

DISTRICT OF

OAK BAY

2019 ANNUAL REPORT



Adopted by Oak Bay Council on July 20, 2020
Province Of British Columbia
Prepared by Corporate Services
For the year ended December 31, 2019



2019 Annual Report
District of Oak Bay
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INTRODUCTORY SECTION

DID YOU KNOW?

- The northeastern area of Oak Bay known as the Uplands is a residential subdivision comprised of 188 hectares. Designed in 1908 by John C. Olmstead, the subdivision was the earliest to be wholly planned as a residential park. The Uplands contains 600 homes and is characterized by a gently curving street pattern, sensitivity to local flora and topography, large and irregular lot shapes, establishment of numerous parks, and implementation of protective deed provisions to preserve these unique qualities.

In the summer of 2018, Oak Bay Council provided support to an application to have the Uplands designated as a National Historic Site of Canada. The application was successful, and Uplands was officially designated in 2019. For more information, please visit http://parkscanadahistory.com/park_summaries/bc-e.htm.

OUR OAK BAY

We acknowledge that the land on which we gather is the traditional territory of the Coast and Straits Salish Peoples. Specifically we recognize the Lekwungen speaking people known today as the Songhees and Esquimalt Nations, and that their historic connections to these lands continue to this day.

Oak Bay is a beautiful seaside community defined by its residential neighbourhoods, village centres with local businesses, historic character, mature tree canopy, accessible shorelines and abundance of green space. Together these features combine to make Oak Bay one of the world's most desirable communities in which to live.

The District is located on the southern tip of Vancouver Island in British Columbia. The City of Victoria borders Oak Bay's west boundary, and the District of Saanich lies to the north. Oak Bay is one of 13 member municipalities that form the Capital Regional District.

The University of Victoria is partially located in the District, as is a small portion of Camosun College. Additional community landmarks include both public and independent schools, two golf courses, a marina, a yacht club and a luxury boutique hotel.



OAK BAY COMMUNITY PROFILE

Incorporated on July 2, 1906	Total Population 18,094*	Average Citizen Age 49.2 years*
Total Land Area 10.5 km²	Roads 105 km Sidewalks 142 km	Properties included in the Heritage Register+ 105
Total Park Space 76 Ha	Total Recreation Facilities 5 & 1 Golf Course	Urban Forest over 10,000 trees
Total Business Licences+ 657	Total Building Permit Revenue+ \$510,392	Total Construction Values+ \$43.8 Million

* Statistics from 2016 Canada Census

+ Represent 2019 Values

CONNECT WITH US

In Person	2167 Oak Bay Avenue, Victoria, BC, V8R 1G2			
Websites	General: www.oakbay.ca Police: www.oakbaypolice.org Parks, Recreation and Culture: www.oakbay.ca/parks-recreation			
Phone	Municipal Hall General Inquiries: 250-598-3311 Public Works: 250-598-4501 Emergency Program: 250-592-9121 Fire – Non-emergency: 250-592-9121 Police – Non-emergency: 250-592-2424 Recreation Programs & Services: 250-595-7946			
Social Media	Municipal Hall Recreation Oak Bay Oak Bay Police Oak Bay Fire	 @districtoakbay @oakbay_prc	 @districtoakbay @recreationoakbay @oakbaypolice @oakbayfiredept	 @districtoakbay @recoakbay

OAK BAY MUNICIPAL COUNCIL



Top Row Left to Right: Councillor Tara Ney, Councillor Andrew Appleton, Councillor Hazel Braithwaite, Councillor Cairine Green
Bottom Row Left to Right: Councillor Esther Paterson, Mayor Kevin Murdoch, Councillor Eric Wood Zhelka

Oak Bay Council consists of a Mayor and six Councillors who are elected to four year terms. Members of the current Council officially took office in November 2018.

Council is responsible for local government leadership including establishing priorities and policies, and making governance decisions that reflect the best interests of present and future Oak Bay citizens. Each Member of Council represents the District of Oak Bay in its entirety. Council Members may also serve on District and regional Committees, Boards, and Advisory Bodies where their function is to provide strategic input and direction to District initiatives, to establish budget priorities, and to provide advice on regional issues.

Council generally meets on the second and fourth Monday of each month, and sits as Committee of the Whole on the third Monday of each month. Members of the public are welcome and encouraged to attend open meetings of Council. Meetings usually start at 7 p.m. and are held in the Council Chambers unless otherwise noted. Meeting information is available at www.oakbay.ca/agendas.

CONNECT WITH OUR COUNCIL



Mayor Kevin Murdoch	mayor@oakbay.ca	250-896-4983
Councillor Andrew Appleton	aappleton@oakbay.ca	250-880-3247
Councillor Hazel Braithwaite	hbraithwaite@oakbay.ca	250-880-3443
Councillor Cairine Green	cgreen@oakbay.ca	250-920-9534
Councillor Tara Ney	tney@oakbay.ca	250-818-7213
Councillor Esther Paterson	epaterson@oakbay.ca	250-888-2975
Councillor Eric Wood Zhelka	ezhelka@oakbay.ca	250-704-8641

MESSAGE FROM THE MAYOR



I am pleased to introduce the 2019 Annual Report on behalf of Oak Bay Council.

2019 was the first full year under the Council elected in November 2018. I am very proud of the collegial and professional approach taken by this Council in making decisions in the best long-term interests of the residents, business community, municipality and region.

In 2019, Council undertook a fulsome strategic planning process aligned to a new long-term financial plan. As a result, there were several initiatives that began in 2019 including timelines to achieve sustainable funding of the District's infrastructure by 2024 and the initiation of a housing framework which will help ensure future housing options meet community needs. There is a shared interest from all in seeing operational excellence and cost containment, so planning and proactive service is key. We also appreciated listening to your ideas and answering questions at three town-hall style meetings held later in the year.

I would like to take this opportunity to thank the Boards, Committees, Commissions, community groups, and the citizens of Oak Bay that contribute their time and energy to the culture, prosperity, and enhancement of our municipality. In 2019, Council began work on updating the volunteer Committees and Commissions, procedures, policies, and tools to improve transparency and clarity of process, particularly on land-use issues. This work will continue in 2020 and will help applicants, neighbours, and the community better understand where, when, and how to be heard on applications and issues of interest. I am grateful for our community, staff, and Council, who contribute to an open and respectful sharing of ideas which ensures Oak Bay can thrive in the coming years.

In 2019, the District continued efforts to build partnerships with other levels of government, including our local First Nations, and 2020 will see more efforts to develop these and other public and private partnerships.

Oak Bay continues to be one of the most desirable places in the world to live. In 2019, Council and staff continued the tradition of careful stewardship of our community, building on the community strengths, celebrating our built heritage, encouraging cultural and social connections, ensuring community safety, and protecting our natural environment. It also laid important groundwork for more progress in 2020.

The 2019 Annual Report works to provide a readable format, standardized metrics for trend analysis, and better alignment with the budgeting and Corporate Plan structures. Providing Oak Bay residents with robust sources of information through tools like the comprehensive Annual Report helps with both transparency and decision-making. I hope you find this document of interest, and that it helps you better understand your community and the challenges and opportunities facing us collectively.

Kevin Murdoch
Mayor

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER



Thank you for reading the District of Oak Bay’s 2019 **Annual Report**. We consider this document to serve as a substantial communication tool for the District; providing an overview on how this local government has overcome challenges and achieved successes during the previous year. We hope you find this reading to be time well spent.

The **Annual Report** has changed again this year as a result of the significant strides made in 2019 and 2020 with the creation of a new **Corporate Plan** and a robust **Five Year Financial Plan**. These three documents, when read in conjunction with the District’s **Official Community Plan (OCP)**, provide interested readers with a breadth of information about District operations, aspirations and undertakings that was not previously readily accessible. This commitment to continued improvement and progress on reporting marks another significant step forward for the District of Oak Bay.



The **Official Community Plan** represents this community’s vision for the future and provides a framework to guide growth and decisions about the use and management of land and water resources in the Municipality. The District’s OCP was adopted in 2014.

The **Five Year Financial Plan** outlines general operations, projects and specific initiatives planned for the entire five year cycle. New highlights of this document include a “service level approach” and the inclusion of “life cycle costing”. Additional policies have also been adopted that augment the Plan, increasing accountability and transparency.

The **Corporate Plan**, a new document for Oak Bay in 2019, identifies timing of projects to be undertaken in order to deliver on Council Priorities in the current year. The **Corporate Plan** is driven by the OCP, the **Five Year Financial Plan** and the annual budget. The **Corporate Plan** is implemented through Council decisions and staff action – actions that are reported in the **Annual Report**.

A huge thank you to Mayor and Council for their thoughtful and respectful governance and to staff for their diligent efforts and professional expertise. Thank you also to our many volunteers who give tirelessly of their valuable personal time to better our community in countless ways. For me, it is apparent that the District of Oak Bay has much to be proud of, both as an organization and a community!

Lou Varela, Chief Administrative Officer

DISTRICT OF OAK BAY MISSION AND VISION

OAK BAY MISSION STATEMENT

The District of Oak Bay holds that its purposes include:

- a) providing for good government of its community,
- b) providing for services, laws and other matters for community benefit,
- c) providing for stewardship of the public assets of its community, and
- d) fostering the economic, social and environmental well-being of its community.

(Community Charter, Section 7)

OAK BAY OFFICIAL COMMUNITY PLAN VISION STATEMENT

The following vision statement detailed in the District's Official Community Plan is expressed in the present tense, as it represents the community's aspiration for how Oak Bay will be described in the future.

"Oak Bay is a vibrant and safe community located in a spectacular natural setting. Residents are passionate and proud of the many qualities that make Oak Bay one-of-a-kind. These include its sense of community, streetscapes, village charm, residential character, natural coastal environment, parks, recreation facilities and opportunities, enviable quality of life, vibrant arts and culture scene, high quality education opportunities, heritage values, mixed architectural styles, and well-conserved historic architecture.

Oak Bay is a dynamic community that respects and enhances the existing community structure and core characteristics that make it distinct from adjacent communities, while supporting the changes necessary to meet current and future needs. These features are central to Oak Bay's resilience and sustainability; protecting the best of what we have and adapting to embrace the future.

Oak Bay is a community that values and supports diversity in its population. It offers a broad range of residential, social, and cultural opportunities as well as commercial activities for its residents, and strives to be economically, environmentally, and socially sustainable in its practices. Oak Bay's residents are active contributors in local decision-making, working collaboratively with municipal Council and staff to ensure that Oak Bay will continue to thrive for years to come."

For more information on the District's Official Community Plan, please visit www.oakbay.ca/municipal-services/planning/official-community-plan



COUNCIL PRIORITIES

DID YOU KNOW?

- In 2019, the District of Oak Bay initiated work on a housing framework that considers a range of potential housing options to support current and future community housing needs. Potential options for consideration include secondary suites as a means of offering affordable housing within the municipality.
- Oak Bay has the highest concentration of rare and endangered species in Canada. Many of these are located in Uplands Park which is now a federally recognized natural area.
- Oak Bay is characterized by a thriving and diverse arts and culture scene and is home to the David Foster Theatre, Oak Bay High School Theatre, Canadian College for Performing Arts, and the University of Victoria.
- In order to reduce carbon emissions, Oak Bay is using trenchless technology where possible for the installation or renewal of underground infrastructure.
- The Strategic Energy Management Plan (SEMP) reports current energy consumption and GHG emissions, indicates future goals and provides a plan to reach the overarching goals of achieving a sustainable future.



COUNCIL PRIORITIES 2019-2022



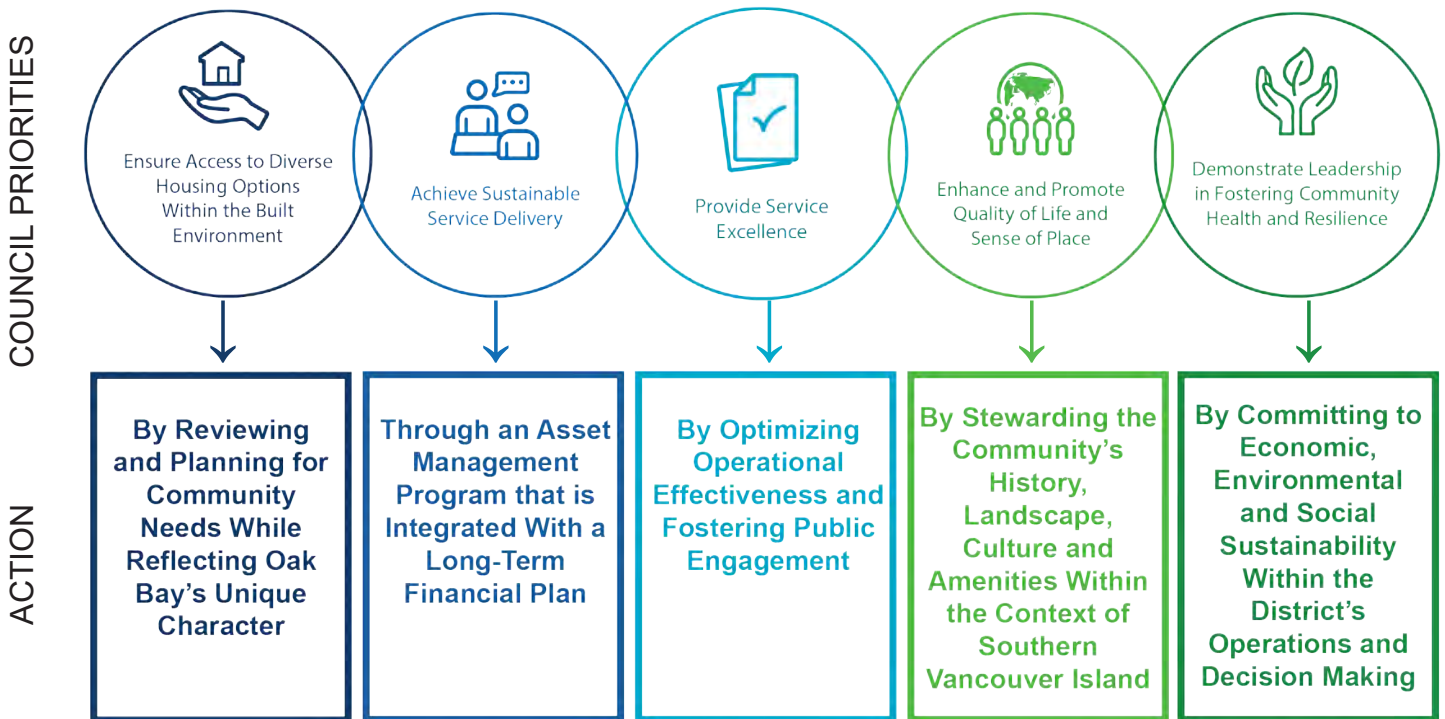
Coming to grips with competing pressures on Oak Bay's finite resources is foundational in the community's path forward. Within this context, Council established the five Priorities shown in the graphic above for the municipality that staff will implement through departmental work plans. These Priorities will be achieved by:

-  reviewing and planning for community needs while reflecting Oak Bay's unique character;
-  integrating an Asset Management Program with a long-term Financial Plan;
-  optimizing operational effectiveness and fostering public engagement;
-  stewarding the community's history, landscape, culture, and amenities within the context of southern Vancouver Island; and
-  committing to economic, environmental, and social sustainability within the District's operations and decision making.

