

2015 ANNUAL REPORT

FOR THE YEAR ENDING DECEMBER 31, 2015



ABOUT THIS REPORT

District of West Vancouver
British Columbia, Canada

Annual Report
for the year ending
December 31, 2015

designed and prepared by the
Communications Department

produced by the Financial Services Division
May 2016

The report is printing on post-consumer
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AWARD FOR FINANCIAL REPORTING



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**District of West Vancouver
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2014

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the District of West Vancouver for its annual financial report for the fiscal year ended December 31, 2014.

In order to be awarded a Canadian Award for Financial Reporting, a government must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements and we are submitting it to the GFOA.





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OUR VISION

West Vancouver will *inspire excellence* and lead by example.

Collaborative government and a spirit of personal civic commitment will power the innovations that shape our shared future.

The strength of this relationship will secure our treasured quality of life and will be the measure of our success as a community.

OUR MISSION

We champion the opportunities that demonstrate our deep commitment to:

- Foster a sense of shared and individual responsibility for community well being, inclusion, social unity, and respect for our full heritage.
- Protect, restore, and defend our natural environment; legislate efforts to effect positive change.
- Encourage diversity in housing, land use, and innovative infrastructure within our distinct neighbourhoods to meet changing needs.
- Enrich community vitality, health, and understanding through integrating arts, learning, inter-cultural experiences, and physical activity into our daily lives.
- Maximize the potential of our economic base and services, and balancing the effective long-term use of resources for current and future generations.

District of West Vancouver at a Glance*

LAND AREA

- 87.4 square kilometres

POPULATION

- 41,728 residents (2015 BC Stats)
- 8% are 0–9 years old (2011 Census)
- 13% are 10–19 years old (2011 Census)
- 15% are 20–39 years old (2011 Census)
- 39% are 40–64 years old (2011 Census)
- 25% are 65+ (2011 Census)
- 5,054 businesses
(District of West Vancouver)
- 17,075 households (2011 Census)

MUNICIPAL FACTS

- 791 full-time equivalent employees
- \$135 million operating budget
- \$26 million capital budget

* sources are portrayed in brackets

MESSAGE FROM THE MAYOR

The District of West Vancouver moved forward on many key fronts in 2015.

Council focused on seven priorities, which drive staff work plans: Ambleside: Waterfront & Town Centre; Built Form, Housing & Neighbourhood Character; Fiscal Sustainability & Municipal Services; Natural Environment & Climate Action; Official Community Plan Review; Arts, Culture & Heritage; and the Police Services & Municipal Hall Project.

By prioritizing these areas, in 2015 we began to sharpen our municipal planning tools, build new public spaces and facilities, strengthen and expand our community services, put the District on a solid financial footing, engage more fully with residents, and seek ways to moderate our impact on our natural assets: the waterfront, forests and mountains which residents treasure.

2015 brought two unexpected challenges to the District. The April fuel oil spill from a freighter in English Bay required an extensive staff response and clean-up of our beaches, and the unusually hot and dry summer led to water-use restrictions and a ramped-up effort to educate and enforce. I thank District staff for stepping up to these challenges with professionalism and commitment to serving our residents.

Details on the year's activities are contained in this report. It is an honour to serve as your Mayor and work with Council and our citizens to build a stronger and better West Vancouver.

*Mayor Michael Smith
District of West Vancouver*



Michael Smith | Mayor of West Vancouver



2014-18 Council: Michael Lewis, Nora Gambioli, Craig Cameron, Mary-Ann Booth, Bill Soprovich, Christine Cassidy & Mayor Michael Smith

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

I am pleased to present the 2015 Annual Report on behalf of the District of West Vancouver.

This report describes very clearly our financial activities in 2015 and provides details on the District's financial position at the year's close. The report has been prepared in accordance with Canadian Generally Accepted Accounting Principles as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The numbers are important but this annual report is more than that. It is a reflection of the progress we made in 2015 in making the District of West Vancouver one of the best places in the world to live. Citizen involvement on committees and working groups ensures residents' aspirations are reflected in key projects, as does our expanded community engagement policy and process. Staff developed and delivered divisional work plans reflecting Council priorities, best professional practices and their experience and commitment to excellence in providing excellent customer service.

The District of West Vancouver is a very desirable place to be, but it is not immune to forces acting on the urban landscape across Metro Vancouver. Rising land values have led to intense development pressures in our neighbourhoods that need to be managed in a balanced way. The BC economy is strong but West Vancouver's business areas need municipal policies that support their growth and resiliency. Climate change is already impacting our waterfront. Like nearly all municipalities in Canada, our long-term fiscal position is a concern, as local governments are maintaining a disproportionate share of the country's infrastructure.

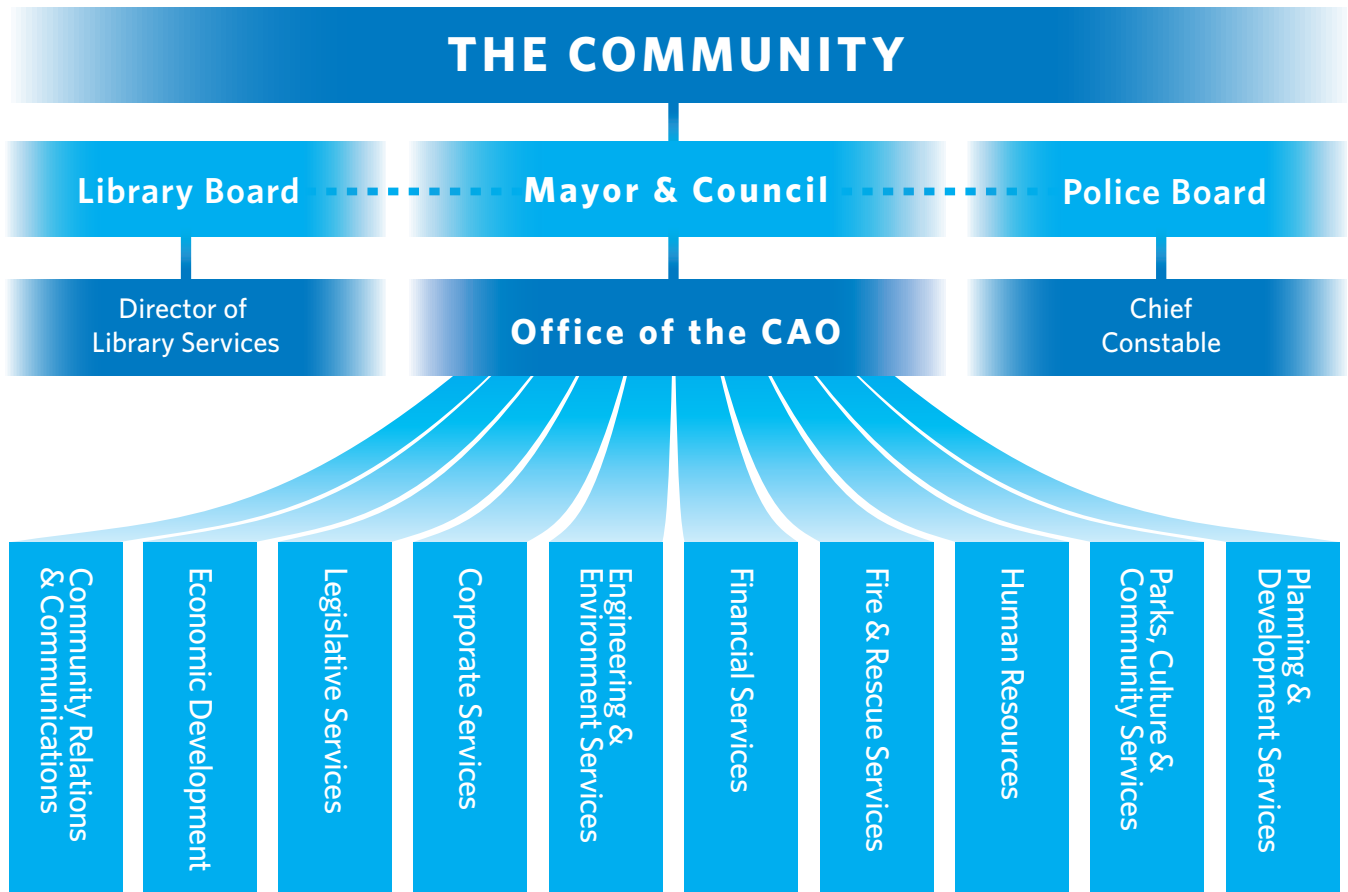
Council's priorities and our strategic planning and processes are designed to meet these challenges as we move ahead with building a community of which all residents can be proud.

*Sincerely,
Nina Leemhuis*



Nina Leemhuis | Chief Administrative Officer

EXECUTIVE TEAM



- Nina Leemhuis** Chief Administrative Officer
- Jeff McDonald** Director of Community Relations & Communications
- Sheila Scholes** Legislative Services Municipal Clerk
- Mark Chan** Director of Corporate Services
- Raymond Fung** Director of Engineering & Environment Services
- Isabel Gordon** Director of Financial Services
- Randy Heath** Chief of Fire & Rescue Services
- Lauren Hughes** Director of Human Resources
- Jenny Benedict** Director of Library Services
- Anne Mooi** Director of Parks, Culture & Community Services
- Jim Bailey** Director of Planning & Development Services
- Len Goerke** Police Chief Constable

OFFICE OF THE CAO

The Office of the Chief Administrative Officer leads, coordinates and provides oversight for all District divisions to ensure the District is accomplishing Council's priorities, goals of the community and the District's vision and mission.

The Chief Administrative Officer (CAO) takes direction from Mayor and Council in their roles as governors of the District of West Vancouver. The CAO serves as a link between Council, which sets priorities, and the executive committee, which implements them. The CAO keeps Mayor and Council informed of corporate policies, plans and financial information, and provides them with analysis, options and recommendations. As administrative head of the District, the CAO provides leadership and direction to executive committee members on development and execution of divisional and departmental work plans, while creating the working environment and procedures to allow the executive committee to successfully fulfil their roles. The CAO personally represents the District at all levels in the community, maintains relationships with community groups and agencies, and manages the District's interests on intergovernmental issues.



Nina Leemhuis | Chief Administrative Officer

2015 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- supported further acquisition of waterfront properties on Argyle Avenue
- presented the draft Ambleside Waterfront Concept Plan and moved toward public consultation.

Built Form, Housing & Neighbourhood Character

- moved forward with policy/regulatory tools to address neighbourhood character
- held extensive public consultation to seek balanced solutions to challenges around housing bulk.

Fiscal Sustainability & Municipal Services

- fostered completion of first phase of the long-term fiscal sustainability review, which is a detailed inventory of every District-owned asset, and creation of detailed renewal plans
- moved the review into the second phase: an inventory of functions and services.

Natural Environment & Climate Action

- supported the Shoreline Protection Plan, Shoreline Management Plan and foreshore planning
- supported the Community Energy & Emissions Plan working group
- provided oversight to District work as an intervenor in the Trans Mountain Expansion Project application.

Official Community Plan Review

- implemented a structure to update OCP sections reflecting policy plans adopted since 2004.

Arts, Culture & Heritage

- supported development of a high-level arts and culture strategy leading to a detailed action plan.

Police Services & Municipal Hall Project

- supported the adoption of the construction plan and funding model
- oversaw the beginning of excavation and construction.

2015 OPERATIONAL ACCOMPLISHMENTS

- undertook an organizational alignment and streamlined the departmental and divisional reporting structure to improve service to residents, execute the District's mission and vision and carry out Council's priorities
- incorporated formal succession and professional development plans across all divisions
- developed emergency preparedness and business continuity plans for all divisions
- supported creation of a new community engagement policy to broaden and deepen public engagement.

COMMUNITY RELATIONS & COMMUNICATIONS

Residents are informed of and engaged in District projects and activities through the Community Relations & Communications Division. Working with other District divisions, this division creates and enhances relationships with residents, all levels of government and community and corporate groups. While serving as a liaison between individuals, businesses and organizations and the District, Community Relations works to address community concerns with the goal of providing a higher level of customer service. Through best practices in corporate communications, this division identifies opportunities for better two-way communication and enhanced awareness of District projects, programs and services. This division also plans and operates all District websites and social media channels, creates printed communications and marketing materials, and provides graphic design services in support of District marketing. District media relations are handled by Community Relations & Communications, as is District preparedness for communications during emergencies.



Jeff McDonald | Director of Community Relations & Communications

2015 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Built Form, Housing & Neighbourhood Character

- supported community engagement on this priority with public information in the form of print materials, social media and online engagement.

Fiscal Sustainability & Municipal Services

- provided online support for a competitive identity study
- worked with Financial Services in the production of the District's annual report and budget documents.

Natural Environment & Climate Action

- provided community engagement and media relations support for the Upper Lands working group and foreshore preservation.

Arts, Culture & Heritage

- led the development of a new website for the Harmony Arts Festival
- provided ongoing communications and marketing support to all waterfront arts facilities and the West Vancouver Museum.

Police Services & Municipal Hall Project

- provided information to area residents as the project moved into the first construction phase.

2015 OPERATIONAL ACCOMPLISHMENTS

- worked with Information Technology Services to implement a new governance model for website development
- continued to enhance opportunities for District residents and groups to have their concerns heard so that District services can be improved and the impact of District operations is managed
- began an audit of District marketing services to identify new opportunities and seek efficiencies
- increased the District's social media presence in terms of targeted posts and number of followers gained, while linking social media strategies into communications plans
- rebuilt all District e-newsletters in compliance with Canadian Anti-Spam Legislation and with consistent design and branding
- continued to build District-wide crisis communications capacity and train staff in crisis communications.

LEGISLATIVE SERVICES

Sheila Scholes | Municipal Clerk

This division supports legislative matters and decisions of Council and its committees, while providing the communication link between Council, departments and the public through the provision of services related to legislation, and statutory process and procedures. The division records the official minutes of Council business, manages the bylaw process and bylaw and document certification, administers and maintains corporate policies, and executes legal documents on the District's behalf. Legislative Services also manages compliance with the *Freedom of Information and Protection of Privacy Act* which includes ongoing development and maintenance of the corporate records and information management program to ensure appropriate access to and protection of complete, accurate and reliable records and information maintained by the District. The division also conducts all legislated elector approval processes and the general local and school district elections.

2015 OPERATIONAL ACCOMPLISHMENTS

- performed statutory and other requirements for Council meetings, town hall meetings, board of variance and public hearings and statutory notifications
- administered the *Freedom of Information and Protection of Privacy Act*, corporate records and information management program, and corporate agreements and bylaws processing
- implemented improved Council report process
- began a comprehensive review of corporate policies to ensure consistency with current operations and to reflect Council and corporate structures and goals.

CORPORATE SERVICES

The Corporate Services Division provides support services to the organization, and is responsible for Facilities & Asset Management, Municipal Lands, Information Technology Services, Bylaw & Licensing Services, Corporate Emergency Planning, First Nations and Legal Services.

Facilities & Asset Management provides a pan-organizational approach to facilities and asset maintenance, replacement and renewal. The Lands Department is responsible for the administration of municipally-owned land and municipal property transactions. Information Technology Services (ITS) manages the computer equipment, applications and technology infrastructure, telephone systems and wide-area network linking municipal facilities and provides technical support. Bylaw & Licensing Services provides education and enforcement for municipal bylaws, rules and regulations designed to keep citizens safe. Emergency Planning works with the tri-municipal North Shore Emergency Management to oversee District plan development, capital improvements and training to move our community towards greater disaster resilience. The division also acts as the municipality's liaison to the Squamish Nation and oversees legal services.



Mark Chan | Director of Corporate Services

2015 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- continued the long-standing policy of acquisition of Argyle Avenue waterfront lots, with acquisition of 1454 Argyle Avenue, so that 30 of 32 waterfront lots are now publicly owned
- completed the land disposition for the east parcel of 1300 block Marine Drive
- collaborated with Planning on municipal land initiatives for the Ambleside Waterfront Concept Plan
- continued development of a long-term municipal land strategy for underutilized municipal lands, which can be used to create community amenities and housing opportunities.

Fiscal Sustainability & Municipal Services

- progressed negotiations with Squamish Nation on a master servicing agreement.

Natural Environment & Climate Action

- led the District's efforts as Intervenor in the Trans Mountain Expansion Project application to the National Energy Board
- represented the District in the MV Marathassa fuel spill in English Bay and follow-up actions.

Official Community Plan Review

- completed a high-level master program for the District Operations Centre and collaborated with the Planning Department to begin planning for Cypress Village.

Police Services & Municipal Hall Project

- proceeded with the design and tender process and began construction.

2015 OPERATIONAL ACCOMPLISHMENTS

- continued to process sales of smaller surplus District-owned lands in response to resident requests
- increased education and monitoring for construction standards
- increased the presence of Bylaw Services staff in public parks for education and compliance purposes
- implemented online applications for additional permits and e-inspections in Tempest, the land software application
- upgraded network connectivity between major municipal facilities
- implemented the space utilization plan and standards to better utilize facilities
- enhanced the customer service experience through improved space organization in District facilities.

ENGINEERING & ENVIRONMENT SERVICES

The Engineering & Environment Services Division comprises five departments: Roads & Transportation; Utilities; Engineering Services; Environment & Sustainability; and Transit. The Water, Sewer and Solid Waste Utilities and Transit are funded from specific funds, while the other services are funded by the General Fund. Roads & Transportation ensures the safe and efficient movement of people, goods and services within West Vancouver. Functions include providing technical expertise for municipal infrastructure projects, road maintenance, traffic operations and the Sign Shop. Engineering Services provides Geographical Information Systems (GIS) and mapping services for the District and public. Functions also include maintenance of fleet and equipment, as well as Operations Centre support such as Dispatch and the Maintenance Management System. Environment & Sustainability works to reinforce best environmental practices in the District while working on multi-year programs such as foreshore enhancement and community energy planning.



Raymond Fung |
Director of Engineering & Environment Services

2015 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- supported Planning for its review of 752 Marine Drive rezoning application and in the development of the Ambleside Waterfront Concept Plan
- supported Planning with Ambleside parking solutions, in consultation with Ambleside Dundarave Business Association
- completed Phase 2 of 1200 block Clyde Avenue and Keith Road Traffic Calming and Pedestrian Safety Project
- constructed sub-tidal reefing at Ambleside Pier in partnership with West Vancouver Shoreline Preservation Society.

Built Form, Housing & Neighbourhood Character

- supported Planning in implementing servicing guidelines to support coach houses and in development of streetscape guidelines in Horseshoe Bay
- supported Lands in review of underutilized municipal lands.

