

# City of Victoria

Annual Report | 2007

# It's all about the people...



A community is defined by people; those who call it home, those who do business here, and those who travel here to work and play. And it is supported by the hard work and commitment of the people who quietly work behind the scenes to ensure it runs smoothly and safely.

Proudly representing British Columbia as the Capital City, the City of Victoria leads by example in the areas of environmental sustainability, social and cultural development, economic vitality, and staff and service excellence. We recognize that how we do business today will affect how we sustain our resources, infrastructure and environment for future generations.

The City of Victoria staff is providing that leadership through a combination of hard work, and progressive – sometimes pioneering – initiatives. From cutting-edge environmental and transportation initiatives, large-scale international sporting opportunities, first-rate conference offerings, and inventive beautification and heritage programs, it is a combination of an engaged citizenry, dedicated elected officials and outstanding staff that make Victoria the brilliant community it is.

Located on the southern tip of Vancouver Island, Victoria is a community of choice for its temperate climate, natural beauty, recreational sites and superior economic opportunities. Victorians are known for community spirit, and that sense of pride and responsibility that run strong through serving the community itself. Victoria has been blessed with a wealth of natural and man-made riches, including stunning heritage architecture framed by ocean views and mountain vistas. It is this rare juxtaposition of heritage charm, scenic backdrop and modern city-scape that makes Victoria one of the most uniquely special places in Canada.

# City of Victoria, British Columbia



Annual Report 2007  
January 1 – December 31, 2007

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



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*Clockwise from top left: GreenApple Canada Smart Transportation Rankings Award; FIFA Under 20 World Soccer Tournament; Tree Appreciation Day*

# Message from the Mayor



Dear Fellow Victorians,

On behalf of Victoria City Council, I am proud to present our 2007 Annual Report outlining the City of Victoria's initiatives and accomplishments of the past year.

2007 was a transformative year for the City, with a new strategic plan and a renewed sense of focus buoyed by the collaborative leadership style of our new City Manager Penny Ballantyne. Great progress was made in 2007 toward the goals identified in the three year Corporate Strategic Plan. With this progress also comes the acknowledgement that there is work still to be done to meet the objectives within the four goal areas of environmental sustainability, social and cultural development, economic vitality, and service and staff excellence.

Some of the highlights of 2007 include the acquisition of the historic Crystal Garden building for a Victoria Conference Centre expansion, development of a new "green" Burnside Gorge Community Centre, the adoption of a secondary suite policy, and the unprecedented efforts made towards tackling the issue of homelessness in the region.

In May, the Mayor's Task Force on Breaking the Cycle of Mental Illness, Addictions and Homelessness was struck to recommend a service model and business plan to find a better way to deal with addictions, mental illness and social challenges. The status quo was not an option, and as a result we are now one of three cities in Canada with a Commission to End Homelessness and a plan to house 1,550 homeless in five years.

Addressing the root causes of homelessness will require a significant investment in funding, time, and public commitment. It will take common vision, collaboration, and hard work over several years to resolve the long-standing problems that have led to the current situation. This is our most pressing community issue and community support to achieve the goal of ending homelessness has been unprecedented.

Victoria continues to lead by example in areas of environmental sustainability, we are experiencing record development, we continue to be recognized as a world class tourism destination and we are making genuine progress on social issues that all other urban centres are facing. 2007 was a year of growth and it was a year of progress.

Significant transformation and change are not accomplished without challenges along the way, but I believe the City of Victoria's Council and more than 1,000 dedicated staff members are up to the task. I offer my sincerest thanks to all those who have worked over the past year to meet those challenges head on as we strive to become the most liveable city in Canada.

Sincerely,

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

Mayor Alan Lowe



**Sonya Chandler**

**Neighbourhood:** Oaklands/South Jubilee/North Jubilee  
**Portfolio:** Environment; Youth Liaison, Deputy for Parks and Recreation; Social Planning  
**Regional Committee:** CRD Water Supply Commission  
**City of Victoria Committee:** Environment and Shoreline Advisory; Dockside Green Community Liaison Group; Private Property Maintenance Committee



**Chris Coleman**

**Neighbourhood:** James Bay  
**Portfolio:** Finance/Personnel; Economic Development; Deputy for Housing; CRD Solid Waste (Hartland Rd. Landfill) Advisory  
**City of Victoria Committee:** Victoria Athletic Commission; Local chapter Chair of Federal Task Force on Homelessness



**Dean Fortin**

**Neighbourhood:** North Park/Blanshard/Hillside-Quadra  
**Portfolio:** Finance/Personnel; Social Planning; Deputy for Environment  
**Regional Committee:** CRD Board; CRD Hospital District Board; Regional Housing Trust Fund; CRD Core Area Liquid Waste Management; CRD Housing Corporation Board; CRD Environment; CRD Parks; CRD Water Supply Commission; CREST  
**City of Victoria Committee:** Advisory Social Planning; Private Property Maintenance Committee



**Bea Holland**

**Neighbourhood:** Rockland  
**Portfolio:** Seniors Liaison; Planning; Harbour Deputy for Heritage; Emergency Planning  
**Regional Committee:** Board of Cemetery Trustees; Greater Victoria Harbour Authority; Greater Victoria Labour Relations; Regional Transit Commission  
**City of Victoria Committee:** Advisory Design Panel; Advisory Planning Commission





# Mayor and City Council

The Mayor and Council of the City of Victoria were each elected for a three-year term in the municipal election held in November 2005. Each member is appointed to standing portfolios, City and regional committees and is responsible for a particular Victoria neighbourhood.

## Mayor Alan Lowe

Premier's Task Force on Homelessness, Mental Illness and Addictions; Spirit Committee

**Regional Committee:** CRD Core Area Liquid Waste Management; CRD Board, CRD Hospital District Board; Regional Transit Commission; Greater Victoria Labour Relations

**City of Victoria Committee:** Victoria Conference Centre Advisory Board; Victoria Police Board; Co-Chair, Commission to End Homelessness



## Helen Hughes

**Neighbourhood:** Fernwood  
**Portfolio:** Housing; Deputy for Downtown  
**Regional Committee:** Family Court; Greater Victoria Public Library Board  
**City of Victoria Committee:** Advisory Housing; Honourary Citizens; Private Property Maintenance Committee



## Pamela Madoff

**Neighbourhood:** Burnside-Gorge/Victoria West  
**Portfolio:** Parks and Recreation; Arts and Culture; Deputy for Transportation  
**Regional Committee:** CRD Arts; Royal/McPherson Theatres Society; Provincial Capital Commission; Victoria Parks and Recreation Foundation; Greater Victoria Labour Relations  
**City of Victoria Committee:** Advisory Parks and Recreation; Public Art Advisory; Victoria Conference Centre Advisory Board; Dockside Green Community Liaison Group; Private Property Maintenance Committee



## Charlayne Thornton-Joe

**Neighbourhood:** Downtown/Harris Green  
**Portfolio:** Downtown; Heritage; Deputy for Planning  
**Regional Committee:** CRD Board; CRD Hospital District Board; CRD Core Area Liquid Waste Management; CRD Planning and Protective Services; Capital Region Housing Corporation Board; Tourism Victoria  
**City of Victoria Committee:** Downtown Advisory; Heritage Advisory; Victoria Civic Heritage Trust; Victoria Conference Centre Advisory Board; Victoria Heritage Foundation, Member of Greater Victoria Commission to End Homelessness; Liaison for Downtown Victoria Business Association



## Geoff Young

**Neighbourhood:** Fairfield/Gonzales  
**Portfolio:** Transportation; Finance/Personnel (Chair)  
**Regional Committee:** CRD Board; CRD Hospital District Board; CRD Core Area Liquid Waste Management; Vice Chair CRD Environment; CRD Travel Choices Select; CRD Regional Water Supply Commission; Alternate for Municipal Finance Authority; Provincial Capital Commission  
**City of Victoria Committee:** Advisory Cycling Committee; Advisory Transportation Committee; Representative for Island corridor Foundation

# Message from the City Manager



The annual review is one of my favourite times of the year. It is an important and necessary occasion for our public service organization to step back and measure our accomplishments against what we set out to do, and recognize the significant progress of the past year.

When managing a city, each day brings new challenges and the next day is just as important as the last. But without reflection we can not fully appreciate the extent of what was achieved, nor can we determine how to replicate that success in our next endeavour.

The reality is that a well-trained, dedicated team of professionals is the foundation for any great city to run safely and smoothly. And it's not often enough that we recognize our staff and their key role in building the city we know and love.

Whether it is our early morning street cleaning crews, parks workers assembling our signature hanging baskets, firefighters and police responding during crisis, or the friendly front-line faces of our many civic facilities, it takes a strong team of committed individuals to support our city. Undoubtedly, Victoria would not be nearly as remarkable without them.

This past year was the culmination of several much-anticipated initiatives. To name just a few, the City of Victoria rolled out the welcome mat – and turf – as hosts to the FIFA U-20 soccer tournament; we introduced a secondary suite policy to increase the supply of safe, affordable housing; the City supported the unprecedented work of the Mayor's Task Force on Homelessness; and we opened the doors to the innovative Burnside Gorge Community Centre.

In 2008, we will build on the momentum of the past year and continue to focus on how we can advance our organization to provide even better service delivery to our citizens. Anticipating a change in labour and demographic trends, the City will be looking at how to retain our skilled talent pool, and attract the best and brightest people to our team. Starting with a redevelopment of the City's website, we will be identifying additional ways to communicate City information more widely. In addition, we will continue to meet or exceed the targets set out in Council's focus areas of environmental sustainability, social and cultural development, economic vitality, and staff and service excellence.

I would like to take this opportunity to thank Mayor and Council for their support and their renewed strategic direction with the adoption of the 2007-2009 Corporate Strategic Plan.

Through everything I have learned and undertaken in my first year as City Manager, I am continually inspired by our staff's pride in public service. I am honoured to lead the workforce charged with making Victoria the first class community we all enjoy.

Sincerely,

A handwritten signature in black ink, which appears to read 'P. Ballantyne'. The signature is fluid and cursive, with a large, stylized 'P' and 'B'.

Penny Ballantyne  
City Manager

# 2008 City of Victoria Corporate Organizational Chart



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



# Environmental Sustainability

The City of Victoria aims to provide leadership in the path to sustainability, not only for residents of Victoria and the region, but leadership among communities. City staff and Council seek to enhance the vitality of the region through exceptional leadership and stewardship of our environmental assets.

A number of initiatives spearheaded by staff are underway to minimize our own organizational impact on the environment and ensure we are stewards of our natural environment.

## Leading by Example

- To demonstrate its commitment to climate change, the City of Victoria signed the Provincial Climate Action Charter. The Charter commits the City to being carbon neutral in its operation by 2012, to measuring and reporting on community greenhouse gas emissions, and to working to create compact, more energy efficient communities.
- In 2007, the City of Victoria was awarded top honours in the BC Hydro Turn it Off Challenge, winning \$20,000 towards a green retrofit of a City building. This was the result of the creativity of a core group of City staff intent on engaging colleagues in the challenge, and the overall buy-in from City employees.
- An innovative recycling program implemented by staff diverted 38.2 tonnes of solid waste destined for the landfill from Victoria facilities.

## Preserving Our Heritage

- 20 new heritage designations were granted in 2007, and the Victoria Heritage Foundation issued 56 grants totalling \$134,448.
- The City of Victoria was awarded the Hallmark Society Award of Merit for City Hall Clock Tower Restoration, a project spearheaded by both Heritage Planning and Engineering staff.
- In 2007, the City implemented an aggressive new Tree Preservation Bylaw in an effort to protect trees, particularly those that are native or have significant heritage or landmark value. 126 permits were issued for work under Tree Preservation Bylaw.

*Left: The City of Victoria continued to ensure that convenient, integrated and multi-modal transportation systems are provided, including one of three bicycles shelters planned for Victoria.*

In 2007, Victoria saw a 3% reduction in overall vehicle trips in the community at 5.8km average trip length. This resulted in a reduction of 3.18 tonnes of CO2 emissions annually from 2001 levels.



In 2007 the City of Victoria celebrated its 2nd annual Tree Appreciation Day. Tree Appreciation Day provides an opportunity for members of the community to come together to plant trees for future generations of citizens to enjoy.



“We write to thank you for the assistance and guidance that you provided during the rezoning process. The support we received from the public and Council is a tremendous endorsement of the proposal you helped create. We’d like to formally acknowledge your input and hard work. We feel that City staff should take pride in knowing that they helped create a proposal that was right for the neighbourhood and right for the City. We look forward to a long and positive relationship with the City of Victoria and are excited to take the next step in moving this very important heritage restoration and neighbourhood revitalization project forward.”

*Local heritage site developer*

*Engineering staff attend to one of three Storm Water Rehabilitation Units*

Victoria placed first in a 2007 national ranking of sustainable urban practices, edging out Vancouver for top honours. In its assessment of the Greater Victoria region, the *GreenApple Canada Smart Transportation Rankings* singled out the City of Victoria for its work on the Bicycle Master Plan and Greenways Plan.

# Environmental Sustainability

## Investing in Infrastructure

- The City of Victoria has taken a leadership role through the development of a Civic Green Building Policy which requires all new construction of civic facilities to be LEED® (Leadership in Energy and Environmental Design) Silver standard, with a goal of LEED® Gold.
- The Burnside Gorge Community Centre opened its doors in 2007 built to a LEED® Gold Standard. The City also created the framework for the award-winning Docksider Green Development to become the first LEED® Platinum level community in Canada.

