



# TOWN OF VIEW ROYAL **ANNUAL REPORT**

Year Ended December 31, 2018







# TOWN OF VIEW ROYAL - ANNUAL REPORT

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# COMMUNITY PROFILE

A gateway between Victoria's urban core and the growing West Shore municipalities, View Royal is a vibrant community. This year's Annual Report outlines the Town's achievements and major projects for 2018. It shows the progress on our 2018 municipal goals and objectives, highlights financial reporting, and gives insight into plans for the future.



➡ INCORPORATED **DECEMBER 5, 1988**

➡ **10,408** POPULATION

➡ **14.36KM<sup>2</sup>** LAND AREA

➡ **4,300** HOUSEHOLDS

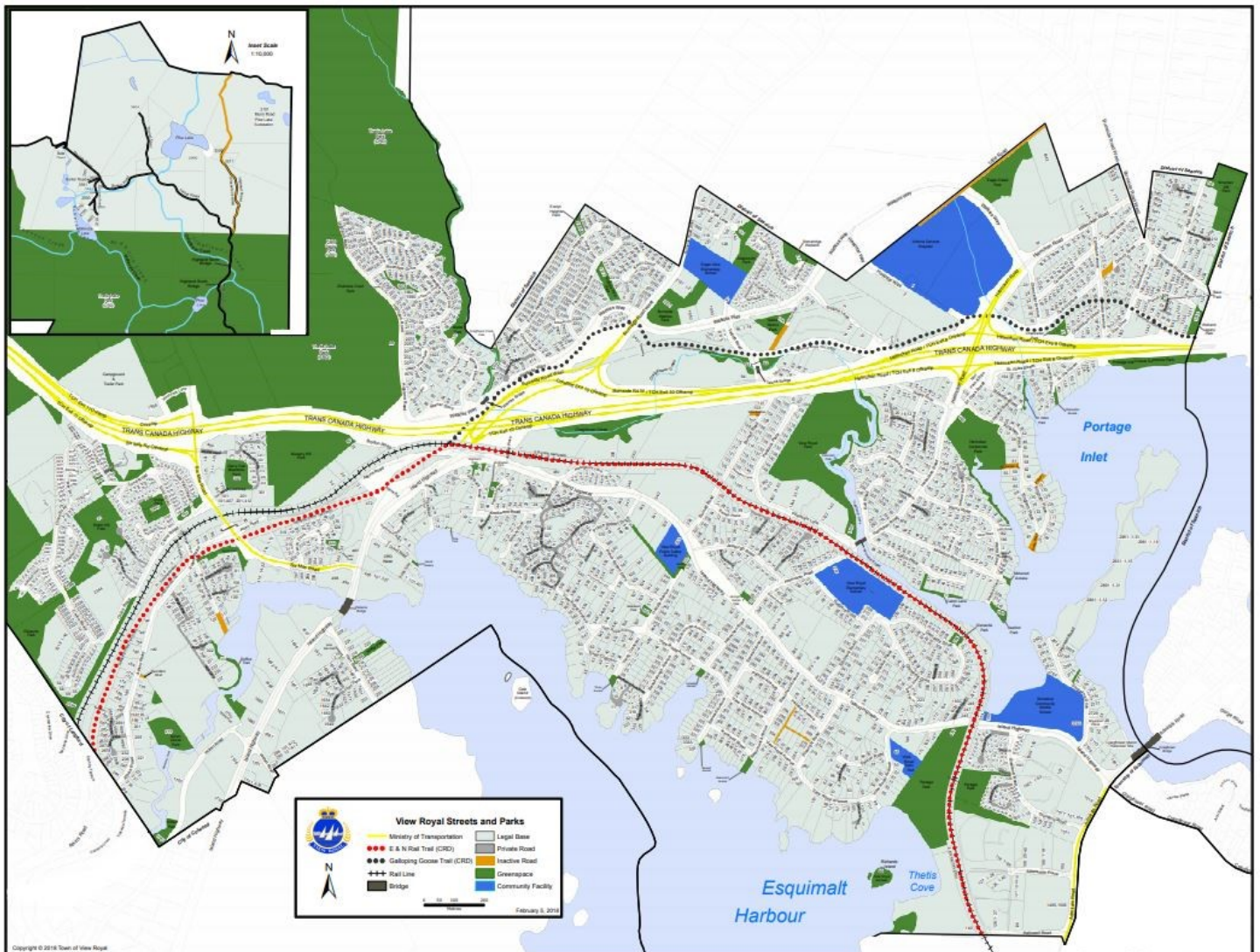
➡ **72** MUNICIPAL PARKS

➡ **30.5KM** BIKE LANES

➡ **27.3KM** TRAILS

\*as per Statistics Canada, 2016 Census





View Royal is divided into eight distinct precincts based on such factors as topography, major transportation corridors, natural environment and the age of housing stock. These precincts are:

- Craigflower
- Harbour
- Helmcken
- Hospital
- Thetis
- Burnside
- Atkins
- Wilfert

The municipality encompasses McKenzie, Pike, Prior and Thetis Lakes and portions of Esquimalt Harbour and Portage Inlet and is situated adjacent to the established jurisdictions of the City of Colwood, Township of Esquimalt, Esquimalt First Nation, District of Saanich and Songhees First Nation.



Mayor Screech with volunteers at the Canada Day Celebrations.



Ribbon cutting for the Grand Opening of the Chilco Trail Network.



# MESSAGE FROM THE MAYOR

On behalf of View Royal Council and staff, I am pleased to share with you some of the Town of View Royal's key initiatives, accomplishments, and events in our community during the past year through our 2018 annual report.

The annual report is an opportunity to recognize the excellent work that has been done in the past year by staff, members of Council, residents, and volunteers to ensure View Royal remains a healthy, vibrant, and sustainable community.

Council's focus for 2018 was implementing the four main areas in our strategic plan - financial sustainability and service excellence; enhance livability; community and economic growth; and maintaining strong relationships with our neighbours.

Highlights of 2018 included:

- Major community events including Canada Day celebrations at Craigflower Manor and Art Fest at Eagle Creek Village;
- The 2018 general local elections saw the four incumbent members returned to Council along with one new member, Councillor Gery Lemon;
- Completion and grand opening of the Chilco trails network;
- Significant new playgrounds completed in both View Royal Park and Helmcken Centennial Park;
- The View Royal Habitat Restoration Project held 34 work parties and removed two tonnes of invasive plants;
- A new bike park in View Royal Park was approved with construction to begin in 2019;
- The Town received a GFOA distinguished budget presentation award;
- Fire dispatch services were transitioned to Surrey Fire Regional Dispatch successfully and smoothly;
- The Emergency Management Division launched the public alert notification system;
- Protective Services staff and volunteers assisted with the response to the wildfires in Northern BC.

Please take a few moments to review the accomplishments of the Town in the following pages. We are committed to continually looking at ways to better serve our community through our programs and services. Council and staff are collectively proud that View Royal is such a wonderful community and one of the best places to call home.



Mayor David Screech



# MAYOR & COUNCIL

Mayor and Council of the Town of View Royal were elected for a four-year term in the municipal election held in November 2014.

Following a vacancy on Council, a bi-election was held in November 2017 to elect one Councillor for the remainder of the four-year term (ending fall 2018).

Each Council member is also appointed to various Town and Regional committees.



## Mayor David Screech (December 2, 2014 - present)

- Finance & Administration - Chair
- CRD Board/Committee of the Whole
- CRD Core Area Liquid Waste Management
- CRD Finance
- CRD Hospital Board
- Capital Region Housing Corporation
- CRD Regional Parks
- Funding Partners' Council
- Municipal Insurance Association
- Police Building Liaison Committee
- Te'Mexw Treaty Advisory Committee
- View Royal Reading Centre

## Councillor Damian Kowalewich (December 5, 2017 - present)

- Public Works & Transportation - Chair
- Community Development Advisory Committee
- Joint School District / Municipal Committee
- Parents' Advisory Committee







**Councillor Gery Lemon** (November 6, 2018 - present)

- Protective Services & Community Services - Chair
- Community Development Advisory Committee
- CRD Climate Action Steering Committee
- Westshore Community Policing Advisory Committee



**Councillor Ron Mattson** (December 6, 2011 - present)

- Protective Services & Community Services - Chair
- Community Development Advisory Committee
- Community Policing
- CRD Housing Trust Fund Commission
- Esquimalt Harbour Advisory Committee
- Victoria Family Court & Youth Justice Committee
- West Shore Parks & Recreation Society



**Councillor John Rogers** (December 2, 1996 - present)

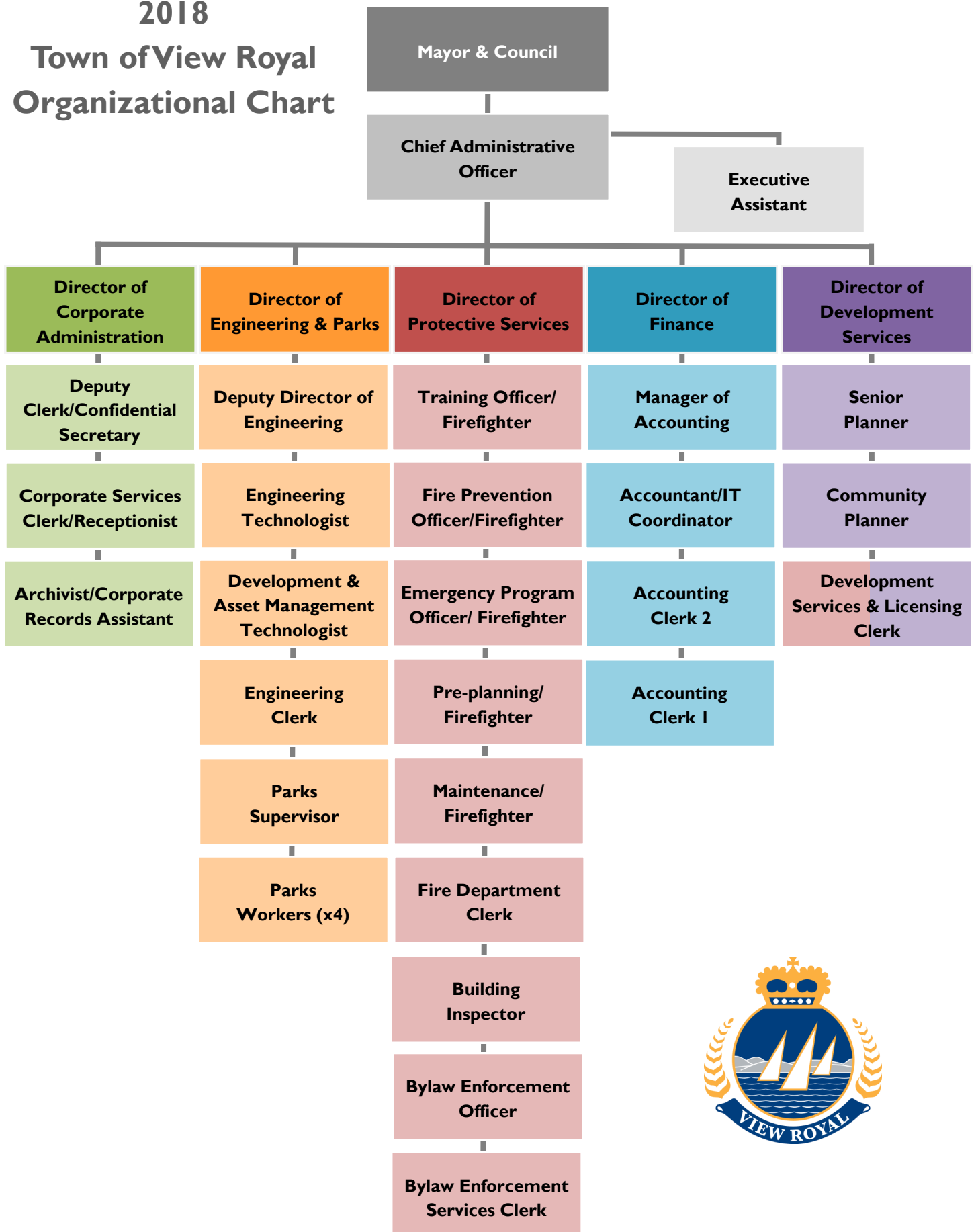
- Parks, Recreation & Environment - Chair
- Parks, Recreation & Environment Advisory Committee
- CRD Arts Committee
- CRD Climate Action Steering Committee
- CRD Water Supply Commission
- Friends of Cole Island Society
- Greater Victoria Public Library
- Juan de Fuca Water Distribution Commission