Fiscal Sustainability & Municipal Services

- supported Finance in development of the long-term fiscal sustainability review relative to Engineering assets
- deployed infrastructure maintenance system to field staff across multiple departments and made improvements related to the Calls For Service tracking system
- completed the Annual Roads Infrastructure Capital and Operations & Maintenance programs.

Natural Environment & Climate Action

- constructed the section of the Spirit Trail from Gleneagles Community Centre to Gleneagles Elementary School
- refined Zone 4 Spirit Trail improvement designs with Western Residents Assn and Horseshoe Bay Business Assn
- implemented Phase 3 of the Cycling Network Implementation Plan
- completed the Pedestrian Network Study and continued the LED street light implementation program
- conducted aquatic impact assessments and made improvements to the Eagle Island dock structures
- reconstructed Rodgers Creek at foreshore in partnership with the West Vancouver Streamkeeper Society
- developed a Community Energy & Emissions Plan and a Corporate Energy & Emissions Plan
- assisted Parks in the carbon offset evaluation process for Whyte Lake Park.

Police Services & Municipal Hall Project

- supported Facilities through design and construction phases of project relative to servicing requirements.

2015 OPERATIONAL ACCOMPLISHMENTS

- constructed Phase 2 of 21st Street and Queens Avenue intersection upgrade
- advanced improvements at railway crossings in consultation with Transport Canada and CN Rail
- normalized procedures to address invasive plants in public works operations.

FINANCIAL SERVICES

The Financial Services Division supports business operations by providing financial guidance and advice to ensure strong fiscal management.

The Finance Department is responsible for accounting, reporting and budgeting functions as well as revenue collection and cash management.

The Taxes & Utilities Department is responsible for rate-setting, utility and tax billing and utility and tax collection.

The Purchasing Department provides contracting, procurement and risk management services.

2015 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Fiscal Sustainability & Municipal Services

- completed the first phase of the long-term fiscal sustainability review and report which includes a condition assessment of District-wide assets
- proposed a funding model to Council to accommodate infrastructure needs as identified in the long-term fiscal sustainability review
- established utility, equipment and infrastructure reserves and reserve policies for long-term management and replacement of the District's facility, infrastructure, and equipment assets
- initiated a core services review of District activities.

Natural Environment & Climate Action

- updated contaminated sites procedures to meet current accounting and regulatory requirements.

Police Services & Municipal Hall Project

- received preliminary approval from the Inspector of Municipalities to adopt a Loan Authorization Bylaw for borrowing to finance the project.

2015 OPERATIONAL ACCOMPLISHMENTS

- restructured Financial Services to strengthen the financial planning and financial reporting functions
- refined the public consultation process for the 2015 budget to incorporate the District's online public consultation tool
- automated internal financial reporting, including self-serve options for divisional business managers
- received the Government Finance Officers Association distinguished budget presentation award
- updated the purchasing policy to reflect current best practices and developed reporting to Finance Committee and Council on significant procurement activities and transactions
- updated District fees and charges to consolidate schedules and provide clearer information to the public
- with Corporate Services, advanced negotiations with the Squamish Nation on a master servicing agreement.



Isabel Gordon | Director of Financial Services

FIRE & RESCUE SERVICES

The mission of Fire & Rescue Services is to prevent or minimize the impacts of emergency incidents through:

- provision of exceptional public safety by delivering prompt and effective response to fire, rescue and medical emergencies
- ensuring the protection of life, property and the environment
- delivery of fire prevention and education services to the public
- enforcement of regulations including the Fire Code, and building and municipal bylaws

Fire & Rescue Services is comprised of six functions: Administration, Emergency Response, Fire Prevention, Public Education, Mechanical and Training.

2015 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Fiscal Sustainability & Municipal Services

- provided financial reporting and analysis of departmental revenue, expenditures and key performance indicators.

Official Community Plan Review

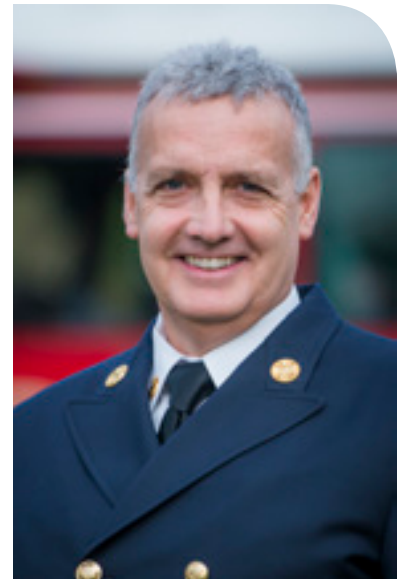
- investigated possibility for a dedicated fire training ground or facility and a fifth fire hall.

Police Services & Municipal Hall Project

- supported process for design and development.

2015 OPERATIONAL ACCOMPLISHMENTS

- implemented a training records and new asset management system while improving quality assurance
- improved staffing and scheduling software
- continued the review process of the Standards of Cover & Fire Services report
- finalized the Vancouver Marine Fire Response Service Agreement
- completed Phase 1 of the Self-Contained Breathing Apparatus (SCBA) upgrade and Turnout Gear replacement program to comply with industry standards
- identified potential alternative water sources in the event of a mechanical system failure
- completed the reorganization of exempt staff
- completed the mobile application pilot program for fire inspections
- completed approximately 1,800 fire inspections
- developed and delivered innovative fire and life safety public education presentations
- successfully completed annual Commercial Vehicle Inspections (CVIP), pump, aerial ladder and ground ladder testing to comply with industry and legislative standards
- continued to develop cooperative initiatives through shared fire services with the District of North Vancouver and City of North Vancouver, including recruitment and training
- completed Officer's Training Program for four firefighters
- upgraded inventory and training for Wildland and Urban Interface.



Randy Heath | Fire Chief

HUMAN RESOURCES

Human Resources provide direct, operational and strategic support to District departments for all human resource activities and all employees. The division is responsible for: employee and labour relations activities (including the bargaining of six collective agreements) and employee training; leadership development and succession planning; recruitment and selection; employment metrics; payroll and benefits administration; disability, health and safety programs; and employee recognition and engagement programs. Human Resources both leads and is part of many organization-wide initiatives that build organizational culture, find efficiencies, reduce costs and, most importantly, recognize and support employees.

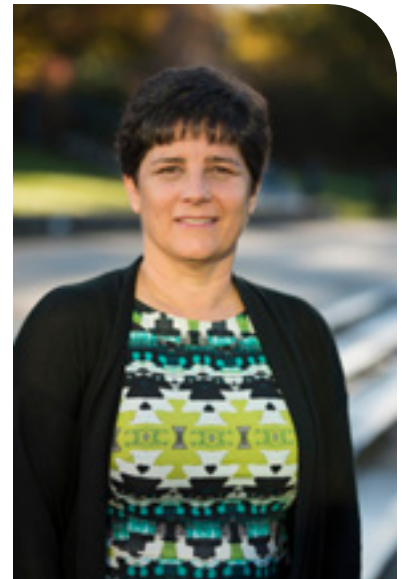
2015 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Fiscal Sustainability & Municipal Services

- improved operational efficiencies for WorkSafeBC and leave administration to be consistent with current industry best practices
- made adjustments to organizational structure and design in order to achieve greater efficiency and to maintain customer service.

2015 OPERATIONAL ACCOMPLISHMENTS

- completed a review of District Employee Benefit Plans and achieved improvements in plan administration with cost savings
- supported all divisions in establishing, advancing and enhancing succession plans for key positions
- provided support in the recruitment of two executive team members.



Lauren Hughes | Director of Human Resources

PARKS, CULTURE & COMMUNITY SERVICES

Parks, Culture & Community Services provides a broad continuum of services and programs. Parks manages over 140 parks, including natural areas, sports amenities, playgrounds, beaches, the Seawalk, over 100 kilometres of trails, Ambleside Par 3 and Gleneagles golf courses and a cemetery. Cultural Services offers exhibitions at the Ferry Building Gallery and West Vancouver Museum, and cultural and educational programs at various locations throughout the District. This department over-see public art and collections and offers visual arts programming and events. Art education programs are offered in conjunction with District schools through classroom programs, student exhibitions and gallery tours. Community Services offers programs and services ranging from support and outreach to health, fitness and leisure programs at the Aquatic Centre, West Vancouver & Gleneagles Community Centres, Ice Arena, Seniors' Activity Centre (SAC) and Ambleside Youth Centre. This department also oversees Access & Inclusion, the West Vancouver Child & Family Hub, specialized leisure services, the Community Grants Program, childcare and family services and youth and seniors' outreach services. New to Community Services, Special Events & Filming facilitate over 60 special events and issues over 50 film permits annually.



Anne Mooi | Director of Parks & Community Services

2015 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- worked closely with Planning to develop the Ambleside Waterfront Concept Plan
- began the Ambleside Skatepark renewal project
- worked with the Ambleside Dundarave Business Association, residents and farmers' market to establish a long-term seasonal location
- completed Ambleside F Field drainage and irrigation replacement giving a better quality field for all users.

Built Form, Housing & Neighbourhood Character

- worked with other District divisions in the review of tree protection on public lands.

Fiscal Sustainability & Municipal Services

- received external funding to enhance services and infrastructure.

Natural Environment & Climate Action

- dedicated Caulfeild Park in its entirety as per the 2012 Parks Master Plan
- implemented Invasive Plants Strategy Year Two, supported stewardship groups and amended Pesticide Use Control Bylaw
- with other Divisions, achieved corporate carbon neutrality by obtaining carbon credits for Whyte Lake Park.

Official Community Plan Review

- supported Planning in preparation for the review.

Arts, Culture & Heritage

- continued activation of the arts through special events and exhibitions/programs at District arts facilities
- hosted the AmblesideLive concert and conducted traffic management study to accommodate larger crowds
- celebrated the Harmony Arts Festival 25th anniversary, and elevated visual and performing arts
- supported the community-driven fundraising campaign for the renewal of Hollyburn Ski Lodge.

2015 OPERATIONAL ACCOMPLISHMENTS

- in consultation with the community, began a Municipal Alcohol Policy for District parks and community facilities
- continued working with community partners for more local youth mental health services
- commenced community consultation on future youth space and resource needs
- initiated the development of a Sport & Active Recreation Policy
- implemented phase one of new recreation registration software for all community facilities.

PLANNING & DEVELOPMENT SERVICES

The Planning & Development Services Division works with residents, stakeholders and Council to manage change and help shape the future of the community through policy development and implementation. Community Planning works with the community to create long-range plans and policies that support our economic, environmental and social goals. This includes managing growth and change through housing and other land use policies. Urban Design works alongside Community Planning to ensure changes to our built environment are positive and that we continue to provide great places for our resident, businesses and visitors to enjoy. Development Services is focused on current planning and implementation, and provides three key functions. Development Planning provides guidance on policies and regulations related to land use and development and processes development applications. The Land Development team is responsible for the review and approval of all engineering services requirements and creek protection matters related to any new development. Permits & Inspections is responsible for the processing and issuing of building, electrical, plumbing and signage permits and provides inspection services.



Jim Bailey | Director of Planning & Development Services

2015 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- prepared and presented to Council an Ambleside Waterfront Concept Plan based on the OCP
- began preliminary stakeholder outreach on the Ambleside Waterfront Concept Plan
- supported formation of the Ambleside Dundarave Business Improvement Area
- continued to review development projects that support Ambleside revitalization.

Built Form, Housing & Neighbourhood Character

- ongoing public consultation on housing bulk and neighbourhood character
- continued implementation of recommendations from Community Dialogue on Neighbourhood Character & Housing working group
- continued to address neighbourhood character on all development and development variance permits.

Fiscal Sustainability & Municipal Services

- examined services provided and fees and charges to address adequate and equitable cost recovery.

Natural Environment & Climate Action

- assisted in implementation of recommendations from Parks Master Plan
- provided core project team support to the Community Energy & Emissions Plan (CEEP) working group.

Official Community Plan Review

- division staff began background and scoping work to frame the OCP review, including: a demographic profile and projections, the Rental Housing Strategy Study and Marine Drive corridor study
- facilitated successful completion of the Upper Lands working group review
- secured Council direction to use the working group's recommendations as a framework to review the Upper Lands OCP policies prepare a Cypress Village Plan and develop a Trails Plan.

Arts, Culture & Heritage

- integrated Arts, Culture & Heritage into Ambleside plans and projects.

Police Services & Municipal Hall Project

- served on the steering committee for Police Services & Municipal Hall project, reviewed plans and issued building permits.

2015 OPERATIONAL ACCOMPLISHMENTS

- completed process improvements for development planning, permits and inspections and land development functions
- moved forward regional coordination initiatives including North Shore Advisory Committee on Disability Issues, Regional Planning Advisory Committee, Regional Permit & Licences Committee, and Lower Mainland Technical Committee.

POLICE SERVICES

The Police Department is governed by, and reports to, the West Vancouver Police Board. The Mayor is the Chair of the Police Board.

The mission of the West Vancouver Police Department (WVPD) is *Making West Vancouver safe today and safer tomorrow.*

2015 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Police Services & Municipal Hall Project

- continued to work with the project design team in planning the new building.

2015 OPERATIONAL ACCOMPLISHMENTS

- civilianized our human resource manager's position providing professional services to our staff
- implemented an employee health and wellness program wherein 87 per cent of staff participated in a health assessment
- provided mental health training for our staff to build their own resilience
- increased involvement with the Integrated First Nations Policing Unit by placing a West Vancouver Sergeant in charge of the unit
- completed extensive work towards creating a North Shore Domestic Violence Unit
- on track with a 20 per cent reduction, from the five-year average, of residential break and enters
- developed the new West Vancouver Police Department 2016–2019 Strategic Plan.



Len Goerke | Chief Constable

WEST VANCOUVER MEMORIAL LIBRARY

The West Vancouver Memorial Library (WVML) is governed by the BC Library Act and managed by the Council-appointed West Vancouver Memorial Library Board.

Our Mission: Open and welcoming to all, our Library connects people with information, the world of imagination and each other.

Our Vision: Where wonder sparks, possibilities emerge, and minds thrive. Our Library inspires people to grow in a dynamic world.

2015 ACCOMPLISHMENTS

Facility Sustainability

- completed planning for accessibility, exterior signage and interior space allocations
- prepared Phase 1 of wayfinding and directional signage for implementation.

Facility Enhancement

- completed the courtyard enhancement project.

Building our Digital Experience

- implemented an upgrade of ILS software to support efficient and effective workflows and customer service
- upgraded our wireless network infrastructure to improve connectivity.

Deliver Service Excellence

- replaced self-service check-out and payment stations, including reconfiguration of registration desk and stand-alone cabinets
- completed early years, kids and digital life skills service model reviews.

Manage Resources Wisely

- produced and published the 2016-2020 Strategic Plan.



Jenny Benedict | Director of Library Services

ENGINEERING UTILITY FUNDS

The Water Utility provides for a safe and continuous supply of drinking water to residents through establishing and maintaining water mains, valves, reservoirs, pump stations and treatment. This utility includes the operation of the District's state-of-the-art Eagle Lake and Montizambert Creek membrane filtration facilities. The District also supplements its own water sources by purchasing bulk treated water from Metro Vancouver.

The Sewer & Drainage Utility provides sanitary sewer and storm drainage services through installing and maintaining pipes, manholes, culverts, sewage lift stations and the Citrus Wynd Wastewater Treatment Plant.

The Solid Waste Utility is responsible for collecting and processing household garbage, yard trimmings, the Green Can and recyclables. Starting in 2016, the utility is also responsible for funding garbage and recycling services within municipal facilities and parks.

2015 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- supported redevelopment of Ambleside through rehabilitation of water, sanitary and storm drainage infrastructure.

Built Form, Housing & Neighbourhood Character

- supported Planning in reviewing applications for new development related to water, sanitary and storm and solid waste servicing considerations.

Fiscal Sustainability & Municipal Services

- developed a Water Reserve Fund Bylaw and a Sewer & Drainage Reserve Fund Bylaw in conjunction with Finance
- completed a Master Water Servicing Study
- completed Annual Water System and Annual Sewer Capital Replacement/Renewal programs
- represented the District's interests related to Metro Vancouver's Lions Gate Wastewater Treatment Plant Secondary Upgrade Project process
- began an Integrated Stormwater Management Plan for Brothers, Vinson and Hadden Creeks
- confirmed cost-sharing with British Pacific Properties Ltd. for the Five Creeks Stormwater Diversion Project
- implemented a new recycling contract, including provision of separated curb side glass collection
- developed a new five-year financial plan together with expanded goals for the solid waste function
- negotiated an extension to the existing garbage and organics collection services contract
- transitioned from the North Shore Recycling Program to localization of solid waste diversion programming services within the District.

Natural Environment & Climate Action

- managed 2015 drought conditions through enhanced water conservation outreach to residents
- initiated North Shore recycling collection services using partial compressed natural gas-fuelled fleet
- supported Parks to deal with illegal dumping and to explore options for expanded recycling options in business areas and destination parks
- provided input to both Corporate and Community Energy & Emissions Plans related to solid waste activities.

Police Services & Municipal Hall Project

- provided support for the design and construction phase of the project with respect to water servicing, sanitary sewer and stormwater management servicing and servicing requirements for garbage and recycling.



Raymond Fung |
Director of Engineering & Transportation

2015

FOR THE DISTRICT OF WEST VANCOUVER
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2015



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REPORT FROM THE DIRECTOR OF FINANCIAL SERVICES

Your Worship and Members of Council:

I am pleased to present the Annual Financial Report for the District of West Vancouver (the District) for the year ended December 31, 2015.

The preparation and presentation of the annual financial statements, and of related information in the 2015 Annual Report, are the responsibility of the District's Financial Services Division. These consolidated financial statements were prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada).

The District continues to maintain and to improve upon its comprehensive system of internal controls to safeguard District assets and to provide reliable financial information. The system is regularly evaluated and revised to ensure that these controls are operating as intended. Achievements in this area in 2015 include a new Purchasing Policy, revised operational purchasing procedures, and the continued publication of quarterly financial reports.

The Notes to the Consolidated Financial Statements are an integral part of the District's financial information and, as such, I encourage you to read them thoroughly. The notes describe the District's accounting policies and provide full disclosure of the more significant financial statement items, commitments and contingencies.

The District's independent auditors, KPMG LLP, have been engaged to express an opinion as to whether these financial statements present fairly, in all material respects, the District's financial position, financial activities and cash flows in accordance with Canadian generally accepted accounting principles. KPMG LLP has been given unrestricted access to all financial and other records of the District. Their opinion, which follows, is based on procedures that they consider sufficient to support their audit opinion.

FINANCIAL OVERVIEW

The District's overall financial position improved in 2015 as evidenced by a \$27 million increase to the year-end accumulated surplus balance (2015: \$480.5 million; 2014: \$453.5 million).

