



TOWN OF VIEW ROYAL
ANNUAL REPORT

Year Ended December 31, 2021



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INTRODUCTION

This year's Annual Report outlines the Town's achievements and major projects for 2021.

It shows the progress on our 2021 municipal goals and objectives, highlights financial reporting, and gives insight into plans for the future.



Helmcken Road

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 and accomplishments during the past year through our 2021 Annual Report.

This report is an opportunity to recognize the excellent work that has been done by staff, Council, volunteers, and residents to ensure View Royal remains a healthy, vibrant and sustainable community. Council's focus for 2021 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.



COVID-19 continued to be a major factor during the year and had a large impact on all of the Town's operations. Once again Council chose to err on the side of caution in terms of budgetary expenses, and many capital projects or discretionary items were placed on hold.

Council and I want to offer sincere thanks to all involved with the running of our Town from the municipal staff to emergency responders, contractors, volunteers, and more. You all did an exceptional job of keeping the Town "open for business" and sustaining our high standards of service during difficult times.

Highlights of 2021 included:

- Elements Casino in View Royal reopened its doors in July after being closed for 15 months because of the pandemic;
- In spite of limitations placed on the Town by COVID-19, the process was started for the revision and updating of the View Royal Official Community Plan;
- As climate action initiatives are top of mind, the Town is now participating in a program to encourage residents to switch over to heat pumps;
- Work happened throughout the Town on traffic calming, including much needed improvements on Six Mile Road in the Chilco area.

Please take a few moments to review the accomplishments of the Town in the following pages. Council and staff are collectively proud that View Royal is such a wonderful community and one of the best places to call home.

A handwritten signature in black ink that reads "David Screech". The signature is written in a cursive, flowing style.

Mayor David Screech

COMMUNITY PROFILE

The Town of View Royal is located on southern Vancouver Island, approximately six kilometers west of Victoria, British Columbia. On December 5, 1988 – with a population of less than 5,000 – the Town of View Royal was incorporated and became its own distinct municipality comprising approximately 2,500 hectares of land. Since that time, the community has experienced significant growth and development while still maintaining much of its small town character.

The Town of View Royal acknowledges with respect that it is within the unceded traditional territories of the Lekwungen peoples, known today as the Esquimalt and Songhees Nations, and that their historic connections to these lands continue to this day.

➔ **INCORPORATED DECEMBER 5, 1988**

➔ **11,575 POPULATION**

➔ **14.33KM² LAND AREA**

➔ **5,175 HOUSEHOLDS**

➔ **72 MUNICIPAL PARKS & 2 REGIONAL PARKS**

➔ **30.5KM BIKE LANES**

➔ **27.3KM TRAILS**



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

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

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



Biking on Trail in Portage Park

SUMMARY OF SERVICES & OPERATIONS

TOWN OF VIEW ROYAL SERVICES

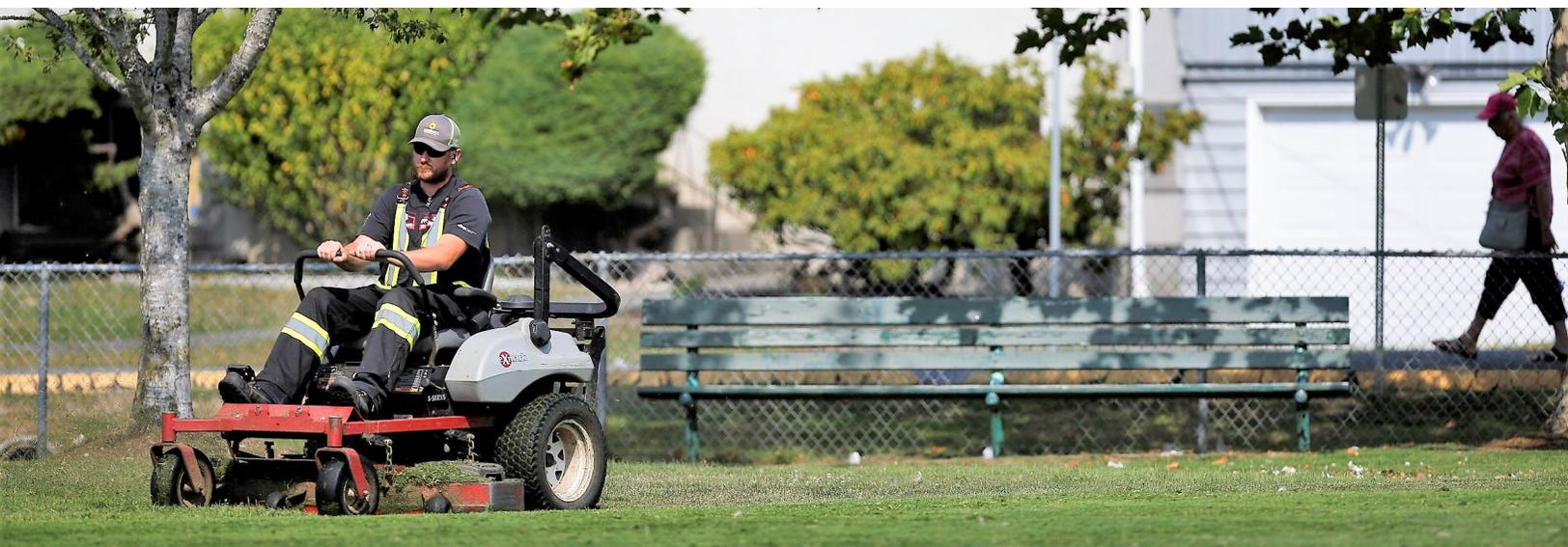
The Town of View Royal is responsible for the provision of a wide variety of local services and programs. These include:

- 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 THE CAPITAL REGIONAL DISTRICT

- Animal control
- Sewer system management
- Water management
- Recycling & Blue Box Program



Parks Crew Mowing at Helmcken Centennial Park



Victoria General Hospital

TOWN SERVICES PROVIDED BY OTHER ORGANIZATIONS

- 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)



BC Transit Bus Crossing Craigflower Bridge

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 Housing Trust Fund Commission
- Capital Region Emergency Service Telecommunications Inc. (CREST)
- CRD Hospital Board
- Municipal Insurance Association
- Police Building Liaison Committee
- West Shore Parks and Recreation Owners
- South Island Prosperity Association
- Te'Mexw Treaty Advisory Committee
- View Royal Reading Centre



Councillor Damian Kowalewicz (December 5, 2017 - present)

- Public Works & Transportation - Chair
- Community Development Advisory Committee - Liaison
- Joint School District / Municipal Committee
- Parents' Advisory Committee
- Westshore Chamber of Commerce
- West Shore Parks & Recreation Society Board



Councillor Gery Lemon (November 6, 2018 - present)

- Protective Services & Community Services - Chair
- Parks, Recreation & Environment Advisory Committee - Liaison
- CRD Arts Commission
- CRD Climate Action Steering Committee
- Greater Victoria Public Library
- Westshore Community Policing Advisory Committee



Councillor Ron Mattson (December 6, 2011 - present)

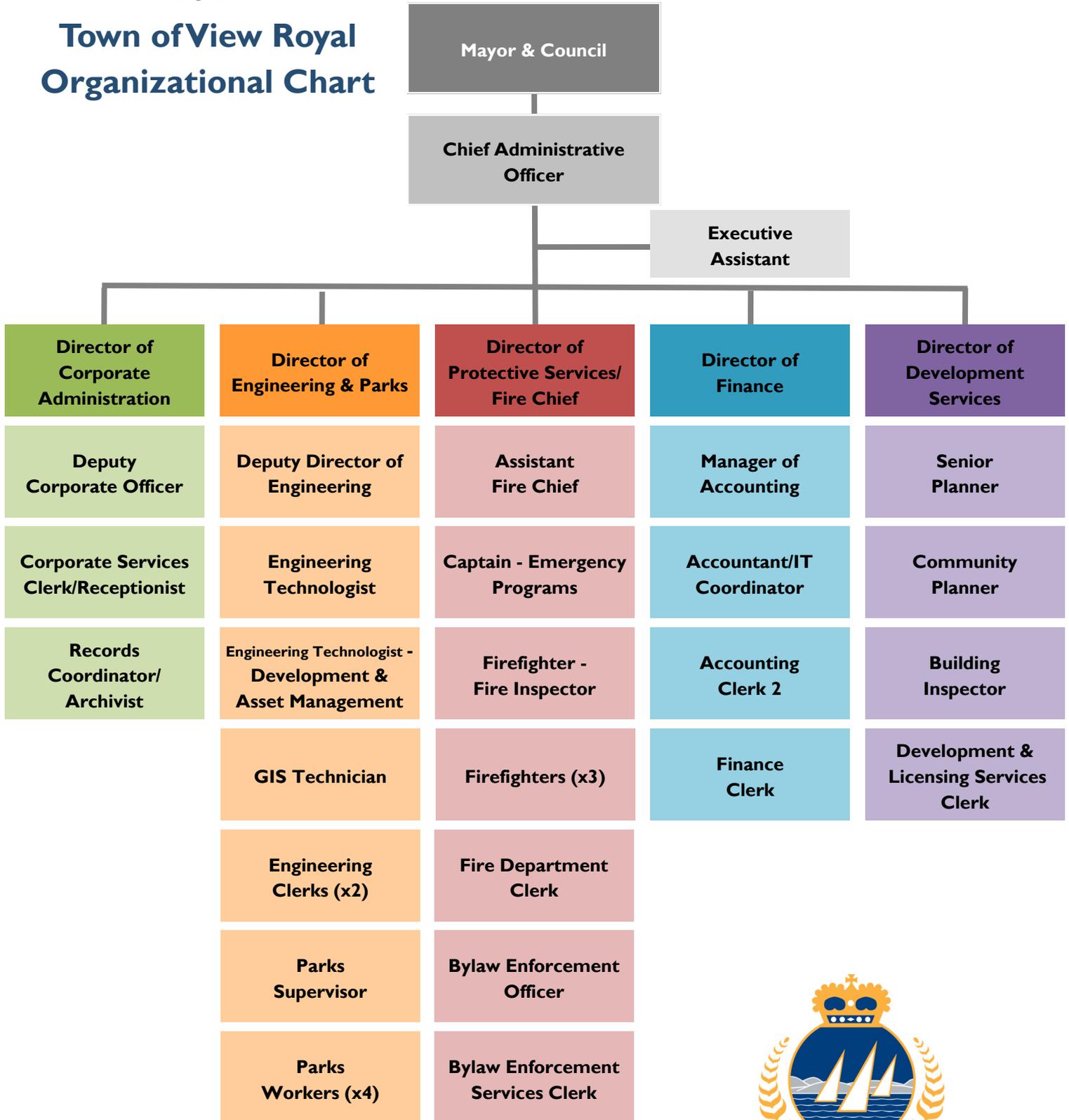
- Planning & Development - Chair
- Parks, Recreation & Environment Advisory Committee - Liaison
- Colquitz/Gorge Watershed Special Management Area Initiative
- Esquimalt Harbour Advisory Committee
- Victoria Family Court & Youth Justice Committee



Councillor John Rogers (December 2, 1996 - present)

- Parks, Recreation & Environment - Chair
- Community Development Advisory Committee - Liaison
- CRD Regional Water Supply Commission
- Friends of Cole Island Society
- Juan de Fuca Water Distribution Commission

2021 Town of View Royal Organizational Chart





View Royal is a dynamic and inclusive community that manages growth, while retaining the charm of its traditional neighbourhoods. It is home and workplace to people from all walks of life. Its neighbourhoods are attractive, affordable, walkable and safe. Each neighbourhood has an identifiable character and is connected to nearby centres – and a recognizable central community gathering place – through greenspace corridors and pedestrian/cyclist-friendly streets. Some centres are parks for families to gather and youth to play sports. Others are bustling, mixed-use places with a range of services, amenities, businesses and housing.