**Councillor Aaron Weisgerber** (December 2, 2014 - November 5, 2018)

- Planning & Development - Chair
- Parks, Recreation & Environment Advisory Committee
- Capital Region Emergency Service Telecommunications (CREST)
- Westshore Chamber of Commerce

# 2018 Town of View Royal Organizational Chart







## **MISSION - WHY WE EXIST**

To build a resilient, vibrant community that fosters and balances social, environmental and economic well-being.

## **VISION - THE FUTURE WE STRIVE TO CREATE**

Liveable View Royal – simply the best place to call home.

## **VALUES - OUR GUIDEPOSTS**

The Town of View Royal pursues good community through a corporate culture that is:

- Accountable,
- Collaborative,
- Efficient, and
- Respectful,
- Innovative,
- Effective.
- Ethical,
- Proactive,

## **COMMITMENT TO ORGANIZATIONAL EXCELLENCE**

The Town of View Royal is committed to providing the best possible local government for our residents and business community. This commitment drives constant improvement, with particular emphasis on:

- providing strong, strategic policy-based governance,
- demonstrating collaborative leadership and effective shared decision-making within the community, with our regional partners, including First Nations,
- nurturing productive working relationships at the legislative and executive level,
- pursuing excellence founded on core values, approved plans, policies and our commitment to innovation,
- decision-making processes to be transparent and responsive,
- integrating strategic planning, business planning, budgeting and performance management systems,
- embracing evidence-based best practices for professionalism,
- enhancing customer service and related communications capacity, and
- positioning sustainability as the foundation of our municipal culture.







# SUMMARY OF SERVICES & OPERATIONS

The **TOWN OF VIEW ROYAL** is responsible for the provision of a wide variety of local services and programs. These include:

- Transportation network (e.g. roads, bridges, street cleaning, sidewalks)\*
- Stormwater management
- Garbage/household food waste collection
- Sanitary sewer collection system
- Parks, recreation and cultural facilities
- West Shore Royal Canadian Mounted Police (RCMP)
- Fire protection and inspection
- Emergency preparedness planning
- Land use planning
- Building permits
- Business licensing
- Bylaw establishment and enforcement
- Economic development
- Heritage and revitalization

\*excludes Admirals Road, Six Mile Road and the Trans Canada Highway (Highway 1) which are controlled by the Ministry of Transportation & Infrastructure.

Town Services provided by **OTHER ORGANIZATIONS** include:

- School system (Provincial Government and Local School Boards)
- Social and health programs (Provincial Government)
- Hospital care system (Provincial Government)
- Real property assessments (B.C. Assessment)
- Library collection and distribution system (Greater Victoria Public Library; Town is a part owner of the Downtown Branch)
- View Royal Reading Centre (Town provides partial support through a grant-in-aid)
- Planning and the management of public transit (Victoria Regional Transit System)

Town Services provided by the **CAPITAL REGIONAL DISTRICT**:

- Animal control
- Sewer system management
- Water management
- Recycling

The Town is represented on the following **BOARDS AND COMMITTEES**, which provide a variety of services to the residents of View Royal:

- Capital Regional District Board
- Capital Regional District Hospital Board
- Capital Regional District Housing Trust Fund Commission
- West Shore Parks & Recreation Society
- Greater Victoria Public Library
- Community Policing



Children are given the opportunity to create art projects at a booth at Art Fest.



Students from View Royal Elementary enjoy learning about the Parks Department during a school tour of Town Hall.



# 2018 MUNICIPAL HIGHLIGHTS

## ADMINISTRATION DEPARTMENT

- The View Royal Archives began conducting phase two of oral history interviews, gathering the recollections of many long-time View Royal residents.
- The annual volunteer dinner was held in March and was attended by approximately 100 volunteers and guests. The View Royal Emergency Support Services Team (ESS) was recognized by the Province with a plaque and recognition certificates were given to specific ESS volunteers for their work during the summer 2017 BC wildfires.
- The Archives began the next phase of its digitization project, adding more of the photographs and documents in the Town's archival collection, including a selection of oversized material, slides, and negatives. Digitizing will facilitate access to the material for researchers and residents.
- Canada Day celebrations held at the historic Craigflower Manor, were well attended and all participants enjoyed the sunshine, face painting, bouncy castle, balloon clown, diverse community booths, two pipe bands, various dance groups, and African rhythms.
- In mid-July, Council Chambers was the venue for a Block Watch and Crime Prevention Through Environmental Design (CPTED) workshop offered by West Shore RCMP. This well-attended evening was informative, highlighting how to set up a Block Watch program in one's neighbourhood and describing the elements of safety in design.
- An intermittently wet but fun-filled Art Fest was held in mid-September. Local artists displayed their beautiful works under tents and visitors were able to vote on their favourite artwork. Toe-tapping music was provided by Knacker's Yard while children could visit an instrument "petting zoo", have their faces painted, receive a fun twisted balloon from a clown and make some of their own painted driftwood art at the Jeneece Place booth.
- Several student tours of Town Hall were held with students from both View Royal Elementary and Eagle View Elementary School regarding the role of local government.
- The Administration Department facilitated the 2018 General Local elections in October. A total of 2,244 ballots were cast over the three days of voting, representing a voter turn-out of 25.3%. New Council members were sworn in by Judge Jennifer Barrett at the Inaugural Council meeting in November.
- A strategic planning session was held to refresh the "2015 – 2018 Strategic Plan" document. With less than a year remaining in Council's term, it was useful to clarify projects that are high priority to complete in 2018 with the Town's available resources and to begin to identify potential initiatives for the next Council.

Department Quick Stats:	2017	2018
WorkSafe BC claims	5	4
FOI requests	40	32
Website page views	35,900	36,427
Social media followers	1,639	1,969
HR competitions	9	6
Agenda packages and minutes	65	51

## 2018 MUNICIPAL HIGHLIGHTS (con't)

### DEVELOPMENT SERVICES DEPARTMENT

- In September, the community celebrated the opening of the Chilco Trails network in the Chilco neighbourhood. The Chilco Trails network is a pedestrian trail linking parks in the Thetis Vale area from Lund Road to Edwards Park along the Langford border. After remarks by the Mayor and a ribbon cutting, members of Council led people on guided tours of the trails. Many residents offered their appreciation for the Town's work and enjoyed celebrating this new recreational amenity.
- Since the legalization of cannabis in October 2018, the Town has taken a cautious approach and followed recommendations made by the Vancouver Island Local Government Management Association. View Royal has intentionally placed a prohibition on the production, distribution, sale and personal growing of recreational cannabis within Zoning Bylaw No. 900, 2014. The reasoning behind the prohibition has been to give the Town ample time to fully understand the provincial and federal legislation, and to consult with residents, the business community, schools, public safety officials, potential retailers and other stakeholders.
- The Town conducted a review of its Development Cost Charges (DCC) Bylaw, which was adopted in 2001. The review updated the Town's current DCC rates, as well as proposed policies that reflect current land uses and development patterns within the Town.
- The joint Provincial - Union of British Columbia Municipalities Green Communities Committee recognized the Town as one of 45 local governments in BC (out of 190) to officially achieve carbon neutral municipal operations for the 2017 reporting year. The Town generated 398.5 tonnes of Green House Gas (GHG) emissions, which was offset by 253.8 tonnes of GHG reductions from household organic waste composting programs and by purchasing 145 tonnes of GHG credits. As a signatory to the BC Climate Action Charter, the Town is committed to reducing its carbon footprint and has been carbon neutral in its municipal operations every year since 2013.
- The Town received a Climate Action Revenue Incentive Program (CARIP) grant of \$3173.67 for measuring and reporting on the Town's 2017 greenhouse gas emissions from municipal operations. The grant amount was based on carbon taxes paid for energy expenditures in 2017.
- Sign Bylaw No. 950, 2018 was adopted as a standalone bylaw for the regulation of signs. Previously, sign regulations were part of Land Use Bylaw 1990, No. 35, which is being phased out with newer updated bylaws. Zoning Bylaw No. 900, 2014 was also amended to clarify regulations regarding liveaboard vessels.

Department Quick Stats:	2017	2018
Development permit applications	10	4
Development variance permit applications	3	4
Subdivision applications	0	4
Rezoning applications	4	9
Secondary suite permits issued	345	393





The viewing platform in Edwards Park at the top of the new Chilco Trails network is one of the best lookouts in the region.



The community gathers to celebrate the grand opening of the Chilco Trails network.





Volunteers work together to pull invasive plants in Portage Park as part of the Habitat Restoration project.



Kids love riding the zipline at the new Helmcken Centennial Park playground.



## 2018 MUNICIPAL HIGHLIGHTS (con't)

### ENGINEERING & PARKS DEPARTMENT

- The Town opened an online survey to collect responses from the public on playground options to replace the equipment at Centennial Park. After some delay due to a fire at the equipment production facility, the new playground equipment was installed in October 2018. The park includes many fun features for both older and younger kids; climber bars, slides, swings, spinner, and a large zipline.
- Traffic and safety improvements included a new pedestrian crossing signal at the Public Safety Building, installation of a traffic signal at the intersection of Burnside Road W and Watkiss Way to replace the four way stop, a new pedestrian crossing at the Colwood Interchange, and new solar lights near the Highland Road bus loop.
- Lifecycles grafted and planted fifty new fruit trees from the heritage collection and sold the first generation of fruit trees that were grafted in 2015. With the Tree Care Apprentice program they were able to prune the whole orchard, replace the fence around the nursery, and a whole host of other orchard maintenance activities.
- The View Royal Park Community Garden Society once again expanded the number of garden plots, as well as added irrigation to the pollinator beds.
- The View Royal Habitat Restoration project extended boundaries of areas that were cleared in previous years and added new areas and other parks. Total event participation and volunteer hours increased threefold with 34 work parties held resulting in over two tonnes (135 m2) of invasive plants cleared from nearly 36,000m<sup>2</sup>.
- Two new playground areas were installed at View Royal Park, featuring an area for children ages 2 to 5, and the other for ages 5+.
- Upgrades to Island Highway were completed in front of Elements Casino, including a new sidewalk, bus shelter and streetlighting.
- A Development Asset Technologist was hired and is a welcome addition to the Engineering team.
- The Town received a total of 435 responses to an online survey regarding a potential bike park in View Royal Park with an 89.6% positive response. The clear choice of various bike park options presented in the survey was a Pump Track with the suggestion to incorporate a Bike Skills component as well. Preliminary design of the bike park has begun with construction scheduled to begin in the summer of 2019.