Net financial assets/(debt) is an indicator of the amount of past revenues available to pay for future transactions and events and is calculated as the value of the District's financial assets less liabilities. The District's net financial asset balance at the 2015 year-end, \$19.3 million, is a \$14.1 million increase over the 2014 year-end balance (\$5.2 million).

The District's non-financial assets totalled \$461.1 million at the 2015 year-end, an increase of \$12.8 million over the prior year. The increase is, for the most part, the result of capital asset additions during the year and is offset by disposals as well as amortization expense.

Revenues totalled \$165.2 million in 2015, which is an increase of \$4.9 million over 2014. This increase was largely attributable to net proceeds from the sale of District-owned land on the 1300 block Marine Drive. For 2015, on a consolidated basis, there was an excess of revenues over expenditures in the amount of \$27 million.

Cash and investments, totalling \$77.7 million at the 2015 year-end, decreased by \$3 million over 2014. This decrease can be attributed to timing and reduced interest rates.

The net book value of Tangible Capital Assets, shown on the District's Statement of Financial Position, totalled \$459.5 million at December 31, 2015. The total cost of these assets, which represents the District's investment



Isabel Gordon | Director of Financial Services

in infrastructure, facilities and other capital assets over time, is \$746.6 million, which is an increase of \$21.4 million over 2014.

Accumulated amortization totalled \$287.1 million at December 31, 2015, of which \$13.6 million was expensed in 2015.

BUDGET VARIANCE

Consolidated revenues exceeded budget by \$20.2 million in 2015 with the following budget to actual variances accounting for the majority of this difference:

- Items not included in the budget due to uncertainty in timing or specific nature, include:
 - other contributions for capital, \$1.4 million, assets contributed from developers
 - gain on Sale of Land, \$15.9 million, net proceeds from the sale of District owned lands on the 1300 block Marine Drive
 - higher than anticipated development fees resulting from the Park Royal development and higher than anticipated recoveries for seconded police positions generating \$0.5 million.
- Fees & Charges, \$0.3 million, higher than budgeted revenue, primarily due to:
 - higher programming revenue resulting from the closure of William Griffin Recreation Centre in North Vancouver (scheduled to reopen in 2016) resulted in \$0.6 million higher than budgeted fees
 - increased water consumption due to hot dry summer resulted in \$0.3 million higher than budgeted water fees revenue
 - sewer fees on the other hand were \$1.1 million lower than budgeted due to conservation and hence lower consumption in the commercial and multi-family sector.
- License & Permits, \$1.9 million, higher than budgeted revenue is primarily the result of building and permit fees; construction activity in the District exceeded projections for the year

In 2015, consolidated expenses exceeded budget by \$2.9 million. The following budget to actual variances account for the majority of the excess:

- Unanticipated purchases of water from the GVRD of \$1.3 million resulted from higher consumption due to dry/hot weather and reduced Eagle Lake production.
- Recreation programming expenditures were \$0.6 million higher than budgeted due to increased demand for programs. Costs were recovered through Fees & Charges revenue.
- The inability to meet vacancy adjustment in Public Safety areas due to minimum staffing levels, severance costs and overtime incurred in the Planning area to keep up with the increase in construction activity resulted in \$1.0 million higher than budgeted salary and benefits costs.

In conclusion, I would like to acknowledge the members of both the Finance Committee and of the Audit Committees, municipal staff and staff in the Financial Services Division, in particular, for their due diligence in governing and in managing the financial affairs of the municipality.

Sincerely,
Isabel Gordon, MBA, CPA, CA
Director of Financial Services

April 28, 2016



KPMG LLP
Metro Tower I
4710 Kingsway, Suite 2400
Burnaby BC V5H 4M2
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INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the District of West Vancouver

We have audited the accompanying financial statements of the District of West Vancouver, which comprise the statement of financial position as at December 31, 2015, 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 District'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 District'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 District of West Vancouver as at December 31, 2015, its results of operations, its changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants
June 6, 2016
Burnaby, Canada

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

As at December 31, 2015

	2015	2014
FINANCIAL ASSETS		
Cash	1,428,327	2,224,952
Investments (Note 4)	76,291,378	78,446,953
Accounts Receivable		
Property Taxes	1,604,410	2,063,328
Other (Note 5)	27,175,808	9,694,365
Due from Other Governments	3,151,597	2,911,291
Other Assets	23,341	21,506
	109,674,861	95,362,395
LIABILITIES		
Accounts Payable and Accrued Liabilities	15,370,380	16,661,866
Employee Future Benefits Payable (Note 6)	4,754,579	4,690,713
Deferred Revenue and Deposits (Note 7)	40,462,140	39,408,841
Deferred Development Cost Charges (Note 8)	22,394,482	21,395,276
Debt (Note 9)	7,322,009	7,959,797
	90,303,591	90,116,493
NET FINANCIAL ASSETS	19,371,269	5,245,902
NON-FINANCIAL ASSETS		
Inventories	719,838	802,325
Prepaid Expenses	894,455	488,468
Tangible Capital Assets (Schedules 2 and 3)	459,509,876	447,006,202
	461,124,168	448,296,995
ACCUMULATED SURPLUS (Note 10)	480,495,438	453,542,898

See accompanying notes to the Financial Statements.

Commitments and Contingencies (Note 12).

Long Term Leases (Note 13).



Isabel Gordon, MBA, CPA, CA
Director, Financial Services



Michael Smith
Mayor

FINANCIAL STATEMENTS

STATEMENT OF OPERATIONS

For the year ended December 31, 2015

	2015 Budget (See Note 16)	2015 Actual	2014 Actual
REVENUE			
General Taxation (Note 14)	59,396,950	59,221,604	57,294,230
Fees & Charges	45,612,715	45,901,851	43,745,593
Licenses & Permits	6,562,400	8,522,060	7,323,851
Other Revenue	5,437,290	5,926,121	5,797,908
Government Grants	1,060,652	1,281,357	829,830
Transit Reimbursements	16,508,350	16,031,315	15,070,287
Development Cost Charges	707,800	579,149	469,452
Other Contributions for Capital	1,806,680	3,228,905	5,838,106
Third Party Works	1,859,400	1,677,302	1,016,628
Interest Earned on Investments	500,000	1,340,879	1,518,453
	139,452,237	143,710,544	138,904,338
Community Amenities Received from Developers	–	–	7,622,000
Gain on Sale of Land	5,567,933	21,462,486	13,725,741
	145,020,170	165,173,029	160,252,079
EXPENSES			
General Government	17,109,496	17,490,001	16,992,694
Public Safety	32,281,383	32,992,559	31,799,470
Engineering & Transportation	9,614,309	9,549,001	8,233,644
Planning, Lands & Permits	4,210,670	4,388,366	3,967,484
Recreation & Library	27,098,328	27,640,229	26,556,790
Water Utility	10,386,235	11,653,132	11,123,078
Sewer Utility	12,674,018	12,963,786	12,863,513
Solid Waste	3,733,200	3,811,984	3,745,663
Cemetery	701,680	718,439	687,822
Golf	952,191	981,676	972,265
Transit	16,508,350	16,031,316	15,070,287
	135,269,860	138,220,488	132,012,710
ANNUAL SURPLUS	9,750,310	26,952,541	28,239,369
Accumulated Surplus, Beginning of Year	453,542,898	453,542,898	425,303,528
ACCUMULATED SURPLUS, END OF YEAR	463,293,208	480,495,438	453,542,898

See accompanying notes to the Financial Statements.

FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS (DEBT)

For the year ended December 31, 2015

	2015 Budget (See Note 16)	2015 Actual	2014 Actual
ANNUAL SURPLUS	9,750,310	26,952,541	28,239,370
TANGIBLE CAPITAL ASSETS			
Acquisitions of Tangible Capital Assets	(25,778,995)	(26,709,994)	(30,077,682)
Contributed Tangible Capital Assets	–	(518,263)	(4,059,390)
Amortization Expense	13,647,136	13,647,136	14,062,419
Loss on Disposal of Tangible Capital Assets	1,077,445	1,077,445	555,221
	(11,054,414)	(12,503,676)	(19,519,433)
OTHER NON-FINANCIAL ASSETS			
Acquisition of Inventories	–	(719,838)	(802,325)
Acquisition of Prepaid Expenses	–	(894,455)	(488,468)
Use of Inventories	–	802,325	783,305
Use of Prepaid Expenses	–	488,468	414,020
	–	(323,500)	(93,468)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(1,304,104)	14,125,365	8,626,469
Net Financial Assets (Debt), Beginning of Year	5,245,902	5,245,902	(3,380,566)
NET FINANCIAL ASSETS, END OF YEAR	3,941,798	19,371,269	5,245,902

See accompanying notes to the Financial Statements.

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

For the year ended December 31, 2015

	2015	2014
OPERATING TRANSACTIONS		
Annual Surplus	26,952,541	28,239,369
Non-Cash Items Included in Annual Surplus		
Amortization Expense	13,647,136	14,062,419
Loss on Disposal of Tangible Capital Assets	1,077,445	555,221
Development Cost Charge Revenue Recognized	(579,149)	(469,452)
Contributed Tangible Capital Assets	(518,263)	(4,059,390)
Actuarial Adjustment Recognized on Debt	(153,423)	(128,258)
Changes in Other Non-Cash Working Capital	(17,762,485)	3,152,619
	22,663,802	41,352,527
CAPITAL TRANSACTIONS		
Acquisitions of Tangible Capital Assets	(26,709,994)	(30,077,682)
	(26,709,994)	(30,077,682)
FINANCING TRANSACTIONS		
Development Cost Charges Received, including Interest Thereon	1,578,355	810,531
Debt Principal Repaid	(484,365)	(484,365)
	1,093,990	326,166
INVESTING TRANSACTIONS		
Investments	2,155,575	(11,506,836)
	2,155,575	(11,506,836)
INCREASE/(DECREASE) IN CASH	(796,627)	94,175
Cash, Beginning of Year	2,224,952	2,130,777
CASH, END OF YEAR	1,428,327	2,224,952

See accompanying notes to the Financial Statements.

FINANCIAL STATEMENTS

SCHEDULE 1: SEGMENT INFORMATION—REVENUES BY TYPE AND EXPENSES BY OBJECT

For the year ended December 31, 2015

	GENERAL FUND					
	General Government	Public Safety	Engineering, Environment and Transportation	Planning and Development Services	Recreation and Library	Unallocated
REVENUE						
General Taxation (Note 12)	-	-	-	-	-	59,221,604
Fees and Charges	-	743,377	417,748	-	11,317,307	2,430,296
Licenses and Permits	-	1,319,664	91,004	7,090,862	20,530	-
Other Revenue	875,990	1,563,987	114,364	461,399	148,870	2,646,601
Government Grants	12,556	805,826	89	-	200,987	261,899
Transit Reimbursements	-	-	-	-	-	-
Development Cost Charges	37,422	-	200,000	-	341,727	-
Other Contributions for Capital	58,517	35,541	1,151,431	-	889,341	-
Third Party Works	-	-	1,643,078	-	-	-
Interest Earned on Investments	-	-	-	-	-	1,340,879
Community Amenities Received from Developer	-	-	-	-	-	-
Gain on Sale of Land	-	-	-	-	-	21,462,486
	984,485	4,468,395	3,617,714	7,552,261	12,918,762	87,363,764
EXPENSES						
Salaries and Benefits	9,789,453	27,842,749	2,636,922	3,859,718	17,528,361	-
Supplies and Other Expenses	3,911,457	3,643,947	1,236,200	432,339	4,884,869	-
Professional and Consulting	511,827	69,608	21,025	-	70,374	-
Recoveries and Allocations	295,137	354,667	434,424	1,124	653,813	-
Legal	275,221	77,661	-	16,899	-	-
Grants in Aid	-	-	-	-	380,096	-
Property and Liability Insurance	1,078,050	-	-	-	-	-
Tangible Capital Asset Maintenance	406,771	74,274	1,104,683	91	178,802	-
Tangible Capital Asset Amortization	477,352	760,885	2,220,687	22,785	3,844,807	-
Net Loss on Sale of Tangible Capital Asset	33,437	168,770	251,983	55,410	99,107	-
Interest and Other Bank Charges	426,541	-	-	-	-	-
Interest on Long Term Debt	-	-	-	-	-	-
One-time Initiatives	284,755	-	-	-	-	-
Third Party Works	-	-	1,643,078	-	-	-
	17,490,001	32,992,559	9,549,001	4,388,366	27,640,229	-
ANNUAL SURPLUS/(DEFICIT)	(16,505,516)	(28,524,164)	(5,931,287)	3,163,896	(14,721,467)	87,363,764

Total	WATER UTILITY FUND	SEWER UTILITY FUND	SOLID WASTE FUND	CEMETERY FUND	GOLF FUND	TRANSIT BLUE BUS	2015	2014 (Restated)
59,221,604	-	-	-	-	-	-	59,221,604	57,294,230
14,908,727	12,421,591	11,847,944	4,754,832	944,188	1,024,569	-	45,901,851	43,745,593
8,522,060	-	-	-	-	-	-	8,522,060	7,323,851
5,811,212	-	-	-	114,909	-	-	5,926,121	5,797,908
1,281,357	-	-	-	-	-	-	1,281,357	829,830
-	-	-	-	-	-	16,031,315	16,031,315	15,070,287
579,149	-	-	-	-	-	-	579,149	469,452
2,134,830	481,582	605,538	-	6,955	-	-	3,228,905	5,838,106
1,643,078	-	34,224	-	-	-	-	1,677,302	1,016,628
1,340,879	-	-	-	-	-	-	1,340,879	1,518,453
-	-	-	-	-	-	-	-	7,622,000
21,462,486	-	-	-	-	-	-	21,462,486	13,725,741
116,905,382	12,903,173	12,487,707	4,754,832	1,066,052	1,024,569	16,031,315	165,173,029	160,252,079
61,657,202	1,735,953	1,487,023	146,796	433,474	390,668	11,598,769	77,449,884	73,546,831
14,108,813	5,644,613	6,466,791	3,578,852	146,672	384,447	4,266,516	34,596,704	32,616,077
672,834	3,664	-	12,998	3,758	-	6,839	700,093	554,061
1,739,164	492,048	322,819	73,337	37,666	92,605	159,192	2,916,831	2,981,077
369,782	1,343	3,235	-	-	-	-	374,359	397,662
380,096	-	-	-	-	-	-	380,096	396,099
1,078,050	-	-	-	-	-	-	1,078,050	850,260
1,764,620	564,810	874,593	-	30,305	-	-	3,234,329	3,884,068
7,326,514	2,574,312	3,565,789	-	66,565	113,956	-	13,647,136	14,062,418
608,707	225,202	243,536	-	-	-	-	1,077,445	555,221
426,541	-	-	-	-	-	-	426,541	409,880
-	411,187	-	-	-	-	-	411,187	436,352
284,755	-	-	-	-	-	-	284,755	303,046
1,643,078	-	-	-	-	-	-	1,643,078	1,019,660
92,060,156	11,653,132	12,963,786	3,811,984	718,439	981,676	16,031,316	138,220,488	132,012,710
24,845,226	1,250,041	(476,079)	942,848	347,613	42,893	-	26,952,541	28,239,369

FINANCIAL STATEMENTS

SCHEDULE 2: TANGIBLE CAPITAL ASSET CONTINUITY SCHEDULE

For the year ended December 31, 2015

	Land	Land Improvements	Buildings	Machinery, Furniture, & Equipment
COST				
Opening Balance (Note 2)	130,394,827	26,275,315	85,492,495	14,356,201
Add: Additions	6,709,757	1,713,990	1,265,810	2,334,109
Less: Disposals	(55,410)	(236,363)	(1,143,791)	(1,587,085)
Closing Balance	137,049,173	27,752,942	85,614,514	15,103,225
ACCUMULATED AMORTIZATION				
Opening Balance	-	14,429,425	27,089,981	8,163,275
Add: Amortization	-	941,202	2,188,855	1,451,376
Less: Accumulated Amortization on Disposals	-	(193,596)	(1,006,703)	(1,465,206)
Closing Balance	-	15,177,032	28,272,133	8,149,445
NET BOOK VALUE, YEAR END 2015	137,049,173	12,575,910	57,342,382	6,953,780

¹ Additions to Assets Under Construction are shown net of transfers to other Tangible Capital Asset categories. Contributed tangible capital assets of \$518,263 (2014 - \$4,059,390) have been recognized during the year. These assets are comprised of developer contributed land and water & sewer infrastructure.

Vehicles	Infrastructure			Assets Under Construction	2015 Total
	Transportation Infrastructure	Water	Sanitary Sewer		
14,265,794	86,235,880	141,005,477	220,888,581	6,283,455	725,198,025
1,371,244	5,385,009	3,366,331	2,027,152	3,054,856 ¹	27,228,257
(1,081,734)	(727,808)	(616,861)	(368,695)	-	(5,817,747)
<u>14,555,304</u>	<u>90,893,081</u>	<u>143,754,947</u>	<u>222,547,037</u>	<u>9,338,311</u>	<u>746,608,535</u>
8,967,291	33,468,175	56,271,930	129,801,748	-	278,191,825
1,148,860	1,817,112	2,561,639	3,538,093	-	13,647,136
(1,054,068)	(503,911)	(391,659)	(125,159)	-	(4,740,302)
<u>9,062,082</u>	<u>34,781,376</u>	<u>58,441,910</u>	<u>133,214,681</u>	<u>-</u>	<u>287,098,659</u>
<u>5,493,222</u>	<u>56,111,705</u>	<u>85,313,037</u>	<u>89,332,356</u>	<u>9,338,311</u>	<u>459,509,876</u>

FINANCIAL STATEMENTS

SCHEDULE 3: TANGIBLE CAPITAL ASSET CONTINUITY SCHEDULE (Prior Year)

For the year ended December 31, 2014

	Land	Land Improvements	Buildings	Machinery, Furniture, & Equipment
COST				
Opening Balance (Note 2)	113,085,371	25,749,883	84,356,453	14,465,466
Add: Additions	17,357,487	562,579	1,141,054	728,164
Less: Disposals	(48,032)	(37,147)	(5,012)	(837,428)
Closing Balance	130,394,827	26,275,315	85,492,495	14,356,201
ACCUMULATED AMORTIZATION				
Opening Balance	-	13,492,760	24,941,545	7,435,557
Add: Amortization	-	967,840	2,153,448	1,551,390
Less: Accumulated Amortization on Disposals	-	(31,174)	(5,012)	(823,671)
Closing Balance	-	14,429,425	27,089,980	8,163,275
NET BOOK VALUE, YEAR END 2014	130,394,827	11,845,890	58,402,515	6,192,926

¹ Additions to Assets Under Construction are shown net of transfers to other Tangible Capital Asset categories. Contributed tangible capital assets of \$4,059,390 (2013 - \$2,572,200) have been recognized during the year. These assets are comprised of developer contributed land and water & sewer infrastructure.

