

City of Victoria

BRITISH COLUMBIA

Annual Report

YEAR ENDED DECEMBER 31, 2018

Welcome to Victoria

Capital City of British Columbia



Located on the southern tip of Vancouver Island, on the homelands of the Songhees and Esquimalt peoples, Victoria is a forward-thinking, active community. The city is home to a dynamic, thriving economy and vibrant arts and culture scene, with an unparalleled natural environment enjoyed by residents and visitors. It's a place where sustainability, health and well-being are the cornerstones of creating a prosperous future.





Victoria

Victoria

City Hall

Map of Victoria

Table of Contents

Annual Report

Map of Victoria	2
Victoria at a Glance	4
Highlights of City Services	5
Mayor and City Council	6
Message from the Mayor	7
City Council	8
Message from the City Manager	10
Message from the Chief Financial Officer	11
Organizational Chart	12

Strategic Plan 2015–2018..... 13

Innovate and Lead	14
Engage and Empower the Community.....	16
Strive for Excellence in Planning and Land Use	18
Build the Financial Capacity of the Organization	20
Create Prosperity Through Economic Development	22
Make Victoria More Affordable	24
Facilitate Social Inclusion and Community Wellness.....	26
Enhance and Steward Public Spaces, Green Spaces and Food Systems	28
Complete a Multi-Modal and Active Transportation Network.....	30
Nuture Our Arts, Culture and Learning Capital.....	32
Steward Water Systems and Waste Streams Responsibly.....	34
Take Climate Action and Prepare for Emergencies.....	36
Demonstrate Regional Leadership.....	38
Victoria Police Department	40

Financial Report

Financial Statements	42
Management’s Responsibility	44
Independent Auditors’ Report	45
Statement of Financial Position	47
Statement of Operations	48
Statement of Change in Net Financial Assets	49
Statement of Cash Flows.....	50
Notes to Financial Statements	51

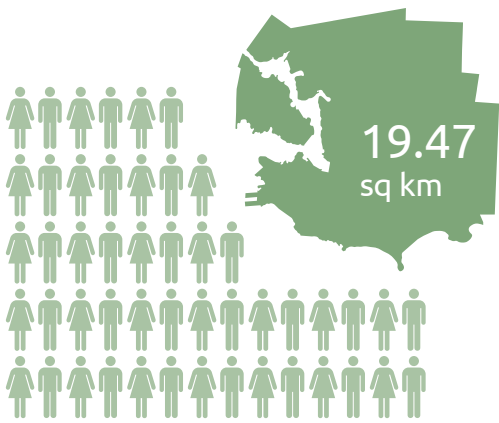
Statistical Information 70

Taxable Assessments of Land and Improvements 2014–2018.....	71
Property Tax Rates 2014–2018.....	72
New Construction 2014–2018	72
Labour Force Activity 2014–2018.....	72
Property Tax Levied and Collected 2014–2018	73
2018 Principal Corporate Tax Payers.....	74
Debenture Debt 2014–2018	75
Statement of Financial Position 2014–2018.....	75
Revenue and Expenses 2014–2018.....	76
Statement of Operations 2014–2018.....	77
Reserve Funds and Statement of Surplus 2014–2018.....	77
Capital Expenditures and Funding Sources 2014–2018.....	78
2018 Grants.....	79

Looking Forward

Strategic Plan 2019–2022	85
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City of Victoria at a Glance



Population **85,792**

(14th largest city in British Columbia)

Assessed Properties*

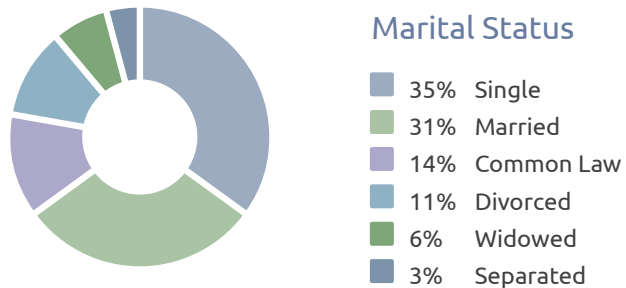
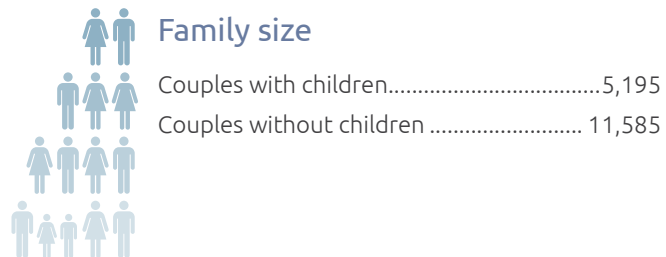
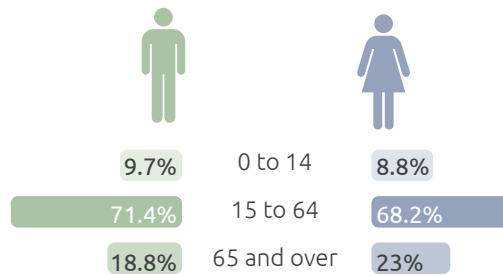
29,915

Rent vs Own



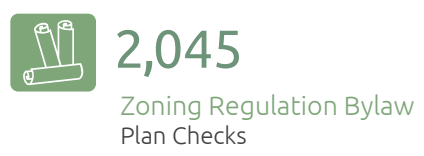
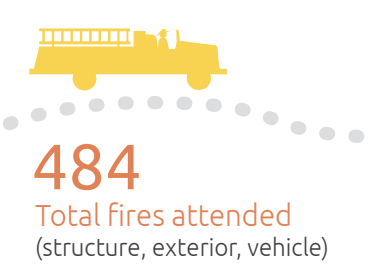
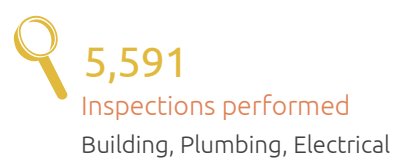
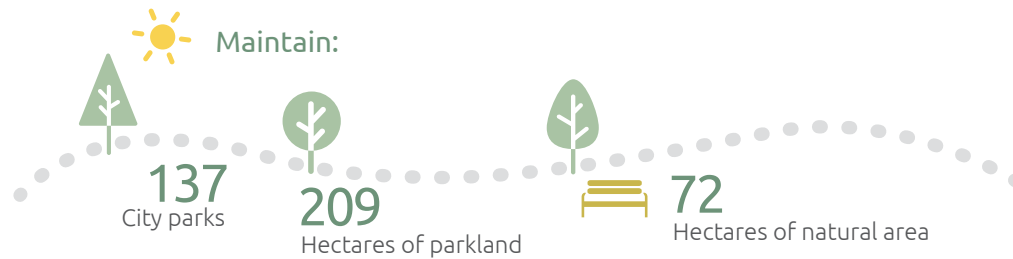
Median household income. \$53,126

Demographics by age and gender



Source: Stats Canada, 2016 Census
*City of Victoria, 2018

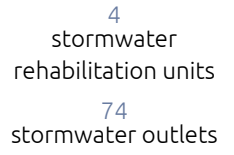
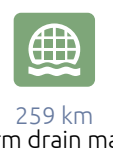
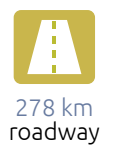
Highlights of City Services



Victoria Emergency Management



Maintain:



Mayor and City Council

The Mayor and Council of the City of Victoria were each elected for a four-year term in the municipal election held in October 2018. The City has 13 formal neighbourhoods recognized and appoints a Council Liaison to each neighbourhood. Some members of Council are also appointed to the Board of the Capital Regional District (CRD). Appointments are made by the City to external boards and committees. There are also external sub-committees or other groups to which members are appointed by those external bodies.

Council has one committee: Committee of the Whole. Committee of the Whole, comprised of the Mayor and all eight Councillors, focuses on broad policy issues that affect the community or organization as a whole, land development regulations and policy, and specific land development applications.





Message from Mayor Lisa Helps

2018 was the final year of the last Council's ambitious four-year strategic plan.

Last year, we completed a number of major capital projects including, but not limited to the s̓w̓eŋx̓w̓əŋ təŋəx̓w̓ James Bay Library, Johnson Street Bridge, Belleville Plaza improvements, Dallas Road Seawall repairs, Fort Street Bike Lane and Douglas Street transit and bike priority lanes.

Not only did we work hard in 2018 and over the last term to invest in infrastructure to improve quality of life and well-being like storm sewers, roads, parks, bike lanes, and more. But also, the 2018 financial statements and staff's accompanying report to Council indicate that the City's financial situation improved from 2014–2018.

Based on direction from Council, staff have assessed the City's financial condition by evaluating three important financial indicators: sustainability, flexibility and vulnerability.

Financial condition is a measure of a government's financial health to meet its existing financial obligations.

The City's ratio of assets to liabilities is positive and trending upward. This indicates strengthening sustainability: current revenue is sufficient to cover operating costs and resources are on hand to finance future operations without increasing the debt or tax burden.

To further reinforce this strong financial position, the City's Financial Sustainability Policy maintains our ratio of total debt services charges to taxation revenue to a level well below the legislated allowable maximum.

But if I had to name the most significant financial achievement in the past year and over the past term, it would be the significant increase we have been able to make to the City's reserve funds.

The City's Reserve Fund Policy, reviewed and updated in 2015, guides the development and use of reserve funds. Between 2014 and 2018, the City grew its reserve balances from \$160 million to \$210 million.

We will continue to increase our reserve balances to ensure adequate financial resources are on hand to improve and replace the City's infrastructure over the long term. This will help protect taxpayers from unexpected surprises and gives the City extra flexibility to fund new parks and public improvements, as well as renew critical infrastructure to keep the city running.

I want to thank staff for their hard work in 2018 in delivering high-quality services and capital projects that were on time and on budget. And a special thanks to our staff in the Finance Department for strong fiscal management and strong policy recommendations to Council in 2018 and over the past term.

Lisa Helps

A handwritten signature in black ink that reads "Victoria Mayor".

Victoria Mayor

City Council

Councillor Neighbourhood Liaisons and Regional Service and Civic Committees for 2018



Marianne Alto

malto@victoria.ca

Neighbourhood Liaison:

- North Jubilee Neighbourhood Association
- North Park Neighbourhood Association (Co-Liaison)
- South Jubilee Neighbourhood Association

Regional Service and Civic Committees

- Canadian Capital Cities Organization
- Capital Regional District (CRD) Board – Alternate
- City Family
- Community Action Plan on Discrimination
- Royal and McPherson Theatres Society
- Te'mexw Treaty Advisory Committee



Laurel Collins

lcollins@victoria.ca

Neighbourhood Liaison:

- James Bay Neighbourhood Association

Regional Service and Civic Committees

- CRD Board – Alternate
- CRD Regional Water Supply Commission
- Greater Victoria Harbour Authority Board
- Urban Food Table



Sharmarke Dubow

sdubow@victoria.ca

Neighbourhood Liaison:

- Fernwood Community Association
- North Park Neighbourhood Association (Co-Liaison)

Regional Service and Civic Committees

- City of Victoria Youth Council
- CRD Board – Alternate
- Community Action Plan on Discrimination
- Community Partnership Network
- Greater Victoria Family Court and Youth Justice Committee
- Local Immigration Partnership
- Organizing Against Racism and Hate
- Renters' Advisory Committee
- Victoria Regional Transit Commission



Ben Isitt

bisitt@victoria.ca

Neighbourhood Liaison:

- Hillside-Quadra Neighbourhood Action Group
- Oakland Community Association

Regional Service and Civic Committees

- Active Transportation Advisory Committee
- Capital Regional Hospital District Board
- Capital Regional Housing Corporation Board
- City Family
- CRD Board
- CRD Core Area Liquid Waste Management Committee
- CRD First Nations Relations Committee
- CRD Governance and Finance Committee
- CRD Regional Water Supply Commission
- CRD Solid Waste Advisory Committee (Chair)
- CRD Parks and Environment Committee (Chair)
- Greater Victoria Airport Authority – Airport Consultative Committee
- Greater Victoria Harbour Authority – Member Representative
- Honorary Citizens Committee
- Island Corridor Foundation Board
- Urban Food Table



Jeremy Loveday

jloveday@victoria.ca

Neighbourhood Liaison:

- Victoria West Community Association

Regional Service and Civic Committees

- Accessibility Working Group
- Capital Regional Hospital District Board
- Capital Regional Housing Corporation Board
- CRD Arts Commission
- CRD Board
- CRD Core Area Liquid Waste Management Committee
- CRD First Nations Relations Committee
- CRD Regional Water Supply Commission
- Greater Victoria Public Library Board
- Renters' Advisory Committee
- Royal and McPherson Theatres Society Advisory Committee
- Tourism Victoria Board of Directors
- Victoria Civic Heritage Trust



Sarah Potts

spotts@victoria.ca

Neighbourhood Liaison:

- Burnside Gorge Community Association

Regional Service and Civic Committees

- Accessibility Working Group
- Board of Cemetery Trustees of Greater Victoria
- Climate Action Inter-Municipal Task Force
- CRD Board – Alternate
- Victoria Heritage Foundation



Charlayne Thornton-Joe

c Thornton-joe@victoria.ca

Neighbourhood Liaison:

- Downtown Residents Association

Regional Service and Civic Committees

- Art in Public Places Committee
- Canada Day Liaison
- Canadian Capital Cities Organization
- City Family
- CRD Board – Alternate
- CRD Regional Housing Trust Fund Commission
- Downtown Victoria Business Association
- Honorary Citizens Committee
- University of Victoria Liaison
- Victoria Civic Heritage Trust
- Victoria Parks and Recreation Foundation



Geoff Young

gyoung@victoria.ca

Neighbourhood Liaison:

- Fairfield Gonzales Community Association
- Rockland Neighbourhood Association

Regional Service and Civic Committees

- Active Transportation Advisory Committee
- Capital Regional Emergency Service Telecommunications (CREST)
- Capital Regional Hospital District Board
- Capital Regional Housing Corporation Board
- CRD Board
- CRD Core Area Liquid Waste Management Committee
- CRD Parks and Environment Committee
- CRD Regional Water Supply Commission
- Municipal Insurance Association of BC
- Royal and McPherson Theatres Society Advisory Committee



Message from the City Manager

The City of Victoria's Annual Report is an opportunity to reflect on the work completed in the past year to carry out Council's Strategic Plan and deliver the more than 200 community services you depend on for a safe, healthy, vibrant and prosperous city.

In 2018, we were able to complete a number of large capital projects, as well as deliver on smaller day-to-day improvements to increase the quality of life in our neighbourhoods.

More than 10,000 people came out on a beautiful sunny day in March to join their neighbours for a community street party to officially open the new Johnson Street Bridge. Two months later, the City opened the Greater Victoria Public Library *sxʷeŋxʷəŋ təŋəxʷ* James Bay Branch, which includes a community meeting space. From day one, families in James Bay have made the library their new community living room. The branch, the second in the city and the 12th in the regional system, is named after the Lekwungen family group who lived in the area and reflects the City's ongoing work towards reconciliation.

Staff also made progress on the City's long-term renewal plan for aging underground infrastructure. This includes replacement and rehabilitation of water, sewer and stormwater pipes to protect neighbourhoods, businesses and residents and make our community more resilient to natural disasters and climate change.

To increase open government and transparency, the City's new Open Data Portal brings together a multitude of city information in one place with online tools to explore and download data, analyze datasets using maps, and develop new web and mobile applications. A new online agenda management and webcasting platform for Council and Committee Meetings makes it easier for people to access Council documents and sets the stage for future accessibility improvements.

Other digital service improvements include online electrical permits that now save time for contractors. This will expand to plumbing permits next and eventually we will be going paperless for all types of building permit applications. A new recreation registration and reservation system now sees one-in-three registrations booked online, fast, secure and easy.

The City's Archives took its first step online – and it was a big one. A new searchable digitized archives database makes more than 10,000 archival photos and records available to the public at a click.

Victoria ended the year on a high note as the community played co-host to the 2019 World Junior Hockey Championship at the Save-On-Foods Memorial Centre. The city welcomed the world and hundreds of local volunteers stepped up as they always do to showcase our proud community spirit. The 17-day event was a major economic boost to the city and further solidified our

reputation as one of the best sport tourism destinations in the country.

Residential and commercial construction hit new highs. Permit values have doubled, while construction values are three times what we saw in 2015. This equates to more people living, working and enjoying the city, adding to the economic vitality of our neighbourhoods and supporting local businesses.

I want to extend my thanks to everyone who played a role in the successes and highlights featured in this report. Without the dedication and thoughtful contribution of City staff, citizens, business leaders, community and neighbourhood associations, and many others, these achievements would not have been possible.

We look forward to continuing our work together to create a thriving, inclusive, and healthy city.

Sincerely,

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

Jocelyn Jenkyns,
City Manager



Message from the Chief Financial Officer

I am pleased to present the City of Victoria's audited consolidated financial statements for the year ended December 31, 2018. 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 City maintains a system of internal accounting controls, including policies and procedures, designed to safeguard the assets of the corporation and provide reliable financial information. The financial statements have been audited by BDO Canada LLP, who have expressed that in their opinion these statements present fairly, in all material aspects, the financial position of the City as at December 31, 2018.

Financial reporting standards require the preparation of four statements, and notes to those statements, to ensure comparability between government organizations nationally. To highlight financial condition indicators that can be useful to the readers of these statements, and provide a more detailed explanation of the financial activity for the year, the summary below describes significant operating results for 2018.

