

DRAFT



TOWN OF VIEW ROYAL ANNUAL REPORT

Year Ended December 31, 2014



TOWN OF VIEW ROYAL - ANNUAL REPORT

TABLE OF CONTENTS

COMMUNITY PROFILE	2
MESSAGE FROM THE MAYOR	5
MAYOR & COUNCIL.....	6
ORGANIZATIONAL CHART.....	8
MISSION, VISION & VALUES	9
SUMMARY OF SERVICES & OPERATIONS.....	11
2014 MUNICIPAL HIGHLIGHTS	13
ADMINISTRATION DEPARTMENT	13
ENGINEERING & PARKS DEPARTMENT	14
FINANCE DEPARTMENT	15
DEVELOPMENT SERVICES DEPARTMENT.....	16
PROTECTIVE SERVICES DEPARTMENT.....	17
2014 MUNICIPAL GOALS & OBJECTIVES.....	18
ENSURING FINANCIAL SUSTAINABILITY	19
RESPONDING TO INCREASING EXPECTATIONS	21
BUILDING COMMUNITY IDENTITY	23
CRITICAL PROJECTS & INITIATIVES	25
LOOKING AHEAD	26
FINANCIAL INFORMATION	29

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 2014. It shows the progress on our 2014 municipal goals and objectives, highlights financial reporting, and gives insight into plans for the future.



INCORPORATED **DECEMBER 5, 1988**



10,714 POPULATION*



1,436 HECTARES LAND AREA



28KM BIKE LANES



70 MUNICIPAL PARKS & **733** HECTARES PARKLAND



\$52M BUILDING PERMITS



26KM TRAILS



231 BUSINESS LICENSES

*est. as per 2014 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 speaks at the Craigflower Bridge Celebration.



Mayor Hill and Mayor Screech at the inaugural Council meeting.

MESSAGE FROM THE MAYOR

On behalf of View Royal Council and staff, I am pleased to share this Annual Report.

This report highlights the key accomplishments and initiatives of our Town in 2014. Through the work of Council, staff, advisory committees and others, we continue to work towards implementing View Royal's strategic plan. This was a very busy year in the Town with several major projects underway and completed.



Highlights included:

- Construction continued on the new Fire Hall throughout the year with a target completion date of early 2015;
- The new Craigflower Bridge was opened on May 2, 2014. This was a joint project with the District of Saanich, and the end result is a much improved link between our communities for vehicles, pedestrians, and cyclists;
- Work on the E&N Rail Trail began in the fall with a completion date targeted for June 2015. This trail is an amazing amenity not only for View but for the entire region;
- A new playground was opened in Portage Park in December and is being well used by local and visiting children alike;
- The Eagle Creek development in View Royal continued to progress with an anticipated opening date of December 2015;
- In keeping with our commitment to safety and security, the Town added one full time RCMP officer to its contingent; and
- An updated Parks & Trails Map was printed and distributed to every home in the Town.

I hope you will take the time to browse these pages and review our achievements for 2014.

View Royal Council and staff are committed to keeping our values, setting innovative standards, and continuing to build and sustain our Town as one of the best places to live and call home.

A handwritten signature in black ink that reads "David Screech". The signature is fluid and cursive, with the first name "David" being larger and more prominent than the last name "Screech".

David Screech

MAYOR & COUNCIL

The 2014 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 - December 2, 2014)

- 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



Mayor David Screech (December 2, 2014 - present)

- Finance & Administration - Chair
- CRD Arts Committee - Chair
- CRD Board/Committee of the Whole
- CRD Hospital Board
- CRD Regional Parks
- CRD Core Area Liquid Waste Management
- CRD Planning, Transportation & Protective Services
- CRD Transportation Select
- CRD West Side Wastewater
- CRD Housing Corporation
- Greater Victoria Harbour Authority
- Te'Mexw Treaty Advisory Committee
- View Royal Reading Centre



Councillor Ron Mattson (December 6, 2011 - present)

- Public Works & Transportation - Chair
- CRD Housing Trust Fund Commission
- Esquimalt Harbour Advisory Committee
- Victoria Family Court & Youth Justice Committee
- West Shore Parks & Recreation Society



Councillor Heidi Rast (December 2, 2008 - present)

- Protective Services & Community Services - Chair
- CRD Climate Action Steering Committee
- Capital Region Emergency Service Telecommunications (CREST)
- Community Policing
- Police Building Liaison Committee



Councillor John Rogers (December 2, 1996 - present)

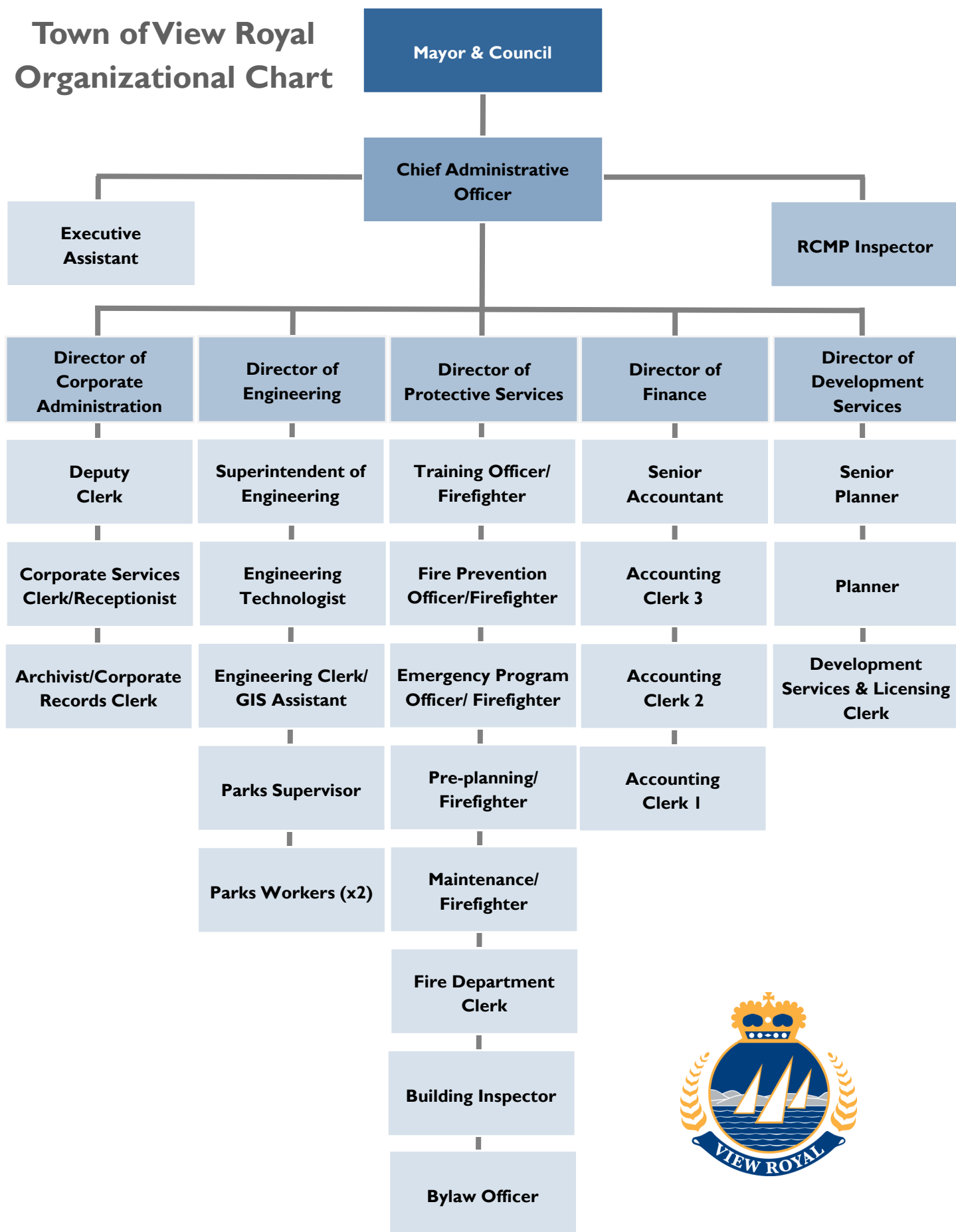
- Parks, Recreation & Environment - Chair
- CRD Water Supply Commission
- Friends of Cole Island
- Greater Victoria Public Library
- Juan de Fuca Water Distribution Commission



Councillor Aaron Weisgerber (December 2, 2014 - present)

- Planning & Development - Chair
- Joint School District/Municipal Committee
- Parents Advisory Committee
- Westshore Chamber of Commerce

2014 Town of View Royal Organizational Chart





LIVABLE VIEW ROYAL:

simply the best place to call home.