Vehicles	Infrastructure			Assets Under Construction	2014 Total
	Streets	Water	Sanitary Sewer		
14,143,760	84,507,892	138,997,049	215,496,482	3,845,566	694,647,921
1,366,223	2,084,951	2,569,218	5,889,508	2,437,889 ¹	34,137,072
(1,244,189)	(356,963)	(560,790)	(497,408)	-	(3,586,967)
<u>14,265,794</u>	<u>86,235,880</u>	<u>141,005,477</u>	<u>220,888,582</u>	<u>6,283,455</u>	<u>725,198,025</u>
9,139,092	31,878,737	53,974,884	126,298,577	-	267,161,152
1,039,013	1,859,352	2,636,600	3,854,777	-	14,062,419
<u>(1,210,814)</u>	<u>(269,915)</u>	<u>(339,555)</u>	<u>(351,607)</u>	-	<u>(3,031,747)</u>
<u>8,967,292</u>	<u>33,468,175</u>	<u>56,271,930</u>	<u>129,801,747</u>	-	<u>278,191,823</u>
<u>5,298,502</u>	<u>52,767,705</u>	<u>84,733,547</u>	<u>91,086,835</u>	<u>6,283,455</u>	<u>447,006,202</u>

FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2015

1. OPERATIONS

The District of West Vancouver was incorporated in 1912 under the *Local Government Act of British Columbia*. The District's principal activity is the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water and sanitary services.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in accordance with Canadian public sector accounting standards, as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

The significant accounting policies are summarized below:

(a) Basis of Presentation

The financial statements include the assets, liabilities, revenues, expenses and changes in the financial position of the District, including the West Vancouver Memorial Library and the West Vancouver Police Department.

(b) Basis of Accounting

The District follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and are measurable. Expenses are recognized as they are incurred and are measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.

(c) Revenue Recognition

(I) TAXATION

Annual levies for non-optional District and general administrative services are recorded as General Taxation in the year to which they relate. Levies imposed by other taxing authorities are not included.

(II) LONG-TERM PREPAID LEASE

Prepaid lease payments received by the District are initially included on the Statement of Financial Position as Deferred Revenue and Deposits. Revenue is recognized on a straight line basis over the term of the lease.

(III) DEFERRED REVENUE AND DEPOSITS

Deferred revenue consists of prepaid property taxes, prepaid business licenses and fees.

(d) Non-Financial Assets

Non-financial assets are held for use in the provision of goods and services but are not available to discharge existing liabilities. These assets may have a useful life 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 (SCHEDULE 2 AND 3)

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

Type	Major Asset Category	Useful Life Range (years)
general	land	n/a
	land improvements	10-50
	buildings	30-100
	machinery, furniture & equipment	4-15
	vehicles	5-15
infrastructure	streets	10-100
	water	10-100
	sewer	10-100

Amortization is charged over the asset's useful life, commencing when the asset is acquired. Assets under construction are not amortized until the asset is available for use.

The District owns a number of works of art and historical treasures including sculptures, paintings and reproductions, mosaics, totem poles and monuments. These works of art have an approximate market value of \$2.5 million. These assets are not included as part of the tangible capital assets.

Contributed tangible capital assets are recognized at fair value at the date of contribution and are also recognized as revenue. Where an estimate of fair market value cannot be made, the tangible capital asset is recognized at nominal value. Land is the only category where nominal values are assigned.

(II) INVENTORY

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

(e) Post Employment Benefits

The District and its employees make contributions to the Municipal Pension Plan. The District's contributions are expensed as incurred.

Post-employment benefits also accrue to the District's employees. The liabilities related to these benefits are actuarially determined, based on services and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(f) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the recorded amounts of assets, liabilities, revenues, expenses and contingent liabilities. Those areas requiring the use of estimates include: 1) employee future benefits payable, 2) provisions for contingencies and 3) the useful lives of tangible capital assets. If actual results differ, adjustments are reflected on subsequent financial statements.

(g) Debt

Debt is recorded at cost net of principal repayments and actuarial adjustments.

(h) Investments

Investments are recorded at cost. The carrying value of investments is reduced if, in management's opinion, there is a decline in value that is other than temporary.

(i) Development Cost Charge Revenue

Development cost charges are restricted by legislation or by agreement with external parties to expenditures on capital infrastructure. These amounts are deferred upon receipt and are recognized as revenue when the expenditures are incurred in accordance with the restrictions.

(j) Government Transfers

Unrestricted government transfers are recognized as revenue in the year in which the transfer is authorized by the issuing government, and when any eligibility criteria has been met. Restricted government transfers, in the way of grants or other transfers, are recognized as revenue in the year in which the stipulations are met.

(k) Segment Disclosure

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information. The District has provided definitions of segments used by the District as well as financial information in segment format (Schedule 1).

NOTES TO FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2015

3. ADOPTION OF ACCOUNTING POLICY

Effective January 1, 2015, the District adopted Public Sector Accounting Handbook Standard PS 3260, Liability for Contaminated Sites. This standard was applied on a retroactive basis to January 1, 2014 and did not result in any adjustments to liabilities, tangible capital assets or accumulated surplus of the District.

4. INVESTMENTS

	2015	2014
Municipal Finance Authority of BC		
Money Market Fund	4,422,853	5,144,127
Bond Fund	69,623,162	72,884,314
Intermediate Fund	8,118,659	6,017,428
	82,164,674	84,045,869
Less: Trust funds (Note 17)	(5,873,296)	(5,598,916)
	76,291,378	78,446,953

Interest earned by investments for the year ended December 31, 2015, totalled \$1,918,805 (2014: \$2,227,680).

5. ACCOUNTS RECEIVABLE—OTHER

Includes \$15,073,871 receivable from the sale of the 1300 block Marine Drive for \$21,036,796. The District received \$5,962,925 in cash proceeds with the remaining balance secured by a letter of credit.

	Date of Deposit/Issue	Amount
cash	April 9, 2015	5,962,925
letter of credit*	April 8, 2015	15,073,871
		21,036,796

* Balance will be paid in two installments (\$10,450,000) July 7th, 2016 and (\$4,623,871) December 31st, 2017.

6. EMPLOYEE FUTURE BENEFITS PAYABLE

Employees are entitled to earned benefits related to non-vested sick leave, vacation at retirement and retirement allowances. Employees may also defer sick leave gratuity payments.

The liabilities reported in the financial statements are based on an actuarial valuation, as at August 30, 2013, that have been extrapolated to December 31, 2014 and subsequently to December 31, 2015. The significant actuarial valuation assumptions, adopted in measuring the District's accrued benefit liabilities for post employment benefits, are as follows:

	2015	2014
discount rate	3.20%	3.10%
expected future inflation rate	2.50%	2.50%
expected wage increases	2.58–4.63%	2.58–4.63%
estimated average remaining service life	11 years	11 years

Employee future benefits payable, as at December 31, are as follows:

	2014	2013
non-vested sick leave	2,010,600	1,943,400
vacation at retirement	757,800	728,800
retirement allowance	1,073,200	1,051,800
sick leave gratuity pay	1,001,500	1,000,600
	4,843,100	4,724,600
Unamortized actuarial gain (loss)	(88,521)	(33,888)
	4,754,579	4,690,713

The continuity of the District's employee future benefits payable is as follows:

	2015	2014
accrued benefit obligation, beginning of year	4,724,600	4,250,700
current service costs	423,000	364,700
interest costs	153,100	179,900
actual benefits paid	(514,084)	(239,926)
actuarial gain (loss) arising in the period	56,484	169,226
accrued benefit obligation, end of year	4,843,100	4,724,600
unamortized actuarial gain (loss)	(88,521)	(33,888)
	4,754,579	4,690,713

7. DEFERRED REVENUE AND DEPOSITS

	2015	2014
long-term prepaid lease	14,024,241	14,140,241
prepaid taxes	6,617,628	6,665,420
deposits	15,019,096	13,228,839
memberships, fees & other revenues	4,801,177	5,374,342
	40,462,140	39,408,841

Deferred Revenue and Deposits are short term in nature, with the exception of the Long-Term Prepaid Lease, which will be recognized as revenue over the 125-year term of the lease (Note 13 (d)).

8. DEFERRED DEVELOPMENT COST CHARGES

These funds are restricted by bylaw to the purposes for which they were collected from developers. Separate accounts hold funds that are to be used for underground wiring, waterworks infrastructure, drainage, roads and parks and open space projects in specific areas. Expenditures require budgetary authorization within the purposes authorized in the establishing bylaws. The deferred development cost charges are the District's only restricted revenues. There were no developments for which deferred development charges were waived or reduced in 2015.

NOTES TO FINANCIAL STATEMENTS *continued*
For the Year Ended December 31, 2015

Continuity of Deferred Development Cost Charges:

	Opening balances	Current year receipts	Interest earned	Amounts spent	Closing balance
General Fund					
highways	5,842,052	102,941	133,830	(200,000)	5,878,823
underground wiring	1,436,602	19,992	33,416	–	1,436,601
parks & open space	9,807,748	636,196	229,528	(379,149)	10,294,323
	17,086,402	759,129	396,774	(579,149)	17,663,156
Water Utility Fund	671,852	213,456	17,985	–	903,293
Sewer Utility Fund	3,637,022	105,774	85,237	–	3,828,033
	21,395,276	1,078,359	499,996	(579,149)	22,394,482

9. DEBT

The rates of interest on the principal amount of the MFA debentures vary between 4.17 per cent and 4.90 per cent per annum.

The District issues debt instruments through the MFA, pursuant to security-issuing bylaws under authority of the Community Charter, to finance certain capital expenditures.

Outstanding Debt

	2015	2014
various infrastructure loans	11,600,000	11,600,000
cumulative repayments and actuarial adjustments	(4,277,991)	(3,640,203)
	7,322,009	7,959,797

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

	TOTAL
2016	666,670
2017	693,479
2018	641,135
2019	666,154
2020	692,151
2021-2030	3,962,420
	7,322,009

10. ACCUMULATED SURPLUS

Accumulated surplus is represented by:

	2015	2014
unappropriated deficit	(21,756,355)	(24,421,943)
reserve funds—cash (note 11)	48,449,633	59,263,416
investment in non-financial assets	453,802,160	418,701,425
	480,495,438	453,542,898

The unappropriated deficit is the amount of accumulated surplus remaining after deducting the various appropriated surplus balances and the investment in non-financial assets.

Reserve funds represent a portion of the accumulated surplus that has been set aside by Council for specified purposes. In the normal course of operations, these funds will be used to finance the services or the capital projects for which they have been appropriated.

Investment in non-financial assets represents the net book value of the District's non-financial assets, less any related debt. In the normal course of operations, non-financial assets will be used to provide services, and debt will be repaid by future tax revenues.

11. RESERVE FUNDS

Individual statutory and non-statutory reserve funds have restrictions and conditions as follows:

Statutory Funds

(A) ENDOWMENT RESERVE

The Endowment Fund is subject to a minimum threshold as established in District's Endowment Fund Bylaw and adjusted annually for inflation using the annual Provincial Consumer Price Index. The amount of the threshold at December 31, 2015, is \$22,119,056 (2014: \$21,879,832). The balance in the fund at December 31, 2015, is \$32,592,989 (2014: \$37,237,759).

Net proceeds from the disposition of surplus lands are transferred into the reserve. The reserve can be used for capital projects, the acquisition of real property or to reduce outstanding debt. Currently, the reserve is earmarked for major projects in the District's Long-Term Capital Plan.

Expenses related to the development, servicing and marketing of surplus lands and proceeds from the disposition of surplus lands are transferred to the Endowment Fund.

(B) CAPITAL FACILITIES RESERVE

The Capital Facilities Reserve established December 2015 is designated for major capital acquisitions and projects.

(C) SEWER CAPITAL RESERVE

The funds established December 2015 may be used for infrastructure capital expenditures related to sewer, or to reduce outstanding sewer debt.

(D) WATER CAPITAL RESERVE

The funds may be used to finance the acquisition or construction of water system works, repay debt and interest on such debt incurred, and contribute to the stabilization of District water rates.

Non-Statutory Reserves

(E) INFRASTRUCTURE RESERVE

This fund is designated for ongoing maintenance and replacements of existing infrastructure. It receives annual transfers from the General Fund.

NOTES TO FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2015

(F) CAPITAL RESERVES

Capital Reserves are intended for capital projects generally, and may be expended by Council resolution.

(G) AMENITY CONTRIBUTIONS RESERVE

Developer contributions received by the District, for the purpose of improving the quality of life in the community, accumulate in the Amenity Contributions Reserve. The funds may be secured under the *Local Government Act*, as a term of the sale of District-owned land or by other means, and fall within a broad range of categories.

(H) OPERATING RESERVES

Operating Reserves are intended for one-time operating expenditures that may occur from time to time, and may be expended within general budgetary authority.

(I) GOLF DEVELOPMENT RESERVE

Net revenues/expenses from golf operations are transferred to/from this fund annually. These funds are designated for golf course development generally, and may be expended within general budgetary authority.

(J) CEMETERY DEVELOPMENT FUND

Net revenues/expenses from cemetery operations are transferred to/from this fund annually. These funds are for cemetery development generally, and may be expended within general budgetary authority.

	Opening balance	Revenues & transfers	Interest earned	Expenditures & transfers	Closing balance
General Fund					
Endowment Reserve	37,237,759	22,138,190	504,021	(27,286,981)	32,592,989
Capital Facilities Reserve	506,905	0	11,710	–	518,615
Infrastructure Reserve	1,369,349	17,209,001	–	(17,501,138)	1,077,212
Capital Reserves	3,846,416	2,209,143	23,238	(4,096,689)	1,982,108
Amenity Contributions Reserve	11,999,394	0	155,593	(5,613,736)	6,541,251
Operating Reserves	2,917,039	1,672,122	13,110	(818,103)	3,784,168
Golf Development Reserve	6,370	0	147	–	6,517
	57,883,232	43,228,456	707,819	(55,316,647)	46,502,860
Sewer Capital Reserve	44,885	400,000	1,037	–	445,922
Water Utility Statutory Reserve	–	200,000	–	–	200,000
Cemetery Development Fund	1,335,300	–	30,100	(64,549)	1,300,851
	59,263,417	43,874,378	737,919	(55,381,196)	48,449,633

12. COMMITMENTS AND CONTINGENCIES

(a) Legal Actions

The District is currently involved in certain legal actions. Financial implications of potential claims against the District, resulting from such litigation, and that are not covered by insurance, are accrued to the extent that amounts can be reasonably estimated. Otherwise, such claims are recognized in the year in which a definitive obligation is determined.

(b) Municipal Pension Plan

The District and its employees contribute to the Municipal Pension Plan (Plan), a jointly trusteed 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 defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2015, the Plan

has about 184,000 active members and approximately 80,000 retired members. Active members include approximately 754 contributors from the District.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate is then adjusted to the extent there is amortization of any funding deficit.

The most recent valuation for the Municipal Pension Plan as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2015, with results available in 2016.

The District paid \$6,471,647 (2014: \$6,012,543) for employer contributions while employees contributed \$5,239,627 (2014: \$4,946,037) for employee contributions to the Plan.

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, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

13. LONG-TERM LEASES

The District has entered into agreements related to the lease of District property, for periods from 30 to 125 years. Lease proceeds are recognized on a systematic basis over the term of the leases.

(a) 14th Street: Duchess to Esquimalt, Amblevue Place Housing Co-Operative

Included in Other Trust Funds (Note 17) are lease payments received related to District-owned land. These amounts will not be available to the District until the end of the lease period, February 28, 2047. Upon expiration of the lease, the District has committed to pay to the lessee an amount equal to the sum of the then value of the principal shares held by the members of the co-operative. This payment is anticipated to be less than the cumulative deferred proceeds at the termination of the lease. The premises will revert to the District upon the expiration of the term.

Proceeds are to be received in annual amounts varying from \$5,040 to \$20,160 (currently \$7,560) until the year 2047. At December 31, 2015, the cumulative amount deferred totalled \$338,944 (2014: \$328,394).

(b) 320 Taylor Way

The District receives annual lease proceeds of \$125,000 (plus an adjustment for inflation starting in 1999) to the year 2087. The net proceeds are transferred to the Endowment Fund.

(c) Community Centre

The District leases 19,529 square feet of custom designed space at the West Vancouver Community Centre under a long-term lease agreement to Vancouver Coastal Health Authority. The lease commenced May 1, 2009 with the following terms:

Term: 30 years, with one 10-year renewal option

Annual rentals are as follows:

Years 1-10: \$629,810 or \$32.25 per square foot

Years 11-20: \$744,250 or \$38.11 per square foot

Years 21-30: \$995,002 or \$50.95 per square foot

plus a proportionate share of defined operating and maintenance costs.

Certain other spaces in the West Vancouver Community Centre are covered by commercial third party rental and leasing agreements with varying terms.

NOTES TO FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2015

(d) Wetmore Lands

In 2011, the District entered into an agreement with Pacific Arbour Retirement Communities to develop land at the northwest corner of Marine Drive and 22nd Street, known as the Wetmore Lands. Under the agreement, Pacific Arbour prepaid \$14.5 million for a 125-year lease of the property and paid the District \$500,000 towards the development of the park adjacent to the property. The lease proceeds were received in 2011, at the conclusion of a public consultation process, and after rezoning and development approvals had been obtained.

14. TAXATION AND UTILITY USER FEE REVENUES

	2015	2015	2014
	Budget	Actual	Actual
Collection for District Purposes			
General Taxation	58,484,178	58,308,592	56,408,112
Payments in Lieu of Taxes	884,772	883,567	856,317
Specified Area Levies	28,000	29,444	29,801
	59,396,950	59,221,604	57,294,230
Recycling Fees & Charges	2,122,000	2,140,459	1,893,037
Solid Waste Disposal Fees	2,519,300	2,540,879	2,552,794
Water Utility Fees	12,098,400	12,421,591	11,483,438
Sewer Utility Fees	12,925,200	11,845,944	11,593,891
	89,061,852	88,170,477	84,817,391
Collection for Other Agencies			
The following amounts collected on behalf of other taxing authorities are not included on the District's Statement of Operations:			
Province of BC School Taxes			
residential		36,261,889	34,827,052
non-residential		6,234,782	6,370,415
		42,496,671	41,197,467
Regional Transit		11,489,386	11,185,252
BC Assessment Authority		2,079,350	2,004,147
Regional District		1,920,637	1,844,575
Municipal Finance Authority		6,884	6,379
		57,992,928	56,237,820

15. SEGMENTED REPORTING

The District is a diversified municipal government institution that provides a wide range of services to its citizens. For management reporting purposes, the activities are organized and reported by Fund. These Funds include General, Water, Sewer, Solid Waste, Cemetery and Golf. The Funds were created to attain certain objectives in accordance with special regulations, restrictions or limitations.

