



TOWN OF VIEW ROYAL ANNUAL REPORT

Year Ended December 31, 2017



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
2017 MUNICIPAL HIGHLIGHTS	13
ADMINISTRATION DEPARTMENT	13
ENGINEERING & PARKS DEPARTMENT	14
FINANCE DEPARTMENT	15
DEVELOPMENT SERVICES DEPARTMENT.....	16
PROTECTIVE SERVICES DEPARTMENT.....	17
2017 MUNICIPAL GOALS & OBJECTIVES	18
FINANCIAL SUSTAINABILITY & SERVICE EXCELLENCE	19
ENHANCE LIVABILITY IN VIEW ROYAL	21
COMMUNITY & ECONOMIC GROWTH	23
MAINTAIN STRONG RELATIONSHIPS WITH OUR NEIGHBOURS	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 2017. It shows the progress on our 2017 municipal goals and objectives, highlights financial reporting, and gives insight into plans for the future.



INCORPORATED **DECEMBER 5, 1988**

WELCOME TO
VIEW ROYAL



10,408 POPULATION*



1,436 HECTARES LAND AREA



30.5KM BIKE LANES



72 MUNICIPAL PARKS



\$466,634.92 BUILDING PERMITS

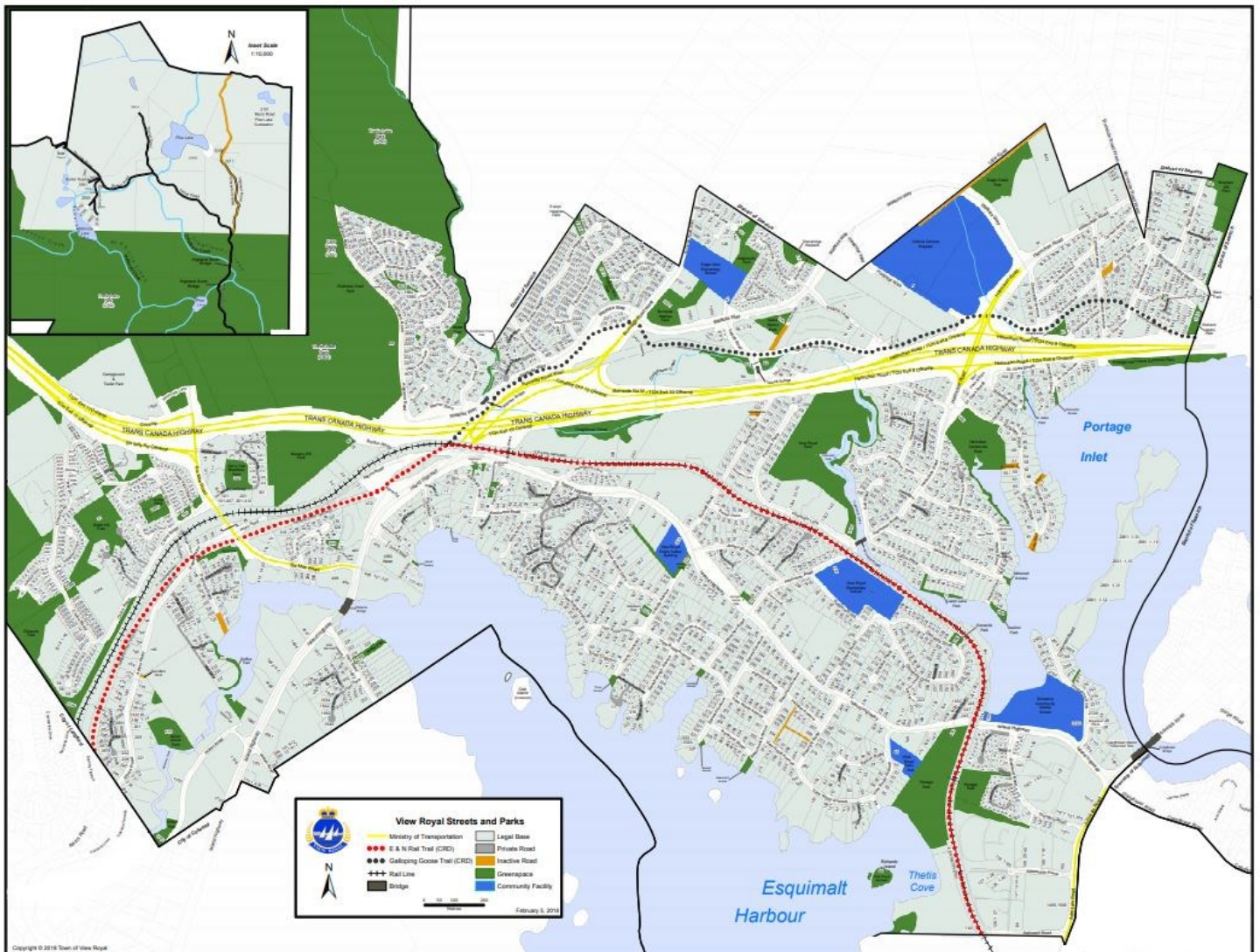


27.3KM TRAILS



307 BUSINESS LICENSES

*as per BCStats 2016 Census



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

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

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



Mayor Screech presents 150th celebration street light banner contest winner, Reece Babin, with a banner of his own artwork. Reece was one of three contest winners from Eagle View Elementary School.



Mayor Screech and Fire Chief Paul Hurst place the Town of View Royal wreath at the Remembrance Day ceremony held at the Esquimalt Memorial Park Cenotaph.

MESSAGE FROM THE MAYOR

On behalf of View Royal Council and staff, I am pleased to share with you some of the Town of View Royal's key initiatives, accomplishments, and happenings in our beautiful community in the past year through our 2017 Annual Report.

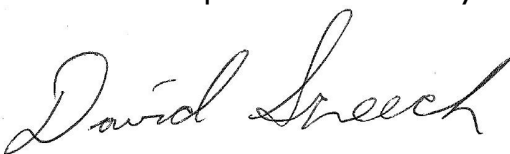
The Annual Report is an opportunity to recognize the great work that has been done in the past year by members of Council, staff, residents and volunteers to ensure View Royal remains a healthy, vibrant, and sustainable community.

Council's focus for 2017 was implementing the four main areas established in our Strategic Plan — Financial Sustainability and Service Excellence; Enhance Livability; Community and Economic Growth; and Maintain Strong Relationships with our Neighbours.

Highlights of 2017 included:

- An updated Parks Master Plan was completed with help from students at Vancouver Island University who assisted with community engagement work;
- View Royal hosted a Canada 150 celebration at the historic Craigflower Manor - a vibrant community event that was well attended;
- Due to Councillor Rast's relocation out of province, a by-election was held in November with new Council member, Damian Kowalewich, sworn in at the meeting in December;
- Finance and other staff worked with a consultant to update the Information Technology Strategic Plan to improve network reliability and efficiency;
- Updates to local parks and trails included a new Eagle Creek Trail, new Quincy Street Pedestrian Access Trail, and new playground equipment at Newstead Park;
- Volunteers worked to clear a total of 8, 500m² of invasive species from numerous parks throughout View Royal, totalling 308 volunteer hours;
- Protective Services staff and volunteer emergency responders assisted with the response to the wildfires throughout BC. Our teams provided much needed support to the thousands of individuals and families that were evacuated.

Please take a few moments to review the accomplishments of the Town in the following pages. We are committed to continually looking at ways to better serve our community through our programs and services. I am proud that View Royal continues to be one of the best places to live and call home.



David Screech



MAYOR & COUNCIL

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

Following a vacancy on Council, a bi-election was held on November 18, 2017 to elect one Councillor for the remainder of the four-year term (ending fall 2018).

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



Mayor David Screech (December 2, 2014 - present)

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



Councillor Damian Kowalewich (December 5, 2017 - present)

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



Councillor Ron Mattson (December 6, 2011 - present)

- Public Works & Transportation - Chair
- Community Development Advisory Committee
- 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 - September 1, 2017)

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



Councillor John Rogers (December 2, 1996 - present)