MISSION - WHY WE EXIST

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

VISION - THE FUTURE WE STRIVE TO CREATE

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



2014 MUNICIPAL HIGHLIGHTS

ADMINISTRATION DEPARTMENT

- Staff spent much of the latter half of 2014 working on the November 15, 2014 local government election. Logistics required coordination for nomination package preparation, vote counting machine acquisition, venue booking, ballot printing, and poll clerk training. The advance preparations resulted in a successful, open and fair voting process where 2,136 votes were cast – a 28.1% voter turnout – over the three voting days (thirty-six hours total). This voter turnout is slightly higher than the 27.9% from the 2011 municipal election.
- View Royal successfully had seventeen parcels of parkland that were previously shown as Provincial property vested into the name of the Town.
- Administration coordinated the recruitment of a full complement of parks staff for the seasonal summer parks work program, successfully backfilled the Senior Accountant position (due to a one-year leave) and filled the Accounting Clerk position due to an internal transfer.
- 2014 saw a real estate company engaged to assist with the disposition of the former Fire Hall site (280 Island Highway).
- Staff acquired a small road dedication (119.8m²) at the corner of Island Highway and Helmcken Road from the Province without a land purchase cost. This land had been “leftover” from survey work many years before.
- Staff responded to 30 Freedom of Information requests with a majority of those requests being for building/property information. 2014 saw an increase in requests for strata building plans due to a new requirement for depreciation reports.
- The Business Continuity Plan was approved by Council in October. This project – a joint initiative of the Protective Services and Administration Departments – was identified in the strategic plan to ensure a safe and protected community. All of the Town’s Departments participated in populating its content. This living document was tailored to meet View Royal’s operational needs and will be invaluable in the event of an emergency that could impact Town Hall.

VIEW ROYAL ARCHIVES

The Archives held an accessioning event on October 18, 2014 where the volunteers worked together on photo identification for some of the collection’s more mysterious photos. New information was discovered and recorded with the help of the volunteer team.



2014 MUNICIPAL HIGHLIGHTS (con't)

ENGINEERING & PARKS DEPARTMENT

- Began the View Royal portion of the E&N Rail Trail; to be completed in summer of 2015.
- Completed the Watkiss Way Pedestrian Crossing, including installation of a pedestrian crosswalk, lighting, curbs and signage to improve the safety of pedestrians in this neighbourhood.
- A new pump station was installed at Heddle Avenue to retrofit and replace lift pumps and all integral infrastructure.
- Parks staff assisted a group of volunteers to complete the Portage Park trail improvements.
- Construction of the Craigflower Bridge was completed and opened to vehicle traffic on May 2, 2014. An opening celebration of the bridge was held in late April 2014. The Bridge was honoured by the Canadian Institute of Steel Construction with an award for Outstanding Steel Structure.
- A new playground was installed in Portage Park, including new equipment and pathways.
- Chilco Trail development continued with installation of trails and a viewing platform in Edwards Park.
- Improvements at the Welland Legacy Park included installation of irrigation, pathways, a composting toilet, shed and covered area as well as a new connection to the Galloping Goose Trail.
- New trails and a viewing platform were installed at Mellor Park.
- After a trial gardening season in 2013, the View Royal Community Garden successfully opened at View Royal Park in the spring of 2014. The Garden consists of 30 garden plots featuring accessible raised beds and a garden shed. An expansion of the garden has been proposed for the 2015 gardening season.

NEW PORTAGE PARK PLAYGROUND

The new playground equipment installed in Portage Park gets two thumbs up! Located in the large grass area just off the Island Highway entrance, the new playground includes a structure for 2-5 year olds, another for 5-12 year olds, as well as swings and other equipment.



2014 MUNICIPAL HIGHLIGHTS (con't)

CRAIGFLOWER BRIDGE REPLACEMENT PROJECT COMPLETED

All went well with final construction on one of the Town's largest capital projects to replace the 80 year old Craigflower Bridge. A joint project with the District of Saanich, the replacement of the bridge now includes three vehicle lanes, bike lanes, widened sidewalks and enhanced lighting. Residents and businesses alike will now benefit from an improved, and safer, significant transportation route.

The project also included several upgrades to Admirals Road, between Island Highway and Gorge Road, such as the construction of new sidewalks, bike lanes and safety features, stormwater treatment facilities and rain gardens, as well as the replacement of sanitary sewer lines, storm drains and water mains and a complete road reconstruction.

A well-attended pre-opening celebration ceremony was hosted by View Royal on the bridge on April 26, with representatives from the federal, provincial and municipal governments, as well as Songhees and Esquimalt First Nations, in attendance.

The completed project cost just over \$15.5 million, and was made possible thanks to nearly \$14 million through the federal Gas Tax Fund, over \$1.2 million from the Town of View Royal and \$320,000 from the Insurance Corporation of British Columbia.

The bridge was opened to pedestrians and cyclists in early April and to vehicular traffic on Friday, May 2, 2014.



FINANCE DEPARTMENT

- Staff began the development of an Information Technology strategic plan. A consultant was hired and worked with various department staff to understand current challenges and future demands for Information Technology, including an objective for reduced paper.
- Staff implemented an Electronic Funds Transfer (EFT) process for frequent, low dollar vendors. Testing, documentation and the new program was rolled out to vendors with payments under \$25,000. Paying these vendors through EFT rather than cheques saves the Town time and money.

2014 MUNICIPAL HIGHLIGHTS (con't)

DEVELOPMENT SERVICES DEPARTMENT

- Staff published a new Parks & Trails Guide highlighting walking trails, water access, view points, playgrounds and sports facilities.
- Restoration of the lime kiln on Hart Road continues. A grant from Council is supporting the work being done by masonry experts and others. Vegetation on site was cleared and it is anticipated that workshops will be planned for Spring 2015 on the site. The majority of the tree roots were removed and the base of the kiln stabilized.
- The adoption of Zoning Bylaw No. 900 represented a key implementation action from the Official Community Plan project that was completed in 2011. This project saw broad consultation with the community and strategic changes to the regulations for secondary suites, home based business and the implementation of floor space ratio as the measuring tool for density.
- Eagle Creek rezoning and Development Permit applications were concluded to facilitate development of this key site.
- 2014 represented the first major reporting year for greenhouse gas emissions from municipal operations. This means that for 2013 the Town was carbon neutral in its operations and is meeting its obligations under the Climate Action Charter. The Town also achieved carbon neutral status for 2014 and had to purchase few offsets than in 2013.
- There were 231 business licenses issued in 2014 (107 commercial).
- The old firehall site was rezoned in preparation for sale. The future use of the site will be residential.
- Town staff presented at three of the LGLA sessions for newly elected officials on the topic of planning basics. Staff developed the presentation and PowerPoint that were delivered at all of the sessions across the province.
- Planning staff continued to be deeply engaged in the review of the Regional Growth Strategy in 2014. Staff also participated in climate action work with the CRD and Bicycle and Pedestrian way finding projects.