The following are the activities/services provided by each of the segments reported on:

General Fund

GENERAL GOVERNMENT

Finance and Administration functions of the District include: Support to Council; Legislative Services; Communications; Emergency Program; Human Resources; Payroll Services; Taxes & Utilities; Information Technology Services; Purchasing and Risk Management; and Facilities and Asset Management

PUBLIC SAFETY

Bylaws and law enforcement and protection of persons and property by Police, Fire & Rescue and Bylaw Services

ENGINEERING, ENVIRONMENT & TRANSPORTATION

Maintenance of streets, roads and sidewalks; street and traffic signs; signals and lighting; snow removal and sanding; environmental services; foreshore protection; climate change initiatives; community energy planning

PLANNING, LANDS & PERMITS

Community and land use planning; development issues including the processing of rezoning applications, development permits and development variances; building permit review and inspections

RECREATION & LIBRARY

Development and maintenance of the District's open spaces, parks and other landscaped areas; maintenance and operation of recreational facilities; development and provision of recreational programs and operation of the West Vancouver Memorial Library; cultural programs and special events

Water Utility Fund

Operation of the local membrane filtration facilities at Eagle Lake and at Montizambert Creek, and distribution of water from both Eagle Lake and Metro Vancouver to residents

Sewer Utility Fund

Provision of sanitary sewer collection and storm drainage management includes the provision of, and maintenance of: pipes, manholes, culverts and sewage lift stations. Sewage treatment is provided by Metro Vancouver

Solid Waste Fund

Administration of contracted services for the collection and disposal of the following: household garbage, yard trimmings and recyclables

Cemetery Fund

Operation of the Capilano View Cemetery

Golf Fund

Operation of the Ambleside Par 3 Golf Course and the Gleneagles Golf Course

Transit Blue Bus

Operation of the Blue Bus transit services are contracted to the District, and are completely funded by TransLink.

Schedule 1, *Segment Information: Revenues by Type and Expenses by Object*, presents revenues and expenses for each of the segments noted above. Only direct revenues and expenses are reflected within individual segments. Other revenues (notably property taxation) and expenses not directly arising within specific segments have been shown separately as Unallocated.

16. 2015 BUDGET ADJUSTMENTS

The budget amounts presented throughout these financial statements are based on the Budget (referred to as the Financial Plan in the legislation) approved by Council March 30 2015, with the exception of the budgets for tangible capital asset related expenses (maintenance, amortization, write-downs and loss on disposal). The budgets for the tangible capital asset expenses are deemed to be equal to actual expenses. This exception was made in order to

NOTES TO FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2015

improve the comparability of the budget amounts with the actual amounts given that these items are non-cash and accordingly are not required to be funded under the legislation.

The table below shows the adjustments made to the 2015 Budget values with the addition of the budgets for tangible capital asset expenses. The Adjusted Budget values are then comparable to the 2015 actual values, and are the budget values shown in the Statement of Operations and the Statement of Net Debt.

	Original	2015 Budget Adjustment for TCA ¹	As Presented on Financial Statements
Statement of Operations			
Revenues	145,021,171	-	145,020,170
Expenses			
General Government	16,191,937	917,560	17,109,496
Public Safety	31,277,455	1,003,928	32,281,383
Engineering & Transportation	6,036,956	2,958,667	9,614,309
Planning, Lands & Permits	4,132,384	78,286	4,210,670
Recreation & Library	22,975,613	4,741,401	27,098,328
Water Utility	7,021,900	3,364,325	10,386,235
Sewer Utility	7,990,065	4,683,918	12,674,018
Solid Waste	3,733,200	-	3,733,200
Cemetery	604,810	96,870	701,680
Golf	838,235	113,956	952,191
Transit	16,508,350	-	16,508,350
	117,310,906	17,958,910	135,269,860
Annual Surplus	27,710,265	(17,958,910)	9,750,311

¹Tangible Capital Asset expenses including maintenance, amortization, write-downs and loss on disposals.

17. TRUST FUNDS

The Cemetery Care Fund is restricted by legislation as to principal amount; interest earnings are available for ongoing maintenance of cemetery grounds as required. Other Trust Funds include funds for various seniors' clubs, community projects and library bequests.

	2015	2014
Cemetery Care Trust Fund		
balance, opening	4,849,943	4,639,394
additions during year		
contributions received	248,960	210,549
interest earned	114,909	135,223
	5,213,812	4,985,166
Transfer to Cemetery Operations	(114,909)	(135,223)
Balance, Closing	5,098,903	4,849,943
Other Trust Funds	774,393	748,973
	5,873,296	5,598,916

18. MEMBERSHIP IN E-COMM EMERGENCY COMMUNICATIONS FOR SOUTHWEST BC INCORPORATED (E-Comm)

The District is a member of E-Comm, an organization comprised predominantly of member municipalities, for the purpose of providing emergency and dispatch services. The District is represented on the Board and, as a Class A shareholder, has voting rights should the organization want to incur debt.

The E-Comm facility was constructed using debt as a financing mechanism. Members are liable for their proportionate share of that debt with debt being repaid by members through annual fees charged by E-Comm.

Should E-Comm dissolve, members would be liable for a proportionate share of any residual debt. Alternatively, should a member choose to opt out of E-Comm, they would be liable for a proportionate share of the debt at the time of withdrawal. The District holds two Class A shares, and one Class B share.

19. COMPARATIVE FIGURES

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

2015

FIVE-YEAR FINANCIAL & STATISTICAL REVIEW SUPPLEMENTARY INFORMATION YEAR ENDED DECEMBER 31, 2015



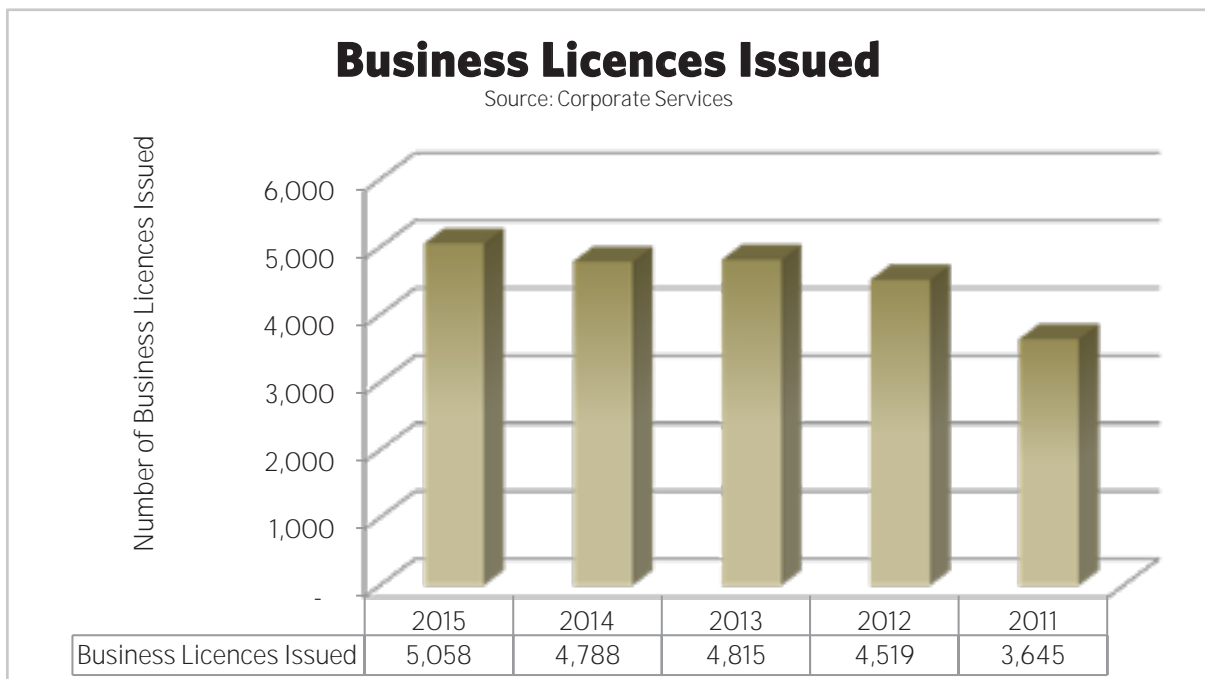
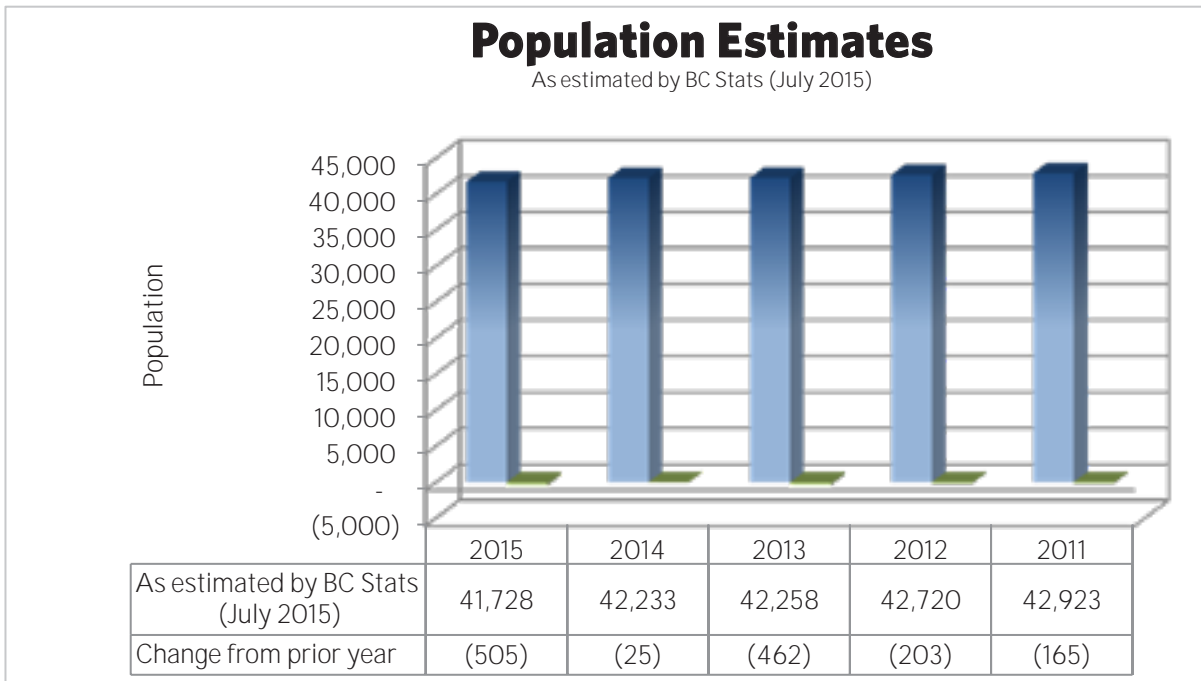
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SUPPLEMENTARY INFORMATION

GROWTH INDICATORS

Five-Year Financial and Statistical Review

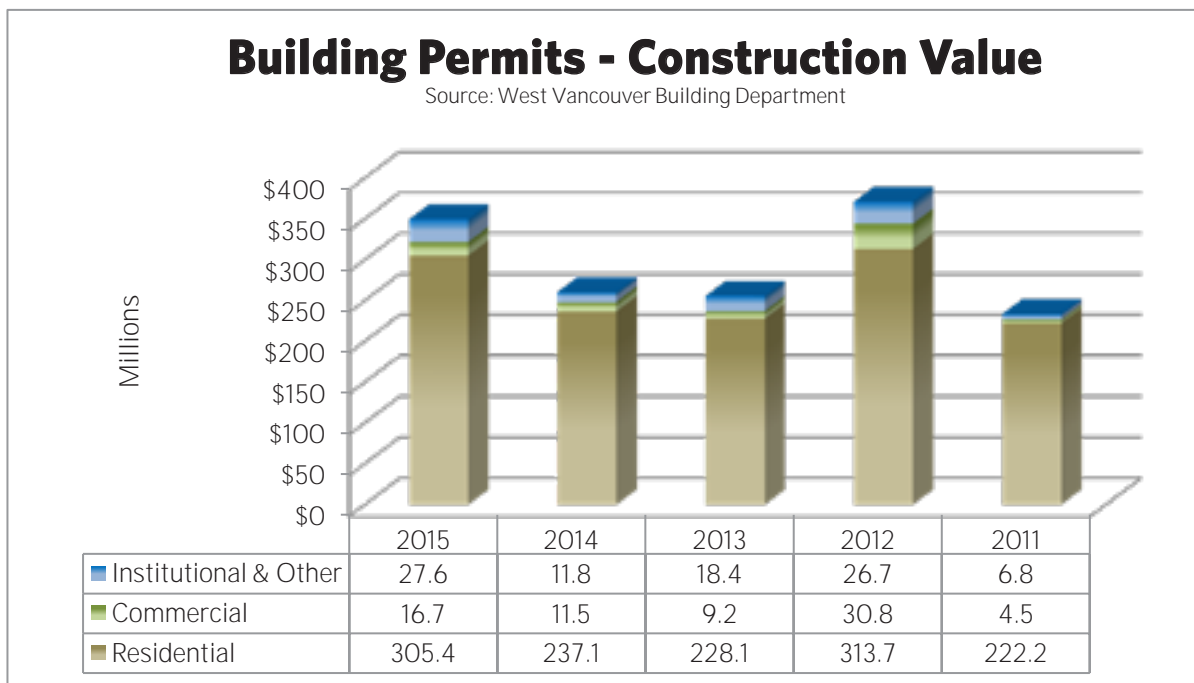
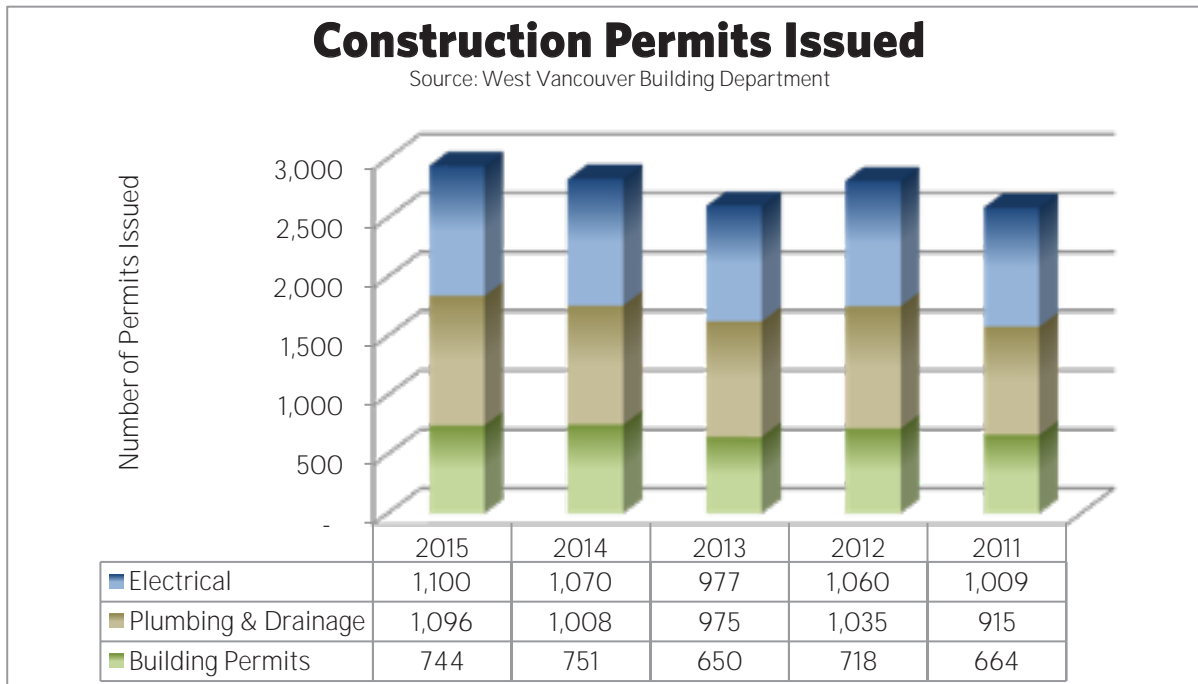


Population statistics are based on the 2011 Canada census and adjusted annually by BC Statistics. The population of West Vancouver has declined at an average rate of 0.5 per cent annually since 2011. The number of business licences issued in West Vancouver have increased by 1,413 since 2011.