Department Quick Stats:	2017	2018
Tree permits	91	114
Customer issues or concerns	1,017	960
Catch basins cleaned	774	793
Drainage mains videoed (metres)	2,630	1,995
Sanitary mains videoed (metres)	5,393	4,313
Solid waste new customers	29	46

## 2018 MUNICIPAL HIGHLIGHTS (con't)

### FINANCE DEPARTMENT

- The Town of View Royal received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the 2018-2022 Financial Plan. This award is the highest form of recognition in governmental budgeting and represents a significant achievement by the Town.
- Finance staff worked with View Royal's bank to implement enhanced cheque fraud protection to ensure payments made by cheque are only cashed by the intended recipient. Sixty-eight percent (68%) of payments to vendors were made by direct deposit in 2018, enhancing both security for View Royal and convenience for its suppliers. This is an increase of 26% over the prior year.
- The Finance Department continues to encourage its constituents to utilize electronic means to pay their tax and utility bills. In 2018, 26% of payments from customers were received electronically, up 2% from the prior year.
- The Information Technology (IT) Strategic Plan included the following projects that were completed or started in 2018:
  - ⇒ Microsoft Office 365 Implementation = 20% Complete
  - ⇒ Infrastructure hardware replacement = 100% Complete
  - ⇒ Offsite business continuity = 100% Complete
  - ⇒ Workstation ever-greening = 100% Complete
  - ⇒ Town Hall data cabling and switches upgrade = 100% Complete
  - ⇒ VoIP telephony upgrade = 100% Complete
  - ⇒ Mobile inspection hardware and GIS integration = 85% Complete
- Two staff members received ITIL Foundation certification in information technology service management. This certification is the industry standard for IT service delivery that helps to ensure operations and projects are delivered in a manner that provides value to View Royal and its constituents.

Department Quick Stats:	2017	2018
Direct deposits to vendors (% of total payments)	42%	68%
Online payments from customers (% of total receipts)	24%	26%





Finance Director Dawn Christenson accepts the GFOA Distinguished Budget Presentation Award on behalf of the Town of View Royal.



View Royal Fire Rescue deployed six personnel and one fire engine to assist the Province with the 2018 summer wildfires in northern BC.



The new CREST monopole is installed behind the View Royal Public Safety Building.



## 2018 MUNICIPAL HIGHLIGHTS (con't)

### PROTECTIVE SERVICES DEPARTMENT

- The Emergency Management Division were busy with preparations to launch the Public Alert Notification System (PANS). Staff have completed a training /orientation course and will be training others in-house. PANS will be able to send messages by location (determined from map/address) or by groups (e.g. tsunami zone residents' group). It also has the ability for staff recall and can be managed from a smart phone app or from a computer. The system will be rolled out to the public once the agent parameters are set up and the applicable features of the software are coordinated with the other municipalities in the west shore and Capital Regional District.
- The transition of fire dispatch services to Surrey Fire Regional Dispatch was smooth and successful. Surrey, CREST and the five municipalities involved all worked together to enable an effective transition with weekly communications to fine tune operational requirements and dispatch logics. To date there have been no technical issues and the level of service is exceptional. The first three months of service proved to be a superior service model with recognized savings and improvements in technology and data capture. As part of dispatch and response modernization, mobile data terminals will be installed in all frontline fire apparatus to link directly with the dispatch centre.
- As a part of the upgrades to its 14 year old emergency communications technology, CREST installed a 154ft (47m) communications monopole at the View Royal Public Safety Building to improve emergency communications coverage for fire, police and ambulance to better serve and protect residents throughout the community.
- View Royal Fire hosted their annual Open House at the Public Safety Building with just over 1000 visitors coming through the hall and grounds.
- The 2018 Wildfire season proved busy and consistent with 2017. The Fire Chief and one other staff member were called out in August as part of the Provincial Incident Command Team. Several deployment locations were reached, with the majority of time spent in northern BC.
- A significant change in resource allocation to medical aid responses was initiated by BC Emergency Health Services. These changes resulted in a reduction in medical aid calls to the Fire Department.
- The Protective Services Department welcomed a new Bylaw Enforcement Services Clerk.
- A tri-district mutual aid agreement was initiated in late 2018 between Langford, Colwood and View Royal. This agreement will result in all three departments responding automatically to high risk structures and reported fires in buildings. Concurrently a Westshore Fire Chief response plan was initiated as part of an overall command and control plan for complex incidents. Both programs will go live early in 2019.

Department Quick Stats:	2017	2018
Fire - Volunteer Firefighters	33	37
Fire - Call Responses	1017	873
Fire - Public Education Session Attendance	330	303
Fire - Inspections	224	340
Bylaw Services - Issues	313	794
Building Services - Inspections	486	450

# 2018 MUNICIPAL GOALS & OBJECTIVES

The 2015 - 2018 Strategic Plan provides an opportunity to step back, look at the bigger picture and identify a few key areas or opportunities that require special attention or emphasis. Four strategic priorities have been identified for 2015 - 2018:

- FINANCIAL SUSTAINABILITY AND SERVICE EXCELLENCE,
- ENHANCE LIVABILITY IN VIEW ROYAL,
- COMMUNITY AND ECONOMIC GROWTH, and
- MAINTAIN STRONG RELATIONSHIPS WITH OUR NEIGHBOURS.





## - FINANCIAL SUSTAINABILITY & SERVICE EXCELLENCE -

### STRATEGIC PRIORITY:

- Ensure we are providing quality services to our residents on a cost effective basis
- Focus on Capital Asset Management Program

### DESIRED OUTCOMES:

- Optimized corporate efficiencies
- Confidence in the fiscal health and financial sustainability of the Town
- Diversified revenue base
- Predictable property tax and user fee increases

2018 PROJECTS & INITIATIVES	OUTCOME
<p>Complete service review to define service levels and resource requirements for each municipal function.</p> <ul style="list-style-type: none"> <li>• Administration / Communications</li> <li>• Engineering Operations</li> </ul>	<ul style="list-style-type: none"> <li>• Complete.</li> </ul>
<p>Complete the update/revisions to master plans:</p> <p style="padding-left: 40px;">Transportation Master Plan;</p> <p style="padding-left: 40px;">Sanitary Sewer Master Plan.</p>	<ul style="list-style-type: none"> <li>• Complete.. Required minor updates and revisions completed spring of 2018.</li> <li>• Complete. Sanitary Sewer Master Plan adoption scheduled for January 15, 2019 Council meeting.</li> </ul>
<p>Establish a Capital Asset Management System that examines all tangible capital assets, including parks, land improvements, municipal buildings, vehicles, machinery and equipment, and engineering structures.</p>	<ul style="list-style-type: none"> <li>• Project summary to be considered as part of the 2019 five year financial plan for completion of an asset management policy and condition assessment protocols, the foundation of asset management planning.</li> </ul>
<p>Develop a Long Term Financial Plan and decision making framework for capital projects.</p>	<ul style="list-style-type: none"> <li>• To follow completion of master plans.</li> </ul>
<p>Complete the Development Cost Charges (DCC) Bylaw review.</p>	<ul style="list-style-type: none"> <li>• Introduction of the revised DCC Bylaw was provided at an Open House held in December 2018. The updated Bylaw will be brought forward for Council adoption in early 2019.</li> </ul>





## - ENHANCE LIVABILITY IN VIEW ROYAL -

### STRATEGIC PRIORITY:

- Proceed with parks improvements in accordance with the Parks Master Plan
- Ensure key bylaws and policies reflect community's needs

### DESIRED OUTCOMES:

- Stewardship of valued parkland
- Alignment of community values with enforcement tools
- Build relationships and engagement through community events
- A strong and growing volunteer corps, investing in View Royal

2018 PROJECTS & INITIATIVES	OUTCOME
Plan trails in parks	<ul style="list-style-type: none"> <li>• In progress. The Parks, Recreation &amp; Environment Advisory Committee is reviewing parks signage. The Parks &amp; Trails Map has been updated and is available to the public..</li> </ul>
Review key bylaws:  Streets & Traffic Bylaw;  Public Places Bylaw;  Noise Bylaw;  Sign Bylaw;  Voting Bylaw;  Tree canopy: Amend Tree Protection Bylaw; Develop related policy.	<ul style="list-style-type: none"> <li>• A draft of the Streets &amp; Traffic Bylaw and subsequent legal review is complete; to be finalized in 2019.</li> <li>• Complete. Bylaw adopted by Council on April 3, 2018.</li> <li>• In progress. Deferred to 2019.</li> <li>• Complete. Bylaw adopted by Council on May 1, 2018.</li> <li>• Complete.. Related bylaws adopted by Council on May 1, 2018.</li> <li>• In progress. Deferred to 2019.</li> </ul>





## - COMMUNITY & ECONOMIC GROWTH -

### STRATEGIC PRIORITY:

- Explore creative new ways to encourage redevelopment of existing lands
- Lead by example through investing in a high quality public realm

### DESIRED OUTCOMES:

- Private investment in the redevelopment of strategic sites on significant community corridors and at gateways to View Royal because Town seen as desirable place to be
- Engagement with business community to understand how the Town can support economic development
- Diversified revenue base
- Strategic municipal investment in the public realm
- Continued implementation of the Official Community Plan (2011)

2018 PROJECTS & INITIATIVES	OUTCOME
<p>Engage a consultant to research current land economics based on possible OCP densities.</p> <p>Identify development barriers for key redevelopment sites.</p> <p>Identify missing local services in neighbourhoods and significant lands where new business might consider locating.</p> <p>Identify possible “carrots” and “sticks” to encourage redevelopment of key sites.</p>	<ul style="list-style-type: none"> <li>• Reconsidered and removed from the 2018 program. Deferred to 2019.</li> </ul>
<p>Work toward completion of Island Highway. Project including the establishment of a timeline for Island Highway redevelopment (design for Helmcken Road to Colwood interchange).</p>	<ul style="list-style-type: none"> <li>• Design for the section between Helmcken Road and Beaumont Avenue was completed December 2018. Completion of the Island Highway west of Helmcken Road is currently not budgeted.</li> </ul>



## - MAINTAIN STRONG RELATIONSHIPS WITH OUR NEIGHBOURS -

### STRATEGIC PRIORITY:

- Participate in discussions about improving regional governance
- Collaborate with neighbouring municipalities to improve public communications for emergency/disaster events

### DESIRED OUTCOMES:

- Continue to be a “bridge” between the “core” and “western” communities
- Respected participant in the region
- Recognized as a progressive and innovative municipality

2018 PROJECTS & INITIATIVES	OUTCOME
Strengthen our relationship with CRD and First Nations through:  Initiating Council to Council dinners with Esquimalt Nation and Songhees Nation.	<ul style="list-style-type: none"><li>• A C2C dinner was held on January 24, 2018 with Council and senior staff members from the Town and Songhees Nation.</li></ul>
Advocate for resolution of issues at West Shore Parks and Recreation.	<ul style="list-style-type: none"><li>• The West Shore Parks and Recreation Owners' AGM held in June 2018 saw the appointment of an interim board consisting of Chief Administrative Officers from Owners' municipalities. The interim board has engaged a consultant to facilitate a governance review.</li></ul>
Acquire a mass notification system	<ul style="list-style-type: none"><li>• ERMS has been chosen as the web based program for a mass notification system for View Royal. The system has been purchased and installed. Implementation is scheduled for January 2019.</li></ul>



# LOOKING AHEAD 2019-2022

A draft Strategic Plan has been created for 2019 - 2022. Six themes have been identified with each theme containing key strategic goals and measures for the Town: enhance livability, community and economic growth, environmental stewardship, financial sustainability and service excellence, good governance, and community safety and security. These strategic goals align with current priorities and activities already underway pursuant to the previous strategic plan.