- Over 25 kilometres of bike lanes and trails were developed, and the Bicycle Master Plan was completed. Transportation engineers introduced the first of three planned covered bike shelters in the downtown core to encourage green commuting.
- The City began design of a pedestrian and cycling waterfront pathway to connect Ogden Point to Rock Bay. This pathway will allow residents and visitors easier access to enjoy our spectacular natural surroundings.
- Transportation planners developed the Victoria West Transportation Plan, which proposes a network of transportation corridors designed to improve traffic safety and encourage people to walk, cycle, and use public transit more often.
- The City of Victoria achieved 100% compliance under the Stormwater Bylaw's Code of Practice for Automotive and Parking Lot Operations, encompassing 160 automotive-based businesses in the city. This Code of Practice regulates the quality of stormwater run-off from parking lot and automotive industries.
- In 2007, one of three storm water rehabilitation units installed by the City of Victoria reached capacity and required approximately 30 metric tonnes of sediment and debris to be pumped out. By analyzing what enters and leaves the unit, the City

of Victoria is effectively removing 98% of all contaminants within the storm drain system, contaminants that historically would otherwise end up in the harbour. Victoria was the first city in Canada to install rehabilitation units to treat municipal stormwater before it enters the marine environment.

## Innovative Measures

- Recognizing their role as environmental steward of parks and open green spaces, the Parks Division follows an Integrated Pest Management (IPM) program with a major goal of reducing the use of chemical pesticides. As a result of the IPM program, the City has achieved a decrease of over 97% in the use of chemical pesticides. A program using the release of natural insect predators to deal with insect pests has been a useful tool in the City's IPM arsenal.
- Extensive work was completed on the region's first pesticide use bylaw. To be adopted in early 2008, the bylaw will regulate the cosmetic use of pesticides.
- The use of innovative "trenchless technology" to repair underground pipes has resulted in a decrease of approximately 83% in greenhouse gas emissions and 75% in construction costs – a win-win for the environment and the bottom line.



In partnership with Carmanah Technologies, engineering staff facilitated the installation of a wind and solar powered LED light on the newly re-opened West Song Walkway in Victoria West. This energy efficient device stores energy from the sun and wind to light up the pathway from dusk to dawn.





"As a long time resident of the city I do not recall when [City parks] have everylooked so 'cared' for. We live in Victoria West, have a business in the downtown core as well as one in the Quadra Village neighbourhood. The improvement to maintenance and general care of all three areas is remarkable and speaks volumes for the City of Victoria. Your staff are hardworking and obviously take pride in what they do! Healthy and attractive parks and streetscape are critical to the 'health' of each neighbourhood and ultimately the overall health of the city. Bravo!"

*Victoria Resident and Business Owner*





# Social and Cultural Development

The City of Victoria seeks to enhance the quality of life for all present and future Victorians through social means such as safety, diversity, inclusivity and partnerships.

## Tackling Homelessness

- In 2007 the City of Victoria took a leadership stance on the related issues of homelessness, mental illness and addictions. The Mayor's Task Force on Homelessness was implemented to provide a blueprint for addressing these social challenges. Among the recommendations from the Task Force's report was the need for approximately 1,500 new housing units within the next five years. The Victoria model recommended by this task force is a paradigm shift that will help the City of Victoria end homelessness, not just manage it. The task force acknowledged the challenge is three-fold and recommended to:
  - 1) Immediately start to house the high-risk, high-needs population concentrated downtown in Victoria and support them with Assertive Community Teams
  - 2) Develop a prevention-focused strategy to reduce new cases of homelessness; and
  - 3) Establish a community-based governance structure to integrate planning, policy, funding and drive the integration of our fragmented programs and services.
- The City of Victoria can not address this issue alone and it will take political will, commitment and hard work to implement these recommendations.

- In an effort to increase the number of safe, affordable housing units in Victoria, Council approved a secondary suites policy in 2007. Single family homes, regardless of age or the availability of an extra parking space, may be eligible for secondary suites. As a result of this policy, secondary suite permits increased over 200% in the first year.

Other projects to address housing and social issues included:

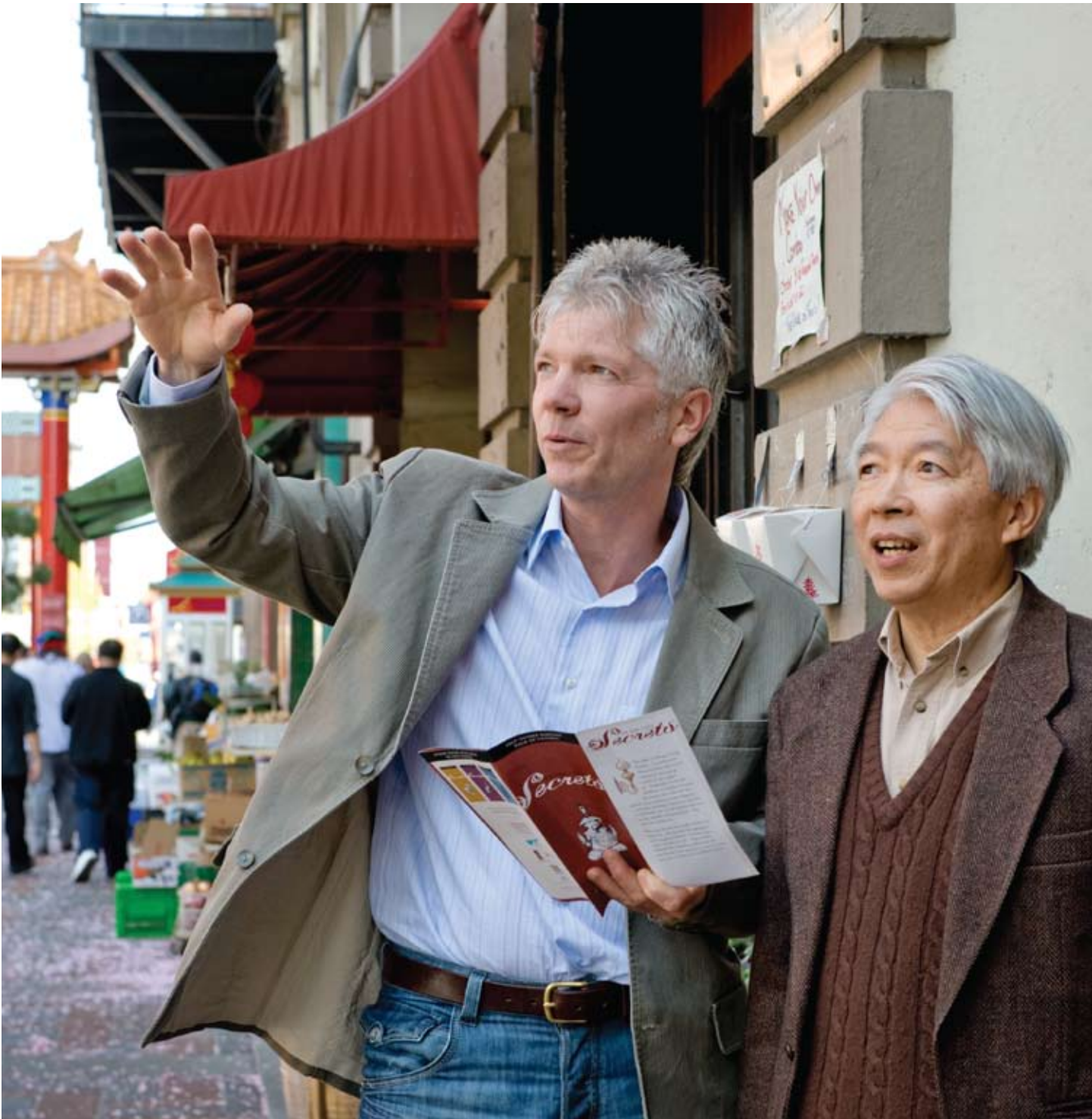
- The Victoria Housing Trust Fund assisted in the development of 39 units for families, youth and seniors
- 666 residential units were created downtown, compared to 95 units in 2006
- The City, in partnership with the Youth Empowerment Society, leveraged \$3.1 million in funding for the Youth Hospitality Training Centre, with eight transitional housing units for youth at risk
- The City of Victoria continued to provide property tax exemptions valued at \$1.45 million to non-profit agencies with a social focus

*Left: Completion of the new Burnside Gorge Community Centre involved the collaboration of many City staff and departments*

## Every Bit Counts

City of Victoria employees collected socks and toiletries for Victoria's homeless community in 2007, and Public Works crews organized a food drive for the Mustard Seed Food Bank. In addition, Mayor, Council and staff came together to donate over \$96,000 to the United Way of Greater Victoria, significantly higher than the fundraising goal of \$70,000.





# Social and Cultural Development

## Beautifying Downtown

- The Downtown Heritage Murals Project added new murals depicting important historical scenes in Chinatown and a significant family in Chinatown's history.
- A series of four downtown Heritage Walking Tour Guides were unveiled in 2007. The self-guided tours provide interesting stories and descriptions from Victoria's colourful past. Themes include Chinatown, the Gold Rush era, crime and law enforcement, and haunted places in the downtown.

Other downtown projects for 2007 included:

- Restoration of the south west quadrant of Centennial Square
- Display of 1,600 hanging baskets and 700 colourful banners
- Creating a vision for downtown growth through updating the Downtown Plan

## Active Communities

- A new Harbourside Rotary Watering Garden in Beacon Hill Park was installed in 2007, continuing the tradition of family and children's activities within the Park.
- The new Burnside Gorge Community Centre was completed, a unique 'green' facility that acts both as a neighbourhood house and a recreation centre. The City of Victoria contributed almost \$2.5 million towards this important community investment. The new 15,113 square foot facility replaces

three older buildings and allows the Centre to deliver all of its services and recreational programs under one roof.

- Recreation Services' Passport to Skating program was honoured for excellence in the Best Programming category by the Learning Resources Network. The program was selected from more than 100 nominations from four countries.
- Major upgrades to playgrounds at Mason Street Park and Wesley Park were undertaken in 2007. City playgrounds have a lifecycle of approximately 15 years, and are constructed to current safety standards with universal accessibility in mind.
- In 2007 the Crystal Pool and Fitness Centre welcomed 250,000 visitors. 2,680 participants used the Leisure Access Program, accounting for 14,000 drop-in visits to the Centre.

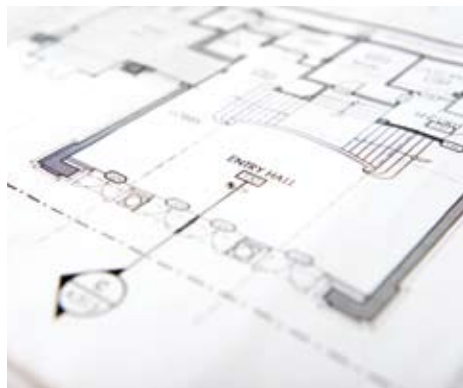


In 2007 the Victoria Emergency Management Agency:

- Conducted 40 public talks on emergency preparedness
- Developed a 5 year comprehensive Emergency Management Strategic Plan
- Released a tsunami preparedness brochure for residents. The brochure includes practical information about how to plan for a tsunami and what to do if a tsunami occurs. It also contains colour maps showing "tsunami planning zones"



The Victoria Conference Centre had 136,908 delegate days in 2007, an increase of 16% over 2006. Economic impact from conference spending annually: \$61.6 million



# Economic Vitality

Victoria is the economic hub of the region and while the City itself is home to some 78,000 residents, the figure swells to 220,000 each day as residents from the Capital Region enjoy Victoria for work and play.

## Crystal Garden

The City of Victoria was successful in acquiring the lease for the Crystal Garden building in 2007. This historic landmark will become a centrepiece to the Victoria Conference Centre (VCC), and is expected to play an important role in the economic development of our city. With this expansion, Victoria will be competitively positioned to draw more, and larger, conferences that will conservatively inject \$35 million back into the local economy each year. The Crystal Garden will add an additional 25,000 square feet to the VCC bringing the total square footage to 65,000 square feet, making it the second largest conference facility in BC.

## View and Vancouver

The rehabilitation of the intersection of View and Vancouver streets began in 2007. Over the past several decades, the intersection has settled, resulting in a “sinking” roadway, what was often known as “Canada’s largest pothole”. Maps dating back to 1875 suggest that the intersection was built on what once was possibly a marsh or lake. Since the project began in September 2007, road work included removing surface asphalt

and concrete, excavating soil, installing a new water main on Vancouver Street, as well as replacing sewer and storm drain pipes.

Innovative construction techniques, including use of low-weight cellular concrete and hydro “vaccing”, reduced the construction schedule, greenhouse gas emissions and minimized impacts on existing trees. In addition, stormwater will be refiltered through the peat to stabilize the soil, stop further decay and soil decompression. The peat will act as a natural filter, removing contaminants such as heavy metals and oils from the stormwater.

## Twin City Relationships

- The City of Victoria hosted official visits from China, Russia, and Japan in 2007, and sent delegations to Russia and China. The City maintains four Twin City relationships: Khabarovsk, Russia; Morioka, Japan; Suzhou, China; and Napier, New Zealand. These relationships foster and promote global cooperation, cultural understanding and economic development.

