



# TOWN OF VIEW ROYAL ANNUAL REPORT

Year Ended December 31, 2013







# 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 2013. It shows the progress on our 2013 municipal goals and objectives, highlights financial reporting, and gives insight into plans for the future.



➔ **INCORPORATED DECEMBER 5, 1988**

➔ **10,858 POPULATION\***

➔ **1,436 HECTARES LAND AREA**

➔ **28KM BIKE LANES**

➔ **25KM TRAILS**

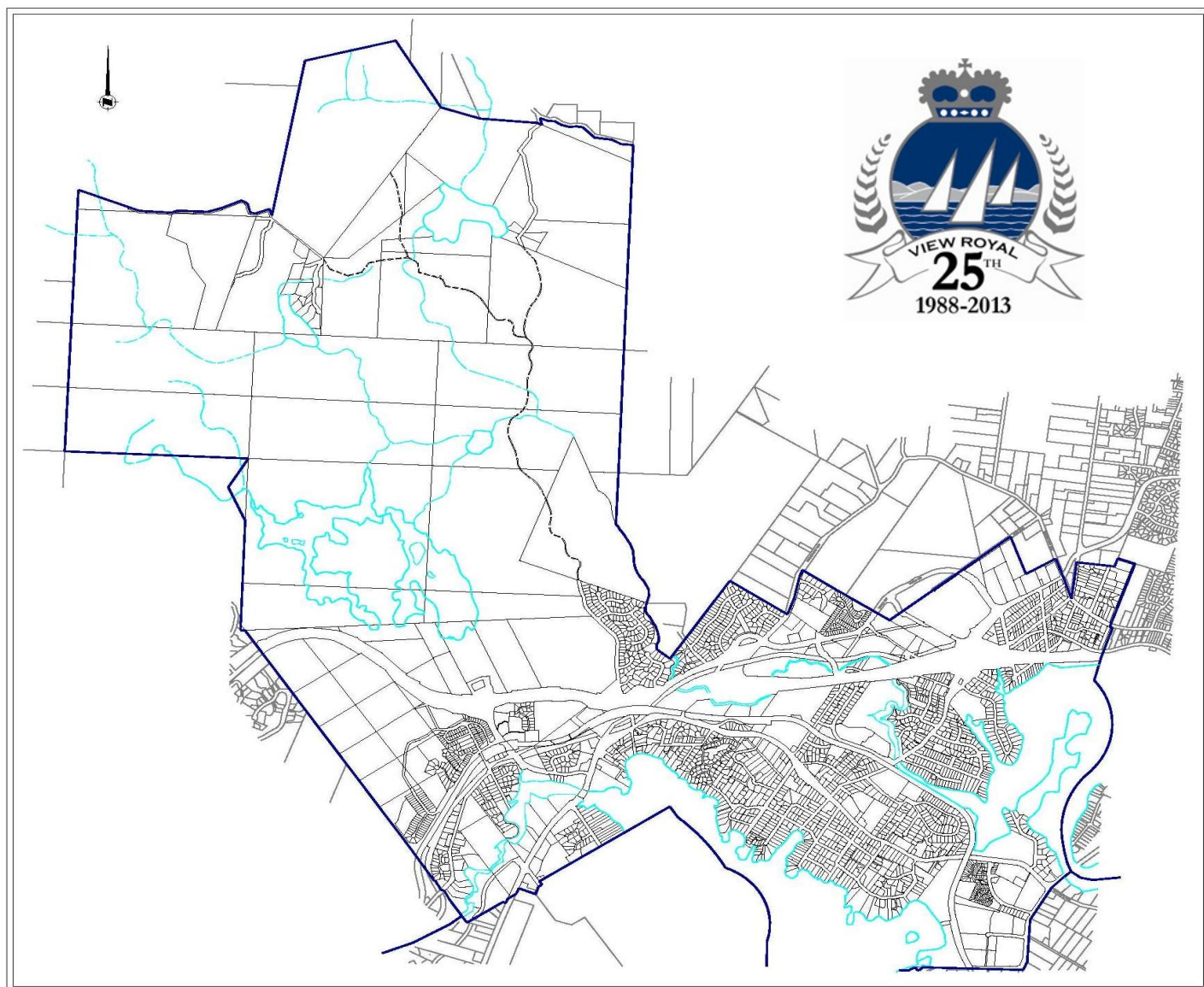
➔ **\$20.5M BUILDING PERMITS**

➔ **70 MUNICIPAL PARKS & 733 HECTARES PARKLAND**

➔ **237 BUSINESS LICENSES**

\*as per 2013 BC Stats





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 Township of Esquimalt, the District of Saanich and the City of Colwood.



Mayor Hill and Council members cut the cake for the 25th Anniversary celebrations.



Mayor Hill officiates the ceremony to bury a View Royal time capsule to be opened in 2088.



# MESSAGE FROM THE MAYOR

On behalf of View Royal Council and staff, it my pleasure to share this Annual Report, outlining the key objectives and accomplishments of 2013.

This was a defining year for our town in which we celebrated a silver anniversary and saw key projects that are hallmarks of View Royal values get underway and to completion.

In 2013 we invested in the safety and security of the town and its place in the region. Having received approval from residents in a 2012 referendum, site work began on the new Public Safety Building that will replace our 55-year old fire hall. The new building will be constructed to post-disaster standards and will serve the community as an emergency operations and assembly centre in the event of disaster.

Replacement of the 80-year old Craigflower Bridge, a joint initiative between the Town of View Royal and the District of Saanich also got underway this year. The project was largely funded by a \$10.75 million grant from the Federal Gas Tax Fund. We also turned the sod on the \$100 million Eagle Creek Village development that will provide residential, commercial and recreation opportunities for the town and the region.

There was a first-ever vegetable harvest at View Royal Park this year with residents eagerly taking to seeds and soil in our new community gardens. In September we celebrated our 25 years as the Town of View Royal with music, picnics and games at Centennial Park.

Please take a few moments to review the accomplishments of the town in these pages. I am proud that View Royal remains committed to its values and standards, and continues to be one of the best places to live and call home.



A handwritten signature in black ink, which appears to read 'G. Hill'.

Graham Hill

# MAYOR & COUNCIL

The Mayor and Council of the Town of View Royal were elected for a three-year term in the municipal election held in November 2011.

Each member is appointed to Town and regional committees.



**Mayor Graham Hill** (December 2, 2002 - present)

- Finance & Administration - Chair
- CRD Board/Committee of the Whole
- CRD Hospital Board
- CRD Core Area Liquid Waste Management
- CRD Planning, Transportation & Protective Services
- Greater Victoria Harbour Authority
- Island Corridor Foundation
- Te'Mexw Treaty Advisory Committee
- Tourism Victoria
- Municipal Insurance Association
- Victoria Chamber of Commerce





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

- Public Works & Transportation - Chair
- Parents Advisory Committee
- Victoria Family Court & Youth Justice Committee



**Councillor Heidi Rast** (December 2, 2008 - present)

- Protective Services & Community Services - Chair
- Capital Region Emergency Service Telecommunications (CREST)
- Community Policing
- Joint School District/Municipal Committee
- Police Building Liaison Committee
- West Shore Parks & Recreation Society



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

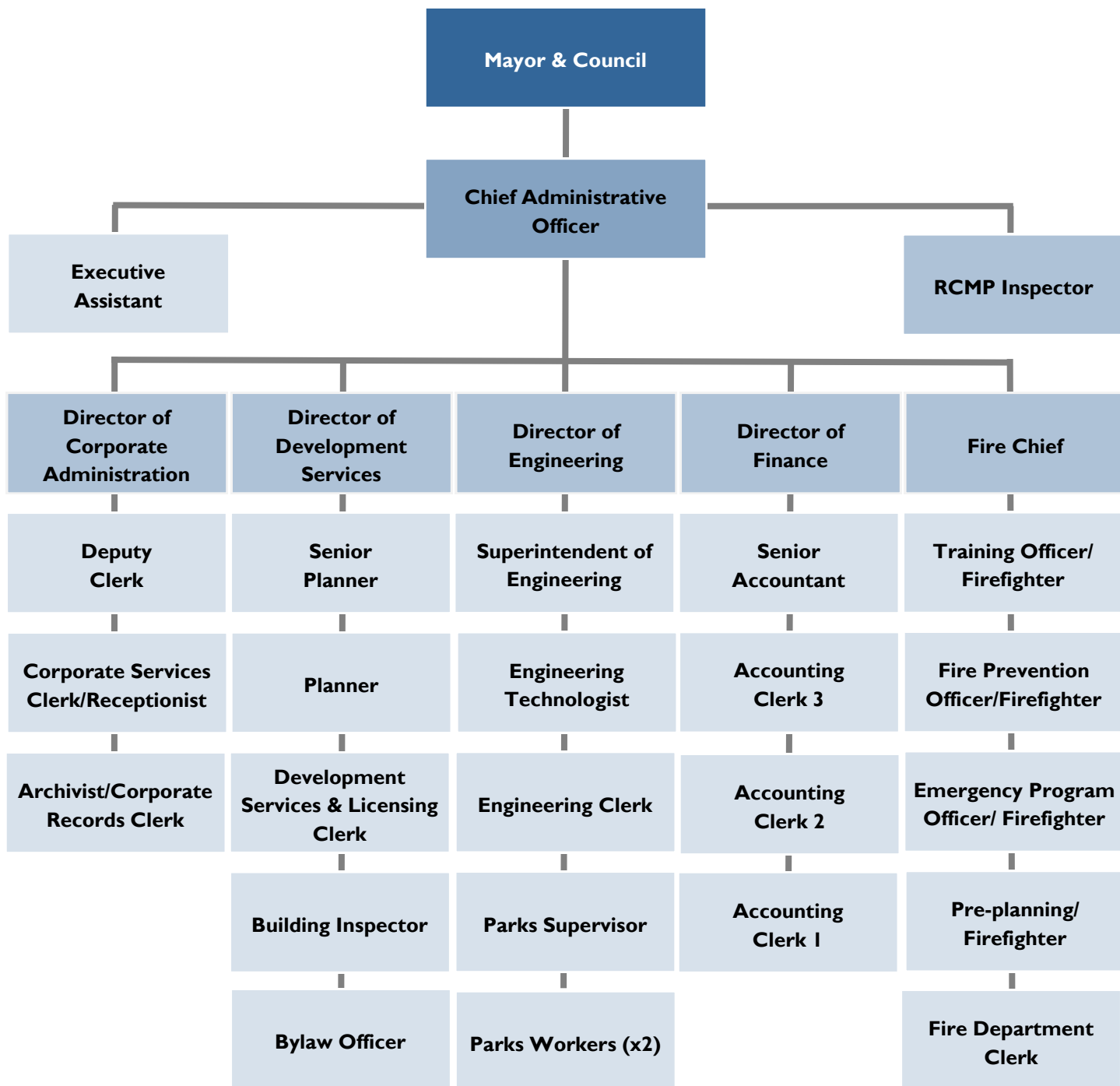
- Planning & Development - Chair
- CRD Climate Action Steering Committee
- CRD Housing Trust Fund Commission
- Chilco Trails Plan Steering Committee
- CRD Water Supply Commission
- Esquimalt Harbour Advisory Committee
- Friends of Cole Island
- Island Corridor Foundation
- Juan de Fuca Water Distribution Commission
- CRD Harbours Environmental Action Program Cost-Sharing Sub-Committee