Operational Results

The City's Financial Sustainability Policy guides financial decisions made during the Financial Planning process. The primary objective of this policy states: "policies shall be designed and structured to develop principles that guide, support, and respect the direction of the community so that taxpayers can look forward to stable, equitable and affordable property taxation." The information in the Financial

Statements for the year ended December 31, 2018 reflect the results of these guiding policies and principles.

The City's net financial position continued to grow in 2018, illustrating the ongoing commitment to strengthening the City's capacity to meet financial obligations. Unlike senior government organizations, municipalities are legislated not to incur deficits and debt for operations. Debt can only be incurred for capital purposes, and an accumulated surplus must be maintained. The City's growing assets to liabilities ratio indicates strengthening sustainability: the City's operations provide resources on hand to meet current obligations and finance future operations.

The accumulated surplus grew in the year to a total of \$675 million as a result of the City's investment in capital assets and reserve balances since its inception. Equity in capital assets, such as roads, underground infrastructure, land, and buildings, makes up the most significant portion of the accumulated surplus balance (\$455.6 million), followed by reserve balances (\$215 million). The growth of reserve balances, combined with prudent debt management, are further indicators of strengthening sustainability and flexibility, elements which support the financial health of the City.

Consolidated revenues for 2018 were \$15.5 million higher than 2017, primarily due to increased revenue from parking services and Victoria Conference Centre, and increased taxes levied. The largest expense increases were \$3.13 million in Transportation Services and \$2.02 million in Planning and Development, a result of: amortization of capital assets; increased cost of materials and supplies; and contractual

wage and benefit increases. The net result for 2018 is a contribution to accumulated surplus of \$55.3 million for the year, consisting primarily of increased investment in tangible capital assets, followed by growth in reserve balances, with a small portion of general operating fund surplus which is available for future spending.

Highlights

The City of Victoria continues its efforts to expand on initiatives implemented in prior years. In 2018, building on its Project Management Framework and increasing transparency of capital budget reporting, the City expanded on its quarterly accountability reporting of major capital projects and programs, identifying major achievements and accomplishments in work plan deliverables. This included major fleet changes, underground utilities and larger specific projects.

The City's effort to increase transparency and public understanding is also reflected in summarized financial information and plain-language material included in this year's annual report.

Working collaboratively, the City maintains its commitment to continuous improvement and long term financial sustainability as reflected in its service enhancements; financial policies and processes; increasing investment in capital assets and reserves; and prudent management of debt.

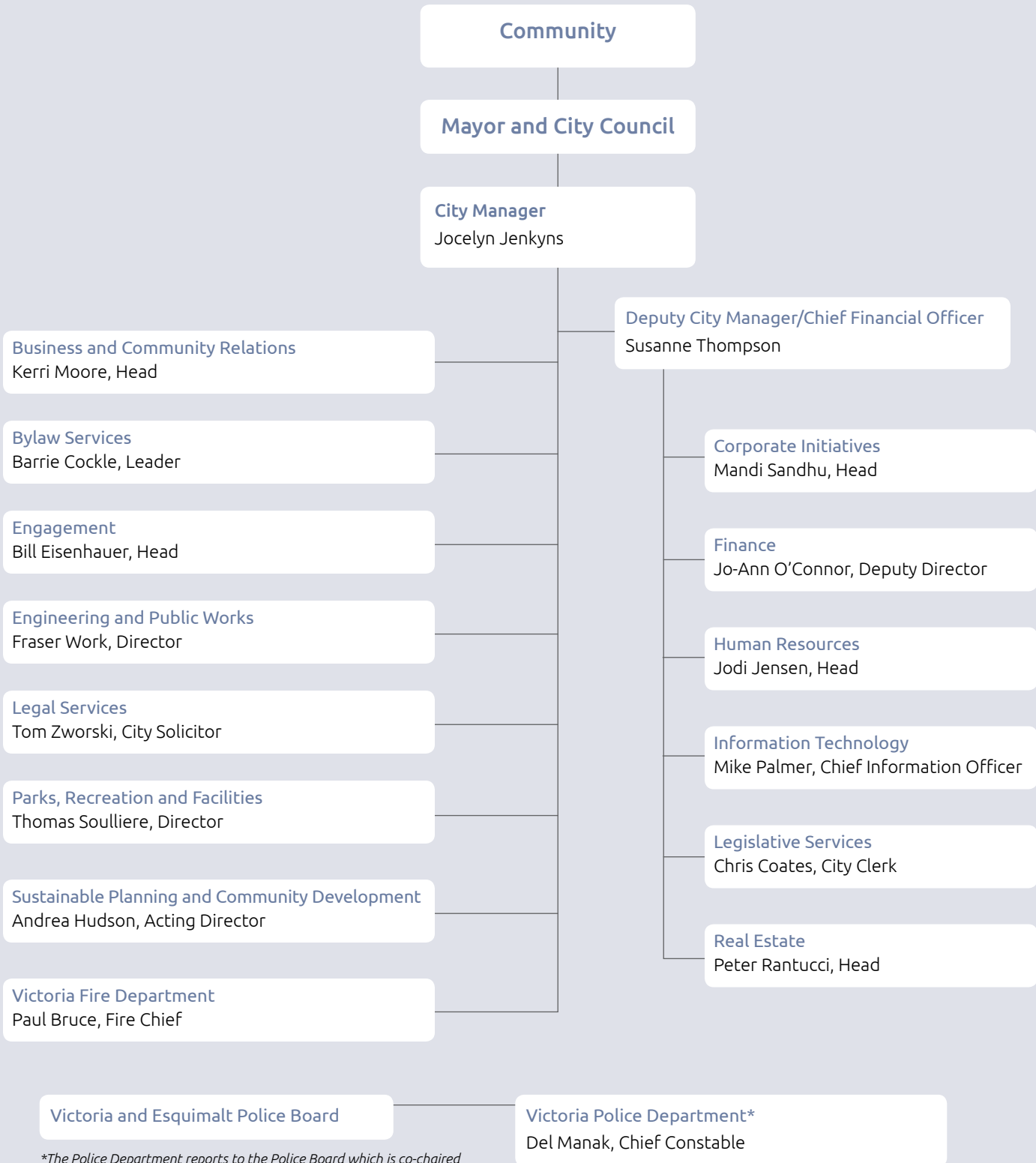
Sincerely,

Susanne Thompson, CPA, CGA
Deputy City Manager/Chief Financial Officer

April 25, 2019

2018 Organizational Chart

City of Victoria | as of December 31, 2018



**The Police Department reports to the Police Board which is co-chaired by the Mayor of Victoria and the Mayor of the Township of Esquimalt.*

Strategic Plan 2015 – 2018



In April 2015 Mayor and Council adopted a new Strategic Plan that guides the direction for the City.

Our Goal

"Victoria is a leading edge capital city that embraces the future and builds on the past, where human well-being and the environment are priorities, where the community feels valued, heard and understood and where City Hall is trusted. Victoria is a city that is livable, affordable, prosperous and vibrant, where we all work in partnership to create and seize opportunities and get things done."

Objectives

- 1 Innovate and Lead
- 2 Engage and Empower the Community
- 3 Strive for Excellence in Planning and Land Use
- 4 Build the Financial Capacity of the Organization
- 5 Create Prosperity Through Economic Development
- 6 Make Victoria More Affordable
- 7 Facilitate Social Inclusion and Community Wellness
- 8 Enhance and Steward Public Spaces, Green Spaces and Food Systems
- 9 Complete a Multi-Modal and Active Transportation Network
- 10 Nurture Our Arts, Culture and Learning Capital
- 11 Steward Water Systems and Waste Streams Responsibly
- 12 Take Climate Action and Prepare for Emergencies
- 13 Demonstrate Regional Leadership

The City of Victoria's 2018 Annual Report provides a summary of the City's strategic objectives and major accomplishments achieved throughout the year for these objectives, as well as key performance metrics. These metrics include major service demand trends impacting municipal operations in a number of areas including, but not limited to, development permits, festival and special events, parking, facility use and calls for emergency service.



Performance measures:	2017	2018
# of time-loss injury claims	47	60
# of hours of sick time used per FTE	68.32	72.67
# of days lost to workplace injury	802	1,316

Innovate and Lead

We are constantly seeking new ways to deliver the best programs and services to our citizens, building a strong team and organization culture to enable the City of Victoria to innovate and lead.

Outcomes the City is working towards in this area include:

Organizational culture is collaborative, supportive and empowering

Staff are organized into cross-departmental project teams with strong project management capacity

Highlights of what we achieved in 2018



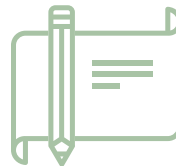
Introduced **online Electrical Permits**, allowing contractors to apply, pay for and receive their electrical permits via online transactions, resulting in increased convenience and time savings



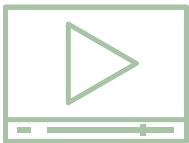
Received the **2018 Award of Excellence for Cultural Planning** from the Creative City Network of Canada for the Create Victoria Arts and Culture Master Plan

Implemented a new and improved agenda management and webcasting platform

for Council and Committee Meetings that consolidated two separate systems into one and has more powerful tools for the agenda creation process



Implemented a new **industry standard document and records management system** for the Legal Department that improves case management and creates efficiencies for all legal records



Launched the **new online digitized Archives database**. The searchable database is available to the public and contains more than 10,000 archival photos and records.

Introduced **online Bylaw Service Request forms**, allowing the public to request bylaw services via the ConnectVictoria mobile app or from the City's website



Deployed **modern office productivity tools** as part of our continuous improvements to promote efficient work processes, document collaboration and file management



Provided an **expanded range of services to support employee health and well-being** through a new Employee and Family Assistance Plan provider. In addition to counselling services, employees and their family members may access life smart coaching for expert advice, coaching and customized information on career planning, life planning, care-giving and health management.



Performance measures:

	2017	2018
# of user sessions on victoria.ca	1,081,090	1,400,200
Social media audience (Facebook, Twitter and Instagram)	72,700	82,000
Social media engagement (likes, shares, retweets, comments)	101,200	71,448
# of engagement activities	179	107

Engage and Empower the Community

Effective engagement is an integral part of good government. An engaged community creates opportunities for individuals with diverse perspectives to come together and share their ideas with staff and elected officials. It's also an opportunity to listen and learn from others and to assist decision-makers as they explore ways to improve City plans, programs and services.

Outcomes the City is working towards in this area include:

Engaging in a meaningful, two-way conversation with the public

Being a regional leader in open and transparent government

Empowering neighbourhood residents, place-makers and others to lead and implement projects

Highlights of what we achieved in 2018

Hosted the **second annual Engagement Summit, themed 'One City, Many Voices.'** The event included City staff, panelists and 60 community members exploring ways to inform the City's engagement activities.



Launched the **City's new Open Data Portal**, enabling the community to explore and download open data, analyze datasets using maps, and develop new web and mobile applications

14,009
2017

16,159
2018

of citizens participating in engagement activities



Worked with the citizen-led **Participatory Budgeting Steering Committee** to develop a model to empower the community in budget decision-making.

Twenty-eight project proposals were submitted by individuals and organizations with ideas on how best to spend \$52,500 of the City's budget. Over 4,300 votes were received and three proposals were selected.



Hosted the **My Great Neighbourhood Block Party** along with community partners which included a key note speaker, a showcase of projects recently funded through the City's grant program, as well as interactive activities for all ages



Approved **\$56,300 in My Great Neighbourhood grant funding** for 21 community-initiated placemaking projects including a portable bike track, a community and a native plant garden, a play space renewal, a little library, and a neighbourhood festival

Continued the popular Cities in the 21st Century: Lunch Time Lectures series at City Hall



Supported the **Orange Shirt Day: Every Child Matters** ceremony in Centennial Square for the second consecutive year, in partnership with the Bridges for Women Society that recognizes the harm that Canada's residential school system had on generations of Indigenous families and their communities

As part of the City's Youth Strategy, piloted a **City Hall School Day** program with School District 61. Five classes from local public schools visited City Hall to take part in workshops, meet the Mayor and Councillors and learn about how their city works.

Engaged thousands of residents on a wide range of topics including



neighbourhood planning for Burnside Gorge, Fairfield and Gonzales, cycling network improvements, the future of the Crystal Pool, Vic West Park, Centennial Square, and the 2018 Financial Plan



Performance measures:	2017	2018
Construction permits issued	3,759	3,706
\$ value of construction permits	\$308 M	\$414 M
Development Permit application volume	397	371

Worked with the Fairfield, Gonzales and Victoria West neighbourhoods on updating their neighbourhood plans. All included extensive consultation with the community on various topics. The Fairfield Neighbourhood Plan process was extended to allow time for further public engagement to resolve concerns around specific policy areas.

Strive for Excellence in Planning and Land Use

Excellence in planning and land use is demonstrated through efforts to bolster housing diversity within complete, sustainable communities, community-focused planning initiatives, protection of heritage buildings, public realm initiatives, and streamlined policies and processes

Outcomes the City is working towards in this area include:

Increase diverse supply of housing available in the city targeting a range of incomes

Reduced processing time for all types of applications from building permits to rezoning

Streamlined land use policies

Enlivened public spaces

Highlights of what we achieved in 2018

Approved a **new plan for the Victoria West neighbourhood** that will guide future growth, development and decision-making in Vic West over the next 20 years



Approved a **new Zoning Bylaw 2018**, which provides updated regulations within the Downtown Central Business District and Old Town



Approved **new city-wide off-street parking regulations** for vehicles and bicycles that help support affordable housing and promote active and multi-modal transportation

Approved an approach for **updating industrial zoning in Rock Bay** as part of ongoing implementation of the Downtown Core Area Plan. The new industrial zones are anticipated to support economic development and industrial activity within the Rock Bay employment area and streamline the bylaw by reducing the number of site-specific zones.



Began to implement the City's newly granted legislative authority of **Residential Rental Tenure Zoning** to help preserve and increase the supply of residential multi-family housing in Victoria

Amended the **Building Bylaw to adopt the BC Energy Step Code** to establish measurable energy-efficiency requirements for new construction. The approach was based on criteria developed from industry feedback, including considerations for regional coordination, industry capacity and readiness, climate action, housing affordability and cost implications.

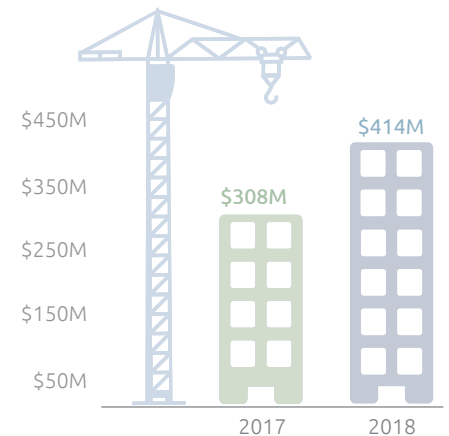
Introduced **on-line application capabilities for electrical permits** and started to work to expand to plumbing permit, and digital (paperless) applications for all building permit types



Continued heritage preservation through heritage designations and heritage tax exemptions for a number of properties around the city

Created an **inventory of all existing rental market housing stock in the city**

Total Construction Permit Value (\$Millions)



Approved **Short-term Rental Business and Zoning regulation bylaws** to establish rules around the operation of short-term rentals to limit their impact on long-term rental housing availability



Implemented a **new Tenant Assistance Policy** to request developers provide financial compensation and assistance to tenants impacted by redevelopment proposals

Funded **Our Place Society to build and manage a storage space to provide daytime storage for individuals experiencing homelessness**



Performance measures:

	2017	2018
ParkVictoria app transactions	605,798	778,068
Value of investment interest earned	\$3.493 M	\$5.419 M
Actual rate of return on investments	1.60%	2.42%
New property tax revenue from new construction	\$1.195 M	\$2.573 M

Build the Financial Capacity of the Organization

As stewards of public funds, the City is accountable to the community to ensure value for tax dollars.

Outcomes the City is working towards in this area include:

Maximized and where possible consolidated City-owned assets, put to best and highest use including market rate commercial leases

Increased revenue from City-owned property

Highlights of what we achieved in 2018



Received an unqualified (clean) opinion from external auditors on the **City's 2017 Financial Statements**

Granted permissive tax exemptions of \$1,972,961 to 105 organizations/157 properties



Began development of a **Strategic Real Estate land acquisition, management and disposal strategy** linked to inform the City's long-term capital planning process



Consulted with the public on the **2018 Draft Financial Plan**, including a Town Hall meeting once again that was open to participation in person, online, and by phone



Achieved **87.7% property taxes collected by due date**, similar to previous years. There was an increase in customers taking advantage of the City's online payment options; over 50% of Home Owner Grant claims were made electronically, and **80% of installment payments were made online**.

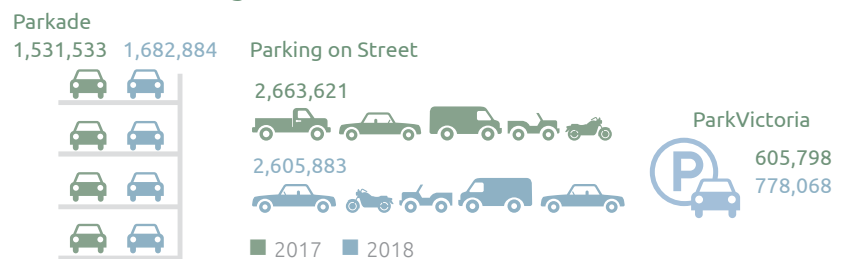


Awarded a two-year contract to Scale Collaborative on behalf of the Coastal Communities Social Procurement Initiative to **advance social procurement in local governments** in collaboration with the Province and the private sector



Received the **Government Finance Officers Association (GFOA) award for Financial Reporting Excellence** for the 14th consecutive year and the **GFOA Distinguished Budget Presentation award** for the 2018–2022 Financial Plan for the fourth consecutive year

Number of Parking Transactions





Performance measures:

	2017	2018
Business Hub inquiries	433	492
Delegate days at the Victoria Conference Centre	108,836	121,430
Value of events at the Victoria Conference Centre*	\$49 M	\$55 M

*based on delegate days at average delegate spend

Create Prosperity Through Economic Development

The strength of our economy is the foundation for supporting our entire community.