*Left: Victoria Conference Centre and Engineering staff began the process of converting the historic Crystal Garden into a functional banquet and exhibit extension to complement the existing Conference Centre offerings.*





#### Quick Stats:

- 9,058 business licences issued or renewed in 2007. Of those, 1,485 were new licences.
- 190 special event and filming permits were issued in 2007
- Business tax ratio was held to 2006 levels
- [www.victoria.ca](http://www.victoria.ca) saw approximately 40,000 hits per month in 2007
- 4,422 dog licences were issued, representing a 12.5% increase in revenue.
- The City supported 27 organizations by providing Festival Investment Grants and support for Canadian Heritage Grants

# Economic Vitality

## Parking Improvements

A new parking strategy designed to enhance parking services, capital improvements and technology available to downtown users was initiated. Highlights of the parking strategy include:

- enhancing the role of newly trained Parking Officers to include a greater focus on public safety and public information
- continuing the Holiday Courtesy Program and introducing the use of warning tickets as an educational tool
- promoting the use of first-hour free coupons in City parkades
- completing safety and security enhancements at City parkades and surface lots
- rehabilitating City parkades over the next five years
- providing 24/7 security at all City parkades
- expanding the number of locations to reload parking cards

Revenue generated through new parking rates will be reinvested in parking infrastructure and services. The new parking rates are below, or consistent with, rates charged in other Canadian destinations.



## FIFA U-20 World Soccer Tournament

Victoria hosted the FIFA Under 20 World Soccer tournament, generating \$13 million in economic impact for Victoria. Behind the scenes, Parks and Recreation staff worked tirelessly to ensure that Royal Athletic Park was a world-class facility, transforming the park from 4,000 to 11,000 seats. Since the FIFA U-20 tournament, the City of Victoria has received interest from other international sports groups considering Victoria in the future.

As a result of hosting the tournament many Victorians developed “soccer fever”; according to Angus Reid Poll results, 33% of Canadians watched at least one tournament match and interest in the game of soccer increased by 14% in BC.

## Partnering with Business

The City of Victoria continued to strengthen partnerships with the business community and other business organizations to better understand the barriers to growth and expansion in the city. These organizations include the Downtown Victoria Business Association, the Greater Victoria Chamber of Commerce, Tourism Victoria and the Greater Victoria Economic Development

Commission, among others. The Downtown Victoria Business Association (DVBA) is funded through a City of Victoria levy assessment on business properties within the prescribed DVBA boundaries. In addition, the City of Victoria provides a grant to the Greater Victoria Chamber of Commerce to fund the joint Economic Development Commission.

## Growing Development

Inspection Services issued 3,381 permits for building, plumbing, electrical, blasting and signage. The total dollar volume of permits was a record \$281.2 million, an 18% increase over 2006

Developers working within the City of Victoria continued to raise the bar in terms of the high quality of developments. Awards given to developments within the City included:

- 3 Canadian Home Builders Association (CHBA) Georgie Awards (Provincial)
- 10 CHBA CARE Awards (Vancouver Island)
- 1 CHBA Sales and Marketing (SAM) Award (National)
- 1 Brilliant Development Award (International)
- 1 Greater Victoria Chamber of Commerce Award – Business Leadership

2007 was a year of unprecedented growth in the City. Planning and Development staff received 123 permit applications, including:

- 35 development permits
- 7 development variance permits
- 24 heritage designations
- 20 heritage alteration permits
- 37 rezoning applications
- 47 board of variance applications



"I've been most impressed by [the Property Tax Department's] care, your professionalism and your patience. You are what City Hall should be all about."

*Victoria Resident*

"Thanks so much for organizing a very stimulating visit of City Hall for the children. They were all brimming with excitement when we returned. I really appreciate your thoroughness in preparing for our visit."

*Victoria Teacher*



# Service and Staff Excellence

The City of Victoria boasts an effective, responsive and high-performing workforce of over 1,000 employees. Every staff member has a role to play in achieving the City's vision to be the most liveable city in Canada.

## Service and Staff Excellence

- Over 60,000 customers are served in person each year at City Hall's Public Service Centre. This represents an average of more than 4,000 personal customer transactions each month, increasing to more than 9,000 in June prior to property tax payment deadlines.
- A total of 64 meetings of City Council were held in 2007, and over 1,300 pieces of correspondence to Mayor and Council were responded to.
- The City of Victoria Archives assisted with 2,884 inquiries and visits. The Archives acquires, preserves and provides access to civic and private records documenting the history of Victoria.
- Bylaw Enforcement fielded over 8,000 phone enquiries on City Bylaws, complaints and business licences in 2007.
- 2007 marked the first full year of the Employee Wellness Pass Program, ensuring a healthy and vibrant workforce.
- Over three kilometres of roadway was paved, and approximately 2.7 kilometres of sidewalk was repaired or constructed by engineering staff in 2007.
- Every day City staff clean nearly 40 kilometres of street, and empty 660 garbage bins. 17 full time staff oversee 290 kilometres of road and collect 11,000 tonnes of garbage a year.

A total of 60 public hearings were held in 2007, with 24 of the total number for rezoning applications. Of the remainder:

- 11 heritage designations
- 7 development permits
- 5 development variance permits
- 4 sign development variance permits
- 2 heritage alteration permits
- 1 liquor licence permit
- 9 miscellaneous



"Thank you for helping our city be safe and well run."

*Victoria Student*

"Thank you so much for having our class visit. The whole experience really helped to bring local government alive for the students."

*Victoria Teacher*





"We wanted to thank your colleagues in Planning for your help and assistance in our recent rezoning application. We are very pleased that approval was granted and are looking forward to the start of construction over the next few weeks!"

*Victoria Residents*



# Service and Staff Excellence

## Keeping Citizens Informed

- Sixty public hearing notices and 125 media advisories were distributed in 2007, facilitating public engagement and awareness of City of Victoria activities pertinent to both residents and businesses alike.
- 3,718 electronic home owner grants were processed in 2007, equaling 24% of all applications. This represents an increase of 15% over 2006.

## Human Resources

- In a changing labour market with shifting demographics, the City of Victoria's Human Resources department focused on creative employee retention and recruitment initiatives to ensure the City is an employer of choice.
- The City's Employee Wellness Program boasted a 63% participation rate, and employees received a weekly e-bulletin to stay informed about City and community issues, events and projects.

## Awards and Accolades for 2007:

- Attained the Government Finance Officers Association Canadian Award for Financial Reporting Excellence for the third consecutive year
- One of the City's Senior Planners was named President-Elect of the Planning Institute of British Columbia (PIBC)

- The Parks and Recreation department implemented the Passport to Skating Program, which received the 2007 Program Excellence Award from the British Columbia Recreation and Parks Association (BCRPA)
- Victoria placed first in a national ranking of sustainable urban transportation practices in the *GreenApple Canada Smart Transportation Rankings*.
- The City's Manager of the Streets Division in the Engineering Department was recognized by the Public Works Association of British Columbia (PWABC) with the PWABC Manager of the Year award PWABC's Ideas and Gadgets award
- Thanks to the efforts of staff, the City of Victoria was awarded top honours in the BC Hydro Turn it Off Challenge

## City Online

Each year the City of Victoria website, [www.victoria.ca](http://www.victoria.ca), receives over one million visits, and provides valuable information on everything from Mayor and Council, meeting agendas, public hearing notices, property taxes, online payments, garbage collection schedules and recreation facilities.



"I wish to thank the City for the Municipal Archives. This has been an excellent resource to learn more about our City and raise our understanding of its history. I am grateful that the city makes this a priority to its citizens."

*Victoria Resident*





In 2007, the Victoria Fire Fighters Charitable Foundation was formed. The Foundation's mission is to make a positive impact on underprivileged youth and children within our community. Some of the projects include providing healthy and nutritious breakfasts to local school children who would otherwise go without.

# The Victoria Fire Department

The Victoria Fire Department (VFD) is a dynamic, professional organization that has been serving the needs of the community since 1858. The Victoria Fire Department has three fire stations and employs 116 members. Its services are divided into four divisions: Fire Suppression and Rescue, Fire Prevention, Mechanical and Administration.

## Response

Victoria firefighters work as a team, using their highly developed skills and abilities to provide critical, life-saving services in moments of need. The VFD is committed to preventing or minimizing the loss of life and property from fire and natural or man-made emergencies. Response is a critical factor in the delivery of fire and emergency medical services. In order to be an effective department, personnel must arrive at the right time and have adequate resources for the job to save lives and limit property damage.

The VFD consistently meets the industry standard of a response time of less than six minutes for 90% of all emergency incidents, and in 2007, the Department contained 50% of the total working structure fires to the room of origin.

In 2007, the Department responded to 390 fires, and was able to contain these fires to the extent that the dollar loss from fires was nearly halved – from \$2,176,120 in 2007, compared to \$4,056,095 in 2006.

Volume of calls to the Victoria Fire Department increased from 5,350 in 2006 to 6,297 in 2007. This growth of slightly over 10% is consistent with previous years. Greatest areas of increased calls included alarm bells, exterior fires and medical responses. The number of motor vehicle fires dropped from 38 in 2006 to 23 for 2007.

## Prevention

The old adage “an ounce of prevention is worth a pound of cure” holds true with fire safety. Certainly, it is better to reduce

the incidence of fire than focus solely on response. The VFD offers a broad range of proactive fire prevention services, such as community education, fire extinguisher training and fire safety inspections. In 2007 alone, the VFD conducted 3,000 inspections.

In 2007, a new bylaw prohibiting the sale, possession or discharge of fireworks was implemented. This bylaw was introduced to reduce the risk of injuries and property damage. Irresponsible use of fireworks results in property damage, injuries, pet stress and an increase in nuisance calls to both Fire and Police departments each year.

## Tools

Council approved the purchase of new self contained breathing apparatus for the VFD in 2007.

The Department's Fire Mechanical Division also continued to provide fire apparatus maintenance and repairs to other fire departments throughout the Region.

In 2007, the Victoria Fire Department celebrated the addition of a new training tower and the completion of a six-month renovation to No. 3 Fire Station (Bay Street Station). The new four-storey, steel tower provides unique training opportunities for Victoria firefighters, such as rope rescues and high rise firefighting rescue exercises. Improvements to the Station include new energy-efficient windows, improved sleeping quarters and seismic upgrades.



In 2007, the VicPD hired 14 new police officers and 8 new civilian employees. Faced with an aging demographic and fierce competition with other police agencies, the department was given approval to increase its strength by 19 officers to a total of 241 sworn members for 2008.



In 2007 the Crime Prevention section, working in conjunction with the Rental Owners and Managers Association of BC, launched the Crime Free Multi-Housing Program, to assist building owners and managers in reducing crime in their buildings. The results in those buildings has been a 30% reduction in calls for service.

# Victoria Police Department

The Victoria Police Department (VicPD) is the oldest police department west of the Great Lakes, proudly serving the City of Victoria since 1858.

The VicPD serves a population of approximately 97,000 in the communities of Victoria and Esquimalt. The Department also serves the 340,000 people who live in the Capital Region who frequent downtown for business, entertainment and social services.

## Downtown Issues

Since 2004 calls for service in the downtown core have increased by almost 90%. In June, July and August of 2007, the VicPD launched Project QUASAR as part of the downtown summer action plan, with the following goals in mind:

- Increase public safety in the downtown core through increased foot patrols and uniform visibility
- Gain voluntary compliance from people committing nuisance violations
- Increase enforcement action against the most problematic offenders
- Complete chattel seizures and enforcement with discretion and only after appropriate warnings have been given
- Work with the City of Victoria to identify and address problematic locations or scenarios

Over the three month period the VicPD conducted 3,330 hours of foot patrols and dealt with 9,451 calls for service. During the project there was a 941% increase in ticket enforcement over 2006.

Other notable declines in criminal and nuisance activity included:

- 21% reduction in thefts of vehicles
- 27% reduction in break and enters
- 38% reduction in panhandling complaints
- 38% reduction in overdose calls
- 19% reduction in shoplifting calls
- 10% reduction in drug related calls.

In addition, officers interdicting weapons on the street rose 85%, breach of conditions files increased 24% and licensed premise checks increased 150%.

## Community Partnerships

The Integrated Mobile Crisis Response Team (IMCRT), comprised of police and mental health clinicians, continues to assist those in the Capital Region with mental health challenges. In 2007 IMCRT received an average of 243 calls for

service per month. The team has greatly reduced the time front-line officers spend with clients awaiting assessment at regional hospitals.

Building on the success of the IMCRT, the department spear-headed the creation of the Victoria Integrated Community Outreach Team. This group of dedicated professional service providers will focus on identifying and engaging those individuals who are frequent users of emergency and health systems.

## Major Crime

The VicPD works collaboratively with other police partners and in 2007 contributed six officers to the Vancouver Island Integrated Major Crime Unit. The department's Computer Forensic Investigators also assisted several international investigations regarding child pornography and the department will add additional officers to this vital section in 2008.

## Drug Enforcement

The VicPD conducted a number of investigations in 2007 related to drug enforcement. Investigations included targeting individuals active in street level drug dealing, dismantling a family-run drug dealing business that had been operating for several years, and a month long investigation that led to the seizure of the largest amount of Crystal Methamphetamine in the department's history.

## The Road Ahead

Consistent with the goals identified in its new Strategic Plan, the VicPD will continue to focus enforcement strategies on those areas most important to the citizens of Victoria, including reducing street disorder, suppressing violent crime, preventing property crime and investing in the best people to implement our goals. The Victoria Police Department's focus will remain on keeping the City of Victoria safe and vibrant for all to enjoy.

# Message from the Director of Finance



I am pleased to present the City of Victoria's audited consolidated financial statements for the year ended December 31, 2007. The financial statements are the responsibility of the City of Victoria's management and have been prepared in compliance with Section 167 of the Community Charter and in accordance with generally accepted accounting principles approved by the Public Sector Accounting Board (PSAB). The financial statements have been audited by KPMG LLP who have expressed in their opinion that these statements present fairly, in all material aspects, the financial position of the City as at December 31, 2007. The City maintains a system of internal accounting controls designed to safeguard the assets of the corporation and provide reliable financial information.