CHILCO TRAILS PHASE 1 & 2 COMPLETE

Chilco Trails phases 1 and 2 were constructed, including a viewing platform at the top. This trail provides a pedestrian linkage between View Royal and Langford and a stunning view of the Esquimalt Harbour. Future trail segments will provide a great recreation and alternative transportation opportunity for residents.



2014 MUNICIPAL HIGHLIGHTS (con't)

NEW PUBLIC SAFETY BUILDING NEARING COMPLETION

Construction continued on the new Public Safety Building, which began in August 2013. Progress included the installation of civil, mechanical and electrical infrastructure, roofing, building envelope and interior/exterior finishes.

Staff worked to ensure both contract compliance as well as a quality product at the end of the project.

The centrally located fire hall includes 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.



PROTECTIVE SERVICES DEPARTMENT

- As a result of the service review of the Development Services Department, the Bylaw Enforcement and Building Inspection Services were transferred to the Protective Services Department. As a result, the Bylaw Enforcement Officer and Building Inspector were relocated from Town Hall to the Fire Hall.
- Plans are in place for the physical move from the old fire hall building to the new Public Safety Building. A transition plan is in place to ensure a seamless switchover and to maintain uninterrupted service.
- The construction value of building permits issued totaled \$52,011,850.
- A ShakeOut BC exercise was held on October 16, 2014 with Town staff fully participating. The ShakeOut event included an extended Emergency Operations Centre (EOC) exercise. The exercise included activation of the EOC, and a series of plausible emergency scenarios to test organizational response including ham radio participants. The event identifies opportunities for learning and overall improvement of the EOC operation.
- Town Hall staff completed training as part of the roll out of the Business Continuity Plan.

2014 MUNICIPAL GOALS & OBJECTIVES

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

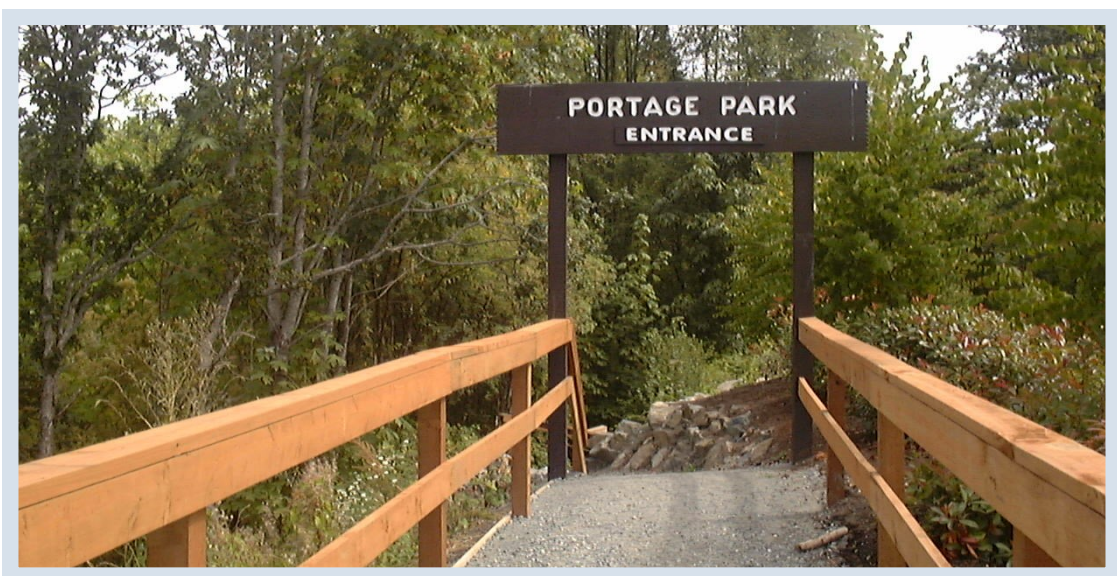
- Systematically consider ongoing and related costs as major decisions are made and/or projects are approved;
- Position View Royal as a development-friendly Town, committed to development opportunities identified in the OCP and efficient approval processes;
- Ongoing commitment to providing full value 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.

2014 INITIATIVES:

PROJECTS & INITIATIVES	OUTCOME
Evidence Based Cost Projections: related to Master Plans and Asset Management.	<ul style="list-style-type: none">• Review of the Subdivision & Servicing Development Bylaw is in progress.• To be completed in 2015.
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">• The Economic Development objective was deferred; not started.
Tangible Asset Management System: to include parks, transportation, sidewalks, infrastructure, equipment and fleet.	<ul style="list-style-type: none">• The Transportation Master Plan study is in progress.• To be completed in 2015.
Create a Reserve Review and Policy.	<ul style="list-style-type: none">• Ongoing.



- 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.

2014 INITIATIVES:

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



- BUILDING COMMUNITY IDENTITY -

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.

2014 INITIATIVES:

PROJECTS & INITIATIVES	OUTCOME
Formalize Town of View Royal Branding: <ul style="list-style-type: none"> • Public realm standards for Town and developers (streets, lighting, sidewalk furniture, etc.). 	<ul style="list-style-type: none"> • The revision of the Subdivision & Servicing Development Bylaw is in progress. • The Bylaw will be the leading document for establishing the Town's identity. • To be completed in 2015.
Heritage Assets: <ul style="list-style-type: none"> • Identify and protect heritage assets. 	<ul style="list-style-type: none"> • Council provided a grant to a private organization and work has been proceeding on further restoration works on the Lime Kiln site. • Phase 2 restoration work on the Lime Kiln will be complete in 2015.
Volunteer Support Program <ul style="list-style-type: none"> • recruitment, placement, training, supervision, recognition/celebration. 	<ul style="list-style-type: none"> • Volunteer View Royal (VVR) is developing a process for undertaking community projects assigned by Council and is using Mellor Park to test this process. • VVR has started to sign-up volunteers willing to work on Town projects and will soon be able to supply volunteers.
Town Profile	<ul style="list-style-type: none"> • Ongoing



- 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.

2014 INITIATIVES:

PROJECTS & INITIATIVES	OUTCOME
Fire Hall Replacement	<ul style="list-style-type: none"> • Construction is substantially complete. • Public Safety Building to be opened in 2015.
Craigflower Bridge Replacement	<ul style="list-style-type: none"> • A pre-opening celebration ceremony was hosted by View Royal on the bridge in April 2014. • The bridge was opened to all traffic in June 2014.
Land Use Bylaw	<ul style="list-style-type: none"> • The new Zoning Bylaw was adopted in September 2014.
Subdivision & Servicing Development Bylaw Review	<ul style="list-style-type: none"> • Standards to include specifications that will be unique characteristics to help establish identity and brand of the Town. • A pedestrian and cyclist friendly community has been incorporated into the process. • To be completed in 2015.
View Royal Park	<ul style="list-style-type: none"> • Ongoing

LOOKING AHEAD: 2014 - 2018

A new Strategic Plan has been created for 2014 - 2018. Four new themes have been identified with each theme containing a series of priorities for the Town. Specific projects and initiatives – with timelines and resource implications – are attributed to each priority. These align with current priorities and activities already underway pursuant to the previous strategic plan.



ENHANCE LIVEABILITY IN VIEW ROYAL

- proceed with parks improvements in accordance with Parks Master Plan;
- ensure key bylaws reflect community needs;
- increase community connectivity and engagement.