Outcomes the City is working towards in this area include:

Reduced retail and commercial vacancies downtown

Improved health, consumer purchasing power, and social solidarity with implementation of Municipal Incomes Strategy

Highlights of what we achieved in 2018



Fielded **492 inquiries at the Business Hub** (313 related to starting a new business). Home-based business inquiries were the most common at 34%, followed by a mix of innovative entrepreneurial ideas, retail, and restaurants.

Co-hosted the 2019 **World Junior Hockey Championship Tournament at the Save-On-Foods Memorial Centre**

VCC Delegate Days



Co-hosted the second annual **Innovation Forum with the Government of Canada Office of Small and Medium Enterprises**



Continued to **partner with post-secondary institutions on CityStudio**

Victoria, where students and community members co-create, design and launch projects. Yates Street Community Garden project, Cascadia Collaborative-Emerging Green Builders, and SFU Urban Studies were just a few of the programs.

Continued to explore ways to **reduce red tape** to make it easier to do business in the City, including options to apply for new business licences online, as well as research on the potential to permit a Vancouver Island-wide business licence

Participated in a number of **initiatives, workshops, events, conferences and tradeshows** through the Business Hub with the goal of attracting businesses to the City of Victoria



Hosted several **Small Business Information Sessions** at City Hall, connecting small businesses with resources they need to get started, or continue to grow



Launched the first **Victoria Business Survey** to provide economic indicators for business development

Welcomed **122 registrants to the National Angel Capital Organization Summit**. Participants were exposed to our local talent, innovation, and vibrant city through a variety of activities and events.



Initiated a **Talent Attraction Forum** in partnership with the South Island Prosperity Partnership to focus on the technology sector challenges and potential strategies to attract and retain talent to Victoria



Performance measures:	2017	2018	Performance measures:	2017	2018
# of new housing units	837	1,333	# of purpose-built rental units approved through building permits issued	248	532
Total dwelling unit conversions	8	371	% of overall vacancy rate	0.8	1.2
Total secondary suites (new and conversions)	46	39	Average sale price for single family homes	\$ 905,556	\$ 959,059
Demolitions (units)	62	42	Average sale price for condominiums	\$ 452,732	\$ 515,107
# of rental units (affordable rental) created by Housing Reserve Fund	62	63	Average sale price for townhouses	\$ 636,456	\$ 732,831

Make Victoria More Affordable

We are committed to developing innovative housing policy solutions, including measures that will improve housing affordability and increase the supply of affordable housing units in partnership with the private and non-profit sectors, the Capital Regional District, and the provincial and federal governments.

Outcomes the City is working towards in this area include:

Increased range of affordable housing not only for those in need of supports but also for working people, families and youth

Appropriate solutions in place, including adequate housing, for all individuals experiencing chronic homelessness

Highlights of what we achieved in 2018



Approved a **Victoria Housing Fund grant in the amount of \$30,000** to the North Park Manor Society to assist in the construction of three new affordable rental units for low and medium income seniors at the North Park Manor

Made progress on implementing key Victoria Housing Strategy actions aimed at increasing the number and diversity of housing units in the city



Approved a number of rental tenure zoning initiatives. First steps

included preparing amendments to the City's zoning bylaws to enable rental tenure zoning in Victoria and develop regulations that would apply to secondary suites and garden suites, and rezoning applications proposing new purpose-built rental units.

Continued progress on the **Market Rental Revitalization Strategy**, including development of a rental building inventory, conducting condition assessments of buildings, hosting several focus groups with stakeholders (landlords, property managers, tenants and tenant advocates), and undertaking energy efficiency and seismic upgrade analysis on key building types in the city

Approved **\$25,000 to partner with BC Housing and Island Health to increase services for Our Place** to address gaps in the spring/summer opening hours. The new spring and summer operating hours more closely align with those of other service providers, helping to meet the needs of individuals seeking services and support.

Conditionally approved a number of **updates to the Victoria Housing Reserve Fund guidelines** as part of the City's ongoing efforts to address affordable housing in Victoria. Two intake dates (March and September) will allow applications to be evaluated concurrently, the fund will be updated to a tiered funding model, focusing on projects located in Victoria, and require projects to adhere to the City's Tenant Assistance Policy.



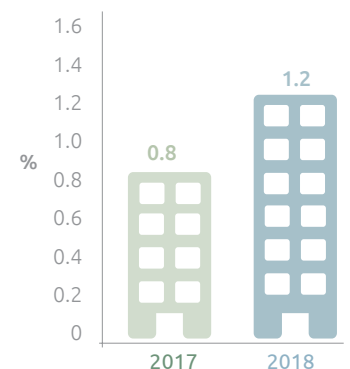
Approved a grant to the Victoria Cool Aid Society to assist in the construction of **50 new affordable apartments** at 210 Gorge Road East



Entered into a letter of intent with the Capital Regional Housing Corporation and School District 61 to see the development of approximately **155 new affordable housing units** for low to moderate income families to be built on City, School Board and BC Housing-owned lands adjacent to the Victoria High School

Completed negotiations with BC Housing for lease renewal of 1240 Yates Street to support the My Place transitional shelter housing

Rental Vacancy Rate %





Performance measures:	2017	2018
Crystal Pool and Fitness Centre:		
% of total registrations online	20.1	27.6
# of camp registrants	1,934	1,882
# of children who learned to swim	1,352	2,120
LIFE program participants	1,611	1,602
Bookings of Royal Athletic Park	75	92
People attending Royal Athletic Park	75,000	88,600

Facilitate Social Inclusion and Community Wellness

The City of Victoria is a healthy and inclusive community, committed to the well-being of all citizens.

Outcomes the City is working towards in this area include:

Public recreation and cultural facilities are first rate

City infrastructure and facilities are more accessible for everyone

Enhanced quality of life

Highlights of what we achieved in 2018



Launched a **new recreation registration and reservation software system**. Online registration increased from 20% last year to nearly 28% this year.

Collaborated with community members and stakeholders to develop a plan for replacement of the Crystal Pool and Fitness Centre

of children who learned to swim



Introduced a variety of new inclusive and adaptive swim programs. As a result, **54 children with disabilities participated in learn-to-swim programs and 117 women enrolled in women-only lessons**. The City worked in partnership with the BC Muslim Association and Victoria Foundation to run after hours **fun swims for women and children in the Muslim community** who are unable to swim when men are present.



Partnered with the Greater Victoria Public Library to open the **sx̣ẉeṇx̣ẉə̣j̣ təṇəx̣ẉ James Bay Branch** (pronounced s-hweng hw-ung tongue-oo-hw). The library is named after the Lekwungen family group who lived in the area and reflects the City's ongoing work towards Reconciliation as it recognizes the traditional territory of the Lekwungen-speaking people, known today as the Songhees and Esquimalt Nations.

Enrolled approximately **1,600 residents, including 452 children and 1,150 adults**, in the Leisure Involvement for Everyone program, providing access for individuals facing financial barriers to participation



Hosted the **15th annual Veedub Skate Competition** at Vic West Skate Park. The event welcomed 150 participants between the ages of eight and 48.

Commenced implementation of the Youth Strategy, approved in 2017



Received a program **grant for \$19,750** from Island Health in partnership with Health and Recreation Partnership. This funding supports a **10-week nature and wellness program for youth** living with anxiety or other mental health related disorders.



Offered **nine weeks of summer camp programming for 1,600 children** at locations throughout the city, including Crystal Pool and Fitness Centre, Beacon Hill Park, Hollywood Park, Topaz Park, Central Park and Vic West Park



Performance measures:	2017	2018
Trees removed from public property	150	421
Trees planted on public property	328	416
City parks and green spaces	137	137

Enhance and Steward Public Spaces, Green Spaces and Food Systems

In the City of Gardens, residents are connected to their green spaces and public places.

Outcomes the City is working towards in this area include:

Greenspace, parks and food systems are enhanced, well-maintained and fully utilized

David Foster Harbour Pathway is celebrated for its wayfinding that links all harbour front developments

Highlights of what we achieved in 2018

Designed and constructed park amenities and multi-modal pathway improvements on newly acquired lands, which expanded Cecelia Ravine Park



Installed **five mason bee houses** in Beacon Hill Park. The mason bee houses are located along Bridge Way, and near the Rose Garden.



Number of City-owned trees:
33,000

Approved the **Topaz Park Improvement Plan**, a 10-year vision for the park that expands the range of activities to better support the needs of the community. Over 3,600 people actively participated in consultation events for this project over the past year. Overall, citizens expressed a very high level of support (87%) for the proposed park improvements.



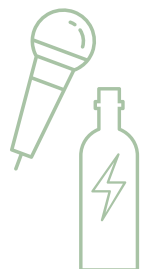
Showcased the City's annual spring bulb and flower displays, with **16,981 bulbs** and **18,482 annuals** this year



Renewed sport courts, including seven tennis courts in Todd Park, Banfield Park and Stadacona Park, and the basketball court at Vic West Park



Held **three community tree planting events**, resulting in 55 new trees and 500 shrubs in Beacon Hill Park, Pemberton Park and Cecelia Ravine Park



Hosted special events at Royal Athletic Park including the Great Canadian Beer Festival, Rifflandia Music Festival, and Brewery and the Beast



Made progress on implementing the **Visual Victoria wayfinding system**, including installation of pylon signs in the Inner Harbour, Chinatown, and in front of City Hall, and directional and pylon signs along the David Foster Harbour Pathway. A First Nations blessing ceremony was held when the pylon signs were unveiled.



Performance measures:	2017	2018	Performance measures:	2017	2018
Km of road paved	1.35	2.1	New LED pedestrian countdown signals	2	4
Sidewalk projects completed	2	2	Major street rehabilitation projects completed	3	6
Metres of AAA infrastructure installed	2,400	3,200	Local street rehabilitation projects completed	6	4
Bus shelters installed	4	4			

Complete a Multi-Modal and Active Transportation Network

We are building new infrastructure and transforming our transportation system to improve safety for people who walk, bike, take the bus and drive.

Outcomes the City is working towards in this area include:

Public transit is accessible to all and rivals private automobile trip duration

Pedestrian travel is safe, comfortable and enjoyable for all ages and abilities

Victoria is a national leader for cycling infrastructure and complete streets planning

Highlights of what we achieved in 2018

Largely completed repairs on the **existing seawall** to provide a sound structure that protects the existing road, sidewalk, and underground utilities on Dallas Road between Dock Street and Lewis Street



Completed the **Capital Station Bus Station** pilot project, including negotiation of leases

to support regional transportation within downtown

Opened the **Douglas Street Southbound transit and bike priority lane** between Tolmie and Hillside Avenues. The project was funded by the Province of BC and the Victoria Regional Transit Commission.

Completed the **Belleville Street project** including widened sidewalks, boulevard trees, a new mid-block crosswalk, marked bike lanes and repaving of the street between Oswego and Menzies

Negotiated the acquisition of lands in support of the **David Foster Harbour Pathway**, east of Raymur Point to Laurel Point, from Transport Canada

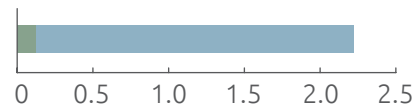
Installed **audible/accessible pedestrian signals** at several locations throughout the City, a recommendation from the Accessibility Working Group



Constructed the Beacon Hill Park Connector as a part of the AAA network. This provides a safe and accessible shared-use path for pedestrians and cyclists linking James Bay and Fairfield neighbourhoods.

Opened the new **Johnson Street Bridge**. Features of the new bridge include three vehicle travel lanes, on-road bike lanes, a multi-use deck for pedestrians and cyclists, a dedicated pedestrian pathway, and bascule pier observation deck, which allows pedestrians to walk under the bridge and view the internal machinery that raises and lowers the structure.

Sidewalk Network Completion



■ Length of new sidewalks in 2018..... 0.12km
 ■ Length of upgraded sidewalks in 2018..... 2.1km
 Total length of completed sidewalk network.... 465.8km
 City Blocks that have sidewalks..... 88.7%



Opened the **new Fort Street protected bike lanes** as a part of the All Ages and Abilities (AAA) cycling network. The project retained 95% of on-street parking and added new trees, public seating, acoustic pedestrian signals, upgraded pedestrian crossings, new sidewalk segments and bike parking. Fort Street was named one of the Top 10 cycling infrastructure projects in North America. Completed the design, analysis and consultation for AAA infrastructure on Wharf and Humboldt Streets and started the design process for Vancouver Street.

Opened the **Reeson Park pathway as a part of the David Foster Harbour Pathway**

Implemented a **“back to school” road safety education program** with all elementary schools in the municipality and sponsored youth cycling skills courses with Central Middle School





Performance measures:	2017	2018
# of public art applicants applying to competitions	17	103
Public art pieces	102	157
Block parties	31	28
Special event and film permits issued	368	350
# of days of filming	203	155

Nurture our Arts, Cultural and Learning Capital

Victoria radiates creativity and thrives as a home to creative people and everyday artistic experiences. City is dedicated to fostering a thriving cultural ecosystem where creativity, innovation and artistic excellence can flourish.

Outcomes the City is working towards in this area include:

Implementation of the Create Victoria Arts and Culture Master Plan

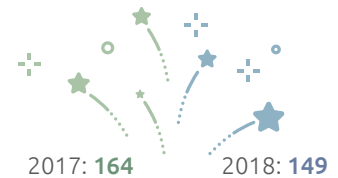
Support for arts and culture is increased, inclusive and strategic

Highlights of what we achieved in 2018

Selected Agartu Ali as the **2018 Youth Poet Laureate**. Her *Poems of Colour* event was an evening of poetry that celebrated diversity and explored themes of race and ethnicity.



Provided opportunities for the public to learn the history of Indigenous peoples through **Sacred**, a permanent exhibition throughout City Hall



Number of free, city-organized arts and culture programs and events in Centennial Square and Cameron Bandshell



Hosted events to mark **National Poetry Month** in April including Poet Laureate Night, Starfields Festival, Poems for the Planet, and the Annual Mayor's Poetry Challenge



Revised the **Public Art Policy**

Selected local artist Austin Willis for the **Commercial Alley Art Gallery** and launched the **Commute** bus shelter exhibition program

Indigenous Artist in Resident Lindsay Delaronde completed a number of projects including **facilitating a men's performance** focused on art, culture, resurgence, performance and healing; the **Indigenous Artist Symposium** in collaboration with the Royal BC Museum; and a performance entitled **Forgive**, exploring a narrative of Indigenous voices confronting colonial history



Produced the annual **CityVibe** festival and event brochure, a free guide to the many summer festivals and events happening around the City



Hosted events including **Vacant Storefront Program**, grant and funding workshop, and two sessions on **Arts Philanthropy** hosted by the Union Club of BC

Increased investment for the Festival Investment Grant program



Recognized Bill Gaston and Monique Gray Smith at the **Victoria Book Prize Society Awards Gala**

Launched **Concrete Canvas**, an outdoor mural series for street art and creative expression in the Rock Bay neighbourhood

Supported steady film production activity around the city



Artist in Resident Luke Ramsey completed nine projects including a 10-week collaborative drawing workshop with local youth artists resulting in a large illuminated artwork and mural decal now installed into the **ᓄᓐᓄᓐᓄᓐᓄᓐᓄᓐᓄᓐᓄᓐᓄᓐᓄᓐ** James Bay Library

Celebrated Canada Day Victoria in the Inner Harbour with local, multicultural programming



Create Victoria, the City's Arts and Culture Master Plan, won the Creative City Network of Canada Award for Excellence in Cultural Planning



Facilitated a feasibility study, design charrette and project support to explore **repurposing 28 Bastion Square into a Creative Hub**



Performance measures:	2017	2018
Km of sewer upgrades	1.83	3.0
Km of stormwater system upgrades	3.31	1.9
Km of water system upgrades	2.24	1.9
Properties participating in stormwater utility rebates	11	11
Properties participating in stormwater utility credits	46	88
Tonnes of residential garbage collected	4,196	4,061
Tonnes of residential organics collected	2,183	2,117

Steward Water Systems and Waste Streams Responsibly

Acting as stewards for our natural environment helps ensure the sustained health of our community.

Outcomes the City is working towards in this area include:

The City handles waste in a responsible way

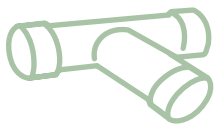
Support CRD in construction of a sewage treatment plant

Highlights of what we achieved in 2018



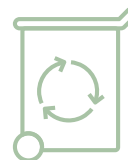
Rolled out the *Checkout Bag Regulation Bylaw* and launched the **BYO Bag Victoria!** education and awareness campaign. A toolkit was created to support businesses help communicate the changes associated with the new bylaw to their customers and included a series of tips sheets, posters, handbills, till toppers, and decals. The bylaw intends to reduce plastic bag waste in our community.

Average organic waste diversion rate:



Continued major upgrades to the City's aging underground infrastructure including

replacement or rehabilitation of sewer mains, waterworks mains, and stormwater mains



Began the development of a zero waste strategy, looking at available options and strategies for reducing corporate and community solid waste



Became a founding partner in a national program to reduce food waste. The *Love Food Hate Waste* campaign aims to change Canadians' behaviours around food and reduce the amount of food wasted across the country. The campaign was introduced to the community with materials raising awareness of food waste in City Hall and on the sides of the City's garbage fleet.



