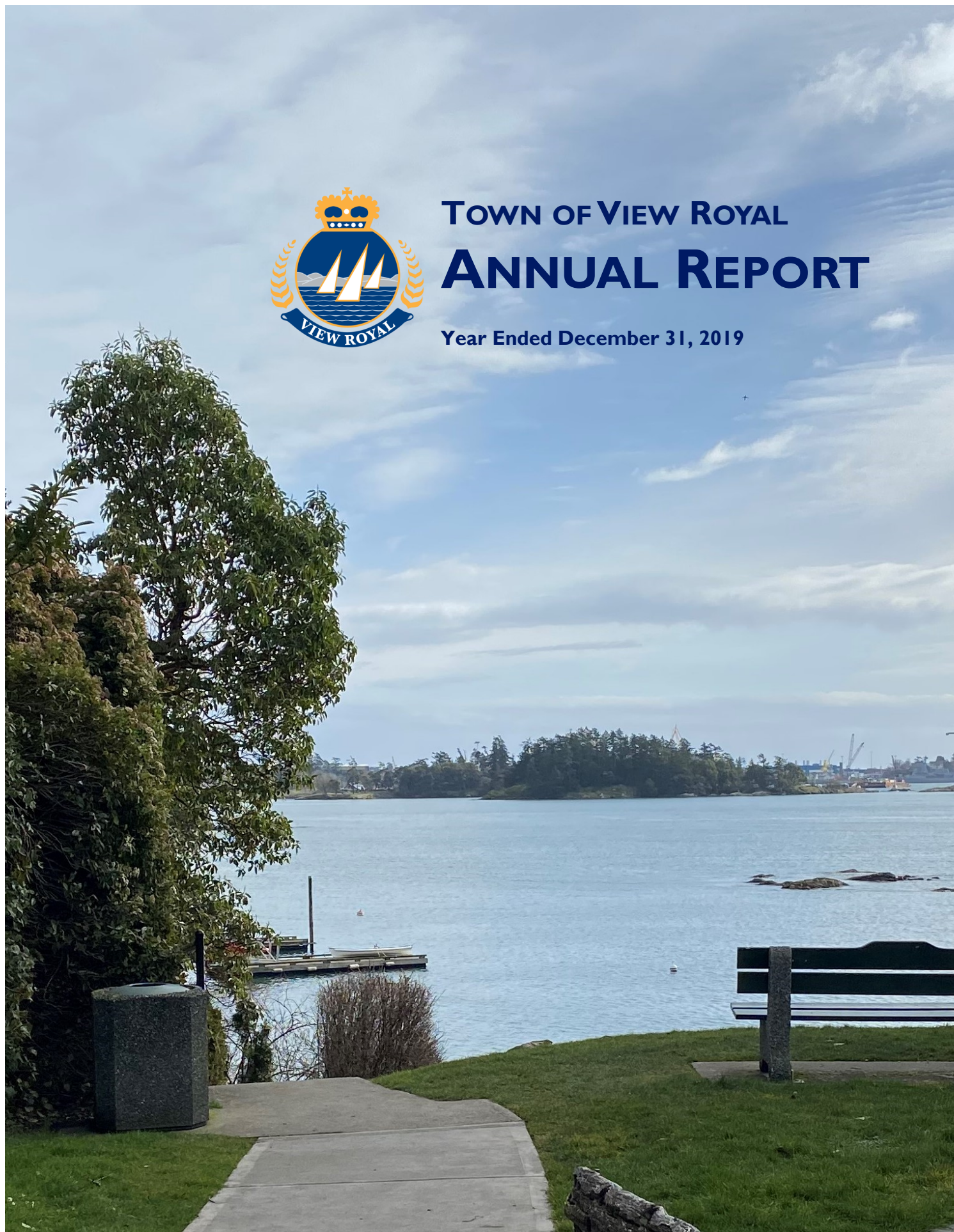




TOWN OF VIEW ROYAL ANNUAL REPORT

Year Ended December 31, 2019



TOWN OF VIEW ROYAL - ANNUAL REPORT

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COMMUNITY PROFILE

A gateway between Victoria's urban core and the growing West Shore municipalities, View Royal is a vibrant community. This year's Annual Report outlines the Town's achievements and major projects for 2019. It shows the progress on our 2019 municipal goals and objectives, highlights financial reporting, and gives insight into plans for the future.



INCORPORATED **DECEMBER 5, 1988**



10,408 POPULATION



14.36km² LAND AREA



4,300 HOUSEHOLDS



72 MUNICIPAL PARKS

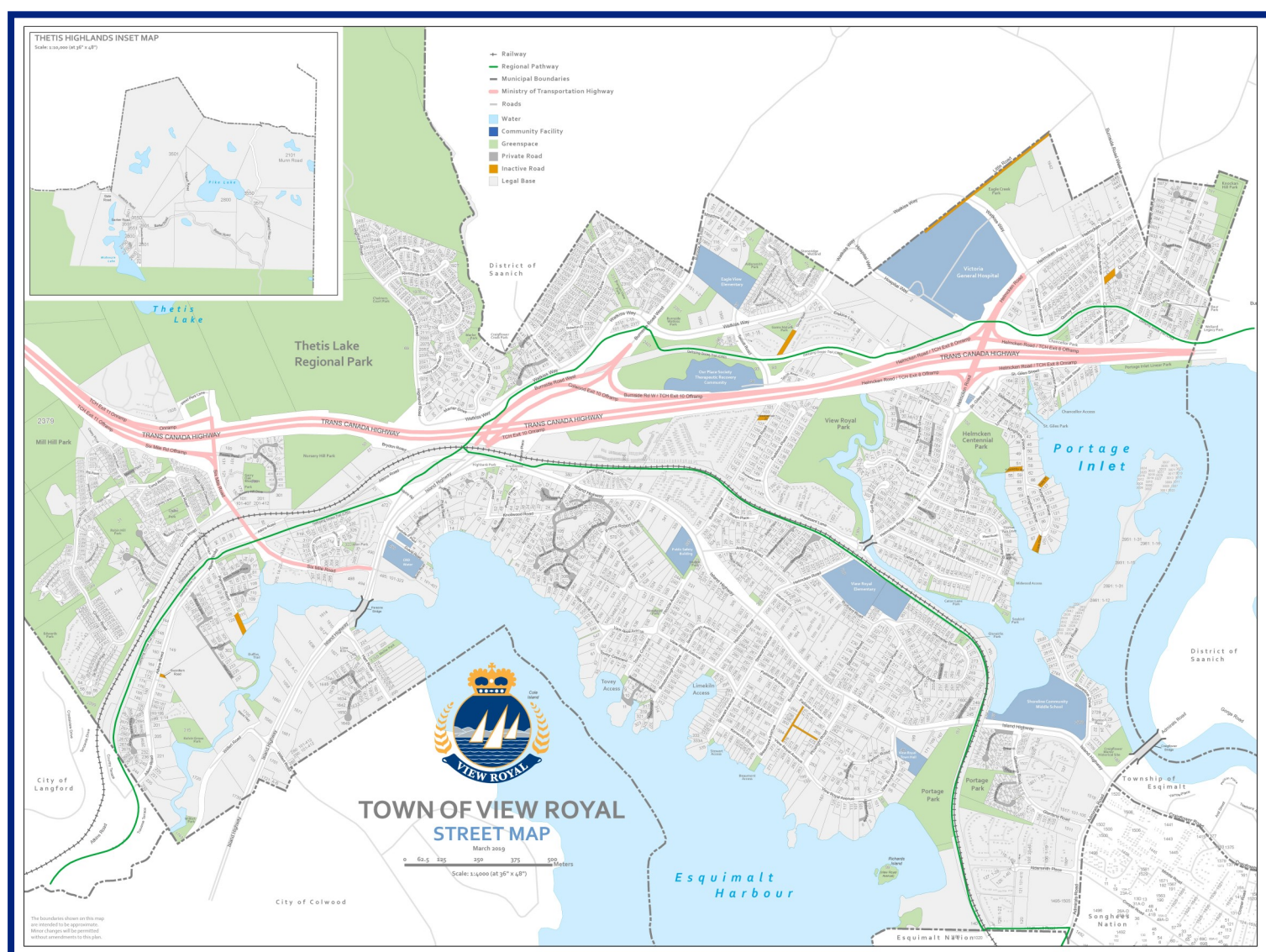


338 BUSINESS LICENCES



27.3km TRAILS

*as per Statistics Canada, 2016 Census



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

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

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 Nation, District of Saanich and Songhees Nation.



Mayor Screech (L) and Fire Chief Hurst (R) at Esquimalt Memorial Park Cenotaph Remembrance Day 2019



Council Meeting

MESSAGE FROM THE MAYOR

On behalf of View Royal Council and staff, I am pleased to share with you some of the Town of View Royal's key initiatives, accomplishments, and events in our community during the past year through this 2019 Annual Report.

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

Council's focus for 2019 was implementing the six main areas in our draft strategic plan - enhance liveability; community and economic growth; environmental stewardship; financial sustainability and service excellence; good governance; and community safety and security.