These financial statements include the consolidated statement of financial position of the Corporation of the City of Victoria as at December 31, 2007 and the related consolidated statements of financial activities and changes in financial position. The notes to Financial Statements include supporting information and schedules outlining changes in the reserve, operating and capital funds and the fund balances for the year.

## Results of Operations

The year 2007 resulted in an improved municipal position (\$40.4 million) that was mainly due to an increase in physical assets (\$27.4 million) and reserves (\$14.6 million). The City's revenue increased by \$13.8 million due to increased property tax revenues (\$2.9 million from a property tax increase and \$2 million in assessment growth), increased construction permits (\$1.6 million), increased parking revenues (\$1.6 million), increased interest revenue (\$500,000) and increased conditional senior government transfers (\$1.3 million). Our largest expenditure increases were in Protective Services (\$3.5 million) due to additional funding for Police (\$1.9 million), an additional Deputy Fire Chief and accrued salary increases for Fire (\$600,000), and an overall increase in capital expenditures (\$1 million for building upgrades and a new Fire boat); and Parks, Recreation and Cultural Services (\$1.8 million) mainly due to increased capital expenditures (\$1.3 million) for the Beacon Hill Water Park and Royal Athletic Park upgrades for the FIFA event.

## Finance Department

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Victoria, British Columbia  
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In 2007 the municipal property tax increase amounted to 3.69%. This increase was primarily due to the hiring of six additional police officers that were phased in over 2006 and 2007, additional funding for police overtime, the hiring of an additional Deputy Fire Chief, funding for additional planning resources, and increased funding for city infrastructure needs.

### Highlights

The operating fund surplus for the year was \$4.3 million; in addition both Utilities had surpluses (Sewer \$741,000 and Water \$1.2 million).

The City's financial statements continue to comply with all aspects of PSAB and CICA standards for accounting and financial reporting. This was one of the contributing factors in the City's 2006 Annual Report being awarded the GFOA Canadian Award for Financial Reporting Excellence for the third consecutive year.

In closing, I would like to thank all those who contributed to a successful year in 2007 and in helping to make Victoria the most livable City in Canada. I would like to acknowledge City Council, Directors and staff in all City Departments, but in particular the staff in the Finance Department who continued to demonstrate a high level of professionalism and dedication.

Sincerely,



Brenda Warner  
Director of Finance


**Canadian  
Award for  
Financial  
Reporting**

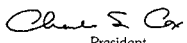
Presented to

**City of Victoria  
British Columbia**


For its Annual  
Financial Report  
for the Year Ended  
**December 31, 2006**

A Canadian Award for Financial Reporting  
is presented by the Government of Finance Officers  
Association of the United States and Canada  
to municipalities whose annual financial reports  
achieve the high program standards for Canadian  
Government accounting and financial reporting.





Charles S. Cox  
President



Jeffrey L. Esser  
Executive Director

# Financial Reporting Responsibility

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

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

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

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



Brenda Warner  
Director of Finance

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

We have audited the consolidated statement of financial position of The Corporation of the City of Victoria as at December 31, 2007 and the consolidated statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The image shows a handwritten signature in black ink that reads "KPMG LLP". The letters are stylized and slanted, with a prominent vertical stroke for the 'K'.

Chartered Accountants

Victoria, Canada

March 14, 2008

# The Corporation of the City of Victoria

## Consolidated Statement of Financial Position

December 31, 2007, with comparative figures for 2006

	2007	2006
<b>Financial Assets</b>		
Cash and short-term investments (note 2)	\$ 69,737,947	\$ 51,475,432
Property taxes receivable	2,595,934	3,097,606
Accounts receivable	12,622,264	12,142,344
Long-term investments (note 3)	15,628,523	18,744,065
Other assets	18,554	6,663
<b>Total financial assets</b>	<b>100,603,222</b>	<b>85,466,110</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 4)	15,637,788	14,280,555
Deposits	5,658,675	5,494,097
Deferred revenue (note 5)	6,836,787	6,850,191
Employee benefit obligations (note 6)	10,004,022	9,434,524
Long-term debt (note 7)	45,201,001	48,860,857
<b>Total liabilities</b>	<b>83,338,273</b>	<b>84,920,224</b>
Net financial assets	17,264,949	545,886
Physical assets (note 8)	465,988,629	442,265,168
<b>Total net assets</b>	<b>\$ 483,253,578</b>	<b>\$ 442,811,054</b>
<b>Municipal Position</b>		
Operating Funds (Schedule A) (note 9)	\$ 2,340,501	\$ 4,201,045
Capital Funds (Schedule B)	-	-
Reserve Funds (Schedule C) (note 10)	64,668,599	50,019,827
Unfunded employee benefit obligations (note 6)	(4,543,150)	(4,814,129)
	<b>62,465,950</b>	<b>49,406,743</b>
Equity in physical assets (note 11)	420,787,628	393,404,311
<b>Total municipal position</b>	<b>\$ 483,253,578</b>	<b>\$ 442,811,054</b>

Commitments and contingencies (notes 16 and 19)  
See accompanying notes to financial statements.



Approved by the Director of Finance

# The Corporation of the City of Victoria

## Consolidated Statement of Financial Activities

Year ended December 31, 2007, with comparative figures for 2006

	Budget 2007	Actual 2007	Actual 2006
<b>Revenues:</b>			
Net taxes available for municipal purposes (note 12)	\$ 86,765,133	\$ 86,629,379	\$ 81,637,991
Net grants in lieu of taxes available for municipal purposes (note 13)	4,474,600	4,759,478	4,560,130
Sales of goods and services	29,638,494	31,467,129	29,854,723
Sale of water	11,529,480	11,559,043	11,781,381
Licences and permits	3,702,500	5,233,082	3,396,174
Fines	4,642,500	4,581,409	4,549,320
Rentals and leases	925,275	1,049,723	897,612
Other interest and penalties	2,119,000	3,983,838	3,426,380
Unconditional government transfers (note 14)	2,299,000	2,576,210	2,314,164
Conditional government transfers (note 14)	3,889,995	4,224,794	2,891,978
Development cost charges	625,000	-	-
Actuarial adjustment on debt	-	3,588,752	1,559,502
Miscellaneous	5,001,780	7,325,707	6,304,047
	<b>155,612,757</b>	<b>166,978,544</b>	<b>153,173,402</b>
<b>Expenditures (note 15):</b>			
General government	32,016,392	22,049,488	26,170,766
Protective services	51,149,538	52,902,527	49,341,388
Transportation services	24,243,374	21,558,127	15,426,334
Environmental and public health services	13,578,918	8,455,523	9,246,705
Community planning	2,058,101	1,829,734	1,468,633
Parks, recreation and cultural services	35,574,527	32,048,717	30,246,256
Water utility	12,931,207	10,395,852	9,903,478
Sewer utility	4,581,471	3,641,319	3,652,498
	<b>176,133,528</b>	<b>152,881,287</b>	<b>145,456,058</b>
<b>Excess (deficiency) of revenues over expenditures</b>	(20,520,771)	14,097,257	7,717,344
Debt proceeds	-	4,509,000	-
Debt principal repaid (note 7)	(2,918,244)	(1,958,298)	(2,703,841)
Debt principal reduced by actuarial valuation	-	(3,588,752)	(1,559,502)
<b>Change in fund balance</b>	<b>\$ (23,439,015)</b>	<b>\$ 13,059,207</b>	<b>\$ 3,454,001</b>

See accompanying notes to financial statements.

# The Corporation of the City of Victoria

## Consolidated Statement of Changes in Financial Position

Year ended December 31, 2007, with comparative figures for 2006

	2007	2006
<b>Cash and short-term investments provided by (used for):</b>		
<b>Operations:</b>		
Excess of revenues over expenditures	\$ 14,097,257	\$ 7,717,344
Actuarial adjustment on debt	(3,588,752)	(1,559,502)
Decrease (increase) in non-cash financial assets:		
Property taxes receivable	501,672	(1,038,557)
Accounts receivable	(479,920)	(1,092,909)
Other financial assets	(11,891)	89,601
Increase (decrease) in short-term liabilities:		
Accounts payable and accrued liabilities	1,357,233	(1,535,242)
Other financial liabilities	151,174	3,543,333
Employee benefit obligations	569,498	711,530
	<b>12,596,271</b>	<b>6,835,598</b>
<b>Investing:</b>		
Decrease (increase) in long-term investments	3,115,542	(155,497)
<b>Financing:</b>		
Debt principal repaid	(1,958,298)	(2,703,841)
Proceeds of new debt issue	4,509,000	–
	2,550,702	(2,703,841)
<b>Increase in cash and short-term investments</b>	<b>18,262,515</b>	<b>3,976,260</b>
Cash and short-term investments, beginning of year	51,475,432	47,499,172
<b>Cash and short-term investments, end of year</b>	<b>\$ 69,737,947</b>	<b>\$ 51,475,432</b>

See accompanying notes to financial statements.

# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

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

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

### 1. Significant accounting policies:

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

#### (a) Reporting entity:

The consolidated financial statements reflect a combination of the assets, liabilities, revenues, expenditures, and changes in fund balances and in financial position of the City's Operating, Capital and Reserve Funds.

Government organizations controlled by the City are included in the government reporting entity and consolidated in the financial statements.

Inter-departmental balances and organizational transactions are eliminated.

The financial statements exclude trust assets that are administered for the benefit of external parties (note 19).

#### (b) Basis of accounting:

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

#### (c) Fund accounting:

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

#### (d) Investments:

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

#### (e) Physical assets:

Physical assets, comprised of capital assets, land for future municipal purposes, capital work-in-progress and inventories of materials and supplies, are recognized as expenditures in the Capital Fund in the period they are acquired. Donated capital assets are reported at estimated fair value at the time of receipt.

Physical assets are carried on the consolidated statement of financial position at cost.

Inventories of materials and supplies are valued at the lower of cost and replacement cost.

Effective January 1, 2006, the City adopted Accounting Guideline 7 (PSG-7) of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants ("CICA") with respect to the disclosure of tangible capital assets of local governments. PSG-7 provides transitional guidance on presenting information related to tangible capital assets until Section 3150 – Tangible Capital Assets of the Public Sector Accounting Handbook comes into effect on January 1, 2009.

# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

### Significant accounting policies (continued):

**(e) Physical assets (continued):**

Amortization is not recorded on capital assets.

The City has continued to work towards compliance with the new recommendations for accounting of tangible capital assets. As of December 31, 2007, the City has obtained a complete listing and values for the Roads, Highways and Bridges asset class. A complete listing of assets and values for Land; Buildings; Furniture, Equipment, Technology and Motor Vehicles; Water infrastructure; Sewer Infrastructure; and Drainage Infrastructure asset classes is under development and completion is expected by December 31, 2008.

**(f) Equity in physical assets:**

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

**(g) Government transfers:**

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

**(h) Foreign currency:**

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

**(i) Employee benefit obligations:**

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

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

**(j) Measurement uncertainty:**

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



# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

### 2. Cash and short-term investments:

	2007	2006
Bank account balances	\$ 2,042,613	\$ 2,599,756
Bankers' acceptances, special deposits, and Money Market Funds	67,695,334	48,875,676
	<b>\$ 69,737,947</b>	<b>\$ 51,475,432</b>

### 3. Long-term investments:

	Cost		Market value	
	2007	2006	2007	2006
Government and government guaranteed investments and investments guaranteed by a financial institution	<b>\$ 15,628,523</b>	<b>\$ 18,744,065</b>	<b>\$ 15,473,686</b>	<b>\$ 18,921,426</b>

Long-term investments have stated interest rates of 4.00% to 5.875% (2006 – 4.00% to 13.75%) with maturity dates from March 24, 2008 to June 3, 2018.

### 4. Accounts payable and accrued liabilities:

	2007	2006
Trade accounts payable	\$ 7,869,093	\$ 7,962,067
Payroll accounts payable	4,968,401	3,196,228
Contract holdbacks	261,339	334,949
Property tax appeals	522,253	787,285
School authorities	873,535	906,185
Capital Regional District	578,599	537,822
Legal settlements	300,000	300,000
Integrated recreation	96,768	89,485
BC Transit	83,107	80,202
Regional Hospital District	59,422	59,288
BC Assessment Authority	25,271	27,044
	<b>\$ 15,637,788</b>	<b>\$ 14,280,555</b>

# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

### 5. Deferred revenue:

	2007	2006
Miscellaneous	\$ 3,804,561	\$ 3,342,359
Gas Tax Agreement Funds	513,425	1,237,462
Conference Centre deposits	288,449	289,014
Development cost charges	962,179	749,974
RG Properties leasing and naming rights	1,192,693	1,152,106
Unearned recreation fees	75,480	79,276
	<b>\$ 6,836,787</b>	<b>\$ 6,850,191</b>

### Schedule of Receipts and Disbursements of Gas Tax Agreement Funds

Gas Tax Agreement Funds	2007	2006
Opening balance of unspent funds	\$ 1,237,462	\$ –
Add:		
Amount received during year	827,648	1,237,462
Interest earned	43,311	–
	870,959	1,237,462
Less amount spent on projects	(1,594,996)	–
	<b>\$ 513,425</b>	<b>\$ 1,237,462</b>

### 6. Employee benefit obligations:

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

	Fire and other 2007	Police 2007	Total 2007	Total 2006
<b>Employee benefit obligations:</b>				
Vested benefits	\$ 3,329,562	\$ 3,441,135	\$ 6,770,697	\$ 7,494,625
Non-vested benefits	2,461,759	771,566	3,233,325	1,939,899
Accrued employee benefit obligation	5,791,321	4,212,701	10,004,022	9,434,524
Less funded amount	(3,850,530)	(1,610,342)	(5,460,872)	(4,620,395)
<b>Unfunded employee benefit obligation</b>	<b>1,940,791</b>	<b>2,602,359</b>	<b>4,543,150</b>	<b>4,814,129</b>
Less non-vested sick leave	(2,461,759)	(771,566)	(3,233,325)	(1,939,899)
<b>Vested benefits to be funded from future revenue</b>	<b>\$ (520,968)</b>	<b>\$ 1,830,793</b>	<b>\$ 1,309,825</b>	<b>\$ 2,874,230</b>

# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

### 6. Employee benefit obligations (continued):

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

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

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

	2007	2006
Accrued benefit liability, beginning of year	\$ 9,434,524	\$ 8,722,993
Service cost	732,700	723,400
Interest cost	438,600	404,200
Benefit payments	(882,500)	(507,929)
Past service costs	1,175,400	–
Curtailement	(918,600)	–
Actuarial loss	3,487	36,346
Pension over-contributions	20,411	55,514
<b>Accrued benefit liability, end of year</b>	<b>\$ 10,004,022</b>	<b>\$ 9,434,524</b>

The accrued benefit obligations and the net periodic benefit cost were originally estimated by actuarial valuation in December 2004. At December 31, 2007, the valuation was updated to reflect specific changes in the assumptions adopted in measuring the City's accrued employee benefit obligations.