Held the **19th Annual Public Works Day**, an open house to provide elementary students an opportunity to learn more about how City staff work to ensure the community is healthy, safe and sustainable



Performance measures:	2017	2018	Performance measures:	2017	2018
Victoria Fire Department calls for service	8,064	7,325	Aggregate hours attending emergency events	2,123	2,444
Structure fires	36	53	People who attended public workshops/talks	10,867	10,733
Fires contained to room of origin	32	52	Firefighter aggregate training hours	19,831	16,295
Inspections and re-inspections	3,170	3,959	Evacuee assistance – team activations	10	13
Calls to hoarding hotline	292	230	Evacuee assistance – people assisted	107	36
Life safety education sessions	212	240	Volunteer training sessions	112	100

Take Climate Action and Prepare for Emergencies

The City is resilient in the face of emergencies and disasters, encouraging everyday readiness in ways that support individual, family and neighbourhood resilience.

Outcomes the City is working towards in this area include:

City and community have reduced greenhouse gas emissions

A new Fire Station to replace the current Headquarters

Highlights of what we achieved in 2018



Continued to experience success with **Vic-Alert**, the **City's Emergency Notification System**. The tool has approximately 60,000 subscribers, primarily the result of the tsunami warning which occurred on January 23, 2018.

Entered into an **emergency response services agreement with the Canadian Red Cross (CRC)** which establishes parameters for collaboration between the City of Victoria and the CRC to ensure the provision of humanitarian assistance in the event of an emergency

Firefighter aggregate training hours



	19,831	16,295
	2017	2018

Updated the City of Victoria's Emergency Plan



Completed the installation of **four electric vehicle (EV) chargers** in City parkades. This brings the city's public EV charging infrastructure to a **total of 13 Level 2 stations**.

Participated in **Fire Prevention Week** with the theme "Look. Listen. Learn. Be aware – fire can happen anywhere." Fire drills and fire safety messages were delivered to **15 schools** and approximately **4,000 students and teachers**.



Delivered **fire safety and emergency preparedness community education programming** to over **10,700 attendees** this year. These education sessions included Fire Prevention Week, fire safety talks, emergency program workshops, Shake Out, fire drills, and school education programs.



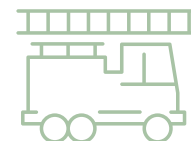
Adopted the **City's Climate Leadership Plan**, the City's action plan to reduce greenhouse gases (GHGs) by 80 percent below 2007 levels by 2050 and transition to 100 percent renewable energy by mid-century



Completed a multi-year competitive selection process and entered into an agreement with the leading proponent for the construction of a new post-disaster building to house the City's main firehall/Emergency Operations Centre, with 130 units of affordable housing to be built above

Received **7,700 requests for service** in 2018 through the Victoria Fire Department, resulting in 7,325 responses, a decrease from 8,064 calls in 2017. The opioid epidemic continued to increase overdose related calls, with **845 calls in 2018** in comparison to 657 in 2017, a 29% increase.

Completed Victoria Fire Department recruitment with the creation of an eligibility list of qualified candidates to fill current and future vacancies, including the Department's **first female fire fighter**



Deployed an engine and tanker to the BC Wildfires in the interior. Fire crews were deployed in August to deliver structural fire protection to Fort St. James and surrounding communities.



Demonstrate Regional Leadership

As the regional commercial hub, and as the Capital City, Victoria is well-positioned to play a leadership role in the Capital Region.

Outcomes the City is working towards in this area include:

Enhanced governance is in place in the Region, especially with respect to emergency services dispatch

Highlights of what we achieved in 2018



Committed to consulting with representatives of the development community on the proposed adoption of the **BC Energy Step Code**. The Step Code is an amendment to the BC Building Code that establishes performance-based energy efficiency requirements for new residential and commercial construction with the ultimate goal that all new buildings will be **“net-zero energy ready” by 2032**. On November 1, 2018 Step Code Level 1 came into effect.



Held a joint Committee of the Whole meeting with the City of Victoria and the District of Saanich Councils to **consider a referendum question on establishing a Citizens’ Assembly** to explore the costs and benefits of the amalgamation of Saanich and Victoria. That meeting resulted in both Councils voting to place the following question on the **2018 Municipal Election ballot**:

“Are you in favour of spending up to \$250,000 for establishing a Citizens’ Assembly to explore the costs, benefits and disadvantages of the amalgamation between the District of Saanich and the City of Victoria?”



Hosted the Association of Vancouver Island and Coastal Communities 69th Annual General Meeting and Convention at the Victoria Conference Centre



Informed citizens in advance of the **General Municipal Election** regarding what they needed to know to participate in the election on October 20. Information was communicated through the City’s free Victoria Votes app, a joint-municipal wrap of an issue of the Times Colonist, social media, posters, rack cards, an online Candidates Guide and the City’s website. **Total voter turnout in the City of Victoria was 29,707 – 43.5% of registered voters, the highest turnout in recent history.**



Approved the Regional Growth Strategy, which has been agreed to by all regional municipalities



Hosted the Local Government Management Association of BC 2018 Conference and Annual General Meeting at the Victoria Conference Centre



Victoria Police Department

The Victoria Police Department (VicPD) is the oldest police department west of the Great Lakes and has been proudly serving the City of Victoria since 1858 and the Township of Esquimalt since 2003.



In 2018, VicPD officers were on the front lines of the opioid crisis and saved numerous lives through the administration of Naloxone to overdose victims. They also saw an increase in mental health-related calls, which encompassed almost 18% of all occurrences.

59,012 calls for service



47,176 9-1-1 calls

VicPD finalized preparations for the **transition of our 911 Communication Centre** to the South Island Police Dispatch Centre, which will combine 911, non-emergency call-taking and dispatch services for the Victoria, Saanich, Central Saanich, Oak Bay and Cowichan Valley areas



VicPD officers and staff connected with the citizens we serve at over 500 community events and meetings

VicPD worked with a number of community partners to **ensure public safety at major events**, especially the Canada Day celebrations that drew tens of thousands of citizens to events in downtown Victoria



15 deserving citizens were recognized with VicPD Civic Service Awards for stepping up to contribute to their community's safety



The **Block Watch Program completed an 11-point renewal plan** to make the program more beneficial for the participants. Highlights of these improvements include a redesigned VicPD Block Watch sign, more training, and better lines of communication from the department to participants.



VicPD Volunteers and Reserves gave more than 17,000 hours to our

communities through crime prevention programs such as Lock Out Auto Crime, Speed Watch, and Cell Watch, resulting in over 58,000 vehicles being checked through these programs



VicPD responded to **1,470 media requests**, issued over **200 news releases** and continued to build positive relationships through the various social media platforms including Twitter, Facebook, Reddit, and Instagram



FINANCIAL STATEMENTS OF

The Corporation of the City of Victoria

Year Ended December 31, 2018

Management's Responsibility for the Financial Statements

The accompanying financial statements of The Corporation of the City of Victoria (the "City") are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of Chartered Professional Accountants Canada. A summary of the significant accounting policies are described in the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The City's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the City. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the City's financial statements.

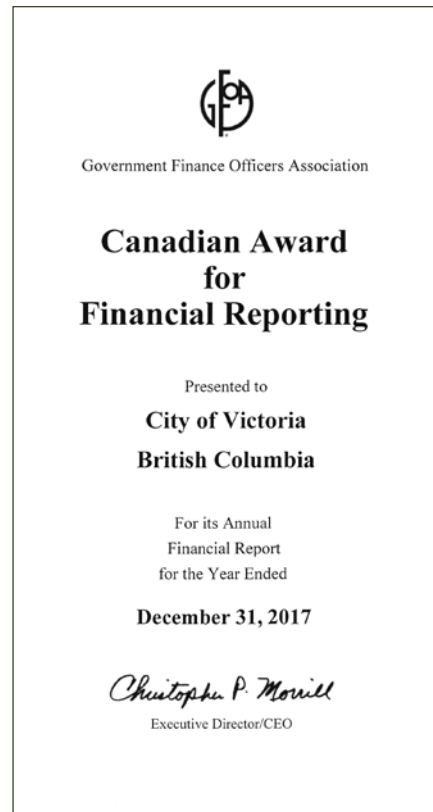
Jocelyn Senfajns

City Manager

Suzanne Thompson

Deputy City Manager/CFO

April 25, 2019



Independent Auditors' Report

To the Mayor and Councilors of The Corporation of the City of Victoria Opinion

We have audited the financial statements of The Corporation of the City of Victoria, which comprise the Statement of Financial Position as at December 31, 2018, the Statements of Operations, Change in Net Financial Assets and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2018, and its results of operations, its changes in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Independent Auditors' Report

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Chartered Professional Accountants

Victoria, British Columbia

April 25, 2019

BDO Canada LLP T 250.383.0426
Suite 500 F 250.383.1091
1803 Douglas Street victoria@bdo.ca
Victoria, BC V8T 5C3 bdo.ca

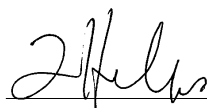
Statement of Financial Position

December 31	2018	2017
Financial Assets		
Cash and cash equivalents (Note 2)	\$ 104,955,258	\$ 110,003,479
Accounts receivable		
Property taxes	1,652,910	1,816,637
Other (Note 3)	31,117,781	31,000,807
Portfolio investments (Note 4)	171,000,025	137,900,025
Mortgage receivable (Note 5)	893,216	865,687
Other assets	56,774	1,798
Restricted cash (Note 18)	1,270,467	1,243,414
	310,946,431	282,831,84
Liabilities		
Accounts payable and accrued liabilities (Note 6)	28,578,753	29,406,143
Deposits and prepayments	17,638,717	15,664,116
Deferred revenue (Note 7)	30,602,821	24,876,181
Long-term debt (Note 8)	69,272,953	73,250,606
Employee future benefit liability (Note 9)	17,896,700	17,688,187
	163,989,944	160,885,233
Net Financial Assets	146,956,487	121,946,614
Non-Financial Assets		
Tangible capital assets (Note 10)	525,021,658	495,784,736
Inventory of supplies	1,147,765	1,045,591
Prepaid expenses and deposits	2,153,337	1,145,524
	528,322,760	497,975,851
Accumulated Surplus (Note 11)	\$ 675,279,247	\$ 619,922,465
Commitments (Note 16)		
Contingent liabilities (Note 18)		

On behalf of the City:



Deputy City Manager/CFO



Mayor

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

Statement of Operations

For the year ended December 31	Financial Plan 2018	2018	2017
	(Note 19)		
Revenue			
Taxation (Note 12)	\$ 133,485,983	\$ 133,547,760	\$ 127,697,471
Net grants in lieu of taxes	6,186,400	6,249,533	6,328,534
Sale of goods and services	48,215,251	54,890,533	51,152,653
Sale of water	19,760,763	21,040,252	20,516,753
Licences and permits	4,509,840	5,273,383	4,417,980
Fines	3,255,000	3,767,054	3,399,598
Rentals and leases	1,480,817	1,536,055	1,489,176
Other penalties and interest	790,000	656,745	658,474
Investment income	2,700,000	5,418,758	3,493,023
Unconditional transfers (Note 13)	1,755,000	1,861,494	1,755,723
Conditional transfers (Note 13)	5,258,000	5,002,380	8,708,374
Actuarial adjustment on debt	–	912,982	781,729
Miscellaneous (Note 14)	10,095,133	14,114,047	8,337,747
	<u>237,492,187</u>	<u>254,270,976</u>	<u>238,737,235</u>
Expenses			
General government	21,247,635	18,096,703	16,868,104
Protective services	75,837,496	76,001,095	75,128,184
Transportation services	24,794,439	29,112,312	25,980,557
Environmental and public health services	8,122,039	7,835,510	7,614,739
Social services and housing	1,048,186	1,250,590	1,550,606
Planning and development	15,290,711	17,381,621	15,353,385
Parks, recreation and culture services	30,493,687	30,273,382	28,937,509
Water utility	14,660,592	15,106,478	14,257,562
Sewer utility	3,890,415	3,856,503	3,561,492
	<u>195,385,200</u>	<u>198,914,194</u>	<u>189,252,138</u>
Annual Surplus	42,106,987	55,356,782	49,485,097
Accumulated Surplus, beginning of year	<u>619,922,465</u>	<u>619,922,465</u>	<u>570,437,368</u>
Accumulated Surplus, end of year	<u>\$ 662,029,452</u>	<u>\$ 675,279,247</u>	<u>\$ 619,922,465</u>

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

Statement of Change in Net Financial Assets

For the year ended December 31	Financial Plan 2018	2018	2017
	(Note 19)		
Annual Surplus	\$ 42,106,987	\$ 55,356,782	\$ 49,485,097
Net acquisition of tangible capital assets	(95,200,000)	(42,634,040)	(52,894,881)
Amortization of tangible capital assets	10,000,000	13,334,709	11,872,574
Gain on disposal of tangible capital assets	–	(8,651)	(112,225)
Proceeds on disposal of tangible capital assets	–	71,060	112,225
	(43,093,013)	29,236,921	8,462,790
Net consumption of inventory of supplies	–	(102,174)	(81,378)
Net acquisition (use) of prepaid expenses and deposits	–	(1,007,813)	34,051
Change in Net Financial Assets	(43,093,013)	25,009,873	8,415,463
Net Financial Assets, beginning of year	121,946,614	121,946,614	113,531,151
Net Financial Assets, end of year	\$ 78,853,601	\$ 146,956,487	\$ 121,946,614

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

Statement of Cash Flows

For the year ended December 31	2018	2017
Cash provided by (used in):		
Operating Transactions		
Annual surplus		
Items not involving cash	\$ 55,356,782	\$ 49,485,097
Amortization of tangible capital assets	13,334,709	11,872,574
Gain on disposal of tangible capital assets	(8,651)	(112,225)
Change in future employee benefits and other liability	208,513	637,064
Actuarial adjustment on debt	(912,982)	(781,729)
Changes in non-cash operating assets and liabilities		
Accounts receivable other	(116,974)	(3,035,800)
Property taxes receivable	163,727	862,924
Mortgage receivable	(27,529)	(26,680)
Other assets	(54,976)	466
Restricted cash	(27,053)	(118,426)
Accounts payable and accrued liabilities	(827,390)	2,330,293
Deposits and prepayments	1,974,601	2,057,026
Deferred revenue	5,726,640	5,539,233
Inventory of supplies	(102,174)	(81,378)
Prepaid expenses and deposits	(1,007,813)	34,051
	73,679,430	68,662,490
Capital Transactions		
Acquisition of tangible capital assets	(42,634,040)	(52,894,881)
Proceeds on disposal of tangible capital assets	71,060	112,225
	(42,562,980)	(52,782,656)
Investing Transactions		
Net increase in portfolio investments	(33,100,000)	(1,000,000)
Financing Transactions		
Debt issued	–	9,600,000
Debt repayments	(3,064,671)	(2,691,090)
	(3,064,671)	6,908,910
Increase (Decrease) in Cash and Cash Equivalents	(5,048,221)	21,788,744
Cash and Cash Equivalents, beginning of year	110,003,479	88,214,735
Cash and Cash Equivalents, end of year	\$ 104,955,258	\$ 110,003,479

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

Notes to Financial Statements

December 31, 2018

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: protective services, transportation services, environmental and public health services, community planning, parks, recreation and community development, water utility, sewer utility and other general government operations.

The Corporation of the City of Victoria (the "City") are prepared by management in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada. Significant accounting policies adopted by the City are as follows:

1. Significant Accounting Policies

(a) Reporting Entity

The financial statements include a combination of all the assets, liabilities, accumulated surplus, revenues and expenses of all of the City's activities and funds. Inter-departmental balances and organizational transactions have been eliminated.

The financial statements exclude trust assets that are administered for the benefit of external parties (Note 15).

(b) Basis of Accounting

The City follows the accrual method of accounting for revenues and expenses. Revenues are accounted for in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Government Transfers

Government transfers are recognized in the financial statements as revenues in the period the transfers are authorized and any eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability for the recipient government. Transfers received which meet the definition of a liability are included in deferred revenue and are recognized over the period that the liability is settled.

(d) Deferred Revenue

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 or the services are performed.

(e) Deposits and Prepayments

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

(f) Taxation Revenue

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal services in the year they are levied. Taxes receivable are recognized net of an allowance for anticipated uncollectible amounts. Levies imposed by other taxing authorities are not included as taxes for municipal purposes.

Through the British Columbia Assessment's appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded.

(g) Investment Income

Investment income is reported as revenue in the period earned. When required by the funding agreement, investment income earned on deferred revenue is deferred and forms part of the deferred revenue balance.

(h) Cash and Cash Equivalents

Cash equivalents include short term highly liquid investments with a term to maturity of 90 days or less at acquisition. Cash equivalents also include investments in the Municipal Finance Authority of British Columbia ("MFA") Money Market Funds which are recorded at cost plus earnings reinvested in the funds.

(i) Long-Term Debt

Long-term debt is recorded net of related sinking fund balances and actuarial earnings.