## ENHANCE LIVABILITY

### Citizens told us they want to:

- Be close to parks and open space;
- Be able to move around the community efficiently;
- Have a range of housing options close to services;
- Participate in community events and have a sense of belonging;
- Celebrate View Royal's unique history.

### Key strategic goals to Enhance Livability in View Royal:

Ready access to parks and open space.

- Amend the Tree Protection Bylaw

Improved mobility within View Royal by walking, cycling and auto.

- Review Streets & Traffic Bylaw
- Review the Noise Bylaw

Access to a broad range of housing options to meet the needs of various ages, family types and incomes.

Close proximity to services.

Build strong relationships and engagement through community events.

## COMMUNITY & ECONOMIC GROWTH

### Citizens told us they want:

- Controlled growth;
- Implications of growth considered.

### Key strategic goals to enhance Community and Economic Growth in View Royal:

Private investment in the redevelopment of strategic sites on significant community corridors and at gateways to View Royal.

- Engage a consultant to research current land economics based on possible OCP densities;
- Identify development barriers for key redevelopment sites;
- Identify missing local services in neighbourhoods and significant lands where new business might consider locating;
- Identify possible "carrots" and "sticks" to encourage redevelopment of key sites.

Increase in quality skilled employment in View Royal.

Businesses retained, expanded and attracted to View Royal.

Desirable place to locate or grow business - strategic public investment in the public realm.

## ENVIRONMENTAL STEWARDSHIP

### Citizens told us they want to:

- Focus on community action around climate change.

### Key strategic goals to enhance Environmental Stewardship in View Royal:

Respond to the declared climate action emergency by reducing greenhouse gas emissions in our community.

Begin a consultation process toward adopting Step Code 3 by June 2020.

## FINANCIAL SUSTAINABILITY & SERVICE EXCELLENCE

### Citizens told us they want to:

- Receive good value for tax dollars;
- Fund the continuation of current service levels through taxation;
- Fund future large projects through putting aside funds annually.

### Key strategic goals to Enhance Livability in View Royal:

Confidence in the fiscal health and financial sustainability of the Town.

- Establish a Capital Asset Management System that examines all tangible capital assets, including parks, land improvements, municipal buildings, vehicles, machinery and equipment, and engineering structures.
- Develop a Long Term Financial Plan and decision making framework for capital projects.
- Financial Sustainability Review to project future finance requirements and determine optimum reserve levels and annual contributions.

Diversified revenue base.

Predictable property tax and user fee increases.

Citizen satisfaction with services and value.







## GOOD GOVERNANCE

### Citizens told us they want:

- Transparency in decision-making;
- Respectful meetings.

### Key strategic goals to enhance Good Governance in View Royal:

Strong and active citizen participation in community engagement.

Strong constructive relationships with neighbouring municipalities, Songhees Nation, Esquimalt Nation, and in relations at the CRD.

Respectful, constructive Council relationships.

## COMMUNITY SAFETY & SECURITY

### Citizens told us they want to:

- Live and work in a safe community prepared for emergencies.

### Key strategic goals to enhance Community Safety and Security in View Royal:

A real and perceived safe community.

Prepared for emergencies.







TOWN OF VIEW ROYAL

## FINANCIAL INFORMATION

Fiscal Year Ended December 31, 2018

### INTRODUCTION

The 2018 year end financial position and results of operations were very positive for the Town. The full set of financial statements provide all the details. Here are some of the highlights:

- View Royal is in a positive net financial asset position, meaning that its liquidable assets exceed its liabilities and debts. This indicates that the Town is able to meet its financial obligations as they come due. Net financial assets increased by \$2.4 million at the end of 2017 to a total of \$8.9 million at 2018 year end;
- View Royal has \$141.7 million in accumulated surplus, comprised mostly of equity in assets. Tangible capital assets with a historical value of \$132.8 million are the long-lived resources such as roads, parks, buildings, equipment and sewer infrastructure View Royal uses to deliver its services. The debt related to these assets totals \$6.2 million, resulting in net equity in tangible capital assets of \$126.6 million;
- View Royal's operations resulted in a surplus of \$4.4 million in 2018. Of this, \$2.4 million was used for activities related to tangible capital assets – acquisition, amortization and debt reduction. The balance of \$2.0 million was retained in surplus and reserve funds;
- Total reserves and surplus at the end of 2018 was \$15.1 million. Most of these funds are governed either by agreement or bylaw, meaning that they can only be spent for specific purposes such as capital renewal or park improvements. A total of \$3.8 million is unrestricted surplus used as operational and contingency funding.





# Financial Information

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**Town of View Royal**  
**Statement of Financial Information Approval**  
**As at December 31, 2018**

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



---

Dawn Christenson, BAccS, CPA, CGA  
Director of Finance  
date



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On behalf of Council,  
David Screech, Mayor  
date



# Town of View Royal

Consolidated Financial Statements  
Year ended December 31, 2018

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards for British Columbia local governments and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

View Royal's Mayor and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility by meeting with management and the external auditors to review the consolidated financial statements and to discuss any significant financial reporting or internal control matters prior to their acceptance of the consolidated financial statements.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination includes a review and evaluation of the Town of View Royal's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Mayor and Council.



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Chief Administrative Officer



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Director of Finance

May 1, 2019

## Independent auditor's report

### To the Mayor and Councillors of the Town of View Royal

#### Opinion

We have audited the consolidated financial statements of the Town of View Royal ("the Town"), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town of View Royal as at December 31, 2018, and its results of operations, its changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity and the organizations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

May 7, 2019

Victoria, BC

The logo for Grant Thornton LLP, featuring the company name in a stylized, handwritten-style script.

Chartered Professional Accountants



# Town of View Royal

Consolidated Statement of Financial Position  
as at December 31, 2018

	2018	2017
		(Restated Note 2)
<b>Financial assets</b>		
Cash and cash equivalents (Note 4)	\$ 23,657,124	\$ 19,643,095
Property taxes receivable	99,859	125,807
Accounts receivable (Note 5)	1,990,564	1,680,126
Inventory held for sale	11,533	6,469
Assets held for sale (Note 6)	148	-
	<b>25,759,228</b>	<b>21,455,497</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 7)	3,237,636	3,312,764
Deposits	1,924,911	1,354,621
Deferred revenue (Note 9)	4,841,234	3,094,796
Prepaid property taxes	451,695	432,065
Long-term debt (Note 10)	6,187,677	6,549,564
Employee benefits and retirement obligations (Note 11)	227,457	206,789
	<b>16,870,610</b>	<b>14,950,599</b>
<b>Net financial assets</b>	<b>8,888,618</b>	<b>6,504,898</b>
<b>Non-financial assets</b>		
Tangible capital assets (Note 12) (Schedule 3)	132,732,190	130,736,441
Inventory of supplies	11,610	9,209
Prepaid expenses	81,058	86,860
	<b>132,824,858</b>	<b>130,832,510</b>
Commitments and contingencies (Note 17)		
<b>Accumulated surplus (Note 13)</b>	<b>\$ 141,713,476</b>	<b>\$ 137,337,408</b>



Dawn Christenson, BAccS, CPA, CGA  
Officer responsible for financial administration  
Pursuant to Section 149 of the Community Charter (SBC 2003)

*The accompanying notes and schedules are an integral part of these financial statements.*

# Town of View Royal

Consolidated Statement of Operations

Year ended December 31, 2018

	Financial plan (Note 19)	2018	2017 (Restated Note 2)
<b>Revenue</b>			
Taxes for municipal purposes (Note 14)	\$ 8,475,680	\$ 8,290,169	\$ 8,255,984
User charges	3,012,352	3,346,851	3,745,660
Investment income	105,000	321,736	86,097
Actuarial adjustments on debt	-	62,863	48,658
Penalties and fines	58,000	55,678	51,429
Development charges earned	35,500	18,612	163,281
Contributions from developers and others	-	3,529,100	4,743,500
Other revenue from own sources	467,807	347,642	304,212
Government grants and transfers (Notes 15, 16)	3,251,733	3,159,210	2,809,760
	15,406,072	19,131,861	20,208,581
<b>Expense</b>			
General government services	4,845,932	2,116,932	2,106,939
Protective services	3,840,163	4,055,751	4,220,970
Transportation services	2,714,168	4,205,012	4,663,722
Environmental health services	1,096,259	911,400	963,223
Development services	521,018	436,884	428,988
Recreation and cultural services	2,768,322	3,029,814	2,872,556
	15,785,862	14,755,793	15,256,398
<b>Annual surplus (deficit)</b>	(379,790)	4,376,068	4,952,183
<b>Accumulated surplus, beginning</b>	133,599,490	133,599,490	128,647,307
<b>Prior period adjustments (Note 2)</b>	-	3,737,918	3,737,918
<b>Accumulated surplus, beginning of year, as restated</b>	133,599,490	137,337,408	132,385,225
<b>Accumulated surplus, ending</b>	\$ 133,219,700	\$ 141,713,476	\$ 137,337,408

The accompanying notes and schedules are an integral part of these financial statements.