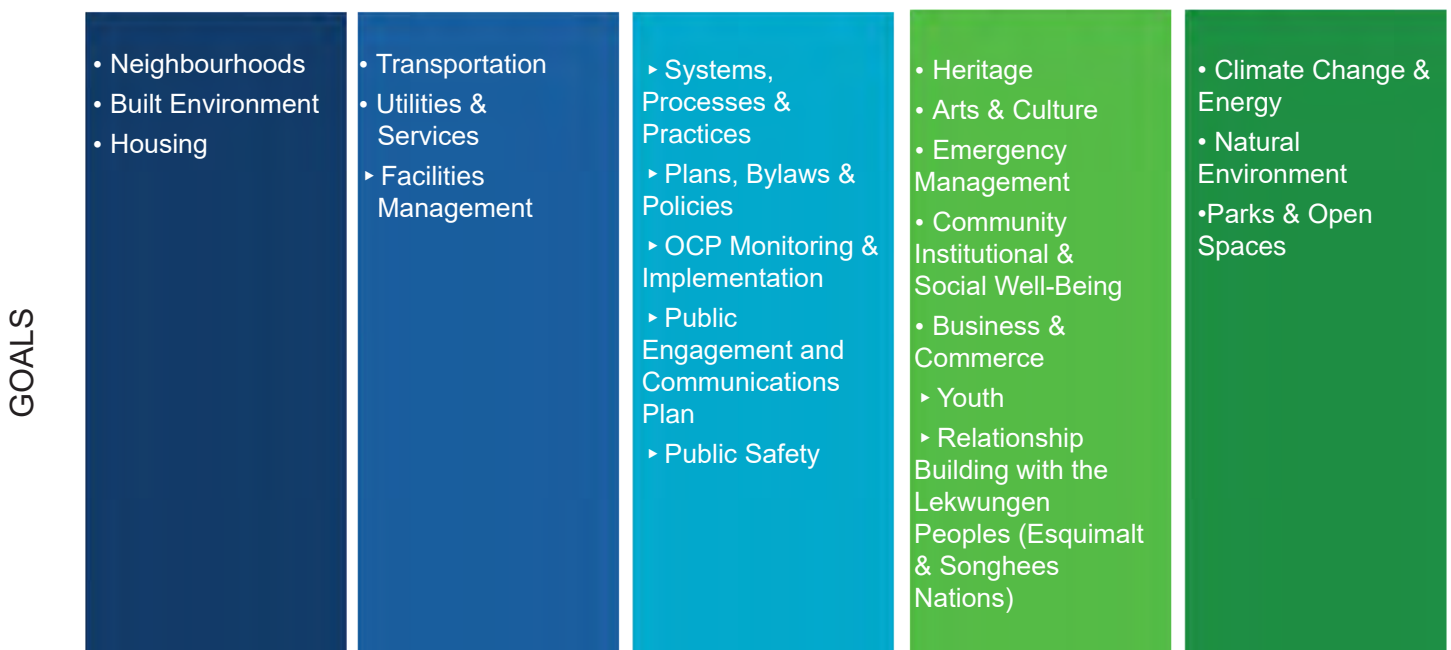
Look for the symbols shown above throughout this Annual Report for a visual connection between Council's 2019 Priorities and future department initiatives. Although each initiative is noted as delivering on one primary Council Priority, in reality many of the initiatives deliver on multiple priorities.

MONITORING SUCCESS & DISTRICT PRIORITIES

Council Priorities will be achieved through the implementation of broad “actions”. Action statements encompass Official Community Plan (OCP) and corporate goals recognized to be of importance to the District. The goals included in the graphic below that are derived from the OCP are indicated with a bullet and corporate goals are indicated with an arrow. Corporate goals are subsequently implemented through department work plans. Metrics are used to measure progress and observe year over year trends that help to inform operating and governance decisions.



Alignment of Corporate Priorities with Official Community Plan and Corporate Goals



• Denotes goals identified in the Official Community Plan

▶ Denotes corporate goals

COUNCIL PRIORITIES 2019 - 2022

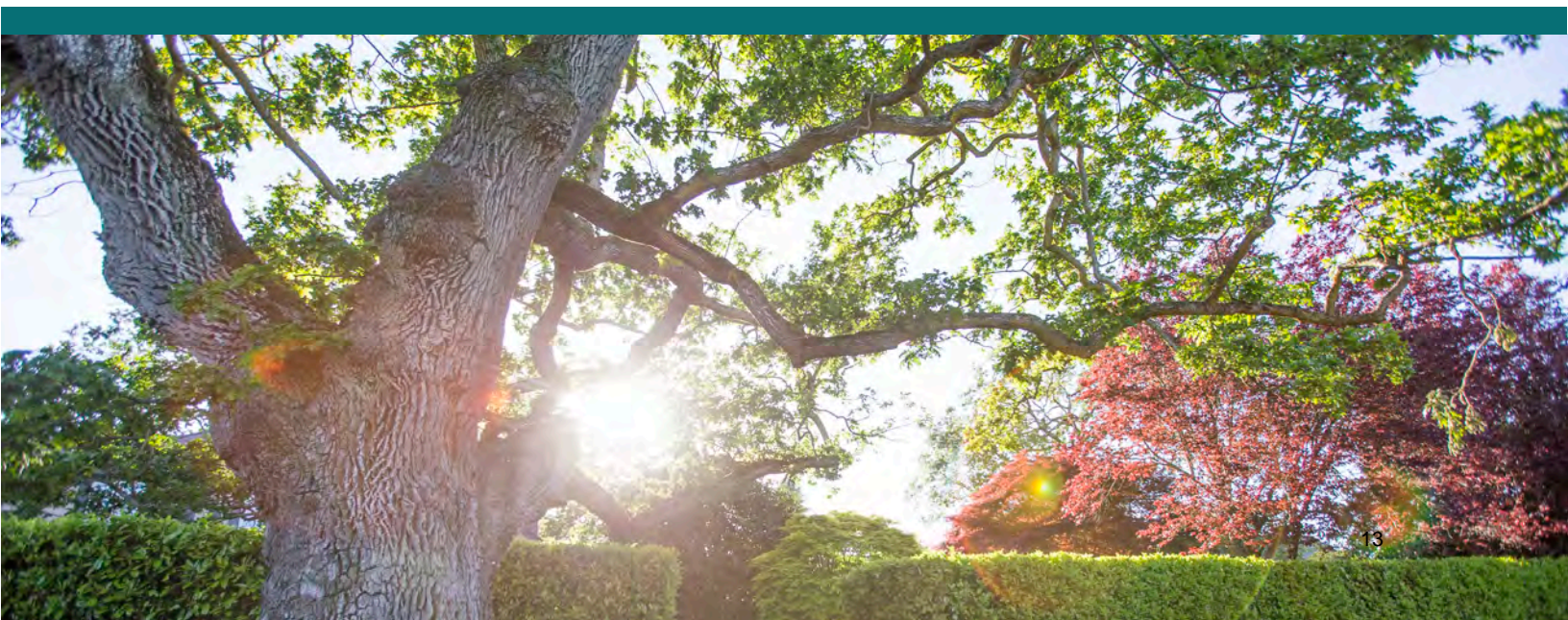
Council identified five Priorities representing areas of focus for their four year term. Council Priorities are initiatives that staff undertake in addition to meeting regulatory obligations, delivering core services, and ensuring that processes, systems, and customer service are continually enhanced. Priorities are incorporated into departmental workplans through planned initiatives with developed timelines for project completion. Initiatives are then considered and funded through the annual budget cycle.

In 2019, staff completed the District's first Corporate Plan that detailed projects to be undertaken in order to deliver on Council's identified Priorities. Council decisions and staff actions are captured in the Plan. The Annual Report serves as a vehicle to report out on those actions. In the process of developing the Corporate Plan, Council identified specific metrics to measure. Metrics help the District focus staff and prioritize resources on important initiatives and build the foundation for continuous improvement into the future.

Historically, metrics included in the Annual Report primarily related to departmental output and activity measures. The revised metrics included in this section of the Annual Report represent a shift to exploring how metrics can be expanded to capture outcomes, relate to Council's Priorities, and reference key performance indicators.

Once Council identifies a metric to be tracked, they also set a desired trend to either increase, decrease or maintain. Staff then work towards achieving that desired trend and provide updates on progress on the performance throughout the year and evaluate the cumulative result. A check mark indicates that the result meets the desired trend, a triangle denotes that the performance did not achieve the trend as determined by Council and N/A means that there is insufficient data at this time to report a result. TBD indicates that further work is required to identify Council's desired trends. Since several of these metrics were identified through the development of the 2019 Corporate Plan, more data needs to be collected to accurately reflect the trends occurring in the municipality.

↑	↓	→	▲	✓	TBD
Increase	Decrease	Maintain	Not Achieved	Achieved	Further work required to identify Council's desired trends





ENSURE ACCESS TO DIVERSE HOUSING OPTIONS WITHIN THE BUILT ENVIRONMENT

by reviewing and planning for community needs while reflecting Oak Bay's unique character

Metrics	Desired Trend	Actual Trend	Result
# permitted secondary suites	TBD	→	N/A
# permits issued for upgrading	TBD	→	N/A
% rezoning applications for increased density that are approved	TBD	→	N/A
# new apartment units approved in Village areas	TBD	→	N/A
% of total housing stock that are apartments and townhouses	TBD	→	N/A
% multi family units	TBD	→	N/A
# housing demolitions	TBD	↓	N/A
# net new housing units (new units - demolitions)	TBD	↑	N/A

- The desired trends and associated metrics for ensuring diverse housing options within the built environment were unknown at the end of 2019. Staff continue to conduct research and analysis to help inform Council's decision-making for developing a housing framework and policies to support it. Once Council determines the desired trends, staff will report on results going forward in subsequent Annual Reports. The actual trends indicate that the majority of reported metrics did not change and were holding steady in 2019.

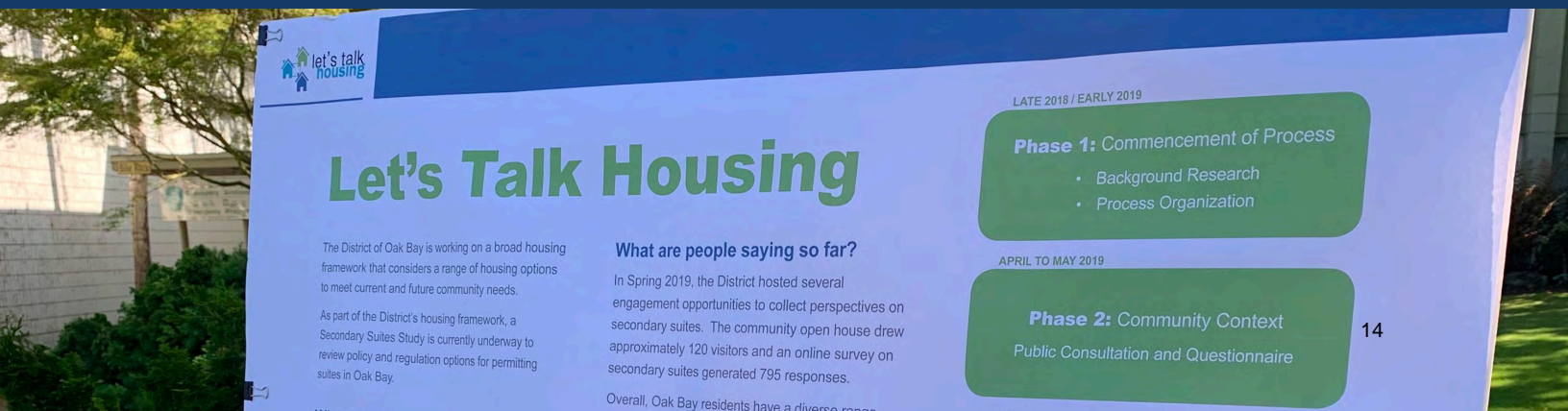
Planned Initiatives for 2020:

- Complete Secondary Suite Study
- Present Housing Needs Report for Council approval
- Identify options for Infill Housing in Neighbourhoods
- Commence development of Village Area Plans

Future Initiatives:

- Comprehensive Zoning Bylaw Update (2022-2023)

Additional information on these initiatives can be found in the District of Oak Bay's 2020 – 2024 Financial Plan available at www.oakbay.ca/financial-plan





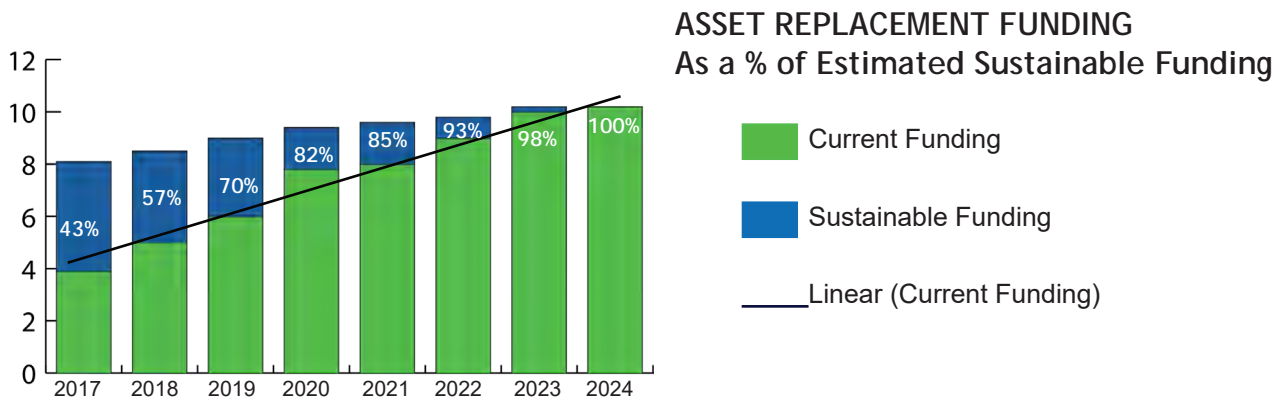
ACHIEVE SUSTAINABLE SERVICE DELIVERY

by integrating an Asset Management Program within a long-term Financial Plan

Metrics	Desired Trend	Actual Trend	Result
% assets for which lifecycle costs, risks and financial variability are identified	↑	↑	✓
Capital projects funded in alignment with asset management plans	↑	↑	✓

- Council expressed a desire for these metrics to increase for this Priority. Staff reported that the District was well on its way to achieving this outcome in 2019 by accelerating development of infrastructure rehabilitation projects for delivery in 2020.

In 2019, Council made a significant commitment to fund the District’s aging infrastructure. This commitment transitioned Oak Bay towards a more proactive approach to sustainable infrastructure maintenance and replacement with anticipated long-term savings. By incorporating funding recommendations informed by the asset management program, as well as increasing contributions to the Infrastructure Reserve, the District is progressing towards sustainable delivery targets.



Planned Initiatives for 2020:

- Begin development of a Sanitary Sewer Master Plan
- Continue Sanitary and Storm Sewer CCTV Inspection
- Review and Revise the District’s Emergency Plan
- Undertake a Pavement Condition Assessment
- Begin development of a Facilities Master Plan

Future Initiatives:

- Development of a Storm Sewer Master Plan (2022-2023)

Additional information on these initiatives can be found in the District of Oak Bay’s 2020 – 2024 Financial Plan available at www.oakbay.ca/financial-plan



PROVIDE SERVICE EXCELLENCE

by optimizing operational effectiveness and fostering public engagement

Metrics	Desired Trend	Actual Trend	Result
Staff engagement score	↑	TBD	N/A
% initiatives completed within 110% of planned budget and timeline	↑	TBD	N/A
% service requests responded to within 1 week	↑	TBD	N/A
% of policies, processes and procedures updated	↑	↑	✓
# of residents engaged versus aware	↑	TBD	N/A

- Many of the metrics included under this Priority were newly identified in the 2019 Corporate Plan. While Council determined the desired trend for each, data is being collected to support this tracking. In 2019, 11 bylaws were amended or newly developed, including conducting a counter petition process to re-establish the Oak Bay Business Improvement Area Bylaw for five years and establishing the Prospect Neighbourhood Heritage Control Period Bylaw in support of the implementation of the Heritage Conservation Area. In addition, policies were developed including the Sustainable Procurement Policy that outlines purchasing processes and sets limits for staff, and the Community Amenity Contributions Policy outlining the approach for considering community amenity contributions intended to offset and enhance changes as a result of development occurring within the municipality. Several procedures were also reviewed and resulted in changes including earlier distribution of Council meeting agendas, a refinement of the District’s Public Hearing process, and centralizing administrative oversight of the District’s Committees and Commissions.

Planned Initiatives for 2020:

- Provide *Freedom of Information and Protection of Privacy Act* and Media Training for Council and senior staff
- Implement Human Resources Plan
- Participate in a regional evacuation route planning project
- Conduct a Network Security Audit
- Develop a Fire Master Plan

Future Initiatives:

- Continue advancing implementation of the District’s Records and Information Management System

Additional information on these initiatives can be found in the District of Oak Bay’s 2020 – 2024 Financial Plan available at www.oakbay.ca/financial-plan



ENHANCE AND PROMOTE QUALITY OF LIFE AND SENSE OF PLACE

by stewarding the community's history, landscape, culture, and amenities within the context of Southern Vancouver Island

Metrics	Desired Trend	Actual Trend	Result
# trees replaced versus # trees removed	↑	↑	✓
# attendance at cultural events	↑	↑	✓
# archives digitized	↑	↑	✓
Volunteer Hours - Recreation	↑	↓	▲
Volunteer Hours - Archives	↑	↑	✓
Volunteer Hours - Oak Bay Volunteer Services (partially funded by District of Oak Bay)	↑	↑	✓
\$ value of amenities added	↑	↑	✓
# heritage designated houses on Heritage Registry	↑	↑	✓
# homes within Heritage Conservation Areas	↑	→	▲

Planned Initiatives for 2020:

- Advance the Marina Lease Negotiations
- Continue partnering with the Urban Wildlife Stewardship Society in the urban deer management study
- Complete the Sea Level Rise Study

Future Initiatives:

- Development of a Parks, Recreation and Culture Master Plan (2021)

Additional information on these initiatives can be found in the District of Oak Bay's 2020 – 2024 Financial Plan available at www.oakbay.ca/financial-plan

- Digitization of records within Oak Bay's Archives is a direct result of the active and committed team of volunteers. Items digitized include historical photographs, oral history interviews, and appraisal cards. The digitization work improves public access and minimizes the handling of the original documents, preserving them for years to come. This work will continue in 2020 as there are numerous records still to be digitized. For more information on Oak Bay Archives, please visit <https://www.oakbay.ca/our-community/archives>
- The Oak Bay Community Heritage Register lists buildings and sites deemed of heritage value or character. Preservation and enhancement of community heritage helps current residents feel a sense of belonging and attracts new residents to the area. There are 105 properties on the Community Heritage Register and 49 of those are currently heritage designated. For more information on the District's Community Heritage Register, please visit <https://www.oakbay.ca/our-community/heritage/heritage-sites/tour-heritage-properties>.



DEMONSTRATE LEADERSHIP IN FOSTERING COMMUNITY HEALTH AND RESILIENCE

by committing to economic, environmental, and social sustainability within District operations and decision-making

Metrics	Desired Trend	Actual Trend	Result
% District-owned buildings meeting seismic standards	↑	→	N/A
# business licenses	↑	↑	✓
# total visits to Parks, Recreation and Culture facilities	↑	↑	✓
Parks, Recreation and Culture facility recovery rate	↑	→	▲
Greenhouse gas emissions from District operations	↓	↓	✓

- This Priority permeates each of Council’s other four Priorities. While this Priority was officially new to 2019, much associated work was already carried out throughout the District in prior years. Economic, environmental and social sustainability remain as central tenets of the current Council’s mandate.
- Oak Bay’s Parks, Recreation and Culture department is a leader across the region in delivering exceptional services and boasting unparalleled recovery rates. In 2019, the District partnered with several local municipalities including Saanich, Central Saanich, Highlands, North Saanich, and Sidney to develop a community childcare inventory and gap analysis. The analysis will be completed in 2020 and aims to establish an inventory of existing services and formulate an action plan that will enhance and expand childcare services in each of the participating municipalities. This project is funded through the Union of British Columbia Municipalities (UBCM) Community Child Care Planning Program.

Planned Initiatives for 2020:

- Prepare Electric Vehicle (EV) Charging Station Options Analysis
- Complete a Garry Oak Inventory
- Participate in a Community Child Care Inventory and Gap Analysis

Future Initiatives:

- Consider acquiring the Coolkit Program

Additional information on these initiatives can be found in the District of Oak Bay’s 2020 – 2024 Financial Plan available at www.oakbay.ca/financial-plan



ECONOMIC SUSTAINABILITY HIGHLIGHTS

- In 2019, the District received a total of \$2,353,192 in grants from a variety of funding sources.

Grants Received	2019 (\$)
BC Government Room Tax	178,987
Climate Action (CARIP)	34,472
Federal Gas Tax	1,677,757
Humber Catchment Detailed Design – Uplands Combined Sewer Separation	2,586
ICBC Transportation Safety Improvements	24,450
Miscellaneous Policing Grants	17,921
Emergency Program Grants	24,931
Small Community Grant (for communities with a population under 19,000)	157,960
Traffic Fine Revenue	202,568
Urban Deer Management	31,560

- Grants received provide support to specific District projects. In 2019, funds received from ICBC enabled Oak Bay to add pedestrian activated flashing lights at three crosswalks (Glenlyon Norfolk School, Foul Bay Road and Leighton Road, Cranmore Road and Cadboro Bay Road), implement Beach Drive and Cadboro Bay Road Intersection Safety Improvements and install safety strobes for speed limit signs and stop signs. The Emergency Program Grants facilitated the acquisition of a new emergency communications trailer and the preparation of an Emergency Evacuation Plan. The Province of BC provided additional money to continue with the Urban Deer Management study to provide immuno-contraception to does for population control.



ENVIRONMENTAL SUSTAINABILITY HIGHLIGHTS

- In 2019, Council declared a climate emergency in Oak Bay and resolved to work towards the goal of carbon neutrality by 2030. In addition to the District initiatives identified, Council also established the Community Climate Action Working Group to assist in developing community-based initiatives that would further contribute to the reduction of Greenhouse Gas emissions. Staff and Council also worked together on the implementation of Level 2 of the BC Energy Step Code. Once fully implemented, the Step Code will ensure all new construction in Oak Bay, and across the province, is net zero energy ready by 2032.
- Combined Sewer Overflows are events where sanitary sewage and stormwater is discharged into the ocean because pump stations are temporarily overwhelmed during storms. The following table outlines the number of combined sewer overflows that occurred at the Humber and Rutland Pump Stations. Eliminating these overflows is required under the Province's Municipal Wastewater Regulation, and is the primary objective of the District's Uplands Sewer Separation Project.

Outfall	Number of overflows per year		
	2019	2018	2017
Humber Pump Station	4	10	2
Rutland Pump Station	6	12	5

- This table describes the materials collected at the Municipal drop off depot.

Recycled Materials Collected	2019	2018	2017
Organics	3,185 tonnes	2,971 tonnes	3,257 tonnes
Solid Waste - Yard	700 tonnes	708 tonnes	747 tonnes
Solid Waste - Curb	975 tonnes	1,011 tonnes	1,167 tonnes
Steel Recycling	183 tonnes	208 tonnes	210 tonnes
Mixed Recycling	233 tonnes	227 tonnes	282 tonnes

- This table provides an overview of the usage of the electric vehicle charging station located at the Oak Bay Municipal Hall.

Electric Vehicle Charging Metrics	2019	2018
Vehicles Charged	3,265	2,430
Total Charging Time	7,482 hours	5,106 hours
Total Energy Used	26,661 kWh	19,490 kWh
Total Cost (Approximate)	\$2,666	\$1,765
Longest Connection Time	24 hours	12 hours
Median Connection Time	90 minutes	70 minutes
Average Connection Time	2 hours 17 minutes	1 hour 34 minutes

SOCIAL SUSTAINABILITY HIGHLIGHTS

Each year Council receives requests for funding to support community groups and organizations undertaking work in Oak Bay or that benefits the residents of Oak Bay. Council reviews and approves funding levels in accordance with District policy as part of the annual budget and Financial Plan process.

Applicant	2019 Funds Approved
City of Victoria	\$1,650
Community Association of Oak Bay	\$1,430
Friends of Uplands Park	\$2,330
Greater Victoria Bike to Work Society	\$1,650
Green Teams of Canada	\$3,790
Jeux de la Francophonie Canadienne	\$12,290
Maritime Museum	\$1,500
North Oak Bay Community Association	\$560
Oak Bay Figure Skating Club	\$2,620
Oak Bay Heritage Foundation	\$3,930
Oak Bay Lawn Bowling Club	\$3,280
Oak Bay Sea Rescue	\$5,210
Vancouver Island South Film & Media Commission	\$10,000
Victoria Sexual Assault Centre	\$5,580
Victoria Women's Transition House Society	\$1,220
*Hallowe'en Kiwanis	\$500
*Oak Bay High School Scholarship	\$1,500
*Chinese Consolidated Benevolent Fund	\$3,000
*Oak Bay United Church	\$3,500
*South Island Prosperity Project	\$44,331
*Integrated Recreation	\$7,065

* Perpetual grant funding

Total Grants in Aid approved by Council	
2019	\$116,936
2018	\$106,566
2017	\$100,094

Grant Funding provided to the Oak Bay Volunteer Services	
2019	\$35,000
2018	\$35,000
2017	\$30,000

COUNCIL ADVISORY BODIES

DID YOU KNOW?