**Councillor David Screech** (December 2, 2002 - present)

- Parks, Recreation & Environment - Chair
- CRD Arts Committee
- View Royal Reading Centre
- Westshore Chamber of Commerce
- West Shore Parks & Recreation Society
- Greater Victoria Public Library

# 2013 Town of View Royal Organizational Chart







## **MISSION - WHY WE EXIST**

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

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

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

# 2013 MUNICIPAL HIGHLIGHTS

## NEW PUBLIC SAFETY BUILDING IS UNDERWAY

Construction on the new Public Safety Building began in August 2013. Following a tender process, the contract was awarded to Ledcor Construction Ltd. Preliminary work included clearing, drilling, blasting and excavating to prepare the project site for construction of the new building.

In addition to a centrally located fire hall, the new Public Safety Building will include drive-through apparatus bays, teaching and training areas and volunteer space for the Firefighters' Association. The building will also serve as an administrative base and Emergency Operations Centre.



## CRAIGFLOWER BRIDGE REPLACEMENT PROJECT BEGINS

Construction began on one of the Town's largest capital projects to replace the 80 year old Craigflower Bridge. The project could not proceed on the basis of the grant funding established through the Regionally Significant Projects program. As such, the Town redirected the funding source for other capital projects to enable this project to proceed. The Town of View Royal budgeted an additional \$1.9 million to support this regionally significant infrastructure.

Starting on April 10, 2013, Admirals Road was closed to traffic between Island Highway and Cowper Street for the duration of the project. A temporary crossing was installed to allow for pedestrians and cyclists to cross the Gorge for the duration of the bridge closure.

The new bridge began to take shape as steel trusses were set into place to be followed by the installation of precast deck panels and the pouring of a concrete deck. In addition to the replacement of the bridge, upgrades include new sidewalks, bike lanes, street lighting, rain gardens and traffic signals.





## EAGLE CREEK VILLAGE GROUNDBREAKING

Omicron CEO, Bill Tucker, and Mayor Graham Hill, gathered with colleagues and business owners on November 14 for the ceremonial ground-breaking at Eagle Creek Village, the \$100-million mixed-use development at Helmcken Road and Watkiss Way. In addition to celebrating the exciting new development in View Royal, the celebration also marked the announcement of a new View Royal YMCA-YWCA at Eagle Creek Village!



## HIGHLIGHTS AT A GLANCE

- 237 business licenses issued in 2013 (97 commercial).
- Construction value of building permits issued in 2013 totaled \$20,530,680.
- Installed 30 new garden plots to create a new Community Gardens in View Royal Park.
- Hired a Senior Accountant, Auxiliary Building Inspector and Parks Workers to replace vacancies.
- Volunteers for the Ecological Restoration Project removed approximately 0.4ha of invasive plants from Portage Park.
- Queen Elizabeth II's Diamond Jubilee Medals were awarded to Mayor Graham Hill, Chief Paul Hurst, Gerry Cadwallader, John Chow, Cindy Heslop, Ruth Reynolds, Robert Smith and Andria Tetlow.
- LifeCycles Project Society was awarded the contract to be the primary steward of the orchard at Welland Legacy Park. Future plans include the installation of irrigation, pathways, interpretive signage, tool shed and covered teaching area.
- View Royal initiated a review of its Zoning Bylaw as a means to implement the land use goals and policies of the newly adopted Official Community Plan.
- The View Royal Emergency Management team was chosen to participate in an exchange program with the city of Portmore, Jamaica to share experiences and ideas regarding Disaster Risk Reduction initiatives and Climate Change Action.

# VIEW ROYAL'S 25TH ANNIVERSARY

## A HISTORY SNAP SHOT OF VIEW ROYAL

A quarter-century after incorporation as a Town, View Royal's persona -- its ambience, style and future -- have emerged. Perhaps it began when first inhabitants of today's Esquimalt Harbour crossed a handy isthmus -- now Portage Park -- to harvest seafood in Portage Inlet. The name View Royal was unheard of when, in the mid-19<sup>th</sup> century, Dr. John Helmcken paid the Hudson's Bay Company \$5 per acre for hundreds of it, between Esquimalt Harbour and today's Greater Victoria Hospital. Land was cleared to sustain a growing Victoria. It was not until 1912 that the name View Royal appeared. From Dr. Helmcken's son James, the Island Investment Company bought 80 acres below the Four Mile Hill, fronting on the harbour. They marketed lots as "View Royal" because of their "royal view".

For half a century the amorphous community watched content while Greater Victoria grew around it. Neighbours Esquimalt and Saanich took shape. Like Colwood, Langford and Metchosin to the west, View Royal remained unorganized. By the 1950's things had begun to change. In 1959 a group of residents in the Shoreline Drive area circulated a petition urging annexation by Esquimalt. Several studies and referenda came and went but View Royal continued with its unorganized status. Then in 1966, the Capital Regional District emerged bringing with it regional approaches for delivery of some services such as sewage collection. Then an authoritative Price Waterhouse study presented three options: status quo, union with Esquimalt, or incorporation as a Town. The Town's incorporation became official December 5, 1988. Intervening years have witnessed formative policies for parkland acquisition and inclusive, diverse community development. View Royal's paradoxical seclusion and proximity to the rest of the Capital Region underlies its theme: "Liveable, green, sustainable."

*View Royal Archives*





## 25TH ANNIVERSARY CELEBRATIONS

In 2013, View Royal celebrated its 25th Anniversary of incorporation with a variety of special events throughout the year.

### • KICKOFF CELEBRATION

On May 25, 2013, nearly 300 residents gathered for View Royal's 25th Anniversary Kickoff event! Celebrations began with delicious pancakes the musical talents of local artists. Attendees made their way across Island Highway to watch the time capsule be buried away for 75 years in the bottom corner of the stone mural wall. Families enjoyed a fun scavenger hunt in Portage Park while John Adams and Maureen Duffus wrapped up the morning with a Historical Walking Tour of the area.



### • PICNIC IN THE PARK

Approximately 1,000 View Royal residents came out on September 14 to enjoy the 25th Anniversary Picnic in the Park! The Picnic in the Park included a trade show that featured a variety of local organizations and vendors, fire trucks, clowns and performers, games and inflatables, and live entertainment including the Naden Band, Terry Brennan and the Maureen Washington Quartet.



### • 25TH ANNIVERSARY CELEBRATION COUNCIL MEETING

Council, staff, dignitaries and residents came together on December 3, 2013 to celebrate the 25<sup>th</sup> anniversary of the Town's incorporation. The Celebration Council Meeting, which capped the end of a year of 25<sup>th</sup> anniversary celebration events, included special guests expressing anniversary greetings, a Queen's Diamond Jubilee Medal presentation to Mayor Hill, a video presentation of the year's festivities, and a reception that followed the meeting.



# 2013 MUNICIPAL GOALS & OBJECTIVES

The 2012 - 2014 Strategic Plan provides a regular opportunity to step back, look at the bigger picture and identify a few key areas or opportunities that require special attention or emphasis in the three to five years ahead. Three Strategic Priorities have been identified for 2013 to 2014:

- Ensuring FINANCIAL SUSTAINABILITY,
- Responding to INCREASING EXPECTATIONS, and
- Building COMMUNITY IDENTITY.

The reality and importance of ongoing work related to the core and fiduciary responsibilities of the Town – work that requires significant investment of time and dollars over and above the flow of regular duties - is also identified:

- Critical PROJECTS AND INITIATIVES.





## - ENSURING FINANCIAL SUSTAINABILITY -

### STRATEGIC PRIORITY:

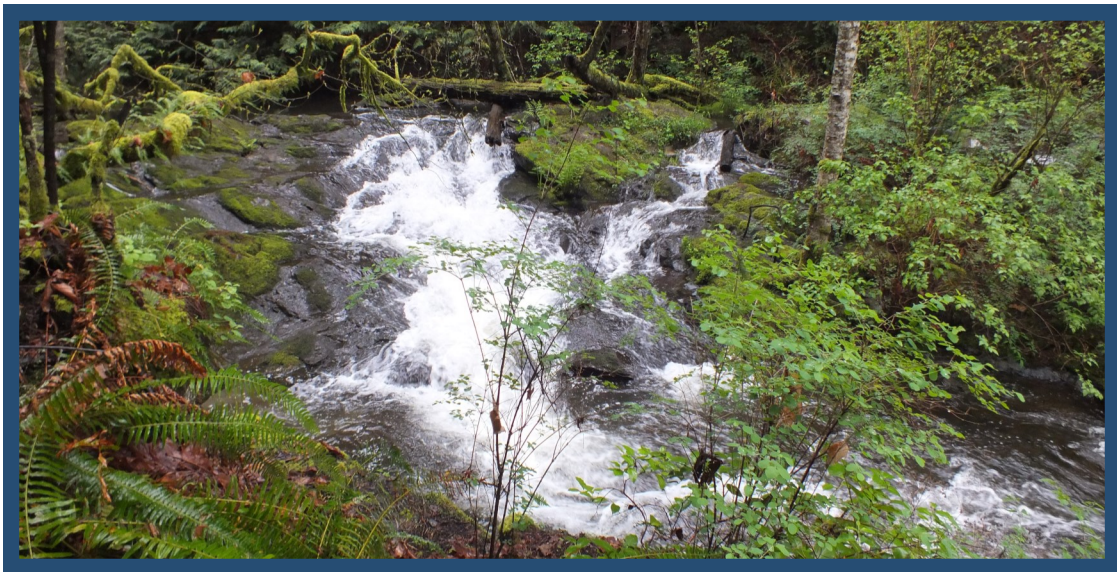
- Systematically consider ongoing and related costs as major decisions are made and/or projects are approved;
- Position View Royal as a development-friendly Town, committed to development opportunities identified in the OCP and efficient approval processes;
- Ongoing commitment to providing full value for money;
- Nurture entrepreneurial approach to revenue generation; and
- Be a strong voice at the regional level to ensure that affordability is a major factor in cost-shared initiatives.