# Town of View Royal

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2018

	Financial plan (Note 19)	2018	2017 (Restated Note 2)
<b>Annual surplus (deficit)</b>	\$ (379,790)	\$ 4,376,068	\$ 4,952,183
Acquisition of tangible capital assets	-	(1,515,773)	(1,311,237)
Contributed tangible capital assets	-	(3,495,413)	(4,594,255)
Amortization of tangible capital assets	-	3,021,767	2,973,716
Loss on disposal of tangible capital assets	-	21,832	43,390
Change in proportionate share of West Shore Parks and Recreation Society	-	(28,162)	-
Change in inventory of supplies	-	(2,401)	(9,209)
Change in prepaid expenses	-	5,802	22,385
<b>Increase (decrease) in net financial assets</b>	(379,790)	<b>2,383,720</b>	2,076,973
<b>Net financial assets, beginning</b>	6,504,898	<b>6,504,898</b>	4,427,925
<b>Net financial assets, ending</b>	\$ 6,125,108	\$ <b>8,888,618</b>	\$ 6,504,898

*The accompanying notes and schedules are an integral part of these financial statements.*



# Town of View Royal

Consolidated Statement of Cash Flows

Year ended December 31, 2018

	2018	2017
Cash provided by (used in)		
<b>Operating activities</b>		
Annual surplus	\$ 4,376,068	\$ 4,952,183
Items not affecting operating activities		
Contributed tangible capital assets	(3,495,413)	(4,594,255)
Amortization of tangible capital assets	3,021,767	2,973,716
Loss on disposal and write-down of tangible capital assets	21,832	43,390
Change in inventory of supplies	(2,401)	(9,209)
Change in prepaid expenses	5,802	22,385
Actuarial adjustment on debt	(55,417)	(41,498)
Change in proportionate share of West Shore Parks and Recreation Society	(28,162)	-
Decrease (increase) in non-cash financial assets		
Property taxes receivable	25,948	13,792
Accounts receivable	(310,438)	(115,185)
Inventory held for sale	(5,064)	2,859
Assets held for resale	(148)	327,940
Increase (decrease) in liabilities		
Accounts payable and accrued liabilities	(75,128)	(13,344)
Deposits	570,290	209,171
Deferred revenue	1,746,438	1,802,465
Prepaid property taxes	19,630	(6,171)
Employee benefits and retirement obligations	20,668	16,680
	<b>5,836,272</b>	<b>5,584,919</b>
<b>Capital activities</b>		
Acquisition of tangible capital assets	(1,515,773)	(1,311,237)
<b>Financing activities</b>		
Debt principal repaid	(306,470)	(306,470)
<b>Increase (decrease) in cash and cash equivalents</b>	<b>4,014,029</b>	<b>3,967,212</b>
<b>Cash and temporary investments, beginning</b>	<b>19,643,095</b>	<b>15,675,883</b>
<b>Cash and cash equivalents, ending</b>	<b>\$ 23,657,124</b>	<b>\$ 19,643,095</b>

The accompanying notes and schedules are an integral part of these financial statements.

# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

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The Town of View Royal (the "Town") was incorporated on December 5, 1988 by letters patent issued by the Province of British Columbia. Its principal activities are the provision and coordination of local government services to residents of the incorporated area. These services include general government administration, bylaw enforcement, planning and development services, building inspection, fire protection and emergency response planning, public transportation, parks and recreation, solid waste collection and disposal, sewer collection and disposal, and street lighting.

## **1. Significant accounting policies**

### **a) Principles of consolidation**

The Town follows Canadian public sector accounting standards. The consolidated financial statements of the Town are prepared in accordance with the recommendations of the Public Sector Accounting Board (PSAB).

### **b) Reporting entity**

The consolidated financial statements reflect the combined assets, liabilities, accumulated surplus, revenue and expense of all of the Town's activities and funds. The consolidated financial statements also include the Town's proportionate share of the West Shore Parks and Recreation Society (West Shore). Interfund transactions and fund balances have been eliminated on consolidation.

### **c) Basis of accounting**

The Town follows the accrual method of accounting for revenue and expense. Revenue is normally recognized in the year in which it is earned and measurable. Expense is recognized as it is incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay. Expense paid in the current period and attributable to a future period is recorded as prepaid expense.

### **d) Property tax revenue**

Property tax revenue is recognized at the date property tax notices are issued, based on property assessment values issued by BC Assessment for the current year and tax rates established annually by bylaw. Assessments are subject to appeal and tax adjustments are recorded when the results of appeals are known.

# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

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## 1. Significant accounting policies (continued)

### e) Government transfers

Government transfers are recognized as revenue in the period the transfers are authorized and any eligibility criteria have been met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability and recognized in the statement of operations as revenue as the stipulation liabilities are settled.

### f) Deferred revenue

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired.

Development cost charges are amounts which are restricted by government legislation or agreement with external parties. When qualifying expenses are incurred development cost charges are recognized as revenue in amounts which equal the associated expenses.

### g) Investment income

Investment income is reported as revenue in the period earned. When required by the funding entity or related legislation, investment income earned on deferred revenue is added to the deferred revenue balance.

### h) Cash equivalents

Cash equivalents are comprised primarily of Municipal Finance Authority (MFA) pooled investments including money market, intermediate and bond funds. Town funds invested with MFA are pooled with other local governments and managed independently by Phillips, Hager & North Ltd. The investments are carried at market value which approximates cost.

### i) Deposits

Receipts restricted by third parties are deferred and reported as deposits and are refundable under certain circumstances. Deposits that are prepayments are recognized as revenue when qualifying expenditures are incurred.



# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

## 1. Significant accounting policies (continued)

### j) Employee benefits and retirement obligations

The Town and its employees make contributions to the Municipal Pension Plan. The Town's contributions are expensed as incurred and are included within the Statement of Operations.

Sick leave and other retirement benefits are also available to the Town's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

### k) Non-financial assets

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

#### i) Tangible capital assets

Tangible capital assets are recorded at cost, net of disposals, write-downs and amortization. The cost of tangible capital assets includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost less residual value of the tangible capital assets, excluding land, is amortized on a straight line basis over the estimated useful life as follows:

Asset	Useful life in years
Land	Indefinite
Land improvements	10 - 25
Buildings	20 - 70
Vehicles, machinery and equipment	3 - 20
Engineering structures	10 - 100

Amortization is calculated monthly, including in the year of acquisition and disposal. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Town's ability to provide goods and services, or when the value of future economic benefits associated with the asset is less than the book value of the asset.

# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

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## 1. Significant accounting policies (continued)

### ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, with the value of the contribution recorded as revenue.

### iii) Works of art and cultural and historical treasures

The Town manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at Town sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized due to the subjectivity of their value.

### iv) Interest capitalization

The Town does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

### v) Leased tangible capital assets

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

### vi) Inventory of supplies

Inventory is recorded at the lower of cost and replacement cost.

## l) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities, performing calculations of employee future benefits, sick benefits liability, collectability of accounts receivable, amortization of capital assets, determination of liability for contaminated sites, deferred charges and provisions for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

## 2. Prior period adjustment

In 2018, the Town identified several development cost charge eligible projects that were funded from the Sewer System Capital reserve fund and casino revenue appropriated surplus account in years 2001 – 2011 in error. The total value of these projects is \$3,737,918.

Adjustments to the affected accounts have been applied retroactively and the 2017 comparative figures have been restated as follows:

	December 31, 2017	Adjustments due to	December 31, 2017
	(as previously stated)	restatements	(as restated)
<u>Consolidated Statement of Financial Position</u>			
Deferred Revenue	\$ 6,832,714	\$ (3,737,918)	\$ 3,094,796
<b>Accumulated surplus, end of year</b>	<b>\$ 133,599,490</b>	<b>\$ 3,737,918</b>	<b>\$ 137,337,408</b>
<u>Consolidated Statement of Operations</u>			
Accumulated surplus, beginning of year	\$ 128,647,307	\$ 3,737,918	\$ 132,385,225
<b>Accumulated surplus, end of year</b>	<b>\$ 133,599,490</b>	<b>\$ 3,737,918</b>	<b>\$ 137,337,408</b>
<u>Consolidated Statement of Change in Net Financial Assets</u>			
Net financial assets, beginning of year	\$ 690,007	\$ 3,737,918	\$ 4,427,925
<b>Net financial assets, end of year</b>	<b>\$ 2,766,980</b>	<b>\$ 3,737,918</b>	<b>\$ 6,504,898</b>

## 3. Financial instruments

The Town's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities, deposits, and long-term debt. The carrying amount of these financial instruments approximates their fair value because they are short-term in nature or because they bear interest at market rates.

Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest or credit risks arising from these financial instruments.

# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

## 4. Cash and cash equivalents

	2018	2017
Bank deposits	\$ 12,290,307	\$ 8,474,605
Municipal Finance Authority - Money Market	934,394	919,229
Municipal Finance Authority - Intermediate	1,973,473	1,936,612
Municipal Finance Authority - Short-Term Bond	8,458,950	8,312,649
	<u>\$ 23,657,124</u>	<u>\$ 19,643,095</u>

Temporary investments consist of short-term investments in the MFA money market, intermediate, and short-term bond funds. The market value is equal to the carrying value. Temporary investments have yields ranging from 1.66% to 1.91%.

Included in cash and temporary investments are the following restricted amounts:

	2018	2017
		(Restated Note 2)
Restricted cash - MFA	\$ 91,804	\$ 89,849
Restricted cash - West Shore reserve funds	298,718	305,083
Restricted investments - reserve funds (Note 8)	7,368,114	5,484,396
Restricted investments - development cost charges	2,959,224	4,856,528
	<u>\$ 10,717,860</u>	<u>\$ 10,735,856</u>

The Town has an operating line of credit with the Toronto Dominion Bank for an authorized amount of \$1,000,000, bearing interest at bank prime rate less 0.50% per annum. At December 31, 2018 the balance outstanding was \$nil (2017 - \$nil).

## 5. Accounts Receivable

	2018	2017
Government of Canada	\$ 238,488	\$ 254,440
Province of British Columbia	13,502	-
Regional and local governments	14,763	5,373
Other trade receivables	1,723,811	1,420,313
	<u>\$ 1,990,564</u>	<u>\$ 1,680,126</u>

## 6. Assets held for sale

In 2018 the Town acquired a parcel of land, a portion of which it intends to subdivide and sell. Total costs to prepare the parcel for sale at the end of the year were \$148 (2017 - \$nil).



# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

## 7. Accounts payable and accrued liabilities

	2018	2017
Government of Canada	\$ 4,413	\$ 2,800
Province of British Columbia	7,079	781
Regional and local governments	654,515	555,534
Payroll liabilities	71,022	144,272
Other trade payables	2,500,607	2,609,377
	<u>\$ 3,237,636</u>	<u>\$ 3,312,764</u>

## 8. Community Works Fund

Community Works Fund is a component of the Gas Tax Agreement funding provided by the Government of Canada and administered through the Union of British Columbia Municipalities (UBCM). Community Works Funds transfers are recorded as revenue when received, then held as reserves until spent on eligible expenditures.