- In 2019, Council directed staff to complete a full review of the Committees and Commissions to ensure that the structure and operation of these volunteer bodies reflects effective governance and the efficient use of the time and efforts of the volunteer members.
- The Oak Bay Heritage Foundation hosts many public events throughout the year. In 2019, these events included the Heritage Month Book Talk in partnership with the Greater Victoria Public Library and Oak Bay Archives, 70th anniversary recognition event of the Kiwanis Willows Beach Tea Room and area heritage walk, staging a 1927 Tea Party in partnership with the Canadian College for Performing Arts, and three heritage lectures in partnership with the Oak Bay Heritage Commission.
- In 2019, the Public Art Advisory Committee (PAAC) facilitated the completion of the Parade at Play Mural Project. The mural was painted by local artist, Luke Ramsey, and is located on the back of the Public Works building. This project involved a partnership that included the Oak Bay Community Artists Society, the PAAC, and staff.



COUNCIL ADVISORY BODIES

The members of the Oak Bay Advisory Bodies are greatly valued for the significant contributions that they make to the community. The District recognizes and sincerely appreciates the exceptional skills and abilities of our diverse volunteer members. Advisory Bodies include Select Committees that are established by bylaw as well as Working Groups, Sub-Committees, or Standing Committees that are formed to deal with more specific matters within a defined timeline. In 2019, the Advisory Bodies provided expert advice to help inform Council's decision-making on matters affecting the municipality including heritage, land use applications, public art, parks, recreation and culture.

We are grateful to have a passionate community base that is willing to give their time and experience to help strengthen and enhance Oak Bay. Thank you to all of the volunteers for all that you do to make Oak Bay the best place to live, work and play.

Advisory Design Panel

The Advisory Design Panel serves as an advisory body to Council to review the design merits of select development proposals and provide recommendations to staff for consideration in negotiating and processing development applications. The Panel also participates in the selection of the Allan Cassidy Recognition of Renovation and Building Achievement Awards.

2019 Members

John Armitage
Will King

Kim Milburn
David Wilkinson

Dominic Yu

Advisory Planning Commission

The Advisory Planning Commission advises Council on matters respecting land use, community planning, or proposed bylaws and certain permits under Part 26 of the *Local Government Act*.

2019 Members

Pam Copley
Patrick Frey
Virginia Holden

Kristina Leach
Michael Low
Kris Nichols

Caroline Smart
Tim Taddy

Board of Variance

This quasi-judicial body is established under the provisions of the British Columbia *Local Government Act*. Upon application, the Board has authority to vary provisions of the Zoning Bylaw that do not change the permitted use or density. Applications to the Board of Variance must demonstrate how compliance with the Zoning Bylaw causes undue hardship, and that the requested variance will not substantially affect the use and enjoyment of adjacent land, the natural environment, or defeat the intention of the bylaw.

2019 Members

James Murtagh

Robert Peterson

Tim Wait

Oak Bay Tourism Committee

The Tourism Committee was established by Council as a requirement by the Province that specified municipal hotel taxes [Municipal and Regional District Tax (MRDT)] collected on tourist accommodation must be applied to the promotion of tourism within the municipality. The District has two hotels, the Oak Bay Beach Hotel and the Oak Bay Guest House, that collects a 2% tax from hotel guests which are used to promote Oak Bay as a destination. Although the Tourism Committee is a Select Committee of Council, it operates autonomously from the District.

2019 Members

Ken Agate	Tiffanie Home	Duncan Murphy
Brian Dolsen	Michelle LeSage	Joan Peggs
Steve Earnshaw	Heidi Marshall	

Parks, Recreation and Culture Commission

In 2019, the Parks, Recreation and Culture Commission was responsible for overseeing the parks, recreation and culture function. The Commission worked cooperatively with staff to develop the annual budget, engaged in long-term planning to anticipate future needs, addressed policy matters related to the delivery of recreation programs, and maintained the care and custody of recreation facilities.

2019 Members

Stuart Culbertson	James Hoffman	Suzanne Weckend
Matt Fairbarns	Monty Holding	Anne Wilmut
Will Moore	Darlene Therrien	

Police Board

In British Columbia, oversight of municipal police departments is undertaken by an appointed police board made up of civilian members of the community. Under the *Police Act* a municipal police board is the employer of all sworn and civilian staff of the Police Department, develops the annual police budget, and, in consultation with the Chief Constable, is required to determine the priorities, goals and objectives of the Oak Bay Police Department.

2019 Members

Mary Kelly	Brian Rendell	Wendy Zink
Blair Littler		

Public Art Advisory Committee

The Public Art Advisory Committee (PAAC) has four main functions. The Committee develops a Public Art Strategy for the annual acquisition of new pieces to be considered by the Parks, Recreation and Culture Commission. The PAAC also coordinates calls for artist proposals and selects artwork for display and acquisition as well as prepares art selections for evaluation and review by the Public Art Inter-Departmental Staff Team. In addition, the PAAC advises and consults on specific issues, such as proposed gifts, donations, bequests, de-accessions and loans of artworks to the Municipal collection.

2019 Members

Barbara Adams, Arts Laureate		
Robert Amos	James Hoffman	Jennifer McIntyre
Sebastian Brotherton	Patricia Lortie	Teresa Pryce
Jane Evans		

Community Climate Action Working Group

The Community Climate Action Working Group (CCAWG) is a Select Committee formed in 2019 to serve as an Advisory Body to Council. The mandate of CCAWG is to develop up to five recommendations for Community Climate Action Projects in areas including reduction of greenhouse gas emissions, improving carbon sequestration and addressing mitigation adaptation to climate change in Oak Bay for consideration during the corporate planning and budget processes.

2019 Members

Pam Copley	Kristina Leach	Caroline Smart
Patrick Frey	Michael Low	Tim Taddy
Virginia Holden	Kris Nichols	

Heritage Commission

The Heritage Commission provides advice to Council on such heritage matters as may be referred to it and undertakes or supports projects and research relative to the architectural, cultural, documentary and natural heritage of the Municipality of Oak Bay. The Commission makes recommendations to Council regarding the content of the community heritage register, promotes heritage awareness and provides leadership on heritage initiatives.

The Commission also advises Council on specific referrals in the following categories: aspects of specific land redevelopment applications, proposals for heritage designation or preservation to be registered against title to real property, applications to alter designated or protected heritage structures, assessment of property subject to a temporary protection order and regulatory initiatives pertaining to heritage conservation.

2019 Members

Marion Cumming	Susan Ross	Robert Taylor
Jane Hall	Cora Smith	Patricia Wilson
Joan Heagle	Bronwyn Taylor	

Heritage Foundation

The Heritage Foundation functions under the regulations of the British Columbia *Societies Act*. The Foundation raises funds for the conservation and restoration of heritage properties and other community heritage initiatives and hosts several public events each year to promote community heritage.

2019 Members

Brita Harrison Brooke	Joan Heagle	Susan Ross
Pheobe Chartrand	Cassie Kangas	Bronwyn Taylor
Marion Cumming	Jane Nielsen	Robert Taylor
Jane Hall	Margaret Palmer	



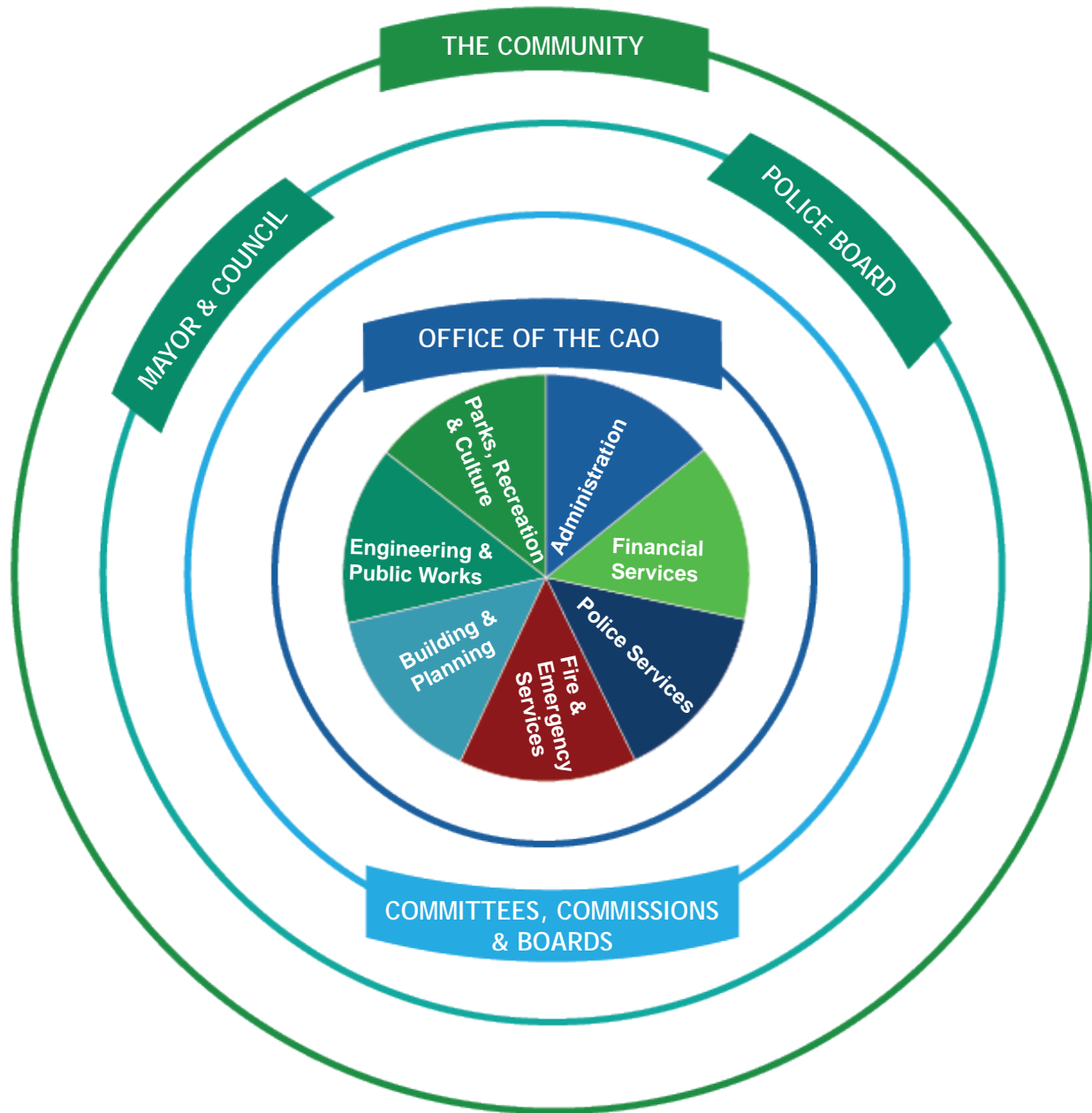
MUNICIPAL SERVICES AND OPERATIONS OVERVIEW

The District of Oak Bay delivers a wide range of services to residents and the community. The following section profiles each department, reports on annual metrics, highlights accomplishments, records activity levels and indicates future planned initiatives.

DID YOU KNOW?

- Staff provide support to numerous special events that are held across the District every year. Examples include the GoodLife Fitness Victoria Marathon, Bowker Creek Brush Up, Oak Bay Tea Party, Oak Bay Village Night Market, Trick or Treat on the Avenue, Christmas Festival Light Up, and more.
- Oak Bay has two public boat ramps, one located at Cattle Point and the other by Queens' Park.
- The District manages eight unique walking trails.
- Cattle Point is designated as an Urban Star Park by the Royal Astronomical Society of Canada and is a popular destination for star gazing.
- Oak Bay has two creeks: Hobbs Creek flows through the UVic campus into Saanich, and Bowker Creek is one of the most highly urbanized major watersheds in the CRD.

DISTRICT OF OAK BAY ORGANIZATIONAL STRUCTURE



Lou Varela
Chief Administrative Officer

Bruce Anderson
Director of Building and Planning

Signe Bagh
Director of Strategic Initiatives

Andy Brinton
Chief Constable

Bonnie Donnelly
Manager of Human Resources

Ray Herman
Director of Parks, Recreation and Culture

Deb Hopkins
Director of Corporate Services

Dan Horan
Director of Engineering and Public Works

Darren Hughes
Fire Chief

Christopher Paine
Director of Financial Services

 ADMINISTRATION

Administration is led by the Chief Administrative Officer (CAO) who is the general manager for the Corporation as a whole, provides guidance and direction to all operating departments, and is the principal advisor to Council. Administration also consists of the Director of Strategic Initiatives, Director of Corporate Services, Manager of Human Resources, Communications Specialist, Archivist, the Executive Assistant to the CAO, Mayor, and Director of Corporate Services, and an administrative support person.

The CAO is Council's single employee who is ultimately responsible for implementing Council's Priorities and policies through the support of all other District staff. The CAO also provides advice to Council and is responsible for implementing governance decisions as articulated in Council's resolutions.

Administration is primarily responsible for providing support services to the Corporation, Mayor and Council, as well as ensuring that Council Priorities are implemented. Administration fulfills an important role in advancing Municipal objectives by leading the following functions and activities:

- Organizing all meetings of Council, including preparation of agendas and minutes and providing meeting management,
- Assisting in the preparation of Council's Priorities,
- Administering the Strategic Plan, Budget process and Annual Report cycle,
- Delivering human resource services including recruitment and selection, workforce planning, training and development, employee and labour relations, disability management, job evaluation and health and safety,
- Fostering relationships with First Nations,
- Overseeing records management,
- Processing requests for access to records and ensuring compliance with Freedom of Information and Protection of Privacy policies and legislation,
- Administering leases and agreements for the District,
- Managing District-owned property,
- Issuing Special Event Permits,
- Coordinating internal and external corporate communications,
- Facilitating archives services by collecting, preserving, and sharing the community's documented heritage,
- Monitoring parking enforcement, and
- Implementing animal control.





