



City of Victoria | Annual Report

BRITISH COLUMBIA

YEAR ENDED DECEMBER 31, 2008





Annual Report 2008

January 1 – December 31, 2008

This document was prepared by Corporate Communications, Corporate Planning and the Finance Department of the City of Victoria

City of Victoria, British Columbia



A Day in the Capital City

A city renews itself each and every day. Municipal government plays an active role on the community's frontlines making sure the City is ready for whatever the day may bring. Every morning before most of us rise, City workers are already preparing Victoria for the coming day. Putting our best foot forward, the City of Victoria takes great pride in the public service we provide.

Before the sun rises the City is at work. From street cleaning crews sweeping the streets and recreation staff opening the doors to morning swimmers, our great city is wide awake.

Each day, thousands of people come to work and play in Victoria and for good reason. Victoria is a community of choice for its mild climate, natural and architectural beauty, arts and cultural opportunities, and world-class downtown. Victoria is alive with people and activity.

From the provision of clean water, garbage collection, and emergency services to parks and recreation programs, social planning and land-use development, first rate City services are the foundation for building a safe, healthy and sustainable community.

As the day comes to a close, the City's work continues. Parkades welcome evening parkers, garbage is collected, street lights come on, and special events take shape. Each night, Victoria transforms into a vibrant entertainment hub, home to a wonderful blend of arts, culture and entertainment.

Whether you wake up and take a morning walk in Victoria, open your business each day, or visit one of the world-class restaurants or cultural offerings at night, we are all privileged to call this unique and beautiful city home, and the City of Victoria takes great pride in making it better each and every day.

Victoria at a Glance

- Population: 78,000
- Capital City of British Columbia
- Incorporated in 1862
- Over 3 million visitors annually
- Nearly 2,100 hours of sunshine each year
- Number of visitors each year to the City Hall Public Service Centre: more than 67,000
- 40 kilometres of street cleaned, and 660 garbage bins emptied every day
- Johnson Street Bridge raised, on average, three times daily
- Daily visitors to Crystal Pool: approximately 900
- 1,600 signature hanging basket displayed each summer
- 68 parks and 105 City facilities



Eco Committment

This Annual Report is printed with Mohawk Options 100% post-consumer recycled paper.

The paper is Forest Stewardship Council (FSC) certified, and is made with process chlorine free 100% post-consumer waste fiber. It is manufactured using non-polluting, wind-generated electricity and is Green-e certified. The report is printed using vegetable based inks.

For more information about enviromentally responsible printing:

- fscCanada.org
- green-e.org
- mohawkpaper.com

The environmental savings below were achieved by printing the Annual Report using post-consumer recycled fiber in place of virgin fibre:



2 trees preserved for the future



4 lbs water-borne waste not created



641 gallons wastewater flow saved



71 lbs solid waste not generated



140 lbs net greenhouse gases prevented



1,068,416 BTUs energy not consumed



71 lbs ghg emissions not generated



590 cubic feet natural gas unused



equivalent to not driving 70 miles in an average car



equivalent to planting 5 trees

Table of Contents



Message from the Mayor.....	4	Auditor's Report to the Mayor and Councillors of the Corporation of the City of Victoria	32	Statistical Information	54
Mayor and Council	6	Consolidated Statement of Financial Position.....	33	Map – City of Victoria	67
Message from the City Manager	8	Consolidated Statement of Financial Activities.....	34	Looking Forward.....	68
Corporate Organizational Chart	9	Consolidated Statement of Changes in Financial Position.....	35		
Message from the Director of Finance .	10	Notes to Consolidated Financial Statements.....	36		
Financial Reporting Responsibility	11	Consolidated Statement of Financial Activities and Fund Balances – Operating Funds; Schedule A.....	50		
Environmental Sustainability.....	12	Consolidated Statement of Financial Activities and Fund Balances – Capital Funds; Schedule B.....	51		
Social and Cultural Development.....	16	Consolidated Statement of Changes in Reserve Funds; Schedule C.....	52		
Economic Vitality	20	Consolidated Schedule of Segmented Information; Schedule D.....	53		
Service and Staff Excellence.....	24				
Victoria Fire Department.....	28				
Victoria Police Department.....	30				



Message from the Mayor

Dear Fellow Victorians,

On behalf of Victoria City Council, I am proud to share the City of Victoria's key initiatives and accomplishments of the past year.

2008 was a productive year for the City of Victoria. While we continued to expand on the quality services our citizens rely on, we also saw a number of new initiatives take root that help foster a healthy and thriving City. I encourage you to read through this year's annual report – it outlines all the work Council and our dedicated staff have undertaken to make Victoria the best city to live, work and play.

Great progress was made in 2008 on key projects.

The Greater Victoria Coalition to End Homelessness was established, and for the first time, all levels of government, the business community and service providers have come together to work toward solving homelessness.

The City of Victoria moved forward on a number of key housing initiatives that will go a long way to improving the health and safety of our citizens and our communities, including new shelter beds, transitional housing, and supportive housing units.

This past year saw the launch of the Victoria Sustainability Framework, a project that will develop an over-arching vision to guide long-term community planning and City operations.

We became the first municipality in the region to regulate the use of pesticides in order to protect our natural environment.

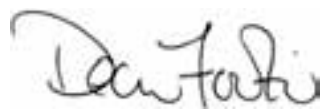
And Victoria was recognized as a 2020 Global Sustainability Centre by the Ethisphere Institute as a city leading the way in sustainable development.

There is no doubt that 2008 was a year of growth and progress – and 2009 is set to continue that trend. We are embarking on a very exciting time here in Victoria as we tackle our challenges and take advantage of important opportunities.

My commitment to you is simple. I will be accountable to you, and I will be honest about the challenges and opportunities we face. And I will be upfront and clear about the decisions we make at the Council table.

The new Council got to work in December – and as a team we are moving forward on key priorities with renewed commitment and fresh ideas. With the help of our outstanding City staff, I am confident that Victoria will remain the most liveable city in Canada.

Sincerely,



Dean Fortin
Mayor



Sonya Chandler

Neighbourhood: North Park, Hillside/Quadra

Portfolio:

- City of Victoria Youth Council
- Board of Cemetery Trustees
- CRD Board – 4th Alternate Municipal Director
- CRD Water Supply Commission – Alternate
- Greater Victoria Family Court and Youth Justice
- Greater Victoria Harbour Authority
- Mayor’s Standing Committee on Victoria Harbour Airport



Chris Coleman

Neighbourhood: Rockland, North and South Jubilee

Portfolio:

- CRD Board – 2nd Alternate Municipal Director
- CRD Housing Corporation Board – 2nd Alternate
- CRD Water Supply Commission
- Capital Region Emergency Service Telecommunications (CREST)
- Mayor’s Standing Committee on Victoria Harbour Airport
- Provincial Capital Commission
- Victoria Athletic Commission



Lynn Hunter

Neighbourhood: Fairfield/ Gonzales

Portfolio:

- Greater Victoria Spirit Committee
- CRD Board – 1st Alternate Municipal Director
- CRD Housing Corporation Board – 1st Alternate
- CRD Water Supply Commission
- CRD Regional Housing Trust Fund Commission
- Tourism Victoria Board of Directors
- Tourism Victoria Destination Marketing Commission
- Victoria Conference Centre Advisory Board
- Victoria Parks & Recreation Foundation Society



Philippe Lucas

Neighbourhood: Fernwood

Portfolio:

- CRD Board of Directors
- CRD Core Area Liquid Waste Management
- CRD Hospital District Board
- CRD Housing Corporation Board
- CRD Parks
- CRD Solid Waste Advisory
- CRD Water Supply Commission – Alternate
- Roundtable on the Environment
- Provincial Capital Commission



Mayor and City Council

2008 – 2011

The Mayor and Council of the City of Victoria were each elected for a three-year term in the municipal election held in November 2008. Each member is appointed to standing portfolios, City and regional committees and is responsible for a particular Victoria neighbourhood.

Dean Fortin, Mayor

Portfolio:

- CRD Board of Directors
- CRD Core Area Liquid Waste Management
- CRD Hospital District Board
- CRD Planning and Transportation Committee – Vice Chair
- Greater Victoria Coalition to End Homelessness – Co Chair
- Victoria Conference Centre Advisory Board
- Victoria Police Board
- Victoria Regional Transit Commission



John Luton

Neighbourhood: Victoria West

Portfolio:

- CRD Board – 3rd Alternate Municipal Director
- CRD Housing Corporation Board – 3rd Alternate
- CRD Water Supply Commission
- Greater Victoria Labour Relations Association Board



Pamela Madoff

Neighbourhood: James Bay

Portfolio:

- CRD Arts
- CRD Housing Corporation Board – 4th Alternate
- CRD Water Supply Commission – Alternate
- Greater Victoria Public Library Board
- Mayor's Standing Committee on Victoria Harbour Airport
- Public Art Project Advisory
- Royal and McPherson Theatres Society Board
- Victoria Civic Heritage Trust
- Victoria Conference Centre Advisory Board
- Victoria Heritage Foundation



Charlayne Thornton-Joe

Neighbourhood: Burnside Gorge, Downtown/Harris Green

Portfolio:

- Downtown Victoria Business Association
- CRD Board of Directors
- CRD Core Area Liquid Waste Management
- CRD Finance, Corporate and Protective Services
- CRD Hospital District Board
- CRD Housing Corporation – Chair
- CRD Water Supply Commission – Alternate
- Greater Victoria Coalition to End Homelessness
- Honorary Citizens Committee



Geoff Young

Neighbourhood: Oaklands

Portfolio:

- CRD Chair – Board of Directors
- CRD Core Area Liquid Waste Management
- CRD Environment (ex-officio)
- CRD Finance Corporate and Protective Services (ex-officio)
- CRD Hospital District Board
- CRD Parks (ex-officio)
- CRD Planning and Transportation (ex-officio)
- CRD Water Supply Commission
- Municipal Finance Authority

Message from the City Manager



Victoria is a dynamic city. A community that is ever-changing and adapting to emerging needs and opportunities. As the organization on the front lines of supporting such an active community, I am constantly impressed by our organization's ability to adapt to whatever faces the City each day.

2008 was another exciting year full of new starts and strong finishes. We opened the doors to a 40% expansion of the Victoria Conference Centre with the addition of Crystal Garden, we secured a new anchor tenant for Royal Athletic Park with the announcement of the Victoria Seals professional baseball team and were successful as a proud partner in the Greater Victoria Spirit Committee in securing the Capital Region as the start to the 2010 Olympic Torch Relay.

Victoria's quality of life and overall community well-being continues to be recognized internationally. In 2008 we received the Green Apple award for progressive transportation initiatives, we continue to receive accolades for our partnership in creating the Dockside Green development – a world-class green development in Victoria West – and we made the list of leading sustainable cities across the globe in the 2020 Ethisphere rankings. One of our most significant accomplishments was the creation of the Greater Victoria Coalition to End Homelessness.

2008 was a busy year and one of transition at the City. Within City Hall we had an election that welcomed a new Mayor and three new faces to City Council, while saying good bye to three long-time elected officials.

With change comes opportunity. And as we have adapted and grown over nearly 150 years, we will continue to adapt to meet the challenge of what opportunities come next.

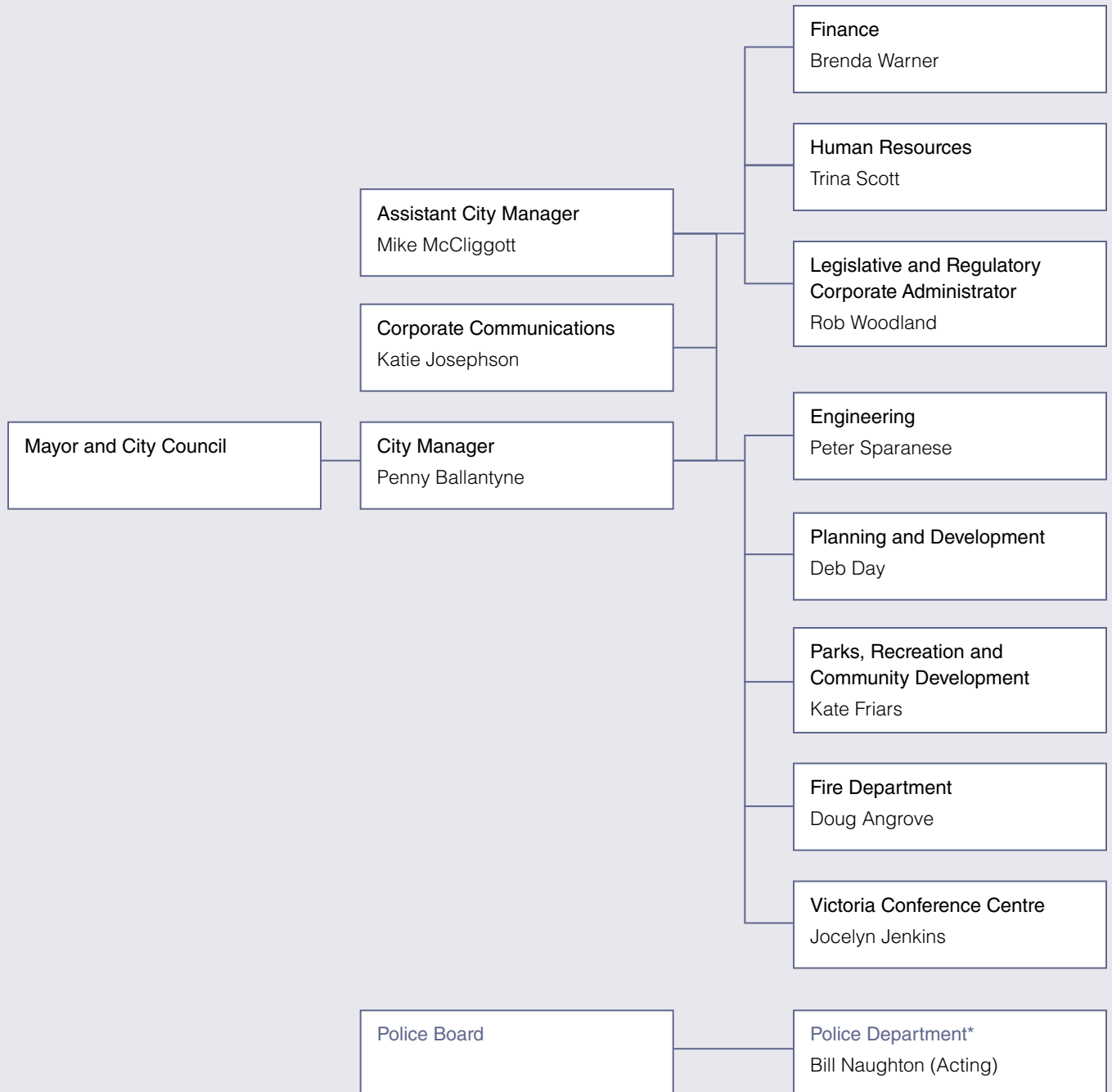
Our organization's pride in public service remains high and our nearly 800 employees are exceptional at maintaining high levels of service while adapting to whatever comes their way. We are tremendously fortunate at the city to have an engaged workforce of extremely talented people.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike McCliggott', written in a cursive, flowing style.

Mike McCliggott
Acting City Manager

2008 City of Victoria Corporate Organizational Chart



**The Police Department reports to the Police Board which is chaired by the Mayor.*

Message from the Director of Finance

I am pleased to present the City of Victoria's audited consolidated financial statements for the year ended December 31, 2008. The financial statements are the responsibility of the City of Victoria's management and have been prepared in compliance with Section 167 of the Community Charter and in accordance with generally accepted accounting principles approved by the Public Sector Accounting Board (PSAB). The financial statements have been audited by KMPG LLP who have expressed in their opinion that these statements present fairly, in all material aspects, the financial position of the City as at December 31, 2008. The City maintains a system of internal accounting controls designed to safeguard the assets of the corporation and provide reliable financial information.