2019 Highlights:

- Community events included the grand opening of the View Royal Park bike pump track and the Canada Day celebration at Craigflower Manor.
- Updates to local parks included new playground equipment at Marler Park and upgrades to trails in View Royal Park, Portage Inlet Linear Park and Helmcken Centennial Park.
- The Town launched its first Community Satisfaction & Engagement Survey to evaluate services delivered by the Town and its communications, as well as to identify residents' top priorities.
- View Royal Emergency Program activated the Public Alert Notification System (PANS) in 2019 with View Royal residents being able to sign up to receive critical and potentially life-saving public safety alerts.
- The Town's Streets Bylaw – with one of the key focuses being on safety – was completed in 2019 and saw the introduction of a comprehensive permitting system, the removal of sections into more appropriate bylaws, consideration of alternative modes of transportation, provisions added for boulevard maintenance, and clarification around exemptions.

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



Mayor David Screech



MAYOR & COUNCIL

Mayor and Council of the Town of View Royal were elected for a four-year term in the municipal election held in October 2018.

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



Mayor David Screech (December 2, 2014 - present)



- Finance & Administration - Chair
- CRD Board/Committee of the Whole
- CRD Core Area Liquid Waste Management
- CRD Environmental Services Committee
- CRD Hospital & Housing Committee
- CRD Housing Trust Fund Commission
- CRD Hospital Board
- Capital Region Housing Corporation Board
- CRD Regional Parks
- CRD Transportation Committee
- Capital Region Emergency Service Telecommunications
- Greater Victoria Coalition to End Homelessness
- Municipal Insurance Association
- Police Building Liaison Committee
- South Island Prosperity Association
- Te'Mexw Treaty Advisory Committee
- View Royal Reading Centre
- West Shore Parks and Recreation Owners

Councillor Damian Kowalewich (December 5, 2017 - present)



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



Councillor Gery Lemon (November 6, 2018 - present)

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



Councillor Ron Mattson (December 6, 2011 - present)

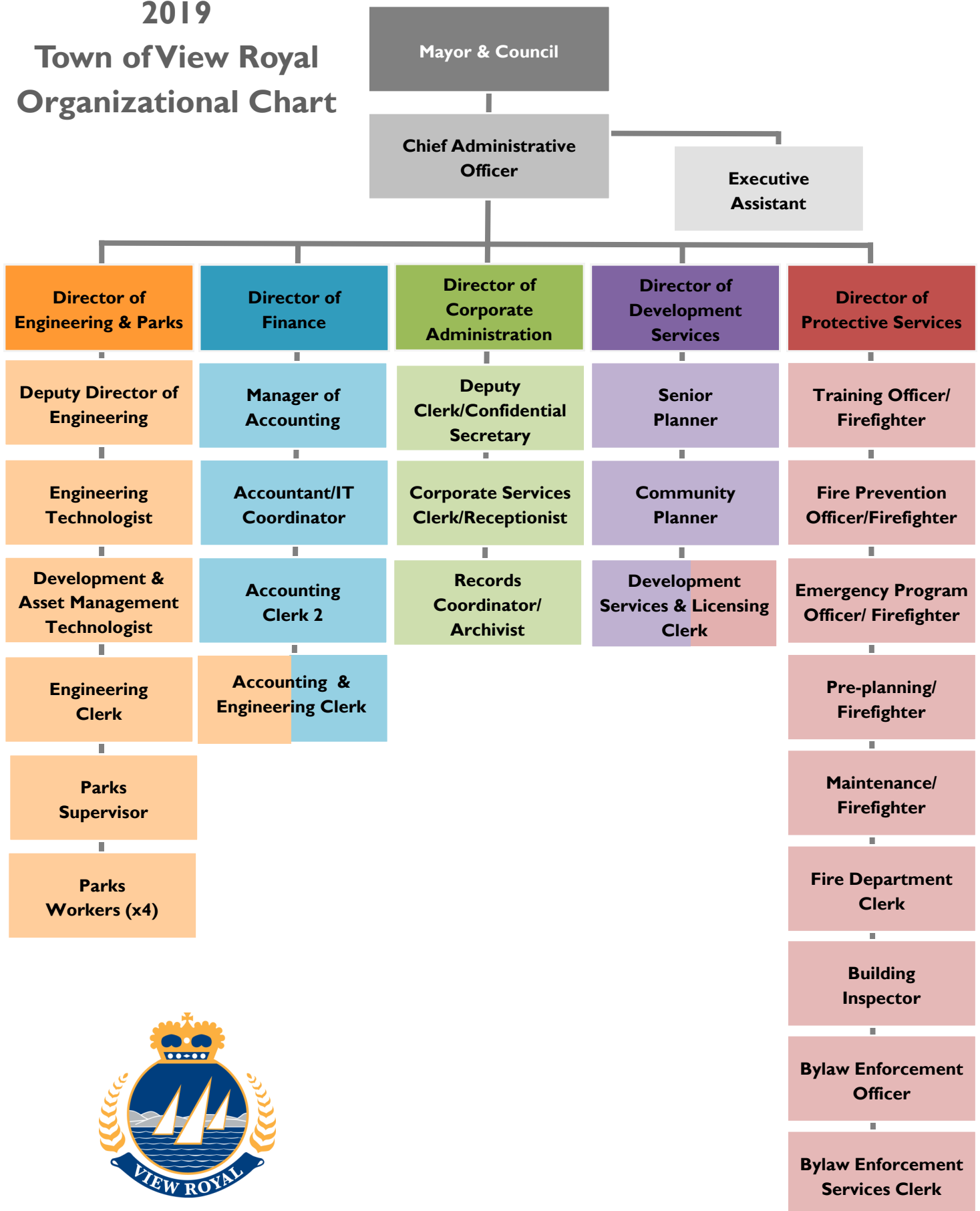
- Planning & Development - Chair
- Community Development Advisory Committee
- Esquimalt Harbour Advisory Committee
- Victoria Family Court & Youth Justice Committee



Councillor John Rogers (December 2, 1996 - present)

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

2019 Town of View Royal Organizational Chart





MISSION - WHY WE EXIST

View Royal is committed to building a resilient and vibrant community that: provides good government; delivers services, law and other matters for community benefit; provides stewardship of the public assets; and fosters economic, social and environmental 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



Helmcken Centennial Park on Helmcken Road has numerous baseball fields.



Opening ceremony at the Canada Day celebration.

2019 MUNICIPAL HIGHLIGHTS

ADMINISTRATION DEPARTMENT

- The Town's Community Satisfaction and Engagement Survey was rolled out at the end of January. NRG Research Group contacted approximately 400 households in the Town by random digit dialing and the survey was also available on the Town's website. The final reports – summarizing both the telephone and open link on-line surveys – were presented to Council in May. The information received from this survey work was extremely useful as a “check-in” and served to identify themes for further exploration in Council's Strategic Plan. As well, staff identified areas where further promotion of already available initiatives, programs or bylaws would be informative for the community.
- Administration staff successfully recruited a new Records Coordinator/Archivist who started with the Town in May.
- The annual volunteer dinner was held in May at Elements Casino and was attended by approximately 100 volunteers and guests.
- Archives began phase 2 of its digitization project, focusing on adding key descriptions to the internal database in preparation for uploading files to an online repository.
- In mid-year, a more focused strategic planning approach was taken with Community Satisfaction and Engagement Survey results informing focus areas. Longer term outcomes tied to key success measures will form the backbone of the action plan and establish an ability to monitor progress over time.
- The CAO received a 40-year long-term service recognition and the Director of Corporate Administration received a 25-year recognition at the Local Government Management Association 100th Annual Conference.
- The 3rd annual Canada Day celebration, held at the historic Craigflower Manor, had the strongest attendance seen to date for the event and all participants enjoyed the sunshine, face painting, bouncy castle, balloon clown, diverse community booths, the pipe band, various dance groups, and musical performances. View Royal Archives had a colourful display and gift basket draw. A special feature was the side-by-side “Then and Now” images of Craigflower Manor and surrounding area.
- Draft Streets Bylaw No. 980 Open House was held in October and attendees offered excellent feedback and questions for inclusion as appropriate into the draft bylaw. This bylaw was adopted in November.

Department Quick Stats:	2018	2019
FOI requests	32	51
Website page views	36,427	42,154
Social media followers	1,969	2,404
HR competitions	6	5
Agenda packages and minutes	51	108

2019 MUNICIPAL HIGHLIGHTS (con't)

DEVELOPMENT SERVICES DEPARTMENT

- In January, the Town hosted two open houses engaging the community with respect to recreational cannabis uses within the Town.
- Data collected as part of the Town's Community Satisfaction and Engagement survey was reviewed to understand how survey results might help to better communicate and deliver planning projects.
- Many in-house policy projects were undertaken; reports on regulating recreational cannabis, amendments to the Zoning Bylaw and updates to the Town's Regional Context Statement and Community Amenity Contributions.
- The Town received a Climate Action Revenue Incentive Program (CARIP) grant of \$3046.61 for measuring and reporting on the Town's 2018 greenhouse gas emissions from municipal operations. The grant amount was based on carbon taxes paid for energy expenditures in 2018.
- In June, the Town hosted an open house to present and discuss the draft Community Amenity Contribution policy for development industry representatives and owners of large land holdings with residential development potential.
- The project to refresh the View Royal Park Master Plan was awarded to LADR Landscape Architects. The work began in October with an expected completion in 2020.
- Larger development applications are on the horizon including Eagle's Nest and 7 Erskine Lane for 2020.
- The Housing Gaps and Needs Study project was awarded to Urban Matters CCC. In addition to in depth analysis of census data about the Town's population, a series of meetings with stakeholders were held during the last week of November to discuss housing issues.
- The OCP Amendment Bylaw No. 1024, 2019, to update the Regional Context Statement (RCS) in the Town's Official Community Plan (OCP), was submitted to the Capital Regional District (CRD). The update is required to show how the OCP addresses the goals of the latest CRD's Regional Growth Strategy adopted in 2018.
- In 2019, the Development Services Department processed 12 development permits, 3 development variance permits, 3 subdivision applications, 2 rezoning applications, 5 board of variance applications, and 5 sign permits.