Notes to Financial Statements

December 31, 2018

1. Significant Accounting Policies (continued)

(j) Employee Future Benefits

- (i) The City and its employees make contributions to the GYLRA-CUPE Long Term Disability Trust and Municipal Pension Plan. As these are multi-employer pension plans, contributions are expensed as incurred.
- (ii) Sick leave and other retirement benefits are also available to the City's employees. The costs of these benefits are actuarially determined based on years of service and best estimates of retirement ages and expected future salary and wage increases. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(k) Non-Financial Assets

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

(i) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The costs, less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

	Useful life in years
Land improvements	15 – 50
Buildings	20 – 50
Furniture, equipment, technology and motor vehicles	5 – 25
Roads, bridges and highways	10 – 80
Water infrastructure	20 – 125
Sewer infrastructure	50 – 100
Drainage infrastructure	50 – 100

Tangible capital assets are written down when conditions indicate that they no longer contribute to the City's ability to provide goods and services, or when the value of future economic benefits associated with the asset are less than the book value of the asset. Assets under construction are not amortized until the asset is available for service. The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(ii) Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Natural Resources

Natural resources are not recognized as assets in the financial statements.

(iv) Works of Art and Cultural and Historic Assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(v) Leased Tangible Capital Assets

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

(vi) Inventories of Supplies

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

(vii) Tangible Capital Assets Disclosed at Nominal Values

Where an estimate of fair value could not be made upon adoption of accounting standard PSAS 3150 – Tangible Capital Assets, the tangible capital asset was recognized at a nominal value.

Notes to Financial Statements

December 31, 2018

1. Significant Accounting Policies (continued)

(l) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating useful lives of tangible capital assets, estimating provisions for accrued liabilities, estimates related to contaminated sites and in performing actuarial valuations of employee future benefits. Actual results could differ from these estimates.

(m) Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. Liabilities are recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) the Authority is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the mediation strategy for a contaminated site. No liability for contaminated sites exists as at December 31, 2017 or 2018.

2. Cash and Cash Equivalents:

	2018	2017
Cash	\$ 31,423,204	\$ 25,475,696
MFA Money Market Funds	73,532,054	69,527,783
Guaranteed investment certificate	–	15,000,000
	\$ 104,955,258	\$ 110,003,479

3. Accounts Receivable

	2018	2017
Sewer	\$ 3,850,910	\$ 3,468,768
Water	14,885,088	14,800,754
Grants	2,466,218	4,741,274
GST and carbon tax	455,020	772,560
Investment interest income	1,461,091	923,120
Parks, recreation and community development	2,571,827	2,304,463
Municipal tickets	1,585,811	1,411,054
Victoria police department	1,160,651	875,504
Rental properties	64,334	69,053
Permits	475,856	334,811
Garbage	532,044	505,837
Third party billing	544,892	406,507
Miscellaneous	2,099,374	1,182,507
Valuation allowance	(1,035,335)	(795,405)
	\$ 31,117,781	\$ 31,000,807

Notes to Financial Statements

December 31, 2018

4. Portfolio Investments

	Yield	Maturity	2018	2017
Schedule 1 bank bonds	3.10%	December 17, 2019	\$ 9,000,000	\$ –
Term deposits	2.35% to 3.07%	December 24, 2019	\$ 162,000,025	137,900,025
			\$ 171,000,025	\$ 137,900,025

Portfolio investments are comprised of Canadian bank bonds and Guaranteed Investment Certificates of Canadian Banks and Credit Unions with yields of 2.35% to 3.07% (2017 – 1.88% to 2.25%), and maturity dates to December 24, 2019. The City's investments are carried at cost which approximates market values.

5. Mortgage Receivable

In 2011, the Federal Government of Canada entered into an agreement with the Capital Regional District to provide a financial contribution for new permanent, safe, transitional and supportive housing. Subsequently, the Capital Regional District entered into a sub project funding agreement in which \$1,200,000 was contributed to the City towards the purchase of two properties within the City. The agreement states that if the properties are not operated for their intended purpose or are sold and the proceeds of disposition are not applied to providing similar services then the City will be required to repay the contribution amount. The amount of the required repayment is dependent on the length of time that the intended purpose of the contribution is met and extends to March 31, 2026 at which point no further repayment is required.

In 2013, one of the properties was purchased by Provincial Rental Housing Corporation. In 2015, the remaining property was purchased by a not-for-profit housing society and a mortgage of \$1,300,000 was issued by the City. The mortgage bears no interest and is secured by the property. Payment is not due until the mortgage matures on September 15, 2029. The mortgage is guaranteed by BC Housing Management Commission, therefore if the not-for-profit organization defaults on the terms of the loan, BC Housing Management Commission assumes responsibility for the loan repayment. The balance represents the present value of the payment, using the City's estimated cost of borrowing.

Both purchases include transfer of the funding agreement repayment obligation applicable to each property.

6. Accounts Payable and Accrued Liabilities

	2018	2017
Trade account payable	\$ 11,055,700	\$ 8,662,899
Capital projects	3,156,782	3,484,069
Payroll accounts payable	7,940,805	7,213,279
Contract holdbacks	717,393	6,192,934
School authorities	651,689	686,706
Capital Regional District	437,644	445,004
Capital Regional District sewer	2,374,072	1,378,996
Legal settlements	1,916,051	1,003,683
Recreation Integration Victoria	86,472	81,830
BC Transit	130,151	140,112
Regional Hospital District	92,429	96,469
BC Assessment Authority	19,565	20,162
	\$ 28,578,753	\$ 29,406,143

Notes to Financial Statements

December 31, 2018

7. Deferred Revenue

	2018	2017
Building permit fees	\$ 7,182,343	\$ 5,612,043
Development cost charges	19,388,787	15,973,761
General operating deferred revenue	4,031,691	3,290,377
	<u>\$ 30,602,821</u>	<u>\$ 24,876,181</u>
Building permit fees		
Opening balance of building permit fees	\$ 5,612,043	\$ 3,958,073
Add: fees and contributions received	3,917,843	3,666,196
Less: revenue earned and/or fees refunded	(2,347,543)	(2,012,226)
	<u>\$ 7,182,343</u>	<u>\$ 5,612,043</u>
Development cost charges		
Opening balance of unspent funds	\$ 15,973,761	\$ 13,534,862
Add: development cost charges received during year	3,174,580	2,474,357
Add: interest earned	354,619	216,357
Less: amount spent on projects and recorded as revenue	(114,173)	(251,815)
	<u>\$ 19,388,787</u>	<u>\$ 15,973,761</u>
Development cost charges include the following:		
Water and environment	\$ 715,316	\$ 748,809
Transportation	7,844,455	6,614,537
Water	883,940	676,462
Drainage	522,365	393,136
Sewage	3,301,083	2,720,171
Parkland acquisition and development	6,121,628	4,820,646
	<u>\$ 19,388,787</u>	<u>\$ 15,973,761</u>

There are no waivers and/or reductions in development cost charges during 2018 or 2017.

Notes to Financial Statements

December 31, 2018

8. 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 2.10% to 4.90%. The weighted average interest rate for 2018 was 2.91% (2017 – 3.03%).

(a) Gross amount of debt and the repayment and actuarial earnings to retire the debt are as follows:

	Rate	Gross debt	Repayment & actuarial earnings	Net debt 2018	Net debt 2017	Year of Maturity
Issue 79	2.10%	10,000,000	(3,341,759)	6,658,241	6,964,861	2033
Issue 80	2.40%	10,000,000	(3,287,481)	6,712,519	7,014,160	2033
Issue 81	2.40%	10,000,000	(3,052,111)	6,947,889	7,241,543	2034
Issue 102	2.25%	4,509,000	(3,046,901)	1,462,099	1,796,523	2022
Issue 103	4.65%	1,800,000	(1,109,083)	690,917	822,398	2023
Issue 105	4.90%	5,240,015	(2,833,472)	2,406,543	2,772,968	2024
Issue 110	4.50%	5,200,000	(2,462,893)	2,737,107	3,088,846	2025
Issue 115	3.89%	10,200,000	(2,727,336)	7,472,664	7,908,274	2031
Issue 130	3.00%	23,200,000	(3,336,686)	19,863,314	20,747,183	2034
Issue 139	2.10%	5,500,000	(418,485)	5,081,515	5,293,850	2036
Issue 142	3.15%	9,600,000	(359,855)	91,240,145	9,600,000	2037
		<u>\$ 95,249,015</u>	<u>\$ (25,976,062)</u>	<u>\$ 69,272,953</u>	<u>\$ 73,250,606</u>	

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

2019	\$ 4,091,598
2020	4,258,040
2021	4,431,404
2022	4,611,983
2023	4,394,540
Thereafter	<u>47,485,388</u>

Total \$ 69,272,953

(c) Scheduled debt repayments may be suspended in the event of excess sinking fund earnings within the MFA. Principal paid during the year was \$3,064,671 (2017 – \$2,691,090). Interest paid during the year was \$2,769,203 (2017 – \$2,668,366).

Notes to Financial Statements

December 31, 2018

9. Employee Future Benefit Liability

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

	2018	2017
Accrued benefit obligation		
Balance, beginning of year	\$ 18,270,101	\$ 18,093,001
Service cost	1,298,000	1,389,300
Interest cost	537,300	618,700
Benefits payments	(1,801,600)	(1,364,400)
Immediate recognition loss/(gain) for event driven liabilities	90,000	(167,700)
Actuarial (gain)/loss	(818,600)	(298,800)
Accrued benefit obligation, end of year	17,575,201	18,270,101
Less unamortized net actuarial loss	(72,059)	(1,022,577)
Add pension over contributions due to staff	393,558	440,663
Accrued benefit liability, end of year	\$ 17,896,700	\$ 17,688,187

The accrued benefit obligation and the benefit costs for the year were estimated by actuarial valuation as of December 31, 2018 by an independent actuarial firm. Key estimates were used in the valuation including the following:

	2018	2017
Discount rates	3.30%	2.90%
Expected future inflation rates	2.25%	2.25%
Expected wage and salary increases	2.33% to 4.38%	2.33% to 4.38%
Estimated average remaining service life of employees	11 years	11 years

The accrued benefit liability includes both vested and non-vested amounts as follows:

	City	Police	2018	2017
Vested benefits	\$ 4,828,606	\$ 8,052,435	\$ 12,881,041	\$ 12,185,123
Non-vested benefits	4,015,957	999,702	5,015,659	5,503,064
Total accrued benefit liabilities	8,844,563	9,052,137	17,896,700	17,688,187
Charged to operating funds in current and past years	(4,828,605)	(7,676,753)	(12,505,358)	(11,722,766)
Portion of benefits charged against reserves	\$ 4,015,958	\$ 1,375,384	\$ 5,391,342	\$ 5,965,421

Vested benefits include lump sum payments, death benefits, and certain sick leave and vacation in the year of retirement benefits. Vested benefits are contractually required to be paid to an employee regardless of their future employment. Non-vested benefits include long service leave, personal leave program and certain sick leave programs. Non-vested benefits are conditional upon future employment.

Notes to Financial Statements

December 31, 2018

9. Employee Future Benefit Liability (continued)

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, 2017. At December 31, 2017, the total plan provision for approved claim was \$15,844,900 and the provision for unreported claims was \$1,332,400 with an accumulated surplus of \$3,852,573. The total plan provision for approved and unreported claims and net surplus or deficit at December 31, 2018 will be available later in 2019.

The City paid \$561,314 (2017 – \$584,709) for employer contributions and City employees paid \$561,314 (2017 – \$584,709) for employee contributions to the Plan in fiscal 2018.

Municipal Pension Plan

The City of Victoria and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan) (the "Plan"). The Board of Trustees, representing Plan members and employers, is responsible for administering the Plan, including investment of assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2017, the Plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 contributors from local governments.

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

The most recent valuation for the Municipal Pension Plan as of December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged. The next valuation will be as at December 31, 2018, with results available later in 2019.

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

The City of Victoria paid \$11,515,427 (2017 – \$11,428,849) for employer contributions and City of Victoria employees paid \$9,089,467 (2017 – \$8,964,286) for the Plan in fiscal 2018.

Notes to Financial Statements

December 31, 2018

10. Tangible Capital Assets

	Land and land improvements	Buildings	Furniture, equipment, technology, motor vehicles	Roads, bridges, highways	Water infrastructure	Sewer infrastructure	Drainage infrastructure	Assets under construction	2018 Total	2017 Total
Cost, beginning of year	\$ 138,382,972	\$ 112,096,953	\$ 75,414,390	\$ 109,137,764	\$ 68,644,720	\$ 24,210,056	\$ 23,725,459	\$ 115,308,436	\$ 666,920,750	\$ 615,114,599
Additions	77,121	2,563,244	4,655,474	113,357,520	4,282,795	3,879,337	1,354,116	17,375,364	147,544,971	58,388,705
Disposals/transfers	-	-	(572,204)	-	-	-	-	(104,910,930)	(105,483,134)	(6,582,554)
Cost, end of year	138,460,093	114,660,197	79,497,660	222,495,284	72,927,515	28,089,393	25,079,575	27,772,870	708,982,587	666,920,750
Accumulated amortization, beginning of year	364,846	45,824,855	51,390,274	53,990,355	10,156,679	6,039,089	3,369,917	-	171,136,015	160,352,170
Disposals	-	-	(509,795)	-	-	-	-	-	(509,795)	(1,088,730)
Amortization	102,513	2,939,857	5,390,730	3,709,876	645,169	299,735	246,829	-	13,334,709	11,872,574
Accumulated amortization, end of year	467,359	48,764,712	56,271,209	57,700,231	10,801,848	6,338,824	3,616,746	-	183,960,929	171,136,014
Net carrying amount, end of year	\$ 137,992,734	\$ 65,895,485	\$ 23,226,451	\$ 164,795,053	\$ 62,125,667	\$ 21,750,569	\$ 21,462,829	\$ 27,772,870	\$ 525,021,658	\$ 495,784,736

- a) Work in Progress – Assets under construction having a value of \$27,772,870 (2017 – \$11 5,308,436) have not been amortized. Amortization of these assets will commence when the asset is put into service.
- b) Contributed Assets – No contributed assets have been recognized in 2018 or 2017.
- c) Tangible Capital Assets Disclosed at Nominal Values – Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value.
- d) Works of Art and Historical Treasures – The City manages and controls various works of art and non-operational historical cultural assets. These assets are not recorded as tangible capital assets are not amortized.
- e) Write down of Tangible Capital Assets – No write down of tangible capital assets occurred during 2018 or 2017.
- f) Leased Tangible Capital Assets – Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

Notes to Financial Statements

December 31, 2018

11. Accumulated Surplus

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

	2018	2017
Surplus		
Equity in tangible capital assets	\$ 455,615,655	\$ 422,401,080
Non-Statutory Reserve Accounts		
Development Stabilization Reserve Account	1,880,449	327,846
Reserves		
Operating Fund	4,544,049	4,026,427
Financial Stability Reserves	60,145,602	54,794,382
Equipment and Infrastructure Replacement Fund	146,796,907	131,429,908
Tax Sale Lands Fund	3,975,956	5,789,588
Parks and Greenways Acquisition Fund	2,886,917	2,724,295
Local Amenities	965,636	754,439
Victoria Housing Fund	2,230,915	1,950,332
Climate Action	794,445	850,691
Art in Public Places	467,467	596,335
Downtown Core Area Public Realm Improvements	216,180	153,451
Downtown Heritage Building Seismic Upgrades	150,411	89,112
Less: Underfunded employee benefit obligations (Note 9)	(5,391,342)	(5,965,421)
Total reserves	219,663,592	197,521,385
	\$ 675,279,247	\$ 619,922,465

Notes to Financial Statements

December 31, 2018

12. Taxation:

Taxation revenue, reported on the Statement of Operations is made up of the following:

	Financial Plan 2018	2018	2017
General taxation			
General municipal purposes	\$ 130,751,783	\$ 130,751,326	\$ 124,916,051
Utility 1% tax	1,329,000	1,329,555	1,300,830
Collections for other governments			
Capital Regional District	–	23,152,530	21,072,574
School Authorities	–	49,533,747	48,471,680
Regional Hospital District	–	7,792,266	7,681,732
Municipal Finance Authority	–	6,857	5,971
BC Assessment Authority	–	1,530,969	1,463,498
BC Transit	–	8,520,191	8,673,719
Business Improvement Association	–	1,066,050	1,035,314
Special assessments			
Boulevard frontage	535,200	535,042	538,235
Specified area improvement	81,000	138,852	150,370
Sewer frontage	789,000	792,985	791,985
Hotel tax			
Tourism Victoria	–	–	–
Victoria Conference Centre	–	–	–
	<u>133,485,983</u>	<u>225,150,370</u>	<u>216,101,959</u>
Less taxes levied for other authorities			
Capital Regional District	–	23,152,530	21,072,574
School Authorities	–	49,533,747	48,471,680
Regional Hospital District	–	7,792,266	7,681,732
Municipal Finance Authority	–	6,857	5,971
BC Assessment Authority	–	1,530,969	1,463,498
BC Transit	–	8,520,191	8,673,719
Business Improvement Association	–	1,066,050	1,035,314
	–	<u>91,602,610</u>	<u>88,404,488</u>
Net taxes available for municipal purposes	<u>\$ 133,485,983</u>	<u>\$ 133,547,760</u>	<u>\$ 127,697,471</u>

Notes to Financial Statements

December 31, 2018

13. Government Transfers

The City recognizes the transfer of government funding as revenues in the period that the events giving rise to the transfer occurred. The Government transfers reported on the Statement of Operations are:

	Financial Plan 2018	2018	2017
Unconditional transfers			
Traffic fine revenue sharing	\$ 1,755,000	\$ 1,861,494	\$ 1,755,723
Conditional transfers			
Jail	34,000	28,947	38,884
Gas tax	3,591,000	3,590,746	3,474,900
Infrastructure grants:			
General capital	250,000	–	1,019,492
Johnson Street Bridge	1,383,000	1,382,687	3,550,355
Cost-sharing agreements:			
General capital	–	–	624,743
	5,258,000	5,002,380	8,708,374
	\$ 7,013,000	\$ 6,863,874	\$ 10,464,097

Traffic Fine Revenue Sharing program is an unconditional grant provided to municipalities to assist in ensuring community safety and addressing community specific strategic priorities. The program returns 100% of net revenues from traffic violations to municipalities that are directly responsible for paying for policing.