View Royal recognizes the impacts of climate change, and is responding by actively promoting energy-efficient, sustainable development, and environmental protection. Well-designed compact housing ensures choice, affordability and better use of land. Infill and redevelopment near neighbourhood centres and transit corridors provides jobs and services closer to where people live – minimizing the need for commuting, and creating pedestrian-friendly streets and destinations.

The local economy is diversified and strong, providing employment, shopping and service options to local and regional residents. Heritage tourism and eco-tourism are promoted as sustainable ways to stimulate the economy and showcase View Royal's environmental and cultural assets.

Getting around safely by foot, bike, bus and train is convenient and enjoyable, and a viable alternative to car travel. Train, light rail and other forms of rapid transit are supported by development that facilitates ridership and walkable places.

The Town is endowed with unique natural environments – Thetis Lake Park, Millstream Creek, Craigflower Creek, Esquimalt Harbour and Portage Inlet. The integrity and beauty of these natural amenities are protected and enhanced, while public access to recreation and natural areas is improved. The Town's vast recreation assets are well promoted and integrated into the community. Environmental stewardship and better use of resources – such as alternative energy generation and enhanced waste management – are pursued.

Livable View Royal – simply the best place to call home!



'Love Story' - Stone Wall on Island Highway

MISSION, VALUES & ORGANIZATIONAL EXCELLENCE

MISSION

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

VALUES

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

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

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.

2021 MUNICIPAL HIGHLIGHTS



Edwards Park Lookout

ADMINISTRATION

The Administration Department provides operational support through customer service, meeting management, communications, web and social media, archives and records management, information and privacy compliance, legal and risk management, and elections administration. This division plays a key role in strategic planning and community engagement.

HIGHLIGHTS:

- In March, Administration staff distributed information to schools in View Royal regarding the Town's Streets Bylaw, No. 980. The information, which was also posted on the Town's website and social media, focused on alternate modes of transportation and where these types of equipment (bikes, skateboards, scooters, etc.) are permitted to be used – sidewalk, road, or cycle lane.
- As part of the Town's 2021 Canada Day recognition, staff handed out 500 Red Maple tree kits to residents who visited Town Hall. Residents were also invited to participate in the "Hello View Royal!" photo contest by taking a photo to share Canada Day greetings with the Town. The winning entry replicated the Town's logo in sand, shells, and pebbles.
- The draft Public Art Policy was reviewed and approved by the Committee of the Whole in June.
- View Royal Archives staff worked to lay the foundation for online access to the community archival collection. A test database was set up and metadata entered along with some of the first photos donated to the Archives over 20 years ago. The database will provide an online portal for people to access the collection from their computers at home and will continually be added to as residents donate to the View Royal Archives.
- Administration staff hosted a public open house in November to gain feedback on the topic of a potential increase to council size from five to seven members. Residents were invited to attend in-person to learn about the pros and cons, the process, and the costs to increase Council size and to provide insight and thoughts on the initiative.
- Staff assisted members of Council with the second annual 'Light Up View Royal' festive contest in December. A total of 16 nominations were received and five addresses were selected by Council to receive prizes for best Christmas light displays in Town.
- In response to changed restrictions regarding COVID-19, Administration staff explored options to safely reopen Council Chambers to the public to resume in-person attendance at Council and Committee of the Whole meetings in October. The Microsoft Teams Live Event platform continued to be used to facilitate webcasting for those unable to attend in-person.

| DEPARTMENT QUICK STATS: | 2020 | 2021 |
|---------------------------------|-------------|-------------|
| Agenda packages and minutes | 122 | 116 |
| Freedom of Information requests | 48 | 76 |
| Corporate website page views | 81,759 | 81,735 |
| Social media followers | 2,796 | 3,200 |
| Employment competitions | 4 | 10 |



View Royal Elementary Kindergarten Visit

ANNUAL VIEW ROYAL ELEMENTARY VISIT

Kindergarten students from View Royal Elementary School paid a visit to View Royal Town Hall during the Christmas season, bringing handmade tree decorations, festive cards, and an abundance of holiday cheer. Students serenaded Mayor Screech and staff with a few favourite carols and returned to their classrooms with pockets full of candy canes and clementines. An annual tradition enjoyed by all!

DEVELOPMENT SERVICES

The Development Services Department provides the current and future land use, planning, and zoning work for View Royal and is responsible for the Official Community Plan that guides future growth. Additionally, Development Services supports economic development initiatives and programs.

HIGHLIGHTS:

- Starting in August 2021, Development Services staff launched the initiative to update the View Royal Official Community Plan (OCP). Following initial consultation, preliminary analysis indicated that climate change, transportation and mobility, environmental protection, and a strong community identity and sense of place are topics that are top of mind moving forward with the review. Community engagement began with ten public walk shops and two Council walk shops as well as an online community survey.
- The Town was not successful in the grant application for the Lime Kiln on Hart Road. Staff continue to watch for grant opportunities related to heritage to help complete the restoration and interpretation of this site.
- In October, the Town of View Royal began to offer residents a \$350 municipal top-up in addition to the heat pump rebates available through the CleanBC Better Homes and Home Renovation Rebate Program for participants that switched from a fossil fuel (oil, natural gas, or propane) heating system to an electric air source heat pump.
- The Town began developing the Community Climate Action Strategy (CCAS) in early September to update View Royal's greenhouse gas reduction targets, develop climate action policies for the Town's Official Community Plan, and prioritize community actions to mitigate climate change at a local level. The consultant for the CCAS conducted community consultation in October and November, which included two online workshops and two surveys.
- In July, the Town partnered with the CRD, City of Victoria and Township of Esquimalt to submit an application for Natural Resources Canada's Zero Emissions Vehicle Incentive Program (ZEVIP). Funds from the program would cover 50% of costs to add a Level 2 electric vehicle charger to the existing charging station at Helmcken Centennial Park. The application was coordinated by the CRD and the total grant funding opportunity amounts to \$457,500. If approved, 110 - Level 2 charge points would be installed across seventeen sites for public, fleet, and workplace charging. This project has the potential to jump-start the local availability of electric vehicle chargers and provide key foundational support for regional transition to electric vehicles.

| DEPARTMENT QUICK STATS: | 2020 | 2021 |
|--|------|------|
| Development permit applications | 10 | 18 |
| Development variance permit applications | 3 | 4 |
| Subdivision applications | 0 | 5 |
| Rezoning applications | 6 | 3 |
| Secondary suite permits issued | 392 | 437 |
| Business licences | 400 | 414 |



Members of Council Participate in the Official Community Plan's Harbour/Firehall Neighbourhood Walk Shop

OFFICIAL COMMUNITY PLAN UPDATE

The Official Community Plan Update project kicked off with an initial round of public consultation focused on gathering community members views on the vision, priorities, issues and opportunities to direct View Royal's future. The consultation included 11 neighbourhood walk shops, 3 online workshops and an online survey.

Community members expressed care about View Royal and provided thoughtful and detailed responses in all engagement streams. Emerging themes included pedestrian/cyclist focused streets, affordable housing, multi-modal transportation, walkability, placemaking, and parks/greenspace/water access.

ENGINEERING & PARKS

The Engineering & Parks Department is responsible for the maintenance and capital programs for View Royal's roads, streets, bridges, sidewalks, street signage, boulevards, bus shelters, street lighting, traffic signals and storm drains. The Parks section is responsible for the maintenance and development of over 70 parks in View Royal, including manicured and natural green spaces, trails, and sports fields, Parks also maintains the grounds at Town Hall and oversees building and fleet maintenance.

HIGHLIGHTS:

- The four-way stop at Chilco Road and Nursery Hill Drive at Six Mile Road was completed. Bike lanes were also installed north of the intersection along Six Mile Road up to Thetis Lake Park. In conjunction with the project, BC Transit added two new bus stops (north and south bound) to the Six Mile corridor.
- Staff began design work for sewer capital projects. Site meetings were held for the Helmcken Bay Pump Station (PS) Upgrade and the sewer gravity main upgrade from the Packers PS to View Royal PS. All the emergency sewer PS generators were programmed to run at regular intervals simulating emergency conditions to help ensure the generators remain in good working order when called upon in an emergency.
- The development of the Crane Place road right-of-way was completed and open to the public. The trail was constructed with wood chips using a geotextile underlay to protect the Garry Oak root system and leads to a viewpoint of the Portage Inlet.
- Staff rolled out a new GIS tool, the Collector app, to collect inspection data in the field. Using this tool, staff can now automatically upload data to the Town's servers which is more efficient than using paper inspection forms and also makes the information instantly available for digital viewing and analysis.
- Crews installed new culverts along Camden Avenue and a new catch basin on Plowright Road. The contractor for the Thetis Cove Pump Station upgrade project provided a training session for View Royal and Esquimalt staff.
- The community gardens at View Royal Park prepared for its eighth year of operation and welcomed 14 new participants at the garden for the 2021 season.
- A new water fountain was installed at View Royal Park next to the playground. The fountain features a conventional drinking bubbler, water bottle filling station and a dog bowl. This installation location will allow all park users to access the amenity.
- A new Level 2 charging station was installed on the Town Hall Parks shed to accommodate Town-owned electric vehicles.