Department Quick Stats:	2018	2019
Development permit applications	4	12
Development variance permit applications	4	3
Subdivision applications	4	3
Rezoning applications	9	2
Secondary suite permits issued	393	374



Portage Park trail



Shoreline Community Middle School



A View Royal Elementary School class visits the Parks Department.



Children love riding the slides at the new Marler Park playground.

2019 MUNICIPAL HIGHLIGHTS (con't)

ENGINEERING & PARKS DEPARTMENT

- 2019 was a busy time in the Town's Parks with the completion of some key projects and several upgrades. In View Royal Park, the eagerly anticipated bike track was designed, constructed and unveiled. With the increased number of visitors to this Park, a portable washroom was also added so people could stay and play longer. Marler Park playground equipment was replaced in 2019.
- Recognizing the extra work over the summer months, the Town hired two summer students for the Parks Department as well as GIS and Engineering students for the Engineering Department.
- Over the past several years, commuter traffic as well as the safety of pedestrians and cyclists on Six Mile Road has been the subject of considerable discussion. The Town, in conjunction with the Ministry of Transportation and Infrastructure (the agency responsible for the roadway), completed a corridor study including two open houses for the public to provide feedback on potential options to ameliorate the issues. Improvements are expected to begin in 2020 and continue for several years.
- Keeping with the road theme, the Town acquired three speed reader boards which have been installed in three of the six locations historically used for rotation of the portable speed reader board. These sites meet the electrical requirements needed for full-time operation. The remaining three sites will continue to see the portable speed reader board used as a reminder to motorists.
- One new vehicle driving the roads of View Royal is the Town's first all electric vehicle – the Hyundai Ioniq – added to the municipal fleet in July. The vehicle is used by all Town staff for business requirements such as site meetings, travelling to training sessions and for municipal errands.
- As part of the Town's annual tree replacement program, approximately 30 trees were planted throughout the Town in 2019, including a variety of trees to complement the existing tree canopies in our neighbourhoods.
- The Shoreline Drive kayak and boat launch was officially opened in September.
- One of the great things about living in View Royal is the community engagement and the number of hours that many people spend to make the Town a spectacular place to live. In 2019, volunteers of the View Royal Habitat Restoration Program, Greater Victoria Green Team and residents from several neighbourhoods, spent 1772 hours removing invasive species from parks throughout View Royal. A large amount of scotch broom and blackberries was removed from Robin Hill Park and Edwards Park.

Department Quick Stats:	2018	2019
Tree permits	114	122
Customer issues or concerns	960	905
Catch basins cleaned	793	825
Drainage mains videoed (metres)	1,995	2150
Sanitary mains videoed (metres)	4,313	4750
Solid waste new customers	46	39

2019 MUNICIPAL HIGHLIGHTS (con't)

FINANCE DEPARTMENT

- The Town of View Royal received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the 2019-2023 Financial Plan. This award is given to local governments whose budget document meets criteria established by GFOA best practices and industry standards for budgeting and reflects the highest quality achievable.
- The Town entered into an agreement with MNP LLP to provide the Town with external financial audit services for a five-year term. This yearly independent audit assures readers that View Royal's financial statements conform with public sector accounting standards, recommendations of the Public Sector Accounting Board (PSAB), and provisions of the Community Charter and Local Government Act.
- The high-speed fibre connection between Town Hall and the Public Safety Building was completed ensuring faster computer network speeds between both locations to support modern communication and collaboration tools.
- The Finance Department continues to encourage its constituents to utilize electronic means to pay their tax and utility bills. In 2019, 57% of payments from customers were received electronically, up almost 1% from the prior year.
- Seventy-one percent (71%) of payments to vendors were made by direct deposit in 2019, enhancing both security for View Royal and convenience for its suppliers. This is an increase of 3% over the prior year.
- The Information Technology (IT) Strategic Plan included the following projects that were completed or started in 2019:
 - ◆ Microsoft Office 365 implementation – Phase I
 - ◆ Infrastructure hardware replacement
 - ◆ Workstation ever-greening
 - ◆ Mobile inspection hardware and GIS integration
 - ◆ Utility billing module with electronic billing functionality
 - ◆ Addition of electronic billing functionality to property taxes module
- Staff configured and implemented the integration between the building permit and cash receipting systems in the Town's financial software, resulting in increased levels of customer service, efficiency and accuracy.

Department Quick Stats:	2018	2019
Online payments from customers (% of total receipts)	26%	27%
Direct deposits to vendors (% of total payments)	68%	71%



The Town received the GFOA Distinguished Budget Award in 2019 for the 2019-2023 Financial Plan.



The first vehicle charging station in View Royal.



The Welcome to View Royal sign on Island Highway.

2019 MUNICIPAL HIGHLIGHTS (con't)

PROTECTIVE SERVICES DEPARTMENT

- In 2019 several volunteer members were hired by career departments, both locally and on the mainland, which leaves temporary gaps in the View Royal Fire Department. Attracting volunteers remains positive, however the retention and average years of service overall is in decline.
- The Province made adjustments to the medical aid First Responder program. The result was a slight decline in the numbers of medical calls for service and a re-alignment of medical priority calls based on clinical outcomes.
- The View Royal Fire Department hosted their annual Open House at the Public Safety Building in June with over 600 visitors attending the station and participating in the events.
- Tsunami information sessions for the general public continued this past year with good resident turnout.
- The Emergency Management Officer was able to deliver classroom and practical training, at different levels, to all staff at Town Hall as well as the Fire Department. This additional training adds significant depth to our ability to manage large and small scale emergencies in the Town.
- The 2019 wildfire season, although quieter than 2017 and 2018, still saw deployment to the central Okanagan for the View Royal Fire Chief. The Chief and other officers of the department are part of the Provincial Structural Protection Programs Incident Command Team. Members of this team work with the British Columbia Wildfire Service and Office of the Fire Commissioner to coordinate structural fire protection for communities throughout British Columbia.
- The Fire Department received portable and mobile radios from Capital Region Emergency Service Telecommunications (CREST) as part of the P25 upgrade which will be going live in January 2020. All vehicles and personal radios have been replaced. Several field tests were done to conclude any problem coverage areas.
- The Fire Department hosted its annual Halloween event at the Public Safety Building with approximately 600 visitors on Halloween night. This event was followed by the pumpkin drop a week later to raise funds and awareness for Movember.
- The Building Department started the consultation process with the construction industry in evaluating the BC Energy Step Code. An open house with industry and residents will be held in January 2020.
- City of Surrey's dispatch service, the Town's provider, continues to improve its technology and infrastructure to ensure compatibility with Next Generation 911.

Department Quick Stats:	2018	2019
Fire - Volunteer Firefighters	37	35
Fire - Call Responses	873	843
Fire - Public Education Session Attendance	303	650
Fire - Inspections	340	217
Bylaw Services - Issues	926	1241
Building Services - Inspections	450	338

2019 MUNICIPAL GOALS & OBJECTIVES

The draft 2019 - 2022 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. Six strategic priorities have been identified for 2019 - 2022:

- ENHANCE LIVEABILITY,
- COMMUNITY AND ECONOMIC GROWTH,
- ENVIRONMENTAL STEWARDSHIP,
- FINANCIAL SUSTAINABILITY AND SERVICE EXCELLENCE,
- GOOD GOVERNANCE, and
- COMMUNITY SAFETY AND SECURITY.



STRATEGIC PRIORITY - ENHANCE LIVEABILITY IN VIEW ROYAL

GOALS:

- Shift primary transport mode within View Royal away from vehicles to walking, cycling and transit
- Access to a broad range of housing options to meet the needs of various ages, family types and incomes
- Proximity to services
- Build strong relationships and engagement through community events and celebrations

DESIRED OUTCOMES:

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

2019 PROJECTS & INITIATIVES	OUTCOME
Identify and implement improvements to enhance existing infrastructure that facilitates improved safe routes to schools and Walking School Bus opportunities (2019/2020 Ready Step Roll)	<ul style="list-style-type: none">• Work plan established including engagement of School District and Capital Regional District (CRD)
Complete Housing Gaps and Needs Study	<ul style="list-style-type: none">• Statistical data gathering is complete; draft anticipated in March 2020
Identify commercial development opportunities	<ul style="list-style-type: none">• Precinct Land Economics Study. RFP complete with Study Contract award to be done January 2020
Review View Royal Park Master Plan	<ul style="list-style-type: none">• Community survey complete, consultant engaged, work to be completed in 2020
Increase accessibility to and awareness of block party permit process	<ul style="list-style-type: none">• Block Party Toolkit developed, will be uploaded to website with the Street Use Permit in early 2020
Review Streets & Traffic Bylaw	<ul style="list-style-type: none">• Complete. Streets Bylaw adopted by Council in November



STRATEGIC PRIORITY - COMMUNITY & ECONOMIC GROWTH

GOALS:

- Private investment in redevelopment of strategic sites
- Increase skilled employment
- Business retention/attraction
- Strategic investment in public realm

DESIRED OUTCOMES:

- Controlled growth
- Implications of growth considered

2019 PROJECTS & INITIATIVES	OUTCOME
Complete the precinct land economic analysis for identified sites	<ul style="list-style-type: none">• Precinct Land Economic Study RFP process complete; contract to be awarded January 2020
Island-wide business license program—research and consideration by Council	<ul style="list-style-type: none">• Proposal presented to Council October 2019; bylaw drafted