### DESIRED OUTCOMES:

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

### 2013 INITIATIVES:

PROJECTS & INITIATIVES	OUTCOME
Evidence Based Cost Projections: related to Master Plans and Asset Management.	<ul style="list-style-type: none"><li>• Review of the Subdivision &amp; Servicing Development Bylaw is underway.</li></ul>
Economic Development Strategy: a collaborative initiative of Council and staff based on opportunities defined in the Official Community Plan.	<ul style="list-style-type: none"><li>• During the budget development, the Economic Development objective was deferred to 2014.</li></ul>
Tangible Asset Management System: to include parks, transportation, sidewalks, infrastructure, equipment and fleet.	<ul style="list-style-type: none"><li>• The Master Transportation Plan study is underway and will be complete in 2014.</li></ul>
Create a Reserve Review and Policy.	<ul style="list-style-type: none"><li>• Ongoing.</li></ul>





## - RESPONDING TO INCREASING EXPECTATIONS -

### STRATEGIC PRIORITY:

- Develop an innovation culture that regularly generates suggestions for service improvement;
- Communicate service levels, standards and related costs for each municipal function;
- Commit to a business model that aligns both services and support functions with the defined levels of service;
- Manage implications of governance processes and decisions within the capacity of available resources.

### DESIRED OUTCOMES:

- A clear service model defining level of service and resource requirements for each municipal function;
- Community satisfaction within the parameters established in the service model;
- High public confidence in municipal governance.

### 2013 INITIATIVES:

PROJECTS & INITIATIVES	OUTCOME
<p>Complete Service Review:</p> <ul style="list-style-type: none"><li>• to define service level expectations and standards;</li><li>• to align resources accordingly;</li><li>• to compare baselines/practices with other municipalities;</li><li>• to explore creative options for service effectiveness and efficiency.</li></ul>	<ul style="list-style-type: none"><li>• The review of the Bylaw Enforcement and Building Inspection sections is complete.</li><li>• The review resulted in a restructuring of these services to the Fire Department.</li><li>• The Service Review for other areas is in progress.</li></ul>
<p>Create Performance Management System:</p> <ul style="list-style-type: none"><li>• to be based on Service Review findings and decisions;</li><li>• to be focused on desired outcomes and service delivery (level, cost, quality/satisfaction).</li></ul>	<ul style="list-style-type: none"><li>• To be initiated after completion of the Service Review.</li></ul>

## - BUILDING COMMUNITY IDENTITY -

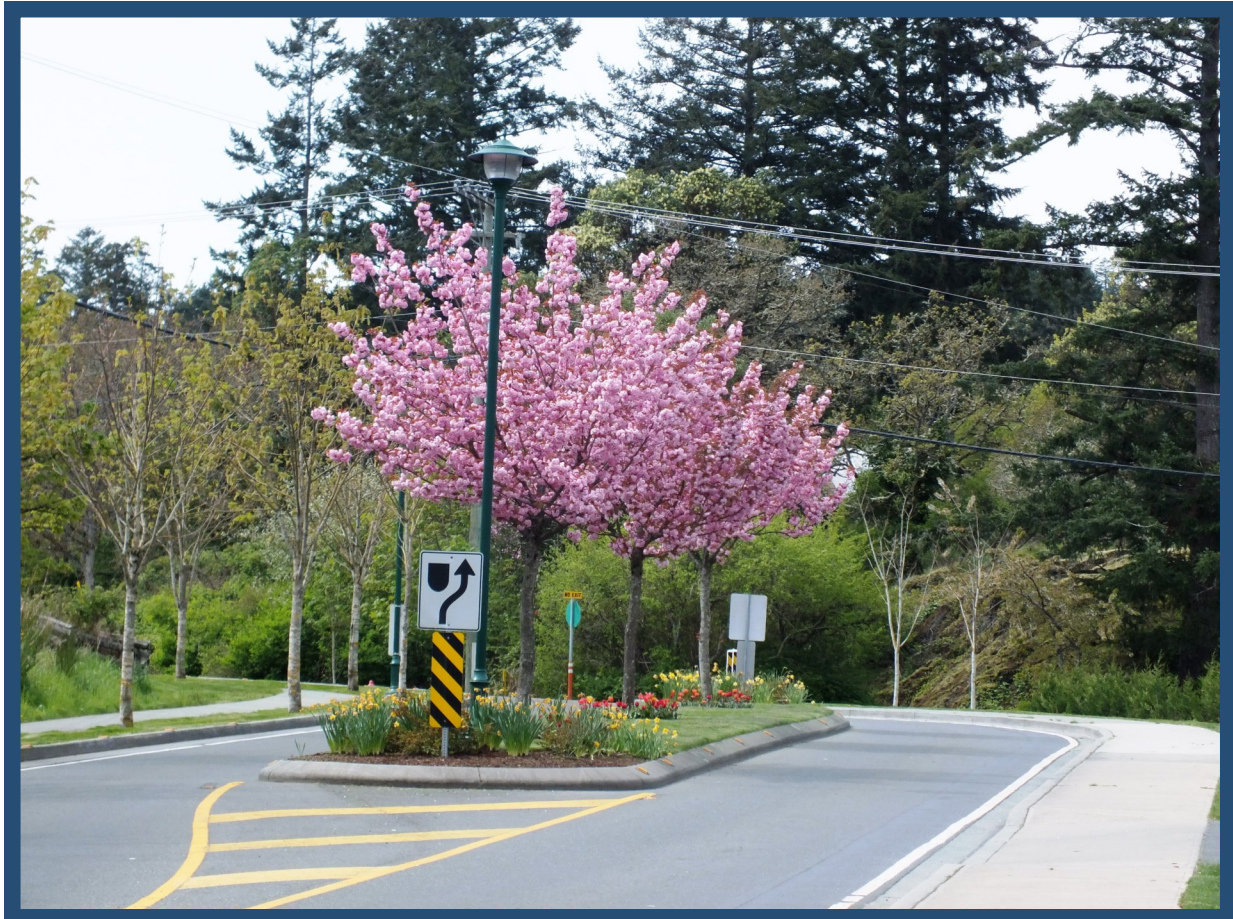
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### STRATEGIC PRIORITY:

- Look for opportunities to expand residential and business volunteerism;
- Support community-driven events that bring View Royal residents together;
- Commitment to on-going development of parks and trails;
- Build alliances with community service organizations;
- On-going commitment to recognize our heritage.

### DESIRED OUTCOMES:

- Build alliances with community service organizations;
- Strong identity - a unique Town with its own character and common purpose;
- Clearly defined, well services neighbourhoods with local service nodes and gathering places;
- Increased community connectivity and engagement in community events;
- A strong and growing volunteer corps, investing in View Royal.





## - BUILDING COMMUNITY IDENTITY (con't) -

### 2013 INITIATIVES:

PROJECTS & INITIATIVES	OUTCOME
<p>Formalize Town of View Royal Branding:</p> <ul style="list-style-type: none"> <li>Public realm standards for Town and developers (streets, lighting, sidewalk furniture, etc).</li> </ul>	<ul style="list-style-type: none"> <li>The revision of the Subdivision &amp; Servicing Development Bylaw is underway.</li> <li>The Bylaw will be the leading document for establishing the Town's identity.</li> <li>A Public Open House will be held in 2014 to solicit comments to be incorporated into the final design cross sections.</li> </ul>
25th Anniversary Celebrations	<ul style="list-style-type: none"> <li>A 25<sup>th</sup> Anniversary Committee was formed and met regularly to plan events.</li> <li>The 25<sup>th</sup> Anniversary kickoff was held May 25 with approx.300 residents attending.</li> <li>25<sup>th</sup> Anniversary Picnic in the Park was held Sept. 14 with approx. 1,000 attending.</li> <li>The final event, a Celebration Council Meeting and reception, was held Dec. 3 with approx. 35 attending.</li> </ul>
<p>Heritage Assets:</p> <ul style="list-style-type: none"> <li>Identify and protect heritage assets.</li> </ul>	<ul style="list-style-type: none"> <li>Phase I work on conservation of the Lime Kiln is complete.</li> <li>Budget to complete Phase 2 was deferred to 2014.</li> </ul>
<p>Volunteer Support Program</p> <ul style="list-style-type: none"> <li>recruitment, placement, training, supervision, recognition/celebration.</li> </ul>	<ul style="list-style-type: none"> <li>A report regarding a concept volunteer bureau was distributed to Council for their review.</li> <li>An action plan will be brought forward in 2014 regarding the potential formation of a task force to investigate a volunteer program in View Royal.</li> </ul>
Town Profile	<ul style="list-style-type: none"> <li>Ongoing.</li> </ul>

## - CRITICAL PROJECTS & INITIATIVES -

### STRATEGIC PRIORITY:

The final strategic priority addresses projects that will consume significant financial and staff resources. Each are priorities on their own merits, reflecting:

- Commitments made in Council-approved plans and reports;
- Projects that are already underway;
- Legislated or regulatory requirements;
- Fiduciary obligations of Town Council to provide for social, environmental and economic well-being of the community.