These financial statements include the consolidated statement of financial position of the Corporation of the City of Victoria as at December 31, 2008 and the related consolidated statements of financial activities and changes in financial position. The notes to Financial Statements include supporting information and schedules outlining changes in the reserve, operating and capital funds and the fund balances for the year.

Results of Operations

The year 2008 resulted in an improved municipal position (\$27.9 million) that was mainly due to an increase in physical assets (\$27.9 million) and reserves (\$5.6 million). The City's revenue increased by \$9.5 million principally due to increased property tax revenues of \$5.8 million (\$4.4 million from

a property tax increase and \$1.4 million in assessment growth), increased parking revenues and fines (\$1.7 million) and increased interest revenue (\$300,000). Our largest expenditure increases were in Parks, Recreation and Cultural Services (\$5.1 million) mainly due to an overall increase in capital expenditures of \$3.2 million (including the addition of the Crystal Garden to our Victoria Conference Centre); Protective Services (\$3.0 million) mainly due to increased funding to police; and Transportation Services (\$1.8 million) mainly due to an increase of capital expenditures of \$1.3 million for projects including the rehabilitation of View and Vancouver.

In 2008 the municipal property tax increase amounted to 5.47%. This increase was primarily due to the hiring of 19 additional police officers that will be phased in over 2008 and 2009, additional funding for police overtime, funding for additional planning resources, and increased funding for city infrastructure needs.

Highlights

The operating fund surplus for the year was \$4.8 million; in addition both Utilities had surpluses (Sewer \$1.4 million and Water \$616,000).

The City's financial statements continue to comply with all aspects of PSAB and CICA standards for accounting and financial reporting. This was one of the contributing factors in the City's 2007 Annual Report being awarded the GFOA Canadian Award for Financial Reporting Excellence for the fourth consecutive year.



In closing, I would like to thank all those who contributed to a successful year in 2008 and in helping to make Victoria the most liveable City in Canada. I would like to acknowledge City Council, Directors and staff in all City Departments, but in particular the staff in the Finance Department who continued to demonstrate a high level of professionalism and dedication.

Sincerely,

A handwritten signature in black ink that reads "B. Warner". The signature is fluid and cursive.

Brenda Warner
Director of Finance

Financial Reporting Responsibility

The accompanying consolidated financial statements of The Corporation of the City of Victoria are the responsibility of management. To ensure their integrity, objectivity and reliability, management has selected appropriate accounting policies that are in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The financial statements necessarily include some amounts that are based on estimates and the judgment of management with appropriate consideration to materiality.

The City's accounting systems and related internal controls and supporting procedures are designed and maintained to provide reasonable assurance that financial records are complete and accurate and that assets are safeguarded against loss from unauthorized use or disposition. The procedures include training and selection of qualified staff, the establishment of an organizational structure that provides a well-defined division of responsibilities, accountability for performance and communication of standards of business conduct.

The Municipal Council, acting through its Finance and Human Resources Committee and the Committee of The Whole, oversees management's responsibilities for the financial reporting and internal control systems. The Committees meet periodically with management and the independent auditors to satisfy themselves that management's responsibilities are properly discharged, to review the consolidated financial statements and to recommend approval of the consolidated financial statements to Council.

KPMG LLP, Chartered Accountants, the independent auditors appointed by the City have examined these financial statements and issued their report which follows. The auditors have full and unrestricted access to the Council to discuss their audit and their related findings.



Director of Finance

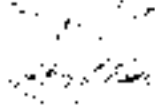
Canadian Award for Financial Reporting

City of Victoria
British Columbia

For the
Financial Report
for the Year Ended

December 31, 2007

Presented to the
Public Sector Accounting Board
of the Canadian Institute of
Chartered Accountants
for their consideration
and approval.



Finance Department
1 Centennial Square
Victoria, British Columbia
V8W 1P6

T 250.361.0236
F 250.361.0278



Environmental Sustainability

The City of Victoria is providing leadership on the path to sustainability, for residents of Victoria and the region, and for communities across the country. We recognize that how we do business today will affect how we sustain our resources, infrastructure and environment for future generations.

Leadership in Action

In 2008 the City of Victoria was recognized as a 2020 Global Sustainability Center by the Ethisphere Institute. The Ethisphere Institute recognizes cities that plan for the sustainable growth of their population and economy, while considering the environment and future generations. Victoria was included in a list of 10 international cities with populations under 600,000 that are leading the way in sustainability.

In January 2008, the City of Victoria became the first municipality in the Capital Region to adopt a bylaw to regulate pesticide use on public and residential properties. The Pesticide Use Reduction Bylaw regulates the use of pesticides, specifically on lawns, trees, shrubs and flowers. As a community, we need to reduce our reliance on the use of chemicals to beautify our lawns and gardens. The Pesticide Use Reduction Bylaw is a step in the right direction.

The City of Victoria installed new energy efficient lighting throughout City Hall, and replaced lighting infrastructure city-wide. In addition, the City won second place in the BC Public Works Association Innovation Awards for a supplemental solar power source for use on City trucks.

Planning for the Future

The City of Victoria embarked on a comprehensive new initiative focusing on how the municipality can improve its operations and what targets the community must achieve in the long term to ensure Victoria is sustainable for future

generations. The Victoria Sustainability Framework will develop an over-arching vision to guide long-term community planning and City operations in the future.

This framework will identify how current City initiatives contribute towards sustainability, and identify and prioritize where the municipality can do more. Practical examples might be green purchasing policies, new standards for managing storm water, or services such as organic waste collection and bike sharing.

Preserving Our Environment

In 2008 the City of Victoria celebrated its 3rd annual Tree Appreciation Day, an opportunity for members of the community to come together to plant trees for future generations to enjoy.

The City of Victoria's Heritage Register currently identifies 877 properties, of which 200 are downtown heritage buildings, mainly from the Victorian and Edwardian eras dating back to the 1860s. In 2008 the City expanded the Heritage Register to include 11 significant downtown buildings from the modern movement, dating from 1945–1975. If these buildings were to go unprotected, milestones of architectural development in Victoria could be lost through demolition or alteration.

Enhancing Our Infrastructure

Two parking spaces in the 500 block of Pandora were removed in 2008 to make room for a new cluster bike rack. This new bike rack accommodates up to ten bicycles, encouraging sustainable modes of transportation.

The installation of a new traffic light at the intersection of Fort Street and Lee Avenue and new bicycle lanes along Fort Street improved safety for pedestrians, cyclists and motorists. Previously, the intersection was controlled by a two-way stop sign.

The new traffic light also features high-visibility, 12-watt energy-efficient LED (light-emitting diode) bulbs, compared to older traffic lights that use 90-watt bulbs. An LED traffic signal will pay for itself within two years in power-savings alone and will last approximately 10 years. LED lights fade over time but never burn out, which also enhances public safety. Ninety-five per cent of the City's traffic signals now use LED bulbs.

In addition, new bicycle lanes installed along Fort Street will provide a safer transportation route for recreational and commuter cyclists. Fort Street is a popular east-west route for cyclists as it connects downtown to the Royal Jubilee Hospital, the municipality of Oak Bay, Camosun College, and the University of Victoria. Cycling symbols stenciled onto Lee Avenue will alert cyclists to the locations of underground sensors that will make the traffic light change.

1.2 km of bike lanes were installed in 2008, for a cumulative total of 24.87 km of bike lanes throughout Victoria.

LEFT: The City of Victoria partnered in the development of Dockside Green, a LEED Platinum community in Victoria West that is gaining recognition around the globe as a leader in sustainability.



Environmental Sustainability

What we said we would do

What we achieved

Community infrastructure is well preserved, maintained and planned for future generations.

Citizen satisfaction for condition of parks increased from 84% in 2005 to 88% in 2008, with satisfaction for sidewalks and streets declining from 53% for both to 49% and 44% respectively.

In 2008 the City of Victoria conducted an overall condition study of the Johnson Street Bridge.

New high quality developments, renovations and re-investments are fostered.

The City of Victoria, in partnership with Dockside Green, won the “Livesmart BC Green Cities Award – Partnership.”

Dockside Green project won two awards from the Canadian Homebuilders Associations: Best Condo/Mixed Use Development and Outdoor Environmental Achievement.

Burnside Gorge Community Centre won the Commercial Building – Green Award from the Victoria Real Estate Board, Commercial Division.

Heritage is preserved.

15 new heritage designations

58 Victoria Heritage Foundation grants totaling \$144,837

9 Victoria Civic Heritage Trust Building Incentive Program grants totaling \$435,000

11 modern movement buildings added to the Heritage Register

Convenient, integrated and multi-modal transportation systems are provided.

The City of Victoria ranked number one of 27 Canadian cities rated in the GreenApple Canada SMART Transportation Ranking on sustainable urban transportation practices.

In 2008, the third and final phase of the Fort Street bike lane project was completed.

Victoria West Transportation Master Plan was completed.

Pedestrian Master Plan completed.

1.2 km of new bike lane

The environment is sustained and enhanced through sound leadership and stewardship of natural resources.

1,875 tonnes of recycled asphalt and 23,000 tonnes of recycled gravel used by City

2,990 tonnes of solid waste diverted from City facilities as a result of an innovative recycling and composting program. This figure is up 66% from 1,998 tonnes in 2008.

The City of Victoria received the LiveSmart BC Green Cities Award and \$50,000 from the Province of BC demonstrating leading initiatives and partnerships to greener, healthier communities.



Social and Cultural Development

Victoria is a safe, diverse and inclusive city. It is known as a community of choice for the high quality of life possible for present and future generations.

A Safe and Healthy City for Everyone

In 2008 the City of Victoria continued to build on the recommendations of the Mayor's Task Force on Breaking the Cycle of Mental Illness, Addictions and Homelessness released in late 2007. To address the urgent need for more housing stock, the Province and the City of Victoria began the process to expedite more than 170 new and upgraded housing units to reduce homelessness. A memorandum of understanding will lead to housing units being established at three locations. Fifty-five existing shelter beds at the Streetlink emergency shelter will be relocated to a city-owned property at 525 Ellice Street, on which a new development will provide 80 shelter beds. The site will also have approximately 23 new supportive housing units. Streetlink's current site at 1634 Store Street will be redeveloped into 15 new supportive housing units, expanding on the existing 26 units at the adjoining Swift House. In addition, a provincially owned social housing site at 950 Humboldt Street will be redeveloped, introducing 53 new supportive housing units.

In addition, 2008 saw the creation of the Greater Victoria Coalition to End Homelessness, a new regional commission to spearhead implementation of the Mayor's Task Force action plan to house 1,550 homeless in Greater Victoria over five years. In its first year, Co-Chairs Mayor Alan Lowe and the Province's former Conflict of Interest Commissioner, Ted Hughes headed up the Coalition. The Coalition was created to drive the community's commitment to meet action plan targets and develop additional strategies to end homelessness.

A pilot project aimed at increasing the safe collection of used syringes was launched in 2008 with the installation of five safe needle disposal boxes, and an awareness

program to educate injection drug users of safe needle disposal options. The boxes were installed on City property in downtown locations to reduce the number of openly discarded syringes and to ensure the health and safety of downtown workers, visitors and residents. In 2008 the boxes collected over 6,000 needles.

Beautifying Our Community

A First Nations interpretive walkway, consisting of seven unique site markers located at culturally significant sites along the Inner Harbour and surrounding areas, was unveiled. *Signs of Lekwungen* was a joint project between the City of Victoria, the Songhees Nation and Esquimalt Nation. Coast Salish artist and member of the Songhees Nation Butch Dick was commissioned to carve the artwork, which depicts spindle whorls that were traditionally used by Coast Salish women to spin wool.

Commerce Canoe, a dynamic new public art piece designed to draw residents and visitors into Bastion Square, was unveiled in late 2008. Suspended 16 feet above the top plaza of Bastion Square, the *Commerce Canoe* is a 30-foot long, sparkling aluminum ribbed canoe with a paddle resting across it. Historically, canoes supported trade and commerce in the Inner Harbour, making Bastion Square Victoria's first commercial area.

Other downtown beautification projects included:

- Two new colourful murals, including a Robert Amos piece in Chinatown depicting a red and gold dragon chasing a lucky pearl, and *Time Steps*, a nostalgic mural on the Langley Street Luxe Building
- Display of 1,600 hanging baskets and 700 colourful banners, including five new themes capturing Victoria's charm and character

- Design and fabrication of 20 new bike racks in Chinatown, with the etched Chinese "double happiness" symbol

Active Communities

Building on the success of the City's existing Paws in Parks program, three new dog off-leash sites were added within Pemberton Park (Gonzales/Fairfield area), Banfield Park (Victoria West) and Songhees Hilltop Park (Victoria West).

Fifty-four children between the ages of six and 12 were given the opportunity to play hockey who – for financial reasons – may not have had access to the sport otherwise. The Hockey Equipment Lending Program, or HELP, enabled these children to use free hockey gear for a season, participate in a coached introductory hockey session, and/or receive financial assistance to register in Victoria Minor Hockey.

Parks staff upgraded equipment and paths at Mason Street Park, Wesley Park, Bernard Park and Hillside Park in 2008. Renovations to the Mayor's Grove in Beacon Hill Park were also completed, including an information kiosk, signage and a new pathway. In addition, a shoreline restoration resulted in a new natural "eco-system park" added to the City's park inventory. The park, Point Ellice Park, was a joint project between the City of Victoria and Dockside Green. In addition, the Ryan Street Greenway, a natural eco-system, was constructed in partnership with the local community.

In 2008 the Crystal Pool and Fitness Centre welcomed 300,000 visitors, up from 250,000 in 2007. 2,518 participants used the Leisure Involvement for Everyone (LIFE) program.



Social and Cultural Development

What we said we would do

What we achieved

Public and personal safety exists and people feel safe

The Victoria Fire Department (VFD) attended to 413 fires in 2008. Loss of life to fire was one individual, down from three in 2007. 34 fires were contained to the room of origin, up from 27 in 2007. VFD response time for emergency incidents remained at six minutes or less, meeting the industry standard.

Affordability and diversity in housing stock are enhanced

In 2008, the following units of housing stock were approved and/ or built:

- 8 units of transitional housing for women at risk, partnering with the Cridge Centre for the Family
- 23 transitional units to be built at 525 Ellice Street with the Victoria CoolAid Society
- 44 units at 950 Humboldt Street, with funding from the Victoria Housing Trust Fund
- 31 new secondary suites were created

Availability of housing and support services for those at risk are enhanced

- 125 new shelter beds were created in 2008, and 212 supportive housing units
- Extreme Weather Protocol activated 70 times in 2008, offering additional emergency shelter beds during inclement weather situations
- Our Place Society officially opened the doors to its new facility in 2008

Arts and cultural opportunities are developed and supported

According to the 2008 Citizen Survey, 27% of citizens visit an arts or cultural facility or activity every two to three months, and 36% would do so once a year.

Three new pieces of public art were created in 2008, as was a new public art inventory website.

2008 marked the 3rd Annual Festival of Learning, a week-long celebration that promotes learning in all its forms. Participants took part in interactive displays, demonstrations, lectures, and guided tours.

Active living is stimulated and supported

27% of citizens reported visiting Beacon Hill Park on a monthly basis, and 20% went to other City parks once or twice a year. 66% of community facility users were satisfied with facilities.

Partnered with other local municipalities to launch the Annual Regional Recreation Pass pilot program.

Community engagement and connections are enabled

40% of citizens believe that the City welcomes their involvement, and 25% feel that the City listens to its citizens.