Project/Initiative:	Timing:
Update the Parks Master Plan and explore partnerships with post-secondary institutions in this update work.	2015-2016
Establish an Invasive Species Management Program.	2015
Review key public safety related bylaws: Streets & Traffic; Noise; Business Licensing; and Public Places.	2015-2017
Review the Subdivision & Development Services Standards Bylaw.	2015
Identify events to enhance neighbourhood and community connections.	2015-2016
Develop tree canopy and urban forestry policy.	2016
Recognize and support the volunteer sector in View Royal.	
Explore the development of a heritage policy.	2016

FINANCIAL SUSTAINABILITY AND SERVICE EXCELLENCE

- ensure we are providing quality services to our residents on a cost effective basis;
- focus on a Capital Asset Management program.

Project/Initiative:	Timing:
Complete service review to define service levels and resource requirements for each	2015-2016
Complete Fees and Charges Bylaw review to ensure alignment with selected service levels.	2015-2016
Complete a comprehensive Capital Asset Management plan.	2015-2018

COMMUNITY AND ECONOMIC GROWTH

- explore creative ways to encourage redevelopment of existing lands;
- pursue investment in a high quality public realm within the Town;
- support opportunities for local services and employment.

Project/Initiative:	Timing:
Research current land economics based on possible OCP densities.	2015-2016
Identify development barriers for key redevelopment sites.	2016-2017
Identify possible “carrots” and “sticks” to encourage redevelopment of key sites.	2015-2016
Meet with key property owners.	2015-2016
Work toward completion of the Island Hwy Project including the establishment of a timeline for the Island Hwy redevelopment.	2016-2018
Upon completion of review of Subdivision and Development Services Standards Bylaw, develop urban design standards to support municipal investment in the public realm.	2016-2017
Focus on business retention and explore ways to make doing business in View Royal easier.	2015-2016
Identify missing local services in neighbourhoods and significant lands where new business might consider locating.	2015-2016
Develop an Economic Development Strategy, including tourism opportunities.	2017

MAINTAIN STRONG RELATIONSHIPS WITH OUR NEIGHBOURS

- work with others to identify cost effective sewage solutions;
- participate in discussion about improving regional government;
- upgrade regional. Transportation system and infrastructure to meet growing needs.

Project/Initiative:	Timing:
Complete Westside/Eastside Solutions program for sewage treatment.	2015
Educate our residents on our existing successful shared services and establish View Royal's role/participation in regional studies.	2015-2016
Ensure CRD's RSS meets View Royal's needs.	2015-2016
Strengthen our relationship with Capital Regional District and First Nations.	2015-2017
Advocate for improvements to regional transportation.	2015-2017



TOWN OF VIEW ROYAL

FINANCIAL INFORMATION

Fiscal Year Ended December 31, 2014

Financial Information

Table of Contents

Statement of Financial Information Approval	33
Consolidated Financial Statements	34
Managements Responsibility for the Consolidated Financial Statements	36
Independent Auditors' Report	37
Consolidated Statement of Financial Position.....	38
Consolidated Statement of Operations	39
Consolidated Statement of Change in Net Financial Assets	40
Consolidated Statement of Cash Flows	41
Notes to the Consolidated Financial Statements.....	42
 Schedule of Payments for Goods and Services	 64
Statement of Remuneration and Expenses	66
Statement of Guarantee and Indemnity Agreements	67
Statement of Severance Agreements	68
Statement of Permissive Tax Exemptions	69
Statement of Development Cost Charges	70
5 Year Assessment and Property Tax Information	71
Long Term Debt and Capital Lease Obligations	73
Principal Taxpayers	74
Strategic Community Investment Funds Plan and Progress Report	75

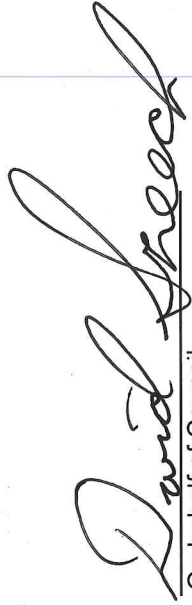
Statement of Financial Information Approval

For the year ended December 31, 2014

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*.



Kim Anema, CPA, CGA
Chief Administrative Officer
July 7, 2015



On behalf of Council,
David Screech, Mayor
July 7, 2015

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

Consolidated Financial Statements of

TOWN OF VIEW ROYAL

Year ended December 31, 2014

TOWN OF VIEW ROYAL

Consolidated Financial Statements

Year ended December 31, 2014

Financial Statements

Management's Responsibility for the Consolidated Financial Statements

Independent Auditors' Report

Consolidated Statement of Financial Position

Consolidated Statement of Operations

Consolidated Statement of Change in Net Financial Assets

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, 2014, 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, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Town of View Royal as at December 31, 2014, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Hayes Stewart Little & Co.

Victoria, BC
May 5, 2015

Chartered Accountants

TOWN OF VIEW ROYAL

Consolidated Statement of Financial Position

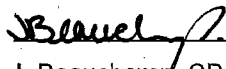
December 31, 2014, with comparative information for 2013

	2014	2013
		(note 2)
Financial assets:		
Cash and temporary investments (note 5)	\$ 15,051,777	\$ 14,460,608
Taxes receivable	214,105	211,059
Accounts receivable	1,913,907	1,674,676
Assets held for sale (note 6)	100,000	-
	<u>17,279,789</u>	<u>16,346,343</u>
Financial liabilities:		
Accounts payable and accrued liabilities	3,874,047	3,055,963
Deposits	1,474,225	792,555
Deferred revenue (note 7)	5,855,813	5,621,812
Prepaid property taxes	346,662	280,087
Temporary debt (note 8)	-	1,950,000
Long-term debt (note 8)	7,564,405	2,219,700
Employee future benefit obligations (note 9)	189,168	157,704
	<u>19,304,320</u>	<u>14,077,821</u>
Net financial assets	<u>(2,024,531)</u>	<u>2,268,522</u>
Non-financial assets:		
Tangible capital assets (note 10)	121,686,115	117,580,926
Inventory of supplies	9,863	9,166
Prepaid expenses	350,590	63,014
	<u>122,046,568</u>	<u>117,653,107</u>
Accumulated surplus (note 11)	<u>\$120,022,037</u>	<u>119,921,629</u>

Commitments and contingencies (note 13)

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, 2014, with comparative information for 2013

	Financial plan	2014	2013
	(note 14)		(note 2)
Revenues:			
Taxation, net (note 12)	\$ 6,412,834	\$ 6,409,391	\$ 6,026,329
User charges	3,182,288	2,763,682	2,424,127
Government transfers:			
Provincial	2,901,830	2,275,633	2,045,306
Federal	325,635	350,722	5,559,410
Municipal and other	-	11,799	5,661
Investment income	65,000	200,294	119,924
Interest on sinking fund assets	-	11,122	-
Actuarial adjustment to debt	-	-	46,109
Penalties and fines	54,550	75,517	57,520
Development charges earned	73,491	92,346	189,301
Contributions from developers and others	113,662	190,734	1,327,863
Other revenue from own sources	-	121,565	156,871
Total revenues	13,129,290	12,502,805	17,958,421
Expenses:			
General government	2,091,060	1,930,931	1,892,080
Protective services	3,365,072	3,071,013	2,997,631
Transportation services	4,494,033	3,716,967	3,617,656
Environmental health services	1,095,237	784,711	848,684
Planning and development	414,352	388,732	413,703
Recreation and cultural	2,468,184	2,510,043	2,302,869
Total expenses	13,927,938	12,402,397	12,072,623
Annual surplus (deficit)	(798,648)	100,408	5,885,798
Accumulated surplus, beginning of year	119,921,629	119,921,629	114,035,831
Accumulated surplus, end of year (note 11)	\$ 119,122,981	\$ 120,022,037	\$ 119,921,629

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, 2014, with comparative information for 2013