## - CRITICAL PROJECTS & INITIATIVES (con't) -

### 2013 INITIATIVES:

PROJECTS & INITIATIVES	OUTCOME
Fire Hall Replacement	<ul style="list-style-type: none"> <li>The project design was completed and the contract awarded to Ledcor Construction Ltd.</li> <li>Construction is in progress with the project to be completed in 2014.</li> </ul>
Craigflower Bridge Replacement	<ul style="list-style-type: none"> <li>The contract was awarded to Don Mann Excavating Ltd.</li> <li>A temporary work bridge and pedestrian crossing was put in place for the duration of the project.</li> <li>Final completion of the project is scheduled for June 2014.</li> </ul>
Land Use Bylaw	<ul style="list-style-type: none"> <li>A draft Zoning Bylaw was prepared with additional revisions required.</li> <li>The Bylaw will come back to a Council meeting for consideration and adoption in 2014.</li> </ul>
Subdivision & Servicing Development Bylaw Review	<ul style="list-style-type: none"> <li>Urban Systems was contracted to facilitate the review.</li> <li>Standards to include specifications that will be unique characteristics to help establish identity and brand of the Town.</li> <li>A pedestrian and cyclist friendly community has been incorporated into the process.</li> </ul>
Stewart Avenue Pump Station	<ul style="list-style-type: none"> <li>A new pump station was installed to retrofit and replace lift pumps and all integral infrastructure.</li> </ul>
View Royal Park	<ul style="list-style-type: none"> <li>30 new community garden plots were put into View Royal Park, of which 4 were created for accessibility challenged persons. The plots as well as access to water was provided for free for gardeners for this trial run season.</li> </ul>

# LOOKING AHEAD

Three Strategic Priorities have been identified for 2012-2014. The foundation bar at the bottom recognizes the reality and importance of ongoing work related to the core and fiduciary responsibilities of the Town; work that requires significant investment of time and dollars over and above the flow of regular duties.





**ENSURING FINANCIAL SUSTAINABILITY:** the next years will require strategic focus on financial sustainability.

<b>Project/Initiative:</b>	<b>Timing:</b>
Evidence Based Cost Projections: related to Master Plans and Asset Management.	2014/2015
Develop an evidence based Cost Projections related to Master Plans and Asset Management, and a Long Term Financial Plan	2014/2015
Develop an Economic Development Strategy	2014/2015
Implement a Tangible Asset Management System	2014/2015

**RESPONDING TO INCREASING EXPECTATIONS:** the Town will be challenged to respond to and manage these increasing expectations and financial sustainability simultaneously.

<b>Project/Initiative:</b>	<b>Timing:</b>
Develop a Performance Management System	Ongoing

**BUILDING COMMUNITY IDENTITY:** we have made a great deal of progress on the physical, urban landscape front; the next three years provides an opportunity to strengthen our social sense of what it means to live in View Royal.

<b>Project/Initiative:</b>	<b>Timing:</b>
Identify and Protect Heritage Assets	Ongoing
Develop a Volunteer Support Program	Ongoing

**CRITICAL PROJECTS AND INITIATIVES:** the Town must deliver on initiatives designed to meet legislated or regulatory requirements, projects already underway, and commitments made to the community in approved plans and reports.

<b>Project/Initiative:</b>	<b>Timing:</b>
Fire Hall Replacement	2014
Craigflower Bridge Replacement	2014
Land Use Bylaw Update	2014
Servicing Standards & Subdivision Bylaws	2014
Implement View Royal Park Master Plan	Ongoing







**TOWN OF VIEW ROYAL**

## **FINANCIAL INFORMATION**

**Fiscal Year Ended December 31, 2013**





# Financial Information

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## Statement of Financial Information Approval

For the year ended December 31, 2013

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*.

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Jeannie Beauchamp, CPA, CGA  
Director of Finance  
July 15, 2014

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On behalf of Council,  
Graham Hill, Mayor  
July 15, 2014

Prepared pursuant to the Financial Information Regulation, Schedule 1, subsection 9

Consolidated Financial Statements of

# **TOWN OF VIEW ROYAL**

Year ended December 31, 2013

# **TOWN OF VIEW ROYAL**

## Consolidated Financial Statements

Year ended December 31, 2013

### Financial Statements

Management's Responsibility for the Consolidated Financial Statements

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Consolidated Statement of Cash Flows

Notes to Consolidated Financial Statements



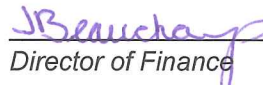
## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Town of View Royal (the "Town") are the responsibility of Town's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. A summary of the significant accounting policies are described in the notes to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Hayes Stewart Little & Company Chartered Accountants, independent external auditors appointed by the Town. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the consolidated financial statements are free of material misstatement and present fairly the financial position and results of the Town in accordance with Canadian public sector accounting standards.

  
Chief Administrative Officer  
Director of Finance

## INDEPENDENT AUDITOR'S REPORT

To the Mayor and members of Council of  
**THE TOWN OF VIEW ROYAL**

### *Report on Consolidated Financial Statements*

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

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

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

### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluation of the overall presentation of the consolidated financial statements, whether due to fraud or error.

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

### *Opinion*

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Town of View Royal as at December 31, 2013 and its financial performance, changes in net financial assets and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

### *Other Matter*

The financial statements for the year ended December 31, 2012 were audited by another accounting firm and are presented for comparative purposes only.

*Hayes Stewart Little & Co.*

Victoria, BC  
May 6, 2014

Chartered Accountants

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# TOWN OF VIEW ROYAL

## Consolidated Statement of Financial Position

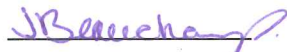
December 31, 2013, with comparative information for 2012

	2013	2012
<b>Financial assets:</b>		
Cash and temporary investments (note 4)	\$ 14,460,608	\$ 13,129,361
Taxes receivable	211,059	230,851
Accounts receivable	1,674,676	1,457,700
	<u>16,346,343</u>	<u>14,817,912</u>
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities	3,055,963	2,615,411
Deposits	792,555	746,710
Deferred revenue (note 5)	5,680,440	5,553,113
Prepaid property taxes	280,087	255,312
Temporary debt (note 6)	1,950,000	-
Long-term debt (note 6)	2,219,700	2,572,193
Employee future benefit obligations (note 7)	157,704	133,949
	<u>14,136,449</u>	<u>11,876,688</u>
<b>Net financial assets</b>	<u>2,209,894</u>	<u>2,941,224</u>
<b>Non-financial assets:</b>		
Tangible capital assets (note 8)	117,580,926	111,027,750
Inventory of supplies	9,166	6,758
Prepaid expenses	63,015	60,099
	<u>117,653,107</u>	<u>111,094,607</u>
<b>Accumulated surplus (note 9)</b>	<u>\$ 119,863,001</u>	<u>\$ 114,035,831</u>

### Commitments and contingencies (note 11)

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

Approved by:



J. Beauchamp, CPA, CGA  
Director of Finance



# TOWN OF VIEW ROYAL

## Consolidated Statement of Operations

Year ended December 31, 2013, with comparative information for 2012

	Financial plan (note 12)	2013	2012
<b>Revenues:</b>			
Taxation, net (note 10)	\$ 6,046,456	\$ 6,026,329	\$ 5,679,365
User charges	2,490,338	2,424,127	2,319,314
Government transfers:			
Provincial	2,803,121	2,045,306	3,039,415
Federal	6,050,598	5,559,410	661,530
Municipal	-	5,661	30,989
Investment income	65,000	119,924	132,157
Actuarial adjustment to debt	-	46,109	45,861
Penalties and fines	52,000	57,520	56,068
Development charges earned	115,000	130,673	21,837
Contributions from developers and others	-	1,327,863	53,243
Other revenue from own sources	74,973	156,871	109,419
Total revenues	17,697,486	17,899,793	12,149,198
<b>Expenses:</b>			
General government	1,973,035	1,892,080	1,823,602
Protective services	3,119,524	2,997,631	3,069,369
Transportation services	3,857,935	3,617,656	3,567,647
Environmental health services	990,407	848,684	1,031,374
Planning and development	446,232	413,703	453,625
Recreation and cultural	2,343,242	2,302,869	2,704,935
Total expenses	12,730,375	12,072,623	12,650,552
<b>Annual surplus (deficit)</b>	4,967,111	5,827,170	(501,354)
<b>Accumulated surplus, beginning of year</b>	114,035,831	114,035,831	114,537,185
<b>Accumulated surplus, end of year (note 9)</b>	<b>\$ 119,002,942</b>	<b>\$ 119,863,001</b>	<b>\$ 114,035,831</b>

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

# TOWN OF VIEW ROYAL

## Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2013, with comparative information for 2012

	Financial plan (note 12)	2013	2012
<b>Annual surplus (deficit)</b>	\$ 4,967,111	\$ 5,827,170	\$ (501,354)
Acquisition of tangible capital assets	(11,510,744)	(8,600,614)	(2,139,078)
Contributions of tangible capital assets	-	(336,703)	(6,000)
Amortization of tangible capital assets	2,430,000	2,569,502	2,567,726
Loss on disposal and write-down of tangible capital assets	-	14,389	92,351
Change in proportionate share of West Shore	-	(199,750)	231,149
	(9,080,744)	(6,553,176)	746,148
Acquisition and consumption of inventory of supplies	-	(2,408)	(606)
Acquisition and consumption of prepaid expenses	-	(2,916)	(42,627)
<b>Change in net financial assets</b>	(4,113,633)	(731,330)	201,561
<b>Net financial assets, beginning of year</b>	2,941,224	2,941,224	2,739,663
<b>Net financial assets, end of year</b>	\$ (1,172,409)	\$ 2,209,894	\$ 2,941,224