Parks Crew Planting at Town Hall

ENGINEERING & PARKS DEPARTMENT (CON'T)

- Crews completed resurfacing of trails within Portage Park, Garry Oak Meadow Park, Nursery Hill Park, View Royal Park, Knockan Hill Park, Burnside Watkiss, Centennial Park, Robin Hill Park and Edwards Park.
- The Parks Department purchased two new battery powered weed eaters, both made by “Husqvarna”. Staff had tested electric weed eaters previously, but 2021’s purchase were the first models which fit the Town’s needs. One is a dedicated, smaller weed eater for higher maintained areas. The other is an interchangeable head weed eater, which allows the use of attachments such as short & long shears, small tiller for annual beds and small broom for quick clean ups of concrete/asphalt. Rounding out the pieces are two chargers and four batteries.
- Leading up to Earth Day, Parks staff, along with the Habitat Restoration Program Coordinator and volunteers planted 220 Douglas Fir and 220 Western Red Cedar seedlings in Aldersmith, Burnside/ Watkiss, Eagle Creek, Edwards, Garry Oak Meadows, Knockan Hill, Nursery Hill, Portage, Robin Hill, and View Royal Parks.

| DEPARTMENT QUICK STATS: | 2020 | 2021 |
|---------------------------------|------|------|
| Tree permits | 154 | 133 |
| Customer issues or concerns | 958 | 1004 |
| Catch basins cleaned | 969 | 982 |
| Drainage mains videoed (metres) | 3236 | 2724 |
| Sanitary mains videoed (metres) | 1429 | 2976 |
| Solid waste new customers | 13 | 8 |

INCLEMENT WEATHER CHALLENGES

During the inclement weather in November, the Engineering & Parks Department received over 120 requests for service, just shy of double the average volume of monthly calls. The severe rain events tested sewer and drainage infrastructure; however, the Town emerged with no sewer overflows and with minimal drain flooding. Staff set up a sand bagging station at Helmcken Centennial Park to support residents with flooding issues.



Sand Bagging Station at Helmcken Centennial Park

FINANCE

The Finance Department provides the systems, tools, processes, and personnel to plan, record and report View Royal's financial position and operations. It is instrumental in preparing the annual five-year financial plan, financial statements, tax and utility billings and ensuring suppliers and employees are paid accurately and on time. Under the Finance Department, the Information Technology function is responsible for the maintenance and security of electronic information systems and the delivery of technology enabled projects, including expanding online and electronic billing services.

HIGHLIGHTS:

- The Citizen Budget online engagement tool was open in March in conjunction with publication of the 2021-2025 Financial Plan. The survey provided information about the five-year financial plan and showed users the impact of increasing or decreasing various service elements on their property taxes. Results collected by Citizen Budget were presented to Council and shared with the public prior to adoption of the 2021-2025 Financial Plan.
- The Town engaged a consultant to complete the work necessary to update the Information Technology Strategic Plan. In September/October, the consultant met with each department to review current state and anticipated future needs and priorities. The plan provides a high-level roadmap and investment summary to guide the planning and delivery of the various initiatives.
- For the fourth consecutive year, the Town of View Royal received the Government Finance Officers Association Distinguished Budget Presentation Award. The award was presented to the Finance Department for the 2021-2025 Financial Plan and represents a significant achievement that reflects the commitment of the Town to meet the highest principles of governmental budgeting. To receive the award, the Town's budget documents were satisfactorily evaluated against standard budget criteria for effective budget presentation. The preparation of the budget is a team effort – not just the Finance team, but the whole organization, and that work is recognized and appreciated.
- The Town launched a new online tool, the Budget Variance Dashboard (the Dashboard). The Dashboard allows citizens to access detailed information about the Town's budget and finances, providing transparency and accountability to citizens regarding municipal revenue and spending. One of the first of its kind in Canada, the Dashboard provides detailed financial and operating information that is important to local government and citizens. The Dashboard was presented at Municipal Information Services Association of BC's annual conference and received the Spirit of Innovation Award for its solution for democratizing complex financial information.

| DEPARTMENT QUICK STATS: | 2020 | 2021 |
|---|------|------|
| Direct deposits to vendors (% of total payments) | 79% | 77% |
| Online payments from customers (% of total receipts) | 46% | 56% |
| Electronic billing - tax and utility invoices (% of total) | 8% | 9% |



Student Volunteer Clean-up at Portage Park Beach

PORTAGE PARK BEACH CLEAN-UP

In recognition of Earth Day, eight classes of students from Shoreline Middle School participated in a beach and park cleanup day at Portage Park. They combed the beach, park, and even the north end of the Thetis Cove development area.

PROTECTIVE SERVICES

The Protective Services Department includes View Royal Fire Rescue which is a composite paid and volunteer fire department responsible for fire suppression, fire inspections, and related training and education. It also encompasses policing provided under contract with the RCMP through the West Shore detachment, emergency planning and preparedness, and enforcement of municipal bylaws.

HIGHLIGHTS:

- The Chief Administrative Officers and the Fire Chiefs of the View Royal, Colwood and Langford met in February to discuss opportunities for advancing West Shore fire department partnerships to create potential synergies and cost savings for our respective local government.
- The Fire Chief met extensively with Capital Regional District (CRD) staff regarding Thetis Lake Park and the proposed Thetis Lake Park Emergency Response Services Cost Recovery Bylaw. As a result of these meetings, the Town agreed to suspend the bylaw due to the CRD committing to a full-time Park Ranger and Bylaw Enforcement in Thetis Lake Park for the summer months. As well, Westshore RCMP and the Fire Department had dedicated patrols and a marine presence on scheduled days in the summer.
- In July, View Royal firefighters started the new stipend overnight shift schedules. This new program, modelled after the COVID-19 staffing model, included a minimum of four firefighters on duty in the Public Safety Building 24 hours a day, seven days a week. On-duty firefighters continued to perform company fire inspections and pre-planning duties under this model. This new schedule resulted in a significant reduction in response times to fires, an increase in drill hours, and an overall improvement in departmental operations.
- View Royal Emergency Management Program staff encouraged residents to sign up for the improved public alert notification system for the Westshore called 'Westshore Alert'. Westshore Alert notifies subscribers via phone, text, email, etc about major emergencies and disasters (ie. tsunami, earthquake, wildfire) and/or lower severity alerts (ie. traffic, weather) and gives instructions on how to stay safe.
- The Great British Columbia ShakeOut took place on October 21, 2021 with Town Hall staff participating in an associated Emergency Preparedness and Emergency Operations Centre refresher session via Microsoft Teams as well as the "drop, cover and hold" drill at their desks.

| DEPARTMENT QUICK STATS: | 2020 | 2021 |
|-------------------------|------|------|
| Volunteers | 65 | 65 |
| Calls attended | 618 | 899 |
| Bylaw complaints | 950 | 764 |



Full Fire Trailer after the Annual Food Drive

ANNUAL FOOD DRIVE

The View Royal Firefighters Association had a banner year for community fundraising initiatives. The most notable: thousands of pounds of food were collected and over \$7600 was raised for the Westshore Foodbank in the Annual Food Drive in December.



View Royal Community Gardens

2021 MUNICIPAL GOALS & OBJECTIVES

The 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.

The Plan is based on ongoing public input and specifically includes input from a survey conducted in Spring 2019 following the last municipal election. It is the roadmap for Council's decision-making and for the work of municipal staff.



Beaumont Avenue Shoreline Access

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

| 2021 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"> • Complete. Speed boxes were installed in school zones and participated in Ready Step Roll program with CRD for View Royal Elementary. |
| Engage BC Transit to pursue commitment for a higher level of transit service, including improvements to underserved areas | <ul style="list-style-type: none"> • Service improvements to Thetis Lake area have been implemented. Design of rapid bus lanes on Island Highway has been completed and is anticipated to be constructed in 2022/23. |
| Engage the Ministry of Transportation & Infrastructure to review the feasibility of a Colwood/Victoria commuter ferry and the E&N Corridor | <ul style="list-style-type: none"> • Engagement with the Ministry of Transportation & Infrastructure Regional Corridor Study is in progress. |
| Identify commercial development opportunities | <ul style="list-style-type: none"> • Complete. The Precinct Land Economics Study was presented to Committee of the Whole on June 8, 2021. Suggestions for changes to land use designations in the Official Community Plan (OCP) will be brought forward as part of the OCP review. |
| Include densification around commercial areas or development of commercial areas within current residential zones in OCP review | <ul style="list-style-type: none"> • The Official Community Plan (OCP) Review contract was awarded to EcoPlan on June 15, 2021. |

STRATEGIC PRIORITY - COMMUNITY & ECONOMIC GROWTH

GOALS:

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

| 2021 PROJECTS & INITIATIVES | OUTCOME |
|---|--|
| Complete the precinct land economic analysis for identified sites | <ul style="list-style-type: none"> • Complete. Report was presented to Committee of the Whole on June 8, 2021. |
| Create a map that identifies sites in corridors and gateways that are likely to redevelop based on the difference between assessed land value and value of improvements | <ul style="list-style-type: none"> • Land Economics Study is now complete and can feed into the Official Community Plan review. |
| Update sustainability checklist | <ul style="list-style-type: none"> • In progress. |



Admirals Walk

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

| 2021 PROJECTS & INITIATIVES | OUTCOME |
|--|---|
| Update and adopt an amendment to the 2012 Community Climate Action Plan | <ul style="list-style-type: none"> • The Community Climate Action Strategy was initiated August 2021 with anticipated completion February 2022. |
| Update Tree Protection Bylaw to recognize loss of tree canopy in land development | <ul style="list-style-type: none"> • In progress. Scheduled to be presented to Committee of the Whole on January 11, 2022. |
| Engage a building energy auditor to assess all municipal buildings and develop a strategy to improve the energy efficiency of the buildings, with supplementary funding from BC Hydro/Fortis | <ul style="list-style-type: none"> • The project proposal is included in the 2022-2026 Financial Plan. |
| Develop resident owner program to improve energy efficiency of existing housing stock (i.e. oil or gas furnace, window replacement) | <ul style="list-style-type: none"> • Complete. Grant program for heat pump conversion initiated October 1, 2021. |
| Develop and implement a municipal fleet and equipment policy to prioritize low-emission vehicles and equipment | <ul style="list-style-type: none"> • The policy update in progress. |
| Work with car-share companies to establish presence in View Royal | <ul style="list-style-type: none"> • Staff initiated contact with MODO and met in August 2021. Issues identified in successful co-op implementation include density, and avoiding gaps in service areas. |
| Develop a sea-level rise and storm surge mitigation and adaptation policy | <ul style="list-style-type: none"> • Initial policy developed and approved by Council. Additional refinement likely in response to latest IPCC report. |