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

	2007	2006
Discount rates	4.75%	4.50%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increases	2.58% to 4.63%	2.59% to 4.50%

The difference between the actuarially determined accrued benefit obligation as at December 31, 2007 of \$9,928,097 and the accrued benefit liability of \$10,004,022 is pension over-contributions of \$75,925. There is a year-ending unamortized actuarial gain of \$416,667 that is being amortized over a period equal to the employee's average remaining service lifetime.

# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

### 7. Long-term debt:

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

Interest rates on long-term debt range from 4.17% to 7.375%. The weighted average interest rate for 2007 was 5.13%.

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

	<b>Gross debt</b>	<b>Sinking fund assets</b>	<b>Net debt 2007</b>	<b>Net debt 2006</b>
General Capital Fund	\$ 87,134,889	\$ 41,953,929	\$ 45,180,960	\$ 48,408,749
Sewer Utility Capital Fund	1,593,940	1,573,899	20,041	452,108
	<b>\$ 88,728,829</b>	<b>\$ 43,527,828</b>	<b>\$ 45,201,001</b>	<b>\$ 48,860,857</b>

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

	<b>General Capital Fund</b>	<b>Sewer Utility Capital Fund</b>	<b>Total</b>
2008	\$ 2,140,629	\$ 43,953	\$ 2,184,582
2009	2,051,688	43,953	2,095,641
2010	2,051,688	43,953	2,095,641
2011	1,203,933	6,571	1,210,504
2012	1,203,933	6,571	1,210,504

Scheduled debt repayments may be suspended due to excess sinking fund earnings within the MFA.

Principal paid during the year was \$1,958,298 (2006 – \$2,703,841). Interest paid during the year was \$4,283,213 (2006 – \$4,857,227).

# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

### 8. Physical assets:

	Beginning balance	2007 additions	2007 Disposals	December 31, 2007 ending balance
Sewer utility	\$ 24,140,040	\$ 1,942,534	\$ –	\$ 26,082,574
Water utility	45,712,543	2,105,514	–	47,818,057
General capital:				
Engineering structures	155,461,280	8,496,556	–	163,957,836
Buildings	123,029,217	7,836,515	–	130,865,732
Machinery and equipment	76,048,607	4,538,426	(1,196,084)	79,390,949
Land	17,873,481	–	–	17,873,481
	<b>\$ 442,265,168</b>	<b>\$ 24,919,545</b>	<b>\$ (1,196,084)</b>	<b>\$ 465,988,629</b>

### 9. Unappropriated surplus:

	2007	2006
<b>Unappropriated surplus:</b>		
General Operating	\$ 2,340,501	\$ 1,668,217
Water Operating	–	1,934,407
Sewer Operating	–	598,421
<b>Operating funds balance</b>	<b>\$ 2,340,501</b>	<b>\$ 4,201,045</b>

# The Corporation of the City of Victoria

Notes to Financial Statements  
Year ended December 31, 2007

## 10. Reserve Funds:

	Beginning balance	Transfer from General Operating Fund	Debt proceeds	Transfer from General Capital Fund	Transfer to General Capital Fund	December 31, 2007 ending balance
Financial Stability Reserve	\$ 201,002	\$ 7,035	\$ -	\$ -	\$ -	\$ 208,037
Equipment Replacement Reserve	22,407,295	9,894,292	4,509,000	-	(7,997,693)	28,812,894
Economic Development	2,942,689	352,994	-	-	-	3,295,683
Debt Reduction	2,586,977	2,691,145	-	-	-	5,278,122
Self Insurance	4,175,776	146,153	-	-	-	4,321,929
Working Capital	3,403,840	119,134	-	-	-	3,522,974
Tax Sale Lands Fund	8,059,918	332,096	-	-	(485,455)	7,906,559
Parks and Greenways	1,412,972	49,455	-	-	-	1,462,427
Affordable Housing	674,426	300,116	-	-	-	974,542
Fringe Benefit Stabilization	350,520	112,267	-	-	-	462,787
Water Utility	3,147,057	3,255,895	-	-	-	6,402,952
Sewer Utility	657,355	1,362,338	-	-	-	2,019,693
	<b>\$ 50,019,827</b>	<b>\$ 18,622,920</b>	<b>\$ 4,509,000</b>	<b>\$ -</b>	<b>\$ (8,483,148)</b>	<b>\$ 64,668,599</b>

# The Corporation of the City of Victoria

Notes to Financial Statements  
Year ended December 31, 2007

## 11. Equity in physical assets:

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

	2007						December 31, 2007	
	Beginning balance	Debt principal repayments	Actuarial adjustments	Capital expenditures	Debt from consolidated entities	New debt issues	Disposals	ending balance
General capital	\$ 324,003,837	\$ 1,914,337	\$ 3,439,897	\$ 20,738,993	\$ 2,621,806	\$ (4,509,000)	\$ (1,063,580)	\$ 347,146,290
Water utility capital	45,712,542	—	—	2,105,514	—	—	—	47,818,056
Sewer utility capital	23,687,932	43,961	148,855	1,942,534	—	—	—	25,823,282
Equity in physical assets balance	<b>\$ 393,404,311</b>	<b>\$ 1,958,298</b>	<b>\$ 3,588,752</b>	<b>\$ 24,787,041</b>	<b>\$ 2,621,806</b>	<b>\$ (4,509,000)</b>	<b>\$ (1,063,580)</b>	<b>\$ 420,787,628</b>

During the year, the members' agreement for an entity previously included in the government reporting entity was amended and removed the element of shared control. As such the entity is no longer included in the consolidated financial statements resulting in the removal of \$2,621,806 of debt previously reported.

# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

### 12. Net taxes available for municipal purposes:

	2007	2006
<b>Taxation:</b>		
Property and business taxes	\$ 149,512,732	\$ 143,307,979
Utility 1% tax	1,164,209	1,128,413
<b>Special assessments:</b>		
Boulevard frontage	596,913	575,465
Local improvement	1,071	1,071
Specified area improvement	139,973	139,972
Sewer frontage	580,445	575,822
<b>Hotel tax:</b>		
Tourism Victoria – Destination Marketing Commission	2,397,199	2,303,159
Victoria Conference Centre	522,314	512,575
	<b>154,914,856</b>	<b>148,544,456</b>
<b>Less taxes levied for other authorities:</b>		
Capital Regional District	9,907,311	9,008,231
School Authorities	48,121,627	48,285,078
Regional Hospital District	3,903,948	3,648,432
Municipal Finance Authority	3,633	3,077
BC Assessment Authority	1,490,348	1,522,259
BC Transit	4,034,857	3,635,061
Business Improvement Association	823,753	804,327
	<b>68,285,477</b>	<b>66,906,465</b>
<b>Net taxes available for municipal purposes</b>	<b>\$ 86,629,379</b>	<b>\$ 81,637,991</b>



# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

### 13. Grants in lieu of taxes:

	2007	2006
Federal	\$ 2,186,211	\$ 2,163,902
<b>Provincial:</b>		
BCBC (Shared Services BC)	2,531,031	2,470,336
Royal BC Museum	993,332	865,556
<b>Provincial agencies:</b>		
Housing	307,709	302,049
Hydro	184,721	184,203
ICBC	176,433	184,647
	<b>6,379,437</b>	<b>6,170,693</b>
<b>Less grants in lieu of taxes for other authorities:</b>		
Capital Regional District	578,599	537,822
School Authorities	873,535	906,185
Regional Hospital District	59,422	59,288
MFA	25	22
BC Assessment Authority	25,271	27,044
BC Transit	83,107	80,202
	<b>1,619,959</b>	<b>1,610,563</b>
<b>Net grants in lieu of taxes available for municipal purposes</b>	<b>\$ 4,759,478</b>	<b>\$ 4,560,130</b>

### 14. Government transfers:

The following government transfers have been included in revenues:

	2007	2006
<b>Unconditional transfers from provincial government:</b>		
Traffic fine revenue sharing	<b>\$ 2,576,210</b>	<b>\$ 2,314,164</b>
<b>Conditional transfers:</b>		
Jail services	81,332	179,614
Gas Tax Agreement funds	1,594,996	-
<b>Infrastructure grants:</b>		
Sewer	21,935	32,903
General capital	700,062	2,099,971
<b>Cost sharing:</b>		
General capital	1,818,634	579,490
Water	7,835	-
	<b>4,224,794</b>	<b>2,891,978</b>
	<b>\$ 6,801,004</b>	<b>\$ 5,206,142</b>

# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

### 15. Expenditures by object:

	2007	2006
Salaries, wages and employee benefits	\$ 84,015,547	\$ 79,169,966
Equipment	3,208,487	3,328,314
Materials, supplies and contracted services	45,515,935	45,247,652
Interest and foreign exchange	4,471,329	5,241,532
Other	15,669,989	12,468,594
	<b>\$ 152,881,287</b>	<b>\$ 145,456,058</b>

### 16. Contingent liabilities:

The City is defendant in various lawsuits. The City records an accrual in respect of legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The remaining claims, should they be successful as a result of litigation, will be recorded when a liability is likely and determinable. An insurance reserve of \$4,321,929 (2006 – \$4,175,777) is maintained to offset settlements and insurance coverage is maintained to provide for insurable claims, should they exceed the liability deductible of \$1,000,000 in any year.

New condominium construction in British Columbia over the last 10 years has resulted in significant construction deficiencies. Liability for these deficiencies is presently being addressed by the courts. The impact of the courts' decisions and their effect on the City are unknown at this time. The City has received various statements of claim with respect to alleged construction deficiencies. Statements of defense have been made on behalf of the City by the City's solicitors. For the majority of these claims, no determination of the City's liability, if any, has been made and no estimate of potential loss can be made or recorded at this time. Any liability will be recorded when a settlement is likely and the amounts are determinable.

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

The City is reviewing environmental objectives and potential liabilities for its activities and properties and 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.

# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

### 17. Pension plan:

The municipality and its employees contribute to the Municipal Pension Plan (the plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 144,000 active members and approximately 51,000 retired members. Active members include approximately 35,000 contributors from local governments.

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

### 18. 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 at December 31, 2006 to be \$7,187,292 with a net surplus of \$5,035,817.

### 19. Commitments:

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

#### (a) Municipal Finance Authority debt reserve fund deposits:

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

# The Corporation of the City of Victoria

## Notes to Financial Statements

Year ended December 31, 2007

### 19. Commitments (continued):

(a) Municipal Finance Authority debt reserve fund deposits (continued):

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

	2007	2006
Cash deposits	\$ 1,011,347	\$ 1,315,312
Contingent demand notes	2,456,744	3,107,608
<b>Total</b>	<b>\$ 3,468,091</b>	<b>\$ 4,422,920</b>

### 20. Trust assets and liabilities:

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

	2007	2006
Ross Bay Cemetery	\$ 738,349	\$ 378,375
Nature Interpretation Centre	541,698	523,380
Bastion Square	321,255	326,265
<b>Total</b>	<b>\$ 1,601,302</b>	<b>\$ 1,228,020</b>

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.

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

### 21. Comparative figures:

Certain of the comparative figures have been reclassified to conform to the current year's presentation.