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

# TOWN OF VIEW ROYAL

## Consolidated Statement of Cash Flows

Year ended December 31, 2013, with comparative information for 2012

	2013	2012
Cash provided by (used in):		
<b>Operating activities:</b>		
Annual surplus (deficit)	\$ 5,827,170	\$ (501,354)
Items not involving cash:		
Amortization of tangible capital assets	2,569,502	2,567,726
Loss on disposal and write-down of tangible capital assets	14,389	92,351
Contributions of tangible capital assets	(336,703)	(6,000)
Change in employee benefits obligations	23,755	12,293
Change in proportionate share of West Shore	(199,750)	231,149
Actuarial adjustment on debt	(46,109)	(45,861)
Changes in non-cash operating assets and liabilities:		
Accounts receivable	(216,976)	150,137
Taxes receivable	19,792	(18,168)
Accounts payable and accrued liabilities	440,552	174,907
Deposits	45,845	(297,397)
Deferred revenue	127,327	(166,032)
Prepaid property taxes	24,775	26,233
Inventory of supplies	(2,408)	(606)
Prepaid expenses	(2,916)	(42,627)
	8,288,245	2,176,751
<b>Capital activities:</b>		
Acquisition of tangible capital assets	(8,600,614)	(2,139,077)
	(8,600,614)	(2,139,077)
<b>Financing activities:</b>		
Debt issued	1,950,000	-
Debt repaid	(306,384)	(308,289)
	1,643,616	(308,289)
<b>Increase (decrease) in cash and cash equivalents</b>	<b>1,331,247</b>	<b>(270,615)</b>
<b>Cash and temporary investments, beginning of year</b>	<b>13,129,361</b>	<b>13,399,976</b>
<b>Cash and temporary investments, end of year</b>	<b>\$ 14,460,608</b>	<b>\$ 13,129,361</b>

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



# TOWN OF VIEW ROYAL

## Notes to Consolidated Financial Statements

Year ended December 31, 2013

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Town of View Royal (the "Town") is a municipality in the Province of British Columbia and operates under the provisions of the Local Government Act and the Community Charter of British Columbia. The Town's principal activities include the provision of local government services to residents of the incorporated area.

### 1. Significant accounting policies:

The consolidated financial statements of the Town are prepared by management in accordance with Canadian public sector accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. Significant accounting policies adopted by the Town are as follows:

(a) Reporting entity:

The consolidated financial statements reflect the combination of all the assets, liabilities, revenues, expenses, and changes in fund balances and in financial position of the Town. The consolidated financial statements of the Town include the Town's proportionate interest in West Shore Parks and Recreation Society ("West Shore"), an organization jointly controlled by the Town. The Town does not administer any trust activities on behalf of external parties other than the disbursement of casino revenues to other municipal partners as described in note 5.

(b) Basis of accounting:

The Town follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay. Expenses paid in the current period and attributable to a future period are recorded as prepaid.

(c) Revenue recognition:

- (i) Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year.
- (ii) Sale of services and user fee revenues are recognized when the service or product is rendered by the Town and the amounts are received or become receivable.
- (iii) Grant revenues are recognized when the funding becomes receivable.
- (iv) Revenue unearned in the current period is recorded as deferred revenue.
- (v) Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Transfers received for which expenses are not yet incurred are included in deferred revenue.

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

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## 1. Significant accounting policies (continued):

### (d) 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.

Casino revenues are required to be spent on eligible expenses as defined in the agreement with the provincial government. The gross revenue received is deferred and recorded as revenue when the related expenses are incurred.

### (e) Cash and temporary investments:

Cash and temporary investments include investments in the Municipal Finance Authority of British Columbia ("MFA") Money Market, Intermediate, and Short-Term Bond that are recorded at cost plus earnings reinvested in the funds, which at December 31, 2013 would approximate market value. These temporary investments consist of cash on deposit in the MFA investment funds that are highly liquid, readily convertible to cash, and are subject to an insignificant risk of change in value.

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

### (f) 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 (continued)

Year ended December 31, 2013

## 1. Significant accounting policies (continued):

### (g) Temporary and long-term debt:

Temporary and long-term debt is recorded net of related actuarial adjustments and principal repayments.

### (h) Employee future benefits:

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.

### (i) 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. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

### (i) Tangible capital assets:

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

Asset	Useful life - years
Land	Indefinite
Land improvements	15 - 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



# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

---

## 1. Significant accounting policies (continued):

contribute to the Town's ability to provide goods and services, or when the value of future economic benefits associated with the asset are less than the book value of the asset.

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

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

### (iii) Works of art, 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 of supplies held for consumption is recorded at the lower of cost and replacement cost.

### (j) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 revenues and expenses during the period. Significant areas requiring the use of management estimates relate to the determination of accrued sick benefits liability, collectability of accounts receivable, amortization of capital assets, 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 (continued)

Year ended December 31, 2013

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## 2. Financial instruments:

The Town's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities, deposits, and temporary 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.

## 3. Future accounting changes:

### (a) PS 3260 – Liability for contaminated sites:

This section establishes the recognition, measurement and disclosure requirements for reporting liabilities associated with remediation of contaminated sites. The section does not deal with tangible capital asset retirement obligations, liabilities associated with the disposal or sale of a tangible capital asset and acquisition/ betterment costs for tangible capital assets that are less than the future economic benefits. This section applies to fiscal years beginning on or after April 1, 2014, with early adoption permitted.

### (b) PS 3450 – Financial instruments:

This section establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. This section applies to fiscal years beginning on or after April 1, 2016, with early adoption permitted.

### (c) PS 2601 – Foreign currency translation:

This section revises and replaces the existing Section PS 2600 Foreign currency translation. This section applies to fiscal years beginning on or after April 1, 2016, with early adoption permitted.

### (d) PS 1201 – Financial statement presentation:

This section revises and replaces the existing Section PS 1200 Financial statement presentation. This section applies to fiscal years beginning on or after April 1, 2016, with early adoption permitted.

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

## 4. Cash and temporary investments:

	2013	2012
Bank deposits	\$ 2,573,156	\$ 2,142,738
Municipal Finance Authority – Money Market	5,343,821	4,861,442
Municipal Finance Authority – Intermediate	1,599,525	1,576,831
Municipal Finance Authority – Short-Term Bond	4,944,106	4,548,350
	<b>\$ 14,460,608</b>	<b>\$ 13,129,361</b>

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 1.10% to 1.70%.

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

	2013	2012
Restricted cash – MFA	\$ 26,716	\$ 44,927
Restricted cash – West Shore reserve funds	250,992	209,160
Restricted investments – reserve funds	2,921,742	2,951,801
Restricted investments – development cost charges	4,231,743	4,258,174
	<b>\$ 7,431,193</b>	<b>\$ 7,464,062</b>

The Town has an operating line of credit with the Bank of Nova Scotia for an authorized amount of \$400,000, bearing interest at bank prime rate plus 0.25% per annum with interest payable monthly. At December 31, 2013 the balance outstanding was \$nil (2012 - nil).

## 5. Deferred revenue:

The Town has entered into 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 entered into 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. The disbursement of the 55% is netted against the revenue in the financial statements for the Town and is disclosed below as a disbursement to other municipal partners.

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

## 5. Deferred revenue (continued):

	2013	2012
Gaming revenue:		
Deferred net gaming revenue, beginning of year	\$ 698,089	\$ 1,174,734
Amounts received during the year	4,161,177	4,158,126
Disbursements:		
Eligible expenditures	(1,684,219)	(2,347,802)
Other municipal partners	(2,288,648)	(2,286,969)
Deferred net gaming revenue, end of year	886,399	698,089
Federal Gas Tax Agreement Funds:		
Deferred gas tax agreement funds, beginning of year	247,512	320,548
Amounts received during the year	285,526	285,635
Interest earned	3,197	5,455
Eligible expenses	(448,726)	(364,126)
Deferred gas tax agreement funds, end of year	87,509	247,512
Development cost charges:		
Deferred development cost charges, beginning of year	4,258,174	3,869,055
Amounts received during the year	49,466	340,296
Interest earned	54,776	70,660
Eligible expenses	(130,673)	(21,837)
Deferred development cost charges, end of year	4,231,743	4,258,174
Deferred revenue - other	474,789	349,338
Total deferred revenue	\$ 5,680,440	\$ 5,553,113

## 6. Temporary and long-term debt:

- (a) Temporary debt (interim financing) of \$1,950,000 was issued in 2013 by the MFA related to the construction of the new Public Safety Building. The temporary debt is due on demand and has an interest rate of 1.72%. Interest is calculated daily and compounded and paid monthly. In 2014 it is expected that this debt will be repaid and replaced with long-term debt issued by the MFA.
- (b) Included in long-term debt is the Town's proportionate share of a West Shore five year fixed rate term loan for \$23,796 (2012 - \$36,076).



# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

## 6. Temporary and long-term debt (continued):

(c) Debt outstanding:

MFA Issue Number	Interest rate	Maturity date	Originally Approved	Net debt 2013	Net debt 2012
95	4.07%	Oct 13, 2013	\$1,493,000	\$ -	\$213,223
117	3.25%	Oct 12, 2026	2,445,000	2,195,904	2,322,894
West Shore Parks & Recreation				23,796	36,076
				\$3,938,000	\$2,572,193

(d) 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
2014	\$ 122,106
2015	122,106
2016	122,106
2017	122,106
2018	122,106

(e) Interest expense:

Total interest expense during the year was \$133,093 (2012 - \$140,275).

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

## 7. Employee future benefit obligations:

Employee benefit obligations represent accrued benefits as follows:

	2013	2012
Vacation payable	\$43,204	\$25,893
Accrued overtime	15,826	13,995
Sick leave entitlements	53,000	53,400
West Shore employee future benefit obligations	45,674	40,661
	<b>\$157,704</b>	<b>\$133,949</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, 2013.

Information about liabilities for accrued sick leave is as follows:

	2013	2012
Accrued benefit liability, beginning of year	\$53,400	\$33,700
Current service cost	8,600	6,600
Interest cost	2,200	1,400
Benefits paid	(200)	(200)
Amortization of actuarial loss	(11,000)	11,900
Accrued benefit liability, end of year	<b>\$53,000</b>	<b>\$53,400</b>

	2013	2012
Accrued benefit liability, end of year	\$53,000	\$53,400
Unamortized loss	6,700	-
Accrued benefit obligation, end of year	<b>\$59,700</b>	<b>\$53,400</b>

The accrued benefit liability is included as part of employee benefit obligations on the Statement of Financial Position. The actuarial loss is amortized over a period equal to the employees' average remaining service lifetime of 13 years.