	Financial plan	2014	2013
	(note 14)		(note 2)
Annual surplus (deficit)	\$ (798,648)	\$ 100,408	\$ 5,885,798
Acquisition of tangible capital assets	(8,308,815)	(6,684,857)	(8,600,614)
Contributions of tangible capital assets	-	(90,394)	(336,703)
Amortization of tangible capital assets	2,704,200	2,641,302	2,569,502
Loss on disposal and write-down of tangible capital assets		2,796	14,389
Proceeds on sale of tangible capital assets	-	5,000	-
Write-downs of tangible capital assets	-	100,000	-
Change in proportionate share of West Shore	-	(79,035)	(199,750)
	(5,604,615)	(4,105,188)	(6,553,176)
Acquisition and consumption of inventory of supplies	-	(697)	(2,408)
Acquisition and consumption of prepaid expenses	-	(287,576)	(2,916)
Change in net financial assets	(6,403,263)	(4,293,053)	(672,702)
Net financial assets, beginning of year	2,268,522	2,268,522	2,941,224
Net financial assets, end of year	\$ (4,134,741)	\$ (2,024,531)	\$ 2,268,522

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, 2014, with comparative information for 2013

	2014	2013
		(note 2)
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ 100,408	\$ 5,885,798
Items not involving cash:		
Amortization of tangible capital assets	2,641,302	2,569,502
Loss on disposal and write-down of tangible capital assets	102,796	14,389
Contributions of tangible capital assets	(90,394)	(336,703)
Change in employee benefits obligations	31,464	23,755
Change in proportionate share of West Shore	(79,035)	(199,750)
Actuarial adjustment on debt	(11,122)	(46,109)
Changes in non-cash operating assets and liabilities:		
Assets held for resale	(100,000)	-
Accounts receivable	(239,231)	(216,976)
Taxes receivable	(3,046)	19,792
Accounts payable and accrued liabilities	818,084	440,552
Deposits	681,670	45,845
Deferred revenue	234,001	68,699
Prepaid property taxes	66,575	24,775
Inventory of supplies	(697)	(2,408)
Prepaid expenses	(287,576)	(2,916)
	3,865,199	8,288,245
Capital activities:		
Proceeds on sale of tangible capital assets	5,000	-
Acquisition of tangible capital assets	(6,684,857)	(8,600,614)
	(6,679,857)	(8,600,614)
Financing activities:		
Debt issued	3,540,000	1,950,000
Debt repaid	(134,173)	(306,384)
	3,405,827	1,643,616
Increase (decrease) in cash and cash equivalents	591,169	1,331,247
Cash and temporary investments, beginning of year	14,460,608	13,129,361
Cash and temporary investments, end of year	\$ 15,051,777	\$ 14,460,608

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, 2014

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 7.

(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, 2014

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, 2014 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, 2014

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.

TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2014

1. Significant accounting policies (continued):

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Town's ability to provide goods and services, or when the value of future economic benefits associated with the asset 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, 2014

2. Prior period figures:

During the year, it was determined that an asset built in a prior period should have been funded by Development Cost Charges. An adjustment has been recorded to decrease deferred revenue, and increase annual surplus and accumulated surplus at December 31, 2013 in the amount of \$58,628.

3. 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.

4. 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, 2014

5. Cash and temporary investments:

	2014	2013
Bank deposits	\$ 2,593,944	\$ 2,573,156
Municipal Finance Authority – Money Market	1,874,935	5,343,821
Municipal Finance Authority – Intermediate	1,620,044	1,599,525
Municipal Finance Authority – Short-Term Bond	8,962,854	4,944,106
	\$ 15,051,777	\$ 14,460,608

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 1.09% to 3.18%.

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

	2014	2013
Restricted cash – MFA	\$ 83,594	\$ 26,716
Restricted cash – West Shore reserve funds	291,684	250,992
Restricted investments – reserve funds	2,700,479	2,921,742
Restricted investments – development cost charges	4,269,564	4,231,743
	\$ 7,345,321	\$ 7,431,193

The Town has an operating line of credit with the Toronto Dominion Bank an authorized amount of \$1,000,000, bearing interest at bank prime rate plus 0.25% per annum. At December 31, 2014 the balance outstanding was \$nil.

6. Assets held for sale:

Total assets held for sale of the year was \$100,000 (2013-\$nil). Assets held for sale consists of a parcel of land that is no longer in use and has been placed for sale. The asset has been reclassified from a tangible capital asset to an asset held for sale.

7. 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, 2014

7. Deferred revenue (continued):

	2014	2013
Gaming revenue:		
Deferred net gaming revenue, beginning of year	\$ 886,399	\$ 698,089
Amounts received during the year	3,877,220	4,161,177
Disbursements:		
Eligible expenditures	(1,840,507)	(1,684,219)
Other municipal partners	(2,132,471)	(2,288,648)
Deferred net gaming revenue, end of year	790,641	886,399
Federal Gas Tax Agreement Funds:		
Deferred gas tax agreement funds, beginning of year	87,509	247,512
Amounts received during the year	433,631	285,526
Interest earned	2,025	3,197
Eligible expenses	(347,370)	(448,726)
Deferred gas tax agreement funds, end of year	175,795	87,509
Development cost charges:		
Deferred development cost charges, beginning of year	4,173,115	4,258,174
Amounts received during the year	88,236	49,466
Interest earned	100,559	54,776
Eligible expenses	(92,346)	(189,301)
Deferred development cost charges, end of year	4,269,564	4,173,115
Deferred revenue - other	619,813	474,789
Total deferred revenue	\$ 5,855,813	\$ 5,621,812

8. 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 was due on demand and had an interest rate of 1.72%. Interest was calculated daily and compounded and paid monthly. In 2014 this debt was repaid and replaced with MFA long-term debt issue number 127.
- (b) Included in long-term debt is the Town's proportionate share of a West Shore five year fixed rate term loan for \$10,571 (2013 - \$23,796).

TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2014

8. Temporary and long-term debt (continued):

(c) Debt outstanding:

MFA Issue Number	Interest rate	Maturity date	Originally Approved	Net debt 2014	Net debt 2013
117	3.25%	Oct 12, 2026	\$2,445,000	\$2,063,834	\$2,195,904
127	3.30%	Apr 7, 2034	5,490,000	5,490,000	-
West Shore Parks & Recreation				10,571	23,796
				\$7,935,000	\$2,219,700

(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
2015	\$ 306,470
2016	306,470
2017	306,470
2018	306,470
2019	306,470

(e) Interest expense:

Total interest expense during the year was \$180,408 (2013 - \$133,093).

TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2014

9. Employee future benefit obligations:

Employee benefit obligations represent accrued benefits as follows:

	2014	2013
Vacation payable	\$45,689	\$43,204
Accrued overtime	28,182	15,826
Sick leave entitlements	64,400	53,000
West Shore employee future benefit obligations	50,897	45,674
	<u>\$189,168</u>	<u>\$157,704</u>

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, 2014.

Information about liabilities for accrued sick leave is as follows:

	2014	2013
Accrued benefit liability, beginning of year	\$59,700	\$53,400
Current service cost	8,200	8,600
Interest cost	2,800	2,200
Benefits paid	(200)	(200)
Amortization of actuarial loss	(6,100)	(11,000)
Accrued benefit liability, end of year	<u>\$64,400</u>	<u>\$53,000</u>

	2014	2013
Accrued benefit liability, end of year	\$64,400	\$53,000
Unamortized Gain	(7,900)	6,700
Accrued benefit obligation, end of year	<u>\$56,500</u>	<u>\$59,700</u>

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:

	2014	2013
Discount rates	3.20%	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, 2014

9. 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 182,000 active members and approximately 75,000 retired members. Active members include approximately 36,000 contributors from local government and 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 \$225,481 (2013 - \$196,852) for employer contributions while Town employees contributed \$198,092 (2013 - \$177,090) to the plan in fiscal 2014.