STRATEGIC PRIORITY - ENVIRONMENTAL STEWARDSHIP

GOALS:

- Respond to the declared climate action emergency by reducing greenhouse gas emissions in our community
- Support climate change mitigation and adaptation measures with an emphasis on transportation systems and energy efficient buildings
- Accelerate a transition to low carbon transportation modes within the Town
- Support community preparation for climate change impacts with respect to sea level rise, storm surge, forest fires, food security, and other extreme weather events

DESIRED OUTCOMES:

- Focus on community action around climate change

2019 PROJECTS & INITIATIVES	OUTCOME
Under the CARIP program the Town was recognized for being carbon neutral in our operations for the 4th consecutive year	<ul style="list-style-type: none">• Acknowledged as a Carbon Neutral Climate Leader
Develop and implement a municipal fleet and equipment policy to prioritize low-emission vehicles and equipment	<ul style="list-style-type: none">• Policy update in progress
Reduce greenhouse gas emissions in our community	<ul style="list-style-type: none">• Two electric vehicle charging stations installed• First electric fleet vehicle purchased
Invasive Species Removal Program	<ul style="list-style-type: none">• Volunteers removed 217 cubic metres of invasive species from View Royal parks



STRATEGIC PRIORITY - FINANCIAL SUSTAINABILITY & SERVICE EXCELLENCE

GOALS:

- Confidence in the fiscal health and financial sustainability of the Town
- Diversified revenue base
- Predictable property tax and user fee increases
- Citizen satisfaction with services and value

DESIRED OUTCOMES:

- Receive good value for tax dollars
- Fund the continuation of current service levels through taxation (52% of survey respondents said “Increase taxes to maintain services at current levels”)
- Fund future large projects through putting aside funds annually (68% of survey respondents indicated “Put aside funds each year to fund future large projects”)

2019 PROJECTS & INITIATIVES	OUTCOME
Complete the Development Cost Charges (DCC) Bylaw Sanitary Sewer Master Plan	<ul style="list-style-type: none">• Development Cost Charges Bylaw was adopted by Council in June 2019• Sanitary Sewer Master Plan was adopted by Council in January 2019
Complete Asset Management Plan, considering options to minimize infrastructure deficit Develop Long-term Financial Plan that incorporates implications of Asset Management Plan and funding choices	<ul style="list-style-type: none">• Partial grant funding approved; development of asset replacement funding requirement in progress
Revise sewer utility revenue structure to include CRD costs associated with sewer conveyance and treatment (adds institutional contribution)	<ul style="list-style-type: none">• Proposal presented to Council December 2019; rates options analysis in progress. Agreement with CRD to be executed in January 2020
Financial Sustainability Review to project future finance requirements and determine optimum reserve levels and annual contributions	<ul style="list-style-type: none">• Pending asset replacement funding requirements

STRATEGIC PRIORITY - GOOD GOVERNANCE

GOALS:

- Strong and active citizen participation in community engagement in Town of View Royal meetings, open houses, survey, budget development
- Strong constructive relationships with neighbouring municipalities, Songhees Nation, Esquimalt Nation, and in relations at the CRD
- Respectful, constructive Council relationships

DESIRED OUTCOMES:

- Transparency in decision-making
- Respectful meetings

2019 PROJECTS & INITIATIVES	OUTCOME
Annual Business Event	<ul style="list-style-type: none"> • The third annual Business Event was held in November
Advocate for resolution of issues at West Shore Parks and Recreation Association	<ul style="list-style-type: none"> • Governance review concluded, amendments to be adopted in 2020





STRATEGIC PRIORITY - COMMUNITY SAFETY & SECURITY

GOALS:

- A real and perceived safe community
- Prepared for emergencies

DESIRED OUTCOMES:

- Live and work in a safe community prepared for emergencies (96% and 89% of survey respondents said they are very or somewhat satisfied with fire and police services respectively)

2019 PROJECTS & INITIATIVES	OUTCOME
Acquire a mass notification system	<ul style="list-style-type: none">• The Public Alert Notification System (PANS) was implemented in 2019



LOOKING AHEAD 2020-2022

View Royal Council and senior staff have worked together to develop a draft strategic plan, setting the course for Council's term which completes in the fall of 2022. While it is valuable to reflect on what we accomplished in 2019, it is also important to keep moving ahead on a strategic path.

Accordingly, the strategic plan priorities were reviewed in early 2019 and the six themes of Enhance Liveability in View Royal, Community and Economic Growth, Environmental Stewardship, Financial Sustainability and Service Excellence, Good Governance, and Community Safety and Security were considered with a view to projects/initiatives that can be undertaken in 2019 and beyond. These strategic goals align with current priorities and activities already underway pursuant to the previous strategic plan.

Strategic items for the 2020-2024 period are subject to change pending conclusion of a public engagement process.



ENHANCE LIVEABILITY

Citizens told us they want to:

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

Key strategic goals to Enhance Liveability in View Royal:	Timing:
Ready access to parks and open space. <ul style="list-style-type: none"> • Review View Royal Park Master Plan. 	2020
Improved mobility within View Royal by walking, cycling and auto. <ul style="list-style-type: none"> • Engage BC Transit to pursue commitment for higher level of transit service; • Review Noise Bylaw. 	2020
Complete the Housing Gaps and Needs Study.	2020
Develop Helmcken Centennial Park Master Plan.	2020
Engage a community events coordinator to enhance current events and/or devise new community-building initiatives.	2021-2023

COMMUNITY & ECONOMIC GROWTH

Citizens told us they want:

- Controlled growth;
- Implications of growth considered.

Key strategic goals to enhance Community and Economic Growth in View Royal:	Timing:
Private investment in the redevelopment of strategic sites on significant community corridors and at gateways to View Royal. <ul style="list-style-type: none"> • Complete precinct land economic analysis to identify commercial development opportunity; • Create a map that identifies sites in corridors and gateways that are likely to redevelop. 	2020
Invite South Island Prosperity Project to present to Council their initiatives and strategic priorities.	2020
Update sustainability checklist.	2021
Placemaking Urban Design Plan to facilitate distinct identity for View Royal's public realm.	2022/2023

ENVIRONMENTAL STEWARDSHIP

Citizens told us they want to:

- Focus on community action around climate change.

Key strategic goals to enhance Environmental Stewardship in View Royal:	Timing:
Amend Zoning Bylaw to update parking requirements including charging stations for cars (public and private), e-bikes and e-scooters.	2020
Update Tree Protection Bylaw to recognize loss of tree canopy in land development.	2020

FINANCIAL SUSTAINABILITY & SERVICE EXCELLENCE

Citizens told us they want to:

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

Key strategic goals to Financial Sustainability & Service Excellence:	Timing:
Develop an investment program (policy, contracts, relationships (Municipal Finance Authority)) to increase return on investments.	2020
Develop a priority list for spending community amenity contributions through engagement with the community.	2021/2022
Continue to improve relationships with business community to build business friendly reputation. <ul style="list-style-type: none"> • Online business licence renewals and applications; • Consider expanded Home Occupation definition; • Engage with South Island Prosperity Project annually. 	2020-2023
Include projected new market construction estimates in tax revenue for all years of the five-year budget, based on development projections (View Royal) (primarily building permits).	2021/2022





GOOD GOVERNANCE

Citizens told us they want:

- Transparency in decision-making;
- Respectful meetings.

Key strategic goals to enhance Good Governance in View Royal:	Timing:
Explore partnership with West Shore Parks & Recreation Society for programming in View Royal's parks and neighbourhoods.	2020
Council meeting webcasting.	2020
Develop Council code of conduct.	2020

COMMUNITY SAFETY & SECURITY

Citizens told us they want to:

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

Key strategic goals to enhance Community Safety and Security in View Royal:	Timing:
Encourage greater implementation of Block Watch in View Royal.	2020
Increase Fire Department by one full time employee.	2021
Update Business Continuity Plan.	2021/2022
Update Emergency Response and Recovery Plan, base on new legislation.	2021



TOWN OF VIEW ROYAL

FINANCIAL INFORMATION

Fiscal Year Ended December 31, 2019

INTRODUCTION

View Royal's audited consolidated financial statements reflect the combined assets, liabilities, accumulated surplus, revenue and expense of all of its activities and funds, and include the proportionate share of the West Shore Parks and Recreation Society.

Council's appointed auditors, MNP LLP, provided an unqualified opinion that the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2019 and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards. This opinion is expressed in the Independent Auditor's Report presented to the Mayor and Council of the Town of View Royal dated May 19, 2020.

For 2019, the Town's financial position and results of operations continue to be positive. Here are some of the highlights:

- The Town is sustaining its positive financial position. Net financial assets, the difference between financial assets and financial liabilities increased \$1.4 million in 2019 to \$10.3 million. This represents the funds available to meet its financial obligations as they come due;
- Annual surplus, which is the difference between revenue and expense in the year totaled \$1.2 million resulting in an accumulated surplus of nearly \$143 million. Much of this balance reflects the Town's prudent investment in long-lived tangible capital assets which include roads, parks, buildings, equipment, and sewer and drainage infrastructure the Town uses to deliver its key services. The net book value of these assets totals \$132.2 million with related debt equaling \$5.8 million resulting in net equity in tangible assets of \$126.4 million;
- Total reserves and surplus at the end of 2019 was \$16.4 million. Most of these funds are governed by agreement or bylaw, meaning they can only be spent for specific purposes such as capital renewal or park improvements. Unrestricted surplus, representing funds available for operational and contingency funding total \$4.4 million.