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

| 2021 PROJECTS & INITIATIVES | OUTCOME |
|---|---|
| Complete Asset Management Plan, considering options to minimize infrastructure deficit | <ul style="list-style-type: none"> • Asset replacement funding plan report presented in June 2021. Long-term financial model to support Asset Management decisions and Asset Management Policy development are included in the 2022-2026 Financial Plan. |
| Develop Long-term Financial Plan that incorporates implications of Asset Management Plan and funding choices | <ul style="list-style-type: none"> • The project proposal is included in the 2022-2026 Financial Plan. Costs may be offset if further grant applications are approved. |
| Continue to improve relationships with the business community to build business friendly reputation - annual business mixer; Island-wide mobile business licence; online business licence renewals and applications; consider expanded Home Occupation definition; engage with South Island Prosperity Project annually | <ul style="list-style-type: none"> • Online business licence search and renewal functionality was launched in November 2020. Annual business mixer was cancelled in 2021 due to COVID-19. |
| Include future staffing level requirements for all five-years in the financial plan | <ul style="list-style-type: none"> • This is included in the 2022-2026 Financial Plan. |



Electric Vehicle Charging Station at Town Hall

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

| 2021 PROJECTS & INITIATIVES | OUTCOME |
|--|--|
| Explore partnership with West Shore Parks & Recreation Society for programming in View Royal's parks and neighbourhoods | <ul style="list-style-type: none"> • Delayed to 2022 due to COVID-19. |
| Arrange intermunicipal events celebrating park connections between Colwood, Esquimalt, Langford, Saanich, CRD Parks and View Royal | <ul style="list-style-type: none"> • Delayed to 2022 due to COVID-19. |
| Develop an acknowledgement of traditional territories in Town of View Royal and develop policy regarding its use | <ul style="list-style-type: none"> • Complete. Policy 0100- 052 was approved by Council on February 16, 2021. Territorial acknowledgements are in place for Council meetings. |
| Develop Council code of conduct | <ul style="list-style-type: none"> • Complete. |



Winning Entry in View Royal Canada Day Photo Contest

STRATEGIC PRIORITY - COMMUNITY SAFETY & SECURITY

GOALS:

- A real and perceived safe community
- Prepared for emergencies

| 2021 PROJECTS & INITIATIVES | OUTCOME |
|--|--|
| Increase Fire Department full time employees | <ul style="list-style-type: none">• Complete. |
| Increase volunteer night shifts | <ul style="list-style-type: none">• Complete. New schedule implemented in July 2021. |



LOOKING AHEAD - 2021-2024



View Royal Welcome Sign

Strategic Plan 2019-2022

We're working together to make View Royal better everyday by focusing on what's important to the citizens of our community, constantly improving how we do business and ensuring we plan for our future to build a strong, healthy, and thriving View Royal.

The Strategic Plan details what we heard from citizens about what is important to them and what they want the Town to do on their behalf. It is reviewed at least quarterly, with additional time spent as required to keep it current and update progress on specific projects.

The Strategic Plan outlines six key result categories, which describe the focus areas of our work to help us prioritize our efforts and resources, setting out specific goals with measures, targets, and planned timing for the work.



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: |
|--|-----------|
| Develop an Active Transportation Master Plan (after OCP is complete) | 2022-2023 |
| Develop a housing affordability strategy | 2022 |
| Engage a community events coordinator to enhance current events and/or devise new community-building initiatives | 2023 |
| Develop Helmcken Centennial Park Master Plan | 2022 |



Chilco Road/Thetis Vale Crescent in Fall



Ocean Views at COHO Development

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: |
|---|-----------|
| Review home-occupation business licence program (after OCP complete) | 2022 |
| Placemaking Urban Design Plan to facilitate distinct identity for View Royal's public realm | 2024-2025 |

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: |
|--|---------|
| Update and adopt an amendment to the 2012 Corporate Climate Action Plan | 2024 |
| By 2022, adopt Step 3 of Step Code for Part 9 buildings and Step 2 of Step Code for Part 3 buildings and transition to Step 5 of Step Code by 2030 | 2022 |
| Facilitate Step Code 3 implementation | 2022 |
| Review density bonusing as an incentive to achieve Step Code level in excess of minimum requirement | 2022 |
| Develop an Urban Forest Strategy | 2023 |
| Update the wildfire interface zone assessment and update development permit area guidelines accordingly (concurrent with OCP) | 2022 |
| Develop and implement a fuel load management program for wildfire interface zones | 2022 |



Trail in Mellor Park



View Royal Park Bike Pump Track

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 | 2022 |
| 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) | 2022 |
| Develop a priority list for spending community amenity contributions through engagement with the community | 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: |
|--|---------|
| Host at least one Council to Council event with each First Nation | 2022 |
| Host community training re. First Nations relationships, history and protocols | 2022 |



Snowy Day at View Royal Town Hall

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: |
|--|---------|
| Require every employee to complete at least one Justice Institute of BC Emergency Operations Centre course or equivalent | 2022 |
| Update Business Continuity Plan | 2022 |
| Update Emergency Response and Recovery Plan, based on new legislation | 2023 |



View Royal Public Safety Building



Shoreline at Portage Inlet Linear Park



TOWN OF VIEW ROYAL

FINANCIAL INFORMATION

Fiscal Year Ended December 31, 2021

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 unmodified opinion that the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2021 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 3, 2022.

For 2021, although the Town continued to face financial pressures due mainly to the closure of the View Royal Casino for the first half of the year, 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 \$1.8 million in 2021 to \$15.6 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 \$633 thousand resulting in an accumulated surplus of over \$146 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 \$130.4 million with related debt equaling \$5 million resulting in net equity in tangible assets of \$125.4 million;
- Total reserves and surplus at the end of 2021 was \$20.6 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 \$4.9 million.

Town of View Royal
Statement of Financial Information Approval
As at December 31, 2021

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
June 22, 2022



On behalf of Council,
David Screech, Mayor
July 5, 2022

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

Town of View Royal

Consolidated Financial Statements
Year ended December 31, 2021

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 consolidated 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 controls 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 03, 2022

Independent Auditor's Report

To 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, 2021, and the consolidated statements of operations, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2021, and the results of its operations, changes in its net debt 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 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 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 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 3, 2022

Chartered Professional Accountants

Town of View Royal

Consolidated Statement of Financial Position
as at December 31, 2021

| | 2021 | 2020 |
|--|-----------------------|-----------------------|
| Financial assets | | |
| Cash and cash equivalents (Note 3) | \$ 30,682,611 | \$ 30,255,883 |
| Property taxes receivable | 100,388 | 167,906 |
| Accounts receivable (Note 4) | 2,808,257 | 1,005,666 |
| Inventory held for sale | 9,629 | 8,057 |
| | 33,600,885 | 31,437,512 |
| Liabilities | | |
| Accounts payable and accrued liabilities (Note 5) | 3,803,710 | 4,372,172 |
| Deposits | 2,273,748 | 1,186,416 |
| Deferred revenue (Note 6) | 6,144,745 | 5,923,275 |
| Prepaid property taxes | 525,264 | 521,326 |
| Long-term debt (Note 7) | 5,012,823 | 5,419,897 |
| Employee benefits and retirement obligations (Note 8) | 283,228 | 257,358 |
| | 18,043,518 | 17,680,444 |
| Net financial assets | 15,557,367 | 13,757,068 |
| Non-financial assets | | |
| Tangible capital assets (Note 9) (Schedule 3) | 130,429,201 | 131,577,469 |
| Inventory of supplies | 14,947 | 12,699 |
| Prepaid expenses | 80,203 | 101,391 |
| | 130,524,351 | 131,691,559 |
| Commitments and contingencies (Note 15) Significant event (Note 21) | | |
| Accumulated surplus (Note 10) | \$ 146,081,718 | \$ 145,448,627 |



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

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

Town of View Royal

Consolidated Statement of Operations

Year ended December 31, 2021

| | Financial plan (Note 17) | 2021 | 2020 |
|--|-----------------------------|----------------|----------------|
| Revenue | | | |
| Taxes for municipal purposes (Note 12) | \$ 9,614,978 | \$ 9,616,909 | \$ 9,219,894 |
| User charges | 4,097,438 | 4,515,231 | 4,006,648 |
| Investment income | 110,000 | 22,047 | 622,943 |
| Actuarial adjustments on debt | - | 107,373 | 93,107 |
| Penalties and fines | 60,000 | 95,780 | 54,567 |
| Development charges earned | 123,350 | 26,055 | 806,024 |
| Contributions from developers and others | - | 713,180 | 37,500 |
| Other revenue from own sources | 240,168 | 1,102,089 | 399,362 |
| Government grants and transfers (Notes 13, 14) | 2,815,775 | 3,245,148 | 4,295,221 |
| | 17,061,709 | 19,443,812 | 19,535,266 |
| Expense | | | |
| General government services | 2,639,719 | 2,613,908 | 2,175,243 |
| Protective services | 5,342,523 | 5,296,182 | 4,397,459 |
| Transportation services | 5,020,156 | 4,591,307 | 4,664,180 |
| Environmental health services | 2,555,128 | 2,470,874 | 2,414,231 |
| Development services | 747,643 | 609,189 | 542,086 |
| Recreation and cultural services | 3,597,363 | 3,229,261 | 2,814,446 |
| | 19,902,532 | 18,810,721 | 17,007,645 |
| Annual surplus (deficit) | (2,840,823) | 633,091 | 2,527,621 |
| Accumulated surplus, beginning | 145,448,627 | 145,448,627 | 142,921,006 |
| Accumulated surplus, ending | \$ 142,607,804 | \$ 146,081,718 | \$ 145,448,627 |

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, 2021

| | Financial plan (Note 17) | 2021 | 2020 |
|---|-----------------------------|----------------------|---------------|
| Annual surplus (deficit) | \$ (2,840,823) | \$ 633,091 | \$ 2,527,621 |
| Acquisition of tangible capital assets | (2,711,476) | (2,704,538) | (2,383,073) |
| Contributed tangible capital assets | - | 529,430 | - |
| Amortization of tangible capital assets | 3,099,457 | 3,025,625 | 3,133,093 |
| (Gain) loss on disposal and write-down of tangible capital assets | - | (454,588) | (82,152) |
| Proceeds on sale of tangible capital assets | - | 591,748 | 106,299 |
| Change in proportionate share of West Shore Parks and Recreation Society | - | 160,591 | (79,875) |
| Change in inventory of supplies | - | (2,248) | 1,806 |
| Change in prepaid expenses | - | 21,188 | 192,849 |
| Increase (decrease) in net financial assets | (2,452,842) | 1,800,299 | 3,416,568 |
| Net financial assets, beginning | 13,757,068 | 13,757,068 | 10,340,500 |
| Net financial assets, ending | \$ 11,304,226 | \$ 15,557,367 | \$ 13,757,068 |