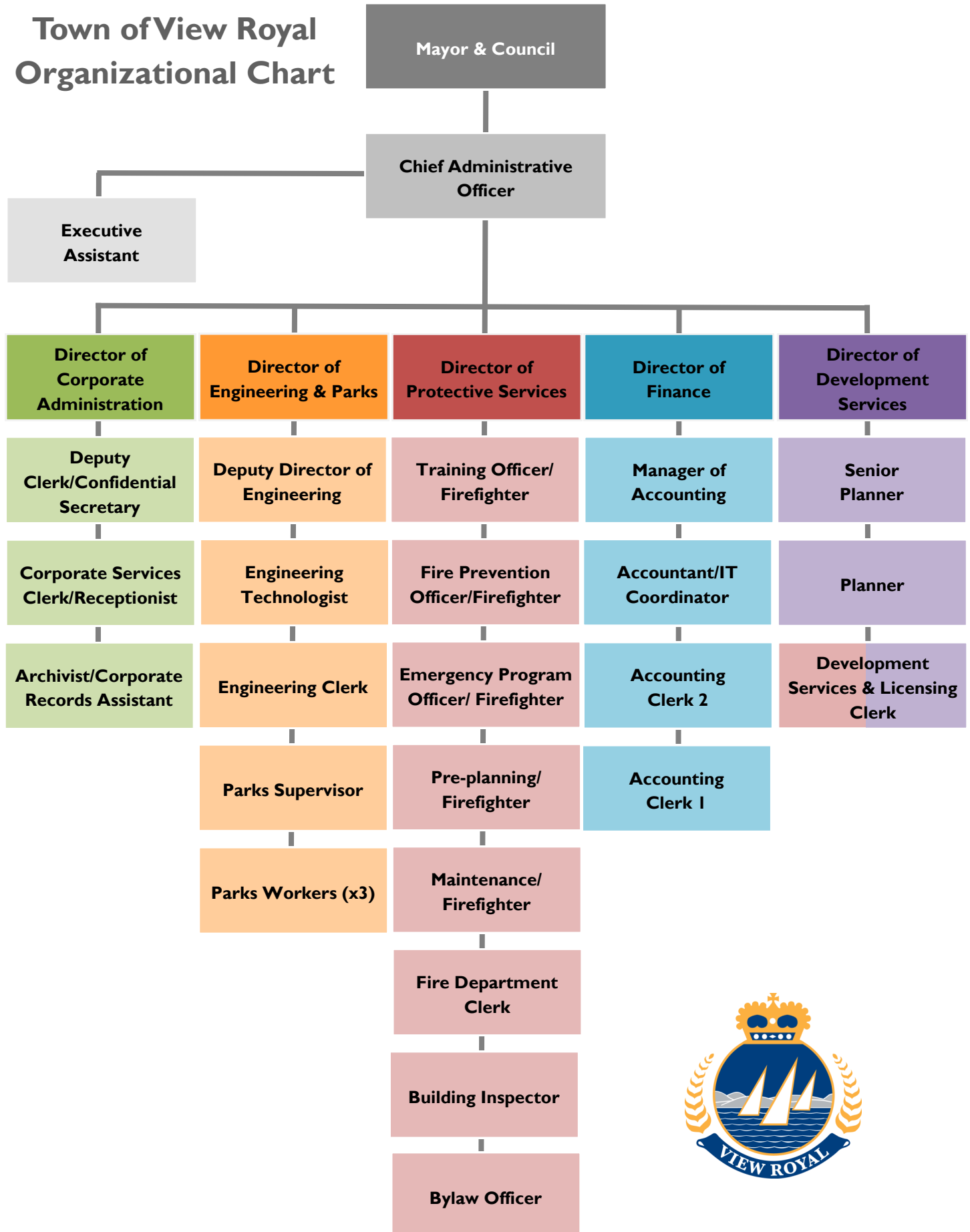
- Parks, Recreation & Environment - Chair
- Parks, Recreation & Environment Advisory Committee
- CRD Arts Committee
- CRD Water Supply Commission
- Friends of Cole Island Society
- Greater Victoria Public Library
- Juan de Fuca Water Distribution Commission



Councillor Aaron Weisgerber (December 2, 2014 - present)

- Planning & Development - Chair
- Parks, Recreation & Environment Advisory Committee
- Joint School District/Municipal Committee
- Parents' Advisory Committee
- Westshore Chamber of Commerce

2017 Town of View Royal Organizational Chart





MISSION - WHY WE EXIST

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

VISION - THE FUTURE WE STRIVE TO CREATE

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

VALUES - OUR GUIDEPOSTS

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

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

COMMITMENT TO ORGANIZATIONAL EXCELLENCE

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

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



SUMMARY OF SERVICES & OPERATIONS

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

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

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

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

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

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

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

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

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



View Royal Archives participated in the Capital Regional District's "50th Anniversary Quilt Project". View Royal quilters Ann Fox and Georgia Andrews' quilt square captured a colourful collage of the community's features.



The new Quincy Street Pedestrian Access trail was installed to connect upper and lower Quincy Street.

2017 MUNICIPAL HIGHLIGHTS

ADMINISTRATION DEPARTMENT

- As one of the Town's Canada 150 events, students of View Royal Elementary, Eagle View Elementary and Shoreline Middle School were asked to submit a street light banner design depicting what our country means to them with a theme of the 150th anniversary of Canada's confederation. Students who won the street light banner contest were presented with a certificate of achievement, a Town pin and a banner with their own artwork.
- The annual Volunteer Appreciation Dinner was held on April 22, 2017 and deemed a success with approximately 96 attendees.
- View Royal Archives completed phase two of the digitization project, ensuring the electronic preservation of documents well into the future. The project's long-term goal is to enhance accessibility to these historic records for both researchers and the general public.
- The Canada 150 celebration at the historic Craigflower Manor on July 1st was a worthwhile endeavour. The Town of View Royal, the Victoria Highland Games Association and Volunteer View Royal worked together to create a vibrant community event that was well attended.
- The Administration Department facilitated a by-election in November, brought about by Councillor Rast's relocation out of province. A total of 1,295 ballots were cast over the three days of voting, representing a voter turn-out of 15.2%. New Council member, Damian Kowalewich, was sworn in by Judge Carmen Rogers at the December Council meeting.
- Under the guidance of the Corporate Records Assistant/Archivist, electronic documents were moved over to a new shared drive. Through this work, all electronic records are stored using the Local Government Management Association's records numbering system and will mirror the Town's paper record numbering system.

FAREWELL TO COUNCILLOR RAST

Councillor Rast served on Town Council for nine years. She was Chair of the Town's Protective Services & Community Services Sub-Committee to the Committee of the Whole, and Council liaison for the Community Development Advisory Committee. During her time on Council, she served as a Director for the Capital Region Emergency Services Telecommunication Inc. (CREST) and was the Town's representative to the CRD Climate Action Steering Committee, Community Policing and Police Building Liaison Committee. She developed a close working relationship with the Protective Services Department and was unfailingly kind and respectful of staff and the public. Her steady presence at the Council table will be sorely missed. We wish her all the best in Prince Edward Island!



2017 MUNICIPAL HIGHLIGHTS (con't)

ENGINEERING & PARKS DEPARTMENT

- For the second year, the Town of View Royal hired a GIS intern under the Canada Summer Jobs program. Working with the GIS administrator, the student collected data that was integrated into the existing GIS platform, providing staff the ability to readily access information on things such as street lights, signs, parks furniture, irrigation boxes and monuments. The ultimate vision for this project is that residents will be able to go to the Town website and query surrounding infrastructure located within their neighbourhoods.
- The new Eagle Creek Trail opened to the public in October 2017.
- The contract for the Master Sanitary Sewer Plan Update was awarded to McElhanney Consulting. Due to increased development and rising population, the updated plan will accommodate current and future development in a sustainable manner to create greener, healthier and more resilient neighbourhoods.
- Updates were made to Chancellor Park that included the installation of a new asphalt pad, basketball hoop, hockey net, and fencing.
- The Quincy Street Pedestrian Access trail was installed to connect upper and lower Quincy Street.
- As part of the Kayak Launch project on Shoreline Drive, the Town of View Royal partnered with World Fisheries Trust to complete oyster compensation work (reef balls) as a habitat compensation measure for the loss of native Pacific Oyster habitat caused by the new boat launch. The reef balls were pre-seeded with native oysters in the natural hatchery of the Gorge and then moved to a shallow subtidal mud environment (Fisherman's Wharf) where native oyster populations need reinforcement.
- In 2017, the Portage Park Restoration Program expanded to include numerous parks throughout View Royal including Burnside/Watkiss Park, Eagle Creek Park, Edwards Park, Garry Oak Meadows Park, MacLennan Trail Area, Mellor Park and of course, Portage Park. This volunteer engagement and habitat restoration program included various public events and collaborations with the Greater Victoria Green Team, Volunteer View Royal, and Shoreline Middle School. These efforts totalled 308 volunteer hours and treated an area of approximately 8,500m².

UPDATES TO NEWSTEAD PARK

The Newstead Park playground equipment was replaced with a new play structure that includes slides, climbers, swings, and other fun equipment for kids to enjoy. Work also included landscaping and the installation of new curbs, drainage, and a concrete pad.



2017 MUNICIPAL HIGHLIGHTS (con't)

PACIFIC OYSTER HABITAT

Divers from World Fisheries Trust set up reef balls that were pre-seeded with native Pacific Oysters in the natural hatchery of the Gorge to compensate for habitat loss caused by the new boat launch on Shoreline Drive.



FINANCE DEPARTMENT

- The Finance Department proactively encouraged vendors to switch to payments through electronic funds transfers (EFTs) rather than paper cheques as both an efficiency measure as well as fraud risk reduction. As a result, the total payments made by electronic funds transfers were 45% in 2017, up from 40% in 2016 and 34% in 2015. The target for 2018 is for 80% of all payments to be completed through EFTs.
- In 2017, Finance and other staff worked with a consultant to update the Information Technology Strategic Plan. The updated plan refocuses efforts on basic technology infrastructure with projects that include implementation of a business continuity and disaster recovery plan, network cabling upgrade, phone system replacement, and migration to Microsoft Office 365. These projects will improve network reliability and efficiency, and provide robust tools for collaboration across the organization and within the larger community.



EDWARDS PARK INVASIVE SPECIES REMOVAL

Volunteers work to remove invasive species at Edwards Park under the direction of Chris Junck, Habitat Restoration Consultant.