Economic Vitality

Victoria serves as the economic hub of the Capital Region. While the City itself is home to some 78,000 residents, the figure swells to nearly 200,000 each day as residents and visitors come to the City of Victoria to work and play.

Reinventing the Crystal Garden

Originally opened as a salt water swimming pool and tea room in 1925, the Crystal Garden has undergone many transformations over its life, and is a landmark heritage building in downtown Victoria. In 2007, the City of Victoria won the bid to convert the historic building into an expansion space for the Victoria Conference Centre, and this magnificent building began its latest incarnation in 2008.

The renovated Crystal Garden will allow the City to attract larger conferences that bypassed Victoria in the past, and will double annual economic impact to \$78 million per year. The addition of the Crystal Garden space makes the Victoria Conference Centre the second largest conference facility in British Columbia.

Making Downtown Accessible

Ongoing investment is making downtown Victoria inviting and desirable to locals and visitors. City staff continued to implement a new parking strategy in 2008, including parkade safety and security improvements, structural repairs, and selection of and preparation for a new downtown parking system.

Other parking achievements included:

- Continuing the Holiday Courtesy Program and introducing the use of warning tickets as an educational tool
- Promoting the use of first-hour free coupons in City parkades
- Continued 24/7 security at all City parkades

Investing in our Partners

The City of Victoria partnered with several organizations to bring people together and boost the local economy, including SportHost Victoria, the Greater Victoria Film Commission, Vancouver Island Advanced Technology Centre and Tourism Victoria.

These partnerships provide great dividends for the community. Sport tourism for the region results in \$50 million in economic activity annually. Victoria has become the second largest film destination outside the Lower Mainland and attracted over \$12 million in direct film spending in 2008. The regional technology sector has grown to over 900 known technology companies, generating \$1.7 billion in annual revenues, while tourism continues to provide approximately 34,000 jobs and generate \$1.15 billion in annual revenues.

Quick Stats for 2008:

- 8,635 business licences issued or renewed. Of those, 1,459 were new licences.
- 32 rezoning applications
- 43 development applications
- 33 sub-division and strata conversion reviews and approvals
- 262 utility permit applications
- 3,411 total permits issued by Inspection Services for building, plumbing, electrical, blasting and signage, for a total dollar value of \$176.4 million
- 18 new sidewalk cafes
- The Victoria Conference Centre successfully hosted the “conference of conferences”, the prestigious International Congress and Convention Association (ICCA) congress to build the profile of Victoria as a global conference destination
- 156 special event permits were issued, and 15 film companies utilized 19 City locations



Economic Vitality

What we said we would do

What we achieved

Victoria is recognized as the BC capital, both as a destination and gateway to Vancouver Island

The Victoria Conference Centre saw a slight downturn in delegate days, with 107,533 in 2008, down from a record-breaking year of 138,038 delegate days in 2007. The historical annual average is 106,970.

According to the Citizen Survey, 72% of residents were satisfied with short term parking in the downtown core, the same percentage as in 2005. 25% noted satisfaction with the ease of finding parking.

Businesses are retained and expanded

8,635 business licences were issued or renewed in 2008.

Businesses in the downtown core are vital

The economic impact to businesses in the downtown core from conference spending was approximately \$50 million in 2008.

New business investment is attracted

The City of Victoria saw \$248 million in new assessment growth.

1,459 new business licences were issued.



Service and Staff Excellence

There is a great deal of innovative and essential work that municipal government undertakes that often goes unnoticed in comparison to more obvious services like garbage collection or road repairs. Behind the scenes, countless initiatives are in place to ensure the organization is not only efficient and effective, but inventive and progressive.

Serving Our Citizens

In 2008, a total of 280 square metres of cracks were sealed, 280 square metres of pot holes repaired, 5,300 square metres of skin patching conducted, and 5,400 square metres of sidewalk improvements were completed.

Public works staff collected 5,000 tonnes of waste from over 14,000 homes, increased the amount of yard waste collected by 58%, and collected 1,320 tonnes of litter, 1,376 tonnes of leaves, 720 tonnes of dirt, and 60 tonnes of discarded furniture.

In December snow and cold temperatures drew Public Works crews out in full force, plowing, salting and sanding city streets 24 hours a day for more than two weeks. City road crews worked tirelessly over the holidays to ensure major routes were clear, as well as sanding and salting residential side streets, and clearing snow from downtown parking spots and bus stops.

For the ninth year in a row, City of Victoria Public Works crews collected donated food items from Victoria households to support the Mustard Seed Food Bank. Over \$250,000 worth of food was collected.

The annual Public Works Day in May welcomed 641 students and parents from 14 schools to learn about Public Works services in Victoria through 20 interactive demonstrations and displays, as well as enjoy a barbecue lunch.

Three Crystal Pool lifeguards were honoured in 2008 for their life-saving actions, each receiving a Vital Link Award

from the British Columbia Ambulance Service (BCAS). The lifeguards were recognized for their quick, skilled action rescuing a person lying face down in the pool, performing CPR and utilizing the Automated Electronic Defibrillator machine before paramedics arrived.

Proud Public Service

Often the first point of contact for citizens, the Public Service Centre assisted 67,530 individuals in person in 2008.

The City of Victoria conducted the third Citizen Survey in 2008. This biennial survey was mailed to 1,400 randomly selected households in the City. The third survey of its kind since 2003, the Citizen Survey established valuable citizen opinion trends over the past five years.

The survey explores what residents think about the quality of life in their neighbourhoods and the downtown, local government's delivery of services and facilities, and the value they receive for their tax dollars. Respondents gave high ratings to quality of life in Victoria, and, as with previous surveys, continue to be concerned about issues surrounding homelessness and the street population, affordable housing, and sewer, drainage and water systems.

The City of Victoria administered the 2008 Civic Election on November 15. On voting day 26% of eligible residents voted, a slight increase from 2005.

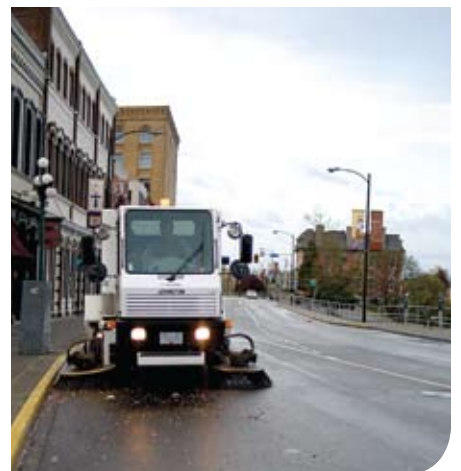
2008 also marked a proactive governance review of City decision-making.

Protocol activities in 2008 included:

- Official delegations to Khabarovsk, Russia; Morioka, Japan; and Suzhou, China
- Hosting municipal mayors from across Canada as part of the Federation of Canadian Municipalities (FCM) Sustainable Development Mission
- Hosting over 20 groups who visited City Hall from Japan, China, Korea, South Africa, Holland and Washington State

Keeping Citizens Informed

The City of Victoria works hard to ensure that the public, Council and staff are fully informed on issues and opportunities affecting the municipality. Advertising in local newspapers, working with all media outlets, and producing high-quality publications in plain language are just a few ways the City informs residents of the City's activities and opportunities for involvement.



Service and Staff Excellence

What we said we would do

What we achieved

<p>Civic services meet public and Council requirements for timeliness, professionalism and responsiveness</p>	<p>In 2008 the City of Victoria added two significant online services for clients:</p> <ul style="list-style-type: none"> • BizPal, for business permits in partnership with the Provincial and Federal government • MyCity, for taxes, utility and business licence payments 	<p>The number of online and telephone payments increased in 2008 to 85,000 from 83,778 in 2007.</p>
<p>Effective public consultation and information models are used to ensure information and services are properly provided.</p>	<p>According to the Citizen Survey, 56% of citizens said they were satisfied across all forms of communication with the City.</p>	<ul style="list-style-type: none"> • 183 media releases or advisories • 45 meetings of City Council • 74 public hearings • 52 Freedom of Information and Protection of Privacy requests • Responded to 1,465 pieces of correspondence to Mayor and Council • City piloted social media tools and introduced a Communications Department • Nearly 2,500 media inquiries
<p>Sound financial management is practiced</p>	<p>City debt per capita decreased in 2008 to \$559, from \$579. Operating costs for governance and management also decreased.</p>	
<p>An innovative, responsive, diverse and highly performing workforce is sustained</p>	<p>In 2008, average staff turnover decreased to 6.3% from an estimated 10% in 2007. In addition, 168 positions were posted and filled, a 100% success rate.</p>	
<p>Staff are properly equipped to maximize productivity</p>	<p>59% of staff felt satisfied with available tools and equipment.</p>	
<p>Staff are supported to be creative, flexible and empowered to take new approaches</p>	<p>52% of employees were satisfied with professional development, and 60% were satisfied with employee recognition programs.</p>	
<p>A safe and healthy workplace is provided</p>	<p>63% of employees reported participating in employee wellness programs.</p>	
<p>Staff and Council act with integrity consistent with the corporate values</p>	<p>57% of employees were satisfied with the level of conduct that supports the corporate values.</p>	



The Victoria Fire Department

The Victoria Fire Department has three fire stations and 116 members who provide exceptional fire, rescue and emergency services, in addition to fire prevention education.

The Victoria Fire Department responded to 5,578 incidents in 2008. Of these, 62 were confirmed structure fires. The Department successfully contained 34 of these fires to the room of origin. The Victoria Fire Department has changed the method by which it measures the impact to the community from fires. Rather than focusing on the dollar value lost the Department is now tracking the dollar value saved because of the quick response and actions of the Department. In 2008 the total assessed value saved from the 62 structure fires was \$188,165,513.

In 2008 the Department met the six minute or less response criteria for 88% of all emergency incidents. Industry benchmark is six minutes or less for 90% of the emergency incidents.

Reaching Historic Milestones

In 2008, the Victoria Fire Department celebrated 150 proud years of dedicated service in Victoria. In honour of this anniversary, the Department, in collaboration with the Victoria Fire Department Historical Society, hosted *Fire Bells and Fanfare*, a two-day historic tribute to Victoria fire fighters that began with a memorial bell dedication. The 1,500 lb. bronze fire bell was cast in 1873 by William Blews and Sons Founders of Birmingham, England, for \$750 and shipped to Victoria where it served to call fire fighters to duty until the early 1900's. The bell was installed just below where it used to serve in a fire house – now the southwest corner of City Hall. The bell is adorned with a black granite stone, engraved with the names of the four fallen fire fighters who have died in the line of duty.

Providing fire protection and rescue services to the Inner Harbour and adjoining waterways is paramount

to ensuring public safety and the protection of shoreline property and the marine environment. In 2008 the Victoria Fire Department christened the newest addition to their department fleet, the Firestorm 30 fire boat named *Protector*. The new fire boat replaced a 1960's vessel that was in need of retirement. The name *Protector* came from a "Name the Fire Boat" contest in which local elementary school students were invited to submit potential names for the boat.

The Victoria Fire Department has provided some form of marine fire protection in the Inner Harbour for the past 63 years and is proud to be able to continue to serve Victoria's citizens and visitors with its new custom-built, multi-use, high-speed fire boat.

Fire Prevention

Fire Prevention staff performed 3,449 inspections and re-inspections in 2008, as well as 44 fire cause determination investigations. Fire Prevention staff were also active in the community through the delivery of Fire Safety and Fire Prevention Education sessions throughout the year.

The Victoria Fire Department is committed to working with elementary schools to engage students and raise awareness about fire safety, as well as explain the role of a fire fighter and the equipment used to deliver this essential service. In addition to offering its traditional fire station tours, the Victoria Fire Department launched a new program designed specifically for Victoria elementary schools – the Victoria Fire Fighter Forum. Over 50 children participated in the Forum in its inaugural year, and 560 children and young adults participated in a tour of fire headquarters.

Victoria Emergency Management Agency (VEMA)

VEMA is the City of Victoria's resource for helping our community prepare for an emergency. Responsible for training City staff and coordinating an emergency response in the event of a disaster, VEMA also educates and empowers Victoria citizens on how to be "emergency prepared". VEMA accomplishes this through emergency preparedness activities such as training events, exercises, and public education.

In 2008, the Victoria Emergency Management Agency:

- Conducted 28 public talks on emergency preparedness, reaching 655 people directly
- Held 11 public community display events
- Started a weekly e-bulletin which distributes emergency preparedness tips to the public
- Began comprehensive training of 90 City of Victoria staff members to work in an Emergency Operations Centre, in the event of a disaster
- Assisted with 12 responses through the Emergency Social Services (ESS) Evacuee Assistance Team, directly assisting 61 evacuees and providing on-scene information and comfort to countless additional individuals due to fire and other residential fire and other disasters. The team is comprised of volunteers who respond at any time of the day or night. ESS can assist evacuated residents with food, clothing, and incidentals for a 72 hour period after an emergency evacuation (fire, police armed standoff, etc).
- Five VEMA volunteer teams contributed 6,500 hours of direct service to the City of Victoria



Victoria Police Department

The VicPD is the oldest police department west of the Great Lakes and their 241 sworn members and over 100 civilian staff and volunteers have been proudly serving the City of Victoria since 1858, and the Township of Esquimalt since 2003. In 2008, VicPD was given approval by both Victoria and Esquimalt Councils to increase its strength by 19 officers, the largest one-time staffing increase in the department's history.

Although approximately 95,000 people live in the City of Victoria and the Township of Esquimalt, VicPD serves the 340,000 people on the lower island who enjoy our downtown as a world-class destination and centre of business, commerce and entertainment for the entire region.

In the fall of 2008 Jamie Graham was appointed the 12th Chief of Police in the department's history. Chief Graham comes to the VicPD after leading the Vancouver Police Department for five years before retiring in August 2007.

150 Proud Years of Service

2008 marked the 150th anniversary of the Victoria Police Department. A number of ceremonies were held throughout the year to celebrate this historic occasion, including an open house on the Inner Harbour.

A Strategic Vision

In 2008 the VicPD developed and delivered its five year Strategic Plan with clearly defined performance measures and quantifiable targets. This is the most comprehensive strategic plan in the history of the department and identifies four strategic priorities based on their recent Community Survey:

1. Reduce street disorder
2. Suppress violent crime
3. Reduce property crime
4. Invest in the best

VicPD is committed to reducing crime even further while investing in their people.

Calls for Service

The Victoria Police Department receives approximately 60,000 calls for service on an annual basis, with over 3,100 calls classified as the highest priority, dealing

with life threatening situations. Annually over 50,000 911 calls are received, with each call being answered within an average of five seconds.

Since 2004 the department has seen an overall decrease in the crime rate in Victoria, with the greatest declines seen in traffic offences at 26% and property crimes at 17%.

Community Partnerships

The new Victoria Integrated Community Outreach Team (VICOT) was launched in 2008, a partnership with outreach workers from the Ministry of Employment and Income Assistance, Ministry of Attorney General, Vancouver Island Health Authority and Our Place Street Ministry. The team works towards crime prevention and caseload reduction of the most problematic street people within our downtown core and aims to reduce repeated interactions with the police, justice and health systems.

In 2008 the VICOT team was servicing and successfully housing 43 of the 60 clients. The data reinforces the importance of a "housing first" strategy and its mitigating effect upon police service call loads. Persons in the target client group who were serviced by VICOT decreased the demand for traditional police interventions and/or responses by 74%.

Con-Air

In June 2008 the Victoria Police Department officially launched the Con-Air Program to deal with offenders considered "career criminals" from other provinces. The Con-Air Program is a co-operative initiative involving police, Crown Counsel, and the business community. The program allows police to arrest and transport those identified

offenders who have outside jurisdictional warrants for serious indictable offences back to those provincial jurisdictions to face their outstanding criminal prosecution(s). To date 12 individuals have been returned back to other jurisdictions on outstanding warrants.