Financial Information

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Town of View Royal
Statement of Financial Information Approval
As at December 31, 2019

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

Town of View Royal

Consolidated Financial Statements
Year ended December 31, 2019

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, MNP LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the consolidated 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 consolidated 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 19, 2020

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

Independent Auditor's Report

To the Mayor and Council of the Town of View Royal:

Opinion

We have audited the consolidated financial statements of the Town of View Royal (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2019, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Matter

The prior year comparative figures were audited by another firm of chartered professional accountants, who issued an unmodified opinion on May 1, 2019.

Other Information

Management is responsible for the other information. The other information comprises the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

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

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

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

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

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

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

Nanaimo, British Columbia

May 19, 2020

MNP LLP

Chartered Professional Accountants

MNP

Town of View Royal

Consolidated Statement of Financial Position
as at December 31, 2019

	2019	2018
Financial assets		
Cash and cash equivalents (Note 3)	\$ 25,772,638	\$ 23,657,124
Property taxes receivable	117,513	99,859
Accounts receivable (Note 4)	1,811,500	1,990,712
Inventory held for sale	6,056	11,533
	27,707,707	25,759,228
Financial liabilities		
Accounts payable and accrued liabilities (Note 5)	4,200,315	3,237,636
Deposits	1,373,534	1,924,911
Deferred revenue (Note 7)	5,207,883	4,841,234
Prepaid property taxes	545,633	451,695
Long-term debt (Note 8)	5,811,314	6,187,677
Employee benefits and retirement obligations (Note 9)	228,528	227,457
	17,367,207	16,870,610
Net financial assets	10,340,500	8,888,618
Non-financial assets		
Tangible capital assets (Note 10) (Schedule 3)	132,271,761	132,732,190
Inventory of supplies	14,505	11,610
Prepaid expenses	294,240	81,058
	132,580,506	132,824,858
Commitments and contingencies (Note 15)		
Subsequent events (Note 21)		
Accumulated surplus (Note 11)	\$ 142,921,006	\$ 141,713,476



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, 2019

	Financial plan (Note 17)	2019	2018
Revenue			
Taxes for municipal purposes (Note 12)	\$ 8,929,261	\$ 8,923,954	\$ 8,290,169
User charges	3,039,131	3,004,803	3,346,851
Investment income	110,000	513,478	321,736
Actuarial adjustments on debt	-	77,529	62,863
Penalties and fines	58,180	63,804	55,678
Development charges earned	-	22,092	18,612
Contributions from developers and others	20,000	365,016	3,529,100
Other revenue from own sources	359,652	439,805	347,642
Government grants and transfers (Notes 13, 14)	3,074,915	3,718,856	3,159,210
	15,591,139	17,129,337	19,131,861
Expense			
General government services	2,572,404	2,262,573	2,119,531
Protective services	4,574,192	4,290,102	4,055,751
Transportation services	4,987,670	4,719,454	4,205,012
Environmental health services	1,107,005	985,338	911,400
Development services	676,373	481,838	436,884
Recreation and cultural services	3,011,468	3,182,502	3,027,215
	16,929,112	15,921,807	14,755,793
Annual surplus (deficit)	(1,337,973)	1,207,530	4,376,068
Accumulated surplus, beginning	141,713,476	141,713,476	137,337,408
Accumulated surplus, ending	\$ 140,375,503	\$ 142,921,006	\$ 141,713,476

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

Town of View Royal

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2019

	Financial plan (Note 17)	2019	2018
Annual surplus (deficit)	\$ (1,337,973)	\$ 1,207,530	\$ 4,376,068
Acquisition of tangible capital assets	(3,639,512)	(2,293,741)	(1,515,773)
Contributed tangible capital assets	-	(341,590)	(3,495,413)
Amortization of tangible capital assets	2,979,400	3,083,698	3,021,767
Loss on disposal of tangible capital assets	-	17,328	21,832
Change in proportionate share of West Shore Parks and Recreation Society	-	(5,266)	(28,162)
Change in inventory of supplies	-	(2,895)	(2,401)
Change in prepaid expenses	-	(213,182)	5,802
Increase (decrease) in net financial assets	(1,998,085)	1,451,882	2,383,720
Net financial assets, beginning	8,888,618	8,888,618	6,504,898
Net financial assets, ending	\$ 6,890,533	\$ 10,340,500	\$ 8,888,618

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

Town of View Royal

Consolidated Statement of Cash Flows

Year ended December 31, 2019

	2019	2018
Cash provided by (used in)		
Operating activities		
Annual surplus	\$ 1,207,530	\$ 4,376,068
Items not affecting operating activities		
Contributed tangible capital assets	(341,590)	(3,495,413)
Amortization of tangible capital assets	3,083,698	3,021,767
Loss on disposal and write-down of tangible capital assets	17,328	21,832
Change in inventory of supplies	(2,895)	(2,401)
Change in prepaid expenses	(213,182)	5,802
Actuarial adjustment on debt	(77,529)	(55,417)
Change in proportionate share of West Shore Parks and Recreation Society	(5,266)	(28,162)
Decrease (increase) in non-cash financial assets		
Property taxes receivable	(17,654)	25,948
Accounts receivable	186,848	(310,586)
Inventory held for sale	5,477	(5,064)
Increase (decrease) in liabilities		
Accounts payable and accrued liabilities	962,679	(75,128)
Deposits	(551,377)	570,290
Deferred revenue	366,649	1,746,438
Prepaid property taxes	93,938	19,630
Employee benefits and retirement obligations	1,071	20,668
	4,715,725	5,836,272
Capital activities		
Acquisition of tangible capital assets	(2,293,741)	(1,515,773)
Financing activities		
Debt principal repaid	(306,470)	(306,470)
Increase in cash and cash equivalents	2,115,514	4,014,029
Cash and temporary investments, beginning	23,657,124	19,643,095
Cash and cash equivalents, ending	\$ 25,772,638	\$ 23,657,124

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

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2019

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.

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 Consolidated Statement of Operations as revenue as the stipulation liabilities are settled.

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

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2019

1. Significant accounting policies (continued)

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.

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 Consolidated 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.

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

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2019

1. Significant accounting policies (continued)

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:

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

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.

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.

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2019

1. Significant accounting policies (continued)

k) Non-financial assets (continued)

v) Inventory of supplies

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

w) User Charges

User charges are recognized as revenue when the service or product is rendered by the Town.

x) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Town of View Royal is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available as at December 31, 2019. At each financial reporting date, the Town reviews the carrying amount of any liability recorded. Any revisions required to the amount previously recognized are accounted for in the period revisions are made. The Town continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle a liability are deducted from the reported liability when they are made. As at December 31, 2019, the Town has not recorded any liability for contaminated sites (see Note 16).

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 tangible 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.

2. Financial instruments

The Town's financial instruments consist of cash and cash equivalents, 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.

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

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2019

3. Cash and cash equivalents

	2019	2018
Bank deposits	\$ 14,077,135	\$ 12,290,307
Municipal Finance Authority - Money Market	951,784	934,394
Municipal Finance Authority - Intermediate	2,018,740	1,973,473
Municipal Finance Authority - Short-Term Bond	8,724,979	8,458,950
	<u>\$ 25,772,638</u>	<u>\$ 23,657,124</u>

Temporary investments consist of short-term investments in the MFA money market, intermediate, and short-term bond funds. The market value is equal to the carrying value. Temporary investments have yields ranging from 1.85% to 3.1%.

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

	2019	2018
Restricted cash - MFA	\$ 93,942	\$ 91,804
Restricted cash - West Shore reserve funds (Note 11)	282,148	298,718
Restricted investments - reserve funds (Note 11)	6,509,502	6,115,136
Restricted investments - development cost charges (Note 7)	4,609,541	4,212,200
	<u>\$ 11,495,133</u>	<u>\$ 10,717,858</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, 2019 the balance outstanding was \$nil (2018 - \$nil).

4. Accounts Receivable

	2019	2018
Government of Canada	\$ 267,557	\$ 238,488
Province of British Columbia	2,890	13,502
Regional and local governments	129	14,763
Deposits	49,997	49,808
Other trade receivables	1,490,927	1,674,151
	<u>\$ 1,811,500</u>	<u>\$ 1,990,712</u>

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

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2019

5. Accounts payable and accrued liabilities

	2019	2018
Government of Canada	\$ 3,612	\$ 4,413
Province of British Columbia	335,211	7,079
Regional and local governments	625,633	654,515
Payroll liabilities	119,036	71,022
Other trade payables	3,116,823	2,500,607
	<u>\$ 4,200,315</u>	<u>\$ 3,237,636</u>

6. 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.