2017 MUNICIPAL HIGHLIGHTS (con't)

DEVELOPMENT SERVICES DEPARTMENT

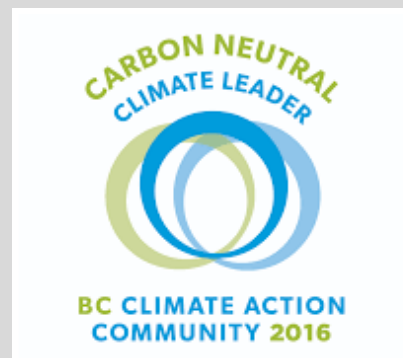
- Development Services staff noted a trend in new development in View Royal for 2017, much of which was targeted at rental buildings. Based on regional vacancy rates, new rental housing of all types is needed. Approved rental projects for 2017 included sites at Lakeside Village, Eagle Creek and on Watkiss Way. Some of these projects also include suites that may be suited to families.
- Staff worked on the final segments of the Chilco Trails network. The coming park land dedication coincident with Phase 7 will facilitate a pedestrian connection to the bottom of the hill (at Lund Road). The Chilco developer will be building a stub trail from a new cul-de-sac to Lund Road with an RFP to be issued to connect this stub with the existing trail at Haagensen Court.
- In 2017, Development Services processed four rezoning applications, one temporary use permit, ten development permits, three development variance permits, six Board of Variance applications and ten sign permits.
- An updated Parks Master Plan was adopted by Council in 2017. The project involved students from the Masters of Community Planning program at Vancouver Island University who assisted with community engagement work. This new plan will guide investment in park spaces for several years to come. It identifies priorities for playground replacement, shoreline access development and a desire to add park land in the Harbour neighbourhood.
- View Royal's business license holders were invited to an informal get-together in November to meet members of Council and representatives from the Westshore Chamber of Commerce. Input was gathered from attendees on a variety of issues including the Town's draft sign bylaw and potential plastic bag ban bylaw.

VIEW ROYAL ACHIEVES CARBON NEUTRALITY

In 2017, the Town of View Royal was recognized for achieving corporate carbon neutrality by the joint Provincial Union of British Columbia Municipalities (UBCM) Green Communities Committee and was awarded level four recognition for the 'Achievement of Carbon Neutrality' for the 2016 reporting year.

The Town of View Royal has been measuring and reporting on its efforts to reduce emissions since 2012. Carbon neutral operations were achieved, for example, by participation in the household organic waste pickup program and reducing vehicle emissions by switching to a solid waste truck that uses Compressed Natural Gas for much reduced greenhouse gas emissions.

The Town of View Royal is proud of the progress and efforts being taken to reduce greenhouse gas emissions and will continue to strive toward reaching climate goals and achievement of this recognition in the coming years.



2017 MUNICIPAL HIGHLIGHTS (con't)

VIEW ROYAL FIRE ATTENDS BC WILDFIRES 2017

During the months of July and August, the View Royal Fire Department deployed over 20 members and equipment to battle wildfires that were threatening the communities of Williams Lake, Clinton and Cache Creek. Over the 5 week deployment, more than 2,000 combined hours were spent by View Royal firefighters site prepping, mitigating hazards, firefighting and evacuation planning. View Royal formed part of a larger task force charged with the responsibility of protecting over 400 million dollars in logs, infrastructure and lumber stock in the communities' mills.

The experience gained across the board will be invaluable to the Town of View Royal and its neighbours in assessing local needs should a major wildfire threaten this community.

Successful operations such as these are only possible with the support of our volunteer firefighters' families and the support of Mayor and Council in the authorization of the deployments.



PROTECTIVE SERVICES DEPARTMENT

- 2017 was a record year for emergency and non-emergency calls for service for the Protective Services Department. Volunteers and career staff were called out 1,008 times for a wide range of incidents. An impressive 19,247 hours were spent training, responding to calls and staffing the station on overnight shifts.
- Emergency responders assisted with the response to the wildfires throughout BC. The Emergency Support Services (ESS) team of 30 members deployed 4 volunteers to lead and support roles in the evacuation reception centres in Kamloops, 100 Mile House, and Williams Lake. This equates to over 460 volunteer working hours and over 3 weeks away from home. In addition, 11 ESS members volunteered to staff 1/3 of the shifts at the Evacuee Call Centre at the Provincial Emergency Coordination Centre located on Keating X Rd. in Central Saanich, equating to another 400 hours of volunteer time. All this was done while still maintaining sufficient coverage in View Royal and Colwood. While the roles of our firefighters were vital to protecting property and infrastructure, our ESS team provided much needed support to the thousands of individuals and families that were evacuated.
- The Emergency Program organized and hosted the 10th Annual Emergency Preparedness Fair at Juan de Fuca Recreation Centre. Countless hours of organizing by the Emergency Program Officer and ESS volunteers resulted in another successful event.

2017 MUNICIPAL GOALS & OBJECTIVES

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

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



- FINANCIAL SUSTAINABILITY & SERVICE EXCELLENCE -

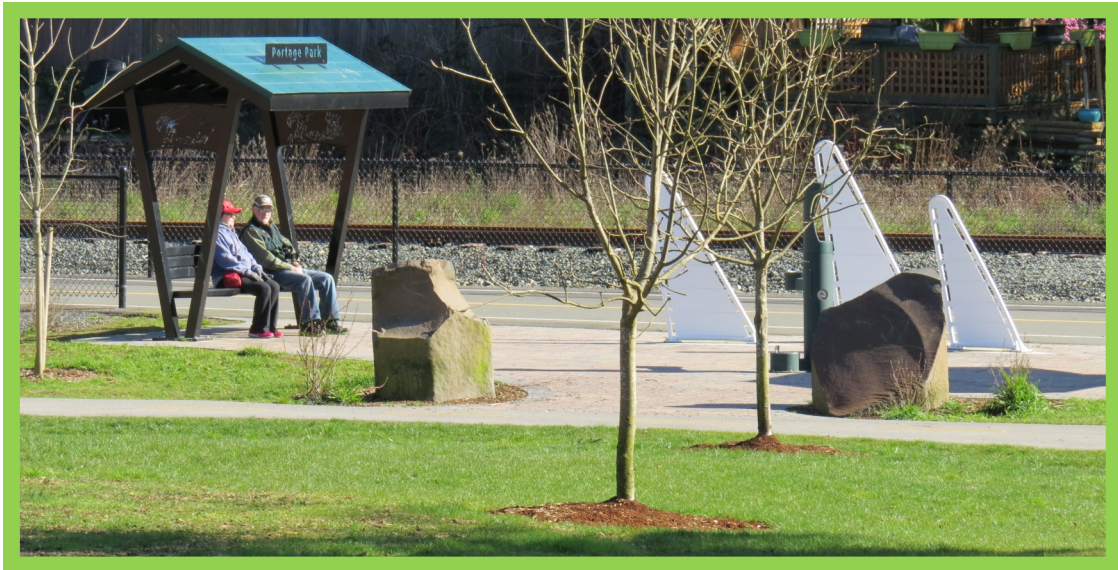
STRATEGIC PRIORITY:

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

DESIRED OUTCOMES:

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

2017 PROJECTS & INITIATIVES	OUTCOME
Complete service review to define service levels and resource requirements for each municipal function.	<ul style="list-style-type: none"> • Ongoing. The review of Bylaw Enforcement is complete.
Complete Fees and Charges Bylaw to ensure alignment with selected service levels.	<ul style="list-style-type: none"> • Complete. Fees and Charges Bylaw was adopted by Council on January 17, 2017.
Complete the update/revisions to master plans: <div style="margin-left: 40px;">Transportation;</div> <div style="margin-left: 40px;">Drainage;</div> <div style="margin-left: 40px;">Parks;</div> <div style="margin-left: 40px;">Sanitary Sewer Systems.</div>	<ul style="list-style-type: none"> • Staff have reviewed the draft report with an update to be completed summer of 2018. • Complete. The Drainage Master Plan was adopted by Council on December 5, 2017. • Complete. The Parks Master Plan was adopted by Council on June 20, 2017. • Deferred to spring of 2018.
Establish a Capital Asset Management System that examines all tangible capital assets, including parks, land improvements, municipal buildings, vehicles, machinery and equipment, and engineering structures.	<ul style="list-style-type: none"> • A capital asset inventory is complete. Profiles, conditions and replacement costs of assets are scheduled for 2018.
Complete the Development Cost Charges (DCC) Bylaw review.	<ul style="list-style-type: none"> • Significant progress has been made on the review of the DCC Bylaw. To be completed in 2018.



- ENHANCE LIVABILITY IN VIEW ROYAL -

STRATEGIC PRIORITY:

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

DESIRED OUTCOMES:

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

2017 PROJECTS & INITIATIVES	OUTCOME
Update Parks Master Plan and explore partnerships with post-secondary institutions in this update work.	<ul style="list-style-type: none"> • Parks Master Plan was adopted by Council on June 20, 2017. Action items from the Plan will be brought forward as part of the 2018 budget deliberations.
Review key bylaws: Streets & Traffic Bylaw; Public Places Bylaw; Sign Bylaw.	<ul style="list-style-type: none"> • A draft of the Streets & Traffic Bylaw and subsequent legal review is complete; to be finalized in 2018. • In progress; to be completed in 2018. • Portions drafted; additional amendments to be completed in 2018.
Review Subdivision & Development Servicing Bylaw.	<ul style="list-style-type: none"> • Complete. The Subdivision & Development Servicing Bylaw was adopted by Council on November 7, 2017.
Canada 150—annual event.	<ul style="list-style-type: none"> • Complete. Event held July 1, 2017.
Hold workshop to explore development of heritage inventory and policy.	<ul style="list-style-type: none"> • Complete. Workshop held November 18, 2017.



- COMMUNITY & ECONOMIC GROWTH -

STRATEGIC PRIORITY:

- Explore creative new ways to encourage redevelopment of existing lands
- Lead by example through investing in a high quality public realm
- Support opportunities for local services and employment

DESIRED OUTCOMES:

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

2017 PROJECTS & INITIATIVES	OUTCOME
Engage a consultant to research current land economics based on possible OCP densities. Identify development barriers for key redevelopment sites. Identify missing local services in neighbourhoods and significant lands where new business might consider locating. Identify possible “carrots” and “sticks” to encourage redevelopment of key sites.	<ul style="list-style-type: none"> • After review, Council reconsidered the expenditure of funds for this project in 2017. To be considered during future budget discussions for 2019.
Meet with key property owners.	<ul style="list-style-type: none"> • Complete.
Upon completion of review of the Subdivision and Development Servicing Bylaw, develop urban design standards to support municipal investment in the public realm.	<ul style="list-style-type: none"> • The Subdivision and Development Servicing Bylaw was adopted by Council on November 7, 2017. • The development of urban design standards are to be considered during future budget discussions.
Focus on business retention and explore ways to make doing business in View Royal easier – jointly host evening event at Town Hall with WestShore Chamber of Commerce.	<ul style="list-style-type: none"> • Complete. View Royal’s business license holders were invited to an informal get-together on November 22, 2017.
Develop an Economic Development Strategy, including tourism opportunities.	<ul style="list-style-type: none"> • Ongoing. The Town is a member of the South Island Prosperity Project (SIPP). Funds have been committed for 2017.