SUPPLEMENTARY INFORMATION

ASSESSMENT & TAXATION

Five-Year Financial and Statistical Review

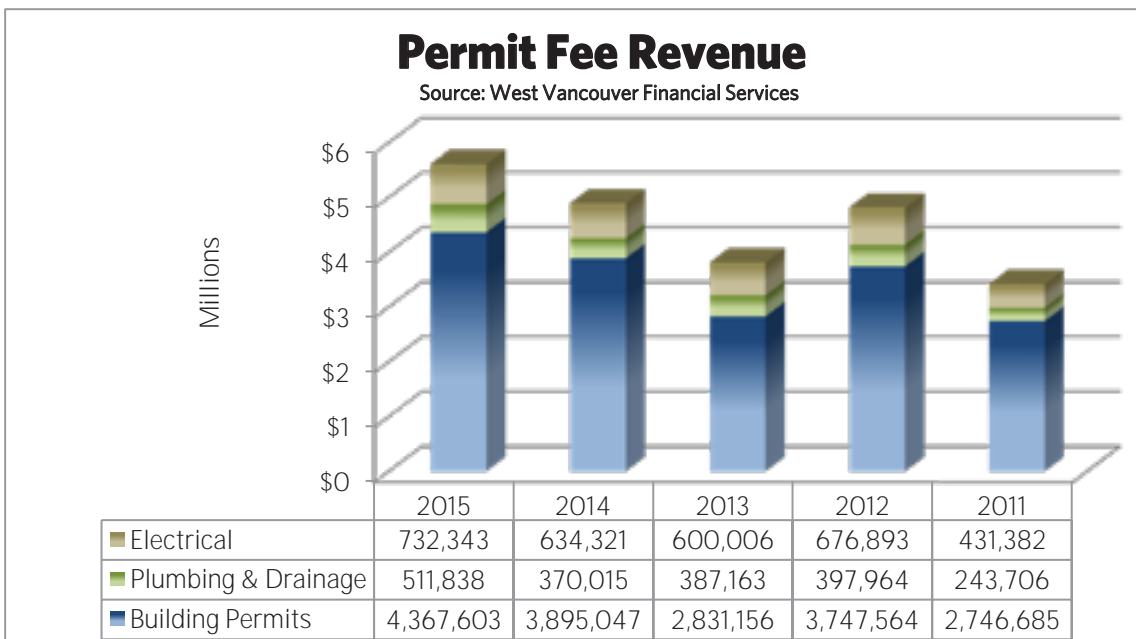
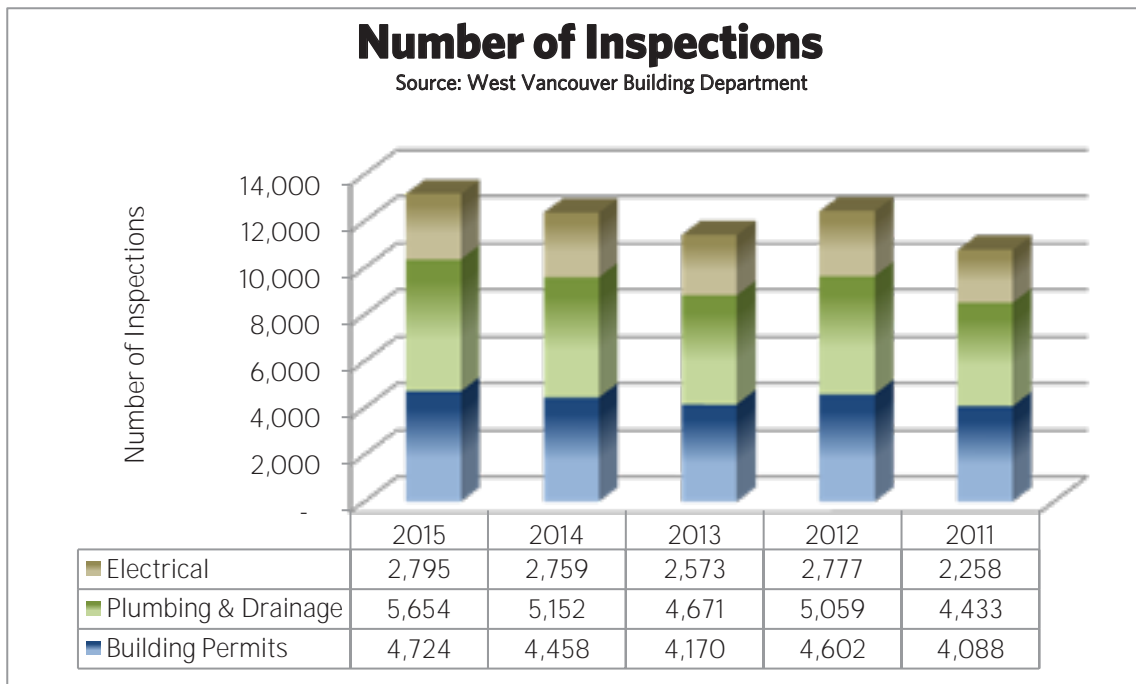


Construction activity has remained strong in West Vancouver and the lower mainland over the past five years. The majority of building permits issued in 2015 were for residential single family construction. Of the 744 building permits issued in 2015, 628 were for demolition, alterations or additions and new construction of single family homes; one permit was issued for construction of an apartment building and one permit for a mixed residential, commercial building (Grosvenor Development); and the remaining 114 permits issued were for commercial, government and institutional buildings and swimming pools and hot tubs.

SUPPLEMENTARY INFORMATION

ASSESSMENT & TAXATION *continued*

Five-Year Financial and Statistical Review

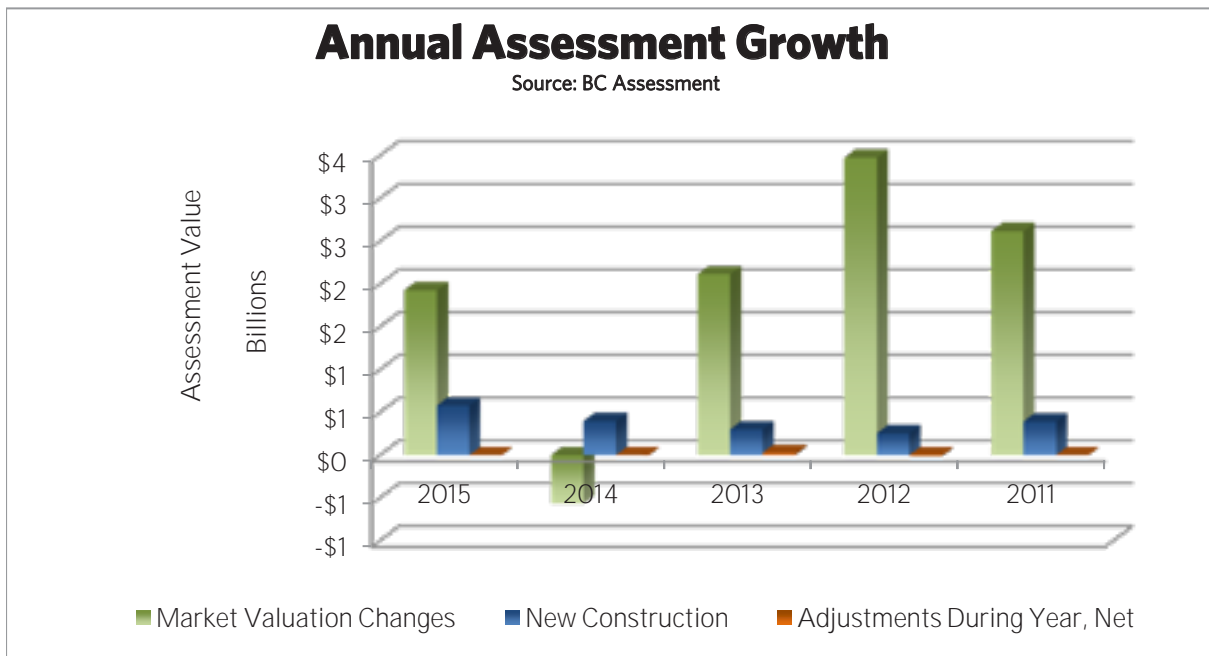
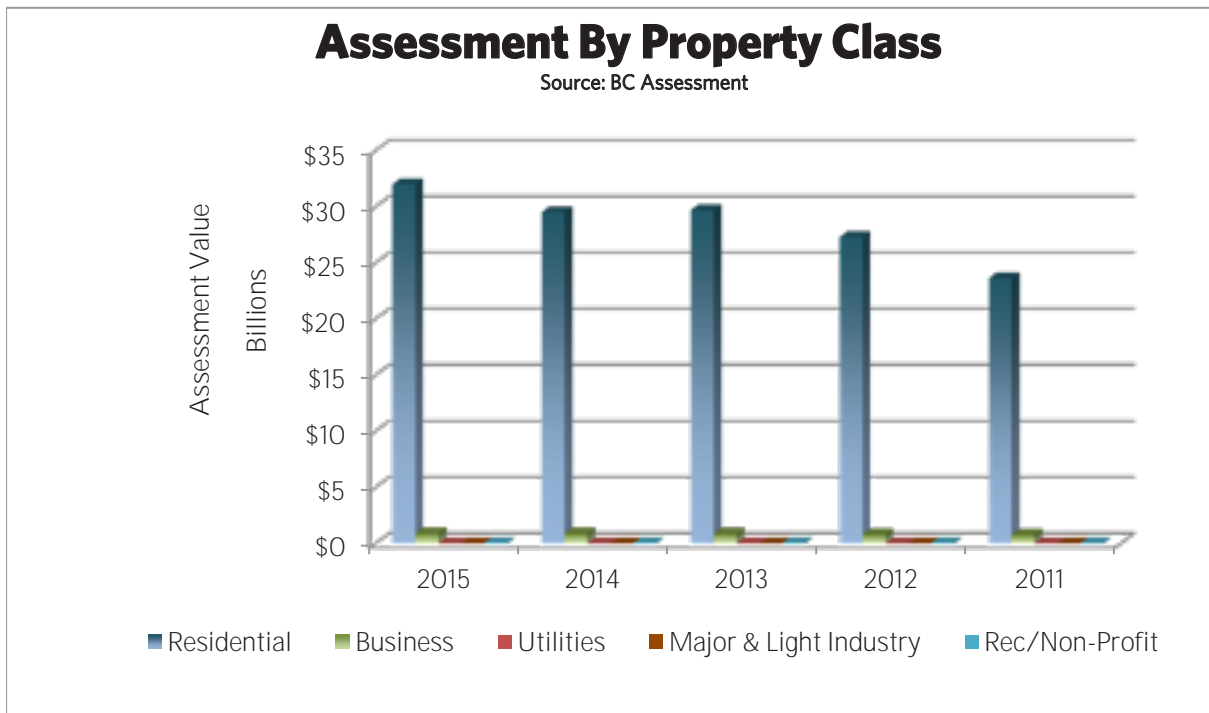


Permit fee revenues and the number of inspections performed have experienced a steady increase over the past five years in conjunction with increased construction activity. As illustrated in the graph above, building permit revenues generate the majority of permit revenue. Building permit revenues are based on construction value.

SUPPLEMENTARY INFORMATION

ASSESSMENT & TAXATION *continued*

Five-Year Financial and Statistical Review

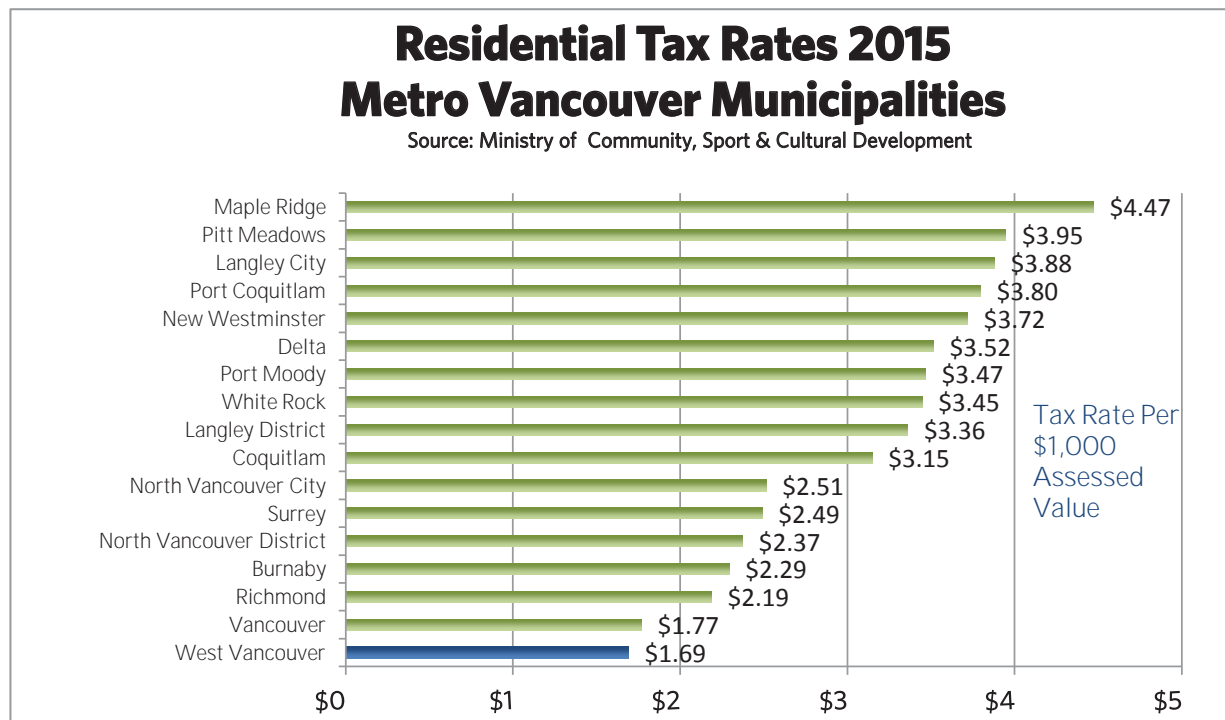
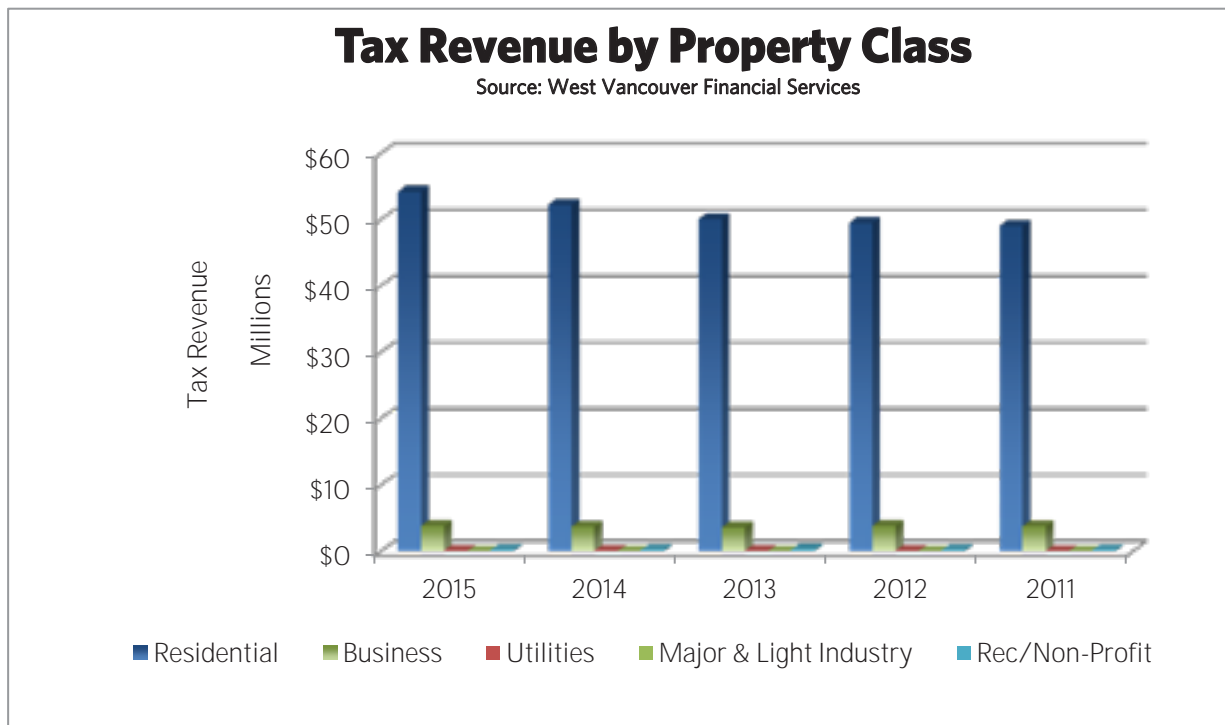


The District of West Vancouver relies primarily on the residential class for taxation revenue. There is a very small business community and virtually no industry, utility or recreation class property in West Vancouver. The annual change in assessed values has been primarily driven by market valuation changes and to a lesser degree by new construction. Market valuation changes do not result in additional taxation revenue.

SUPPLEMENTARY INFORMATION

REVENUES

Five-Year Financial and Statistical Review



The Residential Class accounted for approximately 93 per cent of property tax revenue collected in 2015. The Business Class accounted for most of the remaining seven per cent. Utilities and Recreation Class properties contribute less than 0.1 per cent of all property tax revenue. As illustrated above, the District of West Vancouver had the lowest municipal tax rate per \$1,000 assessed value for residential class properties in 2015.

SUPPLEMENTARY INFORMATION

REVENUES *continued*

Five-Year Financial and Statistical Review



Approximately one half of taxes collected from residents are on behalf of other taxing authorities. Provincial legislation requires municipalities to collect levied taxes for Provincial School Tax, Regional Transit, BC Assessment Authority, the Regional District and Municipal Finance Authority. The taxes collected are remitted to the respective taxing authorities.