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, 2021

| | 2021 | 2020 |
|---|----------------------|----------------------|
| Cash provided by (used in) | | |
| Operating activities | | |
| Annual surplus | \$ 633,091 | \$ 2,527,621 |
| Items not affecting operating activities | | |
| Contributed tangible capital assets | 529,430 | - |
| Amortization of tangible capital assets | 3,025,625 | 3,133,093 |
| (Gain) loss on disposal and write-down of tangible capital assets | (454,588) | (82,152) |
| Change in inventory of supplies | (2,248) | 1,806 |
| Change in prepaid expenses | 21,188 | 192,849 |
| Actuarial adjustment on debt | (100,604) | (93,107) |
| Change in proportionate share of West Shore Parks and Recreation Society | 160,591 | (79,875) |
| Decrease (increase) in non-cash financial assets | | |
| Property taxes receivable | 67,518 | (50,393) |
| Accounts receivable | (1,802,591) | 813,994 |
| Inventory held for sale | (1,572) | (2,001) |
| Increase (decrease) in liabilities | | |
| Accounts payable and accrued liabilities | (568,462) | 171,857 |
| Deposits | 1,087,332 | (187,118) |
| Deferred revenue | 221,470 | 715,392 |
| Prepaid property taxes | 3,938 | (24,307) |
| Employee benefits and retirement obligations | 25,870 | 28,830 |
| | 2,845,988 | 7,066,489 |
| Capital activities | | |
| Acquisition of tangible capital assets | (2,704,538) | (2,383,073) |
| Proceeds on disposal of tangible capital assets | 591,748 | 106,299 |
| | (2,112,790) | (2,276,774) |
| Financing activities | | |
| Debt principal repaid | (306,470) | (306,470) |
| Increase in cash and cash equivalents | 426,728 | 4,483,245 |
| Cash and cash equivalents, beginning | 30,255,883 | 25,772,638 |
| Cash and cash equivalents, ending | \$ 30,682,611 | \$ 30,255,883 |

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, 2021

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.

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2021

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 are professionally managed and objectively benchmarked by large, secure financial services organizations.

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.

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2021

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 |
| Buildings | 20 - 70 |
| Vehicles, machinery and equipment | 3 - 20 |
| Engineering structures | 10 - 100 |

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

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

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, 2021

1. Significant accounting policies (continued)

k) Non-financial assets (continued)

v) Leased tangible capital assets

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

vi) Inventory of supplies

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

l) Use of estimates

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

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.

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2021

3. Cash and cash equivalents

| | <u>2021</u> | <u>2020</u> |
|--|----------------------|----------------------|
| Bank deposits | \$ 18,451,135 | \$ 17,949,555 |
| Municipal Finance Authority - Money Market | 961,314 | 959,847 |
| Municipal Finance Authority - Ultra Short Bond | 2,059,761 | 2,059,897 |
| Municipal Finance Authority - Short-Term Bond | 9,210,401 | 9,286,584 |
| | <u>\$ 30,682,611</u> | <u>\$ 30,255,883</u> |

Cash and cash equivalents consist of short-term investments in the MFA money market, ultra short-term, and short-term bond funds. The market value is equal to the carrying value. Temporary investments have yields ranging from 0.8% to .2%.

Included in cash and cash equivalents are the following restricted amounts:

| | <u>2021</u> | <u>2020</u> |
|--|----------------------|----------------------|
| Restricted cash - MFA | \$ - | \$ 95,875 |
| Restricted cash - West Shore reserve funds (Note 10) | 270,325 | 163,311 |
| Restricted investments - reserve funds (Note 10) | 8,495,251 | 7,494,056 |
| Restricted investments - development cost charges | 5,232,629 | 4,890,428 |
| | <u>\$ 13,998,205</u> | <u>\$ 12,643,670</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, 2021 the balance outstanding was \$nil (2020 - \$nil).

4. Accounts Receivable

| | <u>2021</u> | <u>2020</u> |
|--------------------------------|---------------------|---------------------|
| Government of Canada | \$ 227,249 | \$ 311,659 |
| Province of British Columbia | 1,074,662 | 160,439 |
| Regional and local governments | 22,152 | 13,717 |
| Deposits | 2,500 | 122,508 |
| Other trade receivables | 1,481,694 | 397,343 |
| | <u>\$ 2,808,257</u> | <u>\$ 1,005,666</u> |

5. Accounts payable and accrued liabilities

| | <u>2021</u> | <u>2020</u> |
|--------------------------------|---------------------|---------------------|
| Government of Canada | \$ 749,274 | \$ 532,169 |
| Province of British Columbia | 533,455 | 2,113,454 |
| Regional and local governments | 764,551 | 131,873 |
| Payroll liabilities | 223,870 | 149,360 |
| Other trade payables | 1,532,560 | 1,445,316 |
| | <u>\$ 3,803,710</u> | <u>\$ 4,372,172</u> |

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2021

6. Deferred revenue

| | <u>2021</u> | <u>2020</u> |
|--------------------------|---------------------|---------------------|
| Development cost charges | | |
| Beginning balance | \$ 4,890,427 | \$ 4,609,541 |
| Received during the year | 354,801 | 957,104 |
| Interest earned | 13,456 | 129,806 |
| Recognized as revenue | <u>(26,055)</u> | <u>(806,024)</u> |
| Ending balance | 5,232,629 | 4,890,427 |
| Deferred revenue - other | 912,116 | 1,032,848 |
| Total deferred revenue | <u>\$ 6,144,745</u> | <u>\$ 5,923,275</u> |

7. Long-term debt

a) Debt outstanding

| Issue # | Matures | Rate | Original Amount | Net debt 2021 | Net debt 2020 |
|---------|---------------|-------|---------------------|---------------------|---------------------|
| 117 | Oct. 12, 2026 | 3.25% | \$ 2,445,000 | \$ 978,982 | \$ 1,152,777 |
| 127 | Apr. 7, 2034 | 3.30% | 5,490,000 | 4,033,841 | 4,267,120 |
| | | | <u>\$ 7,935,000</u> | <u>\$ 5,012,823</u> | <u>\$ 5,419,897</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:

| | |
|--------------|----------------------------|
| 2022 | \$ 315,615 |
| 2023 | 315,615 |
| 2024 | 315,615 |
| 2025 | 315,615 |
| 2026 | 315,615 |
| Thereafter | 3,434,748 |
| Total | <u><u>\$ 5,012,823</u></u> |

c) Interest expense

Total interest expense during the year was \$251,094 (2020 - \$260,633).

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2021

8. Employee benefit and retirement obligations

Employee benefit obligations represent accrued benefits as follows:

| | <u>2021</u> | <u>2020</u> |
|--|-------------------|-------------------|
| Vacation payable | \$ 34,037 | \$ 76,407 |
| Accrued overtime | 78,254 | 20,110 |
| Sick leave entitlements | 115,900 | 112,000 |
| West Shore employee future benefit obligations | 55,037 | 48,841 |
| | <u>\$ 283,228</u> | <u>\$ 257,358</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, 2021.

Information about liabilities for accrued sick leave is as follows:

| | <u>2021</u> | <u>2020</u> |
|---|-------------------|-------------------|
| Accrued benefit obligation, beginning of year | \$ 131,600 | \$ 95,500 |
| Adjustment to benefit obligation | - | 6,200 |
| Current service cost | 10,900 | 9,300 |
| Interest cost | 2,600 | 3,000 |
| Benefits paid | (11,500) | (1,500) |
| Amortization of actuarial (gain) | (6,100) | 19,100 |
| Accrued benefit obligation, end of year | <u>127,500</u> | <u>131,600</u> |
| Unamortized gain | (11,600) | (19,600) |
| Accrued benefit liability, end of year | <u>\$ 115,900</u> | <u>\$ 112,000</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:

| | <u>2021</u> | <u>2020</u> |
|-----------------------------------|---------------|---------------|
| Discount rates | 2.40% | 1.90% |
| Expected future inflation rates | 2.50% | 2.50% |
| Expected wage and salary increase | 2.58% - 4.50% | 2.58% - 4.50% |

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2021

8. 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, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 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 \$299,565 (2020 - \$301,892) for employer contributions while Town employees contributed \$251,918 (2020 - \$254,153) to the plan in fiscal 2021.

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.

9. Tangible capital assets

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

Assets under construction totaling \$277,810 (2020 - \$1,582,135) 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, 2021

9. 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 \$529,430 (2020 - \$nil).

c) Gain or loss on disposal of tangible capital assets

During the year, the Town recognized a \$454,588 gain on disposal of tangible capital assets. (2020 - \$82,152). This amount is included as revenue on the Consolidated Statement of Operations.

d) Write down of tangible capital assets

The write down of tangible capital assets during the year was \$21,342 (2020 - \$nil).

10. Accumulated surplus

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

| Surplus | <u>2021</u> | <u>2020</u> |
|---|-----------------------|----------------|
| Equity in tangible capital assets | \$ 125,470,392 | \$ 126,235,265 |
| Appropriated surplus - casino revenue | 4,188,767 | 4,881,520 |
| Appropriated surplus - Community Works Fund (Note 11) | 2,349,862 | 1,529,574 |
| Appropriated surplus - other | 381,232 | 379,132 |
| Unrestricted accumulated surplus | 4,925,887 | 4,765,769 |
| | 137,316,140 | 137,791,260 |
| Capital Renewal | 701,602 | 627,813 |
| Capital Works and Land Acquisition | 1,336,220 | 833,460 |
| Community Amenity Contributions | 177,669 | - |
| Fire Department Equipment | 197,834 | 158,487 |
| Future Operating Expenditures | 977,968 | 975,283 |
| Machinery and Equipment Depreciation | 305,216 | 334,608 |
| Parks and Open Space | 501,292 | 499,916 |
| Parks Improvements | 381,897 | 276,049 |
| Police Equipment, Property and Contract | 384,109 | 416,209 |
| Police Operation and Maintenance | 1,653,589 | 1,822,501 |
| Sewer System Capital | 1,877,857 | 1,549,730 |
| West Shore Parks and Recreation Society reserves | 270,325 | 163,311 |
| | 8,765,578 | 7,657,367 |
| | \$ 146,081,718 | \$ 145,448,627 |

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2021

11. 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 Fund transfers are recorded as revenue when received, then held as reserves until spent on eligible expenditures.

| | <u>2021</u> | <u>2020</u> |
|---|---------------------|---------------------|
| Community Works Fund, beginning balance | \$ 1,529,574 | \$ 1,084,074 |
| Amounts received during the year | 1,009,383 | 493,427 |
| Interest earned | 5,154 | 35,713 |
| Amounts allocated to projects during the year | (194,249) | (83,640) |
| | <u>\$ 2,349,862</u> | <u>\$ 1,529,574</u> |