Preventing Crime

The VicPD established the specialized Crime Prevention Services unit providing four integrated, community-oriented crime prevention programs – Crime Watch, Reserve Constables, Block Watch and Crime-Free Multi Housing – to reduce crime. All of the programs are staffed almost exclusively with volunteers of diverse backgrounds and ages. In 2008, volunteers contributed over 6,000 hours.

Drug Enforcement

VicPD conducted a variety of undercover drug operations targeting street level and mid-level drug dealing in 2008. In July, every section of the department was involved in "Operation Mongoose" targeting members of the Red Scorpion gang and drug trafficking operations in the city. The project culminated in seven individuals charged with a variety of offences and the dismantling of this criminal organization.

Looking Forward

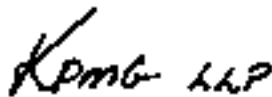
VicPD will continue to support social initiatives and look for opportunities to engage community partners, city council and the various levels of government to tackle the most pressing social and law and order issues. The department is proud of their achievements in 2008, and their men and women are committed to providing a safe community for all citizens.

Auditors' Report to the Mayor and Councillors of the Corporation of the City of Victoria

We have audited the consolidated statement of financial position of The Corporation of the City of Victoria as at December 31, 2008 and the consolidated statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

The Corporation of the City of Victoria

Consolidated Statement of Financial Position

December 31, 2008, with comparative figures for 2007

	2008	2007
Financial Assets		
Cash and short-term investments (note 2)	\$ 74,991,910	\$ 69,737,947
Property taxes receivable	4,712,146	2,595,934
Accounts receivable	12,695,851	12,622,264
Long-term investments (note 3)	19,846,125	15,628,523
Other assets	8,309	18,554
Total financial assets	112,254,341	100,603,222
Liabilities		
Accounts payable and accrued liabilities (note 4)	18,780,843	15,637,788
Deposits	6,728,620	5,658,675
Deferred revenue (note 5)	5,963,093	6,836,787
Employee benefit obligations (note 6)	11,167,280	10,004,022
Long-term debt (note 7)	43,634,742	45,201,001
Total liabilities	86,274,578	83,338,273
Net financial assets	25,979,763	17,264,949
Capital assets (note 8)	493,862,273	465,988,629
Total net assets	\$ 519,842,036	\$ 483,253,578
Municipal Position		
Operating Funds (Schedule A)	\$ 4,870,065	\$ 2,340,501
Capital Funds (Schedule B)	-	-
Reserve Funds (Schedule C) (note 9)	70,298,794	64,668,599
Unfunded employee benefit obligations (note 6)	(5,554,354)	(4,543,150)
	69,614,505	62,465,950
Equity in physical assets (note 10)	450,227,531	420,787,628
Total municipal position	\$ 519,842,036	\$ 483,253,578

Contingent liabilities and commitments (notes 14 and 17)
See accompanying notes to consolidated financial statements.


Approved by the Director of Finance

The Corporation of the City of Victoria

Consolidated Statement of Financial Activities

Year ended December 31, 2008, with comparative figures for 2007

	Budget 2008	Actual 2008	Actual 2007
Revenues:			
Net taxes available for municipal purposes (note 11)	\$ 92,468,792	\$ 92,392,760	\$ 86,629,379
Net grants in lieu of taxes available for municipal purposes (note 12)	4,525,000	4,804,778	4,759,478
Sales of goods and services	31,791,041	35,296,902	31,467,129
Sale of water	13,423,549	12,714,597	11,559,043
Licences and permits	4,042,500	5,216,077	5,233,082
Fines	5,072,500	5,205,671	4,581,409
Rentals and leases	960,000	978,624	1,049,723
Other interest and penalties	2,194,000	4,489,264	3,983,838
Unconditional government transfers (note 13)	2,576,000	2,576,210	2,576,210
Conditional government transfers (note 13)	4,450,127	3,856,632	4,224,794
Development cost charges	611,004	–	–
Actuarial adjustment on debt	–	1,181,063	3,588,752
Miscellaneous	4,773,427	7,808,512	7,325,707
	166,887,940	176,521,090	166,978,544
Expenditures:			
General government	31,572,695	25,409,075	22,049,488
Protective services	52,107,870	55,866,497	52,902,527
Transportation services	33,236,996	23,405,550	21,558,127
Environmental and public health services	9,597,819	8,282,742	8,455,523
Community planning	2,250,724	2,165,871	1,829,734
Parks, recreation and cultural services	38,748,883	37,190,047	32,048,717
Water utility	16,238,005	11,968,997	10,395,852
Sewer utility	5,331,914	3,517,497	3,641,319
	189,084,906	167,806,276	152,881,287
Excess (deficiency) of revenues over expenditures	(22,196,966)	8,714,814	14,097,257
Debt proceeds	–	1,800,000	4,509,000
Debt principal repaid (note 7)	(2,888,338)	(2,185,196)	(1,958,298)
Debt principal reduced by actuarial valuation	–	(1,181,063)	(3,588,752)
Change in fund balance	\$ (25,085,304)	\$ 7,148,555	\$ 13,059,207

Segmented Information (Schedule D) (note 19)

See accompanying notes to consolidated financial statements.

The Corporation of the City of Victoria

Consolidated Statement of Changes in Financial Position

Year ended December 31, 2008, with comparative figures for 2007

	2008	2007
Cash and short-term investments provided by (used for):		
Operations:		
Excess of revenues over expenditures	\$ 8,714,814	\$ 14,097,257
Actuarial adjustment on debt	(1,181,063)	(3,588,752)
Decrease (increase) in non-cash financial assets:		
Property taxes receivable	(2,116,212)	501,672
Accounts receivable	(73,587)	(479,920)
Other financial assets	10,245	(11,891)
Increase in short-term liabilities:		
Accounts payable and accrued liabilities	3,143,055	1,357,233
Other financial liabilities	196,251	151,174
Employee benefit obligations	1,163,258	569,498
	9,856,761	12,596,271
Investing:		
Decrease (increase) in long-term investments	(4,217,602)	3,115,542
Financing:		
Debt principal repaid	(2,185,196)	(1,958,298)
Proceeds of new debt issue	1,800,000	4,509,000
	(385,196)	2,550,702
Increase in cash and short-term investments	5,253,963	18,262,515
Cash and short-term investments, beginning of year	69,737,947	51,475,432
Cash and short-term investments, end of year	\$ 74,991,910	\$ 69,737,947

See accompanying notes to consolidated financial statements.

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements

Year ended December 31, 2008

The Corporation of the City of Victoria (the "City") is incorporated and operates under the provisions of the Local Government Act and the Community Charter of British Columbia.

The City provides municipal services such as police, fire, public works, engineering, planning, parks, recreation, community development, conference facilities and other general government operations.

1. Significant accounting policies:

The financial statements of the City are prepared by management in accordance with Canadian generally accepted accounting principles for local governments, as prescribed by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants ("CICA"). Significant aspects of the accounting policies adopted by the City are as follows:

(a) Reporting entity:

The consolidated financial statements include a combination of all the assets, liabilities, reserves, surplus/deficits, revenues and expenses of the City funds and government functions or entities which have been determined to comprise a part of the aggregate City operations based upon control exercised by the City. Inter-departmental balances and organizational transactions have been eliminated.

i) Consolidate Entities

The City does not control any external entities and accordingly no entities have been consolidated with the financial statements.

ii) Funds Held in Trust

The financial statements exclude trust assets that are administered for the benefit of external parties (note 18).

(b) Basis of accounting:

The basis of accounting followed in the financial statement presentation is an accrual basis and includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and when measurable; and expenditures in the period the goods and services are acquired and a liability is incurred or transfers are due.

(c) Fund accounting:

Funds within the consolidated financial statements consist of the general operating, sewer operating, water operating, general capital, sewer capital, water capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance.

(d) Budget Information:

The budget information, presented on a basis with that used for actual results, was included in the City of Victoria's 2008–2012 Consolidated Financial Plan and was adopted through By-law #08-042 on May 8th, 2008.

(e) Investments:

Investments are recorded at cost. Investments in the Municipal Finance Authority of British Columbia ("MFA") Bond, Intermediate and Money Market Funds are recorded at cost plus earnings reinvested in the funds.

(f) Capital assets:

Capital assets comprised of land for future municipal purposes, capital work-in-progress and inventories of materials and supplies, are recognized as expenditures in the Capital Fund in the period they are acquired and are recorded on the consolidated statement of financial position at historical cost. Donated capital assets are recorded at an estimated fair value at the time of receipt. Inventories of materials and supplies are valued at the lower of cost and replacement cost.

In accordance with PSAB recommendations the City provides transitional guidance on presenting information related to tangible capital assets until Section 3150 – Tangible Capital Assets of the Public Sector Accounting Handbook comes into effect on January 1, 2009. This standard requires the presentation of capital assets on the statement of financial position at cost, net of accumulated amortization.

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

1. Significant accounting policies (CONTINUED):

(f) Capital assets (continued):

During 2008, the City has continued to work towards compliance with the new recommendations for accounting for tangible capital assets. As of December 31, 2008, the City had obtained a complete inventory of assets and values for all asset categories including land; buildings; furniture, equipment, technology and motor vehicles; roads, bridges, highways and water infrastructure; sewer and drainage infrastructure.

For the year ending December 31, 2008, amortization was not recorded.

(g) Equity in capital assets:

Equity in capital assets represents the historical cost of those assets. Equity increases as capital assets are acquired without incurring long-term debt or, where such debt is incurred, by the reduction of that debt. Equity decreases as capital assets are written off on disposal.

(h) Government transfers:

Government transfers are recorded in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Transfers received for which expenditures are not yet incurred are included in deferred revenue.

(i) Foreign currency:

Monetary items denominated in U.S. dollars are converted to Canadian dollars for financial statement purposes at exchange rates in effect at the reporting date. Non-monetary items are translated at rates of exchange in effect when the assets were acquired or obligations incurred. Revenues and expenditures are translated at rates in effect at the time of the transactions. Gains and losses on foreign currency translations are included as revenues (expenditures).

(j) Employee benefit obligations:

The City and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave and other retirement benefits are also available to the City's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases.

The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(k) Use of estimates:

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles 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 consolidated financial statements, and the reported amounts of revenues and expenditures during the period. Significant areas requiring the use of management estimates relate to the determination of employee benefit obligations and provision for contingencies. Actual results could differ from those estimates.

(l) 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.

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

2. Cash and short-term investments:

	2008	2007
Bank account balances (cheques issued in excess of cash on deposit)	\$ (215,643)	\$ 2,042,613
Bankers' acceptances, special deposits, and Money Market Funds	75,207,553	67,695,334
	\$ 74,991,910	\$ 69,737,947

3. Long-term investments:

	Cost		Market value	
	2008	2007	2008	2007
Government and government guaranteed investments and investments guaranteed by a financial institution	\$ 19,846,125	\$ 15,628,523	\$ 19,104,470	\$ 15,473,686

Long-term investments have stated interest rates of 4.25% to 5.8% (2007 – 4.00% to 5.8%) with maturity dates from June 6, 2009 to December 14, 2022.

4. Accounts payable and accrued liabilities:

	2008	2007
Trade accounts payable	\$ 9,785,694	\$ 7,869,093
Payroll accounts payable	5,014,278	4,968,401
Contract holdbacks	850,445	261,339
Property tax appeals	919,771	522,253
School authorities	819,497	873,535
Capital Regional District	607,021	578,599
Legal settlements provision	500,000	300,000
Integrated recreation	104,993	96,768
BC Transit	86,476	83,107
Regional Hospital District	67,733	59,422
BC Assessment Authority	24,935	25,271
	\$ 18,780,843	\$ 15,637,788

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

5. Deferred revenue:

	2008	2007
Miscellaneous	\$ 2,595,459	\$ 3,804,561
Gas Tax Agreement Funds	370,192	513,425
Conference Centre deposits	175,868	288,449
Development cost charges	1,532,281	962,179
RG Properties leasing and naming rights	1,216,216	1,192,693
Unearned recreation fees	73,077	75,480
	\$ 5,963,093	\$ 6,836,787

Schedule of Receipts and Disbursements of Gas Tax Agreement Funds

	2008	2007
Opening balance of unspent funds	\$ 513,425	\$ 1,237,462
Add:		
Amount received during year	1,059,577	827,648
Interest income restricted for projects	47,190	43,311
	1,106,767	870,959
Less amount spent on projects and recorded as revenue	(1,250,000)	(1,594,996)
	\$ 370,192	\$ 513,425

Schedule of Development Cost Charges

	2008	2007
Opening balance of unspent funds	\$ 962,179	\$ 527,225
Add:		
Development cost charges received during year	541,237	416,501
Interest earned	28,865	18,453
	570,102	434,954
Less amount spent on projects and recorded as revenue	-	-
	\$ 1,532,281	\$ 962,179

There were no waivers and/or reductions in development cost charges during 2008 or 2007.

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

6. Employee benefit obligations:

The City provides sick leave and certain benefits to its employees. These amounts will require funding in future periods and are recorded as follows:

	Fire and Other 2008	Police 2008	Total 2008	Total 2007
Employee benefit obligations:				
Vested benefits	\$ 3,242,927	\$ 3,669,393	\$ 6,912,320	\$ 6,770,697
Non-vested benefits	3,247,045	1,007,915	4,254,960	3,233,325
Accrued employee benefit obligation	6,489,972	4,677,308	11,167,280	10,004,022
Less funded amount	(3,962,258)	(1,650,668)	(5,612,926)	(5,460,872)
Unfunded employee benefit obligation	2,527,714	3,026,640	5,554,354	4,543,150
Less non-vested sick leave	(3,247,045)	(1,007,916)	(4,254,961)	(3,233,325)
Vested benefits to be funded from future revenue	\$ (719,331)	\$ 2,018,724	\$ 1,299,393	\$ 1,309,825

Vested benefits represents the City's liability for future employee benefits including sick leave banks and various benefits upon retirement including lump sum retirement payments, death benefits, and certain vacation entitlements in the year of retirement which are contractually required to be paid to an employee independent of his or her future employment.

Non-vested benefits represent the City's estimated liability for future costs related to benefits for employees that are conditional on his or her future employment.

Information about liabilities for the City's employee benefit obligations is as follows:

	2008	2007
Accrued benefit liability, beginning of year	\$ 10,004,022	\$ 9,434,524
Service cost	832,100	732,700
Interest cost	467,100	438,600
Benefit payments	(1,064,800)	(882,500)
Past service costs	989,400	1,175,400
Curtailement	–	(918,600)
Actuarial loss	(55,877)	3,487
Pension over-contributions	(4,665)	20,411
Accrued benefit liability, end of year	\$ 11,167,280	\$ 10,004,022

The accrued benefit obligations and the net periodic benefit cost were estimated by actuarial valuation as of December 31, 2007. At December 31, 2008, the valuation was updated to reflect specific changes in the assumptions adopted in measuring the City's accrued employee benefit obligations.

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

6. Employee benefit obligations (CONTINUED):

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

	2008	2007
Discount rates	5.25%	4.50%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increases	2.58% to 4.63%	2.58% to 4.63%

The difference between the actuarially determined accrued benefit obligation as at December 31, 2008 of \$11,096,020 and the accrued benefit liability of \$11,167,280 is pension over-contributions of \$71,260. There is an unamortized actuarial gain of \$518,520 at December 31, 2008 that is being amortized over a period equal to the employee's average remaining service lifetime (11 years).

7. Long-term debt:

The City issues debt instruments through the Municipal Finance Authority "MFA", pursuant to security issuing bylaws under authority of the Local Government Act, to finance certain capital expenditures. Sinking fund balances, managed by the MFA, are used to reduce long-term debt.