- MAINTAIN STRONG RELATIONSHIPS WITH OUR NEIGHBOURS -

STRATEGIC PRIORITY:

- Participate in discussions about improving regional governance

DESIRED OUTCOMES:

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

2017 PROJECTS & INITIATIVES	OUTCOME
Complete Westside/Eastside Solutions program for sewage treatment.	<ul style="list-style-type: none"> • Complete. The design and construction of the sewage treatment plant by the Capital Regional District is underway.
Educate our residents on our existing successful shared services.	<ul style="list-style-type: none"> • Complete.
Establish View Royal's role and participation in governance studies.	<ul style="list-style-type: none"> • Complete. The Town participated with the Province in consultant selection and as a stakeholder.
Ensure CRD's Regional Sustainability Strategy (RSS) meets View Royal's and region's needs.	<ul style="list-style-type: none"> • The RSS has shifted focus to a Regional Growth Strategy (RGS). The plan is in progress to be finalized in 2018.
<p>Strengthen our relationship with CRD and First Nations through:</p> <p>Developing a Memorandum of Understanding (MOU) for Hallowell Road with Esquimalt Nation;</p> <p>Initiating Council to Council dinners with Esquimalt Nation and Songhees Nation.</p>	<ul style="list-style-type: none"> • An extra-ordinary trucking agreement was signed between the Town and Esquimalt Nation. The signing of the agreement will allow Esquimalt Nation to use Hallowell Road for their truck traffic generated from the leasing of their lands. The agreement contains clauses limiting truck traffic as well as allocating responsibilities for annual maintenance and capital replacement costs. • Requests for Council to Council dinners have been made to both Esquimalt Nation and Songhees Nation; to be scheduled for 2018.
Advocate for improvements to regional transportation.	<ul style="list-style-type: none"> • Complete. The Town has expressed support for a regional transportation authority in the Capital Region to the Province. The Town also provided input on the park and ride, the McKenzie interchange and the CRD Transportation Master Plan.

LOOKING AHEAD

View Royal Council and senior staff have worked together to develop a strategic plan, setting the course for Council's term which completes in the fall of 2018. While it is valuable to reflect on what we accomplished in 2017, it is also important to keep moving ahead on a strategic path.

Accordingly, the strategic plan priorities were reviewed in early 2018 and the four themes of Enhance Liveability in View Royal, Financial Sustainability and Service Excellence, Community and Economic Growth, and Maintain Strong Relationships With Our Neighbours were considered with a view to projects/initiatives that can be undertaken in 2018 and beyond.



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 municipal function: Administration/Communications, Engineering Operations.	2018
Complete the update/revisions to master plans for: Transportation, Sanitary Sewer Systems.	2018
Establish a first iteration of the Capital Asset Management System that examines all tangible capital assets, including parks, land improvements, municipal buildings, vehicles, machinery and equipment, and engineering structures.	2018
Complete the Development Cost Charges (DCC) Bylaw review.	2018
Develop a Long Term Financial Plan and decision making framework for capital projects.	2019
Financial Sustainability Review to project future finance requirements and determine optimum reserve levels and annual contributions.	2019

ENHANCE LIVEABILITY IN VIEW ROYAL

- proceed with parks improvements in accordance with Parks Master Plan;
- ensure key bylaws reflect community needs;

Project/Initiative:	Timing:
Plan trails in parks.	2018
Review key bylaws: Streets & Traffic; Public Places; Noise; Sign; and Voting Bylaw.	2018/2019
Amend the Tree Protection Bylaw and develop related policy.	2018/2019

COMMUNITY AND ECONOMIC GROWTH

- explore creative ways to encourage redevelopment of existing lands;
- lead by example through investing in a high quality public realm.

Project/Initiative:	Timing:
Engage a consultant to research current land economics based on possible OCP densities.	2019
Identify development barriers for key redevelopment sites.	2019
Identify missing local services in neighbourhoods and significant lands where new business might consider locating.	2019
Identify possible “carrots” and “sticks” to encourage redevelopment of key sites.	2019

MAINTAIN STRONG RELATIONSHIPS WITH OUR NEIGHBOURS

- participate in discussions about improving regional governance;
- collaborate with neighbouring municipalities to improve public communications for emergency/disaster events.

Project/Initiative:	Timing:
Ensure the CRD's Regional Growth Strategy (RGS) meets View Royal's and region's needs.	2018
Strengthen our relationship with Capital Regional District and First Nations.	2018
Advocate for West Shore Parks & Recreation.	2018/2019
Acquire a mass notification system.	2018



Statement of Financial Information

Town of View Royal

Year ended December 31, 2017

45 View Royal Avenue
Victoria, BC Canada
V9B 1A6
www.viewroyal.ca

Town of View Royal
Statement of Financial Information
Year ended December 31, 2017

TABLE OF CONTENTS

Statement of Financial Information Approval	32
Management's Responsibility for Financial Reporting	33
Independent Auditors' Report.....	34
Consolidated Financial Statements.....	35
Statement A: Consolidated Statement of Financial Position	35
Statement B: Consolidated Statement of Operations.....	36
Statement C: Consolidated Statement of Change in Net Financial Assets.....	37
Statement D: Consolidated Statement of Cash Flows	38
Notes to Consolidated Financial Statements.....	39
Supporting Schedules	
Schedule 1: Consolidated Schedule of Segment Disclosure by Service – 2017	55
Schedule 2: Consolidated Schedule of Segment Disclosure by Service – 2016	56
Schedule 3: Consolidated Schedule of Tangible Capital Assets	57
Schedule of Payments Made for the Provision of Goods and Services	58
Statement of Remuneration and Expenses	60
Statement of Guarantee and Indemnity Agreements.....	61
Statement of Severance Agreements.....	62
Statistical Information	
Statement of Permissive Tax Exemptions	63
Statement of Development Cost Charges.....	64
5 Year Assessment and Property Tax Information.....	65
Principle Corporate Taxpayers	67

Town of View Royal
Statement of Financial Information Approval
As at December 31, 2017

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

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

On behalf of Council,
David Screech, Mayor
date

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

Town of View Royal

Consolidated Financial Statements
Year ended December 31, 2017

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

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

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



Chief Administrative Officer



Director of Finance

May 1, 2018

INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors 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, 2017, 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.

Auditors' 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, 2017, 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.



Victoria, BC
May 8, 2018

Chartered Professional Accountants

Town of View Royal

Consolidated Statement of Financial Position
as at December 31, 2017

	2017	2016
Financial assets		
Cash and cash equivalents (Note 3)	\$ 19,643,095	\$ 15,675,883
Property taxes receivable	125,807	139,599
Accounts receivable (Note 5)	1,680,126	1,564,941
Inventory held for sale	6,469	9,328
Assets held for sale (Note 4)	-	327,940
	21,455,497	17,717,691
Liabilities		
Accounts payable and accrued liabilities (Note 6)	3,312,764	3,326,108
Deposits	1,354,621	1,145,450
Deferred revenue (Note 8)	6,832,714	5,030,249
Prepaid property taxes	432,065	438,236
Long-term debt (Note 9)	6,549,564	6,897,532
Employee benefits and retirement obligations (Note 10)	206,789	190,109
	18,688,517	17,027,684
Net financial assets	2,766,980	690,007
Non-financial assets		
Tangible capital assets (Note 11) (Schedule 3)	130,736,441	127,848,055
Inventory of supplies	9,209	-
Prepaid expenses	86,860	109,245
	130,832,510	127,957,300
Commitments and contingencies (Note 16)		
Accumulated surplus (Note 12)	\$ 133,599,490	\$ 128,647,307



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

Town of View Royal

Consolidated Statement of Operations

Year ended December 31, 2017

	Financial plan (Note 18)	2017	2016
Revenue			
Taxes for municipal purposes (Note 13)	\$ 8,308,904	\$ 8,255,984	\$ 7,473,433
User charges	3,059,667	3,923,595	3,015,988
Investment income	117,000	86,097	138,480
Actuarial adjustments on debt	-	48,658	35,026
Penalties and fines	51,000	43,628	54,351
Development charges earned	192,000	163,281	122,493
Contributions from developers and others	50,000	4,743,500	6,462,342
Other revenue from own sources	206,549	134,078	143,850
Government grants and transfers (Note 15)	1,882,170	2,809,760	3,456,319
	13,867,290	20,208,581	20,902,282
Expense			
General government services	4,640,363	2,106,939	2,052,668
Protective services	3,719,868	4,220,970	3,856,711
Transportation services	2,739,144	4,663,722	4,276,453
Environmental health services	1,164,747	963,223	846,821
Development services	713,050	428,988	398,861
Recreation and cultural services	2,766,504	2,872,556	2,789,282
	15,743,676	15,256,398	14,220,796
Annual surplus (deficit)	(1,876,386)	4,952,183	6,681,486
Accumulated surplus, beginning	128,647,307	128,647,307	121,965,821
Accumulated surplus, ending	\$ 126,770,921	\$ 133,599,490	\$ 128,647,307