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 | <u>2021</u> | <u>2020</u> |
|---|---------------------|---------------------|
| Property tax | \$ 16,984,390 | \$ 15,857,664 |
| Grants in lieu of taxes | 58,764 | 58,070 |
| 1% Utility tax | 134,252 | 131,737 |
| | <u>17,177,406</u> | <u>16,047,471</u> |
| Less taxes levied for other authorities | | |
| School authorities | 4,962,345 | 4,163,517 |
| Capital Regional District | 966,463 | 959,505 |
| Capital Regional Hospital District | 659,833 | 707,655 |
| British Columbia Assessment Authority | 155,916 | 157,419 |
| British Columbia Transit | 815,207 | 838,756 |
| Municipal Finance Authority | 733 | 725 |
| | <u>7,560,497</u> | <u>6,827,577</u> |
| Taxes for municipal purposes | <u>\$ 9,616,909</u> | <u>\$ 9,219,894</u> |

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2021

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

| | <u>2021</u> | <u>2020</u> |
|---|---------------------|-------------------|
| Gaming revenue | | |
| Amounts received during the year | \$ 2,361,045 | \$ 876,369 |
| Disbursements to partner municipalities | (1,298,575) | (482,003) |
| | <u>\$ 1,062,470</u> | <u>\$ 394,366</u> |

14. Government grants and transfers

| | <u>2021</u> | <u>2020</u> |
|---------------------------------------|---------------------|---------------------|
| Conditional transfers | | |
| Federal | \$ 1,015,658 | \$ 493,427 |
| Provincial | 1,102,709 | 3,097,279 |
| Other agencies | 693,760 | 258,039 |
| | <u>2,812,127</u> | <u>3,848,745</u> |
| Unconditional transfers | | |
| Small communities protection | 359,000 | 377,557 |
| Traffic fine revenue sharing | 74,021 | 68,919 |
| | <u>433,021</u> | <u>446,476</u> |
| Total government grants and transfers | <u>\$ 3,245,148</u> | <u>\$ 4,295,221</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.

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2021

15. Commitments and contingencies (continued)

- 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 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, 2021 there were contingent demand notes of \$204,201 (2020 - \$204,201) and a contingent deposit of \$97,506 (2020 - \$95,876).
- 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 2022 are estimated to be \$1,968,158 (2021 actual \$1,879,014). In addition, the Government of Canada signed the first collective agreement with the National Police Federation in 2021. The result of this agreement is a retroactive pay increase for RCMP members and reservists, payable in 2022. The Town's estimated share of the retroactive pay increase is \$299,000.
- f) The Town has purchase orders in the amount of \$77,411 open as at December 31, 2021 which have not been recorded. These amounts have been taken into account in the budget and will be recorded in the period the goods and services to which they relate are received.

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 crown-owned land with no current development applications. The property and surrounding crown-owned land were historically occupied by a plywood mill. Due to uncertainty regarding the future development of the surrounding property, the Town is unable to reasonably estimate what, if any, loss of future economic benefits will occur. As such no liability has been recorded in the consolidated financial statements for the year ending December 31, 2021.

17. Financial plan

The financial plan amounts presented throughout these consolidated financial statements are audited and represent the five year financial plan bylaw (Bylaw No. 1071) approved by Council on May 4, 2021 consolidated with the proportional share of the budgeted operating revenue and expense of West Shore Parks and Recreation Society. The summary below reconciles the 2021 consolidated financial plan to the Consolidated Statement of Operations.

| | |
|---|-----------------------|
| Consolidated financial plan, 2021 surplus (deficit) | \$ - |
| Add: | |
| Capital expenditures | 2,711,476 |
| Transfers to reserves | 386,161 |
| Transfers to surplus | 515,956 |
| Principal payments on debt | 306,470 |
| Less: | |
| Transfers from equity in capital assets | (3,087,648) |
| Transfers from reserves for operating | (199,700) |
| Transfers from reserves for capital | (749,969) |
| Transfers from surplus for operating | (1,951,109) |
| Transfers from surplus for capital | (772,460) |
| Financial plan annual surplus (deficit) | <u>\$ (2,840,823)</u> |

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2021

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 2021, the Town's share of improvements purchased by the Society on its behalf is \$796,901 (2020 - \$225,906).

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 2021, the Town recorded a loss of (\$160,591) (2020 - gain of \$79,875).

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 2021, the Town's proportion for consolidation purposes was 14.502% (2020 - 14.866%). Condensed financial information for the Society is as follows:

| | <u>2021</u> | <u>2020</u> |
|--------------------------|---------------|--------------|
| Financial assets | \$ 4,128,433 | \$ 4,767,787 |
| Financial liabilities | 2,755,185 | 4,211,496 |
| Net financial assets | 1,373,248 | 556,291 |
| Non-financial assets | 1,112,757 | 1,042,698 |
| Accumulated surplus | \$ 2,486,005 | \$ 1,598,989 |
| Revenues | \$ 10,098,436 | \$ 4,439,706 |
| Requisition for members | 6,331,273 | 5,071,039 |
| | 16,429,709 | 9,510,745 |
| Expenses | 15,542,693 | 10,337,446 |
| Annual surplus (deficit) | \$ 887,016 | \$ (826,701) |

Town of View Royal

Notes to Consolidated Financial Statements
Year ended December 31, 2021

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

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

d) Environmental health services

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

e) Planning and development services

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

f) Recreation and cultural services

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

Town of View Royal

Notes to Consolidated Financial Statements

Year ended December 31, 2021

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. Significant event

In early 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on organizations through the restrictions put in place by the Canadian, provincial, and municipal governments regarding travel, municipality operations and isolation/quarantine orders. At this time, the extent of the COVID-19 outbreak on the Town is unknown, 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, office closures or disruptions, and isolation/quarantine measures that are currently, or may be put, in place by Canada and other countries to fight the virus. In 2021, the Town experienced supply chain issues and project delays as a result of the pandemic, and implemented COVID-19 protocols to ensure the health and safety of Town Hall visitors and staff.

Town of View Royal

Consolidated Schedule of Segment Disclosure by Service
Year ended December 31, 2021

| 2021 | General Government | Protective Services | Transportation Services | Environmental Health Services | Planning and Development Services | Recreation and Cultural Services | 2021 Actual | 2021 Budget (Note 17) |
|---|-----------------------|------------------------|----------------------------|-------------------------------------|---|--|-------------------|-----------------------------|
| Revenue | | | | | | | | |
| Taxation for municipal purposes | \$ 1,245,112 | \$ 3,949,860 | \$ 2,757,139 | \$ - | \$ 361,343 | \$ 1,303,455 | \$ 9,616,909 | \$ 9,614,978 |
| User charges | 17,872 | 557,692 | 19,384 | 2,825,077 | 382,137 | 713,069 | 4,515,231 | 4,097,438 |
| Investment income | (1,224) | 6,738 | 7,512 | 6,877 | (81) | 2,225 | 22,047 | 110,000 |
| Actuarial adjustments on debt | - | 107,373 | - | - | - | - | 107,373 | - |
| Penalties and fines | 90,110 | 5,670 | - | - | - | - | 95,780 | 60,000 |
| Development charges earned | - | - | - | 24,485 | - | 1,570 | 26,055 | 123,350 |
| Contributions from developers and others | - | - | 498,904 | 30,526 | 177,750 | 6,000 | 713,180 | - |
| Other revenue from own sources | 534,804 | 49,220 | 50,417 | 410,002 | - | 57,646 | 1,102,089 | 240,168 |
| Government grants and transfers | 923,580 | 264,484 | 678,180 | - | 50,717 | 1,328,187 | 3,245,148 | 2,815,775 |
| Total revenue | 2,810,254 | 4,941,037 | 4,011,536 | 3,296,967 | 971,866 | 3,412,152 | 19,443,812 | 17,061,709 |
| Expense | | | | | | | | |
| Labour and benefits | 1,399,013 | 2,053,797 | 660,682 | 52,054 | 434,897 | 1,392,520 | 5,992,963 | 5,631,434 |
| Goods and services | 1,145,377 | 2,636,540 | 1,983,229 | 2,135,731 | 174,292 | 1,305,279 | 9,380,448 | 10,911,008 |
| Amortization | 69,518 | 354,751 | 1,947,396 | 283,089 | - | 370,871 | 3,025,625 | 3,099,457 |
| Change in proportionate share of West Shore Parks and Recreation Society | - | - | - | - | - | 160,591 | 160,591 | - |
| Debt interest | - | 251,094 | - | - | - | - | 251,094 | 260,633 |
| Total expense | 2,613,908 | 5,296,182 | 4,591,307 | 2,470,874 | 609,189 | 3,229,261 | 18,810,721 | 19,902,532 |
| Surplus (deficit) | \$ 196,346 | \$ (355,145) | \$ (579,771) | \$ 826,093 | \$ 362,677 | \$ 182,891 | \$ 633,091 | \$ (2,840,823) |

Town of View Royal

Consolidated Schedule of Segment Disclosure by Service
Year ended December 31, 2021

| 2020 | General Government | Protective Services | Transportation Services | Environmental Health Services | Planning and Development Services | Recreation and Cultural Services | 2020 Actual | 2020 Budget |
|---|-----------------------|------------------------|----------------------------|-------------------------------------|---|--|---------------------|---------------------|
| Revenue | | | | | | | | |
| Taxation for municipal purposes | \$ 1,271,190 | \$ 3,585,224 | \$ 2,686,634 | \$ - | \$ 376,935 | \$ 1,299,911 | \$ 9,219,894 | \$ 9,251,211 |
| User charges | 13,829 | 364,886 | 42,915 | 2,777,577 | 303,418 | 504,023 | 4,006,648 | 4,520,000 |
| Investment income | 436,943 | 57,904 | 43,958 | 64,763 | - | 19,375 | 622,943 | 110,000 |
| Actuarial adjustments on debt | - | 93,107 | - | - | - | - | 93,107 | - |
| Penalties and fines | 46,837 | 7,730 | - | - | - | - | 54,567 | 60,000 |
| Development charges earned | - | - | - | 51,216 | - | 754,808 | 806,024 | 859,887 |
| Contributions from developers and others | - | - | - | - | - | 37,500 | 37,500 | - |
| Other revenue from own sources | 229,761 | 81,872 | 39,696 | - | - | 48,033 | 399,362 | 321,019 |
| Government grants and transfers | 3,215,091 | 292,298 | 475,594 | - | 18,545 | 293,693 | 4,295,221 | 3,230,138 |
| Total revenue | 5,213,651 | 4,483,021 | 3,288,797 | 2,893,556 | 698,898 | 2,957,343 | 19,535,266 | 18,352,255 |
| Expense | | | | | | | | |
| Labour and benefits | 1,369,141 | 1,857,468 | 529,835 | 45,610 | 428,031 | 1,256,587 | 5,486,672 | 5,168,541 |
| Goods and services | 712,665 | 1,912,739 | 2,091,987 | 2,104,048 | 112,948 | 1,272,735 | 8,207,122 | 10,421,099 |
| Amortization | 93,437 | 366,619 | 2,042,358 | 264,573 | 1,107 | 364,999 | 3,133,093 | 3,059,754 |
| Change in proportionate share of West Shore Parks and Recreation Society | - | - | - | - | - | (79,875) | (79,875) | - |
| Debt interest | - | 260,633 | - | - | - | - | 260,633 | 260,633 |
| Total expense | 2,175,243 | 4,397,459 | 4,664,180 | 2,414,231 | 542,086 | 2,814,446 | 17,007,645 | 18,910,027 |
| Surplus (deficit) | \$ 3,038,408 | \$ 85,562 | \$ (1,375,383) | \$ 479,325 | \$ 156,812 | \$ 142,897 | \$ 2,527,621 | \$ (557,772) |