	2018	2017
Community Works Fund, beginning balance	\$ 362,312	\$ 404,458
Amounts received during the year	469,632	497,482
Interest earned	9,301	2,780
Amounts allocated to projects during the year	(282,032)	(542,408)
	<u>\$ 559,213</u>	<u>\$ 362,312</u>

## 9. Deferred revenue

Deferred revenue reported on the statement of financial position includes the following:

	2018	2017
	(Restated Note 2)	
Development cost charges:		
Beginning of year	\$ 2,371,586	\$ 779,061
Received during the year	1,755,044	1,717,275
Interest earned	104,182	38,531
Recognized as revenue	(18,612)	(163,281)
End of year	4,212,200	2,371,586
Deferred revenue - other	629,034	723,210
Total deferred revenue	<u>\$ 4,841,234</u>	<u>\$ 3,094,796</u>

# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

## 10. Long-term debt

### a) Debt outstanding

MFA		Rate	Original Amount	Net Balance	
Issue #	Matures			2018	2017
117	Oct. 12, 2026	3.25%	\$ 2,445,000	\$ 1,480,571	\$ 1,635,074
127	Apr. 7, 2034	3.30%	5,490,000	4,707,106	4,914,490
			\$ 7,935,000	\$ 6,187,677	\$ 6,549,564

### b) Debenture debt

The loan agreements with the Capital Regional District and the MFA provide that if, at any time, the scheduled payments provided for in the agreements are not sufficient to meet the MFA's obligations in respect of such borrowings, the resulting deficiency becomes a liability of the Town.

The Town issues its debt instruments through the MFA. Debt is issued on a sinking fund basis, where the MFA invests the Town's sinking fund principal payments so that the payments, plus investment income, will equal the original outstanding debt amount at the end of the repayment period. Actuarial adjustments on debt represent the repayment and/or forgiveness of debt by the MFA using surplus investment income generated by the principal repayments.

Principal payments on long term debt for the next five years are as follows:

	Total
2019	\$ 306,470
2020	306,470
2021	306,470
2022	306,470
2023	306,470
Thereafter including earnings on sinking fund payments	4,655,327
<b>Total</b>	<b>\$ 6,187,677</b>

### c) Interest expense

Total interest expense during the year was \$260,633 (2017 - \$260,633).

# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

## 11. Employee benefit and retirement obligations

Employee benefit obligations represent accrued benefits as follows:

	2018	2017
Vacation payable	\$ 46,655	\$ 45,296
Accrued overtime	25,275	20,441
Sick leave entitlements	97,500	90,600
West Shore employee future benefit obligations	58,027	50,452
	<b>\$ 227,457</b>	<b>\$ 206,789</b>

Accrued vacation is the amount of unused vacation entitlement carried forward into the next year. Accrued sick leave is the estimated liability for sick leave for all employees. Sick leave entitlements can only be used while employed by the Town and are not paid out upon retirement or termination of employment. The accrued sick leave cost was estimated by an actuarial valuation completed effective for December 31, 2018.

Information about liabilities for accrued sick leave is as follows:

	2018	2017
Accrued benefit obligation, beginning of year	\$ 90,600	\$ 81,900
Current service cost	9,100	7,800
Interest cost	2,800	2,800
Benefits paid	(4,900)	(1,200)
Amortization of actuarial (gain)	(100)	(700)
Accrued benefit liability, end of year	<b>\$ 97,500</b>	<b>\$ 90,600</b>
	2018	2017
Accrued benefit liability, end of year	\$ 97,500	\$ 90,600
Unamortized gain	(5,400)	(1,800)
Accrued benefit obligation, end of year	<b>\$ 92,100</b>	<b>\$ 88,800</b>

The accrued benefit liability is included as part of employee benefit obligations on the Statement of Financial Position. The actuarial gain is amortized over a period equal to the employees' average remaining service lifetime of 11 years.

The significant actuarial assumptions adopted in measuring the Town's accrued benefit obligations are as follows:

	2018	2017
Discount rates	3.30%	2.90%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increase	2.58% - 4.50%	2.58% - 4.50%

# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

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## 11. Employee benefit and retirement obligations (continued)

### Municipal Pension Plan

The Town and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2017, the plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 contributors from local governments.

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 may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation of the Municipal Pension Plan as of December 31, 2015, indicated a \$2.224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The Town paid \$284,739 (2017 - \$247,506) for employer contributions while Town employees contributed \$231,811 (2017 - \$198,355) to the plan in fiscal 2018.

The next valuation will be as at December 31, 2018 with results available in 2019.

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 the individual employers participating in the plan.

## 12. Tangible capital assets

### a) Assets under construction and completed assets not yet in service

Assets under construction totaling \$924,121 (2017 - \$555,540) have not been amortized. Amortization of these assets will commence when the asset is put into service.



# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

## 12. Tangible capital assets (continued)

### b) Contributed tangible capital assets

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed capital assets received during the year is \$3,495,413 (2017 - \$4,594,255).

### c) Gain or loss on disposal of tangible capital assets

During the year, the Town recognized a \$21,832 loss on disposal of tangible capital assets. (2017 - \$43,390 loss). This amount is included as an expense on the Statement of Operations.

### d) Write down of tangible capital assets

The write down of tangible capital assets during the year was \$nil (2017 - \$nil).

## 13. Accumulated surplus

Accumulated surplus consists of individual fund surplus and reserve funds as follows:

	2018	2017
		(Restated Note 2)
<b>Surplus:</b>		
Equity in tangible capital assets	\$ 126,575,962	\$ 124,210,880
Appropriated surplus - casino revenue	3,952,662	3,831,535
Appropriated surplus - Community Works Fund	559,213	362,312
Appropriated surplus - other	372,832	369,532
Unrestricted accumulated surplus	3,838,953	2,773,669
	135,299,622	131,547,928
<b>Reserve funds set aside for specific purposes by Council:</b>		
Capital Renewal	277,962	193,206
Capital Works and Land Acquisition	676,594	603,672
Fire Department Equipment	390,915	325,158
Future Operating Expenditures	637,284	413,498
Machinery and Equipment Depreciation	274,420	197,161
Parks and Open Space	438,052	429,298
Parks Improvements	118,653	129,472
Police Equipment, Property and Contract	560,338	557,690
Police Operation and Maintenance	978,507	654,152
Sewer System Capital	1,762,411	1,981,090
West Shore Parks and Recreation Society reserves	298,718	305,083
	6,413,854	5,789,480
	<b>\$ 141,713,476</b>	<b>\$ 137,337,408</b>

Interest on internal borrowing is calculated and funded annually by the general fund. As a result the internal borrowing has no impact on the annual investment interest allocated to the reserves.

# Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2018

## 14. Taxes for municipal purposes

The Town is required to collect taxes on behalf of and transfer these amounts to the government agencies noted below. Taxes levied over or under the amounts requisitioned are recorded as accounts payable or receivable.

	2018	2017
<b>Taxes:</b>		
Property tax	\$ 15,826,267	\$ 15,519,032
Grants in lieu of taxes	64,836	200,557
1% Utility tax	128,292	120,842
	<u>16,019,395</u>	<u>15,840,431</u>
<b>Less taxes levied for other authorities:</b>		
School authorities	4,317,179	4,307,645
Capital Regional District	1,892,159	1,720,980
Capital Regional Hospital District	704,238	714,663
British Columbia Assessment Authority	133,159	129,349
British Columbia Transit	681,872	711,258
Municipal Finance Authority	619	552
	<u>7,729,226</u>	<u>7,584,447</u>
<b>Taxes for municipal purposes</b>	<b>\$ 8,290,169</b>	<b>\$ 8,255,984</b>

## 15. Gaming revenue

The Town has an agreement with the Province whereby 10% of the net gaming revenue from community casinos is to be paid to local governments. The Town has also has a casino revenue sharing agreement with neighbouring municipalities whereby 55% of the revenue received from the Province in respect of the gaming facility situated within the Town is to be disbursed to these governments. This disbursement is netted against the gaming revenue in the financial statements for the Town as disclosed below.

	2018	2017
<b>Gaming revenue:</b>		
Amounts received during the year	\$ 4,601,635	\$ 4,205,372
Disbursements to partner municipalities	(2,530,899)	(2,312,954)
<b>Net gaming revenue included in government grants and transfers</b>	<b>\$ 2,070,736</b>	<b>\$ 1,892,418</b>

# Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2018

## 16. Government grants and transfers

	2018	2017
<b>Conditional transfers</b>		
Federal	\$ 483,842	\$ 463,537
Provincial	2,124,237	1,908,021
Other agencies	95,752	-
	2,703,831	2,371,558
<b>Unconditional transfers</b>		
Small communities protection	385,643	381,120
Traffic fine revenue sharing	69,736	57,082
	455,379	438,202
<b>Total government grants and transfers</b>	<b>\$ 3,159,210</b>	<b>\$ 2,809,760</b>

## 17. Commitments and contingencies

- a) The Capital Regional District ("CRD") debt, under provisions of the Local Government Act, is a direct, joint and several liability of the CRD and each member municipality within the CRD, including the Town.
- b) The Town is a shareholder and member of the Capital Region Emergency Service Telecommunications Incorporated ("CREST") which provides centralized emergency communications, and related public safety information services to municipalities, regional districts, the provincial and federal governments and their agencies, and emergency service organizations throughout the Greater Victoria region and the Gulf Islands. Members' obligations to share in funding ongoing operations and any additional costs relating to capital assets are to be contributed pursuant to a Members' Agreement.
- c) The Town is a defendant in various lawsuits. Whether claims are in progress or have yet to be initiated, the Town records an accrual in respect of legal claims that are likely to be successful and for which an amount is reasonably determinable.
- d) Under borrowing arrangements with the MFA, the Town is required to lodge security by means of demand notes and interest bearing cash deposits based on the amount of the borrowing. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are included in the Town's financial assets as restricted cash and are held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the Town. At December 31, 2018 there were contingent demand notes of \$204,201 (2017 - \$204,201).
- e) The Town entered into a long term contract with the Federal Government and the Royal Canadian Mounted Police for the provision of police services. Under the terms of this contract, the Town is responsible for 70% of policing costs, which in 2019 are estimated to be \$1,850,000.

# Town of View Royal

## Notes to Consolidated Financial Statements

Year ended December 31, 2018

### 17. Commitments and contingencies (continued)

- f) The Town has purchase orders in the amount of \$1,060,790 open as at December 31, 2018 which have not been recorded. These amounts have been taken into account in the budget and will be recorded in the period the goods and services to which they relate are received.
- g) On December 4, 2018, the Town of View Royal awarded a contract to Safetek Fire Apparatus of Abbotsford, BC in the amount of \$814,600, excluding taxes for the purpose of replacing one heavy rescue fire apparatus. Delivery of the fire truck is expected to occur in 2020.

### 18. Contaminated site

The Town owns one property not in productive use with levels of contamination exceeding current environmental standards. Testing of the contamination in 2003 found no known threats to human health or safety. The property is surrounded by the ocean and undeveloped privately owned land with no current development applications. The property and surrounding privately owned land were historically occupied by a plywood mill. Due to uncertainty regarding the future development of the surrounding private property, the Town is unable to reasonably estimate what, if any, loss of future economic benefits will occur. As such no liability has been recorded in the financial statements for the year ending December 31, 2018.

### 19. Financial plan

The financial plan amounts presented throughout these financial statements are audited and represent the five year financial plan bylaw approved by Council on March 20, 2018. The summary below reconciles the 2018 adopted financial plan to the Consolidated Statement of Operations.