Gas Tax is provided by the Government of Canada. The use of the funding is established by a funding agreement between the City and the Union of British Columbia Municipalities. These funds may be used towards designated infrastructure projects that achieve positive environmental results.

Infrastructure grants related to the Johnson Street Bridge Replacement Project are restricted to eligible expenses as defined by the funding agreement established between the City, Union of British Columbia Municipalities and The Government of Canada's Building Canada Fund Program.

14. Miscellaneous Revenue

	Financial Plan 2018	2018	2017
Third party billing, cost sharing and recoveries	\$ 6,208,010	\$ 8,853,770	\$ 3,658,808
Arena lease equivalent, share of naming rights and ticket surcharge	634,000	738,040	504,133
CREST levy	400,000	341,672	338,395
Rezoning applications	371,250	1,237,618	984,657
Dog licences and fines	210,000	384,722	355,476
Bus shelter advertising	150,000	171,765	188,264
Tax certificates	125,000	127,060	145,585
Bonus density	–	280,341	–
Traffic and sidewalk permits	138,250	126,487	118,203
Fortis franchise fee	574,000	573,805	542,359
Development cost charges	671,000	105,147	251,815
Other: administrative fees, lease fees, information sales and asset disposals	613,623	1,173,620	1,250,052
	\$ 10,095,133	\$ 14,114,047	\$ 8,337,747

Notes to Financial Statements

December 31, 2018

14. Miscellaneous Revenue (continued)

Third party billing and CREST levy are offset by expenses therefore budget variance has no impact on the City's operating surplus. Ticket surcharge revenue from the arena is impacted by arena annual operational activity. Amounts for bonus density are not determinable in advance, and do not impact operating surplus as balances are transferred to reserves, therefore no budget amount is provided in the Financial Plan.

15. Trust Funds

Trust funds administered by the City have not been included in the Statement of Financial Position nor have their operations been included in the Statement of Operations.

	2018	2017
Ross Bay Cemetery	\$ 1,024,932	\$ 972,181
Nature Interpretation Centre	632,668	618,928
Bastion Square Revitalization	242,524	237,256
	\$ 1,900,124	\$ 1,828,365

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 centre 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.

16. Contractual Obligations

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

17. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The significant contractual rights that existed at December 31, 2018 are as follows:

Lease revenue

The City has entered into a number of fixed term lease agreements for the use of City owned land and/or buildings that are anticipated to provide the City with future revenues.

Developer contributions

The City has entered into a number of public works development agreements which require the developers to contribute various infrastructure assets to the City. The timing and extent of these future contributions vary depending on development activity and fair value of the assets received at time of contribution, which cannot be determined with certainty at this time.

Notes to Financial Statements

December 31, 2018

18. Contingent Liabilities

The City is a 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 \$4,003,695 (2017 – \$3,916,744), 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 2008, the City joined the Municipal Insurance Association and all insurable claims from that date forward will be subject to a liability deductible of \$250,000 in any year.

Change orders for significant additional construction costs have been presented to the City by the contractor responsible for the construction of the Johnson Street Bridge. A smaller amount has been claimed to be owing by the City for additional fees by the designer of the Bridge. The City disputes that it owes any amount to either party. Litigation has been commenced by both parties and the City is represented by legal counsel. Any settlement is subject to approval by City Council.

Under borrowing arrangements with the Municipal Finance Authority, 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 a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are included in the City's financial assets as restricted cash and are held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the City. At December 31, 2018 the balance of the deposits was \$1,270,467 (2017 – \$1,243,414). At December 31, 2018 there were contingent demand notes of \$2,490,784 (2017 – \$2,490,784) which are not included in the financial statements of the City.

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 of Victoria and the District of Saanich established the Board of Cemetery Trustees of Greater Victoria (the "Board") in 1922 under the Municipal Cemeteries Act. The Board is a not-for profit organization that operates the Royal Oak Burial Park. The terms of the agreement provides the Board a borrowing limit of \$3 million with the City and the District of Saanich providing equal guarantee. At December 31, 2018 the Board had an outstanding demand loan of \$1,196,655 (2017 – \$1,819,791) with the Bank of Montreal and long-term debt of \$821,814 (2017 – \$884,041) through the Municipal Finance Authority. The City's guarantee portion of the outstanding debt at December 31, 2018 is \$1,009,235 (2017 – \$1,351,916).

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.

Notes to Financial Statements

December 31, 2018

19. Financial Plan Data

The financial plan data presented in these financial statements is based upon the 2018 operating and capital financial plan approved by Council on April 26, 2018. The table below reconciles the approved financial plan to the financial plan figures reported in these financial statements.

	Financial plan bylaw	Financial statement budget
Revenues		
Taxation	\$ 139,672,383	\$ 139,672,383
User fees and other revenue	67,976,014	67,976,014
Other	29,843,790	29,843,790
	<u>237,492,187</u>	<u>237,492,187</u>
Expenses		
General government	19,782,037	21,247,635
Protective services	74,554,425	75,837,496
Transportation services	20,445,572	24,794,439
Environmental and public health services	7,722,993	8,122,039
Social services and housing	1,048,186	1,048,186
Community planning	14,754,356	15,290,711
Parks, recreation and cultural services	29,235,230	30,493,687
Water utility	14,176,765	14,660,592
Sewer utility	3,665,636	3,890,415
Amortization	10,000,000	-
	<u>195,385,200</u>	<u>195,385,200</u>
	42,106,987	42,106,987
Less:		
Capital expenditures	(95,200,000)	-
Debt repayment	(3,064,671)	-
Add:		
Interfund transfers	56,157,684	-
Annual surplus	<u>\$ -</u>	<u>\$ 42,106,987</u>

Notes to Financial Statements

December 31, 2018

20. 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:

(i) General Government

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

(ii) Protective Services

Protective Services is comprised of four different functions, including the City's Emergency Management Agency, Fire, Police and the permits and inspections function of the Sustainable Planning and Community Development department. 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 Sustainable Planning and Community Development department has a broad range of policy, regulatory and program responsibilities including processing undertakings related to permits and inspections for Building Permits, Plumbing Permits, Electrical Permits, and signs.

(iii) 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.

(iv) 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, and Street Cleaning. The Solid Waste Collection and Recycling Operations section is responsible for the collection of household garbage. The 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 and squares.

(v) Social Services and Housing

Social Services and Housing includes grants to non-profit organizations for the purpose of facilitating social inclusion and community wellness, and to support affordable housing initiatives.

(vi) Parks, Recreation and Cultural Services

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 Crystal Pool, Save-On Foods Memorial Centre, Royal Athletic Park, and Community and Seniors Centres. The Arts and Culture function supports community vibrancy and economic impact through tourism and visitor attraction.

Notes to Financial Statements

December 31, 2018

20. Segmented Information (continued)

(vii) Planning and Development

This segment is composed of four departments:

Sustainable Planning and Community Development: Supports quality development and economic health of the City. This function includes regulatory and program responsibilities including: community and city-wide land use planning; urban design; planning applications including zoning, development and variance permits, demographic and other planning information services.

Real Estate: Administers the City's portfolio of commercial properties; in particular, negotiating leases and lease renewals with tenants (lease-outs) and landlords (lease ins).

Economic Development: This function is guided by six primary "engines" to drive Victoria's businesses, generate jobs, raise household incomes, and increase well-being. The six engines include: advance education and research and development; the ocean and marine sector; experimental tourism; government; technology; and entrepreneurship, start-ups and social enterprise.

Victoria Conference Centre: Responsible for strengthening the City's economy through the implementation of a vision and action plan for economic sustainability and growth in Victoria. Economic development in Victoria focuses on the prospects for the future as a city with high quality of life which supports the building of a vibrant, prosperous, fiscally sound and economically robust community.

(viii) 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 firefighting.

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 2018–2022 consolidated financial plan.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

Notes to Financial Statements

December 31, 2018

20. Segmented Information (continued)

2018	General Fund							Water Fund		Sewer Fund
	General Government	Protective Services	Transportation Services	Environmental and Public Health Services	Social Services and Housing	Parks, Recreation and Culture	Planning and Development	Water Utility	Sewer Utility	Total
Revenues										
Taxation	\$ 25,851,501	\$ 63,554,732	\$ 13,166,712	\$ 2,504,177	\$ 756,697	\$ 28,325,502	\$ 4,844,987	\$ -	\$ 792,985	\$ 139,797,293
Goods and services	39,587	8,982,645	15,040,559	8,964,781	-	2,373,612	11,429,033	21,609,781	7,490,787	75,930,785
Government transfers	-	1,890,441	3,162,772	1,810,661	-	-	-	-	-	6,863,874
Other	25,851,501	5,064,432	10,268,887	37,083	87,529	2,075,484	5,278,931	867,054	561,639	31,679,024
	39,587	79,492,250	41,638,930	13,316,702	844,226	32,774,598	21,552,951	22,476,835	8,845,411	254,270,976
Expenses										
Salaries and wages	10,430,000	65,693,042	14,087,336	4,722,293	84,722	13,802,468	6,142,292	3,589,786	2,534,742	121,086,681
Materials, supplies and services	5,005,373	8,564,234	7,169,537	2,417,907	320,143	11,641,395	10,034,416	10,813,005	763,238	56,72,248
Interest and foreign exchange	72,995	-	1,801,690	-	-	748,226	168,561	-	-	2,791,472
Grants	-	-	-	-	845,725	2,313,669	314,416	-	-	3,473,810
Other	632,401	-	-	-	-	-	-	-	-	632,401
Capital expenditure not meeting tangible capital asset criteria	1,600	32,880	254,662	163,194	-	89,508	6,723	58,518	258,788	865,873
Amortization	1,954,333	1,710,939	5,799,087	532,116	-	1,678,116	715,214	645,169	299,735	13,334,709
	18,096,702	76,001,095	29,112,312	7,835,510	1,250,590	30,273,382	17,381,622	15,106,478	3,856,503	198,914,194
Annual surplus	\$ 15,232,371	\$ 3,491,155	\$ 12,526,618	\$ 5,481,192	\$ (406,364)	\$ 2,501,216	\$ 4,171,329	\$ 7,370,357	\$ 4,988,908	\$ 55,356,782

Notes to Financial Statements

December 31, 2017

20. Segmented Information (continued)

2017	General Fund						Water Fund		Sewer Fund	Total
	General Government	Protective Services	Transportation Services	Environmental and Public Health Services	Social Services and Housing	Parks, Recreation and Culture	Planning and Development	Water Utility	Sewer Utility	
Revenues										
Taxation	\$ 24,610,419	\$ 61,848,820	\$ 10,676,307	\$ 2,389,623	\$ 1,593,061	\$ 27,223,195	\$ 4,892,595	\$ -	\$ 791,985	\$ 134,026,005
Goods and services	41,494	8,567,115	14,185,281	8,437,761	-	2,258,821	9,123,463	21,290,240	7,765,231	71,669,406
Government transfers	-	1,794,608	7,117,460	1,220,657	-	331,372	-	-	-	10,464,097
Other	5,746,429	4,400,195	5,319,295	47,778	-	1,498,809	4,396,100	719,181	449,940	22,577,727
	30,398,342	76,610,738	37,298,343	12,095,819	1,593,061	31,312,197	18,412,158	22,009,421	9,007,156	238,737,235
Expenses										
Salaries and wages	10,338,994	64,787,852	13,579,528	4,470,817	-	13,009,336	5,496,687	3,430,490	2,357,179	117,470,883
Materials, supplies and services	4,681,704	8,508,105	6,125,816	2,359,011	53,106	11,082,294	8,478,953	10,210,006	798,938	52,297,933
Interest and foreign exchange	127,146	-	1,601,996	-	-	794,112	168,561	-	-	2,691,815
Grants	-	-	-	-	1,497,500	1,978,055	319,031	-	-	3,794,586
Other	(315,285)	-	-	-	-	27,059	-	-	-	(288,226)
Capital expenditure not meeting tangible capital asset criteria	19,475	168,933	179,219	275,511	-	432,372	188,647	10,718	137,698	1,412,573
Amortization	2,016,070	1,663,294	4,493,998	509,400	-	1,614,281	701,506	606,348	267,677	11,872,574
	16,868,104	75,128,184	25,980,557	7,614,739	1,550,606	28,937,509	15,353,385	14,257,562	3,561,492	189,252,138
Annual surplus	\$ 13,530,238	\$ 1,482,554	\$ 11,317,786	\$ 4,481,080	\$ 42,455	\$ 2,374,688	\$ 3,058,773	\$ 7,751,859	\$ 5,445,664	\$ 49,485,097

21. Comparative Figures

Certain figures in the comparative information have been reclassified to conform with the current year presentation.

STATISTICAL INFORMATION

The Corporation of the City of Victoria

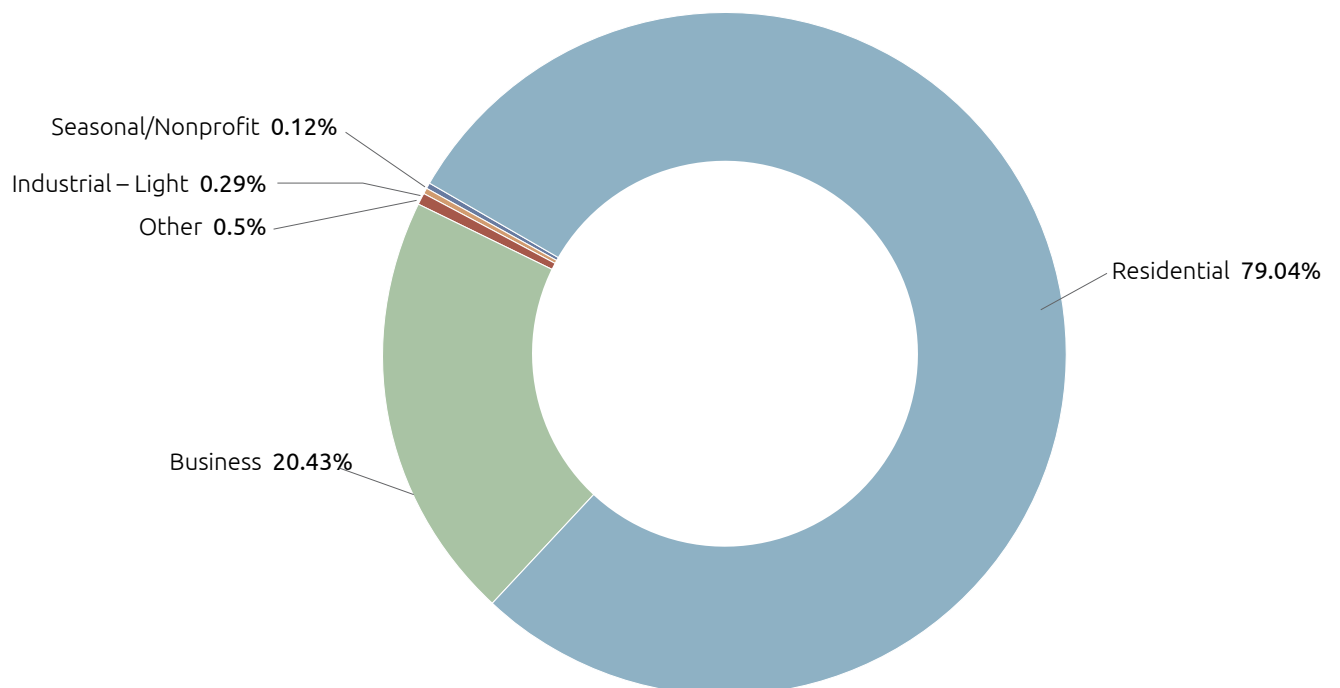
Year Ended December 31, 2018

Statistical Information

Taxable Assessments of Land and Improvements 2014–2018 (IN MILLIONS)

PROPERTY CLASS	2014	2015	2016	2017	2018
Residential	\$ 13,152	\$ 13,774	\$ 14,306	\$ 17,411	\$ 20,477
Utilities	16	15	15	16	17
Industrial – Major	10	9	10	11	12
Industrial – Light	60	59	59	68	76
Business	4,146	4,236	4,393	4,761	5,294
Seasonal/Non-profit	23	23	27	34	32
	\$ 17,408	\$ 18,116	\$ 18,810	\$ 22,301	\$ 25,906

2018 Assessments By Property Class



SOURCE: BC ASSESSMENT

Statistical Information

Property Tax Rates 2014–2018

	2014	2015	2016	2017	2018
MUNICIPAL (\$ PER 1000 ASSESSMENT)					
Residential	4.4691	4.4414	4.2746	3.6649	3.2889
Utilities	33.1233	37.7158	36.8124	34.8127	33.9650
Supportive Housing	4.4691	4.4414	4.2746	3.6649	3.2889
Industrial – Major	13.4416	13.8749	13.0546	12.4577	11.6261
Industrial – Light	13.4416	13.8749	13.0546	12.4577	11.6261
Business	13.4416	13.8749	13.0546	12.4577	11.6261
Seasonal	8.1846	8.2188	7.1681	7.3998	8.1556
TOTAL – Including School, Region, etc. (\$ PER 1000 ASSESSMENT)					
Residential	7.1894	7.1137	6.8297	5.8006	5.2035
Utilities	51.7735	56.6735	55.6549	53.0890	51.8724
Supportive Housing	5.4366	5.4017	5.2194	4.4927	4.0246
Industrial – Major	23.1686	23.3965	22.0839	20.5352	18.8075
Industrial – Light	22.8326	23.0614	21.7419	20.1764	18.4279
Business	22.5370	22.7749	21.4646	19.9298	18.2099
Recreation Non-profit	12.7579	12.6931	11.3723	11.1335	11.6640
MUNICIPAL TAX BILLINGS BY PROPERTY CLASS (IN THOUSANDS)					
Residential	\$ 58,779	\$ 61,174	\$ 61,154	\$ 63,810	\$ 67,346
Utilities	537	550	545	561	592
Industrial – Major	137	127	124	140	134
Industrial – Light	812	817	774	842	879
Business	55,723	58,780	57,350	59,309	61,543
Seasonal	187	188	192	249	258
TOTAL	\$ 116,176	\$ 121,636	\$ 120,140	\$ 124,912	\$ 130,751