Town of View Royal

Consolidated Schedule of Tangible Capital Assets
Year ended December 31, 2021

| | Land | Land Improvements | Buildings | Vehicles, Machinery & Equipment | Engineering Structures | | | Work in Progress | West Shore | 2021 | 2020 |
|---|----------------------|---------------------|---------------------|---------------------------------------|------------------------|----------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------|
| | | | | | Roads | Drainage | Sewer | | | | |
| Cost | | | | | | | | | | | |
| Balance, beginning | 49,852,783 | 5,716,170 | 10,454,993 | 7,070,935 | 61,782,714 | 22,589,204 | 12,705,056 | 1,582,135 | 9,904,204 | \$ 181,658,194 | \$ 179,331,002 |
| Additions | 157,855 | 123,206 | 71,165 | 1,721,063 | 406,325 | 120,909 | 38,446 | 147,527 | 597,890 | 3,384,386 | 2,655,883 |
| Disposals or write-downs | (134,146) | - | - | (89,313) | - | - | - | (21,342) | - | (244,801) | (174,531) |
| Completed during year | - | - | - | - | - | - | - | (1,430,510) | - | (1,430,510) | (154,160) |
| Balance, ending | 49,876,492 | 5,839,376 | 10,526,158 | 8,702,685 | 62,189,039 | 22,710,113 | 12,743,502 | 277,810 | 10,502,094 | 183,367,269 | 181,658,194 |
| Accumulated amortization | | | | | | | | | | | |
| Balance, beginning | - | 2,677,602 | 2,975,196 | 4,243,082 | 28,246,471 | 5,165,098 | 3,426,046 | - | 3,347,230 | \$ 50,080,725 | \$ 47,059,241 |
| Current year amortization | - | 247,275 | 205,083 | 375,769 | 1,591,976 | 263,976 | 147,445 | - | 194,101 | 3,025,625 | 3,133,093 |
| Accumulated amortization on disposals or write-downs | - | - | - | (86,300) | - | - | - | - | (81,982) | (168,282) | (111,609) |
| Balance, ending | - | 2,924,877 | 3,180,279 | 4,532,551 | 29,838,447 | 5,429,074 | 3,573,491 | - | 3,459,349 | 52,938,068 | 50,080,725 |
| Net book value | \$ 49,876,492 | \$ 2,914,499 | \$ 7,345,879 | \$ 4,170,134 | \$ 32,350,592 | \$ 17,281,039 | \$ 9,170,011 | \$ 277,810 | \$ 7,042,745 | \$ 130,429,201 | \$ 131,577,469 |

Town of View Royal
Schedule of Payments Made for the Provision of Goods and Services
As at December 31, 2021
(Unaudited)

| Supplier Name | Amount Paid |
|---|--------------------|
| Associated Fire & Safety | \$ 33,779 |
| BC Hydro | 197,321 |
| C-1 Contractors Ltd. | 76,211 |
| Capital City Paving Ltd. | 205,481 |
| Capital Regional District | 1,601,814 |
| Capital Regional District Water Department | 111,788 |
| CentralSquare Canada Software Inc. | 64,406 |
| City Of Langford | 355,802 |
| City Of Surrey | 78,548 |
| Colquitz Engineering Ltd | 46,697 |
| Community Energy Association | 37,355 |
| Coriolis Consulting Corp. | 40,361 |
| Corporation Of The Township Of Esquimalt | 113,695 |
| CRD Bylaw Enforcement & Animal Control | 43,150 |
| CREST | 50,718 |
| E.H. Emery Electric Ltd. | 45,227 |
| E.S. Williams & Associates Inc. | 143,926 |
| Ecoplan International Inc. | 47,591 |
| Enex Fuels Ltd. | 25,949 |
| Five Star Paving Co. Ltd. | 53,829 |
| G. & E. Contracting LP | 307,086 |
| Greater Victoria Public Library | 550,781 |
| Harris & Company LLP | 44,449 |
| K. Wilson Contracting Ltd. | 36,868 |
| McElhanney | 33,479 |
| Minister Of Finance - EHT | 107,560 |
| Municipal Insurance Association Of British Columbia | 120,645 |
| Municipal Pension Plan | 554,339 |
| Pacific Blue Cross | 172,512 |
| Phillips, Steven | 32,405 |
| PrairieCoast Equipment | 92,815 |
| Raylec Power Ltd. | 139,239 |
| Receiver General For Canada | 1,148,576 |
| Receiver General For Canada - RCMP Policing | 1,597,170 |
| Rocky Mountain Phoenix | 36,623 |
| Shaw Cablesystems Gp | 52,478 |
| Storagepipe | 25,068 |
| Thomas L. Lafortune | 32,000 |
| Tomahawk Tree Service (2006) Ltd. | 36,821 |
| V.I. Inspection Services Inc. | 45,073 |
| Victoria Contracting & Municipal Maintenance Corp. | 1,199,317 |
| Waste Management Of Canada Corp. | 529,349 |

| Supplier Name | Amount Paid |
|--|---------------------|
| West Shore Parks & Recreation Society | 918,657 |
| Workers' Compensation Board Of BC | 64,300 |
| Young Anderson Barristers and Solicitors | 63,383 |
| Total aggregate payments to suppliers exceeding \$25,000 | 11,314,641 |
| Consolidated total of payments of \$25,000 or less | 1,054,060 |
| Total aggregate payments to suppliers | 12,368,701 |
| Grants and contributions | |
| Victoria Highland Games | 60,148 |
| View Royal Firefighters Association | 45,000 |
| View Royal Reading Centre | 30,000 |
| Consolidated total of all grants and contributions \$25,000 or less | 65,003 |
| Total aggregate grants and contributions | 200,151 |
| 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 | (2,937,310) |
| Total expense for goods, services and debt interest per Consolidated Financial Statements, Schedule 1 | \$ 9,631,542 |

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, 2021
(Unaudited)

| Name | Position | Remuneration | Expenses | Total |
|---|--------------------------------------|------------------|---------------------|---------------------|
| Elected Officials | | | | |
| Screech, David | Mayor | \$ 32,898 | \$ 597 | \$ 33,495 |
| Kowalewich, Damian | Councillor | 15,767 | 2,448 | 18,215 |
| Lemon, Margaret | Councillor | 15,767 | 503 | 16,270 |
| Mattson, Ron | Councillor | 15,767 | 266 | 16,033 |
| Rogers, John | Councillor | 15,767 | 783 | 16,550 |
| | | 95,966 | 4,597 | 100,563 |
| Employees | | | | |
| Anema, Kim | Chief Administrative Officer | 180,904 | 3,752 | 184,656 |
| Atkinson, Angela | Accountant/IT Coordinator | 85,125 | 549 | 85,674 |
| Bevan, Heath | Assistant Fire Chief | 145,561 | 593 | 146,154 |
| Bolster, Elena | Deputy Corporate Officer | 81,717 | 1,642 | 83,359 |
| Bowbyes, Kevin | Deputy Director of Engineering | 115,751 | 954 | 116,705 |
| Chase, Lindsay | Director of Development Services | 139,458 | 1,449 | 140,907 |
| Chow, Jeffrey | Senior Planner | 95,761 | 1,277 | 97,038 |
| Christenson, Dawn | Director of Finance | 138,433 | 2,441 | 140,874 |
| Cochrane, Jennifer | Executive Assistant | 78,356 | 658 | 79,014 |
| Davison, James | Community Planner | 91,653 | 867 | 92,520 |
| Drolet, Joseph | Firefighter | 107,319 | 1,778 | 109,097 |
| Gray, Steve | Firefighter | 78,569 | - | 78,569 |
| Hurst, Paul | Director of Protective Services | 189,722 | 2,495 | 192,217 |
| Jones, Sarah | Director of Corporate Administration | 146,745 | 3,560 | 150,305 |
| Lubberts, Ben | Engineering Technologist | 85,320 | 1,041 | 86,361 |
| Mollin, Troy | Captain-Emergency Programs | 135,915 | 2,458 | 138,373 |
| Pitre, Geoffrey | Captain-Fire Prevention | 135,501 | 2,315 | 137,816 |
| Podmoroff, David | Parks Supervisor | 110,094 | 404 | 110,498 |
| Rosenberg, John | Director of Engineering | 137,537 | 235 | 137,772 |
| Vella, Steven | Manager of Accounting | 118,701 | 2,642 | 121,343 |
| Woodley, Darryl | Engineering Technologist | 81,922 | 197 | 82,119 |
| Consolidated total of other employees with remuneration of \$75,000 or less | | 1,323,943 | 30,973 | 1,354,916 |
| | | 3,804,007 | 62,280 | 3,866,287 |
| Reconciliation | | | | |
| Total remuneration and expenses for elected officials and employees | | 3,899,973 | <u>\$ 66,877</u> | <u>\$ 3,966,850</u> |
| 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. | | | | <u>2,092,990</u> |
| Total labour and benefits expense per Consolidated Financial Statements, Schedule 1 | | | <u>\$ 5,992,963</u> | |

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

Town of View Royal
Statement of Guarantee and Indemnity Agreements
As at December 31, 2021
(Unaudited)

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

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

Town of View Royal
Statement of Severance Agreements
As at December 31, 2021
(Unaudited)

There were no severance agreements made between the Town of View Royal and its non-unionized employees during fiscal year 2021.