ADMINISTRATION 2019 HIGHLIGHTS



Diverse Housing Sustainable Service Service Excellence Quality of Life Health & Resilience



Recruited and hired permanent CAO, Director of Strategic Initiatives, Director of Financial Services, Director of Corporate Services, and a Communications Specialist



Initiated a review of Council's Committees and Commissions



Coordinated the process for Council's Strategic Priorities and the 2018 Annual Report



Hosted delegates from Jordan learning about Local Government in BC



Facilitated 117 job postings, mostly for auxiliary positions to support the operational needs of Parks, Recreation and Culture



Hosted three Community Meetings North, Central, and South Oak Bay to facilitate informal discussions with Council



Expanded social media presence and digital communications for the District



Reviewed and prepared the first draft of the Council Procedure Bylaw



Partnered with Urban Wildlife Stewardship Society (UWSS) to undertake a population count and administer immuno-contraception for the ongoing urban deer management study



Hosted a Council-to-Council dinner with members of Songhees Nation Council and staff



Commenced a review of the District's Records and Information Management System



Developed the framework for a Human Resources Plan to support staff training and development



Commenced foundational work to negotiate the Marina Lease



Undertook a heritage assessment of Tod House to prepare for necessary improvements



Adjusted agenda preparation timelines to allow for earlier publication dates



Completed process to renew the Oak Bay Business Improvement Area through to December 2024



Commenced implementation of recommendations of the Cenotaph Task Group

ADMINISTRATION 2020 PLANNED INITIATIVES



-  Provide *Freedom of Information and Protection of Privacy Act* and media training for Council and senior staff
-  Advance negotiation of Marina Lease
-  Continue partnering with UWSS on the Urban Deer Management Research Project
-  Advance Human Resources Plan components
-  Support the Capital Regional Hospital District in discussions surrounding Oak Bay Lodge
-  Continue to refine the Corporate Plan, Budget and Annual Report Process
-  Procure and implement public engagement platform software
-  Implement recommended changes to Council's Committee and Commission structures, mandates, and procedures
-  Review and revise the District's Occupational Health and Safety Program
-  Commence implementation of Tod House Assessment Report recommendations
-  Complete Procedure Bylaw update
-  Refresh District website
-  Advance the District's Records and Information Management Program
-  Enhance public engagement and corporate communication activities
-  Train and develop staff
-  Identify activities to continue enhancing organizational optimization



Administration Metrics	2019	2018	2017
Employees	8	7	7
Meetings of Council Supported	69	51	50
Meeting Minutes Posted on Time (adopted at the next Council meeting)	59	46	*
Number of FOI Requests Received	21	14**	*
Bylaws Reviewed	13	23	27
Parking Tickets Issued	2,475	4,307	2,790
Special Event Permits Issued	23	35	35
Block Party Permits Issued	25	35	30
Total Webpages Viewed	1,988,028	1,744,020	1,616,765
Volunteer Hours Contributed to Archives	1,335	1,130	1,150
District-wide Regular Staff	191	190	192
District-wide Auxiliary Staff	305	300	290
District-wide Job Postings (includes auxiliary and regular)	117	120	*
Archives Research Inquiries Conducted	400	345	250
Archives Program Participants (school programs, history talks, special events)	335	450	400
Archival Collections Acquired	23	20	22

*New Metrics for 2018

**These numbers have been restated from the 2018 Annual Report



FINANCIAL SERVICES AND INFORMATION TECHNOLOGY

Financial Services is responsible for the overall financial management of the municipality, payroll and benefits administration, procurement, risk management, insurance and information technology.

A full range of financial services are provided including: accounting, audit, budgeting, cash management, accounts payable, accounts receivable, payroll processing five different payroll groups and the maintenance of benefit programs for all staff.

Financial Services leads the following functions:

- Daily billing and collection of all revenues including property taxes, utility bills, dog licenses, business licenses, permits, and a variety of other fees and charges. Pre-approved installment tax and utility payment systems are provided in addition to online services,
- Managing the provision of fiscal services including debt-servicing costs, interest charges, transfers to reserves and contingency,
- Long-term financial planning, asset management, equipment replacement planning, and policy development are just some of the many other services provided, and
- Coordinating the District's information technology, including network design, security, and maintenance of the computer networks.





FINANCIAL SERVICES 2019 HIGHLIGHTS



Diverse Sustainable Service Quality of Health &
Housing Service Excellence Life Resilience



Recruited new Director of Financial Services



Upgraded software to implement additional school tax levies for the Province



Implemented new Employer's Health Tax



Enhanced corporate procurement process



Continued long-term financial planning and asset management



Installed network connectivity and a display unit in the Committee Meeting Room



Expanded viewing capacity of Council meeting proceedings



Upgraded Tempest.net



Initiated departmental training and team building



Revised the Corporate Purchasing Policy



Developed a Reserve Policy





FINANCIAL SERVICES

FINANCIAL SERVICES 2020 PLANNED INITIATIVES



Diverse Housing Sustainable Service Service Excellence Quality of Life Health & Resilience



Implement network security awareness training



Achieve Canadian Award for Financial Reporting



Achieve Distinguished Budget Report Award



Prepare long-term Infrastructure Funding Report



Improve investment returns budget by \$300,000 or 0.5%



Undertake budget software implementation



Implement Network Switch Replacement



Upgrade to Microsoft 365



Prepare Information Technology Master Plan



Consolidate and revise Reserve Bylaws



Rewrite Corporate Investment Policy



Update Corporate Expense Reimbursement Policy



Upgrade payroll software

Progress updates can be found in the Corporate Plan, available at www.oakbay.ca/corporate-plan





Financial Services Metrics	2019	2018	2017
Employees	7.8	7.8	7.8
Cash Receipting and Banking (transactions processed)			
• EDI/ECOM	17,606	17,966	17,602
• Cash/Cheque/POS	17,817	19,180	20,075
• Utility Pre-Authorized Withdrawal	2,854	2,808	2,764
• Property Tax Pre-Authorized Withdrawal	6,153	6,193	6,245
Dog Licenses Processed	1,692	1,669	1,686
Payroll			
• T4s Issued	744	839	697
Property Tax Notices			
• Levies	\$46,987,217	\$43,563,783	\$42,028,144
• Notices Issued	6,584	6,577	6,576
• Electronic Home Owner Grants	1,675	1,725	1,722
• Paper Home Owner Grants	2,783	2,824	2,989
• Total Home Owner Grants Claimed	4,458	4,549	4,711
Deferment Applications Processed	1,131	995	955
Utility Bills Issued	17,862	18,059	18,096
Accounts Payable			
• Invoices Processed	10,409	11,117**	10,726**
Information Technology			
• Support Tickets	710	724	*
Procurement			
• RFP & Tenders Issued	21	24	10

*New Metrics for 2018

**These numbers have been restated from the 2018 Annual Report



The members of the Oak Bay Police Department are committed to the promotion of partnerships within the community, leading to sharing in the delivery of police services. We pledge to: treat all people equally and with respect, uphold the Canadian Charter of Rights and Freedoms, serve, protect and work with the community and other agencies to prevent and resolve problems that affect the community's safety and quality of life. The Police Department is responsible for law enforcement, conducts investigations, provides prevention programs and community outreach, and coordinates communication with the public to maintain order.

POLICE SERVICES 2019 HIGHLIGHTS



Enhanced community engagement and visibility



Provided strong school program presence through presentations including alcohol and risk-related trauma awareness, prevention of drug use and sexual harassment; and opioid awareness



Participated in the Regional School Safety Committee



Participated in the Greater Victoria Police Diversity Committee to create positive relations with the diverse communities in the region



Provided training opportunities in areas including Standardized Field Sobriety Testing, Crisis Intervention and De-escalation, and Trauma Informed Practice Foundations



Contributed to regional integrated police units and teams through financial commitments or member participation



Improved traffic safety by working collaboratively with the District to identify and problem solve for key areas of concern



Implemented e-ticketing with Driver's Licence scanning and electronic submissions of tickets



Decreased number of persons injured stemming from collisions



Delivered crime target hardening presentations to businesses and seniors



Transitioned to the E-Comm Police Dispatch Centre



Hired three police officers to maintain full departmental membership



Finalized the Oak Bay Police Collective Agreement



POLICE SERVICES 2020 PLANNED INITIATIVES



Diverse Housing Sustainable Service Service Excellence Quality of Life Health & Resilience



Continue employee development through training secondment opportunities



Enhance seniors' engagement



Update and implement initiatives supporting the Oak Bay Police Department Strategic Priorities*:

- Enhance community engagement and visibility
- Reduce property crime
- Improve traffic safety



Implement the new Provincial Police Standards of Police Stops and Street Checks



Anticipate two Sergeant promotions resulting from retirements



Support the annual BC Police Board (BCPB) conference to be held in Oak Bay



Enhance policy training in impaired driving



Enhance police training and public education regarding property crime

Progress updates can be found in the Corporate Plan, available at www.oakbay.ca/corporate-plan

*For more details on 2019 Police Department initiatives, please visit the Police department's website at www.oakbaypolice.org/about/strategic-plan.

Employees	2019	2018	2017
Sworn Police Officers Funded by Oak Bay	23	23	23
Civilian Staff	3.6	3.6	3.6
Sworn Police Officers Externally Funded	3	3	3
Total	29.6	29.6	29.6



Offence	2019	2018	2017
Robbery	3	0	0
Assaults	31	38	28
Sexual Assaults	11	9	8
Utter Threats	17	4	13
Break and Enter - Business	16	6	5
Break and Enter - Residence	36	18	23
Break and Enter - Other	6	7	5
Theft of Motor Vehicle	11	12	4
Theft from Motor Vehicle	131	105	107
Theft Under \$5,000	94	77	66
Fraud	47	38	45
Mischief	34	138	109
Cause Disturbance	25	22	13
Counterfeit Currency	0	1	2
Trespass at Night	1	1	1
Breach/Bail Violations	22	14	8
Drug Possession	0	14	29
Impaired Drivers (CC and 90 day IRP)	23	16	33
Fail to Stop (Provincial)	22	13	15

Category	2019	2018	2017
Bylaw Infractions	131	236	186
Parking Violations	148	138	141
Collisions	126	121	143
Assist Public	645	756	649
Lost and Found	337	327	309
Suspicious Persons	565	465	414
False Alarms	305	334	345
Liquor Offences	41	41	38
Property Check Program	331	253	221
Violation Tickets/Warnings Issued	1,178	1,321	1,391
Prime File Count	4,986	4,812	4,590

Police Metrics*	2019	2018	2017
Property Crime			
• Theft from Vehicles	131	105	105
• Theft of Bikes	34	42	55
• Break and Enter Residential	36	18	25
Traffic Incidences			
• Pedestrian Injury Collisions	3	8	7
• Total Injury Collisions	23	20	28
• Total Number of Collisions	126	121	122
• Number of Injured Cyclists	6	7	12

* To measure the Community Engagement/Visibility priority there will be a public survey at the mid-way point of the Oak Bay Police Department five-year Strategic Plan. For more information, please visit









FIRE AND EMERGENCY SERVICES

Fire and Emergency Services includes the Fire Department and the Emergency Program. The mission of the Fire Department is to provide exceptional fire protection and public safety services to prevent the loss of life and property through:

- Stressing prevention, early intervention and emergency pre-planning to ensure the protection of life, property and the environment,
- Delivering prompt and effective fire prevention, emergency preparedness and intervention services,
- Delivering fire and emergency management services that are community based by ensuring that programs and priorities align with the needs of the residents and businesses in the District of Oak Bay,
- Taking an integrated, systematic approach to emergency and public safety issues and services, and
- Providing support to both team members and victims after trauma and crisis.