# The Corporation of the City of Victoria

## Consolidated Statement of Financial Activities and Fund Balances Operating Funds

## Schedule A

Year ended December 31, 2007, with comparative figures for 2006

	Budget 2007	Actual 2007	Actual 2006
<b>Revenues:</b>			
Taxes	\$ 86,765,133	\$ 86,629,379	\$ 81,637,991
Payments in lieu of taxes	4,474,600	4,759,478	4,560,130
Sale of goods and services	27,218,498	30,302,528	28,535,332
Sale of water	11,529,480	11,559,043	11,781,381
Licences and permits	3,702,500	5,233,082	3,396,174
Fines	4,642,500	4,581,409	4,549,320
Rentals and leases	925,275	1,049,723	897,612
Other interest and penalties	2,119,000	3,983,838	3,426,380
Unconditional government transfers	2,299,000	2,576,210	2,314,164
Conditional government transfers	185,000	81,332	179,614
Miscellaneous	5,001,780	7,325,707	6,304,047
	<b>148,862,786</b>	<b>158,081,729</b>	<b>147,582,145</b>
<b>Expenditures:</b>			
General government	26,492,453	20,376,517	23,562,868
Protective services	47,949,233	50,052,623	47,516,237
Transportation services	13,130,683	14,847,681	9,119,435
Environmental and public health services	5,361,173	5,863,680	5,881,062
Community planning	2,058,101	1,829,734	1,468,633
Parks, recreation and cultural services	21,933,195	25,002,384	24,454,419
Water utility	8,783,407	8,290,338	7,990,287
Sewer utility	1,781,471	1,698,785	1,759,329
	<b>127,489,716</b>	<b>127,961,742</b>	<b>121,752,270</b>
<b>Excess of revenues over expenditures</b>	<b>21,373,050</b>	<b>30,119,987</b>	<b>25,829,875</b>
Debt principal repaid	(2,918,244)	(1,958,298)	(2,703,841)
Net transfers to Capital Funds	(14,933,135)	(11,128,334)	(10,186,091)
Net transfers to Reserve Funds	(6,456,735)	(11,045,859)	(7,842,634)
Unfunded employee benefit obligations		(270,979)	(1,127,924)
	<b>(24,308,114)</b>	<b>(24,403,470)</b>	<b>(21,860,490)</b>
Change in Operating Funds balances	(2,935,064)	5,716,517	3,969,385
Funds balances, beginning of year	4,201,045	4,201,045	2,361,046
Transfer appropriated balance to Reserve Funds	(2,129,386)	(7,577,061)	(2,129,386)
<b>Funds balances, end of year</b>	<b>\$ (863,405)</b>	<b>\$ 2,340,501</b>	<b>\$ 4,201,045</b>

# The Corporation of the City of Victoria

## Consolidated Statement of Financial Activities and Fund Balances

## Schedule B

### Capital Funds

Year ended December 31, 2007, with comparative figures for 2006

	<b>Budget 2007</b>	<b>Actual 2007</b>	<b>Actual 2006</b>
<b>Revenues:</b>			
Sale of goods and services	\$ 2,419,996	\$ 1,164,601	\$ 1,319,391
Conditional governmental transfers	3,704,995	4,143,462	2,712,364
Development cost charges	625,000	–	–
Actuarial adjustment on debt		3,588,752	1,559,502
	<b>6,749,991</b>	<b>8,896,815</b>	<b>5,591,257</b>
<b>Expenditures:</b>			
<b>General government:</b>			
Buildings	3,704,939	996,099	1,552,483
Machinery and equipment	1,444,000	676,872	763,448
Land	375,000	–	291,966
	<b>5,523,939</b>	<b>1,672,971</b>	<b>2,607,897</b>
<b>Protective services:</b>			
Buildings	1,018,512	900,669	363,139
Machinery and equipment	2,181,793	1,949,235	1,462,012
	<b>3,200,305</b>	<b>2,849,904</b>	<b>1,825,151</b>
<b>Transportation services:</b>			
Engineering structures	7,813,254	4,658,422	3,606,412
Buildings	1,851,437	300,346	–
Machinery and equipment	1,448,000	1,751,678	2,700,486
	<b>11,112,691</b>	<b>6,710,446</b>	<b>6,306,898</b>
<b>Environmental and public health services:</b>			
Engineering structures	8,217,745	2,591,843	3,365,643
Land	–	–	–
	<b>8,217,745</b>	<b>2,591,843</b>	<b>3,365,643</b>
<b>Parks, recreation and cultural services:</b>			
Engineering structures	2,617,114	1,246,291	906,792
Buildings	10,699,218	5,639,401	4,243,530
Machinery and equipment	325,000	160,641	641,515
	<b>13,641,332</b>	<b>7,046,333</b>	<b>5,791,837</b>
Water utility	4,147,800	2,105,514	1,913,192
Sewer utility	2,800,000	1,942,534	1,893,170
<b>Total expenditures</b>	<b>48,643,812</b>	<b>24,919,545</b>	<b>23,703,788</b>

# The Corporation of the City of Victoria

Consolidated Statement of Financial Activities and Fund Balances

Schedule B (continued)

Capital Funds

Year ended December 31, 2007, with comparative figures for 2006

	<b>Budget 2007</b>	<b>Actual 2007</b>	<b>Actual 2006</b>
<b>Excess of expenditures over revenues</b>	(41,893,821)	(16,022,730)	(18,112,531)
Net transfers from Operating Funds	14,308,135	11,128,334	10,186,091
Net transfers from Reserve Funds	23,841,790	8,483,148	9,485,942
Net transfers from Trust Funds	3,743,896	-	-
Actuarial adjustment on debt	-	(3,588,752)	(1,559,502)
	41,893,821	16,022,730	18,112,531
Change in Capital Funds balances	-	-	-
Funds balances, beginning of year	-	-	-
<b>Funds balances, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# The Corporation of the City of Victoria

Consolidated Statement of Changes in Reserve Funds  
Year ended December 31, 2007, with comparative figures for 2006

Schedule C

	<b>Budget 2007</b>	<b>Actual 2007</b>	<b>Actual 2006</b>
Funds balances, beginning of year	\$ 50,019,827	\$ 50,019,827	\$ 49,533,749
<b>Add:</b>			
Debt proceeds	–	–	–
Transfer from Operating Funds	6,456,735	4,509,000	10,450,111
Transfer from Capital Funds		18,731,170	19,000
	6,456,735	23,240,170	10,469,111
<b>Deduct:</b>			
Transfer to Capital Funds	23,841,790	8,483,148	9,504,942
Transfer to Operating Funds		108,250	478,091
	23,841,790	8,591,398	9,983,033
Change in Reserve Funds balance	(17,385,055)	14,648,772	486,078
<b>Funds balances, end of year</b>	<b>\$ 32,634,772</b>	<b>\$ 64,668,599</b>	<b>\$ 50,019,827</b>



# Statistical Information

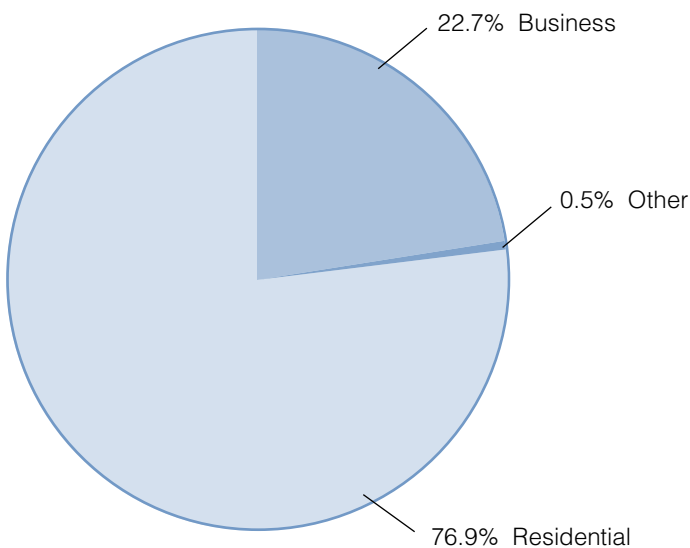
As per BC Assessment Roll Tax Base Report

Taxable Assessments of Land and Improvements 2003 – 2007 (in millions)

PROPERTY CLASS	2003	2004	2005	2006	2007
Residential	\$5,566	\$6,368	\$7,728	\$9,174	\$10,863
Utilities	11	15	15	16	20
Industrial-Light	25	25	24	27	31
Business	2,334	2,417	2,537	2,773	3,208
Seasonal/Non-profit	15	16	17	17	19
	<b>\$7,951</b>	<b>\$8,841</b>	<b>\$10,321</b>	<b>\$12,007</b>	<b>\$14,140</b>

## Assessment by Type

Source: BC Assessment



# Statistical Information

## Property Tax Rates 2003 – 2007

	2003	2004	2005	2006	2007
<b>Municipal</b> (\$ per 1000 assessment)					
Residential	5.3993	5.0380	4.3830	3.8864	3.5150
Utilities	33.3890	28.6251	28.5047	28.3141	32.4770
Industrial – Light	17.4882	17.9354	19.2588	18.4155	16.7611
Business	14.1844	14.6974	14.6242	14.2730	12.9908
Seasonal	10.1316	9.2513	9.7403	10.0077	9.5011
<b>Total</b> – Including School, Region, etc. (\$ per 1000 assessment)					
Residential	9.9688	9.2059	7.9853	7.0836	6.2885
Utilities	54.9333	49.4082	49.0118	48.7058	53.1079
Industrial – Light	31.7575	32.1045	33.1056	31.6671	28.3957
Business	27.7378	28.2036	27.6737	26.8227	23.9719
Seasonal	16.4349	15.3915	15.8820	15.8245	14.9719
<b>Municipal Tax Billings by Property Class</b> (in thousands)					
Residential	\$ 30,053	\$ 32,080	\$ 33,872	\$ 35,654	\$ 38,186
Utilities	377	434	451	466	634
Industrial – Light	429	456	462	493	516
Business	33,099	35,516	37,149	39,574	41,671
Seasonal	156	146	163	169	177
<b>TOTAL</b>	<b>\$ 64,114</b>	<b>\$ 68,632</b>	<b>\$ 72,097</b>	<b>\$ 76,356</b>	<b>\$ 81,184</b>

## New Construction 2003 – 2007

	2003	2004	2005	2006	2007
Construction Permits	2,944	2,927	3,244	3,626	3,381
Construction Value (\$ Million)	\$ 133	\$ 129	\$ 206	\$ 230	\$ 281
Taxes Generated from New Growth	\$ 873,382	\$ 1,343,819	\$ 902,586	\$ 1,737,335	\$ 2,012,722

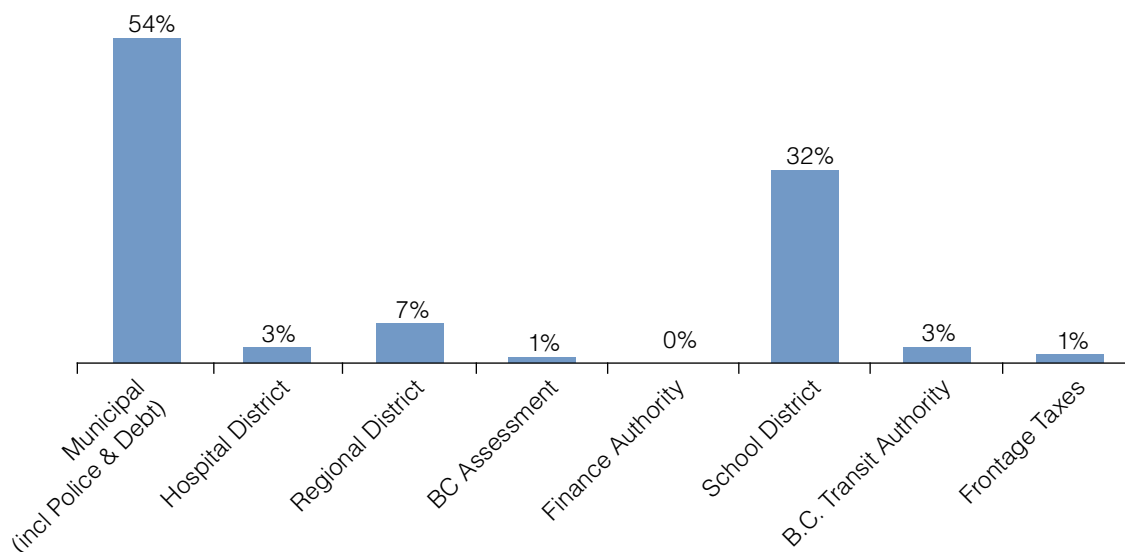
Source: City of Victoria Finance Department

# Statistical Information

## Property Tax Levied and Collected 2003 – 2007 (in thousands)

	2003	2004	2005	2006	2007
Municipal (incl Police and Debt)	\$ 64,114	\$ 68,632	\$ 72,097	\$ 76,356	\$ 81,184
Hospital District	3,979	3,815	3,714	3,649	3,904
Regional District	7,542	7,943	8,549	9,008	9,907
BC Assessment	1,444	1,429	1,478	1,523	1,490
Finance Authority	2	2	3	3	3
School District	43,160	44,773	46,109	48,285	48,122
B.C. Transit Authority	2,817	3,194	3,116	3,635	4,034
Frontage Taxes	1,273	1,282	2,072	2,093	2,130
	<b>\$ 124,330</b>	<b>\$ 131,070</b>	<b>\$ 137,138</b>	<b>\$ 144,552</b>	<b>\$ 150,774</b>
Total Current Taxes Levied	124,330	131,070	137,138	144,552	150,774
Current Taxes Collected	\$ 120,931	\$ 127,680	\$ 133,091	\$ 139,734	\$ 143,887
Percentage	97.27%	97.41%	97.05%	96.67%	95.43%
Outstanding at Beginning of Year	\$ 4,221	\$ 4,179	\$ 4,048	\$ 4,386	\$ 5,701
Arrears Collected	\$ 3,441	\$ 3,522	\$ 3,708	\$ 3,503	\$ 5,138
Percentage	81.51%	84.27%	91.60%	79.87%	90.12%
<b>Total Tax Collections</b>	<b>124,372</b>	<b>131,202</b>	<b>136,799</b>	<b>143,237</b>	<b>149,025</b>