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

Town of View Royal
Statement of Permissive Tax Exemptions
As at December 31, 2021
(Unaudited)

| Organization | Folio | Municipal Property Tax |
|---|---------------|-----------------------------------|
| Places of public worship | | |
| All Saints Church - 287 Pallisier Ave | 401-04412.018 | \$ 8,318 |
| St. Columba Church - 40 High Street | 401-07654.010 | 5,081 |
| Community activity centres | | |
| Strawberry Vale Community Hall - 11 High Street | 401-07647.010 | 6,015 |
| View Royal Community Hall - 279 Island Highway | 401-04399.010 | 5,538 |
| Not for profit organizations | | |
| Island Corridor Foundation | | |
| PID 023-005-459; Sections 6, 97, and 103; Plan VIP60330 | 401-18806.000 | 10,272 |
| PID 011-825-871;014-980-258;024-036-021;024-039-209;024-839-957 | 401-18807.000 | 16,920 |
| PID 011-825-871;014-980-258;024-036-021;024-039-209;024-839-957 | 401-18807.000 | 5 |
| PID 024-635-987; Lot 1, Sections 8 & 27; Plan VIP69799 | 401-18807.002 | 584 |
| Recreational property | | |
| Victoria Bowmen Association | | |
| PID 000-345-644; Part of Section 6 Plan VIP7133; Area of 1,940 m2 | 401-07684.041 | 3,558 |
| | | \$ 56,291 |

Town of View Royal
Statement of Development Cost Charges (DCCs)
As at December 31, 2021

| | Balance January 1 | Transfer to Projects | DCCs Received | Interest Earned | Balance December 31 |
|-----------------------|------------------------------|---------------------------------|--------------------------|----------------------------|--------------------------------|
| Drainage DCCs | \$ 1,304,502 | \$ - | \$ 8,445 | \$ 3,590 | \$ 1,316,537 |
| Highways DCCs | 1,672,554 | - | 125,742 | 4,589 | 1,802,885 |
| Park Improvement DCCs | 379,496 | 1,570 | 47,472 | 1,046 | 426,444 |
| Park Land DCCs | 551,575 | - | 79,045 | 1,517 | 632,137 |
| Sewer DCCs | 982,300 | 24,485 | 94,097 | 2,714 | 1,054,626 |
| | \$ 4,890,427 | \$ 26,055 | \$ 354,801 | \$ 13,456 | \$ 5,232,629 |

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

Taxable Assessments of Land and Improvements - Final Roll Totals

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------|---------------|---------------|---------------|---------------|---------------|
| Residential | 2,069,707,903 | 2,359,688,673 | 2,683,922,503 | 2,787,480,303 | 2,877,331,703 |
| Utilities | 312,800 | 321,800 | 333,700 | 378,000 | 431,800 |
| Light Industry | 2,947,000 | 3,298,000 | 3,632,000 | 3,836,000 | 3,697,100 |
| Business | 257,656,450 | 281,187,600 | 317,028,800 | 316,643,200 | 296,649,300 |
| Rec/Non Profit | 7,398,000 | 5,741,000 | 5,632,000 | 8,535,400 | 8,939,600 |
| Farm | 60,496 | 60,496 | 60,496 | 43,205 | 55,708 |
| | 2,338,082,649 | 2,650,297,569 | 3,010,609,499 | 3,116,916,108 | 3,187,105,211 |

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

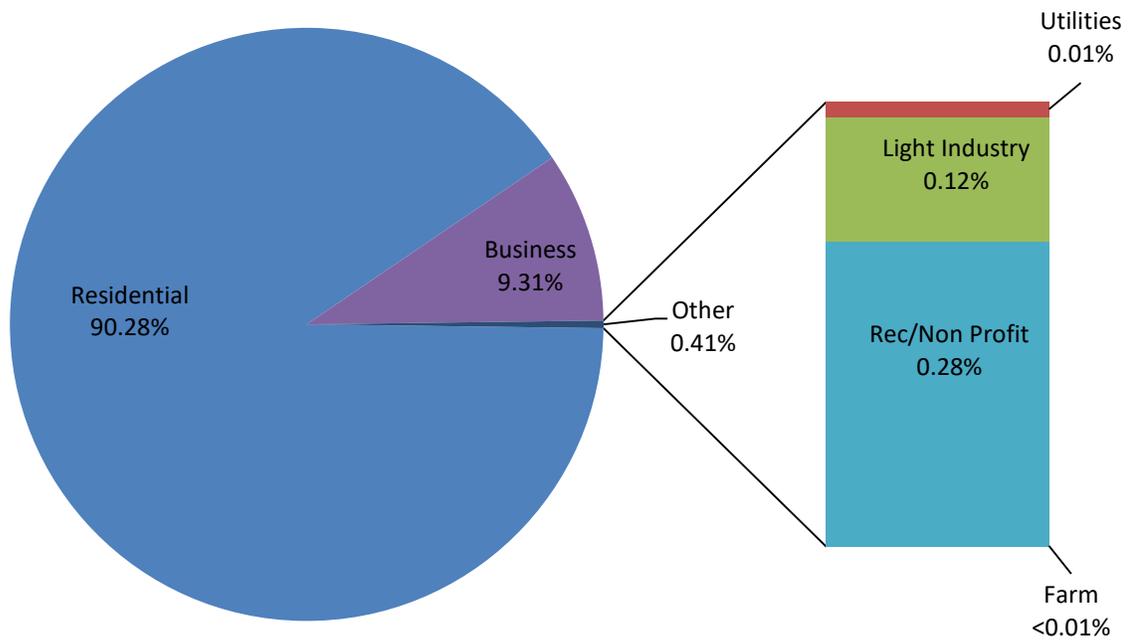
| | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------|----------|----------|----------|----------|----------|
| Residential | 2.60290 | 2.38224 | 2.26725 | 2.27610 | 2.33334 |
| Utilities | 40.00000 | 40.00000 | 40.00000 | 40.00000 | 40.00000 |
| Light Industry | 8.68979 | 7.95309 | 7.56922 | 7.59875 | 7.78987 |
| Business | 9.37044 | 8.57605 | 8.04875 | 8.08015 | 8.61774 |
| Rec/Non Profit | 9.78691 | 9.79099 | 10.71617 | 10.75798 | 11.90005 |
| Farm | 24.02868 | 21.99160 | 20.93015 | 21.01180 | 21.54026 |

Municipal Property Tax Billings by Property Class

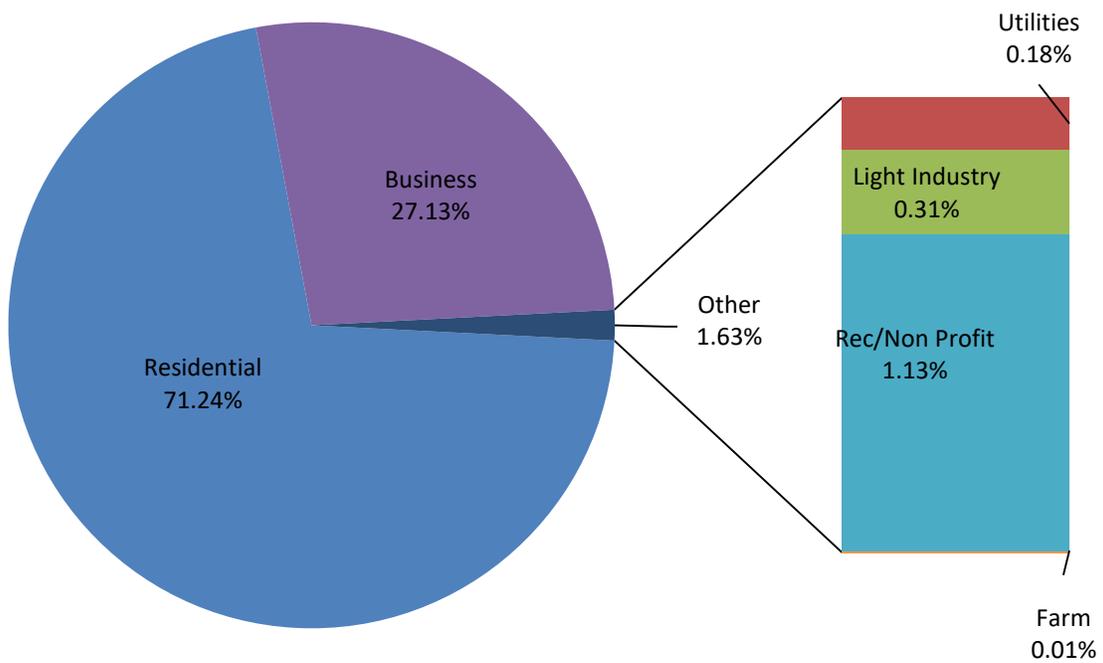
| | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------|--------------|--------------|--------------|--------------|--------------|
| Residential | 5,387,243 | 5,621,345 | 6,085,122 | 6,344,050 | 6,713,792 |
| Utilities | 12,512 | 12,872 | 13,347 | 15,120 | 17,272 |
| Light Industry | 25,609 | 26,229 | 27,490 | 29,149 | 28,800 |
| Business | 2,414,354 | 2,411,479 | 2,551,685 | 2,558,525 | 2,556,447 |
| Rec/Non Profit | 72,404 | 56,210 | 60,352 | 82,335 | 106,382 |
| Farm | 1,454 | 1,330 | 1,266 | 908 | 1,200 |
| | \$ 7,913,576 | \$ 8,129,465 | \$ 8,739,262 | \$ 9,030,087 | \$ 9,423,893 |

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

2021 Assessments by Property Class



2021 Municipal Property Tax by Property Class



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

Principal Corporate Taxpayers

| Registered Owner | Primary Property | Total 2021 General Municipal Taxes Levied |
|--|---------------------------|--|
| Eagle Creek Village Property Ltd | Eagle Creek Village | \$ 685,855 |
| Pioneer Square Holdings Ltd | Admirals Walk | 296,666 |
| Great Canadian Casinos Inc | Elements Casino | 168,460 |
| West Shore U-Lock Mini Storage Ltd | U-Lock Mini Storage | 159,264 |
| Canadian Tire Real Estate Ltd | Canadian Tire | 130,464 |
| Goodwill Investments Ltd | Fort Victoria | 126,875 |
| Christie Point Apartments Ltd | Christie Point Apartments | 121,609 |
| Natural Properties Ltd | Reliable Controls | 119,462 |
| 599510 BC Ltd | Ashley Furniture | 100,741 |
| Adams Storage Village Ltd | Adams Storage | 98,492 |
| Total Tax Contributions from Top 10 Corporate Taxpayers | | \$ 2,007,888 |
| Total General Municipal Tax | | \$ 9,423,893 |
| Proportion of municipal tax paid by top ten corporate taxpayers | | 21.31% |