Interest rates on long-term debt range from 4.17% to 7.38%. The weighted average interest rate for 2008 was 5.35%.

(a) Gross amount of debt and the amount of the sinking fund assets available to retire the debt are as follows:

	Gross debt	Sinking fund assets	Net debt 2008	Net debt 2007
General Capital Fund	\$ 80,734,889	\$ 37,278,150	\$ 43,456,739	\$ 44,941,710
Sewer Utility Capital Fund	1,593,940	1,415,937	178,003	259,291
	\$ 82,328,829	\$ 38,694,087	\$ 43,634,742	\$ 45,201,001

(b) Current period and future aggregate payments of net outstanding debenture debt, including sinking fund payments, over the next five years are as follows:

	General Capital Fund	Sewer Utility Capital Fund	Total
2009	\$ 2,141,582	\$ 43,953	\$ 2,185,535
2010	2,141,582	43,953	2,185,535
2011	1,293,827	6,571	1,300,398
2012	1,293,827	6,571	1,300,398
2013	1,151,407	-	1,151,407

Scheduled debt repayments may be suspended in the event of excess sinking fund earnings within the MFA.

Principal paid during the year was \$2,185,196 (2007 – \$1,958,298). Interest paid during the year was \$3,997,777 (2007 – \$4,283,213).

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

8. Capital assets:

	Beginning balance	2008 additions	2008 disposals	Dec 31, 2008 ending balance
Sewer utility	\$ 26,082,574	\$ 1,908,200	\$ –	\$ 27,990,774
Water utility	47,818,057	2,811,944	–	50,630,001
General capital:				
Engineering structures	163,509,224	10,119,674	(522,160)	173,106,738
Buildings	130,918,300	11,052,262	(24,776)	141,945,786
Machinery and equipment	79,786,992	2,990,801	(485,752)	82,292,041
Land	17,873,482	23,453	(2)	17,896,933
	\$ 465,988,629	\$ 28,906,334	\$ (1,032,690)	\$ 493,862,273

9. Reserve Funds:

	Beginning balance	Transfer from (to) General Operating Fund	Debt proceeds	Transfer to General Capital Fund	Dec 31, 2008 ending balance
Financial Stability Reserve	\$ 1,028,037	\$ (313,759)	\$ –	\$ –	\$ 714,278
Equipment Replacement Reserve	27,992,894	7,071,804	1,800,000	(6,725,061)	30,139,637
Economic Development	3,295,683	398,870		(3,000,000)	694,553
Debt Reduction	5,278,122	2,659,594			7,937,716
Self Insurance	4,321,929	129,658			4,451,587
Working Capital	3,522,974	105,689			3,628,663
Tax Sale Lands Fund	7,906,559	1,416,341		(1,127,030)	8,195,870
Parks and Greenways	1,462,427	166,728			1,629,155
Affordable Housing	974,542	681,184			1,655,726
Fringe Benefit Stabilization	462,787	113,884			576,671
Water Utility	6,402,952	808,278			7,211,230
Sewer Utility	2,019,693	1,444,015			3,463,708
	\$ 64,668,599	\$ 14,682,286	\$ 1,800,000	\$ (10,852,091)	\$ 70,298,794

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

10. Equity in physical assets:

The equity in physical assets balance is comprised of the following:

	2008						
	December 31, 2007	Debt principal balance	Actuarial adjustments	Capital expenditures	New debt issues	Disposals	December 31, 2008 ending balance
General capital	\$ 347,146,290	\$ 2,141,235	\$ 1,143,736	\$ 24,186,191	\$ (1,800,000)	\$ (1,032,691)	\$ 371,784,761
Water utility capital	47,818,056	–	–	2,811,944	–	–	50,630,000
Sewer utility capital	25,823,282	43,961	37,327	1,908,200	–	–	27,812,770
Equity in physical assets balance	\$ 420,787,628	\$ 2,185,196	\$ 1,181,063	\$ 28,906,335	\$ (1,800,000)	\$ (1,032,691)	\$ 450,227,531

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

11. Net taxes available for municipal purposes:

	2008	2007
Taxation:		
Property and business taxes	\$ 157,358,046	\$ 149,512,732
Utility 1% tax	1,218,172	1,164,209
Special assessments:		
Boulevard frontage	597,077	596,913
Local improvement	1,071	1,071
Specified area improvement	170,164	139,973
Sewer frontage	577,228	580,445
Hotel tax:		
Tourism Victoria – Destination Marketing Commission	2,261,693	2,397,199
Victoria Conference Centre	526,492	522,314
	162,709,943	154,914,856
Less taxes levied for other authorities:		
Capital Regional District	10,991,213	9,907,311
School Authorities	48,106,200	48,121,627
Regional Hospital District	4,459,262	3,903,948
Municipal Finance Authority	2,873	3,633
BC Assessment Authority	1,502,615	1,490,348
BC Transit	4,412,342	4,034,857
Business Improvement Association	842,678	823,753
	70,317,183	68,285,477
Net taxes available for municipal purposes	\$ 92,392,760	\$ 86,629,379

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

12. Grants in lieu of taxes:

	2008	2007
Federal	\$ 2,240,114	\$ 2,186,211
Provincial:		
Shared Services BC & BC Housing Management	2,833,366	2,531,031
Royal BC Museum	735,526	993,332
Provincial agencies:		
Housing	228,183	307,709
Hydro	232,702	184,721
ICBC	140,573	176,433
	6,410,464	6,379,437
Less grants in lieu of taxes for other authorities:		
Capital Regional District	607,021	578,599
School Authorities	819,498	873,535
Regional Hospital District	67,733	59,422
MFA	23	25
BC Assessment Authority	24,935	25,271
BC Transit	86,476	83,107
	1,605,686	1,619,959
Net grants in lieu of taxes available for municipal purposes	\$ 4,804,778	\$ 4,759,478

13. Government transfers:

The following government transfers have been included in revenues:

	2008	2007
Unconditional transfers from provincial government:		
Traffic fine revenue sharing	\$ 2,576,210	\$ 2,576,210
Conditional transfers:		
Jail services	96,688	81,332
Gas Tax Agreement funds	1,250,000	1,594,996
Infrastructure grants:		
General capital	2,226,837	700,062
Sewer	142,303	21,935
Water	10,000	-
Cost sharing:		
General capital	130,804	1,818,634
Water	-	7,835
	3,856,632	4,224,794
Total	\$ 6,432,842	\$ 6,801,004

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

14. Contingent liabilities:

The City is defendant in various lawsuits. The City records an accrual in respect of legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The remaining claims, should they be successful as a result of litigation, will be recorded when a liability is likely and determinable. Included in reserve funds is an insurance reserve of \$4,451,587 (2007 – \$4,321,929) is maintained to offset settlements and insurance coverage is maintained to provide for insurable claims, should they exceed the liability deductible of \$1,000,000 in any year. As of November 1, 2008, the City joined the Municipal Insurance Association and all insurable claims from that point forward will be subject to a liability deductible of \$250,000 in any year.

New condominium construction in British Columbia over the last 15 years has resulted in significant construction deficiencies. Liability for these deficiencies is presently being addressed by the courts. The full impact of the courts' decisions and their effect on the City are unknown at this time. The City has received various statements of claim with respect to alleged construction deficiencies. Statements of defense have been made on behalf of the City by the City's solicitors. For the majority of these claims, no determination of the City's liability, if any, has been made and no estimate of potential loss can be made or recorded at this time. Any liability will be recorded when a settlement is likely and the amounts are determinable.

Capital Regional District debt, under provisions of the Local Government Act, is a direct, joint and several liability of the Capital Regional District and each member municipality within the Capital Regional District, including the City.

The City is reviewing environmental objectives and potential liabilities for its activities and properties including potential site reclamation obligations. The amount of any such obligations is not presently determinable.

The City is a shareholder and member of Capital Regional Emergency Service Telecommunications (CREST) Incorporated, which provides centralized emergency communications and related public safety information services to municipalities, regional districts, the provincial and federal governments and their agencies, and emergency service organizations throughout the Greater Victoria region and the Gulf Islands. Members' obligations to share in funding ongoing operations and any additional costs relating to capital assets are to be contributed pursuant to a Members' Agreement.

15. Pension plan:

The municipality and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 150,000 active members and approximately 54,000 retired members. Active members include approximately 32,000 contributors from local government.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2006 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009, with results available in 2010. The actuary does not attribute portions of the surplus to individual employers. The City of Victoria paid \$6,511,501 (2007 – \$6,654,341) for employer contributions and City of Victoria employees paid \$4,859,825 (2007 – \$5,010,988) for employee contributions to the plan in fiscal 2008.

16. GVLRA – CUPE Long-Term Disability Trust:

The Trust was established January 1, 1987 as a result of negotiations between the Greater Victoria Labour Relations Association representing a number of employers and the Canadian Union of Public Employees representing a number of CUPE locals. The Trust's sole purpose is to provide a long-term disability income benefit plan. The City and its employees each contribute equal amounts into the Trust. The total plan provision for approved and unreported claims was actuarially determined as of December 31, 2006. At December 31, 2008, the total plan provision for approved and unreported claims was \$10,016,032 with a net surplus of \$1,048,599. The City paid \$138,515 (2007 – \$232,130) for employer contributions and City employees paid \$138,515 (2007 – \$232,130) for employee contributions to the plan in fiscal 2008.

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

17. Commitments:

In the normal course of business, the City enters into commitments for both capital and operational expenditures. These commitments have been budgeted for within the appropriate annual budget and have been approved by Council.

(a) Municipal Finance Authority debt reserve fund deposits:

Under borrowing arrangements with the MFA, the City is required to lodge security by means of demand notes and interest-bearing cash deposits based on the amount of the borrowing. As the debt principal is retired, demand notes are released and the cash deposits are refunded and recorded as operating income in the period received.

As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits, which are contingent in nature, are held by the MFA to act as security against the possibility of debt repayment default, and together with the demand notes are not recorded in the financial statements. If the debt is repaid without default, the deposits are refunded to the City. Details of the cash deposits and contingent demand notes are as follows:

	2008	2007
Cash deposits	\$ 1,028,830	\$ 1,011,347
Contingent demand notes	2,445,409	2,456,744
Total	\$ 3,474,239	\$ 3,468,091

18. Trust assets and liabilities:

The City administers trusts on behalf of third parties. The following trust fund balances are not included in the consolidated statement of financial position.

	2008	2007
Ross Bay Cemetery Trust	\$ 780,543	\$ 738,349
Nature Interpretation Centre	557,949	541,698
Bastion Square Revitalization Trust	232,255	321,255
Total	\$ 1,570,747	\$ 1,601,302

The Ross Bay Cemetery Trust is a fund for the non-commercial Ross Bay Cemetery and is used for perpetual maintenance.

The Nature Interpretation Centre is a trust for the construction of a nature interpretation center in Beacon Hill Park.

The Bastion Square Revitalization Trust is a trust received from the Bastion Square Association Society for the sole purpose of improving Bastion Square.

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

19. Segmented Information:

The City of Victoria is a diversified municipal organization that provides a wide range of services to its citizens. For management reporting purposes, the City's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

City services are provided by departments and their activities reported within these funds. Certain functions that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

General Government

The General Government Operations provide the functions of Building Services and Maintenance, Corporate Administration, Finance, Human Resources, Legislative Services and any other functions categorized as non-departmental.

Protective Services

Protective Services is comprised of four different functions, including the City's Emergency Management Agency, Fire, Police and Regulatory and Development Services. The Emergency Management Agency prepares the City to be more prepared and able to respond to, recover from, and be aware of, the devastating effects of a disaster or major catastrophic event that will impact the community. The Fire Department is responsible for providing critical, life-saving services in preventing or minimizing the loss of life and property from fire and natural or man-made emergencies. The Police Department ensures the safety of the lives and property of Victoria as well as Esquimalt citizens through the enforcement of municipal bylaws, criminal laws and the laws of British Columbia, the maintenance of law and order; and the prevention of crime. The mandate of the Regulatory and Development services is to promote, facilitate and enforce general compliance with the provisions of bylaws that pertain to the health, safety and welfare of the community and provide a full range of planning services related to zoning, development permits, variance permits, and current regulatory issues.

Transportation Services

Transportation Services is responsible for a wide variety of transportation functions such as Parking, Engineering Operations and Streets. As well, providing services around infrastructure, traffic control, transportation planning, review of land development impacts on transportation, traffic management, pedestrian and cycling issues, on-street parking regulations, including street signs and painting as well as traffic signal timing.

Environmental and Public Health Services

The Environmental and Public Health Services is comprised of three sections in the areas of Solid Waste Services, Storm Drains as well as Street Cleaning. The Solid Waste Collection and Recycling Operations Section is responsible for the collection of household garbage. Storm Drains section provides the design, inspection and technical supervision of civil engineering projects related to the construction and maintenance of the storm drain collection systems to protect public health. The Street Cleaning Section is responsible for the collection and disposal of litter and debris from streets, sidewalks, squares.

Community Planning

Community Planning works to achieve the City's community planning goals through the official community plan, neighbourhood plans, special sector and precinct plans urban design and other policy initiatives. The division is also responsible for the heritage program, downtown vitality and public use of space.

Parks, Recreation and Community Development

Parks is responsible for the maintenance, planning and development of all park facilities such as ornamental gardens, natural ecosystems, sport and entertainment venues and playgrounds for recreational and cultural enjoyment in a beautiful and safe environment; preserves and enhances green spaces on public lands. Recreation services facilitates the provision of recreation and wellness programs and services through the City's pool, arena, Royal Athletic Park, Community and Seniors' Centres. Community Development co-ordinates and leads efforts to enhance our neighbourhoods, foster arts and culture, and work to create a City that is vibrant and people centres. This function also includes the Victoria Conference Centre which is the second largest conference facility in BC and plays a significant economic impact on the local economy.

The Corporation of the City of Victoria

Notes to Consolidated Financial Statements
Year ended December 31, 2008

19. Segmented Information (CONTINUED):

Water and Sewer Utilities

The Sewer Utility protects the environment and human health from the impacts of liquid wastes generated as a result of human occupation and development in the City. The Water Utility delivers clean, safe and aesthetically pleasing potable water, in accordance with the Provincial Drinking Water Protection Act, to the citizens of the City of Victoria and Township of Esquimalt. The water is for the purpose of domestic consumption and fire fighting.

Certain allocation methodologies have been employed in the preparation of the segmented financial information. The General Fund reports on municipal services that are funded primarily by taxation such as property taxes and other tax revenues. Taxation and payments-in-lieu of taxes are apportioned to the General Fund services based on budgeted taxation revenue as presented in the 2008–2012 consolidated financial plan.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in note 2. For additional information see the Consolidated Schedule of Segment Information (Schedule D).