New Construction 2014–2018

	2014	2015	2016	2017	2018
Construction Permits	3,452	3,422	3,537	3,333	3,706
Construction Value (\$ MILLION)	\$156	\$235	\$300	\$376	\$414
Taxes Generated from New Growth	\$ 1,369,512	\$ 2,871,843	\$ 425,267	\$ 1,195,158	\$ 2,573,556

SOURCE: CITY OF VICTORIA FINANCE DEPARTMENT

Labour Force Activity 2014–2018

	2014	2015	2016	2017	2018
Victoria Unemployment Rate	5.4%	5.8%	5.2%	3.9%	4.0%
Number of City Employees	1,218	1,246	1,259	1,271	1,275

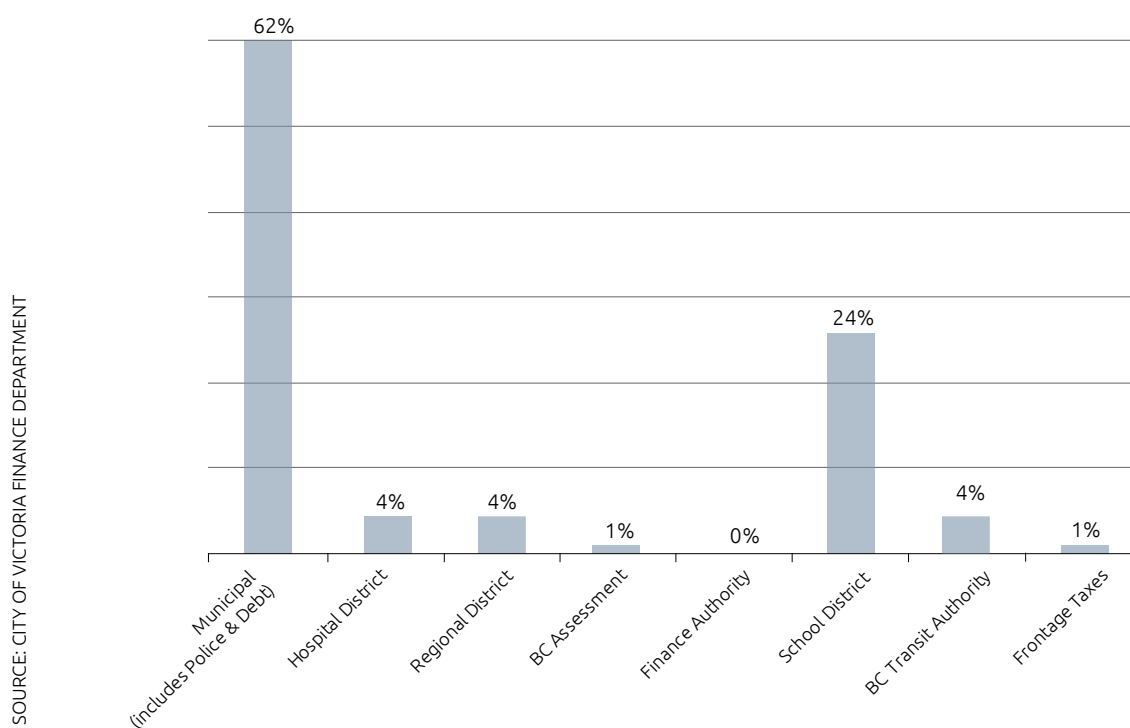
SOURCE: LABOUR FORCE SURVEY: STATISTICS CANADA

Statistical Information

Property Tax Levied and Collected 2014–2018 (IN THOUSANDS)

	2014	2015	2016	2017	2018
Municipal (incl Police & Debt)	\$ 116,176	\$ 121,636	\$ 120,140	\$ 124,912	\$ 130,751
Hospital District	7,396	7,420	7,452	7,682	7,792
Regional District	7,627	8,194	8,516	8,789	9,055
BC Assessment	1,590	1,578	1,515	1,463	1,531
Finance Authority	5	5	5	6	7
School District	50,249	50,519	49,223	48,472	49,534
BC Transit Authority	8,917	9,074	9,065	8,674	8,520
Frontage Taxes	2,431	2,458	2,425	2,437	2,465
	\$ 194,392	\$ 200,885	\$ 198,342	\$ 202,434	\$ 209,655
Total Current Taxes Levied	\$ 194,392	\$ 200,885	\$ 198,342	\$ 202,434	\$ 209,655
Current Taxes Collected	191,991	199,115	196,613	201,358	208,537
Percentage	98.76%	99.12%	99.13%	99.47%	99.47%
Outstanding at Beginning of Year	\$ 8,138	\$ 8,848	\$9,996	\$ 10,561	\$ 11,206
Arrears Collected	7,108	8,187	9,301	10,032	10,861
Percentage	87.35%	92.52%	93.05%	95.00%	96.92%
Total Tax Collections	\$ 199,099	\$ 207,302	\$ 205,914	\$ 211,391	\$ 219,398

2018 Taxes by Jurisdiction



Statistical Information

2018 Principal Corporate Tax Payers

Registered Owner	Primary Property	Taxes Levied
4239440 Canada Inc	Shopping Centre	\$ 5,395,753
Hillside Centre Holdings Inc	Shopping Centre	4,907,571
TBC Nominee Inc	Shopping Centre	2,511,206
Jawl Holdings Ltd	Various	1,894,572
Jawl Investment Corporation	Office Building	1,840,365
9325875 Canada Inc/Jawl Enterprises Ltd	Office Building	1,764,376
Empress Title Corp	Hotel	1,563,012
Jutland Road (Nominee) Inc	Office Building	1,334,840
Jim Pattison Developments Ltd	Various	1,275,915
Sun Life Assurance Company of Canada	Office Building	1,042,364
Grampian Holdings Ltd	Stores/Offices	1,027,469
525 Superior Street Victoria Holdings Inc/Jawl Precinct Lands Corp	Office Building	990,546
Sussex Place Holding Co Inc	Office Building	970,173
910 Government Holdings Ltd	Stores/Offices	878,280
Greater Victoria Harbour Authority	Various	843,946
1175 Douglas (BC) Properties Inc	Office Building	752,359
Telus Communications Inc	Office Building	722,780
903-911 Yates Street Properties Ltd	Shopping Centre/Market	695,217
Pacific Sun Hotel Inc	Hotel	689,519
DHL No 40 Holdings Ltd	Hotel/Motel	563,053
RAAMCO International Properties Canadian Ltd	Multi-Family Apartment	553,039
Andrew Sheret Holdings Ltd	Various	540,272
LLRC Investments Ltd	Shopping Centre	538,179
Westside Village Shopping Centre Ltd	Shopping Centre	535,989
IMH James Bay Properties Ltd	Multi-Family/Shopping Centre	528,634
Victoria Downtown Hotel Estates Ltd	Hotel	521,832
Saratoga Investments Ltd	Stores/Offices	453,654
Executive House Ltd	Hotel	433,458
1675 Douglas (BC) Properties Inc	Stores/Offices	432,753
Investors Group Trust Co Ltd	Office Building	416,050
		<u>\$ 36,617,175</u>

Statistical Information

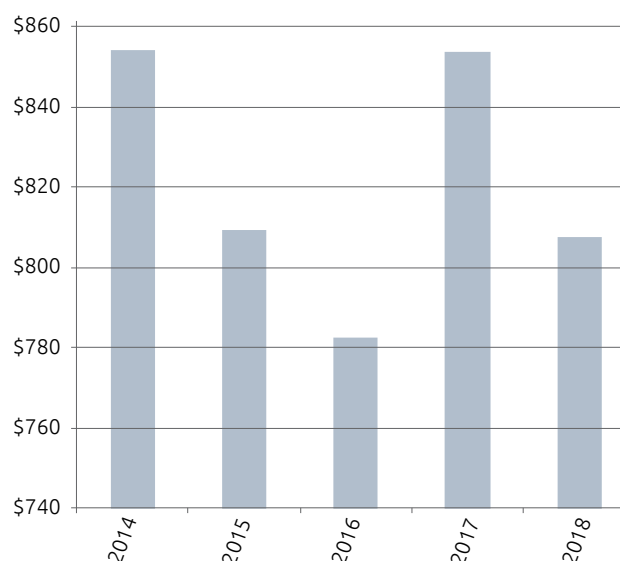
Debenture Debt 2014–2018 (IN THOUSANDS)

	2014	2015	2016	2017	2018
Gross Outstanding Debt	\$ 84,115	\$ 81,415	\$ 85,649	\$ 95,249	\$ 95,249
Less: Sinking Fund Payments	15,761	16,657	18,526	21,998	25,976
Net Debt	\$ 68,354	\$ 64,758	\$ 67,123	\$ 73,251	\$ 69,273
General	\$ 4,052	\$ 4,407	\$ 3,813	\$ 4,174	\$ 4,666
Victoria Conference Centre	340	340	340	340	340
Parking Services	845	845	845	845	827
Total Debt Servicing Costs	\$ 5,238	\$ 5,593	\$ 4,999	\$ 5,359	\$ 5,834
Population	80,017	80,017	85,792	85,792	85,792
Net Debt per Capita	\$ 854	\$ 809	\$ 782	\$ 854	\$ 807
Debt Servicing per Capita	\$ 65	\$ 70	\$ 58	\$ 62	\$ 68
Debt Service as % of Expenses	2.97%	3.02%	2.65%	2.80%	2.93%
# of Households	47,691	47,691	49,212	49,212	49,212
Gross Debt Servicing Limit	\$ 51,004	\$ 52,598	\$ 54,728	\$ 57,248	\$ 62,060

Statement of Financial Position 2014–2018

	2014	2015	2016	2017	2018
Financial Assets	\$ 221,504	\$ 235,371	\$ 257,726	\$ 282,832	\$ 310,946
Financial Liabilities	\$ 127,689	\$ 135,724	\$ 144,194	\$ 160,885	\$ 163,990
Net Financial Assets/(Net Debt)	\$ 93,815	\$ 99,647	\$ 113,531	\$ 121,947	\$ 146,956

Per Capita Net Debt



SOURCE: MUNICIPAL FINANCE AUTHORITY
SOURCE: POPULATION: STATISTICS CANADA

Statistical Information

Revenue and Expenses 2014–2018 (IN THOUSANDS)

Revenue	2014	2015	2016	2017	2018
Property Taxes	\$ 121,800	\$ 127,687	\$ 126,113	\$ 127,697	\$ 133,548
Payment In Lieu of Taxes	5,658	5,959	5,865	6,329	6,250
Sales of Services	40,075	40,617	48,788	51,153	54,891
Sale of Water	19,712	18,567	19,687	20,517	21,040
Licences and Permits	3,809	4,269	5,118	4,418	5,273
Fines	3,976	3,203	3,394	3,400	3,767
Rentals and Leases	916	1,230	1,349	1,489	1,536
Other penalties and interest	886	727	738	658	657
Investment income	3,567	2,824	2,743	3,493	5,419
Unconditional					
Government Transfers	1,873	2,183	1,972	1,756	1,861
Conditional Government Transfers	13,507	15,998	7,873	8,708	5,002
Other	5,381	6,903	6,910	9,119	15,027
	\$ 221,161	\$ 230,166	\$ 230,550	\$ 238,737	\$ 254,271

Expenses by Function

General Government	\$ 39,202	\$ 19,390	\$ 19,478	\$ 16,868	\$ 18,097
Protective Services	65,931	70,263	72,408	75,128	76,001
Transportation Services	19,618	23,794	24,382	25,981	29,112
Environmental/Public Health	6,795	8,331	7,859	7,615	7,836
Social Services and Housing		4,948	712	1,551	1,251
Planning and Development	2,874	15,607	17,059	15,353	17,382
Parks Recreation and Cultural	23,772	27,359	29,420	28,938	30,273
Water Utility	12,375	12,368	13,357	14,258	15,106
Sewer Utility	3,461	3,542	3,343	3,561	3,857
	\$ 174,030	\$ 185,601	\$ 188,017	\$ 189,252	\$ 198,914

Expenses by Object

Salaries Wages and Benefits	\$ 107,308	\$ 111,650	\$ 114,511	\$ 117,471	\$ 121,087
Materials Supplies and Services	31,963	48,846	52,701	52,298	56,729
Interest & Other	24,352	14,202	9,522	7,611	7,764
Amortization	10,407	10,903	11,282	11,873	13,335
	\$ 174,030	\$ 185,601	\$ 188,017	\$ 189,252	\$ 198,914

SOURCE: CITY OF VICTORIA FINANCE DEPARTMENT

Statistical Information

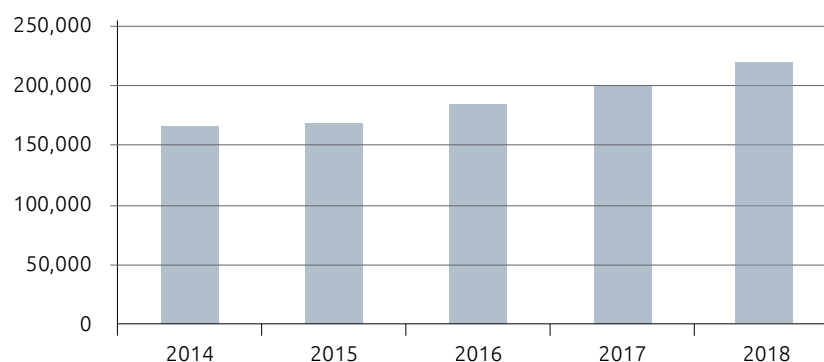
Statement of Operations 2014–2018 (IN THOUSANDS)

	2014	2015	2016	2017	2018
Accumulated Surplus, Beginning of Year	\$ 436,208	\$ 483,339	\$ 527,904	\$ 570,437	\$ 619,922
Annual Surplus/(Deficit)	47,131	44,565	42,533	49,485	55,357
Accumulated Surplus, End of Year	\$ 483,339	\$ 527,904	\$ 570,437	\$ 619,922	\$ 675,279

Reserve Funds and Statement of Surplus 2014–2018 (IN THOUSANDS)

	2014	2015	2016	2017	2018
Reserve Funds					
Operating Fund	\$ 2,898	\$ 1,818	\$ 4,033	\$ 4,026	\$ 4,544
Financial Stability Reserves	36,072	42,194	48,260	54,794	60,146
Equipment and Infrastructure Replacement Fund	117,190	112,327	123,130	131,430	146,797
Tax Sale Lands Fund	7,202	6,877	5,866	5,790	3,976
Parks and Greenways Acquisition Fund	2,298	2,324	2,346	2,724	2,887
Local Amenities	522	596	637	754	966
Victoria Housing Fund	2,141	2,709	2,883	1,950	2,231
Climate Action	506	634	766	851	794
Art in Public Places	437	546	580	596	467
Downtown Core Area Public Realm Improvements	58	99	151	153	216
Downtown Heritage Building Seismic Upgrades	19	22	88	89	150
Strategic Objectives	–	950	–	–	–
Development Stabilization Reserve Account	–	–	–	328	1,880
Less: Unfunded Employee Benefit Obligations	(4,998)	(4,731)	(5,807)	(5,965)	(5,391)
Total Reserves	\$ 164,345	\$ 166,365	\$ 182,931	\$ 197,521	\$ 219,664

Reserves



SOURCE: CITY OF VICTORIA FINANCE DEPARTMENT

Statistical Information

Capital Expenditures and Funding Sources 2014–2018 (IN THOUSANDS)

	2014	2015	2016	2017	2018
Expenditures					
Civic Facilities	\$ 3,810	\$ 12,232	\$ 3,224	\$ 3,988	\$ 3,844
Equipment	4,413	4,610	3,691	6,649	4,591
Streets	2,995	4,214	3,042	3,209	4,742
Transportation & Development	19,174	25,671	17,759	24,143	14,082
Civic Services	6	42	–	–	–
Storm Drains	3,617	2,758	5,186	5,591	3,258
Parks	2,681	806	2,274	1,645	1,391
Planning & Development	95	–	–	–	–
Shoreline Protection	3	26	–	–	–
Revitalization	346	515	436	621	477
Downtown Revitalization	287	130	182	148	14
Environmental Remediation	845	870	115	200	1,677
Water Utility	4,081	3,575	3,099	5,130	4,505
Sewer Utility	2,106	2,157	3,242	2,351	4,463
Victoria Conference Centre	273	350	281	692	460
	\$ 44,732	\$ 57,958	\$ 42,531	\$ 54,370	\$ 43,505
Funding Sources					
Property Taxes	\$ 12,371	\$ 12,927	\$ 10,299	\$ 10,161	\$ 10,165
Equipment & Infrastructure	2,123	14,031	10,651	6,241	9,889
Tax Sale Land Reserve	2,633	473	1,127	220	1,993
Development Cost Charges	52	53	–	252	114
Climate Action	–	–	–	–	22
Financial Stability	–	–	–	–	137
Parks and Greenways Acquisition	–	–	–	–	380
Economic Development Reserve	–	–	–	–	–
Parks and Recreation Facility Reserve	–	–	–	–	–
Parking Reserve	786	758	1,049	328	318
Trust Funds	–	–	–	–	–
Grants and Partnerships	10,055	11,331	4,286	4,570	1,474
Gas Tax	1,394	730	4,681	7,478	2,103
Debt	7,788	8,746	–	12,803	–
Water Utility	4,081	3,575	3,099	5,242	4,455
Sewer Utility	2,106	2,157	3,242	2,351	4,438
Storm Water Utility	234	278	2,726	2,655	2,198
Victoria Conference Centre	286	250	281	152	4
Save On Foods Memorial Centre	–	–	–	53	185
Police Equipment & Infrastructure	173	1,301	870	1,191	1,355
Affordable Housing Reserve	–	–	–	–	–
Other	648	1,347	221	673	4,275
	\$ 44,732	\$ 57,958	\$ 42,531	\$ 54,370	\$ 43,505