	Financial plan
<b>Revenue</b>	
Revenue per Bylaw 988 - Financial Plan Bylaw 2018-2022	\$ 14,532,663
West Shore Parks and Recreation Society	873,409
Total revenue per Statement of Operations	\$ 15,406,072
<b>Expenses</b>	
Expenses per Bylaw 988 - Financial Plan Bylaw 2018-2022	\$ 14,912,453
West Shore Parks and Recreation Society	873,409
Total expenses per Statement of Operations	\$ 15,785,862
Budgeted deficit	\$ (379,790)

The budgeted deficit represents the planned results of operations prior to transfers between reserve funds and appropriated surpluses, debt repayments and capital expenditures.



# Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2018

## 20. West Shore Parks and Recreation Society

### a) Capital asset transfer

The lands and facilities comprising the Juan de Fuca Recreation Centre are owned by the member municipalities (the "Municipalities") in their proportionate share, as specified in the Co-Owners' Agreement. The Town became party to the agreement effective January 1, 2007. Future improvements are allocated among the partners as per the cost sharing formula in effect each year for each service or facility, as outlined in a Members' Agreement. For 2018, the Town's share of improvements purchased by the Society on its behalf is \$12,802 (2017 - \$nil).

Because the cost sharing formula in the Members' Agreement produces different cost shares for the members from year to year, there is a gain or loss on the opening fund balances. In 2018, the Town recorded a gain of \$28,162 (2017 - \$nil).

The participating Municipalities have each become members in the Society, which was incorporated to provide parks, recreation and community services to the Municipalities under contract. Under terms of an Operating, Maintenance and Management Agreement, the Society is responsible to equip, maintain, manage and operate the facilities located at the recreation centre.

### b) Consolidation

Financial results and budget for the Society are consolidated into the Town's financial statements proportionately, based on the cost sharing formula outlined in the Members' Agreement. In 2018, the Town's proportion for consolidation purposes was 14.671% (2017 - 14.608%). Condensed financial information for the Society is as follows:

	2018	2017
Financial assets	\$ 3,636,125	\$ 3,501,452
Financial liabilities	2,233,137	2,260,252
Net financial assets	1,402,988	1,241,200
Non-financial assets	1,030,170	976,001
Accumulated surplus	\$ 2,433,158	\$ 2,217,201
Revenues	\$ 6,547,215	\$ 5,639,648
Requisition for members	4,947,539	4,968,939
	11,494,754	10,608,587
Expenses	11,278,796	10,678,481
Annual surplus (deficit)	\$ 215,958	\$ (69,894)

# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

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## 21. Segmented information

The Town is a diversified municipal organization that provides a wide range of services to its citizens. Town services are provided by departments and their activities reported separately. Certain functions that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

### a) General Government

The general government operations provide the functions of corporate administration, finance, human resources and legislative services and any other functions categorized as non-departmental.

### b) Protective Services

Protective Services includes the View Royal Fire Rescue which is a composite fire department responsible to provide fire suppression service, fire inspections of public buildings, and training and education of volunteer firemen as well as the citizens of View Royal. In addition, it also includes policing provided by the RCMP, emergency planning, animal control and the maintenance and enforcement of building and construction bylaws as well as all other municipal bylaws. Fire protection services are provided to the Songhees and Esquimalt First Nation communities under contract.

### c) Transportation

Transportation services comprises a wide variety of services such as the annual maintenance of all municipally owned roads and bridges, sidewalks, street signage, boulevards, bus shelters, street lighting and traffic signals. Transportation also includes the design, inspection, and maintenance of the storm drain collection systems.

### d) Environmental health services

Environmental health services includes solid waste collection and disposal as well as collection and disposal of liquid waste through the sanitary sewer service.

### e) Planning and development services

Environmental development services include all land use, planning and zoning issues in the Town.

### f) Recreation and cultural services

Recreation and culture includes maintenance and development of all parks and green spaces within the Town as well as the Town's financial contribution to the services provided by the Greater Victoria Public Library and the Town's portion of West Shore Parks and Recreation Society.

### g) Consolidated schedules of segmented disclosure by service

Schedules 1 and 2 provide additional financial information for the foregoing functions. Certain allocation methodologies have been employed in the preparation of the segmented financial information. Taxation is apportioned based on budgeted taxation revenue as presented in the consolidated financial plan.

# Town of View Royal

Notes to Consolidated Financial Statements  
Year ended December 31, 2018

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## 22. Comparative figures

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

# Town of View Royal

Schedule 1

Consolidated Schedule of Segment Disclosure by Service  
Year ended December 31, 2018

2018	Environmental						2018	2018
	General Government	Protective Services	Transportation Services	Health Services	Planning and Development Services	Recreation and Cultural Services		
							Actual	Budget
(Note 19)								
<b>Revenue</b>								
Taxation for municipal purposes	\$ 2,136,527	\$ 2,671,250	\$ 2,501,019	\$ -	\$ 364,904	\$ 616,469	\$ 8,290,169	\$ 8,475,680
User charges	13,870	441,384	69,296	1,341,590	608,265	872,446	3,346,851	3,012,352
Investment income	213,288	34,992	22,438	39,759	-	11,259	321,736	105,000
Actuarial adjustments on debt	-	62,863	-	-	-	-	62,863	-
Penalties and fines	52,838	2,840	-	-	-	-	55,678	58,000
Development charges earned	-	-	-	2,519	16,093	-	18,612	35,500
Contributions from developers and others	-	-	823,018	172,395	-	2,533,687	3,529,100	-
Other revenue from own sources	105,147	69,995	41,426	52,629	-	78,445	347,642	467,807
Government grants and transfers	1,527,017	368,766	126,906	-	-	1,136,521	3,159,210	3,251,733
<b>Total revenue</b>	<b>4,048,687</b>	<b>3,652,090</b>	<b>3,584,103</b>	<b>1,608,892</b>	<b>989,262</b>	<b>5,248,827</b>	<b>19,131,861</b>	<b>15,406,072</b>
<b>Expense</b>								
Labour and benefits	1,230,864	1,517,877	439,018	50,307	398,101	1,431,638	5,067,805	4,149,799
Goods and services	795,772	1,912,218	1,721,133	651,006	36,126	1,317,495	6,433,750	8,504,530
Amortization	90,296	365,023	2,044,861	210,087	2,657	308,843	3,021,767	2,870,900
Change in proportionate share of West Shore Parks and Recreation Society	-	-	-	-	-	(28,162)	(28,162)	-
Debt interest	-	260,633	-	-	-	-	260,633	260,633
<b>Total expense</b>	<b>2,116,932</b>	<b>4,055,751</b>	<b>4,205,012</b>	<b>911,400</b>	<b>436,884</b>	<b>3,029,814</b>	<b>14,755,793</b>	<b>15,785,862</b>
<b>Surplus (deficit)</b>	<b>\$ 1,931,755</b>	<b>\$ (403,661)</b>	<b>\$ (620,909)</b>	<b>\$ 697,492</b>	<b>\$ 552,378</b>	<b>\$ 2,219,013</b>	<b>\$ 4,376,068</b>	<b>\$ (379,790)</b>



# Town of View Royal

## Schedule 2

Consolidated Schedule of Segment Disclosure by Service  
Year ended December 31, 2018

Environmental									
2017	General Government	Protective Services	Transportation Services	Health Services	Planning and Development Services	Recreation and Cultural Services	2017 Actual	2017 Budget	
Revenue									
Taxation for municipal purposes	\$ 1,568,278	\$ 2,811,837	\$ 2,934,124	\$ -	\$ 467,885	\$ 473,860	\$ 8,255,984	\$ 8,308,904	
User charges	619,827	574,237	166,049	1,332,814	466,617	764,051	3,923,595	3,059,667	
Investment income	57,993	10,917	5,062	8,722	-	3,403	86,097	117,000	
Actuarial adjustments on debt	-	48,658	-	-	-	-	48,658	-	
Penalties and fines	43,628	-	-	-	-	-	43,628	51,000	
Development charges earned	-	-	2,000	95,000	11,835	54,446	163,281	192,000	
Contributions from developers and others	-	-	347,000	19,750	-	4,376,750	4,743,500	50,000	
Other revenue from own sources	14,002	68,379	-	-	-	51,697	134,078	206,549	
Government grants and transfers	1,672,816	258,650	125,225	-	-	753,069	2,809,760	1,882,170	
Total revenue	3,976,544	3,772,678	3,579,460	1,456,286	946,337	6,477,276	20,208,581	13,867,290	
Expense									
Labour and benefits	1,197,808	1,470,658	380,476	51,088	380,309	1,336,329	4,816,668	3,861,950	
Goods and services	817,654	2,128,064	2,265,346	704,091	46,022	1,244,203	7,205,380	8,833,993	
Amortization	91,477	361,615	2,017,900	208,044	2,657	292,024	2,973,717	2,786,100	
Debt interest	-	260,633	-	-	-	-	260,633	261,633	
Total expense	2,106,939	4,220,970	4,663,722	963,223	428,988	2,872,556	15,256,398	15,743,676	
Surplus (deficit)	\$ 1,869,605	\$ (448,292)	\$ (1,084,262)	\$ 493,063	\$ 517,349	\$ 3,604,720	\$ 4,952,183	\$ (1,876,386)	

# Town of View Royal

Schedule 3

Consolidated Schedule of Tangible Capital Assets  
Year ended December 31, 2018

	Land	Land Improvements	Buildings	Vehicles, Machinery & Equipment	Engineering Structures				Work in Progress	West Shore	2018	2017
					Roads	Drainage	Sewer					
<b>Cost</b>												
Balance, beginning	46,585,853	4,533,198	10,393,866	5,900,600	60,356,029	21,927,509	12,464,430	555,541	9,319,659	<b>\$ 172,036,685</b>	<b>\$ 166,320,215</b>	
Additions	2,505,467	297,280	27,314	197,020	828,626	392,985	179,495	520,912	62,087	<b>5,011,186</b>	<b>6,234,683</b>	
Disposals or write-downs	-	(30,000)	-	(70,506)	(17,921)	-	-	-	(5,771)	<b>(124,198)</b>	<b>(189,024)</b>	
Completed during year	10,105	120,724	-	21,503	-	-	-	(152,332)	-	-	<b>(329,191)</b>	
<b>Balance, ending</b>	<b>49,101,425</b>	<b>4,921,202</b>	<b>10,421,180</b>	<b>6,048,617</b>	<b>61,166,734</b>	<b>22,320,494</b>	<b>12,643,925</b>	<b>924,121</b>	<b>9,375,975</b>	<b>176,923,673</b>	<b>172,036,683</b>	
<b>Accumulated amortization</b>												
Balance, beginning	-	2,081,415	2,483,608	3,393,340	23,162,897	4,382,150	3,007,112	-	2,789,720	<b>\$ 41,300,242</b>	<b>\$ 38,472,160</b>	
Current year amortization	-	185,724	214,872	331,224	1,718,163	257,991	133,185	-	180,608	<b>3,021,767</b>	<b>2,973,716</b>	
Accumulated amortization on disposals or write-downs	-	(30,000)	-	(53,519)	(14,161)	-	-	-	(32,846)	<b>(130,526)</b>	<b>(145,634)</b>	
<b>Balance, ending</b>	<b>-</b>	<b>2,237,139</b>	<b>2,698,480</b>	<b>3,671,045</b>	<b>24,866,899</b>	<b>4,640,141</b>	<b>3,140,297</b>	<b>-</b>	<b>2,937,482</b>	<b>44,191,483</b>	<b>41,300,242</b>	
<b>Net book value</b>	<b>\$ 49,101,425</b>	<b>\$ 2,684,063</b>	<b>\$ 7,722,700</b>	<b>\$ 2,377,572</b>	<b>\$ 36,299,835</b>	<b>\$ 17,680,353</b>	<b>\$ 9,503,628</b>	<b>\$ 924,121</b>	<b>\$ 6,438,493</b>	<b>\$ 132,732,190</b>	<b>\$ 130,736,441</b>	