The Corporation of the City of Victoria

Consolidated Statement of Financial Activities and Fund Balances Operating Funds

Schedule A

Year ended December 31, 2008, with comparative figures for 2007

	Budget 2008	Actual 2008	Actual 2007
Revenues:			
Taxes	\$ 92,468,792	\$ 92,392,760	\$ 86,629,379
Payments in lieu of taxes	4,525,000	4,804,778	4,759,478
Sale of goods and services	30,966,041	33,856,450	30,302,528
Sale of water	13,423,549	12,714,597	11,559,043
Licences and permits	4,042,500	5,216,077	5,233,082
Fines	5,072,500	5,205,671	4,581,409
Rentals and leases	960,000	978,624	1,049,723
Other interest and penalties	2,194,000	4,489,264	3,983,838
Unconditional government transfers	2,576,000	2,576,210	2,576,210
Conditional government transfers	135,000	96,688	81,332
Miscellaneous	4,773,427	7,808,512	7,325,707
	161,136,809	170,139,631	158,081,729
Expenditures:			
General government	28,538,561	23,549,953	20,376,517
Protective services	50,413,790	54,006,818	50,052,623
Transportation services	15,820,683	15,416,756	14,847,681
Environmental and public health services	5,658,028	6,092,831	5,863,680
Community planning	2,250,724	2,165,871	1,829,734
Parks, recreation and cultural services	23,571,327	26,901,362	25,002,384
Water utility	10,555,749	9,157,053	8,290,338
Sewer utility	2,126,914	1,609,297	1,698,785
	138,935,776	138,899,941	127,961,742
Excess of revenues over expenditures	22,201,033	31,239,690	30,119,987
Debt principal repaid	(2,888,338)	(2,185,196)	(1,958,298)
Net transfers to Capital Funds	(17,447,591)	(12,853,848)	(11,128,334)
Net transfers to Reserve Funds	(7,232,834)	(12,682,674)	(11,045,859)
Unfunded employee benefit obligations	-	1,011,204	(270,979)
	(27,568,763)	(26,710,514)	(24,403,470)
Change in Operating Funds balances	(5,367,730)	4,529,176	5,716,517
Funds balances, beginning of year	2,340,501	2,340,501	4,201,045
Transfer appropriated balance to Reserve Funds	(7,577,061)	(1,999,612)	(7,577,061)
Funds balances, end of year	\$ (10,604,290)	\$ 4,870,065	\$ 2,340,501

The Corporation of the City of Victoria

Consolidated Statement of Financial Activities and Fund Balances Capital Funds

Schedule B

Year ended December 31, 2008, with comparative figures for 2007

	Budget 2008	Actual 2008	Actual 2007
Revenues:			
Sale of goods and services	\$ 825,000	\$ 1,440,452	\$ 1,164,601
Conditional governmental transfers	4,315,127	3,759,944	4,143,462
Development cost charges	611,004	–	–
Actuarial adjustment on debt	–	1,181,063	3,588,752
	5,751,131	6,381,459	8,896,815
Expenditures:			
General government:			
Buildings	1,540,882	1,215,895	996,099
Machinery and equipment	1,323,252	619,774	676,872
Land	170,000	23,453	–
	3,034,134	1,859,122	1,672,971
Protective services:			
Buildings	396,315	490,531	900,669
Machinery and equipment	1,297,765	1,369,148	1,949,235
	1,694,080	1,859,679	2,849,904
Transportation services:			
Engineering structures	9,289,979	5,996,635	4,658,422
Buildings	1,753,334	1,318,117	300,346
Machinery and equipment	6,373,000	674,042	1,751,678
	17,416,313	7,988,794	6,710,446
Environmental and public health services:			
Engineering structures	3,939,791	2,189,911	2,591,843
Land	–	–	–
	3,939,791	2,189,911	2,591,843
Parks, recreation and cultural services:			
Engineering structures	4,274,164	1,933,129	1,246,291
Buildings	10,380,703	8,027,719	5,639,401
Machinery and equipment	522,689	327,837	160,641
	15,177,556	10,288,685	7,046,333
Water utility	5,682,256	2,811,944	2,105,514
Sewer utility	3,205,000	1,908,200	1,942,534
Total expenditures	50,149,130	28,906,335	24,919,545
Excess of expenditures over revenues	(44,397,999)	(22,524,876)	(16,022,730)
Net transfers from Operating Funds	17,447,591	12,853,848	11,128,334
Net transfers from Reserve Funds	26,122,940	10,852,091	8,483,148
Net transfers from Trust Funds	827,468	–	–
Actuarial adjustment on debt	–	(1,181,063)	(3,588,752)
	44,397,999	22,524,876	16,022,730
Change in Capital Funds balances	–	–	–
Funds balances, beginning of year	–	–	–
Funds balances, end of year	\$ –	\$ –	\$ –

The Corporation of the City of Victoria

Consolidated Statement of Changes in Reserve Funds
Year ended December 31, 2008, with comparative figures for 2007

Schedule C

	Budget 2008	Actual 2008	Actual 2007
Funds balances, beginning of year	\$ 64,668,599	\$ 64,668,599	\$ 50,019,827
Add:			
Debt proceeds		1,800,000	4,509,000
Transfer from Operating Funds	7,232,834	15,394,557	18,731,170
Transfer from Capital Funds		-	-
	7,232,834	17,194,557	23,240,170
Deduct:			
Transfer to Capital Funds	26,122,940	10,852,091	8,483,148
Transfer to Operating Funds		712,271	108,250
	26,122,940	11,564,362	8,591,398
Change in Reserve Funds balance	(18,890,106)	5,630,195	14,648,772
Funds balances, end of year	\$ 45,778,493	\$ 70,298,794	\$ 64,668,599

The Corporation of the City of Victoria

Consolidated Schedule of Segmented Information
Year ended December 31, 2008 with comparative figures for 2007

Schedule D

	General Fund										2007 Consolidated Balance
	General Government	Protective Services	Transportation Services	Environmental and Public Health Services		Community Planning	Parks Recreation and Community Development	Water Fund	Sewer Fund	2008 Consolidated Balance	
				6,511,141	2,250,724						
Revenues:											
Taxation	\$ 28,000,008	42,745,662	3,258,981	6,511,141	2,250,724	13,853,794	–	577,228	97,197,538	91,388,857	
Goods and services	1,582,686	5,800,816	10,634,988	2,242,524	–	10,342,699	13,399,776	4,931,038	48,934,527	43,026,172	
Government transfers	2,454,329	2,576,210	–	–	–	–	10,000	142,303	5,182,842	6,801,004	
Other	15,082,562	200,960	9,161,566	–	389,432	205,220	129,116	37,327	25,206,183	25,762,511	
	47,119,585	51,323,648	23,055,535	8,753,665	2,640,156	24,401,713	13,538,892	5,687,896	176,521,090	166,978,544	
Expenditures:											
Salaries and benefits	11,155,156	46,263,842	10,893,106	4,109,299	1,777,771	11,631,271	1,947,887	1,557,146	89,335,478	84,015,546	
Equipment	594,708	1,127,144	1,547,339	1,084,064	25,802	1,166,463	603,738	423,708	6,572,966	3,208,488	
Materials and services	5,781,025	5,885,770	12,376,851	2,637,107	310,406	17,295,623	9,038,377	1,457,884	54,783,043	45,515,935	
Interest and other	4,064,202	2,589,741	2,402,238	452,272	51,892	7,096,689	378,996	78,759	17,114,789	20,141,318	
	21,595,091	55,866,497	27,219,534	8,282,742	2,165,871	37,190,046	11,968,998	3,517,497	167,806,276	152,881,287	
Excess (deficiency) of revenues over expenditures	\$ 25,524,494	(4,542,849)	(4,163,999)	470,923	474,285	(12,788,333)	1,569,894	2,170,399	8,714,814	14,097,257	

Statistical Information

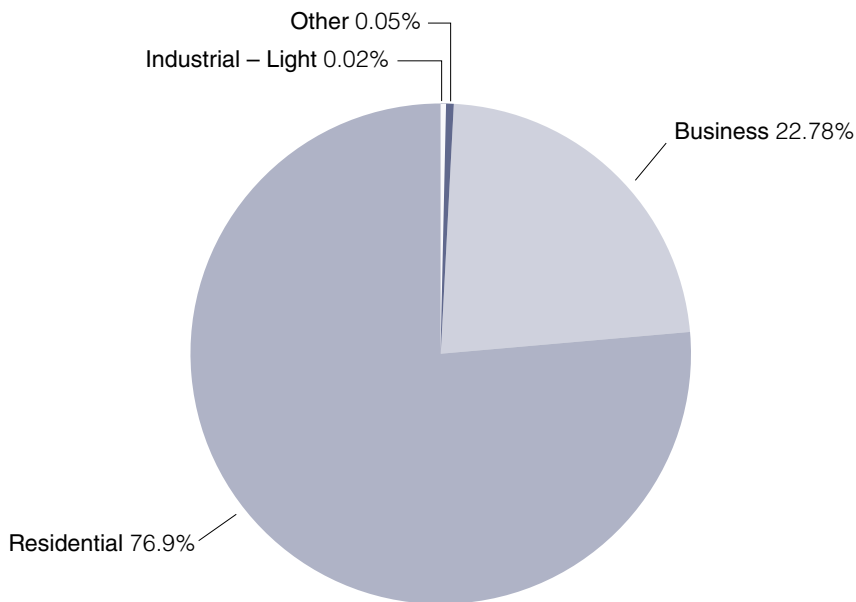
As per BC Assessment Roll Tax Base Report

Taxable Assessments of Land & Improvements 2004 – 2008 (in millions)

PROPERTY CLASS	2004	2005	2006	2007	2008
Residential	\$ 6,368	\$ 7,728	\$ 9,174	\$ 10,863	\$ 12,269
Utilities	15	15	16	20	19
Industrial – Major	–	–	–	–	4
Industrial – Light	25	24	27	31	33
Business	2,417	2,537	2,773	3,208	3,636
Seasonal/Non-profit	16	17	17	19	21
	\$ 8,841	\$ 10,321	\$ 12,007	\$ 14,141	\$ 15,982

Assessments by Type

Source: BC Assessment



Statistical Information

Property Tax Rates 2004 – 2008

	2004	2005	2006	2007	2008
Municipal (\$ per 1000 assessment)					
Residential	5.0380	4.3830	3.8864	3.5150	3.3428
Utilities	28.6251	28.5047	28.3141	32.4770	30.6915
Industrial – Major	0.0000	0.0000	0.0000	0.0000	15.8396
Industrial – Light	17.9354	19.2588	18.4155	16.7611	15.8396
Business	14.6974	14.6242	14.2730	12.9908	12.2766
Seasonal	9.2513	9.7403	10.0077	9.5011	8.7390
Total – Including School, Region, etc. (\$ per 1000 assessment)					
Residential	9.2059	7.9853	7.0836	6.2885	5.9398
Utilities	49.4082	49.0118	48.7058	53.1079	50.6841
Industrial – Major	0.0000	0.0000	0.0000	0.0000	29.0352
Industrial – Light	32.1045	33.1056	31.6671	28.3957	26.2509
Business	28.2036	27.6737	26.8227	23.9719	22.0409
Seasonal	15.3915	15.8820	15.8245	14.9719	13.8540
Municipal Tax Billings by Property Class (in thousands)					
Residential	\$ 32,080	\$ 33,872	\$ 35,654	\$ 38,186	\$ 41,012
Utilities	434	451	466	634	578
Industrial – Major	–	–	–	–	69
Industrial – Light	456	462	493	516	519
Business	35,516	37,149	39,574	41,671	44,644
Seasonal	146	163	169	177	181
Total	\$ 68,632	\$ 72,097	\$ 76,356	\$ 81,184	\$ 87,003

New Construction 2004 – 2008

	2004	2005	2006	2007	2008
Construction Permits	2,927	3,244	3,626	3,381	3,412
Construction Value (\$ Million)	\$ 129	\$ 206	\$ 230	\$ 281	\$ 178
Taxes Generated from New Growth	\$ 1,343,819	\$ 902,586	\$ 1,737,335	\$ 2,012,722	\$ 1,376,419

Source: City of Victoria Finance Department

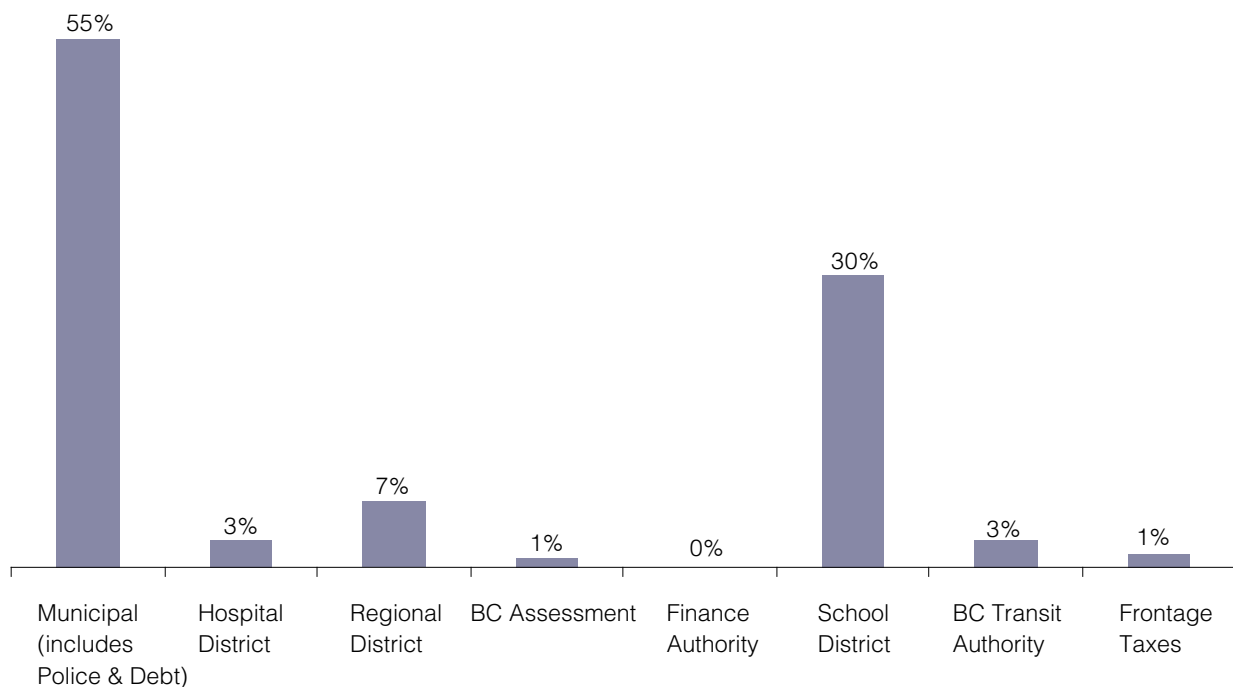
Statistical Information

Property Tax Levied and Collected 2004 – 2008 (in thousands)

	2004	2005	2006	2007	2008
Municipal (incl Police & Debt)	\$ 68,632	\$ 72,097	\$ 76,356	\$ 81,184	\$ 87,001
Hospital District	3,815	3,714	3,649	3,904	4,459
Regional District	7,943	8,549	9,008	9,907	10,991
BC Assessment	1,429	1,478	1,523	1,490	1,503
Finance Authority	2	3	3	3	3
School District	44,773	46,109	48,285	48,122	48,106
B.C. Transit Authority	3,194	3,116	3,635	4,034	4,412
Frontage Taxes	1,282	2,072	2,093	2,130	2,159
	\$ 131,070	\$ 137,138	\$ 144,552	\$150,774	\$ 158,634
Total Current Taxes Levied	131,070	137,138	144,552	150,774	158,634
Current Taxes Collected	\$ 127,680	\$ 133,091	\$ 139,734	\$ 143,887	\$ 151,752
Percentage	97.41%	97.05%	96.67%	95.43%	95.66%
Outstanding at Beginning of Year	\$ 4,179	\$ 4,048	\$ 4,386	\$ 5,701	\$ 5,320
Arrears Collected	\$ 3,522	\$ 3,708	\$ 3,503	\$ 5,138	\$ 4,311
Percentage	84.27%	91.60%	79.87%	90.12%	81.03%
Total Tax Collections	131,202	136,799	143,237	149,025	156,063

