets amounted to \$80,835,958, and other surplus funds amounted to \$5,815,246, on December 31, 2014.

### **Outstanding Debt**

Debt outstanding as of December 31, 2014 was \$128,089, compared to \$139,152 on December 31, 2013. It is comprised of long-term debenture debt attributed to a local area improvement, of which all annual payments are being recovered from the residents of the local area served by a new sanitary sewer service

In summary, the City ended the year 2014 in a sound financial position.



Sandra Kurylo, B. Comm., CPA, CMA  
Director of Financial Services

June 18, 2015