Statistical Information

2018 Grants

	Grants	In-kind Services	Exemption from Property Taxes	Total
5th BC Field Regiment, RCA	\$	\$ 109	\$	\$ 109
Aboriginal Tourism Association of BC	7,200			7,200
AIDS Vancouver Island			31,030	31,030
Anawim Companions Society		54	3,989	4,043
Anglican Synod Diocese of BC			116,933	116,933
Art Gallery of Greater Victoria	8,500	9,364	85,917	103,781
Arthritis Society of BC and Yukon			12,055	12,055
ArtsREACH	1,000			1,000
Ballet Victoria Society	7,000			7,000
Bayanihan Cultural and Housing Society			3,756	3,756
BC Accordion and Tango Society	5,120			5,120
BC Dom Operations Canadian Forces		1,015		1,015
BC Law Enforcement		686		686
BC Muslim Association			4,844	4,844
BC Society for the Prevention of Cruelty to Animals			29,786	29,786
Beacon Community Services			31,286	31,286
Belfry Theatre Society			32,402	32,402
Bishop of Victoria			16,475	16,475
Black Hat Building (Heritage)			62,421	62,421
Blue Bridge Theatre Society			10,591	10,591
Bridges for Women Society	20,000			20,000
British Motor Car Club		108		108
Burnside Gorge Community Association	106,096	1,046		107,142
Canada Tibet Committee		84		84
Canadian Cancer Society BC and Yukon Division			50,829	50,829
Canadian Red Cross Society			52,201	52,201
Casa Maria Emergency Housing Society			3,167	3,167
Centennial United Church			19,747	19,747
Central Baptist Church			18,440	18,440
Cerebral Palsy Association of BC	2,500			2,500
Chabad of Vancouver Island			4,420	4,420
Chinese Consolidated Benevolent Association		2,207		2,207
Chinese Empire Reform Association Building (Heritage)			10,384	10,384
Christ Church Cathedral	5,000			5,000
Church of Jesus Christ of Latter Day Saints			22,233	22,233
Church of Our Lord			17,583	17,583
Cine-Vic Society of Independent Filmmakers	2,500			2,500
City Electronic Music Society	2,000			2,000
Clover Point Anglers' Association			3,663	3,663
Community of Christ Inc			4,354	4,354
Community Social Planning Council of Greater Victoria		191		191
Compass Group Canada	82			82
Congregation Emanu-El			1,558	1,558
Cook Street Business Association		931		931

Statistical Information

2018 Grants

	Grants	In-kind Services	Exemption from Property Taxes	Total
Cook Street Village Activity Centre Society (New Horizons)	\$ 52,644	\$	\$	\$ 52,644
Cornerstone Christian Fellowship			2,493	2,493
Council of Canadians		2,436		2,436
Craigdarroch Castle Historical Museum Society			112,168	112,168
Cridge Centre for the Family		372	7,262	7,634
Crisis Intervention and Public Information Society of Greater Victoria	18,000			18,000
Disaster Aid Canada	7,500			7,500
Dockside Green Limited			59,914	59,914
Dogwood Building (Heritage)			153,511	153,511
Downtown Residents' Association	18,587	822		19,409
Downtown Victoria Business Association	24,500	20,609		45,109
Easter Seals/BC Lions Society		136		136
Ecole Quadra Elementary	5,000			5,000
Ending Violence Association of BC	2,500			2,500
Fairfield Gonzales Community Association	148,244	848		149,092
Fairway Gorge Paddling Club	11,000	192		11,192
FED Restaurant Society	16,500			16,500
Fernwood Allotment Garden		782		782
Fernwood Community Association	10,983	1,529	4,778	17,290
Fernwood Neighbourhood Resource Group	85,001	1,064		86,065
Fire Fighters' Burn Fund of Greater Victoria			2,286	2,286
First Baptist Church			3,238	3,238
First Church of Christ Scientist			12,209	12,209
First Church of Truth			5,709	5,709
First Metropolitan United Church			29,695	29,695
First Open Heart Society of BC			3,078	3,078
Flamenco de la Isla Society	7,500	728		8,228
Foursquare Gospel Church of Canada			2,218	2,218
Franciscan Friars of Western Canada			4,631	4,631
Freshwater Fisheries Society of BC			18,206	18,206
Fung Loy Kok Institute of Taoism			9,416	9,416
Gaston, Bill (Butler Book Prize)	5,000			5,000
Girl Guides of Canada Southern Vancouver Island			8,022	8,022
Glad Tidings Pentecostal Church			82,967	82,967
Gorge Swim Fest Society	1,000			1,000
Governing Council of the Salvation Army in Canada			60,402	60,402
Grace Evangelical Lutheran Church			22,322	22,322
Greater Victoria Bike to Work Society	5,000	560		5,560
Greater Victoria Citizens' Counselling Centre			9,859	9,859
Greater Victoria Crossing Guards Association	27,725			27,725
Greater Victoria Cycling Coalition	5,000			5,000
Greater Victoria Festival Society	13,800	21,639		35,439
Greater Victoria Housing Society			6,591	6,591
Greater Victoria Placemaking Network	615			615

Statistical Information

2018 Grants

	Grants	In-kind Services	Exemption from Property Taxes	Total
Greater Victoria Rental Development Society	\$	\$	\$ 14,320	\$ 14,320
Greater Victoria School District #61		82		82
Greater Victoria Visitors and Convention Bureau	10,000			10,000
Gurdwara Singh Sabha Society of Victoria		760	13,929	14,689
Headway Victoria Epilepsy and Parkinson's Centre	3,000			3,000
Heart and Stroke Foundation		81		81
Hillside Quadra Neighbourhood Action Committee	500			500
Hockey Canada (World Junior Championships)	35,000			35,000
Hook Sin Tong Building (Heritage)			26,225	26,225
Hotel Rialto Building (Heritage)			108,541	108,541
Hudson Building (Heritage)			160,370	160,370
Impulse Theatre Society	1,000			1,000
India Canada Cultural Association	4,240	5,681		9,921
InnovativeCommunities.Org Foundation			4,200	4,200
Integrate Arts Society	3,600	55		3,655
Intrepid Theatre Company	18,500	1,872		20,372
Island Community Mental Health			31,553	31,553
Island Corridor Foundation			24,404	24,404
Island Equipment Owners Association		8,578		8,578
James Bay Anglers' Association			3,454	3,454
James Bay Community Project	5,000			5,000
James Bay Community School Centre	67,408			67,408
James Bay Health and Community Services Society			24,138	24,138
James Bay Neighbourhood Association	16,556	66		16,622
James Bay New Horizons Society	80,057			80,057
James Bay United Church	5,000		14,679	19,679
Janion (Heritage)			62,725	62,725
John Howard Society of Victoria			8,472	8,472
Jubilee Congregation of Jehovah's Witnesses			7,365	7,365
Just Love Animals Society		143		143
Kaleidoscope Theatre Productions Society	4,000	55		4,055
Kalghidhar Shromani Society			3,915	3,915
Keystone Victoria Christian Ministries Inc			4,331	4,331
Khalsa Diwan Society of Victoria			20,490	20,490
KidSport Victoria	18,000			18,000
Kiwanis Club of Victoria			8,811	8,811
Knights of Columbus		119		119
Laren Society			5,019	5,019
Leiser Building (Heritage)			48,551	48,551
Lewis and Humphrey Block (Heritage)			42,526	42,526
Lifecycles Project Society	8,000	66		8,066
Living Edge Community	10,000			10,000
Loo Chew Fan Building/Ning Yung Building (Heritage)			34,383	34,383
Lum Sam Building/Lee Chong Building (Heritage)			48,785	48,785

Statistical Information

2018 Grants

	Grants	In-kind Services	Exemption from Property Taxes	Total
Make-A-Wish BC and Yukon	\$	\$ 136	\$	\$ 136
Maplewood Gospel Hall			10,366	10,366
Margaret Jenkins Elementary		410		410
Maritime Museum	20,000	136		20,136
Maximus BC Health Inc (Victoria UrbaCity Challenge)		89		89
Mexican Canadian Community Association of Victoria		1,478		1,478
Morley's Soda Factory Building (Heritage)			12,480	12,480
Move Adapted Fitness	6,000			6,000
Murray, Eden (Mayor's School Entrepreneur Award)	250			250
Mustard Seed Street Church	5,000		5,513	10,513
New England Hotel Building (Heritage)			25,169	25,169
North Jubilee Neighbourhood Association	2,668	848		3,516
North Park Neighbourhood Association	17,628	1,810		19,438
Oak Bay Gospel Assembly			6,981	6,981
Oaklands Chapel		222	4,349	4,571
Oaklands Community Association	91,406	340	2,944	94,690
Oaklands Elementary School	5,000			5,000
Open Door Spiritualist Church			2,023	2,023
Open Space Arts Society			9,347	9,347
Oriental Hotel Building (Heritage)			56,380	56,380
Our Place Society	200,000			200,000
Pacific Montessori Society		230		230
Pacific Peoples' Partnership	4,600	403		5,003
Pacific Training Centre for the Blind	13,000			13,000
Pacific Transfer Building (Heritage)			15,705	15,705
Pacifica Housing Advisory Association	270,000		27,193	297,193
Palladian (Heritage)			46,261	46,261
Parkdale Evangelical Free Church			4,072	4,072
Peers Victoria Resource Society	13,000			13,000
Pentecostal Assemblies of Canada			5,811	5,811
Phoenix Human Services Association			15,684	15,684
Pollinator Partnership Canada	11,500			11,500
Portland Hotel (Heritage)			53,939	53,939
Promis Block/Warner Building (Heritage)			79,720	79,720
Province of BC, Ministry of Health		191		191
Quadra Village Community Centre	95,083	230		95,313
Rainbow Health Cooperative	4,800			4,800
Recreation Integration Victoria	35,139			35,139
Religious Society of Friends			9,950	9,950
Rockland Community Association	3,005			3,005
Ross Bay Villa Society			3,403	3,403
Royal and McPherson Theatre Society			94,741	94,741
Royal Victoria Yacht Club		218		218
Ryder Hesjdal's Tour de Victoria		16,685		16,685

Statistical Information

2018 Grants

	Grants	In-kind Services	Exemption from Property Taxes	Total
Saint Germain Foundation of Canada (Victoria Branch)	\$	\$	\$ 4,543	\$ 4,543
Saint Sophia Parish of The Russian Orthodox Church			4,119	4,119
Sandor, Nicholas (Mayor's School Entrepreneur Award)	250			250
Scouts Canada 2nd Fort Victoria Group			11,184	11,184
Selkirk Montessori School	5,000			5,000
Seventh-Day Adventist Church			2,895	2,895
Shekinah Homes Society			4,654	4,654
SHIFT Collaborative Society	8,000			8,000
Shon Yee Benevolent Association		2,051		2,051
Silver Threads Service	205,033			205,033
Societe Francophone de Victoria	8,000			8,000
Society for Kids at Tennis (KATS)	8,000			8,000
Society of Saint Vincent de Paul of Vancouver Island			40,331	40,331
South Island Prosperity Project	218,916			218,916
South Jubilee Neighbourhood Association	1,984			1,984
South Park School PAC		863		863
Spray, Kristin (Orange Shirt Day)	4,990			4,990
St Andrew's Presbyterian Church			31,024	31,024
Story Studio Writing Society	4,000			4,000
Suddenly Dance Theatre Society	800			800
Surfrider Foundation Vancouver Island Chapter		50		50
Synergy Sustainability Institute	7,000			7,000
Terry Fox Foundation		2,138		2,138
Theatre Inconnu	1,000			1,000
Theatre SKAM Association	16,000	777		16,777
Thomas Earle Warehouse (Heritage)			25,425	25,425
Threshold Housing Society	25,000	82	3,039	28,121
Tides Canada Initiatives Society	4,000			4,000
Times Colonist Cycling Festival		5,349		5,349
TLC (The Land Conservancy) of BC			31,253	31,253
Tweed Ride Victoria		732		732
Ukrainian Catholic Eparchy of the New Westminster			5,562	5,562
United Church of Canada			9,603	9,603
Unity Church of Victoria			3,538	3,538
University of Victoria – Faculty Association		453		453
University of Victoria – Native Student Union	930			930
University of Victoria – Music Radio Society		54		54
Vancouver Island Addiction Recovery Society			2,213	2,213
Vancouver Island Counselling Centre for Immigrants and Refugees	10,000			10,000
Vancouver Island South Film and Media Commissions	45,000			45,000
Victoria Association for Community Living			6,328	6,328
Victoria BC SKA Society	13,480	2,932		16,412
Victoria Brain Injury Society	8,500			8,500

Statistical Information

2018 Grants

	Grants	In-kind Services	Exemption from Property Taxes	Total
Victoria Chinese Alliance Church	\$	\$	\$ 4,389	\$ 4,389
Victoria Chinese Presbyterian Church			10,431	10,431
Victoria Civic Heritage Trust	532,000			532,000
Victoria Community Association		538		538
Victoria Community Micro Lending Society	5,000			5,000
Victoria Compost And Conservation Education Society	6,000	1,002		7,002
Victoria Conservatory of Music	9,000		79,360	88,360
Victoria Cool Aid Society	52,644	81	37,239	89,964
Victoria Cycling Series		3,528		3,528
Victoria Disability Resource Centre	500			500
Victoria Dragon Boat Festival Society		3,722		3,722
Victoria Festival of Authors Society	2,500			2,500
Victoria Health Cooperative	1,000			1,000
Victoria Heritage Foundation	220,841			220,841
Victoria High School		782		782
Victoria Highland Games Association	8,000	3,040		11,040
Victoria Hospice Foundation		54		54
Victoria Immigrant and Refugee Centre Society	12,000			12,000
Victoria Independent Film and Video Festival	13,000	1,189		14,189
Victoria Innovation, Advanced Technology and Entrepreneurship Council (ViaTEC)	15,000			15,000
Victoria International Running Society		6,256		6,256
Victoria Jazz Society	19,200	12,773		31,973
Victoria Marathon Society		36,330		36,330
Victoria Native Friendship Centre			25,443	25,443
Victoria Pretty Good Society	4,000	310		4,310
Victoria Pride Society	8,800	16,780		25,580
Victoria Shambhala Centre			4,143	4,143
Victoria Single Parent Resource Centre Society	5,000		8,940	13,940
Victoria Social Innovation Centre Society			32,402	32,402
Victoria Symphony Society	13,500	16,450		29,950
Victoria Theatre Guild and Dramatic School			19,762	19,762
Victoria Truth Centre Inc			3,434	3,434
Victoria West Community Association	108,368	1,274		109,642
Victoria Women in Need Community Cooperative			10,591	10,591
Victoria Women's Sexual Assault Centre	40,000		6,604	46,604
Victoria Women's Transition House Society	40,000		13,503	53,503
Victoria Youth Empowerment Society	11,000		7,580	18,580
Volunteer Victoria	3,000			3,000
Wholesale Woolens Building (Heritage)			20,046	20,046
Winners Chapel Victoria			5,554	5,554
Wounded Warriors of Canada		804		804
YM/YWCA of Greater Victoria			68,433	68,433
	\$ 3,446,261	\$ 229,903	\$ 3,027,820	\$ 6,703,984

Looking Forward

Strategic Plan 2019–2022

In March of 2019, Mayor and Council adopted a new Strategic Plan that will guide the direction of the City over the next four years.

Goal Statement

By 2022, Victoria will be a bold, thriving, inclusive, and happy city that people love. We will be known globally for our climate leadership practices, multi-modal transportation options, innovative approaches to affordable housing, and for meaningful reconciliation with the Songhees and Esquimalt Nations on whose homelands our city was built.

Strategic Objectives



STRATEGIC OBJECTIVE ONE

Good Governance and Civic Engagement



STRATEGIC OBJECTIVE FIVE

Health, Well-Being and a Welcoming City



STRATEGIC OBJECTIVE TWO

Reconciliation and Indigenous Relations



STRATEGIC OBJECTIVE SIX

Climate Leadership and Environmental Stewardship



STRATEGIC OBJECTIVE THREE

Affordable Housing



STRATEGIC OBJECTIVE SEVEN

Sustainable Transportation



STRATEGIC OBJECTIVE FOUR

Prosperity and Economic Inclusion



STRATEGIC OBJECTIVE EIGHT

Strong, Liveable Neighbourhoods

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



2 trees



6,208 litres of water
18 days of water consumption



72.6 kg of waste
2 waste containers



72.6 kg CO₂
1,681.8 Kms driven



1 MMBtu
6,899 60W light bulbs for one hour



2.3 Kgs NOX

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