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

Town of View Royal

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2017

	Financial plan (Note 18)	2017	2016
Annual surplus (deficit)	\$ (1,876,386)	\$ 4,952,183	\$ 6,681,486
Acquisition of tangible capital assets	-	(1,311,237)	(1,952,888)
Contributed tangible capital assets	-	(4,594,255)	(6,967,376)
Amortization of tangible capital assets	-	2,973,716	2,891,625
Loss on disposal of tangible capital assets	-	43,390	6,464
Change in proportionate share of West Shore Parks and Recreation Society	-	-	(8,090)
Change in inventory of supplies	-	(9,209)	-
Change in prepaid expenses	-	22,385	143,308
Increase (decrease) in net financial assets	(1,876,386)	2,076,973	794,529
Net financial assets, beginning	690,007	690,007	(104,522)
Net financial assets, ending	\$ (1,186,379)	\$ 2,766,980	\$ 690,007

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

Town of View Royal

Consolidated Statement of Cash Flows

Year ended December 31, 2017

	2017	2016
Cash provided by (used in)		
Operating activities		
Annual surplus	\$ 4,952,183	\$ 6,681,486
Items not affecting operating activities		
Contributed tangible capital assets	(4,594,255)	(6,967,376)
Amortization of tangible capital assets	2,973,716	2,891,625
Loss on disposal and write-down of tangible capital assets	43,390	6,465
Change in inventory of supplies	(9,209)	-
Change in prepaid expenses	22,385	143,308
Actuarial adjustment on debt	(41,498)	(35,026)
Change in proportionate share of West Shore Parks and Recreation Society	-	(8,090)
Decrease (increase) in non-cash financial assets		
Property taxes receivable	13,792	8,202
Accounts receivable	(115,185)	15,749
Inventory held for sale	2,859	(3,216)
Assets held for resale	327,940	(55,625)
Increase (decrease) in liabilities		
Accounts payable and accrued liabilities	(13,344)	(130,578)
Deposits	209,171	(805,770)
Deferred revenue	1,802,465	(63,381)
Prepaid property taxes	(6,171)	56,151
Employee benefits and retirement obligations	16,680	7,830
	5,584,919	1,741,754
Capital activities		
Acquisition of tangible capital assets	(1,311,237)	(1,952,891)
	(1,311,237)	(1,952,891)
Financing activities		
Debt principal repaid	(306,470)	(299,559)
Increase (decrease) in cash and cash equivalents	3,967,212	(510,696)
Cash and temporary investments, beginning	15,675,883	16,186,579
Cash and cash equivalents, ending	\$ 19,643,095	\$ 15,675,883

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

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

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

1. Significant accounting policies

a) Principles of consolidation

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

b) Reporting entity

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

c) Basis of accounting

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

d) Property tax revenue

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

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

1. Significant accounting policies (continued)

e) Government transfers

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

f) Deferred revenue

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

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

g) Investment income

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

h) Cash equivalents

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

i) Deposits

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

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

1. Significant accounting policies (continued)

j) Employee benefits and retirement obligations

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

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

k) Non-financial assets

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

i) Tangible capital assets

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

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

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

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

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

1. Significant accounting policies (continued)

ii) Contributions of tangible capital assets

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

iii) Works of art and cultural and historical treasures

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

iv) Interest capitalization

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

v) Leased tangible capital assets

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

vi) Inventory of supplies

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

l) Use of estimates

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

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

2. Financial instruments

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

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

3. Cash and cash equivalents

	2017	2016
Bank deposits	\$ 8,474,605	\$ 4,552,003
Municipal Finance Authority - Money Market	919,229	910,363
Municipal Finance Authority - Intermediate	1,936,612	1,921,541
Municipal Finance Authority - Short-Term Bond	8,312,649	8,291,976
	<u>\$ 19,643,095</u>	<u>\$ 15,675,883</u>

Temporary investments consist of short-term investments in the MFA money market, intermediate, and short-term bond funds. The market value is equal to the carrying value. Temporary investments have yields ranging from 0.38% to .98%.

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

	2017	2016
Restricted cash - MFA	\$ 89,849	\$ 88,131
Restricted cash - West Shore reserve funds	305,083	287,828
Restricted investments - reserve funds	4,231,420	3,346,143
Restricted investments - development cost charges	6,109,504	4,516,979
	<u>\$ 10,735,856</u>	<u>\$ 8,239,081</u>

The Town has an operating line of credit with the Toronto Dominion Bank for an authorized amount of \$1,000,000, bearing interest at bank prime rate less 0.50% per annum. At December 31, 2017 the balance outstanding was \$nil (2016 - \$nil).

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

4. Assets held for sale

Total assets held for sale at the end of the year were \$nil (2016 - \$327,940). The asset held for sale in 2016 was a parcel of land that was sold in 2017.

5. Receivables

	2017	2016
Government of Canada	\$ 254,440	\$ 247,075
Province of British Columbia	-	4,658
Regional and local governments	5,373	2,771
Other trade receivables	1,420,313	1,310,437
	<u>\$ 1,680,126</u>	<u>\$ 1,564,941</u>

6. Accounts payable and accrued liabilities

	2017	2016
Government of Canada	\$ 2,800	\$ 947
Province of British Columbia	781	1
Regional and local governments	555,534	19,929
Payroll liabilities	144,272	53,983
Other trade payables	2,609,377	3,251,248
	<u>\$ 3,312,764</u>	<u>\$ 3,326,108</u>

7. Community Works Fund

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

	2017	2016
Community Works Fund, beginning balance	\$ 404,458	\$ 608,989
Amounts received during the year	497,482	448,234
Interest earned	2,780	7,803
Amounts allocated to projects during the year	(542,408)	(660,568)
	<u>\$ 362,312</u>	<u>\$ 404,458</u>

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

8. Deferred revenue

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

	2017	2016
Development cost charges:		
Deferred development costs charges, beginning of year	\$ 4,516,979	\$ 4,486,734
Amounts received during the year	1,717,275	95,201
Interest earned	38,531	57,537
Eligible expenses	(163,281)	(122,493)
Deferred development cost charges, end of year	6,109,504	4,516,979
Deferred revenue - other	723,210	513,270
Total deferred revenue	\$ 6,832,714	\$ 5,030,249

9. Long-term debt

a) Debt outstanding

MFA Issue #	Matures	Rate	Original Amount	Net Balance 2017	Net Balance 2016
117	Oct. 12, 2026	3.25%	\$ 2,445,000	\$ 1,635,074	\$ 1,783,634
127	Apr. 7, 2034	3.30%	5,490,000	4,914,490	5,113,898
			\$ 7,935,000	\$ 6,549,564	\$ 6,897,532

b) Debenture debt

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

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

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

	Total
2018	\$ 306,470
2019	306,470
2020	306,470
2021	306,470
2022	306,470
Thereafter including earnings on sinking fund payments	5,017,214
Total	\$ 6,549,564

c) Interest expense

Total interest expense during the year was \$260,633 (2016 - \$260,633).

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

10. Employee benefit and retirement obligations

Employee benefit obligations represent accrued benefits as follows:

	2017	2016
Vacation payable	\$ 45,296	\$ 36,763
Accrued overtime	20,441	14,996
Sick leave entitlements	90,600	81,900
West Shore employee future benefit obligations	50,452	56,450
	<u>\$ 206,789</u>	<u>\$ 190,109</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, 2017.

Information about liabilities for accrued sick leave is as follows:

	2017	2016
Accrued benefit obligation, beginning of year	\$ 81,900	\$ 73,100
Current service cost	7,800	7,800
Interest cost	2,800	2,300
Benefits paid	(1,200)	(800)
Amortization of actuarial (gain)	(700)	(500)
Accrued benefit liability, end of year	<u>\$ 90,600</u>	<u>\$ 81,900</u>
	2017	2016
Accrued benefit liability, end of year	\$ 90,600	\$ 81,900
Unamortized gain	(1,800)	(9,200)
Accrued benefit obligation, end of year	<u>\$ 88,800</u>	<u>\$ 72,700</u>

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

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

	2017	2016
Discount rates	2.90%	3.50%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increase	2.58% - 4.50%	2.58% - 4.50%

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

10. Employee benefit and retirement 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 administering the Plan, including investment of assets and administration of benefits. The Plan is a multi employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2015 the plan has about 189,000 active members and approximately 85,000 retired members. Active members include approximately 37,000 contributors from local government and 31 contributors from the Town.

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

The most recent actuarial valuation of the Municipal Pension Plan as of December 31, 2015, indicated a \$2.224 million funding surplus for basic pension benefits on a going concern basis.

The Town paid \$247,506 (2016 - \$240,117) for employer contributions while Town employees contributed \$198,355 (2016 - \$207,513) to the plan in fiscal 2017.

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

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

11. Tangible capital assets

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

Assets under construction totaling \$555,540 (2016 - \$491,820) 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 \$4,594,255 (2016 - \$6,967,376).

c) Gain or loss on disposal of tangible capital assets

During the year, the Town recognized a \$43,390 loss on disposal of tangible capital assets. (2016 - \$6,464 loss). This amount is included as an expense on the Statement of Operations.

d) Write down of tangible capital assets

The write down of tangible capital assets during the year was \$nil (2016 - \$nil).