## 2007 Taxes by Jurisdiction



Source: City of Victoria Finance Department

# Statistical Information

## 2007 Principal Corporate Tax Payers

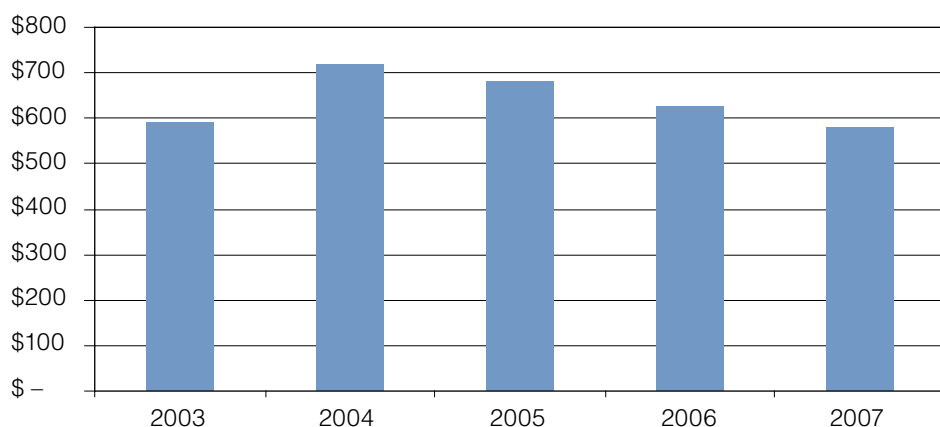
Registered Owner	Primary Property	Taxes Levied
4239440 Canada Ltd	Shopping Centre	\$3,669,776
OPB Realty	Shopping Centre	3,023,183
Legacy Empress Title Corp	Hotel	2,278,850
527701 BC Ltd/No 3 sail view ventures Ltd	Shopping Centre	1,934,562
Pacific Sun Hotel Inc	Hotel	964,736
Columbus Real Estate Inc	Office Bldg	773,214
596961 BC LTD	Retail/Office Bldg	737,568
Sussex Place Equities Ltd	Retail/Office Bldg	723,696
Victoria Downtown Hotel Estates Ltd	Hotel	707,730
CIBC/Standard Life Assurance Co	Retail/Office Bldg	692,724
Grampian Holdings Ltd	Retail/Office Bldg	609,544
CHIP REIT NO 40 HOLDINGS LTD	Hotel	576,328
BC Telephone	Office Bldg	571,804
Paul's Restaurants Ltd	Hotel	513,449
The Greater Victoria Harbour Authority	Waterfront/Retail	481,364
Westside Village Shopping Centre Ltd	Shopping Centre	454,754
Park Pacific Apartments Ltd	Hotel	442,840
Congdon Construction Ltd	Hotel	417,126
DDP 655 Tyee Properties Ltd	Office Bldg	413,025
S-8129 Holdings Ltd	Retail	401,679
Royal Trust Corp of Canada	Retail/Office Bldg	390,910
Ruth Singer Investments Ltd	Shopping Centre	389,982
Executive House Ltd	Hotel	388,789
Standard Life Assurance Company of Canada In Trust	Retail/Office Bldg	385,349
Chip Rent No 44 Holdings Ltd	Hotel	383,748
Saratoga Investments Ltd	Retail/Office Bldg	368,579
Jawl Holdings Ltd	Office Bldg	368,459
BC Transit	Bus Depot	368,205
Kanco James Bay Properties Ltd	Shopping Centre/Residential	364,857
Grampian Holdings Ltd	Retail/Office Bldg	359,228
		<b>\$24,156,058</b>

# Statistical Information

## Debenture Debt 2003 – 2007 (in thousands)

	2003	2004	2005	2006	2007
Gross Outstanding Debt	\$ 74,914	\$ 84,206	\$ 88,445	\$ 88,152	\$ 88,729
Less: Sinking Fund Payments	31,024	30,956	37,943	39,291	43,528
<b>Net Debt</b>	<b>\$ 43,890</b>	<b>\$ 53,250</b>	<b>\$ 50,502</b>	<b>\$ 48,861</b>	<b>\$ 45,201</b>
General	\$ 43,074	\$ 52,547	\$ 49,920	\$ 48,409	\$ 44,942
Sewer	816	703	582	452	259
	\$ 43,890	\$ 53,250	\$ 50,502	\$ 48,861	\$ 45,201
Debt Servicing Costs					
Property Tax Supported	\$ 5,970	\$ 6,733	\$ 7,338	\$ 7,373	\$ 6,107
Sewer Utility	246	188	188	188	135
<b>Total Debt Servicing Costs</b>	<b>\$ 6,216</b>	<b>\$ 6,921</b>	<b>\$ 7,526</b>	<b>\$ 7,561</b>	<b>\$ 6,242</b>
Population	74,125	74,125	74,125	78,057	78,057
Net Debt per Capita	\$ 592	\$ 718	\$ 681	\$ 626	\$ 579
Debt Servicing per Capita	\$ 84	\$ 93	\$ 102	\$ 97	\$ 80
Debt Service as % of Expenditures	4.90%	4.91%	5.16%	5.20%	4.08%
# of Households	21,564	21,564	21,564	39,595	41,722
Gross Debt Servicing Limit	\$ 29,918,105	\$ 32,434,819	\$ 33,943,159	\$ 36,434,863	\$ 39,636,930
Debt Capacity Available	\$ 22,847,958	\$ 25,377,831	\$ 26,165,985	\$ 28,495,619	\$ 33,224,450

## Per Capita Net Debt



Source: Municipal Finance Authority

Source: Population: Statistics Canada

# Statistical Information

## Revenue and Expenses 2003 – 2007 (in thousands)

<b>Revenue</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Property Taxes	\$ 69,041	\$ 73,708	\$ 77,324	\$ 81,638	\$ 86,629
Payment In Lieu of Taxes	4,180	4,244	4,601	4,560	4,759
Sales of Services	26,050	28,004	34,736	29,855	33,062
Sale of Water	9,176	10,740	10,450	11,781	11,559
Licences and Permits	3,173	3,352	3,328	3,396	5,233
Fines	3,956	4,662	4,913	4,549	4,581
Rentals and Leases	774	810	848	898	1,050
Interest and Penalties	2,393	2,390	2,433	3,426	3,984
Unconditional Government Transfers	482	1,838	2,466	2,314	2,576
Other	3,803	5,144	5,247	7,864	10,914
Conditional Government Transfers	1,158	1,178	1,872	2,892	2,630
	<b>\$ 124,186</b>	<b>\$ 136,070</b>	<b>\$ 148,218</b>	<b>\$ 153,173</b>	<b>\$ 166,979</b>

### Expenses by Function

General Government	\$ 22,323	\$ 24,387	\$ 27,316	\$ 26,171	\$ 22,049
Protective Services	43,192	44,531	46,268	49,341	52,903
Transportation Services	12,504	11,680	12,600	15,426	21,558
Environmental/Public Health	8,105	8,692	9,235	9,247	8,456
Community Planning	1,145	1,627	1,169	1,469	1,830
Parks Recreation and Cultural	27,193	36,443	36,026	30,246	32,049
Water Utility	9,435	10,332	9,988	9,903	10,396
Sewer Utility	3,069	3,324	3,004	3,652	3,641
	<b>\$ 126,966</b>	<b>\$ 141,016</b>	<b>\$ 145,607</b>	<b>\$ 145,456</b>	<b>\$ 152,881</b>

### Expenses by Object

Salaries Wages and Benefits	\$ 70,866	\$ 72,850	\$ 75,320	\$ 79,170	\$ 84,016
Equipment	9,459	10,257	10,541	3,328	3,208
Materials Supplies and Services	36,597	45,701	48,896	45,248	45,516
Interest	3,852	4,573	5,151	5,242	4,471
Other	6,192	7,636	5,699	12,469	15,670
	<b>\$ 126,966</b>	<b>\$ 141,016</b>	<b>\$ 145,607</b>	<b>\$ 145,456</b>	<b>\$ 152,881</b>

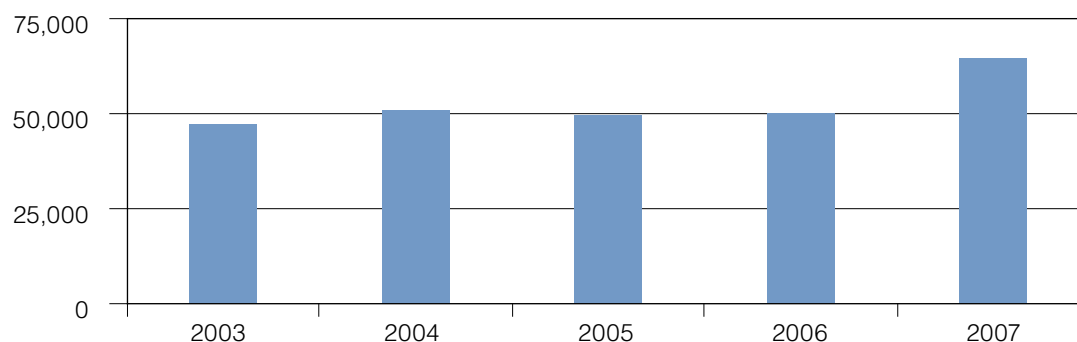
Source: City of Victoria Finance Department

# Statistical Information

## Reserve Funds and Statement of Surplus 2003 – 2007 (in thousands)

Description	2003	2004	2005	2006	2007
<b>Reserve Funds</b>					
Equipment and Infrastructure	\$ 31,485	\$ 34,094	\$ 24,132	\$ 22,407	\$ 28,813
Economic Development	1,852	2,198	2,553	2,943	3,296
Financial Stability		220	201	208	
Debt Reduction	1,366	1,564	1,742	2,587	5,278
Self Insurance	3,149	3,640	4,131	4,176	4,322
Working Capital	3,130	3,209	3,289	3,404	3,523
Tax Sale Lands	3,824	3,524	8,693	8,060	7,907
Parks and Greenways Acquisition	434	608	1,364	1,413	1,462
Affordable Housing	–	250	506	674	975
Fringe Benefit Rate Stabilization	165	138	242	351	463
Water Utility	1,823	1,869	2,607	3,147	6,403
Sewer utility	–	–	56	657	2,020
	<b>\$ 47,229</b>	<b>\$ 51,094</b>	<b>\$ 49,534</b>	<b>\$ 50,020</b>	<b>\$ 64,669</b>
<b>Statement of Unappropriated Surplus (Deficit)</b>					
General Operating Surplus	\$ 636	\$ 444	\$ 1,312	\$ 1,668	\$ 2,341
Water Operating Surplus	365	691	449	1,934	–
Sewer Operating Surplus	(56)	56	600	598	–
	<b>\$ 945</b>	<b>\$ 1,191</b>	<b>\$ 2,361</b>	<b>\$ 4,201</b>	<b>\$ 2,341</b>
<b>Reserves Plus Surplus</b>	<b>\$ 48,174</b>	<b>\$ 52,285</b>	<b>\$ 51,895</b>	<b>\$ 54,221</b>	<b>\$ 67,009</b>

## Reserves



Source: City of Victoria Finance Department

# Statistical Information

2003 – 2007 Capital Budget Expenditures and Funding Sources (in thousands)

	2002	2003	2004	2005	2006	2007
<b>Expenditures</b>						
Civic Facilities	\$ 1,183	\$ 6,752	\$ 14,573	\$ 13,247	\$ 5,416	\$ 7,731
Equipment	3,205	4,229	2,861	3,988	5,516	4,744
Streets	1,621	2,376	1,849	2,152	2,411	4,145
Transportation and Development	348	277	1,161	1,107	1,010	694
Civic Services	44	23	23	38	39	42
Storm Drains	800	1,848	1,796	1,416	2,650	1,699
Parks	1,468	611	421	1,961	1,192	900
Planning and Development	73	38	280	0	43	24
Shoreline Protection	251	12	5	20	2	9
Revitalization	136	7	880	0	33	28
Downtown Revitalization	650	290	116	54	148	149
Environmental Remediation	594	497	860	1,704	680	534
Water Utility	2,251	1,731	2,113	1,741	1,913	2,106
Sewer Utility	1,074	1,463	1,533	1,405	1,893	1,943
Victoria Conference Centre	118	262	144	214	757	174
	<b>\$ 13,816</b>	<b>\$ 20,417</b>	<b>\$ 28,616</b>	<b>\$ 29,047</b>	<b>\$ 23,704</b>	<b>\$ 24,920</b>
<b>Funding Sources</b>						
Capital Tax Levy	\$ 3,657	\$ 4,264	\$ 5,220	\$ 6,193	\$ 7,385	\$ 7,985
Connection Fees	174	177	231	205	274	259
Equipment and Infrastructure	3,994	4,491	5,356	3,470	5,752	5,002
Tax Sale Land Reserve	1,403	1,042	1,585	1,141	1,005	485
Development Cost Charges	–	80	609	75	–	–
Economic Development Reserve	375	–	–	–	–	–
Trust Funds	–	–	63	10	53	30
Grants and Partnerships	355	734	746	1,719	2,679	2,519
Gas Tax	–	–	–	–	–	1,595
Debt	–	5,771	10,058	12,123	633	1,626
Water Utility	2,251	1,731	2,113	1,741	1,913	2,106
Sewer Utility	1,074	1,463	1,533	1,405	1,893	1,943
Victoria Conference Centre	118	260	144	281	757	174
Police Equipment and Infrastructure	416	405	959	683	1,358	1,197
	<b>\$ 13,816</b>	<b>\$ 20,417</b>	<b>\$ 28,616</b>	<b>\$ 29,047</b>	<b>\$ 23,704</b>	<b>\$ 24,920</b>