**Town of View Royal**  
**Schedule of Payments Made for the Provision of Goods and Services**  
**As at December 31, 2018**  
**(Unaudited)**

<b>Supplier Name</b>	<b>Amount Paid</b>
AON Reed Stenhouse	\$ 39,486
Associated Fire & Safety	118,924
BC Hydro	190,673
Black Press Group Ltd	27,450
Capital City Paving Ltd	84,010
Capital Regional District	393,528
Carver Construction Ltd	266,128
CDW Canada Inc	59,723
City of Langford	288,987
City of Surrey	58,986
Corporation of The Township of Esquimalt	119,370
CRD Bylaw Enforcement & Animal Control	43,733
CREST	36,804
Denbow	25,138
District of Saanich	49,217
E.H. Emery Electric Ltd	39,308
Five Star Paving Co Ltd	157,027
Greater Victoria Public Library	556,844
Habitat Systems Inc	112,078
Island Temperature Controls	29,251
K. Wilson Contracting Ltd	33,525
Municipal Insurance Association of British Columbia	73,622
Municipal Pension Plan	514,803
Myra Systems Corp	41,060
North Island Pumps	46,935
Novus Consulting Inc	70,013
Pacific Blue Cross	168,900
Raylec Power Ltd	155,357
Receiver General For Canada	918,663
Receiver General For Canada - RCMP Policing	1,128,325
Sigma Safety Corp	31,026
SLR Consulting (Canada) Ltd	52,225
Suttle Recreation Inc	136,320
Telus	26,507
Tomahawk Tree Service Ltd	42,263
Victoria Contracting & Municipal Maintenance Corp	1,291,796
Waste Management of Canada Corp	467,609
West Shore Parks & Recreation Society	725,839

<b>Supplier Name</b>	<b>Amount Paid</b>
Western Watershed Designs Inc.	89,696
Westlink Communications Inc	29,375
Workers' Compensation Board of BC	41,740
Young Anderson	40,652
Total aggregate payments to suppliers exceeding \$25,000	8,822,916
Consolidated total of payments of \$25,000 or less	1,288,325
<b>Total aggregate payments to suppliers</b>	<b>10,111,241</b>
Grants and contributions	
View Royal Reading Centre	30,000
View Royal Firefighters Association	51,084
Consolidated total of all grants and contributions \$25,000 or less	68,665
<b>Total aggregate grants and contributions</b>	<b>149,749</b>
Reconciling items, including adjustments for accrual-based accounting disbursements for items which are not considered expenses for financial statement purposes, including payments for employee payroll deductions, capital acquisitions, debt principal, refunds, payments made directly by West Shore Parks and Recreation and the non-rebatable portion of GST	(3,566,607)
Total expense for goods, services and debt interest per Consolidated Financial Statements, Schedule 1	\$ 6,694,383

Prepared pursuant to the Financial Information Regulation, Schedule 1, section 78 and the Financial Information Act, section 2



**Town of View Royal**  
**Statement of Remuneration and Expenses**  
**As at December 31, 2018**  
**(Unaudited)**

<b>Name</b>	<b>Position</b>	<b>Remuneration</b>	<b>Expenses</b>	<b>Total</b>
<b>Elected Officials</b>				
Screech, David	Mayor	\$ 26,769	\$ 4,192	\$ 30,961
Kowalewich, Damian	Councillor	12,834	1,675	14,509
Lemon, Margaret	Councillor	1,925	630	2,555
Mattson, Ron	Councillor	12,834	2,965	15,799
Rogers, John	Councillor	12,834	1,431	14,265
Weisgerber, Aaron	Councillor	10,909	2,677	13,586
		<b>78,105</b>	<b>13,570</b>	<b>91,675</b>

**Employees**

Anema, Kim	Chief Administrative Officer	167,021	7,834	174,855
Atkinson, Angela	Accountant/IT Coordinator	79,531	3,527	83,058
Bevan, Heath	Firefighter	120,078	1,857	121,935
Bolster, Elena	Deputy Corporate Officer	75,003	654	75,657
Bowbyes, Kevin	Deputy Director of Engineering	96,883	2,390	99,273
Chase, Lindsay	Director of Development Services	129,290	2,222	131,512
Chow, Jeffrey	Senior Planner	90,663	75	90,738
Christenson, Dawn	Director of Finance	125,490	4,156	129,646
Davison, James	Community Planner	80,398	4,365	84,763
Drolet, Joseph	Firefighter	76,019	3,899	79,918
Faykes, Gary	Building Inspector	86,794	3,431	90,225
Hurst, Paul	Fire Chief	154,842	2,571	157,413
Jones, Sarah	Director of Corporate Administration	136,990	4,872	141,862
Marshall, Rob	Firefighter	119,404	1,393	120,797
Mollin, Troy	Firefighter	116,975	3,210	120,185
Pitre, Geoffrey	Firefighter	128,727	4,762	133,489
Podmoroff, David	Parks Supervisor	97,423	1,543	98,966
Rosenberg, John	Director of Engineering	126,166	4,970	131,136
Vella, Steven	Manager of Accounting	108,222	3,921	112,143
Woodley, Darryl	Engineering Technologist	87,386	1,375	88,761
Consolidated total of other employees with remuneration of \$75,000 or less		987,184	51,903	1,039,087
		<b>3,190,489</b>	<b>114,930</b>	<b>3,305,419</b>

**Reconciliation**

Total remuneration and expenses for elected officials and employees	3,268,594	\$ 128,500	\$ 3,397,094
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Reconciling items, including adjustments for accrual-based accounting, accruals for vacation, sick leave and post-employment benefits, employer share of CPP and EI, and labour costs paid through other entities (RCMP, West Shore Parks and Recreation) or capitalized.

1,799,211

Total labour and benefits expense per Consolidated Financial Statements, Schedule 1

**\$ 5,067,805**

**Town of View Royal**  
**Statement of Guarantee and Indemnity Agreements**  
**As at December 31, 2018**  
**(Unaudited)**

The Town of View Royal has not provided any guarantees or indemnities under the Guarantee and Indemnities Regulation.

Prepared under the Financial Information Regulation, Schedule 1, subsection 5(3) and 5(4)

**Town of View Royal**  
**Statement of Severance Agreements**  
**As at December 31, 2018**  
**(Unaudited)**

There were no severance agreements made between the Town of View Royal and its non-unionized employees during fiscal year 2018.

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

**Town of View Royal**  
**Statement of Permissive Tax Exemptions**  
**As at December 31, 2018**  
**(Unaudited)**

<b>Organization</b>	<b>Folio</b>	<b>Municipal Property Tax</b>
<b>Places of public worship</b>		
All Saints Church - 287 Pallisier Ave	401-04412.018	\$ 5,483
St. Columba Church - 40 High Street	401-07654.010	3,386
<b>Community activity centres</b>		
Strawberry Vale Community Hall - 11 High Street	401-07647.010	4,983
View Royal Community Hall - 279 Island Highway	401-04399.010	4,517
<b>Not for profit organizations</b>		
Island Corridor Foundation		
PID 023-005-459; Sections 6, 97, and 103: Plan VIP60330	401-18806.000	8,472
PID 011-825-871;014-980-258;024-036-021;024-039-209;024-839-957	401-18807.000	14,008
PID 011-825-871;014-980-258;024-036-021;024-039-209;024-839-957	401-18807.000	6
PID 024-635-987; Lot 1, Sections 8 & 27; Plan VIP69799	401-18807.002	476
<b>Recreational property</b>		
Victoria Bowmen Association		
PID 000-345-644; Part of Section 6 Plan VIP7133; Area of 1,940 m2	401-07684.041	2,340
		<b>\$ 43,671</b>



**Town of View Royal**  
**Statement of Development Cost Charges (DCCs)**  
**As at December 31, 2018**

	<b>Balance January 1</b>	<b>Transfer to Projects</b>	<b>DCCs Received</b>	<b>Interest Earned</b>	<b>Balance December 31</b>
	(Note 1)				
Drainage DCCs	\$ 921,426	\$ 2,830	\$ 264,625	\$ 21,460	\$ 1,204,681
Highways DCCs	262,451	6,104	911,490	39,921	1,207,758
Park Improvement DCCs	117,737	356	59,530	3,004	179,915
Park Land DCCs	816,962	2,162	148,709	18,155	981,664
Sewer DCCs	253,010	7,160	370,690	21,642	638,182
	<b>\$ 2,371,586</b>	<b>\$ 18,612</b>	<b>\$ 1,755,044</b>	<b>\$ 104,182</b>	<b>\$ 4,212,200</b>

Note 1 - Restated, see 2018 Financial Statements Note 2 (Prior Period Adjustment)

**Town of View Royal  
Statistical Information (Unaudited)**

**Taxable Assessments of Land and Improvements - Final Roll Totals**

	2014	2015	2016	2017	2018
Residential	1,688,507,203	1,705,971,703	1,755,744,103	2,069,707,903	2,359,688,673
Utilities	377,200	304,600	304,700	312,800	321,800
Light Industry	2,298,000	2,712,000	2,711,000	2,947,000	3,298,000
Business	165,285,450	168,958,950	190,340,350	257,656,450	281,187,600
Rec/Non Profit	6,221,000	6,222,000	6,401,000	7,398,000	5,741,000
Farm	60,496	60,496	60,496	60,496	60,496
	1,862,749,349	1,884,229,749	1,955,561,649	2,338,082,649	2,650,297,569

**Property Tax Rates - Municipal (\$ per \$1,000 assessment)**

	2014	2015	2016	2017	2018
Residential	2.66124	2.82883	2.93375	2.60290	2.38224
Utilities	33.05331	40.00000	40.00000	40.00000	40.00000
Light Industry	8.31667	8.87083	9.22077	8.68979	7.95309
Business	9.18848	9.82487	9.90580	9.37044	8.57605
Rec/Non Profit	9.08049	9.68820	9.78435	9.78691	9.79099
Farm	21.15469	22.57408	23.45532	24.02868	21.99160

**Municipal Property Tax Billings by Property Class**

	2014	2015	2016	2017	2018
Residential	4,493,523	4,825,904	5,150,914	5,387,243	5,621,345
Utilities	12,468	12,184	12,188	12,512	12,872
Light Industry	19,112	24,058	24,998	25,609	26,229
Business	1,518,722	1,660,000	1,885,473	2,414,354	2,411,479
Rec/Non Profit	56,490	60,280	62,630	72,404	56,210
Farm	1,280	1,366	1,419	1,454	1,330
	\$ 6,101,595	\$ 6,583,792	\$ 7,137,622	\$ 7,913,576	\$ 8,129,465