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

12. Accumulated surplus

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

	2017	2016
Surplus:		
Equity in tangible capital assets	\$ 124,210,880	\$ 120,967,366
Appropriated surplus - casino revenue	1,346,593	941,014
Appropriated surplus - Community Works Fund	362,312	404,458
Appropriated surplus - other	369,532	352,862
Unrestricted accumulated surplus	2,773,669	2,347,636
	129,062,986	125,013,336
Reserve funds set aside for specific purposes by Council:		
Capital Renewal	193,206	-
Capital Works and Land Acquisition	603,672	295,040
Fire Department Equipment	325,158	105,926
Future Operating Expenditures	413,498	-
Machinery and Equipment Depreciation	197,161	107,038
Municipal Roads Capital	-	28,612
Parks and Open Space	429,298	379,615
Parks and Recreation Equipment	-	193,004
Parks Improvements	129,472	-
Police Equipment, Property and Contract	557,690	637,936
Police Operation and Maintenance	654,152	729,906
Road Trust	-	123,894
Sewer System Capital	728,114	685,503
Sewer System Equipment Replacement	-	129,760
Tax Sale Land	-	8,909
Internal borrowing	-	(79,000)
West Shore Parks and Recreation Society reserves	305,083	287,828
	4,536,504	3,633,971
	\$ 133,599,490	\$ 128,647,307

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

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

13. Taxes for municipal purposes

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

	2017	2016
Taxes:		
Property tax	\$ 15,519,032	\$ 14,268,254
Grants in lieu of taxes	200,557	203,644
1% Utility tax	120,842	121,229
	<u>15,840,431</u>	<u>14,593,127</u>
Less taxes levied for other authorities:		
School authorities	4,307,645	4,179,333
Capital Regional District	1,720,980	1,468,667
Capital Regional Hospital District	714,663	658,817
British Columbia Assessment Authority	129,349	129,310
British Columbia Transit	711,258	683,112
Municipal Finance Authority	552	455
	<u>7,584,447</u>	<u>7,119,694</u>
Taxes for municipal purposes	<u>\$ 8,255,984</u>	<u>\$ 7,473,433</u>

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

14. Gaming revenue

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

	2017	2016
Gaming revenue:		
Amounts received during the year	\$ 4,205,372	\$ 4,241,679
Disbursements to partner municipalities	(2,312,954)	(2,332,923)
Net gaming revenue included in government grants and transfers	\$ 1,892,418	\$ 1,908,756

15. Government grants and transfers

	2017	2016
Conditional transfers		
Federal	\$ 463,537	\$ 455,980
Provincial	1,908,021	2,466,146
Other agencies	-	100,158
	2,371,558	3,022,284
Unconditional transfers		
Small communities protection	381,120	371,110
Traffic fine revenue sharing	57,082	62,925
	438,202	434,035
Total government grants and transfers	\$ 2,809,760	\$ 3,456,319

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

16. Commitments and contingencies

- a) The Capital Regional District ("CRD") debt, under provisions of the Local Government Act, is a direct, joint and several liability of the CRD and each member municipality within the CRD, including the Town.
- b) The Town is a shareholder and member of the Capital Region Emergency Service Telecommunications Incorporated ("CREST") which provides centralized emergency communications, and related public safety information services to municipalities, regional districts, the provincial and federal governments and their agencies, and emergency service organizations throughout the Greater Victoria region and the Gulf Islands. Members' obligations to share in funding ongoing operations and any additional costs relating to capital assets are to be contributed pursuant to a Members' Agreement.
- c) The Town is a defendant in various lawsuits. Whether claims are in progress or have yet to be initiated, the Town records an accrual in respect of legal claims that are likely to be successful and for which an amount is reasonably determinable.
- d) Under borrowing arrangements with the MFA, the Town is required to lodge security by means of demand notes and interest bearing cash deposits based on the amount of the borrowing. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are included in the Town's financial assets as restricted cash and are held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the Town. At December 31, 2017 there were contingent demand notes of \$204,201 (2016 - \$204,201).
- e) The Town entered into a long term contract with the Federal Government and the Royal Canadian Mounted Police for the provision of police services. Under the terms of this contract, the Town is responsible for 70% of policing costs, which in 2018 are estimated to be \$1,320,000.
- f) The Town has purchase orders in the amount of \$101,480 open as at December 31, 2017 which have not been recorded. These amounts have been taken account in the budget and will be recorded in the period the goods and services, to which they relate, are received.

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

17. Contaminated site

The Town owns one property not in productive use with levels of contamination exceeding current environmental standards. Testing of the contamination in 2003 found no known threats to human health or safety. The property is surrounded by the ocean and undeveloped privately owned land with no current development applications. The property and surrounding privately owned land were historically occupied by a plywood mill. Due to uncertainty regarding the future development of the surrounding private property, the Town is unable to reasonably estimate what, if any, loss of future economic benefits will occur. As such no liability has been recorded in the financial statements for the year ending December 31, 2017.

18. Financial plan

The financial plan amounts presented throughout these financial statements are audited and represent the five year financial plan bylaw approved by Council on May 2, 2017. The summary below reconciles the 2017 adopted financial plan to the Consolidated Statement of Operations.

	Financial plan
Revenue	
Revenue per Bylaw 967 - Financial Plan Bylaw 2017-2021	\$ 15,032,270
Transfers from Casino reserve	(941,149)
Transfers from Gas Tax reserve	(668,330)
Internal cost allocation	(469,602)
West Shore Parks and Recreation Society	914,101
Total revenue per Statement of Operations	\$ 13,867,290
Expenses	
Expenses per Bylaw 967 - Financial Plan Bylaw 2017-2021	\$ 15,374,218
Transfers to Sewer reserve	(86,800)
Internal cost allocation	(469,602)
West Shore Parks and Recreation Society	925,860
Total expenses per Statement of Operations	\$ 15,743,676
Budgeted deficit	\$ (1,876,386)

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

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

19. 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 2017, the Town's share of improvements purchased by the Society on its behalf is \$nil (2016 - \$nil).

Because the cost sharing formula in the Members' Agreement produces different cost shares for the members from year to year, there is a gain or loss on the opening fund balances. In 2017, the Town recorded a gain of \$nil (2016 - gain of \$8,090).

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

b) Consolidation

Financial results and budget for the Society are consolidated into the Town's financial statements proportionately, based on the cost sharing formula outlined in the Members' Agreement. In 2017, the Town's proportion for consolidation purposes was 14.608% (2016 - 14.608%). Condensed financial information for the Society is as follows:

	2017	2016
Financial assets	\$ 3,501,452	\$ 3,356,046
Financial liabilities	2,260,252	2,065,793
Net financial assets	1,241,200	1,290,253
Non-financial assets	976,001	996,842
Accumulated surplus	\$ 2,217,201	\$ 2,287,095
Revenues	\$ 5,639,648	\$ 6,210,461
Requisition for members	4,968,939	4,968,945
	10,608,587	11,179,406
Expenses	10,678,481	10,789,730
Annual surplus (deficit)	\$ (69,894)	\$ 389,676

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2017

20. Segmented information

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

a) General Government

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

b) Protective Services

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

c) Transportation

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

d) Environmental health services

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

e) Planning and development services

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

f) Recreation and cultural services

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

g) Consolidated schedules of segmented disclosure by service

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

21. Comparative figures

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

Town of View Royal

Schedule 1 55

Consolidated Schedule of Segment Disclosure by Service
Year ended December 31, 2017

2017	General Government	Protective Services	Transportation Services	Environmental Health Services	Planning and Development Services	Recreation and Cultural Services	2017 Actual	2017 Budget
(Note 18)								
Revenue								
Taxation for municipal purposes	\$ 1,568,278	\$ 2,811,837	\$ 2,934,124	\$ -	\$ 467,885	\$ 473,860	\$ 8,255,984	\$ 8,308,904
User charges	619,827	574,237	166,049	1,332,814	466,617	764,051	3,923,595	3,059,667
Investment income	57,993	10,917	5,062	8,722	-	3,403	86,097	117,000
Actuarial adjustments on debt	-	48,658	-	-	-	-	48,658	-
Penalties and fines	43,628	-	-	-	-	-	43,628	51,000
Development charges earned	-	-	2,000	95,000	11,835	54,446	163,281	192,000
Contributions from developers and others	-	-	347,000	19,750	-	4,376,750	4,743,500	50,000
Other revenue from own sources	14,001	68,379	-	-	-	51,698	134,078	206,549
Government grants and transfers	1,672,816	258,650	125,225	-	-	753,069	2,809,760	1,882,170
Total revenue	3,976,543	3,772,678	3,579,460	1,456,286	946,337	6,477,277	20,208,581	13,867,290
Expense								
Labour and benefits	1,197,808	1,470,658	380,476	51,088	380,309	1,336,329	4,816,668	3,861,950
Goods and services	817,654	2,128,064	2,265,346	704,091	46,022	1,244,203	7,205,380	8,833,993
Amortization	91,477	361,615	2,017,900	208,044	2,657	292,024	2,973,717	2,786,100
Debt interest	-	260,633	-	-	-	-	260,633	261,633
Total expense	2,106,939	4,220,970	4,663,722	963,223	428,988	2,872,556	15,256,398	15,743,676
Surplus (deficit)	\$ 1,869,604	\$ (448,292)	\$ (1,084,262)	\$ 493,063	\$ 517,349	\$ 3,604,721	\$ 4,952,183	\$ (1,876,386)

Town of View Royal

Schedule 2

Consolidated Schedule of Segment Disclosure by Service
Year ended December 31, 2017