FIRE AND EMERGENCY SERVICES 2019 HIGHLIGHTS



-  Swore in new Fire Chief and Deputy Fire Chief
-  Supported the Fire Department Health and Wellness program to develop physical and mental resiliency of frontline staff
-  Renewed the Fire Dispatch Contract for the five-year period 2019 - 2023
-  Submitted updated municipal bylaws to align with the *Fire Safety Act*
-  Utilized the Capital Region Emergency Services Telecommunications (CREST) system for communication during emergency and non-emergency incidents
-  Provided staff training to support proficiency across all disciplines, safe and effective operations and succession planning
-  Commenced painting of the exterior of the Fire Station
-  Enlarged one of the Fire Hall bay doors on the 1938 portion of the Station to accommodate modern fire apparatus

FIRE SERVICES 2020 INITIATIVES



Diverse Housing Sustainable Service Service Excellence Quality of Life Health & Resilience



Continue firefighter training program



Support the Fire Department Health and Wellness program



Replace two existing emergency power generators with a single emergency generator

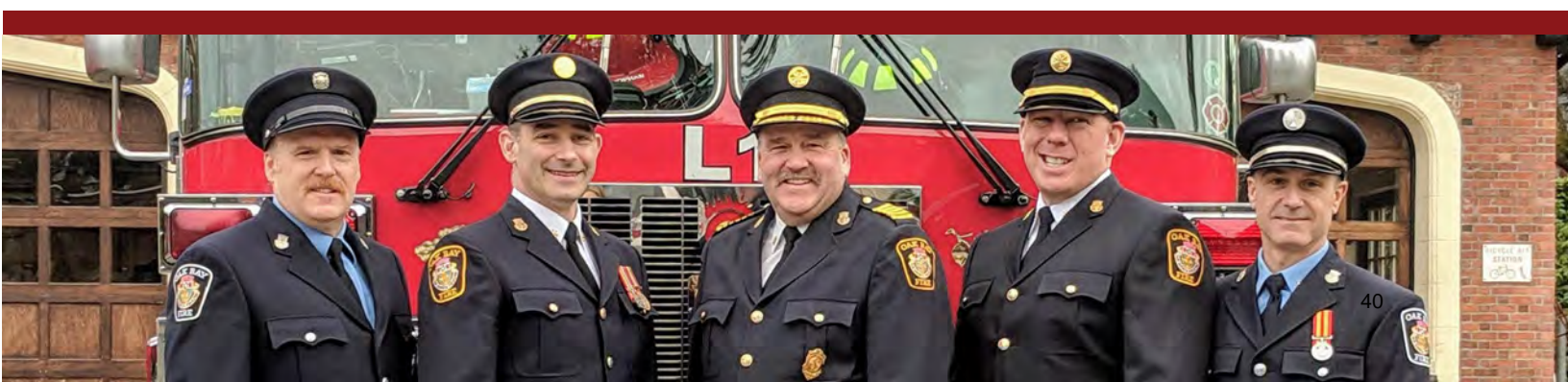


Paint the interior of the Fire Station

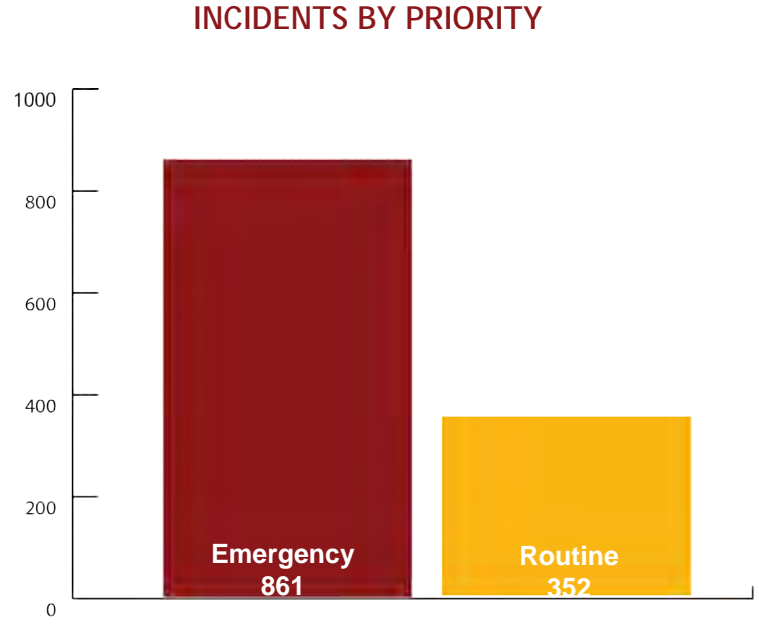
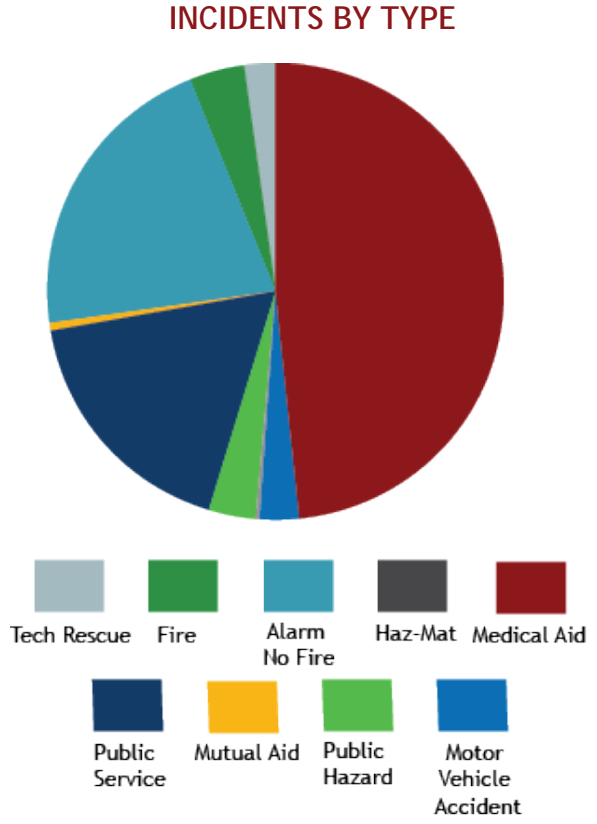
Progress updates can be found in the Corporate Plan, available at <https://www.oakbay.ca/municipal-hall/plans-and-reports>

Fire Services Metrics	2019	2018	2017
Employees	28	28	28
• Uniformed Members	26	26	26
• Civilian Staff	2	2	2
Response to Requests for Assistance	1,178	1,331	1,524
• Medical	600	720	858
• Fire and Other	519	611	666
Response to Significant Fires	13	15	19
• Estimated Value of Fire Loss	\$584,075	\$422,648	\$4,000,000
Fire Prevention Inspections	439	353	387
New Business Inspections	12	32	18
Company Inspections and Pre-plan Updates	85	83	127
Smoke Alarm Program and Inspections	41	35	28
Significant Life-Safety Building Upgrades	58	74	71
Review of Building Plans and Code Research	21	25	181
Education Sessions	49	40	45
University of Victoria			
• Response to Requests for Assistance	59	57	88
• Fire Prevention Inspections and Consultations	45	59	34
Investigation of Fire Services Bylaw Complaints	15	31	13
Underground Oil Storage Tank Inspections	85	70	121
Department Personnel Training Hours Completed	8,538	8,472	*

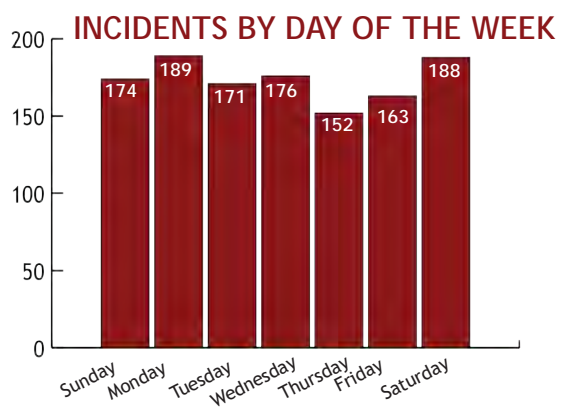
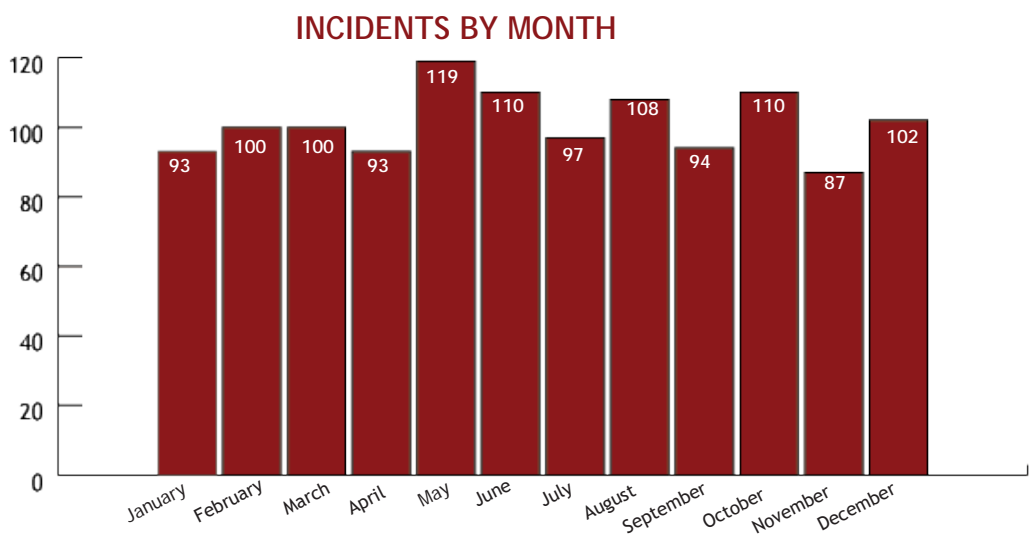
*New metric for 2018



The members of the Oak Bay Fire Department are asked to respond to a variety of incident types. The main categories are illustrated in the pie chart below and the distribution of calls between emergency and routine responses are shown in the bar graph.



The following two charts illustrate how calls are distributed by month and day of the week.



EMERGENCY PROGRAM (PART OF FIRE AND EMERGENCY SERVICES)

The purpose of the Emergency Program is to assist the District of Oak Bay in its preparation and planning to mitigate, prevent, prepare for, respond to and recover from major emergencies and disasters that affect the municipality and its residents.

EMERGENCY PROGRAM 2019 HIGHLIGHTS



Acquired a new communications trailer using grants provided by the Provincial Government



Provided public information sessions on emergency preparedness for small and large groups of Oak Bay residents



Commenced preparation of an Emergency Evacuation Plan

EMERGENCY PROGRAM 2020 INITIATIVES



Continue developing the Emergency Evacuation Plan



Continue public education on emergency preparedness through public information sessions to be held throughout the community during the year



Update the grade 3 education program for students to ensure that the message is relevant for today's children and that information is consistent with modern curriculum



Provide emergency response training for senior Municipal staff, including a tabletop scenario planned to exercise the skills required during an emergency event

Progress updates can be found in the Corporate Plan, available at www.oakbay.ca/corporate-plan





Emergency Program Metrics	2019	2018	2017
Residents Provided Emergency Preparedness Training	370	1,100	300
Training Opportunities Provided to Volunteers, Staff and Council Members	80	85	25
Volunteers	60	60	60
Volunteers Reaching Service Anniversaries:			
• 5 Years	2	5	*
• 10 Years	1	2	*
• 20 Years	0	3	*
• 25 Years	1	1	*
Volunteers Recruited	6	10	*
Volunteers Departing (retirements, relocations, other)	7	8	*
Total Grant Money Received	\$50,000	\$25,000	*

*New metric for 2018



BUILDING AND PLANNING

Building and Planning works with residents, stakeholders, the development community, and Council to manage change and guide the District's sustainable growth. The department is responsible for long range land use planning and special projects, and for processing land use applications and Building Permits. The department works with the community to create long range plans and policies that support our economic, environmental, heritage and social goals in order to ensure a safe, healthy and sustainable lifestyle for the residents of Oak Bay.

The department undertakes the following functions and activities:

- Developing policies and programs that support the vision of the Official Community Plan, Zoning Bylaw and Building Bylaw,
- Managing and processing: Official Community Plan amendments, rezoning proposals, Heritage Revitalization Agreements, Development Permits, Development Variance Permits, Heritage Additions, Heritage Alteration Permits, Siting and Design submissions, subdivision proposals, Board of Variance submissions, and Building Permits,
- Providing technical and administrative support to the Advisory Design Panel, Advisory Planning Commission, Board of Variance and Heritage Commission,
- Reviewing and issuing business licences for businesses operating within the District of Oak Bay, and
- Providing stewardship of records and files for land use applications, building permits, bylaw complaint files and business licences.

BUILDING AND PLANNING 2019 HIGHLIGHTS



Commenced Secondary Suite Study



Continued participating in Sea Level Rise Study with the Capital Regional District



Prepared an amendment to the OCP to implement the District's first Heritage Conservation Area (HCA)



Completed an OCP process to update the Regional Context Statement in the Regional Growth Strategy



Prepared Housing Needs Report



Developed a Community Amenity Contribution (CAC) Policy



Implemented the Building Energy Step Code 2



Supported the Community Climate Action Working Group, a select Committee appointed by Council serving a term running November 2019 through March 2020.