Source: City of Victoria Finance Department



# Statistical Information

## 2007 Grants

Organization	Grants	City Inkind Services	Exemption From Property Taxes	Total
5th (BC) Field Regiment, RCA	\$	\$ 121.55	\$	\$ 122
African Heritage Association of Vancouver Island	3,750			3,750
Aids Vancouver Island	4,500		6,898	11,398
Anawim Companions Society			2,678	2,678
Art Gallery of Greater Victoria	4,500	3,750	45,091	53,341
ARTec	2,500			2,500
Bay Street Armoury		83		83
BC Lions Society for Children with Disabilities		149		149
BC SPCA	20,486			20,486
Belfry Theatre Society			22,227	22,227
Blanshard Community Centre	53,289	150		53,439
Boys and Girls Club of Greater Victoria			22,435	22,435
Burnside Gorge Community Association Youth Outreach	10,000			10,000
Burnside Gorge Community Association	54,409			54,409
Canadian Cancer Society			31,607	31,607
Canadian Housing Research Foundation			8,102	8,102
Canadian National Institute for the Blind			27,177	27,177
Canadian Pacific Lawn Bowling Club			23,227	23,227
Canadian Red Cross Society			45,117	45,117
Capital Mental Health Association			21,334	21,334
Capital Region Housing Corporation	55,000			55,000
Casa Maria Emergency Housing Society			2,004	2,004
Central American Support Committee	2,000			2,000
CFB Esquimalt		421		421
Chinese Consolidated Benevolent Association		1,300	12,835	14,135
Church of Latter Day Saints		533		533
Clover Point Anglers' Association			2,118	2,118
Community Arts Council of Greater Victoria	3,750			3,750
Community Social Planning Council	16,192			16,192
Craigdarroch Castle Historical Museum Society			42,790	42,790
Cridge Centre for the Family, The			23,751	23,751
Dart Coon Club		123		123
Deuces Northwest		2,988		2,988
Discovery School Society			3,887	3,887
Downtown Blanshard Advisory Committee	2,813			2,813
Downtown Residents' Association	1,765			1,765
Downtown Victoria Business Association		627		627
Earth Walk Committee		590		590
Fairfield Activity Centre Society (New Horizons)	34,895			34,895
Fairfield Community Association	112,585			112,585

# Statistical Information

## 2007 Grants

Organization	Grants	City Inkind Services	Exemption From Property Taxes	Total
Fernwood Community Association	\$ 5,090	\$	\$	\$ 5,090
Fernwood Neighbourhood Resource Group	103,209	128	2,302	105,639
Fire Fighters Burn Fund Victoria			1,304	1,304
First Open Heart Society of BC Inc.			1,852	1,852
Girl Guides of Canada			3,723	3,723
Go Rowing and Paddling Association of Canada	2,000	4,124	19,473	25,598
Governing Council of the Salvation Army in Canada			45,953	45,953
Great Canadian Beer Festival Society		208		208
Greater Victoria Bike to Work Society	2,500	43		2,543
Greater Victoria Chamber of Commerce	50,000			50,000
Greater Victoria Citizens Counselling Centre, The			8,171	8,171
Greater Victoria Compost Education Centre	13,530	171		13,701
Greater Victoria Festival Society	17,000	11,892		28,892
Greater Victoria Film Commission	45,000			45,000
Greater Victoria School Board	15,812			15,812
Greater Victoria Women's Shelter Society			5,497	5,497
Intercultural Association of Greater Victoria	12,500	5,825		18,325
Intrepid Theatre Company	13,500			13,500
Island Equipment Owners Association		4,966		4,966
James Bay Anglers Association			446	446
James Bay Community Project	10,000			10,000
James Bay Community School Centre	42,569			42,569
James Bay Community School Society	11,940			11,940
James Bay Health and Community Services Society			18,290	18,290
James Bay New Horizons	53,201			53,201
John Howard Society of Victoria			2,074	2,074
Kiwanis Club of Victoria			5,571	5,571
Langford, City of – In Trust for Commuter Rail	5,000			5,000
Laren Society			3,005	3,005
Maharishi Age of Enlightenment School Society			2,586	2,586
Maritime Museum of British Columbia	20,000			20,000
Mcperson Playhouse Foundation			67,552	67,552
MediaNet	3,000			3,000
Multiple Sclerosis Society of Canada			24,254	24,254
NEED – Crisis and Information Line	20,139			20,139
North Jubilee Neighbourhood Association	1,950			1,950
North Park Neighbourhood Association	10,460			10,460
Northwest Entertainment Foundation	2,000			2,000
Oaklands Community Association	66,949			66,949
Oaklands School		86		86

# Statistical Information

## 2007 Grants

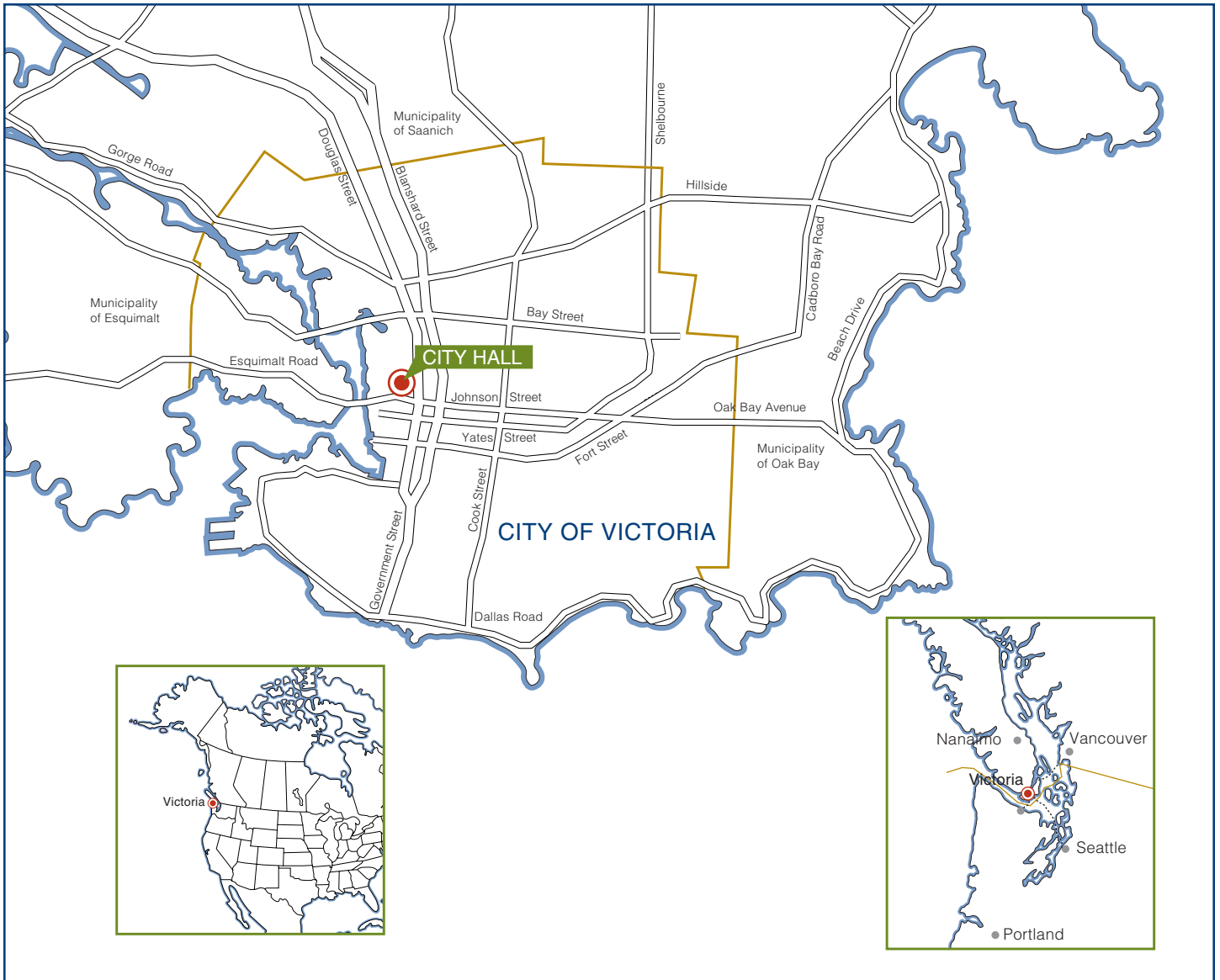
Organization	Grants	City Inkind Services	Exemption From Property Taxes	Total
Octa Collective Society, The	\$ 2,500	\$	\$	\$ 2,500
Open Space Arts Society			11,705	11,705
Our Place Society	29,500		1,947	31,447
Pandora Arts Collective Society	3,750			3,750
Pauls Restaurants Ltd.		83		83
Project Literacy Victoria	1,700			1,700
Quality of Life Challenge, The	2,000			2,000
Recreation Integration Victoria	27,003			27,003
Rockland Community Association	2,230			2,230
Roofs & Roots	50,000			50,000
Royal Victoria Yacht Club		3,602		3,602
Scout Properties (BC/Yukon) Ltd.			6,832	6,832
Shekinah Homes Society Inc.			2,264	2,264
Sierra Club of BC Foundation	8,000			8,000
Single Parent Resource Centre Society			6,950	6,950
South Jubilee Neighbourhood Association	775			775
South Park Family School	5,000			5,000
South Park Family School PAC		171		171
SportHost	7,500			7,500
St. John Ambulance	2,328			2,328
St. John Society (BC/Yukon)			27,463	27,463
St. Vincent De Paul Society of Victoria			27,385	27,385
Tenant Resource and Advisory Centre	2,500			2,500
Times Colonist		1,120		1,120
TLC The Land Conservancy of BC			22,897	22,897
Today's Stewards for Tomorrow (Leadership Victoria)	5,000			5,000
Tourism Victoria's Destination Marketing Commission	2,397,199			2,397,199
Tourism Victoria	62,500			62,500
Trojan One		718		718
United Way of Greater Victoria, The			12,822	12,822
Unity Church of Victoria			604	604
Vancouver Island Association for the Physically Disabled			2,520	2,520
Vancouver Island Centennial Patrol	500			500
Vancouver Island Health Authority			32,161	32,161
Veins of Life Watershed Society	3,750			3,750
Veterans Affairs Canada		427		427
VIATeC	22,500			22,500
Victoria West Community Association	8,750	113		8,863
Victoria A.M. Association	2,000			2,000
Victoria Arts Connection	2,000			2,000

# Statistical Information

## 2007 Grants

Organization	Grants	City Inkind Services	Exemption From Property Taxes	Total
Victoria Association for Community Living	\$	\$	\$ 4,032	\$ 4,032
Victoria BC Ska Society	4,000			4,000
Victoria Chamber Orchestra	2,000			2,000
Victoria Civic Heritage Trust	469,450			469,450
Victoria Confederation of Parent Advisory Council	30,000			30,000
Victoria Conservatory of Music	1,500		124,634	126,134
Victoria Cool Aid Society			42,044	42,044
Victoria Curling Club, The			26,189	26,189
Victoria Dragon Boat Festival Society	7,500	34		7,534
Victoria Heritage Foundation	173,446			173,446
Victoria Highland Games Association and Greater Victoria Police Pipe Band		590		590
Victoria Highland Games Society	1,500			1,500
Victoria Independent Film and Video Festival Society	8,000			8,000
Victoria International Arts Symposium	25,000			25,000
Victoria International Running Society		5,416		5,416
Victoria Jazz Society	12,500	3,280		15,780
Victoria Marathon Society		12,226		12,226
Victoria Native Friendship Centre	300,000		3,111	303,111
Victoria Police Department		207		207
Victoria Pride Society		3,656		3,656
Victoria READ Society			6,689	6,689
Victoria Remembrance Day Committee		171		171
Victoria Silver Threads	34,895			34,895
Victoria Symphony Society	5,000	7,166		12,166
Victoria Tall Ships Society	50,000			50,000
Victoria Theatre Guild and Dramatic School			15,836	15,836
Victoria Volunteer Bureau	8,906			8,906
Victoria West Community Association	3,470			3,470
Victoria West Community Y	84,087			84,087
Victoria Wheels In Motion Committee		1,311		1,311
Victoria Women In Need Society Inc.			11,653	11,653
Victoria Women's Transition House Society			9,033	9,033
Victoria Youth Empowerment Society	43,500		13,186	56,686
Women's Sexual Assault Centre	900			900
YMCA-YWCA of Greater Victoria	3,000		114,865	117,865
<b>Total</b>	<b>\$ 4,827,421</b>	<b>\$ 78,569</b>	<b>\$ 1,082,152</b>	<b>\$ 5,988,141</b>

# City of Victoria Map



## Eco Commitment

The City of Victoria's Annual Report is printed on acid and chlorine free paper using vegetable based-ink, and is 100% Forest Stewardship Council (FSC) paper. FSC is an international certification and labelling system that guarantees that the forest products you purchase come from responsibly managed forests and verified recycled sources.

Under FSC certification, forests are certified against a set of strict environmental and social standards, and fibre from certified forests is tracked all the way to the consumer through the chain of custody certification system. The goal of FSC is to promote environmentally responsible, socially beneficial and economically viable management of the world's forests. FSC has established a worldwide standard of recognized and respected 10 Principles of Forest Stewardship, including environmental impact, indigenous peoples' rights and worker's rights.

FSC certification is a voluntary and market-based mechanism for ensuring that our forests are healthy. Consumer demand for FSC-certified products encourages forest managers and owners to become FSC-certified. Independent third-party auditors conduct all FSC certification audits.

# Looking Forward



## The Role of the 2007-2009 Corporate Strategic Plan

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

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

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

## Developing the Corporate Strategic Plan

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

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

## Monitoring and Reporting on the Corporate Strategic Plan

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



### Vision

To be the most liveable city in Canada

### Mission

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

### Values

**Respect:** We respect each other and the citizens we serve

**Accountability:** We are accountable and take responsibility for our actions

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

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

### Council Goals

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

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

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

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

### Measuring Our Performance

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

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