2016	General Government	Protective Services	Transportation Services	Environmental Health Services	Planning and Development Services	Recreation and Cultural Services	2016 Actual	2016 Budget
Revenue								
Taxation for municipal purposes	\$ 1,084,763	\$ 2,985,222	\$ 2,608,614	\$ -	\$ 412,767	\$ 382,067	\$ 7,473,433	\$ 7,403,364
User charges	36,791	329,630	73,337	1,272,601	452,690	850,939	3,015,988	3,666,264
Investment income	86,684	17,559	6,116	21,273	-	6,848	138,480	115,000
Actuarial adjustments on debt	-	35,026	-	-	-	-	35,026	-
Penalties and fines	54,351	-	-	-	-	-	54,351	58,300
Development charges earned	-	-	122,493	-	-	-	122,493	218,861
Contributions from developers and others	5,076	-	3,620,690	314,576	-	2,522,000	6,462,342	-
Other revenue from own sources	25,727	67,935	-	-	-	50,188	143,850	114,820
Government grants and transfers	564,254	283,307	1,001,999	-	-	1,606,759	3,456,319	3,342,966
Total revenue	1,857,646	3,718,679	7,433,249	1,608,450	865,457	5,418,801	20,902,282	14,919,575
Expense								
Labour and benefits	1,131,114	1,361,231	379,613	51,093	375,284	1,329,750	4,628,085	3,687,576
Goods and services	841,822	1,878,463	1,960,311	574,885	20,920	1,172,142	6,448,543	9,057,704
Amortization	79,732	356,384	1,936,529	220,843	2,657	295,480	2,891,625	2,750,000
Change in proportionate share of West Shore Parks and Recreation Society	-	-	-	-	-	-	(8,090)	-
Debt interest	-	260,633	-	-	-	-	260,633	263,033
Total expense	2,052,668	3,856,711	4,276,453	846,821	398,861	2,789,282	14,220,796	15,758,313
Surplus (deficit)	\$ (195,022)	\$ (138,032)	\$ 3,156,796	\$ 761,629	\$ 466,596	\$ 2,629,519	\$ 6,681,486	\$ (838,738)

Town of View Royal

Consolidated Schedule of Tangible Capital Assets
Year ended December 31, 2017

Schedule 3

	Land		Land Improvements		Buildings	Vehicles, Machinery & Equipment		Engineering Structures				Work in Progress		West Shore	2017	2016
								Roads	Drainage	Sewer						
Cost																
Balance, beginning	\$ 42,270,853	\$ 4,167,085	\$ 10,393,866	\$ 5,750,784	\$ 59,896,813	\$ 21,604,764	\$ 12,444,680	\$ 491,820	\$ 9,299,550	\$ 166,320,215	\$ 157,584,710					
Additions	4,315,000	374,612	-	153,045	629,266	322,745	19,750	392,911	27,354	6,234,683	9,056,227					
Disposals or write-downs	-	(8,500)	-	(3,229)	-	(170,049)	-	-	(7,246)	(189,024)	(320,722)					
Completed during year	-	-	-	-	-	-	-	(329,191)		(329,191)						
Balance, ending	46,585,853	4,533,197	10,393,866	5,900,600	60,356,030	21,927,509	12,464,430	555,540	9,319,658	172,036,683	166,320,215					
Accumulated amortization																
Balance, beginning	-	1,924,120	2,268,921	3,069,852	21,584,081	4,129,298	2,874,969	-	2,620,919	38,472,160	35,766,920					
Current year amortization	-	165,792	214,687	325,406	1,707,373	252,853	132,143	-	175,462	2,973,716	2,891,625					
Accumulated amortization on disposals or write-downs	-	(8,500)	-	(1,917)	(128,556)	-	-	-	(6,661)	(145,634)	(186,385)					
Balance, ending	-	2,081,412	2,483,608	3,393,341	23,162,898	4,382,151	3,007,112	-	2,789,720	41,300,242	38,472,160					
Net book value	\$ 46,585,853	\$ 2,451,785	\$ 7,910,258	\$ 2,507,259	\$ 37,193,132	\$ 17,545,358	\$ 9,457,318	\$ 555,540	\$ 6,529,938	\$ 130,736,441	\$ 127,848,055					

Town of View Royal
Schedule of Payments Made for the Provision of Goods and Services
As at December 31, 2017
(Unaudited)

Supplier Name	Amount Paid
1064914 B.C. Ltd	\$ 80,657
AON Reed Stenhouse	32,051
Aplin & Martin Consultants Ltd	52,500
Associated Fire & Safety	31,007
BC Hydro	186,837
BC Integrated Solutions Inc.	121,642
Black Press Group Ltd	30,073
Calid Services Ltd	27,147
Capital City Paving Ltd	44,016
Capital Regional District Water Department	128,396
Capital Regional District-Accounts Receivable	271,149
CDW Canada Inc	47,539
City of Langford	203,687
CLL Renovations	25,978
Corporation of The Township of Esquimalt	133,163
CRD Bylaw Enforcement & Animal Control	42,933
Crest	37,313
District of Saanich	65,643
Duncan Electric Motor Ltd	37,948
Eagle Creek Village I Gp Ltd	37,486
Five Star Paving Co Ltd	562,748
G. & E. Contracting LP	34,124
Greater Victoria Public Library	444,316
Harris & Company	51,997
Hourigan'S Carpets & Linos Ltd	31,969
Houston Sign 90 Ltd	55,251
IPI Tech Inc	44,311
Island Land Surveying Ltd	25,799
Island Temperature Controls	35,975
McElhanney Consulting Services Ltd	62,681
Municipal Insurance Association of British Columbia	83,366
Municipal Pension Plan	446,203
Novus Consulting Inc	63,586
Omicron Construction Ltd.	117,125
Pacific Blue Cross	149,842
Pacific Industrial & Marine Ltd.	26,965
Phillips Steven	25,453
Raylec Power Ltd	216,264
Receiver General For Canada	902,163
Receiver General For Canada-RCMP Policing	1,176,333
Receiver General For Canada-RCMP E Division HQ	54,245
Revenue Services of British Columbia	25,125
Scho's Line Painting Ltd	50,689
SLR Consulting (Canada) Ltd	29,766
Stantec Consulting Ltd	36,059
Tomahawk Tree Service (2006) Ltd	27,959
Vadim Computer Management Group Ltd	25,909
Victoria Contracting & Municipal Mtc Corp	1,838,296
Waste Management of Canada Corp.	503,234
West Shore Parks & Rec. Society	725,839

Town of View Royal
Schedule of Payments Made for the Provision of Goods and Services
As at December 31, 2017
(Unaudited)

Supplier Name	Amount Paid
Westbrook Consulting Ltd	81,717
Workers' Compensation Board of BC	38,651
Young Anderson	32,968
Total aggregate payments to suppliers exceeding \$25,000	9,664,093
Consolidated total of payments of \$25,000 or less	<u>1,438,196</u>
Total aggregate payments to suppliers	11,102,289
Grants and contributions	
View Royal Reading Centre	28,000
View Royal Firefighters Association	50,082
Consolidated total of all grants and contributions \$25,000 or less	<u>64,875</u>
Total aggregate grants and contributions	142,957
Reconciling items, including adjustments for accrual-based accounting, disbursements for items which are not considered expenses for financial statement purposes, including payments for employee payroll deductions, capital acquisitions, debt principal, refunds, payments made directly by West Shore Parks and Recreation and the non-rebatable portion of GST	<u>(3,779,233)</u>
Total expense for goods, services and debt interest per Consolidated Financial Statements, Schedule 1	<u><u>\$ 7,466,013</u></u>

Prepared pursuant to the Financial Information Regulation, Schedule 1, section 7 and the *Financial Information Act*, section 2

Town of View Royal
Statement of Remuneration and Expenses
As at December 31, 2017
(Unaudited)

Name	Position	Remuneration	Expenses	Total
Elected Officials				
Screech, David	Mayor	\$ 26,270	\$ 9,796	\$ 36,066
Kowalewich, Damian	Councillor	914	224	1,138
Mattson, Ron	Councillor	12,595	4,919	17,514
Rast, Heidi	Councillor	8,396	4,239	12,635
Rogers, John	Councillor	12,595	7,318	19,913
Weisgerber, Aaron	Councillor	12,595	4,064	16,659
		73,365	30,560	103,925

Employees

Anema, Kim	Chief Administrative Officer	159,136	14,206	173,342
Atkinson, Angela	Accountant/IT Coordinator	75,162	2,790	77,952
Becelaere, Deb	Deputy Director of Engineering	76,821	1,352	78,173
Bevan, Heath	Firefighter	110,308	5,366	115,674
Calla, Enzo	Bylaw Officer	79,719	1,936	81,655
Chase, Lindsay	Director of Development Services	110,262	5,753	116,015
Chow, Jeffrey	Senior Planner	86,038	589	86,627
Davison, James	Planner	77,034	1,177	78,211
Faykes, Gary	Building Inspector	79,518	3,989	83,507
Hurst, Paul	Fire Chief	141,971	6,684	148,655
Jones, Sarah	Director of Corporate Administration	124,105	5,253	129,358
Marshall, Rob	Firefighter	101,507	1,761	103,268
Mollin, Troy	Firefighter	103,032	5,793	108,825
Pitre, Geoffrey	Firefighter	105,213	3,754	108,967
Podmoroff, David	Parks Supervisor	92,011	2,159	94,170
Rosenberg, John	Director of Engineering	119,619	550	120,169
Woodley, Darryl	Engineering Technologist	82,895	88	82,983
Consolidated total of other employees with remuneration of \$75,000 or less		1,172,251	58,859	1,231,110
		2,896,602	122,059	3,018,661

Reconciliation

Total remuneration and expenses for elected officials and employees	2,969,967	\$	152,619	\$	3,122,586
---	-----------	----	---------	----	-----------

Reconciling items, including adjustments for accrual-based accounting, accruals for vacation, sick leave and post-employment benefits, employer share of CPP and EI, and labour costs paid through other entities (RCMP, West Shore Parks and Recreation) or capitalized.

1,846,701

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

\$ 4,816,668

Town of View Royal
Statement of Guarantee and Indemnity Agreements
As at December 31, 2017
(Unaudited)

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

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

Town of View Royal
Statement of Severance Agreements
As at December 31, 2017
(Unaudited)

There were no severance agreements made between the Town of View Royal and its non-unionized employees during fiscal year 2017.