	2019	2018
Community Works Fund, beginning balance	\$ 559,213	\$ 362,312
Amounts received during the year	962,862	469,632
Interest earned	21,093	9,301
Amounts allocated to projects during the year	(459,094)	(282,032)
	<u>\$ 1,084,074</u>	<u>\$ 559,213</u>

7. Deferred revenue

Deferred revenue reported on the Consolidated Statement of Financial Position includes the following:

	2019	2018
Development cost charges		
Beginning balance	\$ 4,212,200	\$ 2,371,586
Received during the year	306,200	1,755,044
Interest earned	113,234	104,182
Recognized as revenue	(22,092)	(18,612)
Ending balance	4,609,541	4,212,200
Deferred revenue - other	598,342	629,034
Total deferred revenue	<u>\$ 5,207,883</u>	<u>\$ 4,841,234</u>

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

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2019

8. Long-term debt

a) Debt outstanding

Issue #	Matures	Rate	Original Amount	Net debt 2019	Net debt 2018
117	Oct. 12, 2026	3.25%	\$ 2,445,000	\$ 1,319,888	\$ 1,480,571
127	Apr. 7, 2034	3.30%	5,490,000	4,491,426	4,707,106
			<u>\$ 7,935,000</u>	<u>\$ 5,811,314</u>	<u>\$ 6,187,677</u>

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:

2020	\$ 306,470
2021	306,470
2022	306,470
2023	306,470
2024	306,470
Thereafter	4,278,964
Total	<u>\$ 5,811,314</u>

c) Interest expense

Total interest expense during the year was \$260,633 (2018 - \$260,633).

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2019

9. Employee benefit and retirement obligations

Employee benefit obligations represent accrued benefits as follows:

	2019	2018
Vacation payable	\$ 54,781	\$ 46,655
Accrued overtime	21,374	25,275
Sick leave entitlements	95,500	97,500
West Shore employee future benefit obligations	56,873	58,027
	<u>\$ 228,528</u>	<u>\$ 227,457</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 actuarial valuation was estimated as at December 31, 2019.

Information about liabilities for accrued sick leave is as follows:

	2019	2018
Accrued benefit liability, beginning of year	\$ 92,100	\$ 90,600
Current service cost	8,700	9,100
Interest cost	3,200	2,800
Benefits paid	(8,000)	(4,900)
Amortization of actuarial (gain)	(500)	(100)
Accrued benefit liability, end of year	<u>95,500</u>	<u>97,500</u>
Unamortized gain	600	(5,400)
Accrued benefit liability, end of year	<u>\$ 96,100</u>	<u>\$ 92,100</u>

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

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

	2019	2018
Discount rates	2.70%	3.30%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increase	2.58% - 4.50%	2.58% - 4.50%

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

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2019

9. Employee benefit and retirement obligations (continued)

Municipal Pension Plan

The Town and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Town paid \$279,339 (2018 - \$284,739) for employer contributions while Town employees contributed \$231,589 (2018 - \$231,811) to the plan in fiscal 2019.

The next valuation will be as at December 31, 2021 with results available in 2022.

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.

10. Tangible capital assets

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

Assets under construction totaling \$728,517 (2018 - \$924,121) have not been amortized. Amortization of these assets will commence when the asset is put into service.

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2019

10. Tangible capital assets (continued)

b) Contributed tangible capital assets

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed capital assets received during the year is \$341,590 (2018 - \$3,495,413).

c) Gain or loss on disposal of tangible capital assets

During the year, the Town recognized a \$17,328 loss on disposal of tangible capital assets. (2018 - \$21,832 loss). This amount is included as an expense on the Consolidated Statement of Operations.

d) Write down of tangible capital assets

The write down of tangible capital assets during the year was \$nil (2018 - \$nil).

11. Accumulated surplus

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

Surplus	2019	2018
Equity in tangible capital assets	\$ 126,499,532	\$ 126,575,962
Appropriated surplus - casino revenue	3,727,980	3,952,662
Appropriated surplus - Community Works Fund (Note 6)	1,084,074	559,213
Appropriated surplus - other	374,632	372,832
Unrestricted accumulated surplus	4,443,138	3,838,953
	136,129,356	135,299,622
Reserve funds		
Capital Renewal	366,230	277,962
Capital Works and Land Acquisition	751,799	676,594
Fire Department Equipment	124,619	390,915
Future Operating Expenditures	918,209	637,284
Machinery and Equipment Depreciation	303,177	274,420
Parks and Open Space	449,444	438,052
Parks Improvements	192,548	118,653
Police Equipment, Property and Contract	410,486	560,338
Police Operation and Maintenance	1,305,412	978,507
Sewer System Capital	1,687,578	1,762,411
West Shore Parks and Recreation Society reserves	282,148	298,718
	6,791,650	6,413,854
	\$ 142,921,006	\$ 141,713,476

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

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2019

12. 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.

Taxes	2019	2018
Property tax	\$ 17,169,523	\$ 15,826,267
Grants in lieu of taxes	53,488	64,836
1% Utility tax	131,204	128,292
	<u>17,354,215</u>	<u>16,019,395</u>
Less taxes levied for other authorities		
School authorities	4,666,525	4,317,179
Capital Regional District	2,106,213	1,892,159
Capital Regional Hospital District	737,901	704,238
British Columbia Assessment Authority	142,372	133,159
British Columbia Transit	776,546	681,872
Municipal Finance Authority	704	619
	<u>8,430,261</u>	<u>7,729,226</u>
Taxes for municipal purposes	<u>\$ 8,923,954</u>	<u>\$ 8,290,169</u>

13. 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 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.

	2019	2018
Gaming revenue		
Amounts received during the year	\$ 4,559,131	\$ 4,601,635
Disbursements to partner municipalities	(2,507,522)	(2,530,899)
	<u>\$ 2,051,609</u>	<u>\$ 2,070,736</u>

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

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2019

14. Government grants and transfers

	2019	2018
Conditional transfers		
Federal	\$ 974,296	\$ 483,842
Provincial	2,134,747	2,124,237
Other agencies	154,588	95,752
	<u>3,263,631</u>	<u>2,703,831</u>
Unconditional transfers		
Small communities protection	383,213	385,643
Traffic fine revenue sharing	72,012	69,736
	<u>455,225</u>	<u>455,379</u>
Total government grants and transfers	<u>\$ 3,718,856</u>	<u>\$ 3,159,210</u>

15. 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, 2019 there were contingent demand notes of \$204,201 (2018 - \$204,201). No liability has been recorded in the Town's consolidated financial statements for these demand notes due to their contingent nature.
- 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 2020 are estimated to be \$1,685,500 (2019 actual \$1,322,225).
- f) The Town has purchase orders in the amount of \$614,201 open as at December 31, 2019 which have not been recorded. These amounts have been taken into account in the financial plan and will be recorded in the period the goods and services to which they relate are received.

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

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2019

15. Commitments and contingencies (continued)

- g) On December 4, 2018, the Town of View Royal awarded a contract to Safetek Fire Apparatus of Abbotsford, BC in the amount of \$814,600, excluding taxes for the purpose of replacing one heavy rescue fire apparatus. Delivery of the fire truck is expected to occur in 2020.

16. 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. 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, 2019.

17. 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 April 16, 2019 consolidated with the proportional share of the budgeted operating revenue and expense of West Shore Parks and Recreation Society. The summary below reconciles the 2019 adopted financial plan to the Consolidated Statement of Operations.

Consolidated Financial Plan Bylaw 1018, 2019 surplus (deficit)	\$ -
Add:	
Capital expenditures	3,639,512
Transfers to reserves	666,469
Transfers to surplus	2,470,000
Principal payments on debt	306,470
Less:	
Transfers from equity in capital assets	(2,979,400)
Transfers from reserves for operating	(50,200)
Transfers from reserves for capital	(982,439)
Transfers from surplus for operating	(1,943,573)
Transfers from surplus for capital	(2,464,812)
Financial plan annual surplus (deficit)	<u>\$ (1,337,973)</u>

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

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2019

18. 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 2019, the Town's share of improvements purchased by the Society on its behalf is \$99,266 (2018 - \$12,802).

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 2019, the Town recorded a gain of \$5,266 (2018 - \$28,162).

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 2019, the Town's proportion for consolidation purposes was 14.683% (2018 - 14.671%). Condensed financial information for the Society is as follows:

	2019	2018
Financial assets	\$ 3,480,294	\$ 3,636,125
Financial liabilities	2,362,813	2,233,137
Net financial assets	1,117,481	1,402,988
Non-financial assets	1,308,209	1,030,170
Accumulated surplus	\$ 2,425,690	\$ 2,433,158
Revenues	\$ 7,330,284	\$ 6,547,215
Requisition for members	4,947,539	4,947,539
	12,277,823	11,494,754
Expenses	12,285,291	11,278,796
Annual surplus (deficit)	\$ (7,468)	\$ 215,958

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

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2019

19. 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 Services

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

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

f) Recreation and cultural services

Recreation and cultural services 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.

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2019

19. Segmented information (continued)

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.