TOWN OF VIEW ROYAL

52 Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2014

Town of View Royal - Annual Report 2014

10. Tangible capital assets:

	Cost (Dec 31, 2013)	Additions	Disposals/ Write-downs/ Change in West Shore ownership	Cost (Dec 31, 2014)	Accumulated Amortization (Dec 31, 2013)	Disposals/ Change in West Shore ownership	Amortization	Accumulated Amortization (Dec 31, 2014)	Net Book Value (Dec 31, 2013)	Net Book Value (Dec 31, 2014)
Land	\$ 37,275,327	\$ 41,183	\$ 100,000	\$ 37,216,510	\$ -	\$ -	\$ -	\$ -	\$ 37,275,327	\$ 37,216,510
Land Improvements	2,737,163	231,177	-	2,968,340	1,585,943	-	103,482	1,689,425	1,151,220	1,278,915
Buildings	4,699,709	16,997	8,070	4,708,636	2,216,167	1,700	152,170	2,366,637	2,483,542	2,341,999
Vehicles,										
Machinery and	5,199,057	175,110	189,000	5,185,167	2,759,850	189,000	321,162	2,892,012	2,439,207	2,293,155
Equipment										
Engineering	69,809,165	7,340,850	-	77,150,015	20,231,447	-	1,779,982	20,011,429	49,577,718	55,138,586
Structures -										
General										
Engineering	12,107,387	4,336	-	12,111,723	2,493,781	-	112,354	2,606,135	9,613,606	9,505,588
Structures -										
Sewer										
Work In Progress	8,189,003	4,902,627	5,967,427	7,124,203	-	-	-	-	8,189,003	7,124,203
West Shore	8,899,719	30,397	(106,764)	9,036,880	2,048,416	(29,154)	172,151	2,249,721	6,851,303	6,787,159
	\$ 148,916,530	\$ 12,742,677	\$ 6,157,733	\$ 155,501,474	\$ 31,335,604	\$ 161,546	\$ 2,641,301	\$ 33,815,359	\$ 117,580,926	\$ 121,686,115

TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2014

10. Tangible capital assets (continued):

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

Assets under construction totaling \$7,124,202 (2013 - \$8,189,003) have not been amortized. Assets completed but not yet in service totaling \$453,335 (2013 - \$453,335) 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 \$90,394 (2013 - \$336,703).

- (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 \$nil (2013 - \$1,119).

TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2014

11. Accumulated surplus:

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

	2014	2013
		(note 2)
Surplus:		
Equity in tangible capital assets	\$ 114,125,051	\$ 113,411,226
Unrestricted general fund surplus	1,364,780	1,822,255
Unrestricted sewer fund surplus	1,540,042	1,515,414
Total surplus	117,029,873	116,748,895
Reserve funds set aside for specific purposes by Council:		
Capital Works and Land Acquisition	170,435	638,553
Fire Department Equipment	222,919	156,901
Machinery and Equipment Depreciation	64,327	43,105
Municipal Roads Capital	27,662	27,036
Parks and Open Space	327,851	300,670
Parks and Recreation Equipment	137,650	205,208
Police Equipment, Property and Contract	612,832	596,998
Police Operation and Maintenance	445,109	232,779
Road Trust	119,779	117,070
Sewer System Capital	694,430	817,409
Sewer System Equipment Replacement	105,873	93,595
Tax Sale Land	8,613	8,418
Internal borrowing	(237,000)	(316,000)
West Shore reserves	291,684	250,992
Total reserve funds	2,992,164	3,172,734
	\$ 120,022,037	\$ 119,921,629

TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2014

12. 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.

	2014	2013
Taxes		
Property taxes	\$ 13,012,553	\$ 12,307,265
Revenues in lieu of taxes	186,157	178,647
1% utility taxes	124,207	123,871
	<u>13,322,917</u>	<u>12,609,783</u>
Less taxes levied for other authorities:		
School authorities	4,256,287	4,194,788
Capital Regional District	1,194,507	1,007,289
Capital Regional Hospital District	658,577	631,685
BC Transit	666,500	614,201
BC Assessment Authority	137,229	135,068
Municipal Finance Authority	426	423
	<u>6,913,526</u>	<u>6,583,454</u>
Net taxes available for municipal purposes	\$ 6,409,391	\$ 6,026,329

13. 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, 2014

13. 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, 2014.

A delay claim has been initiated against the Town alleging significant financial losses by the claimant as a result of alleged construction delays caused by the Town. No litigation has commenced regarding this matter. The Town has denied this claim and is vigorously defending the claim. As a final outcome of the claim 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, 2014.

- (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, 2014 there were contingent demand notes of \$204,201 (2013 - \$76,334). The Town has included a liability of \$54,900 in the financial statements.
- (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 2015 estimated cost of this contract is \$1,563,544. 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, 2014.

TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2014

14. Financial plan data:

The budget data presented in these consolidated financial statements is based upon the 2014 operating and capital budgets approved by Council on May 13, 2014, 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	\$ 12,337,041
West Shore	792,249
Total revenues	13,129,290
Expenses:	
Financial plan	13,129,389
West Shore	798,549
Total expenses	13,927,938
Annual surplus	\$ (798,648)

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, 2014

15. 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 2014, the Town's share of improvements purchased by the Society on its behalf is \$nil (2013 - \$13,983).

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 2014, the Town recorded a gain of \$79,035 (2013 - a gain of \$199,750).

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 ranged 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, 2014

15. 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 2014, the Town's proportion for consolidation purposes was 14.285% (2013 - 14.125%). Condensed financial information for the Society is as follows:

	2014	2013
Financial assets	\$ 3,316,805	\$ 2,993,912
Financial liabilities	2,106,272	2,112,249
Net financial assets	1,210,533	881,663
Non-financial assets	853,693	879,243
Accumulated surplus	\$ 2,064,226	\$ 1,760,906
Revenues	\$ 5,862,973	\$ 5,694,277
Requisition for members	4,762,205	4,845,294
	10,625,178	10,539,571
Expenses	10,321,858	10,092,808
Annual surplus (deficit)	\$ 303,320	\$ 446,763

16. 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, 2014

16. 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.

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 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, 2014

16. Segmented information (continued):

2014	General Government	Protective Services	Transportation Services	Environmental Health Services	Planning and Development Services	Recreation and Cultural Services	Total
Revenues:							
Taxation	\$ 787,619	\$ 2,166,725	\$ 2,875,337	\$ -	\$ 356,351	\$ 223,359	\$ 6,409,391
User charges	8,493	296,166	129,355	1,153,616	394,785	781,267	2,763,682
Developer charges earned	8,415	-	4,306	-	-	79,625	92,346
Contributions from developers and others	21,678	-	86,059	4,335	-	78,662	190,734
Other revenue from own sources	7,348	61,310	-	-	-	52,907	121,565
Investment income	96,297	17,065	20,004	54,523	-	12,405	200,294
Penalties and fines	75,517	-	-	-	-	-	75,517
Actuarial adjustment to debt	-	11,122	-	-	-	-	11,122
Government transfers	427,257	252,948	1,023,559	-	-	934,390	2,638,154
Total revenues	1,432,624	2,805,336	4,102,620	1,212,474	751,136	2,162,615	12,502,805
Expenses:							
Salaries, wages, and benefits	1,120,784	1,176,720	330,581	46,527	358,554	1,238,828	4,271,994
Contracted and general services	261,706	1,246,348	1,397,363	457,613	17,049	555,735	3,935,814
Materials, supplies, and utilities	50,527	92,552	182,530	34,514	1,281	163,316	524,720
Other	354,354	126,619	10,602	21,247	9,191	362,981	885,004
Amortization	143,560	206,175	1,795,891	224,800	2,657	268,218	2,641,301
Change in proportionate share of West Shore	-	-	-	-	-	(79,035)	(79,035)
Debt services	-	222,599	-	-	-	-	222,599
Total expenses	1,930,931	3,071,013	3,716,967	784,711	388,732	2,510,043	12,402,397
Annual surplus (deficit)	\$ (498,307)	\$ (265,677)	\$ 421,653	\$ 427,763	\$ 362,404	\$ (347,428)	\$ 100,408

TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2014

Town of View Royal - Annual Report 2014

16. Segmented information (continued):

2013	General Government	Protective Services	Transportation Services	Environmental Health Services	Planning and Development Services	Recreation and Cultural Services	Total
Revenues:							
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	-	58,628	115,000	-	6,009	189,301
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	8,351,129	1,583,128	595,058	2,117,038	17,958,421
Expenses:							
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)	\$ 4,733,473	\$ 734,444	\$ 181,355	\$ (185,831)	\$ 5,885,798

TOWN OF VIEW ROYAL

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2014

17. 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, 2014

Supplier Name	Aggregated amount paid to supplier
0904154 B.C. LTD.	123,142
AON REED STENHOUSE	30,726
ASSOCIATED ENGINEERING(B.C.)LTD	25,970
BC ASSESSMENT	137,270
BC HYDRO	133,165
BC TRANSIT	666,672
BLACK PRESS GROUP LTD	33,804
CAPITAL CITY PAVING LTD	231,456
CAPITAL REGIONAL DISTRICT- ACCOUNTS	1,843,907
CAPITAL REGIONAL DISTRICT WATER DEPARTMENT	117,646
CAPITAL REGIONAL HOSPITAL DISTRICT	658,814
CHEW EXCAVATING LTD	52,024
CITY OF LANGFORD	796,272
CITY OF LANGFORD - IN TRUST	1,553,512
CORPORATION OF THE TOWNSHIP OF ESQUIMALT	171,144
CREST	36,211
DISTRICT OF SAANICH	1,795,588
DUNCAN ELECTRIC MOTOR LTD	55,316
FIVE STAR PAVING CO LTD	172,644
G & E. CONTRACTING LP	73,526
GREATER VICTORIA PUBLIC LIBRARY	443,924
HAYES STEWART LITTLE & CO	25,988
HUGHES CONDON MARLER ARCHITECTS	110,301
INFINITE ROAD MARKING LTD	42,033
IRWIN AIR LTD	34,285
LEDOR CONSTRUCTION LIMITED	3,790,632
LIFECYCLES PROJECT SOCIETY	38,265
LIMONA CONSTRUCTION LTD	81,295
MAINROAD PAVEMENT MARKING LP	39,036
MANDSHADI ROHANIEH	28,518
MINISTER OF FINANCE	2,287,772
MUNICIPAL INSURANCE ASSOCIATION OF BRITISH	168,686
MUNICIPAL PENSION PLAN	423,574
NOVUS CONSULTING INC	82,480
PACIFIC BLUE CROSS	117,364
PORTER KYLE A	59,420
PYE HOLDINGS LTD.	59,045
RANDALL & MURRELL LLP IN TRUST	25,000
RAYLEC POWER LTD	114,508
RECEIVER GENERAL FOR CANADA	743,767
RECEIVER GENERAL FOR CANADA - RCMP POLICING	847,590
RECEIVER GENERAL FOR CANADA-RCMP E DIVISION HQ	38,766

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

Year ended December 31, 2014

Supplier Name	Aggregated amount paid to supplier
RYZUK GEOTECHNICAL	45,296
SCHO'S LINE PAINTING LTD	38,415
SUTTLE RECREATION PARKS & PLAYGROUNDS	70,225
TOMAHAWK TREE SERVICE (2006) LTD	30,056
VICTORIA CONTRACTING & MUNICIPAL MTC CORP	1,021,152
WASTE MANAGEMENT OF CANADA CORP.	292,952
WEST SHORE PARKS & REC. SOCIETY	850,632
WESTERN STAR TRUCKS	92,668
WESTERN WATERSHED DESIGNS INC.	93,811
Total of aggregate payments exceeding \$25,000	20,846,267
Consolidated total of payments of \$25,000 or less	1,272,016
Total aggregate payments to suppliers	\$22,118,283
Grants exceeding \$25,000	
SHORELINE COMMUNITY SCHOOL ASSOCIATION	30,000
VIEW ROYAL READING CENTRE	28,000
Contributions exceeding \$25,000	
VIEW ROYAL FIREFIGHTERS ASSOCIATION	47,900
Consolidated total of all grants and contributions exceeding \$25,000	105,900
Total grants of \$25,000 or less	40,025
Total aggregate grants and contributions	\$145,925
Total aggregate payments to suppliers	22,118,283
Total aggregate grants and contributions	145,925
Total per Statement of Revenue and Expenditure	12,402,397
Variance *	\$9,861,811

* 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, 2014

Elected Officials				
	Remuneration	Expenses	Total	
Hill, Graham				
Mayor	\$ 21,381	\$ 3,611	\$ 24,992	
Screech, David	12,498	5,877	18,376	
Councillor/Mayor				
Rast, Heidi	11,594	1,159	12,753	
Councillor				
Rogers, John	11,594	2,953	14,547	
Councillor				
Mattson, Ron	11,594	1,353	12,947	
Councillor				
Weisgerber, Aaron	904	338	1,242	
	\$ 68,662	\$ 15,290	\$ 83,614	
Employees				
	Remuneration	Expenses	Total	
Anema, Kim				
Chief Administrative Officer	\$ 147,439	\$ 7,282	\$ 154,721	
Beauchamp, Jeannie	114,087	3,975	118,062	
Director of Finance				
Beclaere, Deb	86,836	3,041	89,877	
Deputy Director of Engineering				
Bevan, Heath	93,294	704	93,998	
Firefighter				
Brown, David	85,481	5,256	90,737	
Firefighter				
Chase, Lindsay	108,202	5,167	113,370	
Director of Development Services				
Chow, Jeffrey	82,006	750	82,756	
Senior Planner				
Hurst, Paul	131,136	4,989	136,126	
Fire Chief				
Jones, Sarah	119,647	4,312	123,958	
Director of Corporate Administration				
Marshall, Rob	86,866	872	87,737	
Firefighter				
Mollin, Troy	88,237	1,679	89,917	
Firefighter				
Podmoroff, David	86,108	151	86,259	
Parks Supervisor				
Rosenberg, John	102,667	1,240	103,907	
Director of Engineering				
Woodley, Darryl	82,115	71	82,186	
Engineering Technologist				
Other Employees (under \$75,000)	1,133,145	37,981	1,171,126	
	\$ 2,547,266	\$ 77,471	\$ 2,624,736	
Reconciliation of Remuneration				
1. Elected Officials		\$	68,662	
2. Employees			2,547,266	
3. Receiver General for Canada (Employer portion CPP & EI)			121,833	
4. Health and Pension Benefits			373,247	
5. RCMP (West Shore Detachment) Civilian Staff Wages and benefits paid to City of Langford			191,440	
6. Overtime Banked as of December 31, 2014			(28,019)	
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)			997,565	
Total per Statement of Revenue and Expenditure		\$	4,271,994	

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, 2014

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, 2014

There were no severance agreements under which payments commenced between the Town of View Royal and an employee during the fiscal year 2014.