RESIDENTIAL PROPERTIES IN DETAIL	2015	2014	2013	2012	2011
Number of Folios	16,222	16,168	16,174	16,176	16,165
% of total folios	96.29%	96.24%	95.70%	95.72%	95.70%
% of total assessments	97.12%	96.92%	97.01%	96.93%	96.65%
% of total taxation revenues	92.80%	92.73%	92.54%	92.25%	92.27%

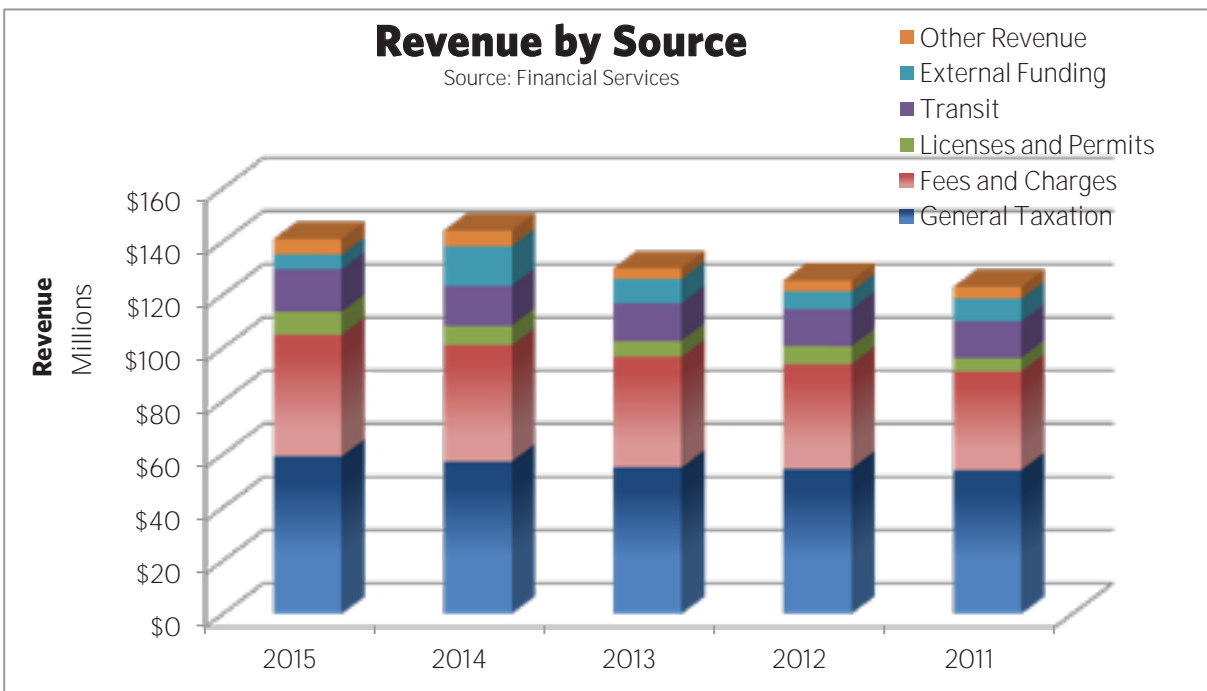
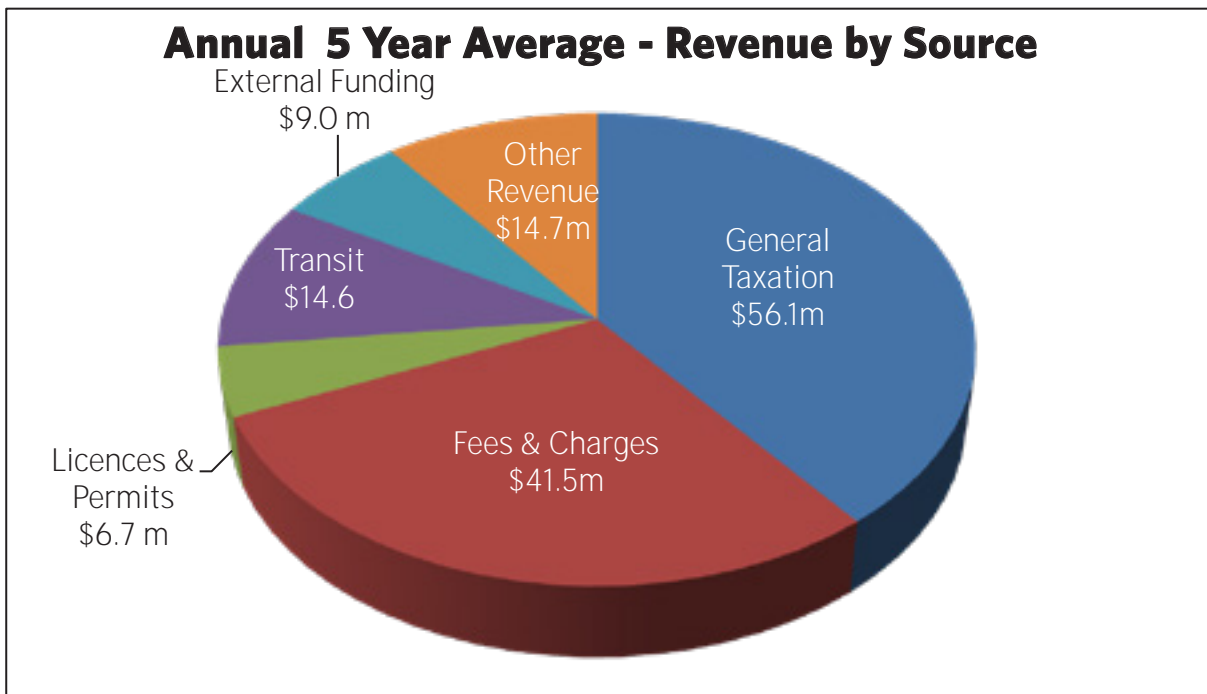
PRINCIPAL CORPORATE TAXPAYERS

Park Royal Shopping Centre Holdings Limited	shopping centre	\$659,195
British Pacific Properties Limited	undeveloped upper lands	\$434,075
BC Transportation Financing Authority	BC transportation	\$206,122
Hollyburn Properties Limited	high-rise buildings	\$158,038
Caulfeild Village Shopping Centre	shopping centre	\$123,925
Onni Taylor Way Properties Limited	multi-family residential	\$109,945
GH West Van Holdings Limited	Fresh St. Market	\$109,068
Marine Drive BT Holdings Limited	marina	\$102,161
449691 B.C. Limited	retail/business complexes	\$101,999
Austeville Properties Limited	high-rise building	\$100,742
Wall Financial Corporation	high-rise building	\$83,425
Hollyburn Country Club	recreational facility	\$82,670
Hanover Properties Limited	high-rise building	\$79,937
Capilano Golf & Country Club	recreational facility	\$76,963
K.A. Ray Limited	retail/residential strata	\$74,889

SUPPLEMENTARY INFORMATION

EXPENSES

Five-Year Financial and Statistical Review

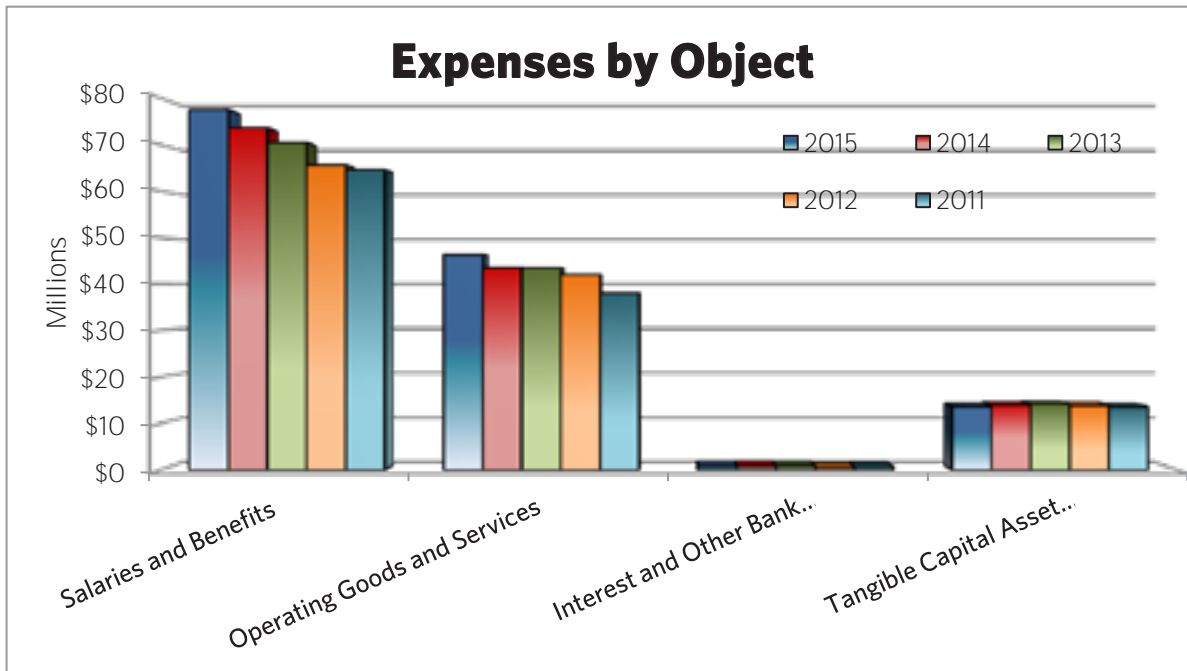


General Taxation and Fees & Charges represent 68 per cent of revenue generated to pay for services provided by the District of West Vancouver. Fees and charges revenue is comprised largely of user fees for Water, Sewer, Solid Waste and Recreation services. Transit revenue equivalent to expenditures incurred to operate the West Vancouver Blue Bus service is received from the BC Transit Authority. Other revenue includes rentals and leases of real property, government grants, interest earned on investments and gains on sale of real property. In 2015, \$21 million of revenue was recognized from the sale of part of the 1300 block Marine Drive.

SUPPLEMENTARY INFORMATION

EXPENSES *continued*

Five-Year Financial and Statistical Review

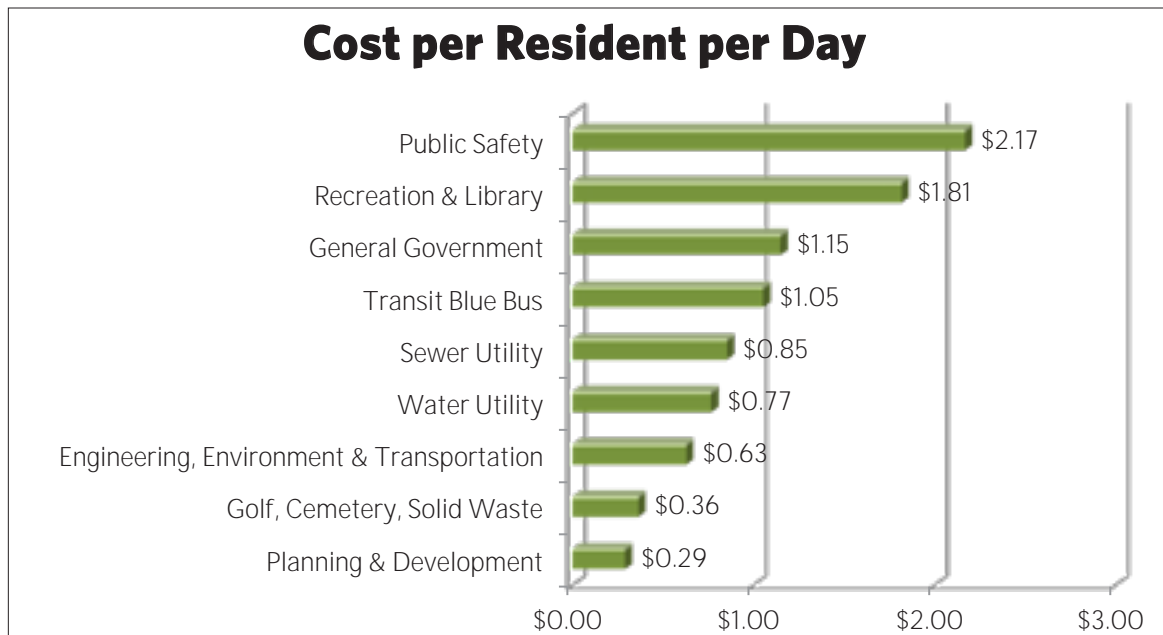
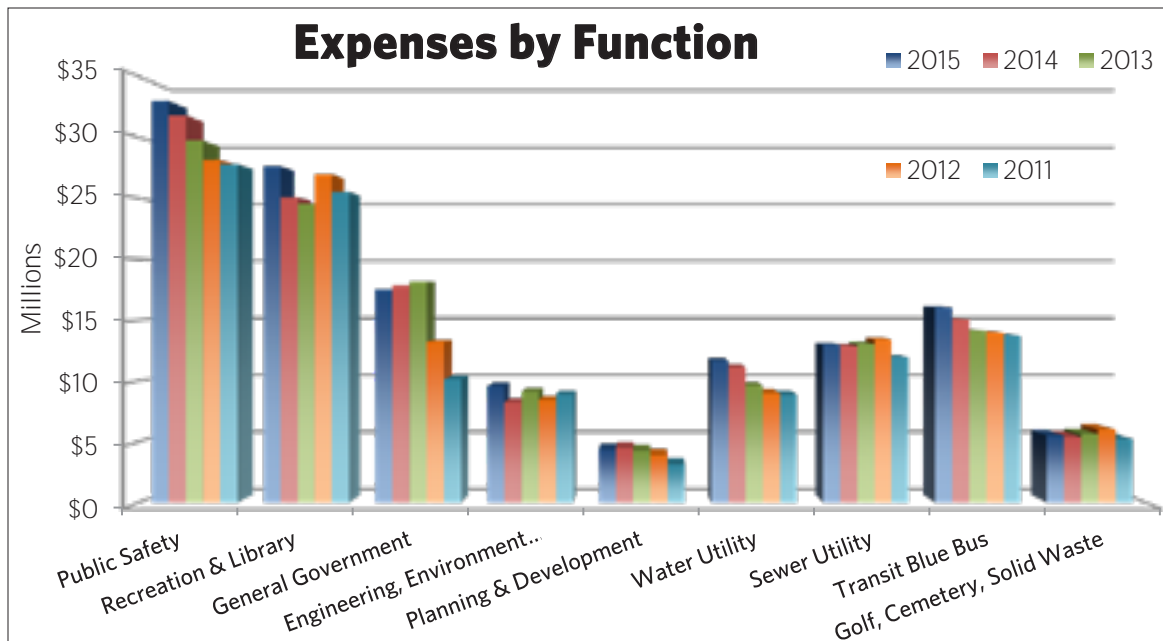


Salaries and benefits represent 56 per cent of total expenditures. Salary costs are largely driven by the level of services provided and collective agreement provisions. The municipality administers separate collective agreements for Fire, Police and other municipal services. The annual increase in wages has averaged 2 to 2.5 per cent for the past five years. Operating goods and services costs are largely impacted by inflation, level of service provided and US dollar exchange rates.

SUPPLEMENTARY INFORMATION

EXPENSES *continued*

Five-Year Financial and Statistical Review

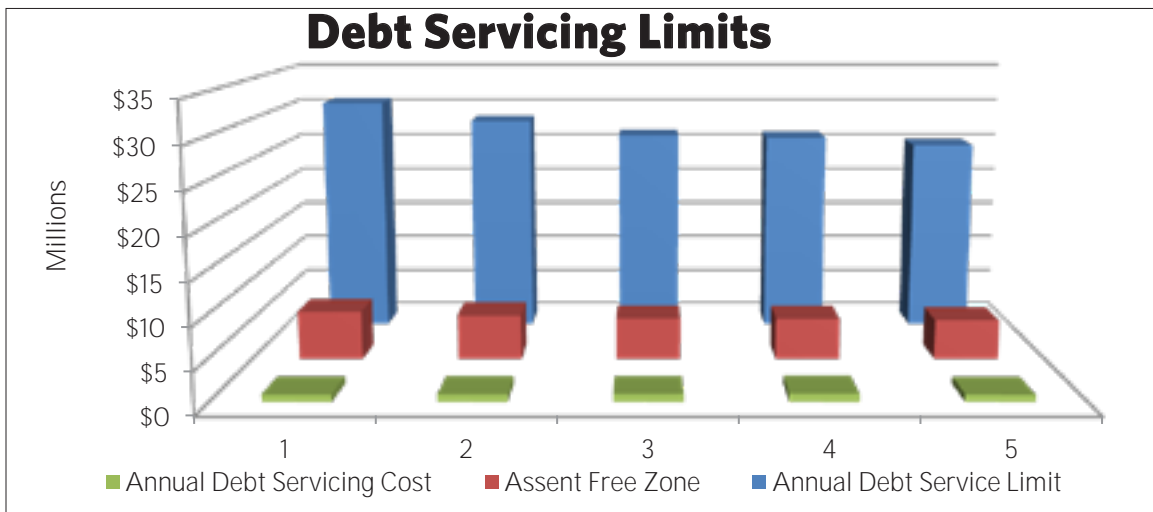
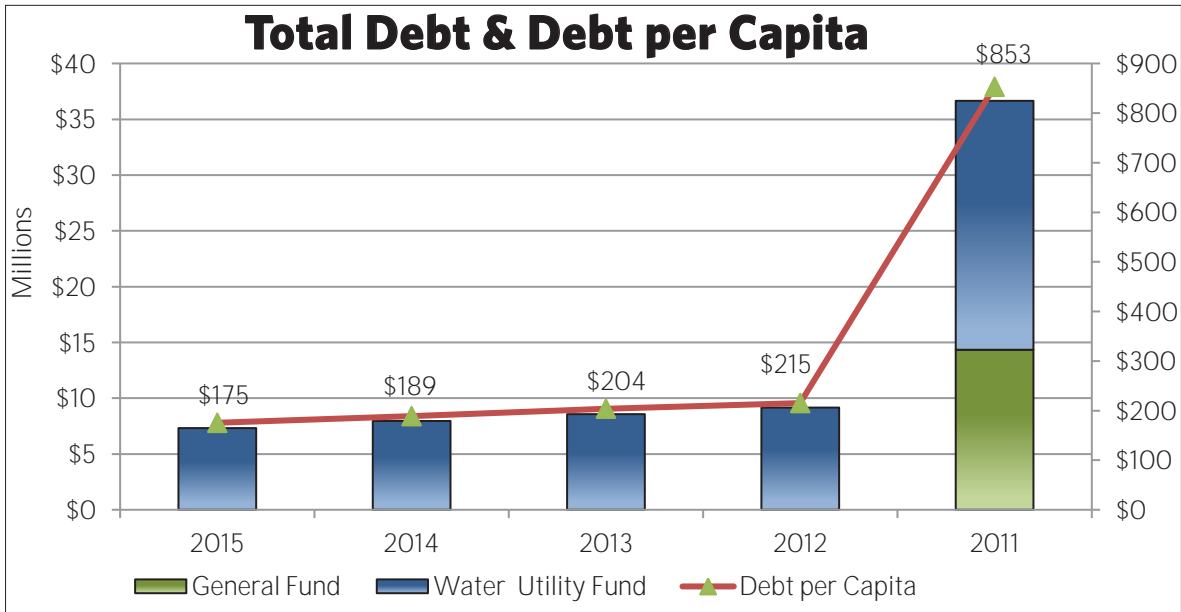


In 2015 Public Safety and Recreation & Library services represented 46 per cent of all expenditures for the District. The Facilities management function was centralized in 2013 and transferred to the Finance division which is included in General Government. This change contributed to the increase in General Government expenditures from 2012 to 2013. Some facilities costs were also transferred from the Recreation & Library and Public Safety areas to General Government in 2013. West Vancouver residents place high value on public safety which includes Police, Fire & Rescue and Bylaw services. The cost of providing these services to residents is \$2.17 per-day per-resident. The total cost of all services received by residents on a per day per-resident basis is \$9.08.