20. Comparative figures

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

21. Subsequent events

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Town of View Royal as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

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

Town of View Royal

Consolidated Schedule of Segment Disclosure by Service

Year ended December 31, 2019

2019	General Government	Protective Services	Transportation Services	Environmental Health Services	Planning and Development Services	Recreation and Cultural Services	2019 Actual	2019 Financial Plan (Note 17)
Revenue								
Taxation for municipal purposes	\$ 1,713,629	\$ 2,983,476	\$ 2,668,576	\$ -	\$ 375,803	\$ 1,182,470	\$ 8,923,954	\$ 8,929,261
User charges	13,071	345,258	59,139	1,370,751	308,244	908,340	3,004,803	3,060,040
Investment income	353,026	48,394	34,017	62,655	-	15,386	513,478	110,000
Actuarial adjustments on debt	-	77,529	-	-	-	-	77,529	-
Penalties and fines	49,932	13,872	-	-	-	-	63,804	58,180
Development charges earned	-	-	-	-	-	22,092	22,092	-
Contributions from developers and others	5,526	-	338,190	21,300	-	-	365,016	20,000
Other revenue from own sources	57,203	86,293	92,513	90,401	-	113,395	439,805	338,743
Government grants and transfers	1,501,591	483,650	589,065	-	24,621	1,119,929	3,718,856	3,074,915
Total revenue	3,693,978	4,038,472	3,781,500	1,545,107	708,668	3,361,612	17,129,337	15,591,139
Expense								
Labour and benefits	1,299,029	1,678,061	566,075	54,186	414,355	1,499,693	5,511,399	4,438,829
Goods and services	870,368	1,985,560	2,117,765	685,128	64,826	1,347,696	7,071,343	9,250,250
Amortization	93,176	365,848	2,035,614	246,024	2,657	340,379	3,083,698	2,979,400
Change in proportionate share of West Shore Parks and Recreation Society	-	-	-	-	-	(5,266)	(5,266)	-
Debt interest	-	260,633	-	-	-	-	260,633	260,633
Total expense	2,262,573	4,290,102	4,719,454	985,338	481,838	3,182,502	15,921,807	16,929,112
Surplus (deficit)	\$ 1,431,405	\$ (251,630)	\$ (937,954)	\$ 559,769	\$ 226,830	\$ 179,110	\$ 1,207,530	\$ (1,337,973)

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

Town of View Royal

Consolidated Schedule of Segment Disclosure by Service

Year ended December 31, 2019

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

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

Town of View Royal

Consolidated Schedule of Tangible Capital Assets
Year ended December 31, 2019

	Land	Land Improvements	Buildings	Vehicles, Machinery & Equipment	Engineering Structures			Work in Progress	West Shore	2019	2018
					Roads	Drainage	Sewer				
Cost											
Balance, beginning	49,101,425	4,921,202	10,421,180	6,048,617	61,166,734	22,320,494	12,643,925	924,121	9,375,975	\$ 176,923,673	\$ 172,036,685
Additions	-	600,787	188,827	1,029,250	534,778	262,780	61,131	562,647	153,383	3,393,583	5,011,186
Disposals or write-downs	-	(5,000)	(160,473)	(52,974)	-	-	-	-	(9,556)	(228,003)	(124,198)
Completed during year	-	-	-	-	-	-	-	(758,251)		(758,251)	-
Balance, ending	49,101,425	5,516,989	10,449,534	7,024,893	61,701,512	22,583,274	12,705,056	728,517	9,519,802	179,331,002	176,923,673
Accumulated amortization											
Balance, beginning	-	2,237,139	2,698,479	3,671,045	24,866,899	4,640,142	3,140,297	-	2,937,482	\$ 44,191,483	\$ 41,300,242
Current year amortization	-	215,546	217,259	367,742	1,695,678	261,428	138,407	-	187,638	3,083,698	3,021,767
Accumulated amortization on disposals or write-downs	-	(3,886)	(160,249)	(37,689)	-	-	-	-	(14,116)	(215,940)	(130,526)
Balance, ending	-	2,448,799	2,755,489	4,001,098	26,562,577	4,901,570	3,278,704	-	3,111,004	47,059,241	44,191,483
Net book value	\$ 49,101,425	\$ 3,068,190	\$ 7,694,045	\$ 3,023,795	\$ 35,138,935	\$ 17,681,704	\$ 9,426,352	\$ 728,517	\$ 6,408,798	\$ 132,271,761	\$ 132,732,190

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

Town of View Royal
Schedule of Payments Made for the Provision of Goods and Services
As at December 31, 2019
(Unaudited)

Supplier Name	Amount Paid
0848631 BC Ltd.	\$ 220,142
AON Reed Stenhouse	33,288
BC Hydro	177,790
Bunt & Associates	48,274
Capital City Paving Ltd.	139,273
Capital Regional District	417,461
Carver Construction Ltd.	105,797
CDW Canada Inc.	52,165
City Of Langford	245,524
City Of Surrey	77,679
CLL Renovations	25,847
Corporation Of The Township Of Esquimalt	90,623
CRD Bylaw Enforcement & Animal Control	44,900
Capital Region Emergency Service Telecommunications Inc.	51,490
E.H. Emery Electric Ltd.	29,157
Five Star Paving Co. Ltd.	323,696
Grant Thornton LLP	25,909
Greater Victoria Public Library	510,969
IMS Infrastructure Management Services	31,232
Jenner Chevrolet Buick GMC Ltd.	84,557
McElhanney Consulting Services Ltd.	40,796
Minister Of Finance	47,319
Municipal Insurance Association of British	69,045
Municipal Pension Plan	510,044
North Island Pumps	44,051
Novus Consulting Inc.	80,070
On Point Project Engineers Ltd.	26,744
Pacific Blue Cross	188,036
Phillips, Steven	25,400
Ramida Enterprises Ltd.	119,477
Raylec Power Ltd.	178,558
Receiver General For Canada	995,083
Receiver General For Canada - RCMP Policing	839,242
Regroove Solutions Inc.	75,246
Rocky Mountain Phoenix	31,173
Safetek Emergency Vehicles Ltd.	376,545
Scho's Line Painting Ltd.	47,160
Shaw Cablesystems G.P.	48,794
Sigma Safety Corp.	40,294
SLR Consulting (Canada) Ltd.	62,636
Storagepipe	29,071
Tomahawk Tree Service (2006) Ltd.	27,274
Vadim Computer Management Group Ltd.	42,772
Victoria Contracting & Municipal Mtce. Corp.	1,288,982

Supplier Name	Amount Paid
Victoria Hyundai	31,727
Waste Management of Canada Corp.	442,616
West Shore Parks & Recreation Society	908,064
Western Watershed Designs Inc.	40,084
Workers' Compensation Board of BC	45,098
Total aggregate payments to suppliers exceeding \$25,000	9,437,172
Consolidated total of payments of \$25,000 or less	1,503,177
Total aggregate payments to suppliers	10,940,349
Grants and contributions	
View Royal Reading Centre	30,000
View Royal Firefighters Association	52,106
Greater Victoria Crossing Guard Association	32,600
Consolidated total of all grants and contributions \$25,000 or less	55,025
Total aggregate grants and contributions	169,731
Reconciling items, including adjustments for accrual-based accounting, disbursements for items which are not considered expenses for financial statement purposes, including payments for employee payroll deductions, capital acquisitions, debt principal, refunds, payments made directly by West Shore Parks and Recreation and the non-rebatable portion of GST	(3,778,104)
Total expense for goods, services and debt interest per Consolidated Financial Statements, Schedule 1	\$ 7,331,976

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

Town of View Royal
Statement of Remuneration and Expenses
As at December 31, 2019
(Unaudited)

Name	Position	Remuneration	Expenses	Total
Elected Officials				
Screech, David	Mayor	\$ 31,738	\$ 7,857	\$ 39,595
Kowalewich, Damian	Councillor	15,216	1,501	16,717
Lemon, Margaret	Councillor	15,216	7,450	22,666
Mattson, Ron	Councillor	15,216	3,105	18,321
Rogers, John	Councillor	15,216	3,512	18,728
		92,602	23,425	116,027

Employees

Anema, Kim	Chief Administrative Officer	172,837	10,855	183,693
Atkinson, Angela	Accountant/IT Coordinator	81,601	365	81,967
Bevan, Heath	Firefighter	115,715	3,706	119,421
Bolster, Elena	Deputy Corporate Officer	78,767	752	79,519
Bowbyes, Kevin	Deputy Director of Engineering	110,814	3,129	113,943
Chase, Lindsay	Director of Development Services	136,036	3,845	139,881
Chow, Jeffrey	Senior Planner	92,071	4,083	96,154
Christenson, Dawn	Director of Finance	138,384	3,322	141,706
Cochrane, Jennifer	Executive Assistant	75,595	570	76,164
Davison, James	Community Planner	88,665	3,613	92,278
Drolet, Joseph	Firefighter	83,934	821	84,755
Faykes, Gary	Building Inspector	87,557	3,422	90,979
Gill, Michele	Development & Asset Technologist	82,390	1,975	84,365
Hurst, Paul	Fire Chief	163,170	5,931	169,101
Jones, Sarah	Director of Corporate Administration	135,883	3,877	139,760
Marshall, Rob	Firefighter	113,904	1,174	115,077
Mollin, Troy	Firefighter	116,610	2,239	118,850
Pitre, Geoffrey	Firefighter	122,143	4,637	126,780
Podmoroff, David	Parks Supervisor	111,002	2,257	113,259
Rosenberg, John	Director of Engineering	135,882	3,886	139,768
Vella, Steven	Manager of Accounting	116,347	3,152	119,499
Woodley, Darryl	Engineering Technologist	87,469	2,037	89,506
Consolidated total of other employees with remuneration of \$75,000 or less		909,551	38,525	948,076
		3,356,328	108,172	3,464,500

Reconciliation

Total remuneration and expenses for elected officials and employees	3,448,930	\$ 131,597	\$ 3,580,527
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Reconciling items, including adjustments for accrual-based accounting, accruals for vacation, sick leave and post-employment benefits, employer share of CPP and EI, and labour costs paid through other entities (RCMP, West Shore Parks and Recreation) or capitalized.

2,062,469

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

\$ 5,511,399

Town of View Royal
Statement of Guarantee and Indemnity Agreements
As at December 31, 2019
(Unaudited)

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

**Town of View Royal
Statement of Severance Agreements
As at December 31, 2019
(Unaudited)**

There were no severance agreements made between the Town of View Royal and its non-unionized employees during fiscal year 2019.