2008 Taxes by Jurisdiction

Source: City of Victoria Finance Department



Statistical Information

2008 Principal Corporate Tax Payers

Registered Owner	Primary Property	Taxes Levied
4239440 Canada Inc	Shopping Centre	\$ 3,849,746
OPB Realty	Shopping Centre	3,140,722
527701 BC Ltd/NO 3 Sail View Ventures Ltd	Shopping Centre	2,084,743
Legacy Empress Title Corp	Hotel	2,013,665
Pacific Sun Hotel Inc	Hotel	861,310
DDP 655 Tyee Properties Ltd	Office Bldg	819,314
Columbus Real Estate Inc	Office Bldg	810,973
596961 BC Ltd	Retail/Office Bldg	764,011
Sussex Place Equities Ltd	Retail/Office Bldg	741,479
Canadian Imperial Bank of Commerce/Standard Life Assurance Co	Retail/Office Bldg	714,161
Victoria Downtown Hotel Estates Ltd	Hotel	676,741
Chip Reit No 40 Holdings Ltd	Hotel	608,961
Grampian Holdings Ltd	Retail/Office Bldg	601,352
Greater Victoria Harbour Authority	Waterfront/Retail	573,695
Telus Communications Inc	Office Bldg	521,467
Westside Village Shopping Center Ltd	Shopping Centre	467,224
Pauls Restaurants Ltd	Hotel	430,147
Ruth Singer Investments Ltd	Shopping Centre	399,433
BC Transit	Bus Depot	399,088
Chip Reit No 44 Holdings Ltd	Hotel	397,019
Congdon Construction (1986) Ltd	Hotel	395,830
Park Pacific Apartments Ltd	Hotel	394,734
Kanco James Bay Properties Ltd	Shopping Centre/Retail	392,723
Standard Life Assurance Company of Canada in Trust	Retail/Office Bldg	389,064
Jawl Holdings Ltd	Office Bldg	386,676
Saratoga Investments Ltd	Retail/Office Bldg	384,149
Executive House Ltd	Hotel	381,173
Gill-Am Investments Ltd	Office Bldg	379,611
Investors Group Trust Co Ltd	Office Bldg	366,310
Wilson Kool Ltd	Shopping Centre	362,553
		\$ 24,708,073

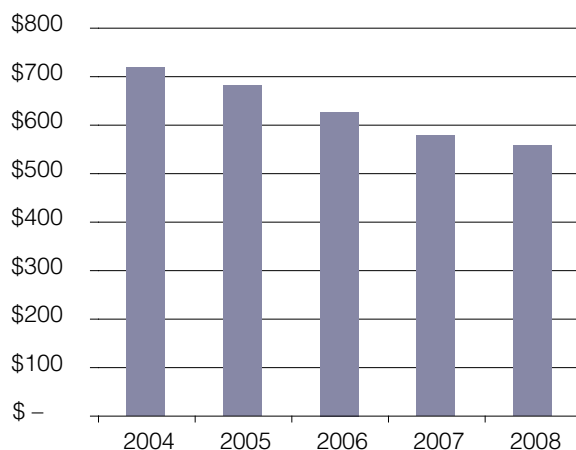
Statistical Information

Debenture Debt 2004 – 2008 (in thousands)

	2004	2005	2006	2007	2008
Gross Outstanding Debt	\$ 84,206	\$ 88,445	\$ 88,152	\$ 88,729	\$ 82,329
Less: Sinking Fund Payments	30,956	37,943	39,291	43,528	38,694
Net Debt	\$ 53,250	\$ 50,502	\$ 48,861	\$ 45,201	\$ 43,635
General	\$ 52,547	\$ 49,920	\$ 48,409	\$ 44,942	\$ 43,457
Sewer	703	582	452	259	178
Net Debt	\$ 53,250	\$ 50,502	\$ 48,861	\$ 45,201	\$ 43,635
Debt Servicing Costs					
Property Tax Supported	\$ 6,733	\$ 7,338	\$ 7,373	\$ 6,107	\$ 6,071
Specified Area & Other	–	–	–	–	–
Sewer Utility	188	188	188	135	112
Total Debt Servicing Costs	\$ 6,921	\$ 7,526	\$ 7,561	\$ 6,242	\$ 6,183
Population	74,125	74,125	78,057	78,057	78,057
Net Debt per Capita	\$ 718	\$ 681	\$ 626	\$ 579	\$ 559
Debt Servicing per Capita	\$ 93	\$ 102	\$ 97	\$ 80	\$ 79
Debt Service as % of Expenditures	4.91%	5.16%	5.20%	4.08%	3.68%
# of Households	21,564	21,564	39,595	41,722	41,722
Gross Debt Servicing Limit	\$ 32,434,819	\$ 33,943,159	\$ 36,434,863	\$ 39,636,930	\$ 41,839,766
Debt Capacity Available	\$ 25,377,831	\$ 26,165,985	\$ 28,495,619	\$ 33,224,450	\$ 34,663,965

Per Capita Net Debt 2004 – 2008

Sources: Municipal Finance Authority
Population – Statistics Canada



Statistical Information

Revenue and Expenses 2004 – 2008 (in thousands)

Revenue	2004	2005	2006	2007	2008
Property Taxes	\$ 73,708	\$ 77,324	\$ 81,638	\$ 86,629	\$ 92,393
Payment In Lieu of Taxes	4,244	4,601	4,560	4,759	4,805
Sales of Services	28,004	34,736	29,855	33,062	36,547
Sale of Water	10,740	10,450	11,781	11,559	12,715
Licences and Permits	3,352	3,328	3,396	5,233	5,216
Fines	4,662	4,913	4,549	4,581	5,206
Rentals and Leases	810	848	898	1,050	979
Interest and Penalties	2,390	2,433	3,426	3,984	4,489
Unconditional Government Transfers	1,838	2,466	2,314	2,576	2,576
Other	5,144	5,247	7,864	10,914	8,990
Conditional Government Transfers	1,178	1,872	2,892	2,630	2,607
	\$ 136,070	\$ 148,218	\$ 153,173	\$ 166,979	\$ 176,521

Expenses by Function

General Government	\$ 24,387	\$ 27,316	\$ 26,171	\$ 22,049	\$ 25,409
Protective Services	44,531	46,268	49,341	52,903	55,866
Transportation Services	11,680	12,600	15,426	21,558	23,406
Environmental/Public Health	8,692	9,235	9,247	8,456	8,283
Community Planning	1,627	1,169	1,469	1,830	2,166
Parks Recreation and Cultural	36,443	36,026	30,246	32,049	37,190
Water Utility	10,332	9,988	9,903	10,396	11,969
Sewer Utility	3,324	3,004	3,652	3,641	3,517
	\$ 141,016	\$ 145,607	\$ 145,456	\$ 152,881	\$ 167,806

Expenses by Object

Salaries Wages and Benefits	\$ 72,850	\$ 75,320	\$ 79,170	\$ 84,016	\$ 89,035
Equipment	10,257	10,541	3,328	3,208	6,573
Materials Supplies and Services	45,701	48,896	45,248	45,516	55,083
Interest	4,573	5,151	5,242	4,471	4,284
Other	7,636	5,699	12,469	15,670	12,831
	\$ 141,016	\$ 145,607	\$ 145,456	\$ 152,881	\$ 167,806

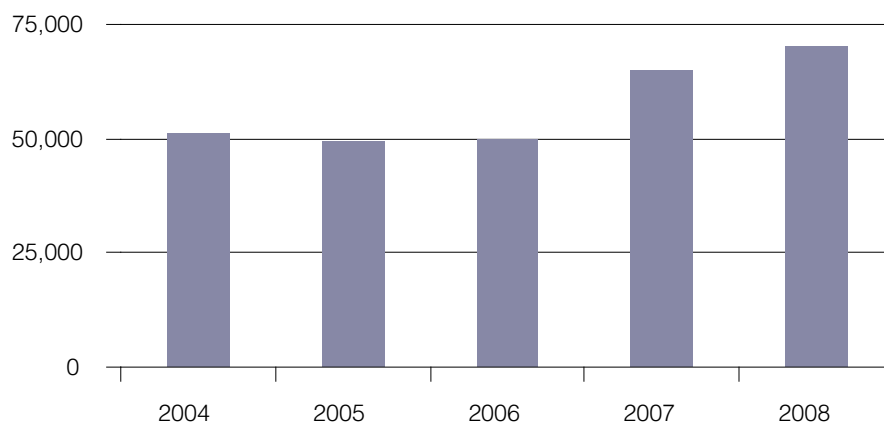
Statistical Information

Reserve Funds & Statement of Surplus 2004 – 2008 (in thousands)

Description	2004	2005	2006	2007	2008
Reserve Funds					
Equipment and Infrastructure	\$ 34,094	\$ 24,132	\$ 22,407	\$ 28,813	\$ 30,140
Economic Development	2,198	2,553	2,943	3,296	695
Financial Stabilitiy		220	201	208	714
Debt Reduction	1,564	1,742	2,587	5,278	7,938
Self Insurance	3,640	4,131	4,176	4,322	4,452
Working Capital	3,209	3,289	3,404	3,523	3,629
Tax Sale Lands	3,524	8,693	8,060	7,907	8,196
Parks and Greenways Acquisition	608	1,364	1,413	1,462	1,629
Affordable Housing	250	506	674	975	1,656
Fringe Benefit Rate Stabilizaiton	138	242	351	463	577
Water Utliity	1,869	2,607	3,147	6,403	7,211
Sewer utility	–	56	657	2,020	3,464
	\$ 51,094	\$ 49,534	\$ 50,020	\$ 64,669	\$ 70,299
Statement of Unappropriated Surplus (Deficit)					
General Operating Surplus	\$ 444	\$ 1,312	\$ 1,668	\$ 2,341	\$ 4,870
Water Operating Surplus	691	449	1,934	–	–
Sewer Operating Surplus	56	600	598	–	–
	\$ 1,191	\$ 2,361	\$ 4,201	\$ 2,341	\$ 4,870
Reserves Plus Surplus	\$ 52,285	\$ 51,895	\$ 54,221	\$ 54,221	\$ 75,169

Reserves 2004 – 2008 (in thousands)

Source: City of Victoria Finance Department



Statistical Information

2004 – 2008 Capital Budget Expenditures and Funding Sources (in thousands)

	2003	2004	2005	2006	2007	2008
Expenditures						
Civic Facilities	\$ 6,752	\$ 14,573	\$ 13,247	\$ 5,416	\$ 7,731	\$ 10,871
Equipment	4,229	2,861	3,988	5,516	4,744	3,249
Streets	2,376	1,849	2,152	2,411	4,145	4,793
Transportation and Development	277	1,161	1,107	1,010	694	934
Civic Services	23	23	38	39	42	40
Storm Drains	1,848	1,796	1,416	2,650	1,699	1,750
Parks	611	421	1,961	1,192	900	1,253
Planning and Development	38	280	0	43	24	37
Shoreline Protection	12	5	20	2	9	0
Revitalization	7	880	0	33	28	36
Downtown Revitalization	290	116	54	148	149	570
Environmental Remediation	497	860	1,704	680	534	436
Water Utility	1,731	2,113	1,741	1,913	2,106	2,812
Sewer Utility	1,463	1,533	1,405	1,893	1,943	1,908
Victoria Conference Centre	262	144	214	757	174	217
	\$ 20,417	\$ 28,616	\$ 29,047	\$ 23,704	\$ 24,920	\$ 28,906
Funding Sources						
Capital Tax Levy	\$ 4,264	\$ 5,220	\$ 6,193	\$ 7,385	\$ 7,985	\$ 9,185
Connection Fees	177	231	205	274	259	214
Equipment and Infrastructure	491	5,356	3,470	5,752	5,002	3,840
Tax Sale Land Reserve	1,042	1,585	1,141	1,005	485	1,127
Development Cost Charges	80	609	75	–	–	–
Economic Development Reserve	–	–	–	–	–	3,000
Trust Funds	–	63	10	53	30	103
Grants and Partnerships	734	746	1,719	2,679	2,519	2,582
Gas Tax	–	–	–	–	1,595	1,250
Debt	5,771	10,058	12,123	633	1,626	1,338
Water Utility	1,731	2,113	1,741	1,913	2,106	2,812
Sewer Utility	1,463	1,533	1,405	1,893	1,943	1,908
Victoria Conference Centre	260	144	281	757	174	217
Police Equipment and Infrastructure	405	959	683	1,358	1,197	1,329
	\$ 20,417	\$ 28,616	\$ 29,047	\$ 23,704	\$ 24,920	\$ 28,906

Source: City of Victoria Finance Department

Statistical Information

2008 Grants

Organization	Grants	City In-Kind Services	Exemption from Property Taxes	Total
African Heritage Association of Vancouver Island (AHAVI)	\$ 2,500	\$ 114	\$	\$ 2,614
Aga Khan Mosque			4,506	4,506
Aids Vancouver Island			8,626	8,626
Anawim Companions Society			2,879	2,879
Anglican Synod of the Diocese of BC, The			24,446	24,446
Apostolic Trustees of Friars Minor or Franciscans of Western Canada			3,139	3,139
Art Gallery of Greater Victoria	15,000	3,559	51,535	70,093
B Wilson Building			9,610	9,610
BC Produce Building			9,368	9,368
BC Association of Seventh Day Adventists			2,587	2,587
BC Governing Council of the Salvation Army in Canada			4,457	4,457
BC Muslim Association			3,347	3,347
BC SPCA			24,683	24,683
BC Sustainable Energy Association	3,500			3,500
Beacon Community Association			7,924	7,924
Belfrey Theatre Society			24,890	24,890
Big Brothers Big Sisters of Victoria	7,500			7,500
Biggerstaff Studios Building			41,836	41,836
Bishop Of Victoria			5,815	5,815
Blanshard Community Centre	52,839	176.66		53,016
Boys' and Girls' Club of Greater Victoria			23,864	23,864
Brand Live		28,319		28,319
Burnside Gorge Community Association Youth Outreach	10,000			10,000
Burnside Gorge Community Association	51,749			51,749
Canadian Cancer Society			34,478	34,478
Canadian Housing Research Foundation			9,476	9,476
Canadian National Institute for the Blind			30,243	30,243
Canadian Pacific Lawn Bowling Club			33,296	33,296
Canadian Red Cross Society			50,937	50,937
Capital Mental Health Association			23,577	23,577
Casa Maria Emergency Housing Society			2,186	2,186
Central Baptist Church			27,082	27,082
CFB Esquimalt		241		241
Children's Museum of Victoria Association	5,000			5,000
Chinese Consolidated Benevolent Association	3,000	2,572.33	15,745	21,317
Christian & Missionary Alliance Canadian Pacific District			2,438	2,438
Church of Latter Day Saints		322		322
City of Victoria Youth Council	20,000			20,000
Clover Point Anglers' Association			2,441	2,441
Community Living Victoria		10,078		10,078
Community of Christ Inc.			2,526	2,526
Community Social Planning Council	16,426			16,426
Cornerstone Christian Fellowship			2,096	2,096
Craildarroch Castle Historical Museum Society			44,610	44,610