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

Statement of Permissive Tax Exemptions (Unaudited)

Year ended December 31, 2014

Organization	Folio	Municipal Property Tax
Places of public worship		
All Saints Church - 287 Palliser Ave	401-04412.018	\$ 4,013.58
St. Columba Church - 40 High Street	401-07654.010	2,735.04
Community activity centres		
Strawberry Vale Community Hall - 11 High Street	401-07647.010	4,407.71
View Royal Community Hall - 279 Island Highway	401-04399.010	4,287.34
Not for profit organizations		
Island Corridor Foundation	PID 023-005-459; Sections 6, 97, and 103: Plan VIP60330	4,528.30
	PID 011-825-871;014-980-258;024-036-021;024-039-209;024-839-957	7,648.54
	PID 011-825-871;014-980-258;024-036-021;024-039-209;024-839-957	6.43
	PID 024-635-987; Lot 1, Sections 8 & 27; Plan VIP69799	237.98
Recreational property		
Victoria Bowmen Association	PID 000-345-644; Part of Section 6 Plan VIP7133; Area of 1,940 m2	1,870.58
		\$ 29,735.51

Statement of Development Cost Charges (DDC)

Year ended December 31, 2014

	Balance January 1	Transfer to Projects	DCC's Received	Interest Earned	Balance December 31
Drainage DCC	\$ 817,472	\$ 91,264	\$ 71,640	\$ 20,707	\$ 818,555
Highways DCC	1,833,670	332,343	272,974	43,558	1,817,859
Park Improvement DCC	93,313	79,625	35,678	2,331	51,697
Park Land DCC	377,018	-	89,152	9,152	475,322
Sewer DCC	1,051,642	41,382	71,060	24,811	1,106,131
	\$ 4,173,115	\$ 544,614	\$ 540,504	\$ 100,559	\$ 4,269,564

Statistical Information

(Unaudited)

Taxable Assessments of Land and Improvements - Final Roll Totals

	2010	2011	2012	2013	2014
Residential	1,571,493,502	1,669,838,002	1,703,860,702	1,688,392,103	1,688,507,203
Utilities	369,400	371,900	379,500	376,200	377,200
Light Industry	-	-	-	2,074,000	2,298,000
Business	153,955,300	138,540,900	154,482,400	155,824,400	165,285,450
Rec/Non Profit	6,450,000	6,450,000	6,529,000	6,526,000	6,221,000
Farm	72,629	71,218	71,218	71,218	60,496
	1,732,340,831	1,815,272,020	1,865,322,820	1,853,263,921	1,862,749,349

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

	2010	2011	2012	2013	2014
Residential	2.25290	2.24943	2.35161	2.52342	2.66124
Utilities	29.82845	29.78246	30.23178	31.70102	33.05331
Light Industry	-	-	-	8.81447	8.31667
Business	8.48263	8.81214	8.55460	8.81447	9.18848
Rec/Non Profit	8.48263	8.81214	8.49933	8.83896	9.08049
Farm	18.82301	18.79399	19.46739	20.23598	21.15469

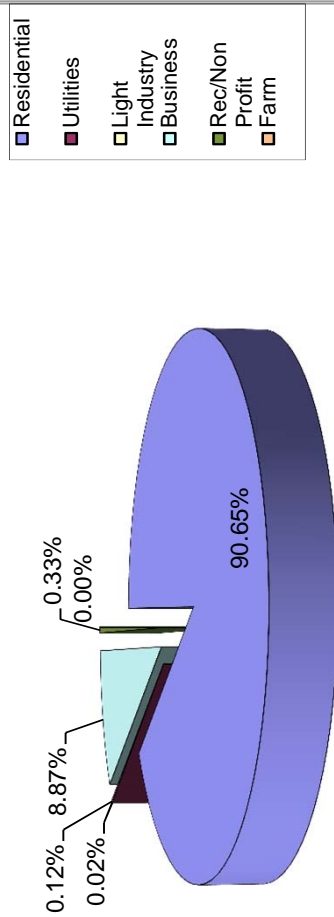
Municipal Property Tax Billings by Property Class

	2010	2011	2012	2013	2014
Residential	\$ 3,540,417	\$ 3,756,184	\$ 4,006,816	\$ 4,260,522	\$ 4,493,523
Utilities	11,019	11,076	11,473	11,926	12,468
Light Industry	-	-	-	18,281	19,112
Business *	1,329,672	1,220,842	1,321,535	1,373,509	1,518,722
Rec/Non Profit	54,713	56,838	55,492	57,683	56,490
Farm	1,367	1,338	1,386	1,441	1,280
	\$ 4,937,188	\$ 5,046,278	\$ 5,396,702	\$ 5,723,362	\$ 6,101,595

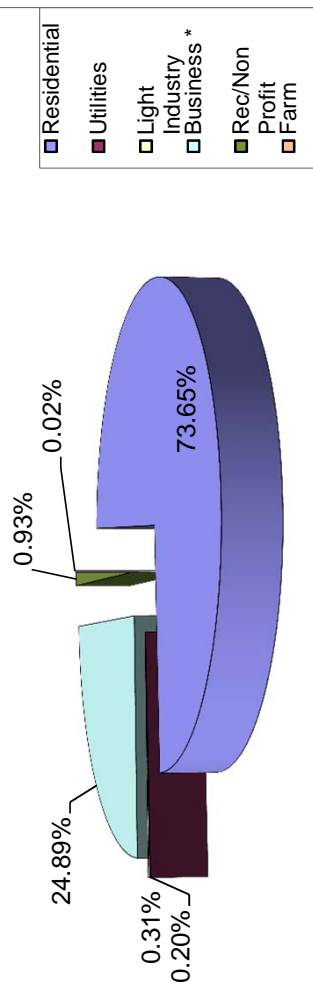
* includes a Risk to Roll adjustment of \$23,726 for the year 2010

Statistical Information (continued)

2014 Assessments by Property Class



2014 Municipal Property Tax by Property Class



Statistical Information (continued)

Long Term Debt and Capital Lease Obligations (Unaudited)

	2014	2013	2012	2011	2010
Long-term debt					
General	\$ 7,553,834	\$ 2,195,904	\$ 2,536,117	\$ 804,937	\$ 615,382
Consolidated entity debt	10,571	23,796	36,076	63,098	86,100
	<u>7,564,405</u>	<u>2,219,700</u>	<u>2,572,193</u>	<u>868,035</u>	<u>701,482</u>
Capital lease obligation					
General - protective services	-	-	-	-	-
Total Long Term Debt and Capital Lease Obligations	<u>7,564,405</u>	<u>2,219,700</u>	<u>2,572,193</u>	<u>868,035</u>	<u>701,482</u>
Population (BC Stats Estimates 2011 - 2014)	10,714	10,858	9,838	9,838	9,743
Debt per capita	\$ 706	\$ 204	\$ 261	\$ 88	\$ 72

Statistical Information (continued)

Principal Corporate Taxpayers (Unaudited)			Total 2014 General Municipal Taxes Levied
Registered Owner	Primary Property		
Admirals Walk Properties Ltd Inc	Admirals Walk	\$	217,886
Great Canadian Casinos Inc	View Royal Casino		146,961
Canadian Tire Real Estate Ltd	Canadian Tire		127,683
Natural Properties Ltd	Reliable Controls		96,249
West Shore U-Lock Mini Storage Ltd	U-Lock Mini Storage		81,410
Eagle Creek Village Property Ltd	Eagle Creek Village		79,966
Goodwill Investments Ltd	Fort Victoria		77,401
Adams Storage Village Ltd	Adams Storage		74,694
Christie Point Apartments Ltd	Christie Point Apartments		66,334
0848052 BC Ltd	Thetis Cove		63,052
Total Tax Contributions from Top 10 Corporate Taxpayers			\$ 1,031,636
Total General Municipal Tax			\$ 6,073,232
Proportion of municipal tax paid by top ten			16.99%