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

Town of View Royal
Statement of Permissive Tax Exemptions
As at December 31, 2019
(Unaudited)

Organization	Folio	Municipal Property Tax
Places of public worship		
All Saints Church - 287 Pallisier Ave	401-04412.018	\$ 6,001
St. Columba Church - 40 High Street	401-07654.010	3,706
Community activity centres		
Strawberry Vale Community Hall - 11 High Street	401-07647.010	4,676
View Royal Community Hall - 279 Island Highway	401-04399.010	4,241
Not for profit organizations		
Island Corridor Foundation		
PID 023-005-459; Sections 6, 97, and 103: Plan VIP60330	401-18806.000	8,472
PID 011-825-871;014-980-258;024-036-021;024-039-209;024-839-957	401-18807.000	14,008
PID 011-825-871;014-980-258;024-036-021;024-039-209;024-839-957	401-18807.000	6
PID 024-635-987; Lot 1, Sections 8 & 27; Plan VIP69799	401-18807.002	476
Recreational property		
Victoria Bowmen Association		
PID 000-345-644; Part of Section 6 Plan VIP7133; Area of 1,940 m2	401-07684.041	2,561
		\$ 44,147

Town of View Royal
Statement of Development Cost Charges (DCCs)
As at December 31, 2019

	Balance January 1	Transfer to Projects	DCCs Received	Interest Earned	Balance December 31
Drainage DCCs	\$ 1,204,681	\$ -	\$ 8,000	\$ 31,432	\$ 1,244,113
Highways DCCs	1,207,758	-	90,900	32,590	1,331,248
Park Improvement DCCs	179,915	22,092	74,600	5,362	237,785
Park Land DCCs	981,664	-	44,800	26,111	1,052,575
Sewer DCCs	638,182	-	87,900	17,739	743,821
	<hr/>				
	\$ 4,212,200	\$ 22,092	\$ 306,200	\$ 113,234	\$ 4,609,541

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

Taxable Assessments of Land and Improvements - Final Roll Totals

	2015	2016	2017	2018	2019
Residential	1,705,971,703	1,755,744,103	2,069,707,903	2,359,688,673	2,683,922,503
Utilities	304,600	304,700	312,800	321,800	333,700
Light Industry	2,712,000	2,711,000	2,947,000	3,298,000	3,632,000
Business	168,958,950	190,340,350	257,656,450	281,187,600	317,028,800
Rec/Non Profit	6,222,000	6,401,000	7,398,000	5,741,000	5,632,000
Farm	60,496	60,496	60,496	60,496	60,496
	1,884,229,749	1,955,561,649	2,338,082,649	2,650,297,569	3,010,609,499

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

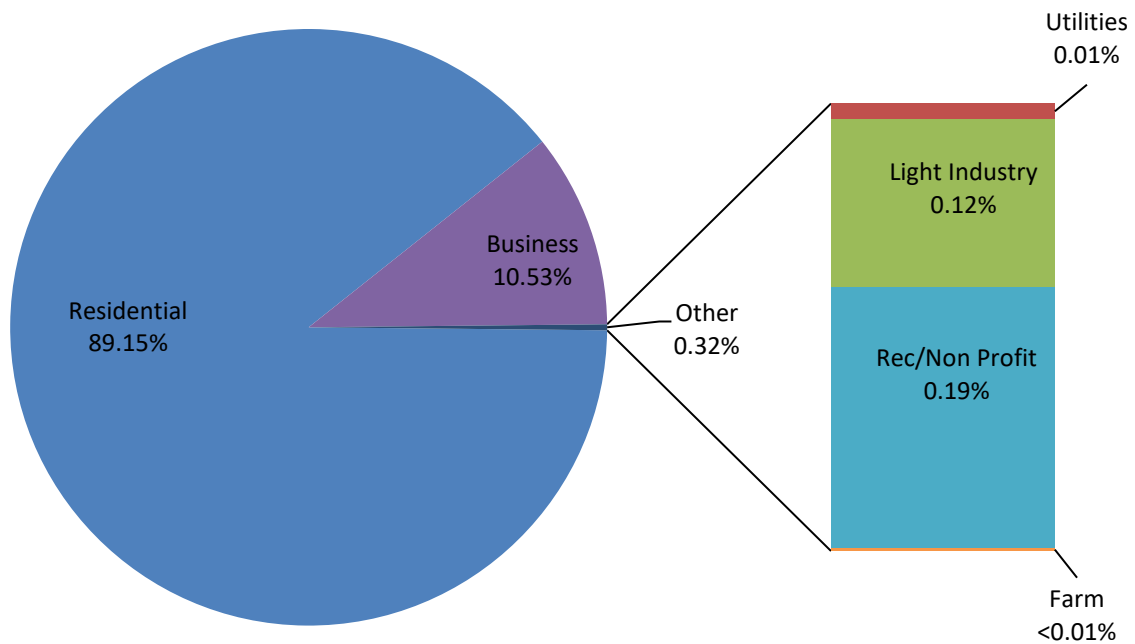
	2015	2016	2017	2018	2019
Residential	2.82883	2.93375	2.60290	2.38224	2.26725
Utilities	40.00000	40.00000	40.00000	40.00000	40.00000
Light Industry	8.87083	9.22077	8.68979	7.95309	7.56922
Business	9.82487	9.90580	9.37044	8.57605	8.04875
Rec/Non Profit	9.68820	9.78435	9.78691	9.79099	10.71617
Farm	22.57408	23.45532	24.02868	21.99160	20.93015

Municipal Property Tax Billings by Property Class

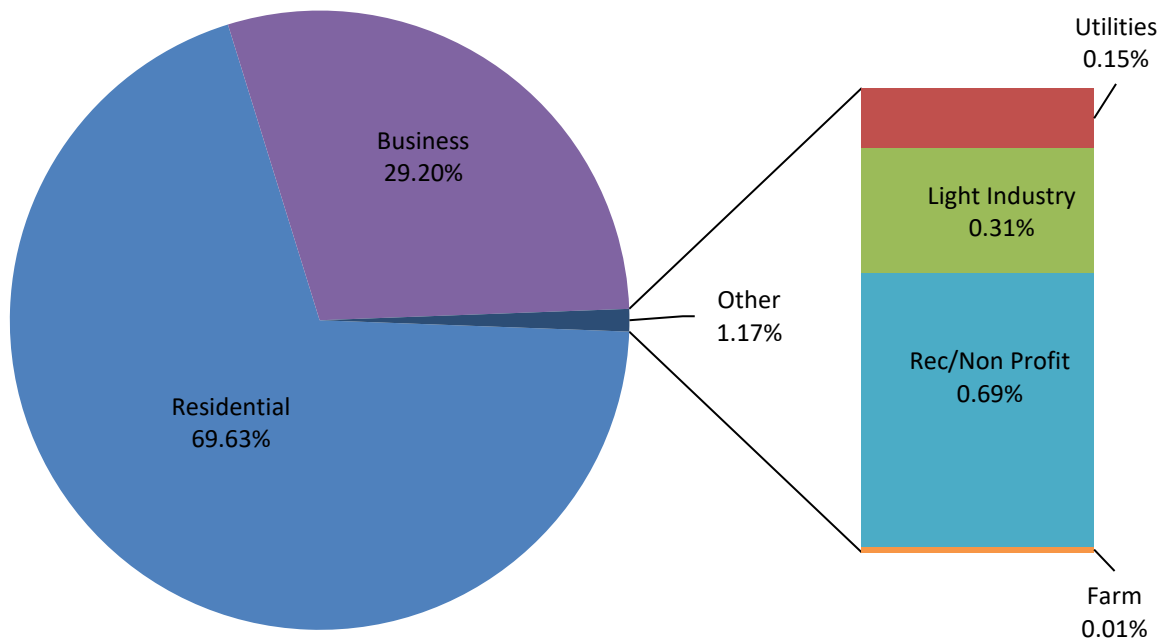
	2015	2016	2017	2018	2019
Residential	4,825,904	5,150,914	5,387,243	5,621,345	6,085,122
Utilities	12,184	12,188	12,512	12,872	13,347
Light Industry	24,058	24,998	25,609	26,229	27,490
Business	1,660,000	1,885,473	2,414,354	2,411,479	2,551,685
Rec/Non Profit	60,280	62,630	72,404	56,210	60,352
Farm	1,366	1,419	1,454	1,330	1,266
	\$ 6,583,792	\$ 7,137,622	\$ 7,913,576	\$ 8,129,465	\$ 8,739,262

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

2019 Assessments by Property Class



2019 Municipal Property Tax by Property Class



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

Principal Corporate Taxpayers

Registered Owner	Primary Property	Total 2019 General Municipal Taxes Levied
Eagle Creek Village Property Ltd	Eagle Creek Village	\$ 755,626
Pioneer Square Holdings Ltd	Admirals Walk	273,931
Great Canadian Casinos Inc	View Royal Casino	219,876
Canadian Tire Real Estate Ltd	Canadian Tire	141,674
West Shore U-Lock Mini Storage Ltd	U-Lock Mini Storage	128,466
Natural Properties Ltd	Reliable Controls	123,058
Christie Point Apartments Ltd	Christie Point Apartments	112,884
Adams Storage Village Ltd	Adams Storage	112,580
Goodwill Investments Ltd	Fort Victoria	93,998
599510 BC Ltd	Ashley Furniture	84,198
Total Tax Contributions from Top 10 Corporate Taxpayers		\$ 2,046,291
Total General Municipal Tax		\$ 8,739,262
Proportion of municipal tax paid by top ten corporate taxpayers		23.41%