BUILDING AND PLANNING 2020 INITIATIVES



Diverse Housing Sustainable Service Service Excellence Quality of Life Health & Resilience



Complete Secondary Suite Study



Undertake public engagement on the Housing Needs Report and prepare final Report



Identify infill housing opportunities for neighbourhoods



Complete process to amend OCP to include new Heritage Conservation Area (HCA)



Commence development of Oak Bay Village Area Plan(s)



Prepare Information Report on potential for Development Cost Charges (DCC) Bylaw



Implement the Building Energy Step Code 3



Update Land Use Procedures and Fees Bylaw



Present Allan Cassidy Awards

Progress updates can be found in the Corporate Plan, available at www.oakbay.ca/corporate-plan





Building and Planning Metrics	2019	2018	2017
Employees	8.1	9	8
Bylaw Enforcement			
• Complaints Received	164	130	*
• Site Investigations	30	33	
• Tickets Issued	10	11	
Building Inspections	2,431	2,788	*
Properties on Heritage Register	105	102	98
OCP Public Engagement Events	6	6	*

*New metric for 2018

BUILDING AND BUSINESS LICENCE REVENUES

Activity	2019	2018	2017
Building Permits	\$510,392	\$723,773	\$872,024
Business Licences	\$99,398	\$95,155	\$97,860
OCP and Zoning Amendments	\$1,500	\$6,000	\$5,000
Development and Development Variance Permits	\$11,600	\$17,600	\$21,000
Other Permits	\$4,450	\$16,450	\$6,750
Subdivision	\$1,700	\$1,300	\$5,050

BUILDING PERMITS ISSUED

Permit Type	2019	2018
Residential		
• Single Family Dwelling	212	303
• Multi Family Dwelling	23	30
Commercial		
• Commercial	13	13
Public & Community		
• Institutional	4	5
Miscellaneous		
• Accessory Buildings	16	26
• Accessory Structures	2	2
• Demolition	32	34
• House Move	4	6
• Plumbing	206	245
• Irrigation	42	69
• Wood Burning Appliances	0	1
• Blasting	8	14
• Signs	8	8
• Renewal	15	5
Total	585	761



CONSTRUCTION VALUES (\$ MILLIONS)*

Activity	2019	2018	2017
Residential	\$39.7	\$58.2	\$54.2
Commercial	\$1.9	\$17.5	\$8.5
Other	\$2.2	\$1.5	\$16.3
Year End Total	\$43.8	\$77.2	\$79.0

*Values include rounding

LAND USE APPLICATIONS

Application Type	Number Received		
	2019	2018	2017
Board of Variance	2	2	4
Building Permits	577	791	1,071
Covenant Amendment	1	0	0
Development Permit	4	7	3
Development Variance Permit	9	13	18
Land Use Contracts	0	0	0
Heritage Addition	1	6	4
Heritage Alteration Permit	2	6	1
Heritage Revitalization Agreement	0	5	1
OCP Amendment	1	0	1
Siting and Design	11	20	23
Subdivision	3	3	6
Zoning	1	2	5
Total	612	855	1,137



ENGINEERING AND PUBLIC WORKS

The Engineering and Public Works department is responsible for the District's key infrastructure services including water distribution, wastewater collection, solid waste collection, and transportation. Under the guidance of Council, Engineering and Public Works is committed to developing and renewing Oak Bay's municipal infrastructure and utilities in sustainable ways to meet the community's present and future needs. The team accomplishes this via the following major functions:

- Planning and design of municipal engineering services,
- Monitoring infrastructure asset management through asset data collection, analysis, planning and prioritization,
- Managing and supporting capital projects,
- Coordinating construction projects to install, rehabilitate or renew storm drains, sanitary sewers and water mains,
- Managing solid waste services, including curbside garbage and organics pickup, recycling, and operation of the Elgin Street drop off depot,
- Completing construction projects to resurface or replace sidewalks and roads,
- Implementing construction projects that deliver safer streets for pedestrians, cyclists and drivers, and
- Providing daily operations and maintenance of infrastructure such as sewers, roads, sidewalks, water distribution, traffic control and street lighting.



ENGINEERING AND PUBLIC WORKS 2019 HIGHLIGHTS



Upgraded the Municipal Hall heating system



Painted the exterior of the Municipal Hall and interior of the lobby, Committee Room and Council Chambers



Replaced the Municipal Hall carpet in the lobby, Committee Room and Council Chambers



Upgraded the Municipal Hall fire alarm



Provided support to the CRD Watershed Team



Increased transportation safety projects



Started increasing Infrastructure Reserve Savings Program



Began development of a sustainable pavement management plan



Expanded water, storm sewer and sanitary sewer rehabilitation programs



Completed the Water Master Plan



ENGINEERING AND PUBLIC WORKS 2020 INITIATIVES



Begin development of a Sewer Master Plan (asset management and capital improvement plans)



Upgrade traffic signal at Oak Bay Avenue and Foul Bay Road



Install Rapid Rectangular Flashing Beacons at the intersections of Foul Bay Road and Leighton Road and San Carlos Avenue and Beach Drive



Implement pedestrian safety improvements to crosswalk at Wilmot Place and Oak Bay Avenue



Complete the 5-year and 10-year storm sewer CCTV and condition assessment program (4 years ahead of schedule)



Complete the final Phase of the LED Street Light Project



Implement Work Order Management Infrastructure

Progress updates can be found in the Corporate Plan, available at www.oakbay.ca/corporate-plan

Engineering and Public Works Metrics	2019	2018	2017
Employees	54	54	54
Storm Main Replaced	151 m	285 m	209 m
New Fire Hydrants	9	3	5
Catch Basins Replaced	8	7	7
Storm Drain/Sewer Manholes Replaced	8	1	6
Sanitary Sewer Trenchless Rehabilitation Program	0	1.7 km	1.4 km
Road Rehabilitation Completed	15,556 m ²	15,294 m ²	8,623 m ²
Sidewalk Replaced	330 m	545 m	135 m
Curb Drops Installed	16	13	10
CCTV Pipe Condition Assessments			
• Storm Main	10.5 km	7 km	11 km
• Sewer Main	0	14 km	17 km
Storm/Sanitary/Water Service Connections	Demand: 184 Completed: 139	Demand: 209 Completed: 148	Demand: 188 Completed: 126
Traffic Speed/Volume Counts Conducted	10	11	10



PARKS, RECREATION AND CULTURE

In 2019, Parks, Recreation and Culture operated under the auspices of the Parks, Recreation and Culture Commission, a body appointed by Council and established by bylaw. A wide array of programs and services are provided including the operation of the Oak Bay Recreation Centre, Henderson Recreation Centre, Monterey Recreation Centre, Windsor Pavilion and the Neighbourhood Learning Centre in Oak Bay High School. The Parks Division maintains:

- 76+ hectares of park spaces which include playing fields, natural areas, lawns and gardens and the Henderson Par 3 Golf Course,
- 27 kilometers of public irrigated boulevards and beach accesses,
- 2.5 km of municipal hedging,
- 10,000+ trees in the urban forest,
- 11 playgrounds, and
- 300 benches and picnic tables.

The Culture Division, introduced in 2016, supports a wide variety of arts and culture initiatives in the community including public art displays, concerts in the park, and numerous special events.



PARKS, RECREATION AND CULTURE 2019 HIGHLIGHTS



Installation of a new hand rail along the Walbran Park stairs



Supported the completion of a mural on the back of the Public Works building, facing Oak Bay High School



Installation of a picnic shelter at Windsor Park



Substantial work undertaken on the Energy Loop Heat Recovery Project at Oak Bay Recreation Centre (OBRC), with completion anticipated early in 2020



Replacement of carpet in the Sportsview Lounge OBRC & the Monterey Centre lobby



Replacement of cardio equipment in the OBRC & Henderson Recreation Centre Fitness Studios

PARKS, RECREATION AND CULTURE 2020 INITIATIVES



Initiate the design phase implementation of the Carnarvon Park Master Plan



Complete a revision of the Tree Protection Bylaw, as recommended in the Urban Forest Strategy



Replacement of the step down electrical transformer at the Oak Bay Recreation Centre



Replace the Oak Bay Recreation Centre Pool Roof

Progress updates can be found in the Corporate Plan, available at www.oakbay.ca/corporate-plan





- The Municipality of Oak Bay, through the annual budget process, allocates a total of \$20,000 annually for capital and maintenance of public art to the Public Art Fund. Ten percent (10%) of the annual contribution (\$2,000) is committed to maintenance of existing works; the balance (\$18,000) is used for the purchase, planning, design, and fabrication/installation of public art. To date, the District of Oak Bay has retained the following pieces of art for permanent display:

Sculpture & Artist	Location	Date Installed	Cost	Source of Funding
"Salish Sea," by Chris Paul	Oak Bay Marina Parking Lot/ Turkey Head	May, 2015	\$23,600	\$9,700 from public donations; \$4,600 from Arts and Culture Operating Budget surplus; \$9,300 from Oak Bay Public Art Fund
"Rebirth," by David Hunwick	Entrance Park at the corner of Foul Bay Road and Oak Bay Avenue	May, 2016	\$17,250	\$10,000 Province of BC Grant; \$7,250 Oak Bay Public Art Fund
"Sleeping Giants," by Nathan Scott and Fred Dobbs	Front lawn of Oak Bay Municipal Hall	May, 2017	\$16,585	2016 People's Choice Winner: \$16,585 Oak Bay Public Art Fund
"The Hunt," by Ken Hall	Queens' Park on Beach Drive	January, 2018	\$25,000	\$10,000 Province of BC Grant; \$15,000 Public Donations
"Bodhi Frog," by Doug Taylor	Willows Beach Esplanade at Estevan Avenue	January, 2018	\$11,000	\$11,000 Private donation to the District of Oak Bay
"Lunar Transitions," by Fred Dobbs	Garden at Monterey Recreation Centre and Oak Bay Public Library	May, 2018	\$21,060	2017 People's Choice Winner; \$21,060 from Oak Bay Public Art Fund
"M'akhotso" by Linda Lindsay	In front of Monterey Recreation Centre on Monterey Ave	May, 2018	\$18,000	Mayors' Arts Legacy Fund
"Gardener's Gown," by Bev Petow	Scented Garden at Windsor Park	May, 2019	\$8,000	\$8,000 Private donation to the District of Oak Bay
"Salmon Cycle," by Trinita Waller	Bowker Creek Walkway near Monterey Avenue	June, 2019	\$20,160	2018 People's Choice Winner; \$20,160 Oak Bay Public Art Fund
"Harmony Humpbacks" by Daniel Cline	Willows Park entrance	TBD	\$20,160	2019 People's Choice Winner; \$20,160 Oak Bay Public Art Fund

Parks, Recreation and Culture Metrics	2019	2018	2017
Employees			
• Regular	70	70	68
• Auxiliary	300	300	300

Parks Department Metrics	2019	2018	2017
Calls for Service - Trees	416 received 320 completed	520 received 486 completed	648 received 603 completed
Tree Permits for Private Property	264	260	276
Protected Trees Removed from Private Land (over 60 cm in diameter)	125	169	133
Trees Removed for Construction (over 60 cm diameter)	17	26	24
• Trees Replanted (as per Tree Protection Bylaw)	31	41	38
Trees Removed for Construction (over 60 cm diameter)	87	77	72
• Trees Replanted (as per Tree Protection Bylaw)	145	117	96
Friends of Uplands Park Education and Stewardship Events	183	169	148
• Total Participants	4,591	3,969	2,849
Public and School Volunteer Hours			
• Uplands Park	3,818	1,400	900
• Anderson Hill	300	400	330
• Trafalgar Park	1,400	1,450	2,195
• Native Plant Garden	100	140	125
• Brighton Walkway	185	200	150
• Queens' Park	60	130	*
• Oak Bay Beach by Glenlyon School	680	*	*
• Green Team at Uplands and Anderson Hill Parks	227	*	*
Total biomass removed from nature area parks			
• Chipped	170 cubic yards	50 cubic yards	100 cubic yards
• Unchipped	430 cubic yards	580 cubic yards	150 cubic yards

*New metrics for 2018

Recreation and Culture Department Metrics	2019	2018	2017
Film Productions	7	7	12
Concerts in the Upstairs Lounge	42	28	28
Total Programs Offered	4,741	4,538	*
Total Participants in Registered Programs	37,691	36,836	*

*New metrics for 2018

FINANCIAL SECTION

DID YOU KNOW?

- The Oak Bay Heritage Foundation provides cost-sharing grants to owners of properties listed on the heritage register, and to owners of designated heritage buildings. Owners of buildings protected under a Heritage Revitalization Agreement may also be eligible for heritage restoration grants. Information on available grants is available at <https://www.oakbay.ca/our-community/heritage/protecting-heritage#grants>.
- In 2019, the Oak Bay Police Department purchased the first electric vehicle for its fleet.
- Tourism is a key sector in Oak Bay. The Tourism Committee is an active group funded through the collection of hotel taxes and focuses on marketing the District as a destination.
- There is one major village centre and four secondary villages making Oak Bay a destination for eating and shopping as business and commerce is both vibrant and varied.



MESSAGE FROM THE CHIEF FINANCIAL OFFICER



I am pleased to present the District of Oak Bay's Statement of Financial Information (SOFI) for the year ended December 31, 2019. This statement includes the District's audited consolidated financial statements.

The District has adopted numerous financial management related policies and bylaws. These policies guide the District when preparing financial plans, utilizing and safeguarding financial resources, and reporting financial results. The most prominent policies include:

- **Purchasing Bylaw & Policy:** The authority to make purchasing decisions and to bind the Corporation contractually have been delegated pursuant to the District's "*Delegated Authority of Administrative Functions Bylaw, 2004*". This bylaw refers to the District's Sustainable Procurement Policy

which outlines purchasing limits and related processes.

- **Reserve Fund Bylaw & Reserves and Surplus Policy:** Council may, by bylaw, establish a reserve fund for a specific purpose and direct that funds be deposited to the credit of that reserve.
- **Investment Policy:** The District's investment choices are limited by the *Community Charter*. The District's Investment policy provides additional guidance for the prudent investment of surplus funds.
- **Other Policies:** other relevant policies include the District's Asset Management Policy, Property Tax Exemption Policy, Grant in Aid Policy, and Whistleblower Policy.

These policies may be viewed at the District of Oak Bay Municipal Hall during regular business hours.

The SOFI, and the financial statements therein, are the responsibility of the District of Oak Bay's management. The SOFI has been prepared in compliance with the Financial Information Act, Section 167 of the Community Charter and in accordance with generally accepted accounting principles approved by the Public Sector Accounting Board.

The District maintains a system of internal accounting controls, including policies and procedures, designed to safeguard the assets of the corporation and provide reliable financial information. The financial statements have been audited by KPMG LLP, whose role is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement.

KMPG LLP has expressed that, in their opinion, these statements present fairly, in all material respects, the financial position of the District as at December 31, 2019 and the results of its operations, its changes in net financial assets, and its cash flows in accordance with Canadian public sector accounting standards.

The District provides a wide variety of services to its ratepayers, citizens, visitors and other stakeholders. Services include parks and recreation, fire protection, policing, bylaw enforcement, water utilities, sanitary sewer, solid waste and organics collection, drainage, and development services. The District relies on the Capital Regional District for the provision of bulk water and sanitary sewer conveyance and treatment. The District funds many intermunicipal services through Capital Regional District, and the Greater Victoria Public Library.

These services, and others, are reflected in the District's financial results.

The financial results reflect an improved financial position and a commitment to long term financial planning. The District’s net financial position grew significantly by \$7.9M (8.3%). Of this, \$6.2M was set aside in reserves (primarily for infrastructure replacement), while the remaining \$1.7M increased equity in Tangible Capital Assets (TCA).