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

	2013	2012
Discount rates	4.20%	3.60%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increases	2.58 to 4.50%	2.58 to 4.50%

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

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## 7. Employee future benefit obligations (continued):

### **Municipal Pension Plan:**

The Town and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The plan has about 179,000 active members and approximately 71,000 retired members. Active members include approximately 31 contributors from the Town.

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

The Town paid \$196,852 (2012 - \$181,230) for employer contributions while Town employees contributed \$177,090 (2012 - \$169,889) to the plan in fiscal 2013.

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

## 8. Tangible capital assets:

	Cost (Dec 31, 2012)	Additions	Disposals/ Write-downs/ Change in West Shore ownership	Cost (Dec 31, 2013)	Accumulated Amortization (Dec 31, 2012)	Disposals/ Change in West Shore ownership	Amortization	Accumulated Amortization (Dec 31, 2013)	Net Book Value (Dec 31, 2012)	Net Book Value (Dec 31, 2013)
Land	\$ 37,260,994	\$ 14,333	\$ -	\$ 37,275,327	\$ -	\$ -	\$ -	\$ -	\$ 37,260,994	\$ 37,275,327
Land Improvements	2,625,852	201,311	90,000	2,737,163	1,564,344	77,916	99,515	1,585,943	1,061,508	1,151,220
Buildings	4,783,575	23,015	106,881	4,699,709	2,134,957	106,881	188,091	2,216,167	2,648,618	2,483,542
Vehicles,										
Machinery and	4,181,944	1,039,774	22,661	5,199,057	2,455,503	22,661	327,008	2,759,850	1,726,441	2,439,207
Equipment										
Engineering										
Structures -	69,768,625	108,102	67,562	69,809,165	18,633,052	67,562	1,665,957	20,231,447	51,135,573	49,577,718
General										
Engineering										
Structures -	11,654,053	453,334	-	12,107,387	2,371,430	-	122,351	2,493,781	9,282,623	9,613,606
Sewer										
Work In Progress	1,154,605	7,780,990	746,592	8,189,003	-	-	-	-	1,154,605	8,189,003
West Shore	8,596,164	63,049	(240,506)	8,899,719	1,838,776	(43,060)	166,580	2,048,416	6,757,388	6,851,303
	\$ 140,025,812	\$9,683,908	\$ 793,190	\$ 148,916,530	\$ 28,998,062	\$ 231,960	\$ 2,569,502	\$ 31,335,604	\$ 111,027,750	\$ 117,580,926



# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

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## 8. Tangible capital assets (continued):

- (a) Assets under construction and completed assets not yet in service:

Assets under construction totaling \$8,189,003 (2012 - \$1,154,605) have not been amortized. Assets completed but not yet in service totaling \$453,335 (2012 – nil) have not been amortized. Amortization of these assets will commence when the asset is put into service.

- (b) Contributed tangible capital assets:

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed capital assets received during the year is \$336,703 (2012 - \$6,000).

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

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

- (d) Write-down of tangible capital assets:

The write-down of tangible capital assets during the year was \$1,119 (2012 - \$37,070).

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

## 9. Accumulated surplus:

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

	2013	2012
<b>Surplus:</b>		
Equity in tangible capital assets	\$113,411,226	\$ 108,455,557
Unrestricted general fund surplus	1,763,627	1,009,089
Unrestricted sewer fund surplus	1,515,414	1,410,224
Total surplus	116,690,267	110,874,870
<b>Reserve funds set aside for specific purposes by Council:</b>		
Capital Works and Land Acquisition	638,553	472,795
Fire Department Equipment	156,901	198,777
Machinery and Equipment Depreciation	43,105	62,951
Municipal Roads Capital	27,036	26,694
Parks and Open Space	300,670	296,869
Parks and Recreation Equipment	205,208	201,425
Police Equipment, Property and Contract	596,998	587,460
Police Operation and Maintenance	232,779	257,830
Road Trust	117,070	115,590
Sewer System Capital	817,409	1,035,644
Sewer System Equipment Replacement	93,595	82,454
Tax Sale Land	8,418	8,312
Internal borrowing	(316,000)	(395,000)
West Shore reserves	250,992	209,160
Total reserve funds	3,172,734	3,160,961
	<b>\$ 119,863,001</b>	<b>\$ 114,035,831</b>

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

## 10. Net taxes available 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.

	2013	2012
Taxes		
Property taxes	\$ 12,307,265	\$ 11,671,462
Revenues in lieu of taxes	178,647	169,996
1% utility taxes	123,871	118,693
	12,609,783	11,960,151
Less taxes levied for other authorities:		
School authorities	4,194,788	4,160,901
Capital Regional District	1,007,289	824,794
Capital Regional Hospital District	631,685	610,036
BC Transit	614,201	550,499
BC Assessment Authority	135,068	134,132
Municipal Finance Authority	423	424
	6,583,454	6,280,786
Net taxes available for municipal purposes	\$ 6,026,329	\$ 5,679,365

## 11. 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 ("CREST") Incorporated 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.

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

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## 11. Commitments and contingencies (continued):

- (c) The Town is a defendant in various lawsuits. The Town records an accrual in respect of legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The remaining claims, should they be successful as a result of litigation, will be recorded when a liability is likely and determinable. The Town is self-insured through membership in the Municipal Insurance Association of British Columbia. Under this program, member municipalities are to share jointly for general liability claims against any member in excess of \$10,000. Should the Association pay out claims in excess of premiums received, it is possible that the Town, along with the other participants, would be required to contribute towards the deficit.

A lawsuit has been initiated against the Town alleging significant financial losses by the claimant as a result of alleged fraudulent misrepresentation by representatives of the Town. The Town has denied these claims and, represented by insurers, is vigorously defending the lawsuit. As the final outcome of the legal action and the potential financial impact to the Town is not determinable, the Town has not recorded any provision for this matter in the financial statements as at December 31, 2013.

- (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, 2013 there were contingent demand notes of \$76,334 (2012 - \$172,803) which are not included in the financial statements of the Town.
- (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. The 2014 estimated cost of this contract is \$1,400,812. RCMP members and the federal government are currently in legal proceedings regarding pay raises for 2009 and 2010 that were retracted for RCMP members. As the final outcome of the legal action and the potential financial impact to the Town is not determinable, the Town has not recorded any provision for this matter in the financial statements as at December 31, 2013.



# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

## 12. Financial plan data:

The budget data presented in these consolidated financial statements is based upon the 2013 operating and capital budgets approved by Council on May 14, 2013, adjusted to reflect West Shore proportionately consolidated budgeted revenues and expenses. The chart below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Financial plan amount
Revenues:	
Financial plan	\$ 16,956,590
West Shore	740,896
Total revenues	17,697,486
Expenses:	
Financial plan	12,039,962
West Shore	690,413
Total expenses	12,730,375
Annual surplus	\$ 4,967,111

The annual surplus above represents the planned results of operations prior to budgeted transfers between reserve funds, debt repayments and capital expenditures. Interdepartmental revenues and expenses, having no net impact on the annual surplus, have been removed from the financial plan balances to conform to the presentation required.

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

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## 13. 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 2013, the Town's share of improvements purchased by the Society on its behalf is \$13,983 (2012 - \$14,810).

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 2013, the Town recorded a gain of \$199,750 (2012 - a loss of \$231,150).

The repayment of the long-term debt associated with the transferred assets will continue to be a regional function, in accordance with the terms of an Agreement to Transfer between the CRD, the Municipalities and the Society. The debt payments are charged to the Municipalities as part of the CRD's annual requisition. The maturity dates of the various borrowings range from 2013 through 2014.

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.

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

## 13. West Shore Parks and Recreation Society (continued):

### (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 2013, the Town's proportion for consolidation purposes was 14.125% (2012 - 13.724%). Condensed financial information for the Society is as follows:

	2013	2012
Financial assets	\$ 2,993,912	\$ 2,219,968
Financial liabilities	2,112,249	1,658,182
Net financial assets	881,663	561,786
Non-financial assets	879,243	752,357
Accumulated surplus	\$ 1,760,906	\$ 1,314,143
Revenues	\$ 5,694,277	\$ 5,424,178
Requisition for members	4,845,294	4,698,024
	10,539,571	10,122,202
Expenses	10,092,808	9,820,871
Annual surplus (deficit)	\$ 446,763	\$ 301,331

## 14. 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:

### 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.

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

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## 14. Segmented information (continued):

### **Protective services**

Protective Services includes the View Royal Fire Rescue which is a paid / 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.

### **Transportation services**

Transportation services is comprised of 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.

### **Environmental health services**

Environmental health services are comprised of the following services:

- Solid Waste Management – providing the service of solid waste collection and disposal to the citizens of View Royal.
- Liquid Waste Management (Sewer) Services – providing the removal of the Town's waste water (sewage).

### **Planning and development services**

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

### **Recreation and cultural services**

Recreation and culture is comprised of services meant to improve the health and development of the citizens of View Royal.

This segment includes maintenance and development of all parks and green space within the Town of View Royal 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.