SUPPLEMENTARY INFORMATION

DEBT AND DEBT SERVICE

Five-Year Financial and Statistical Review



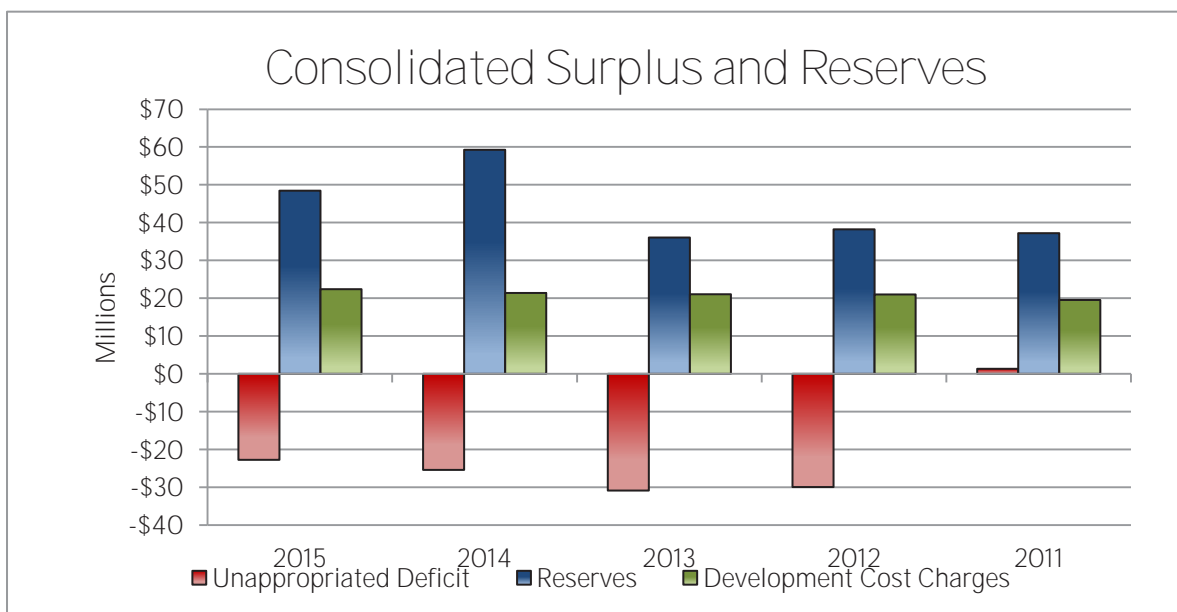
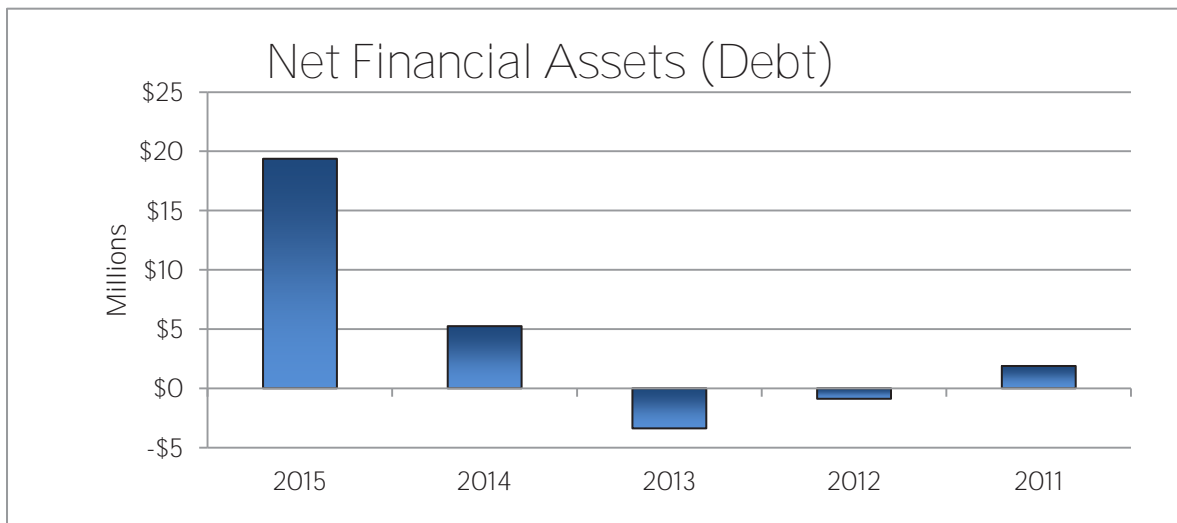
West Vancouver has historically taken a conservative approach to debt, borrowing mainly for revitalization projects in Ambleside and Dundarave, and for infrastructure improvements in the water utility. The revitalization projects involved cost recovery from benefiting business properties and the water utility infrastructure borrowings have been serviced from the water user rate. Thus, there has been no general tax supported debt in the District.

The 2011 outstanding debt and debt per capita represent the District's planned borrowing from the Municipal Finance Authority to fund the construction of West Vancouver Community Centre, the Eagle Lake Water Treatment Plant and the Gleneagles Clubhouse Building. In 2012, a decision was made to fund these projects internally. As a result, Future Debt Issues were removed for 2012 and subsequent years. In the chart above the annual debt service limit represents the maximum amount of debt servicing costs (principal and interest) the District of West Vancouver can legally take on based on its annual revenues. The assent free zone represents the amount of debt servicing costs that can be incurred without elector referendum.

SUPPLEMENTARY INFORMATION

NET ASSETS (DEBT), SURPLUS, RESERVES AND DEVELOPMENT COST CHARGES

Five-Year Financial and Statistical Review



Statutory Reserves as of the end of 2015 are comprised of:

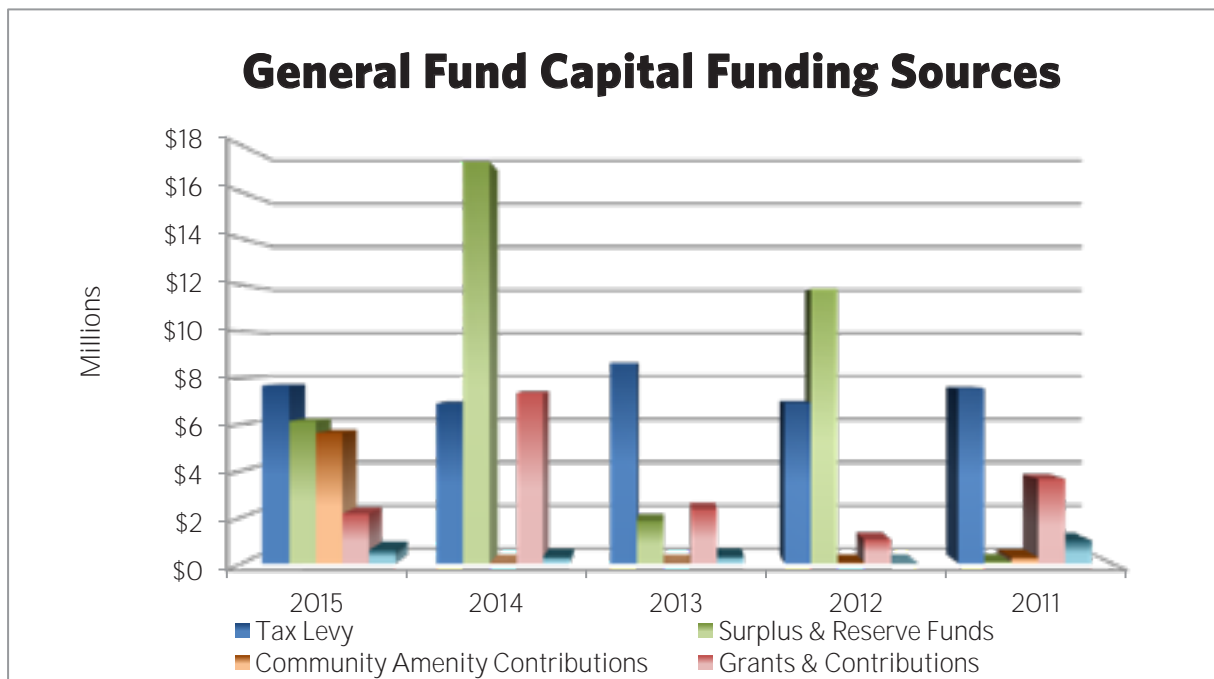
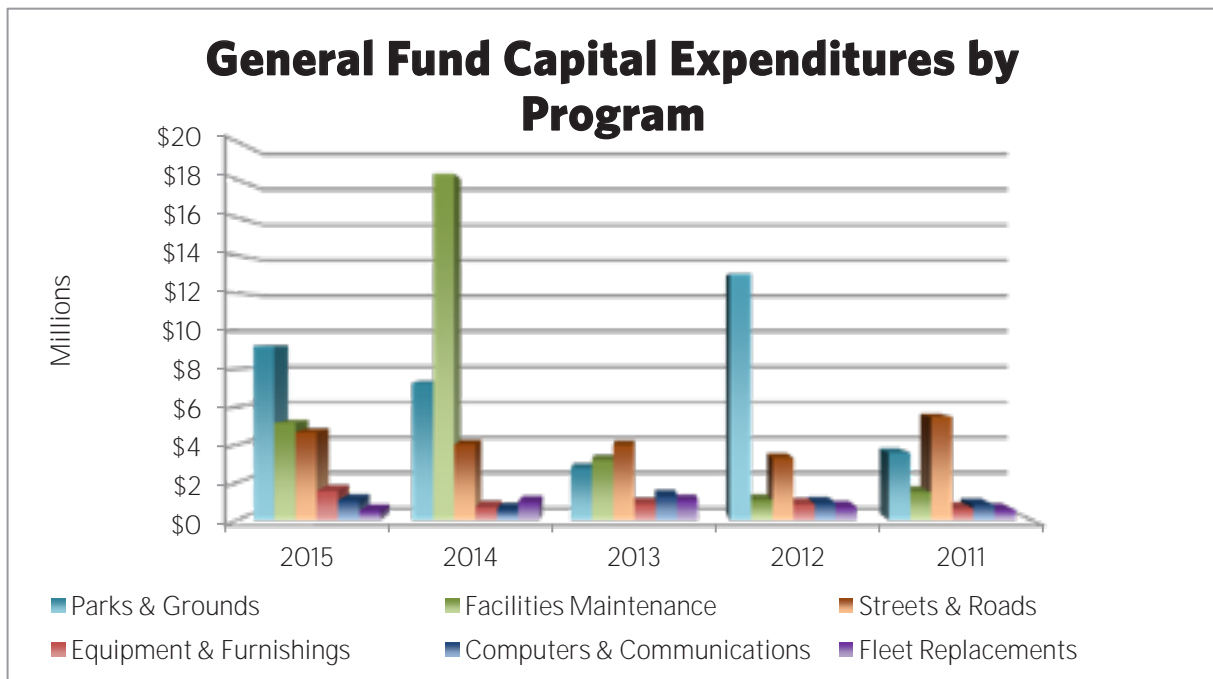
- Endowment Reserve
- Capital Facilities Reserve
- Sewer Capital Reserve
- Water Capital Reserve

Statutory Reserve ending balances for 2015 total \$34 million and represent 70 per cent of the total reserves balance of \$48 million. The remaining 30 per cent is comprised of community amenity contributions received, various operating and capital reserves and the Cemetery Development Fund. The unappropriated deficit represents internal borrowing undertaken to finance the construction of the West Vancouver Community Centre, Eagle Lake Water Treatment Facility and the Gleneagles Clubhouse Building.

SUPPLEMENTARY INFORMATION

GENERAL FUND CAPITAL

Five-Year Financial and Statistical Review

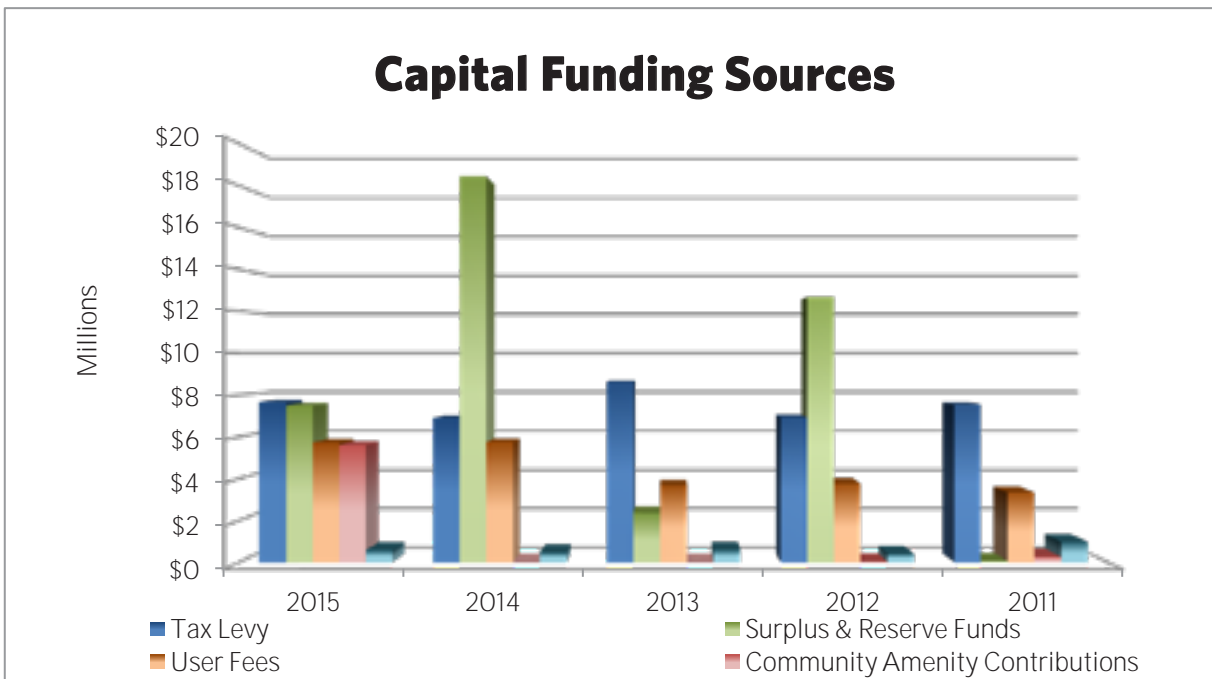
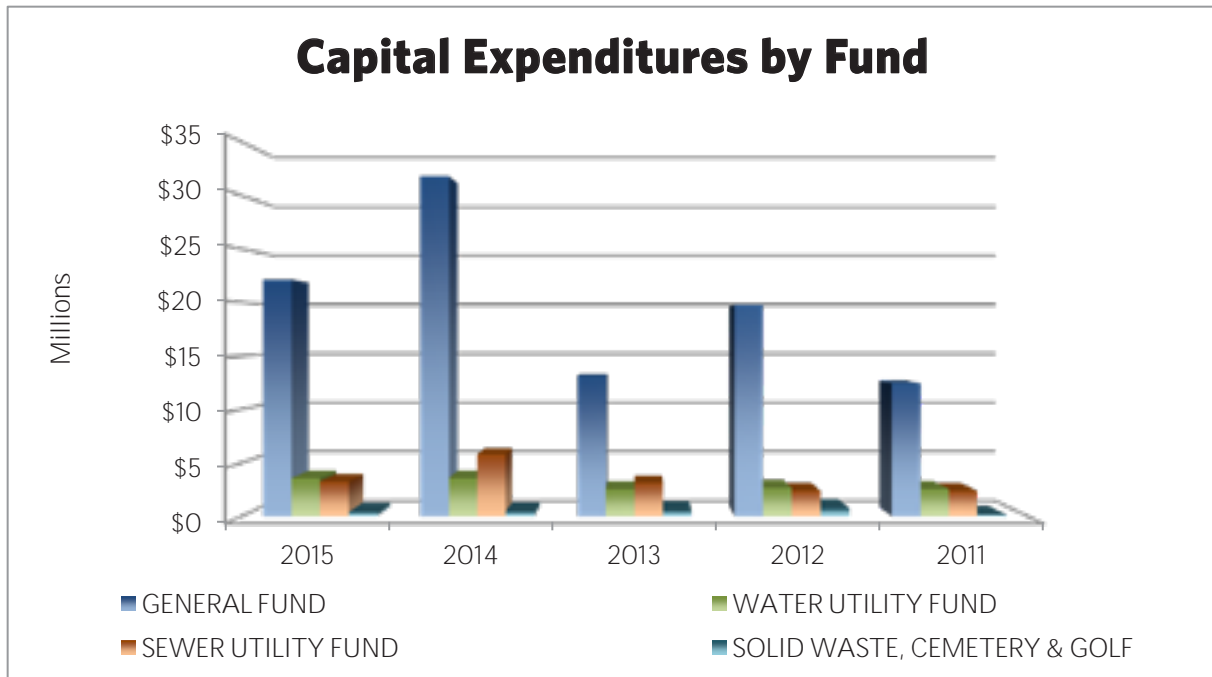


The 2015 Capital Program expenditures for the General Fund totalled \$22 million. Significant expenditures in the Parks & Grounds program in 2012, 2014 and 2015 included acquisition costs for properties at Ambleside Park, funded from Community Amenity Contributions and Surplus & Reserve Funds and developer contributed park land in the Upper Lands. The 2015 Facilities Maintenance Program included construction costs for the new Municipal Hall & Police Services Building which is expected to be complete by 2017. Expenditures for this project were funded from Reserves in 2015. The spike in 2014 Facilities and Maintenance program expenditures was a consequence of the acquisition of the Vancouver Coastal Health property on Gordon Street, which was funded from Reserves.

SUPPLEMENTARY INFORMATION

CAPITAL BY FUND

Five-Year Financial and Statistical Review



Capital expenditures for all funds were \$29 million in 2015. In addition to regular capital program expenditures, General Fund capital expenditures for 2012, 2014 and 2015 included property acquisitions consisting of parkland in Ambleside and property on Gordon Street.

SUPPLEMENTARY INFORMATION

PERMISSIVE TAX EXEMPTIONS

Five-Year Financial and Statistical Review

Address/Owner	Lot	Class	Assessed Value	Municipal Taxation	Other Jurisdictions	Total
Kiwaniis Senior's Housing Society:						
975 21st Street	Lot A	1-Res	\$ 31,638,000	\$ 53,503	\$ 49,566	\$ 103,069
959 21st Street	Lot 1	1-Res	16,659,000	28,172	26,099	54,271
2151 Gordon Avenue	Lot 2	1-Res	18,093,000	30,597	28,345	58,942
Royal Canadian Legion:						
580 18th Street	N/A	8-Rec	586,100	2,982	2,171	5,153
Ancillary lands, sidewalks and parking lots adjacent to the buildings of three independent schools:						
	N/A	6-Bus	14,524,000	62,677	108,532	171,209
	N/A	8-Rec	3,331,000	16,950	12,339	29,289
Twelve non-profit organizations and community care licensed groups occupying portions of school buildings from West Vancouver School District:						
	N/A	6-Bus	6,447,200	27,822	48,178	76,000
Land surrounding fourteen places of public worship and necessary ancillary buildings:						
	N/A	8-Non Profit	20,554,000	104,589	76,139	180,728
				\$ 327,292	\$ 351,369	\$ 678,662

The *Community Charter* makes provisions for exempting, at Council's discretion, certain categories of property from taxation. In West Vancouver, such exemptions have been tightly controlled in order to constrain erosion of the assessment base. Current practice allows for exemptions only as follows:

- for senior citizen housing projects built with provincial assistance that do not fall within the exemption provisions of S 224(2)(h) of the *Community Charter*
- for non-profit organizations and community care licensed groups' leasing portions of school buildings in the West Vancouver School District
- for land surrounding buildings for public worship and other necessary ancillary buildings.





west vancouver