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

Town of View Royal
Statement of Permissive Tax Exemptions
As at December 31, 2017
(Unaudited)

Organization	Folio	Municipal Property Tax
Places of public worship		
All Saints Church - 287 Pallisier Ave	401-04412.018	\$ 4,952
St. Columba Church - 40 High Street	401-07654.010	3,081
Community activity centres		
Strawberry Vale Community Hall - 11 High Street	401-07647.010	5,051
View Royal Community Hall - 279 Island Highway	401-04399.010	4,520
Not for profit organizations		
Island Corridor Foundation		
PID 023-005-459; Sections 6, 97, and 103: Plan VIP60330	401-18806.000	6,660
PID 011-825-871;014-980-258;024-036-021;024-039-209;024-839-957	401-18807.000	11,140
PID 011-825-871;014-980-258;024-036-021;024-039-209;024-839-957	401-18807.000	7
PID 024-635-987; Lot 1, Sections 8 & 27; Plan VIP69799	401-18807.002	360
Recreational property		
Victoria Bowmen Association		
PID 000-345-644; Part of Section 6 Plan VIP7133; Area of 1,940 m2	401-07684.041	2,114
		\$ 37,885

Town of View Royal
Statement of Development Cost Charges (DCCs)
As at December 31, 2017

	Balance January 1	Transfer to Projects	DCCs Received	Interest Earned	Balance December 31
Drainage DCCs	\$ 794,296	\$ 52,081	\$ 172,990	\$ 6,221	\$ 921,426
Highways DCCs	1,713,454	6,490	1,024,255	16,175	2,747,394
Park Improvement DCCs	99,597	54,707	72,059	788	117,737
Park Land DCCs	606,886	1,590	206,503	5,163	816,962
Sewer DCCs	1,302,746	48,413	241,468	10,184	1,505,985
	\$ 4,516,979	\$ 163,281	\$ 1,717,275	\$ 38,531	\$ 6,109,504

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

Taxable Assessments of Land and Improvements - Final Roll Totals

	2013	2014	2015	2016	2017
Residential	1,688,392,103	1,688,507,203	1,705,971,703	1,755,744,103	2,069,707,903
Utilities	376,200	377,200	304,600	304,700	312,800
Light Industry	2,074,000	2,298,000	2,712,000	2,711,000	2,947,000
Business	155,824,400	165,285,450	168,958,950	190,340,350	261,117,450
Rec/Non Profit	6,526,000	6,221,000	6,222,000	6,401,000	7,398,000
Farm	71,218	60,496	60,496	60,496	60,496
	1,853,263,921	1,862,749,349	1,884,229,749	1,955,561,649	2,341,543,649

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

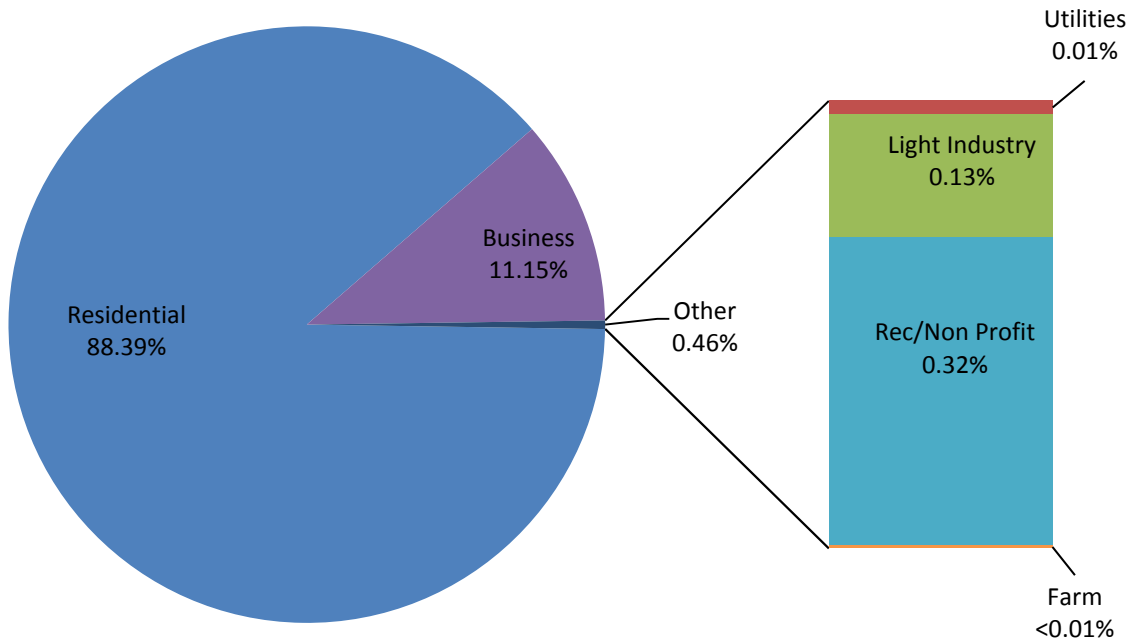
	2013	2014	2015	2016	2017
Residential	2.52342	2.66124	2.82883	2.93375	2.60290
Utilities	31.70102	33.05331	40.00000	40.00000	40.00000
Light Industry	8.81447	8.31667	8.87083	9.22077	8.68979
Business	8.81447	9.18848	9.82487	9.90580	9.37044
Rec/Non Profit	8.83896	9.08049	9.68820	9.78435	9.78691
Farm	20.23598	21.15469	22.57408	23.45532	24.02868

Municipal Property Tax Billings by Property Class

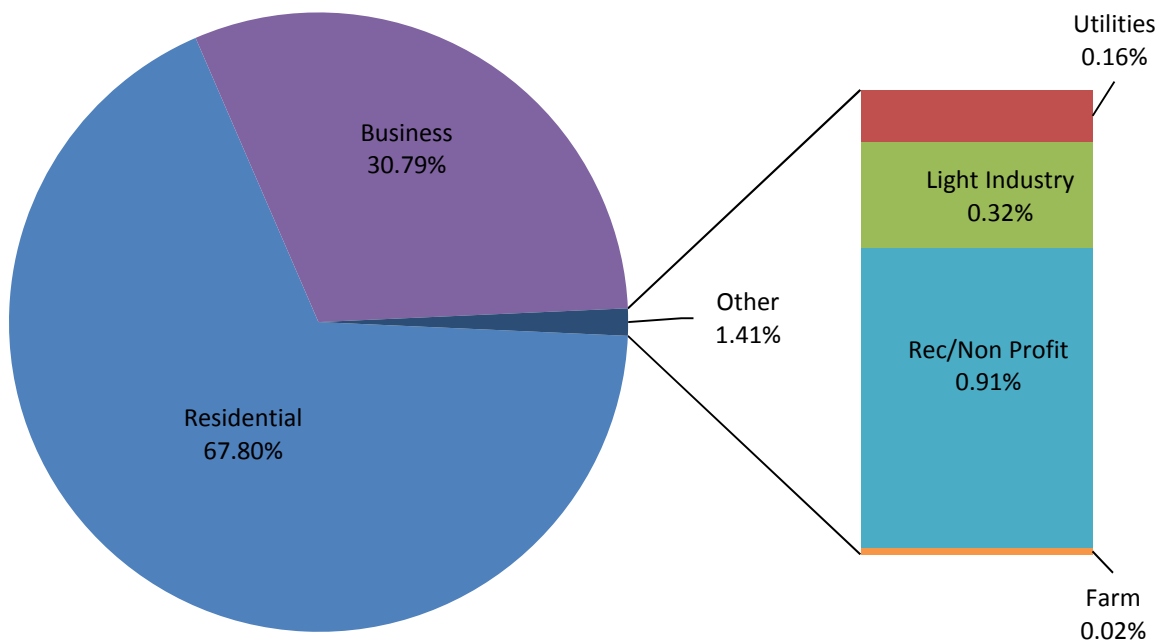
	2013	2014	2015	2016	2017
Residential	4,260,522	4,493,523	4,825,904	5,150,914	5,387,243
Utilities	11,926	12,468	12,184	12,188	12,512
Light Industry	18,281	19,112	24,058	24,998	25,609
Business	1,373,509	1,518,722	1,660,000	1,885,473	2,446,785
Rec/Non Profit	57,683	56,490	60,280	62,630	72,404
Farm	1,441	1,280	1,366	1,419	1,454
	\$ 5,723,362	\$ 6,101,595	\$ 6,583,792	\$ 7,137,622	\$ 7,946,007

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

2017 Assessments by Property Class



2017 Municipal Property Tax by Property Class



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

Principal Corporate Taxpayers

Registered Owner	Primary Property	Total 2017 General Municipal Taxes Levied
Eagle Creek Village Property Ltd	Eagle Creek Village	\$ 709,519
Admirals Walk Properties Ltd Inc	Admirals Walk	289,031
Great Canadian Casinos Inc	View Royal Casino	161,275
Canadian Tire Real Estate Ltd	Canadian Tire	147,978
Natural Properties Ltd	Reliable Controls	112,259
Christie Point Apartments Ltd	Christie Point Apartments	95,084
Goodwill Investments Ltd	Fort Victoria	93,036
599510 BC Ltd	Ashley Furniture	84,362
West Shore U-Lock Mini Storage Ltd	U-Lock Mini Storage	83,022
Adams Storage Village Ltd	Adams Storage	76,241
Total Tax Contributions from Top 10 Corporate Taxpayers		\$ 1,851,806
Total General Municipal Tax		\$ 7,934,585
Proportion of municipal tax paid by top ten corporate taxpayers		23.34%