### **Statement of segmented information**

The following statement provides 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.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

## 14. Segmented information (continued):

2013	General Government	Protective Services	Transportation Services	Environmental Health Services	Planning and Development Services	Recreation and Cultural Services	Total
<b>Revenues:</b>							
Taxation	\$ 1,103,155	\$ 1,991,079	\$ 2,357,298	\$ -	\$ 352,056	\$ 222,741	\$ 6,026,329
User charges	12,326	271,856	36,955	1,099,785	243,002	760,203	2,424,127
Developer charges earned	9,664	-	-	115,000	-	6,009	130,673
Contributions from developers and others	991,160	-	-	336,703	-	-	1,327,863
Other revenue from own sources	57,995	63,507	-	-	-	35,369	156,871
Investment income	61,994	9,576	10,223	31,640	-	6,491	119,924
Penalties and fines	57,520	-	-	-	-	-	57,520
Actuarial adjustment to debt	-	5,998	40,111	-	-	-	46,109
Government transfers	411,205	265,033	5,847,914	-	-	1,086,225	7,610,377
Total revenues	2,705,019	2,607,049	8,292,501	1,583,128	595,058	2,117,038	17,899,793
<b>Expenses:</b>							
Salaries, wages, and benefits	991,366	1,178,681	327,101	40,581	346,608	1,191,775	4,076,112
Contracted and general services	331,914	1,303,859	1,368,883	497,622	48,978	539,716	4,090,972
Materials, supplies, and utilities	58,729	88,811	173,197	27,037	1,122	159,793	508,689
Other	355,159	139,810	9,062	15,832	14,338	359,805	894,006
Amortization	154,912	200,990	1,691,800	267,612	2,657	251,530	2,569,501
Change in proportionate share of West Shore	-	-	-	-	-	(199,750)	(199,750)
Debt services	-	85,480	47,613	-	-	-	133,093
Total expenses	1,892,080	2,997,631	3,617,656	848,684	413,703	2,302,869	12,072,623
Annual surplus (deficit)	\$ 812,939	\$ (390,582)	\$ 4,674,845	\$ 734,444	\$ 181,355	\$ (185,831)	\$ 5,827,170



# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

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Town of View Royal - Annual Report 2013

## 14. Segmented information (continued):

2012	General Government	Protective Services	Transportation Services	Environmental Health Services	Planning and Development Services	Recreation and Cultural Services	Total
<b>Revenues:</b>							
Taxation	\$ 418,736	\$ 2,185,638	\$ 1,952,288	\$ -	\$ 429,000	\$ 693,703	\$ 5,679,365
User charges	8,638	256,593	71,487	1,041,969	248,652	691,975	2,319,314
Developer charges earned	-	-	-	21,837	-	-	21,837
Contributions from developers and others	1,243	-	6,000	-	-	46,000	53,243
Other revenue from own sources	12,252	74,131	-	-	-	23,036	109,419
Investment income	60,805	18,500	11,582	33,546	-	7,724	132,157
Penalties and fines	56,068	-	-	-	-	-	56,068
Actuarial adjustment to debt	-	1,071	44,790	-	-	-	45,861
Government transfers	775,712	589,434	1,221,247	-	44,699	1,100,842	3,731,934
Total revenues	1,333,454	3,125,367	3,307,394	1,097,352	722,351	2,563,280	12,149,198
<b>Expenses:</b>							
Salaries, wages, and benefits	926,606	1,138,750	184,032	184,032	330,304	1,154,679	3,918,403
Contracted and general services	282,945	1,377,239	1,441,751	456,360	106,095	986,462	4,650,852
Materials, supplies, and utilities	83,781	105,978	169,635	30,194	1,023	80,939	471,550
Other	377,969	153,151	11,229	106,793	13,546	7,909	670,597
Amortization	152,301	214,741	1,700,235	253,995	2,657	243,796	2,567,725
Change in proportionate share of West Shore	-	-	-	-	-	231,150	231,150
Debt services	-	79,510	60,765	-	-	-	140,275
Total expenses	1,823,602	3,069,369	3,567,647	1,031,374	453,625	2,704,935	12,650,552
Annual surplus (deficit)	\$ (490,148)	\$ 55,998	\$ (260,253)	\$ 65,978	\$ 268,726	\$ (141,655)	\$ (501,354)

# TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2013

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## **15. Comparative figures:**

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

**Schedule of Payments Made for the Provision of Goods and Services (Unaudited)**

Year ended December 31, 2013

Supplier Name	Aggregated amount paid to supplier
ADVICAS GROUP CONSULTANTS INC.	31,750
APPLIED ENGINEERING LTD.	26,183
BC HYDRO	141,844
BC HYDRO AND POWER AUTHORITY	48,285
BC TRANSIT	617,058
BCAA	135,562
CAPITAL CITY PAVING LTD	36,690
CAPITAL REGIONAL DISTRICT	90,000
CAPITAL REGIONAL DISTRICT- ACCOUNTS	2,287,858
CAPITAL REGIONAL DISTRICT WATER DEPARTMENT	108,566
CARVELLO LAW CORPORATION	27,612
CITY OF LANGFORD	936,922
CITY OF LANGFORD - IN TRUST	1,655,964
CLL RENOVATIONS	30,828
CMS CONSTRUCTION MANAGEMENT	94,711
CORPORATION OF THE TOWNSHIP OF ESQUIMALT	128,238
CREST	44,953
DISTRICT OF SAANICH	106,940
DON MANN EXCAVATING LTD.	4,838,628
FIVE STAR PAVING CO LTD	130,663
G & E EQUIPMENT RENTALS LTD	140,638
G & E. CONTRACTING LP	114,438
GREAT CANADIAN CASINOS INC	523,665
GREATER VICTORIA PUBLIC LIBRARY	436,726
HEROLD ENGINEERING	57,294
HUGHES CONDON MARLER ARCHITECTS	356,987
INSURANCE CORPORATION OF BRITISH COLUMBIA	66,018
IPI TECH INC	38,351
ISLAND LAND SURVEYING LTD	27,873
KPMG LLP T4348	31,850
LAFRENTZ ROAD MARKING	56,930
LEDOR CONSTRUCTION LIMITED	1,339,644
LIMONA CONSTRUCTION LTD	69,438
MAR-TECH UNDERGROUND SERVICES LTD	40,880
MUNICIPAL INSURANCE ASSOCIATION OF BRITISH	78,829
MUNICIPAL PENSION PLAN	392,648
NOVUS CONSULTING INC	56,528
PACIFIC BLUE CROSS	81,550
RANDALL & MURRELL LLP IN TRUST	57,770
RAYLEC POWER LTD	73,129
RECEIVER GENERAL FOR CANADA - RCMP POLICING	878,536
RECEIVER GENERAL FOR CANADA-RCMP E DIVISION HQ	34,419
SAFETEK EMERGENCY VEHICLES LTD	48,225

**Schedule of Payments Made for the Provision of Goods and Services (Unaudited)**

Year ended December 31, 2013

<b>Supplier Name</b>	<b>Aggregated amount paid to supplier</b>
SCHO'S LINE PAINTING LTD	46,748
SHELL CANADA PRODUCTS	55,495
SPARKER CONSTRUCTION LTD	120,914
URBAN SYSTEMS LTD	60,123
VICTORIA CONTRACTING & MUNICIPAL MTC CORP	1,119,097
WASTE MANAGEMENT OF CANADA CORP.	249,324
WEST SHORE PARKS & REC. SOCIETY	684,420
WESTLAND INSURANCE GROUP LTD	54,374
YOUNG ANDERSON	110,740
<b>Total of aggregate payments exceeding \$25,000</b>	<b>19,022,855</b>
<b>Consolidated total of payments of \$25,000 or less</b>	<b>1,376,983</b>
<b>Total aggregate payments to suppliers</b>	<b>\$20,399,838</b>
<b>Grants exceeding \$25,000</b>	
SHORELINE COMMUNITY SCHOOL ASSOCIATION	30,000
VIEW ROYAL READING CENTRE	28,000
<b>Contributions exceeding \$25,000</b>	
VIEW ROYAL FIREFIGHTERS ASSOCIATION	47,900
<b>Consolidated total of all grants and contributions exceeding \$25,000</b>	<b>105,900</b>
<b>Total grants of \$25,000 or less</b>	<b>31,065</b>
<b>Total aggregate grants and contributions</b>	<b>\$136,965</b>
Total aggregate payments to suppliers	20,399,838
Total aggregate grants and contributions	136,965
Total per Statement of Revenue and Expenditure	12,072,623
<b>Variance *</b>	<b>\$8,464,180</b>

\* This statement shows actual payments during the year, while the Statement of Revenue and Expenditure reports expenses during the year. Differences include capital, wages and benefits, West Shore, and payments under the Casino Revenue Sharing Agreement .

# Statement of Remuneration and Expenses (Unaudited)

Year ended December 31, 2013

Elected Officials				
		Remuneration	Expenses	Total
Hill, Graham	Mayor	\$ 23,189	\$ 7,865	\$ 31,054
Screech, David	Councillor	11,594	3,063	14,657
Rast, Heidi	Councillor	11,594	2,336	13,931
Rogers, John	Councillor	11,594	2,235	13,830
Mattson, Ron	Councillor	11,594	4,106	15,700
		<b>\$ 69,566</b>	<b>\$ 19,606</b>	<b>\$ 89,172</b>
Employees				
		Remuneration	Expenses	Total
Anema, Kim	Chief Administrative Officer	149,016	11,991	161,008
Beachamp, Jeannie	Director of Finance	113,729	4,612	118,341
Becelaere, Deb	Superintendent Public Works and Engineering	93,662	1,133	94,794
Bevan, Heath	Firefighter	90,745	2,411	93,156
Brown, David	Firefighter	85,595	2,495	88,090
Chase, Lindsay	Director of Development Services	113,263	4,480	117,743
Chow, Jeffrey	Senior Planner	83,674	1,982	85,657
Hurst, Paul	Fire Chief	118,965	4,720	123,685
Jones, Sarah	Director of Corporate Administration	118,225	6,120	124,345
Marshall, Rob	Firefighter	88,547	3,180	91,727
Mollin, Troy	Firefighter	90,735	2,325	93,060
Podmoroff, David	Parks Supervisor	86,254	629	86,884
Rosenberg, John	Director of Engineering	97,881	6,254	104,135
Woodley, Darryl	Engineering Technologist	83,983	-	83,983
	Other Employees (under \$75,000)	1,066,577	54,007	1,120,584
		<b>\$ 2,480,852</b>	<b>\$ 106,341</b>	<b>\$ 2,587,193</b>
Reconciliation of Remuneration				
1. Elected Officials			\$	69,566
2. Employees				2,480,852
3. Receiver General for Canada (Employer portion CPP & EI)				115,147
4. Health and Pension Benefits				325,497
5. RCMP (West Shore Detachment) Civilian Staff Wages and benefits paid to City of Langford				203,885
6. Overtime Banked as of December 31, 2013				(17,128)
7. Other reconciling items (wages & benefits not included in the statement of operations ie. Capital) and West Shore Parks and Recreation Society (salaries, wages & employee benefits)				898,292
			<b>\$</b>	<b>4,076,112</b>

Total per Statement of Revenue and Expenditure

Prepared under the Financial Information Regulation, Schedule 1, section 6(2), (3), (4), (5) and (6)



## Statement of Guarantee and Indemnity Agreements

Year ended December 31, 2013

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)

## Statement of Severance Agreements

Year ended December 31, 2013

There were no severance agreements under which payments commenced between the Town of View Royal and an employee during the fiscal year 2013.