Statistical Information

2008 Grants

Organization	Grants	City In-Kind Services	Exemption from Property Taxes	Total
Creative Peace Mural Society	\$ 1,000	\$	\$	\$ 1,000
Cridge Centre for the Family, The			27,452	27,452
Cross' Meats Building			17,315	17,315
Crystal Meth Society of BC	5,000			5,000
CTVI Building			56,607	56,607
Dart Coon Club		206.79		207
Discovery School Society			4,361	4,361
Downtown Residents' Association	2,310			2,310
Downtown Victoria Business Association		822.17		822
Earth Walk Committee		630		630
Emanuel of Victoria V I			1,285	1,285
Fairfield Activity Centre Society (New Horizons)	35,592			35,592
Fairfield Community Association	78,956			78,956
Fernwood Community Association	11,025			11,025
Fernwood Neighbourhood Resource Group	46,639		2,620	49,259
Fire Fighters Burn Fund Victoria			1,431	1,431
First Baptist Church, The			2,674	2,674
First Church of Christ Scientist			8,818	8,818
First Church of The Truth			2,919	2,919
First Open Heart Society of BC Inc			1,877	1,877
Foursquare Gospel Church of Canada			1,337	1,337
Francophone Society	2,500	500		3,000
Fraser Basin Council	2,000			2,000
Girl Guides of Canada			4,064	4,064
Glad Tidings Pentacostal Church			63,576	63,576
Go Rowing & Paddling Association of Canada		463	22,916	23,379
Good Shepherd Lutheran Church			1,206	1,206
Governing Council of the Salvation Army in Canada			48,592	48,592
Grace Evangelical Lutheran Church			11,151	11,151
Great Canadian Beer Festival Society		89.58		90
Greater Victoria Bike to Work Society	2,500	384		2,884
Greater Victoria Chamber of Commerce	50,000			50,000
Greater Victoria Citizens Counselling Centre, The			9,964	9,964
Greater Victoria Coalition to End Homelessness	100,000			100,000
Greater Victoria Compost Education Centre	13,530	110		13,640
Greater Victoria Curling Club	15,000			15,000
Greater Victoria Festival Society	17,000	12,966		29,966
Greater Victoria Film Commission	45,000			45,000
Greater Victoria Harbour Authority		1,425.20		1,425
Greater Victoria Hospitality Awards	950			950
Greater Victoria Women's Shelter Society			6,355	6,355
Gurdwara Singh Sabha Society of Victoria			3,889	3,889
Hart Block			16,556	16,556
Intercultural Association of Greater Victoria	12,500	6,831		19,331
Intrepid Theatre Company	15,000	133.12		15,133

Statistical Information

2008 Grants

Organization	Grants	City In-Kind Services	Exemption from Property Taxes	Total
Island Chefs Collaborative, The	\$ 5,000	\$	\$	\$ 5,000
Island Corridor Foundation			3	3
Island Equipment Owners Association		5,562.52		5,563
James Bay Anglers Association			603	603
James Bay Community Project	10,000			10,000
James Bay Community School Centre	43,419			43,419
James Bay Community School Society	12,040			12,040
James Bay Health and Community Services Society			21,107	21,107
James Bay New Horizons	45,592			45,592
John Howard Society of Victoria			2,306	2,306
Jubilee Congregation of the Jehovah's Witnesses, The			2,622	2,622
Kalghidar Shromani Sikh Society			1,879	1,879
Khalsa Diwan Society of Victoria			3,680	3,680
Kiwanis Club of Victoria			6,067	6,067
Knights of Columbus		823.38		823
Laren Society			3,406	3,406
Maharishi Age of Enlightenment School Society			4,121	4,121
Maritime Museum	25,000			25,000
McPherson Playhouse Foundation			73,138	73,138
MediaNet	1,500			1,500
Meston's Carriage			9,311	9,311
Multiple Sclerosis Society of Canada			27,450	27,450
Mustard Seed Street Church			3,321	3,321
NEED – Crisis & Information Line	19,904			19,904
North Jubilee Neighbourhood Association	2,005			2,005
North Park Neighbourhood Association	12,090			12,090
Northwest Entertainment Foundation	3,000			3,000
Oak Bay Gospel Assembly			3,417	3,417
Oaklands Chapel		90	3,644	3,734
Oaklands Community Association	57,589			57,589
Oasis Society for the Spiritual Health of Victoria	7,500			7,500
Open Cinema Society	1,500			1,500
Open Space Arts Society			13,264	13,264
Our Place Society	25,000		29,101	54,101
PacificSport Victoria	5,000			5,000
Pandora Arts Collective Society	3,750			3,750
Parkdale Evangelical Free Church			2,525	2,525
Passion for Tango Society	2,000			2,000
Pentecostal Assemblies of Canada			3,111	3,111
Powell & Co Building			8,219	8,219
President of Lethbridge Stake			6,126	6,126
Prior Building			58,190	58,190
Provincial Capital Commission	6,000			6,000
Recreation Integration Victoria	27,678			27,678
Rockland Community Association	2,220			2,220

Statistical Information

2008 Grants

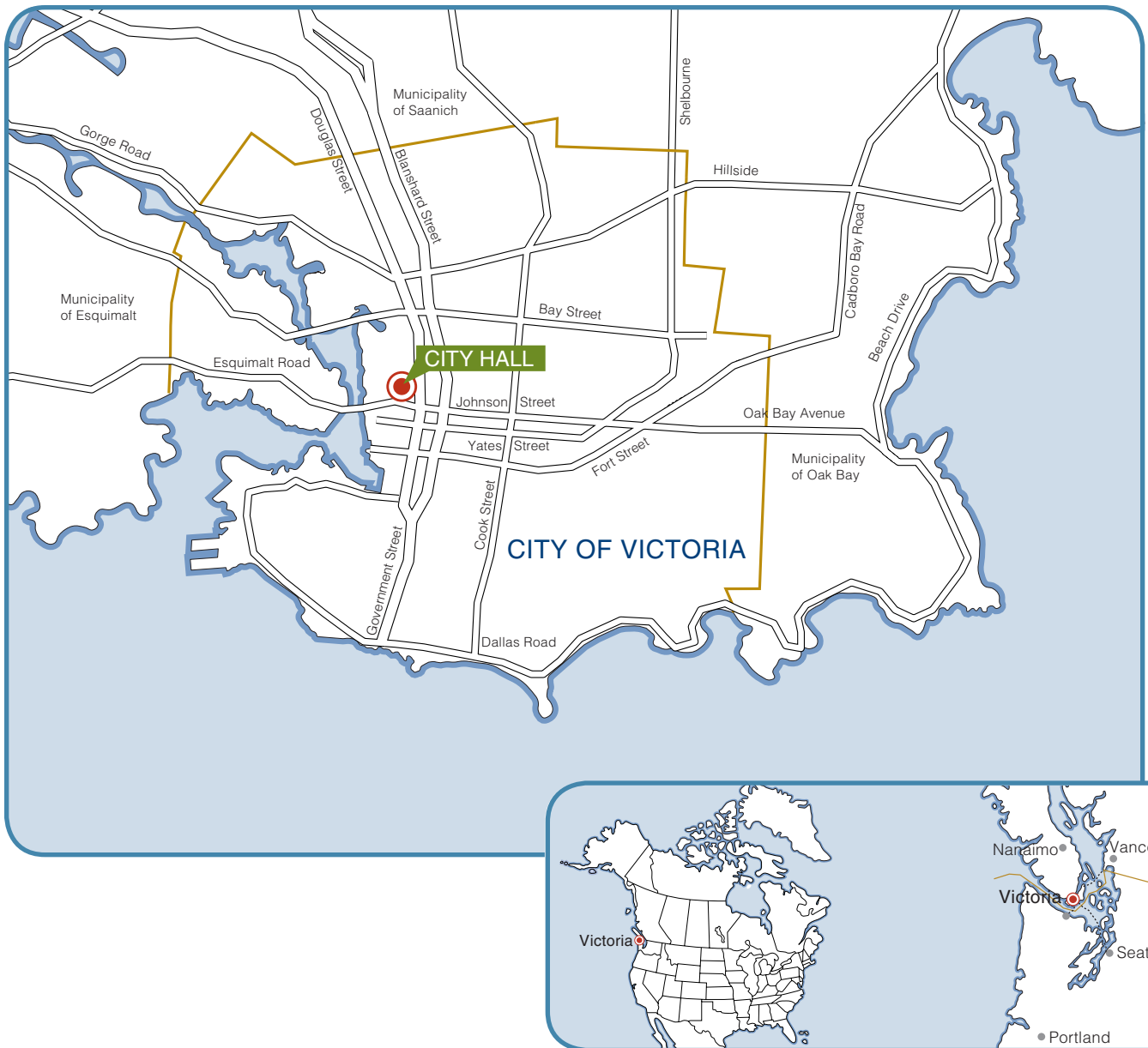
Organization	Grants	City In-Kind Services	Exemption from Property Taxes	Total
Rotary Club of Victoria	\$	\$ 45	\$	\$ 45
Royal United Services Institute		65		65
Royal Victoria Yacht Club		2,965.67		2,966
Saint Germaine Foundation of Canada				0
Saint Sophia Parish of the Russian Orthodox Church			2,534	2,534
Scotties Tournament of Hearts	40,000	60,000		100,000
Scout Properties (BC/Yukon) Ltd			7,496	7,496
Shekinah Homes Society Inc			2,352	2,352
Shun Yee Benevolent Association		1,377.49		1,377
Single Parent Resource Centre Society			7,833	7,833
Society of Friends of St Ann's Academy, The	3,000			3,000
South Jubilee Neighbourhood Association	900			900
South Park Family Festival Society		128		128
Southside Christian Fellowship			773	773
SportHost	7,500			7,500
St Joseph's Hospital X Wing			21,685	21,685
St John Ambulance	2,199			2,199
St John Society (BC/Yukon)			30,801	30,801
St Vincent De Paul Society of Victoria			31,256	31,256
Terry Fox Foundation		946.61		947
Times Colonist		566		566
TLC The Land Conservancy of BC			22,811	22,811
Tourism Victoria	62,500			62,500
Trojan One		568.5		569
Trustees of James Bay United Church			6,948	6,948
Trustees of Our Lords Church			15,555	15,555
Trustees of the Chinese Presbyterian Church			10,563	10,563
Trustees of the Congregation of Fairfield United Church			2,665	2,665
Trustees of the Congregation of Kingdom Hall of Jehovah's Witnesses			1,339	1,339
Trustees of the Congregation of St Andrew's Presbyterian Church			7,411	7,411
Trustees of the Congregation of the Open Door Spiritualist Church			1,092	1,092
Trustees of the Religious Society of Friends			4,527	4,527
Trustees of the United Church of Canada			9,228	9,228
Ukrainian Catholic Eparchy of the New Westminster			828	828
United Church of Canada			4,784	4,784
United Way of Greater Victoria, The			14,155	14,155
Unity Church of Victoria			2,632	2,632
Values-Based Business Network	5,000			5,000
Vancouver Island Arts Festival Society	7,000			7,000
Vancouver Island Association for the Physically Disabled			2,622	2,622
Vancouver Island Health Authority			34,413	34,413
Vancouver Island Public Interest Research Group (VIPIRG)	8,500			8,500

Statistical Information

2008 Grants

Organization	Grants	City In-Kind Services	Exemption from Property Taxes	Total
VIATeC	\$ 22,500	\$	\$	\$ 22,500
Vic West Community Association		133.10		133
Victoria A.M. Association	2,000			2,000
Victoria Arts Connection	3,000			3,000
Victoria Association for Community Living			4,534	4,534
Victoria BC SKA Society	5,000	500		5,500
Victoria Chinese Commerce Association	1,500			1,500
Victoria Christian Centre Association			2,290	2,290
Victoria Civic Heritage Trust	521,440			521,440
Victoria Confederation of Parent Advisory Council	30,000			30,000
Victoria Conservatory of Music	2,500		123,633	126,133
Victoria Cool Aid Society			47,626	47,626
Victoria Curling Club, The			48,027	48,027
Victoria Dragon Boat Festival Society	8,000	4,325.35		12,325
Victoria Heritage Foundation	190,655			190,655
Victoria Highland Games Association and Greater Victoria Police Pipe Band		616.80		617
Victoria Highland Games Society	5,000	1,000		6,000
Victoria Immigrant & Refugee Centre Society	7,989			7,989
Victoria Independent Film & Video Festival Society	10,500			10,500
Victoria International Running Society		4,287.74		4,288
Victoria Jazz Society	15,000	2,409		17,409
Victoria Marathon Society		12,922.52		12,923
Victoria Meeting-Room Victoria Holdings Society			4,658	4,658
Victoria Multicultural Society	3,000			3,000
Victoria Native Friendship Centre			5,452	5,452
Victoria Pride Society		2,692.23		2,692
Victoria R.E.A.D. Society			6,703	6,703
Victoria Shambala Centre			773	773
Victoria Silver Threads	35,592			35,592
Victoria Single Parent Resource Centre Society	4,000			4,000
Victoria Symphony Society	7,500	9,959		17,459
Victoria Tall Ships Society		50,382.19		50,382
Victoria Theatre Guild and Dramatic School			17,810	17,810
Victoria Truth Centre Inc			16,613	16,613
Victoria Volunteer Bureau	11,326			11,326
Victoria West Community Association	5,680			5,680
Victoria West Community Y	10,000			10,000
Victoria Women in Need Society Inc			10,657	10,657
Victoria Women's Transition House Society			9,784	9,784
Victoria Youth Empowerment Society	17,000		15,290	32,290
Vogue Building, The			151,497	151,497
Volunteer Victoria	6,000			6,000
YMCA-YWCA of Greater Victoria	53,419		111,149	164,568
Total	\$ 2,077,003	\$ 232,309	\$ 1,961,015	\$ 4,270,327

City of Victoria Map





Looking Forward

The Role of the 2007–2009 Corporate Strategic Plan

The 2007–2009 Corporate Strategic Plan for the City of Victoria will be used to demonstrate our accountability to citizens and to guide our operations.

It outlines how we will fulfill our vision and mission, using the principles contained in our value statements. In so doing, it builds upon the direction of previous strategic plans and incorporates the priorities from Council and the community.

The City's overall role as described in our vision and mission are supported by the goals, objectives and strategies presented in this plan. The success of the City will be measured by tracking our results towards achieving our objectives and goals.

Developing the Corporate Strategic Plan

The 2007–2009 Corporate Strategic Plan was prepared by City staff in accordance with strategic goals provided by Council.

The City's vision and mission remain unchanged from previous years; however the consultative process involved revisiting the objectives and strategies to align them with community feedback, the goals of Council, and management priorities. The extent of these consultations included a series of facilitated meetings with City staff and the surveying of citizens. This resulted in new goals being developed along with objectives, strategies and performance measures.

Monitoring and Reporting on the Corporate Strategic Plan

The progress made by the City in achieving its goals and objectives, including the status of the various strategies, will be reviewed with Council on an annual basis. Every year, the City will produce a report for citizens that highlights results for each of the performance measures in relation to the goals and objectives. This process will build on the work of City departments that are tasked with implementing the strategies within assigned timeframes as well as collecting the information that supports the various performance measures. The Corporate Strategic Plan will be updated every three years to reflect the priorities of Council.



Vision

To be the most liveable city in Canada

Mission

To enhance the vitality of our region through exceptional leadership and stewardship of our cultural, social, economic and environmental assets

Values

Respect: We respect each other and the citizens we serve

Accountability: We are accountable and take responsibility for our actions

Honesty: We are open, honest and encourage trusting relationships, both within and outside of the City

Caring: We care about what we do, and appreciate who we do it for. Victoria is a welcoming city that embraces diversity

Council Goals

Environmental Sustainability: to protect and enhance our natural and built environment

Social and Cultural Development: to enhance the quality of life for all present and future Victorians through social means such as safety, diversity, inclusivity and partnerships

Economic Vitality: to be a leader in the economy and the economic hub of the region

Service and Staff Excellence: to promote an effective, responsive and high performing workforce

Measuring Our Performance

The City's progress in achieving these goals will be monitored through a series of benchmarks and measured by a variety of tools and methods, including, but not limited to:

- Environmental impacts and improvements
- Bi-Annual citizen surveys
- Employee surveys
- Operational achievements – bike lanes introduced, sidewalks replaced, roads paved etc.
- Infrastructure condition assessments
- Financial results
- Transportation patterns and trends
- Public input





CITY OF VICTORIA
1 Centennial Square
Victoria, British Columbia
V8W 1P6
www.victoria.ca



Recycled
Supporting responsible use
of forest resources
www.fsc.org Cert no. SGS-COC-004691
© 1996 Forest Stewardship Council