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

# Statement of Permissive Tax Exemptions (Unaudited)

Year ended December 31, 2013

Organization	Folio	Municipal Property Tax
<b>Places of public worship</b>		
All Saints Church - 287 Palliser Ave	401-04412.018	\$ 3,906.82
St. Columba Church - 40 High Street	401-07654.010	2,662.29
<b>Community activity centres</b>		
Strawberry Vale Community Hall - 11 High Street	401-07647.010	4,228.30
View Royal Community Hall - 279 Island Highway	401-04399.010	3,945.36
<b>Not for profit organizations</b>		
Island Corridor Foundation	PID 023-005-459; Sections 6, 97, and 103: Plan VIP60330	4,089.43
	PID 011-825-871; 014-980-258; 024-036-021; 024-039-209; 024-839-957	6,945.69
	PID 024-635-987; Lot 1, Sections 8 & 27; Plan VIP69799	212.40
<b>Recreational property</b>		
Victoria Bowmen Association	PID 000-345-644; Part of Section 6 Plan VIP7133; Area of 1,940 m2	1,820.83
		<b>\$ 27,811.12</b>

# Statement of Development Cost Charges (DDC)

Year ended December 31, 2013

	Balance January 1	Transfer to Projects	DCC's Received	Interest Earned	Balance December 31
Drainage DCC	\$ 862,863	\$ 2,814	\$ 4,979	\$ 11,072	\$ 876,100
Highways DCC	1,786,537	6,850	30,947	23,036	1,833,670
Park Improvement DCC	95,559	6,009	2,526	1,237	93,313
Park Land DCC	365,988	-	6,311	4,719	377,018
Sewer DCC	1,147,227	115,000	4,703	14,712	1,051,642
	\$ 4,258,174	\$ 130,673	\$ 49,466	\$ 54,776	\$ 4,231,743

# **Statistical Information** (Unaudited)

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

	2009	2010	2011	2012	2013
Residential	1,519,410,702	1,571,493,502	1,669,838,002	1,703,860,702	1,688,392,103
Utilities	317,800	369,400	371,900	379,500	376,200
Light Industry	-	-	-	-	2,074,000
Business	134,034,700	153,955,300	138,540,900	154,482,400	155,824,400
Rec/Non Profit	5,938,000	6,450,000	6,450,000	6,529,000	6,526,000
Farm	71,790	72,629	71,218	71,218	71,218
	1,659,772,992	1,732,340,831	1,815,272,020	1,865,322,820	1,853,263,921

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

	2009	2010	2011	2012	2013
Residential	2.16151	2.25290	2.24943	2.35161	2.52342
Utilities	28.61845	29.82845	29.78246	30.23178	31.70102
Light Industry	-	-	-	-	8.81447
Business	8.64606	8.48263	8.81214	8.55460	8.81447
Rec/Non Profit	8.64606	8.48263	8.81214	8.49933	8.83896
Farm	18.05945	18.82301	18.79399	19.46739	20.23598

## **Municipal Property Tax Billings by Property Class**

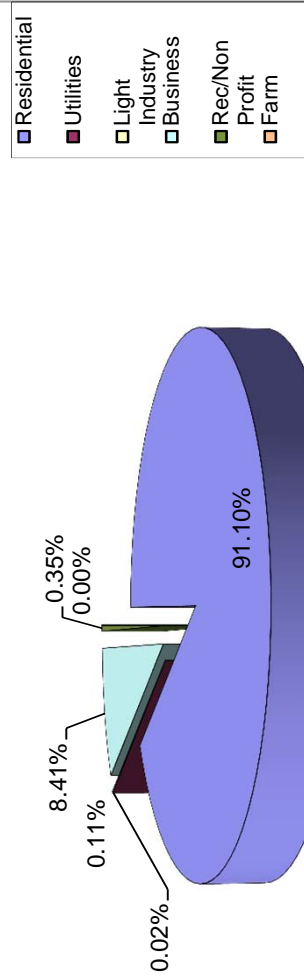
	2009	2010	2011	2012	2013
Residential	\$ 3,284,221	\$ 3,540,417	\$ 3,756,184	\$ 4,006,816	\$ 4,260,522
Utilities	9,095	11,019	11,076	11,473	11,926
Light Industry	-	-	-	-	18,281
Business *	1,158,872	1,329,672	1,220,842	1,321,535	1,373,509
Rec/Non Profit	51,340	54,713	56,838	55,492	57,683
Farm	1,296	1,367	1,338	1,386	1,441
	\$ 4,504,825	\$ 4,937,188	\$ 5,046,278	\$ 5,396,702	\$ 5,723,362

\* includes a Risk to Roll adjustment of (\$34,584) for the year 2009 and \$23,726 for the year 2010

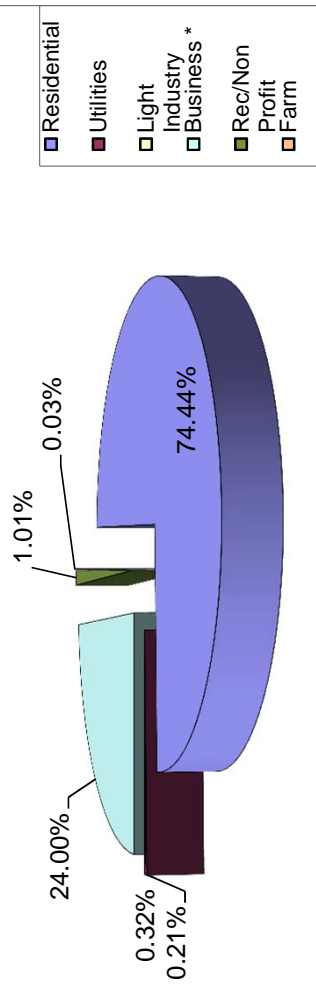


## Statistical Information (continued)

2013 Assessments by Property Class



2013 Municipal Property Tax by Property Class



## Statistical Information (continued)

### Long Term Debt and Capital Lease Obligations (Unaudited)

	2013	2012	2011	2010	2009
<b>Long-term debt</b>					
General	\$ 2,195,904	\$ 2,536,117	\$ 804,937	\$ 615,382	\$ 804,937
Consolidated entity debt	23,796	36,076	63,098	86,100	-
	<u>2,219,700</u>	<u>2,572,193</u>	<u>868,035</u>	<u>701,482</u>	<u>804,937</u>
<b>Capital lease obligation</b>					
General - protective services	-	-	-	-	35,841
	<u>2,219,700</u>	<u>2,572,193</u>	<u>868,035</u>	<u>701,482</u>	<u>840,778</u>
<b>Total Long Term Debt and Capital Lease Obligations</b>					
Population (BC Stats Estimates 2009 to 2013)	10,858	9,838	9,838	9,743	9,596
<b>Debt per capita</b>	<b>\$ 204</b>	<b>\$ 261</b>	<b>\$ 88</b>	<b>\$ 72</b>	<b>\$ 88</b>

## Statistical Information (continued)

### Principal Corporate Taxpayers (Unaudited)

Registered Owner	Primary Property	Total 2013 General Municipal Taxes Levied
Admirals Walk Properties Ltd Inc	Admirals Walk	\$199,560
Great Canadian Casinos Inc	View Royal Casino	160,723
Canadian Tire Real Estate Ltd	Canadian Tire	117,902
Natural Properties Ltd	Reliable Controls	86,399
West Shore U-Lock Mini Storage Ltd	U-Lock Mini Storage	78,255
Goodwill Investments Ltd	Fort Victoria	75,353
Adams Storage Ltd	Adams Storage	71,697
Boardwalk Equities (BC) Inc	Spruce Apartments	63,414
0848052 BC Ltd	Thetis Cove	60,329
Mojack Holdings Ltd	Jenner Chevrolet	58,669
<b>Total Tax Contributions from Top 10 Corporate Taxpayers</b>		<b>\$972,301</b>
<b>Total General Municipal Tax</b>		<b>\$5,732,632</b>

**Proportion of municipal tax paid by top ten**

**17.0%**



## TOWN OF VIEW ROYAL

### Strategic Community Investment Funds Plan and Progress Report

#### (1) SCI Funds received or anticipated

Strategic Community Investment Funds	Use	Date	Amount
SC Grants	local government services	March 2013	\$73,622
		June 2013	\$184,792
		June 2014	\$258,415
TFRS Grants	Defray the cost of local police enforcement	March 2013	\$13,329
		June 2013	\$38,092
		June 2014	\$51,421

#### (2) SCI Funds intended use, performance targets and progress made:

##### Small Community or Regional District Portion of the SCI Funds

Intended Use	Performance Targets	Progress made in first reporting period
Use funding to support local government services to avoid tax rate increases.	Minimize tax rate increases. \$141,941 has been set aside to minimize the tax rate increases in 2014.	Moderate tax rate increases were needed due to loss of taxation revenue as a result of reduced Casino revenue, and to meet financial sustainability targets in Councils Revenue Policy.

##### Traffic Fine Revenue Sharing Portion of the SCI Funds

Intended Use	Performance Targets	Progress made to first reporting period
Funding used to support police enforcement.	\$26,958 has been set aside to minimize the RCMP tax rate increases in 2014. The remaining funds have been used to support integrated police units in the Greater Victoria Region.	Funds maintained <ul style="list-style-type: none"> <li>View Royals participation in the Greater Victoria Integrated Regional Crime Unit, Crises Response Team &amp; Youth Services, and</li> <li>Community policing in View Royal.</li> </ul>

**Report Date: June 26, 2014**