Revenue	\$48.3M
Expenses	(40.4M)
Accounting Surplus	\$7.9M
Transfer to Reserves	(6.1M)
Invested in TCA	(1.7M)
Total	\$ -

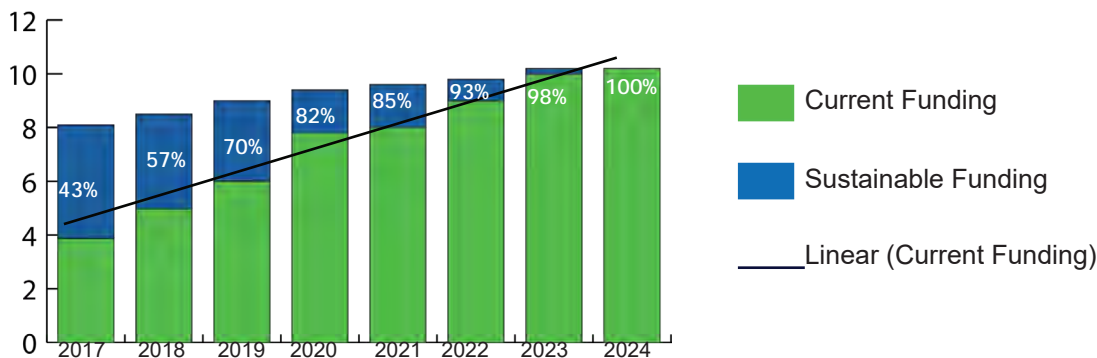
The financial results demonstrate a strong commitment to asset management. Investment in capital assets such as roads, sidewalks, and water and sewer pipes totaled \$3.7M.

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This situation presents uncertainty over the District’s future cash flows, and may have a significant impact on the District future’s operations. In particular, the District’s recreation, building permit, penalty, interest, and investment revenues are at increased risk.

The District’s tax base is primarily residential (approximately 95%). However, the District’s non-residential tax base is showing signs of significant hardship. This may result in reduced non-residential assessments and therefore an increased and concentrated tax burden on the District’s residential tax base.

The District has prepared a five-year financial plan that details an estimated \$220M in operational and \$69M in capital spending from 2020-2024. The plan aims to achieve sustainable service delivery by funding infrastructure replacement sustainably. This is accomplished by carefully analyzing infrastructure life-cycle costs, and funding annual reserve contributions in an intergenerationally equitable manner. Annual tax-funded reserve contributions are forecasted to reach \$10M by 2024.

ASSET REPLACEMENT FUNDING
As a % of Estimated Sustainable Funding



Christopher Paine, CPA, CGA
Director of Financial Services

STATEMENT OF FINANCIAL INFORMATION

**FOR THE YEAR ENDED DECEMBER 31, 2019
(FINANCIAL INFORMATION ACT)**

DISTRICT OF
OAK  BAY

**STATEMENT OF FINANCIAL
INFORMATION APPROVAL**

For the year ended December 31, 2019

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2) approves all statements and schedules included in the Statement of financial Information, produced under the Financial Information Act



Christopher Paine, CPA, CGA
Director of Financial Services
June 30, 2020



Mayor Kevin Murdoch
June 30, 2020

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of The Corporation of the District of Oak Bay (the "District") are the responsibility of management and have been prepared in compliance with legislation, and in accordance with public sector accounting principles established by the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

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



Director of Financial Services

INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors of the Corporation of the District of Oak Bay

Opinion

We have audited the financial statements of the Corporation of the District of Oak Bay (the "District"), which comprise:

- the statement of financial position as at end of December 31, 2019
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Comparative Information

We draw attention to Note 6 and Note 7 to the financial statements (“Note 6”, “Note 7”), which explains that certain comparative information presented for the year ended December 31, 2018 has been restated. Note 6 and Note 7 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

Other Matter – Comparative Information

As part of our audit of the financial statements for the year ended December 31, 2019, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended December 31, 2018. In our opinion, such adjustments are appropriate and have been properly applied.

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

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

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

Those charged with governance are responsible for overseeing the District’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the "K" and ends under the "P", with a small upward tick at the end.

Chartered Professional Accountants

Victoria, Canada
May 7, 2020

THE CORPORATION OF THE DISTRICT OF OAK BAY

Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
		(restated - note 6(b))
Financial assets:		
Cash and cash equivalents	\$ 2,650,854	\$ 2,652,819
Investments (note 2)	55,933,741	51,403,532
Taxes receivable	668,564	637,077
Other accounts receivable	3,102,135	3,078,580
	<u>62,355,294</u>	<u>57,772,008</u>
Financial liabilities:		
Accounts payable and accrued liabilities	2,819,608	3,090,837
Deposits	5,452,716	6,524,766
Prepaid property taxes	1,829,779	1,678,708
Deferred revenue (note 3)	8,601,254	8,655,804
Employee future benefit obligations (note 4)	1,647,900	1,691,000
Long-term debt (note 5)	1,321,427	1,743,524
	<u>21,672,684</u>	<u>23,384,639</u>
Net financial assets	40,682,610	34,387,369
Non-financial assets:		
Tangible capital assets (note 6)	62,383,009	61,021,528
Inventory of supplies	526,036	413,656
Prepaid expenses	522,282	344,156
	<u>63,431,327</u>	<u>61,779,340</u>
Accumulated surplus (note 7)	\$ 104,113,937	\$ 96,166,709

Commitments and contingent liabilities (note 9)
Contractual rights (note 10)
Subsequent event (note 14)

See accompanying notes to financial statements.



Director of Financial Services

THE CORPORATION OF THE DISTRICT OF OAK BAY

Statement of Operations and Accumulated Surplus

Year ended December 31, 2019, with comparative information for 2018

	Financial plan (note 12)	2019	2018
Revenue:			
Taxation, net (note 8)	\$ 26,812,150	\$ 26,882,573	\$ 24,839,998
Sales and services	8,558,416	8,987,012	8,694,983
Other revenues	1,393,450	1,274,089	1,433,026
Developer Contributions	-	240,000	-
Government transfers	1,568,324	2,353,192	3,055,808
Investment income	301,500	1,149,991	883,831
Sales of water and sewer charges	7,365,920	7,436,974	6,720,534
Total revenue	45,999,760	48,323,831	45,628,180
Expenses:			
General government	5,093,822	5,083,883	4,193,014
Protective services	10,543,788	10,722,018	9,689,062
Transportation services	3,014,586	3,529,147	3,420,380
Environmental health	1,381,679	1,456,634	1,331,146
Recreation services	13,583,260	13,877,817	13,101,202
Water utility	3,080,439	3,051,430	3,035,339
Sewer collection system	2,836,404	2,655,674	2,935,274
Total expenses	39,533,978	40,376,603	37,705,417
Annual surplus	6,465,782	7,947,228	7,922,763
Accumulated surplus, beginning of year (restated - note 6(b))	96,166,709	96,166,709	88,243,946
Accumulated surplus, end of year (restated - note 6(b))	\$ 102,632,491	\$ 104,113,937	\$ 96,166,709

See accompanying notes to financial statements.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Statement of Change in Net Financial Assets

Year ended December 31, 2019, with comparative information for 2018

	Financial Plan (note 12)	2019	2018
Annual surplus	\$ 6,465,782	\$ 7,947,228	\$ 7,922,763
Acquisition of tangible capital assets	(6,968,559)	(3,498,001)	(4,736,422)
Developer contribution of tangible capital assets	-	(240,000)	-
Amortization of tangible capital assets	-	2,316,894	2,191,509
Loss on disposal of tangible capital assets	-	5,126	49,215
Proceeds on disposal of tangible capital assets	-	54,500	4,000
	(6,968,559)	(1,361,481)	(2,491,698)
(Acquisition) use of inventory of supplies	-	(112,380)	74,720
(Acquisition) use of prepaid expenses	-	(178,126)	136,254
	-	(290,506)	210,974
Change in net financial assets	(502,777)	6,295,241	5,642,039
Net financial assets, beginning of year	34,387,369	34,387,369	28,745,330
Net financial assets, end of year	\$ 33,884,592	\$ 40,682,610	\$ 34,387,369

See accompanying notes to financial statements.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 7,947,228	\$ 7,922,763
Items not involving cash:		
Amortization of tangible capital assets	2,316,894	2,191,509
Loss on disposal of tangible capital assets	5,126	49,215
Contributions of tangible capital assets	(240,000)	-
Actuarial adjustment on debt	(194,864)	(139,732)
Changes in non-cash operating assets and liabilities:		
Taxes receivable	(31,487)	(117,345)
Other accounts receivable	(23,555)	(1,420,791)
Accounts payable and accrued liabilities	(271,229)	(651,492)
Deposits	(1,072,050)	3,912,345
Prepaid property taxes	151,071	32,334
Deferred revenue	(54,550)	590,462
Employee future benefit obligations	(43,100)	(32,600)
Inventory of supplies	(112,380)	74,720
Prepaid expenses	(178,126)	136,254
	8,198,978	12,547,641
Capital activities:		
Acquisition of tangible capital assets	(3,498,001)	(4,736,422)
Proceeds on disposal of tangible capital assets	54,500	4,000
	(3,443,501)	(4,732,422)
Investing activities:		
Investments	(4,530,209)	(6,263,381)
Financing activities:		
Long-term debt repaid	(227,233)	(252,589)
(Decrease) increase in cash and cash equivalents	(1,965)	1,299,249
Cash and cash equivalents, beginning of year	2,652,819	1,353,569
Cash and cash equivalents, end of year	\$ 2,650,854	\$ 2,652,819

See accompanying notes to financial statements.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

The Corporation of the District of Oak Bay (the "District") was incorporated on July 2, 1906 under the Municipal Act, a statute of the Province of British Columbia. Its principal activities are the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water, sewer and fiscal services.

1. Significant accounting policies:

The financial statements of the District are prepared by management in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the District are as follows:

(a) Reporting entity:

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

(i) Consolidated entities:

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

(ii) Funds held in trust:

The financial statements exclude trust assets that are administered for the benefit of external parties (note 11).

(b) Basis of accounting:

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

(c) Cash and cash equivalents:

Cash and cash equivalents are defined as cash on hand, demand deposits, and short-term highly liquid investments with a maturity date of less than 3 months at acquisition that are readily converted to known amounts of cash and which are subject to an insignificant risk of change in value.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

1. Significant accounting policies: (continued)

(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) Government transfers:

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

(f) Deferred revenue:

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired.

(g) Property tax revenue:

Property tax revenue is recognized on the accrual basis using the approved mill rates and the anticipated assessment related to the current year.

(h) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance. Investment income is allocated to various reserves and operating funds on a proportionate basis.

(i) Long-term debt:

Long-term debt is recorded net of related principal repayments and actuarial adjustments.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

1. Significant accounting policies: (continued)

(j) Employee future benefits:

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

(k) Non-financial capital assets:

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

(i) Tangible capital assets:

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

Asset	Useful life - years
Land improvements	15 - 50
Building and building improvements	25 - 100
Machinery and equipment	3 - 30
IT equipment	5 - 8
Vehicles	10 - 20
Roads and drainage	25 - 100

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

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

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

1. Significant accounting policies: (continued)

(k) Non-financial capital assets: (continued)

(ii) Contributions of tangible capital assets:

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

(iii) Works of art and cultural and historic assets:

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

(iv) Interest capitalization:

The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(v) Leased tangible capital assets:

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

(vi) Inventories of supplies:

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

(l) Liability for contaminated sites:

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

- (i) an environmental standard exists
- (ii) contamination exceeds the environmental standard
- (iii) the District is directly responsible or accepts responsibility for the liability
- (iv) future economic benefits will be given up, and
- (v) a reasonable estimate of the liability can be made.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

1. Significant accounting policies: (continued)

(m) Use of estimates:

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

2. Investments:

	2019	2018
MFA Money Market Fund	\$ 45,570,910	\$ 41,274,976
MFA Bond Fund	235,814	228,624
MFA Intermediate Fund	10,127,017	9,899,932
	<hr/> \$ 55,933,741	<hr/> \$ 51,403,532

The fair value of the Funds approximates the recorded value.

3. Deferred revenue:

Deferred revenue, reported on the statement of financial position, is made up of the following:

	2019	2018
Gas Tax Agreement Funds balance	\$ 6,232,255	\$ 6,106,315
Unearned revenues	2,368,999	2,549,489
Total deferred revenue	<hr/> \$ 8,601,254	<hr/> \$ 8,655,804

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

3. Deferred revenue: (continued)

Gas Tax Agreement funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the local government and the Union of British Columbia Municipalities. Gas Tax Agreement funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements. Certain funds received under the Gas Tax Agreement have been publicly committed by Council for use towards a specific sewer infrastructure project, and as such, have met the definition of a liability. Amounts will be recognized in revenue as expenditures are incurred on the project.

Schedule of Gas Tax Agreement funds

	2019	2018
Opening balance of unspent funds	\$ 6,106,315	\$ 6,001,314
Add:		
Interest earned	125,940	105,001
Closing balance of unspent funds	\$ 6,232,255	\$ 6,106,315

4. Employee future benefit obligations:

The District provides sick leave and certain benefits to its employees. These amounts and other employee related liabilities will require funding in future periods and are set out below.

Accumulated sick leave represents the liability for sick leave banks accumulated for estimated draw downs at future dates. Retirement benefit payments represent the District's share of the cost to provide employees with various benefits upon retirement including lump sum retirement payments, death benefits, certain vacation entitlements in the year of retirement, and pension buyback arrangements for qualified employees. The accrued employee benefit obligations and the net periodic benefit cost were estimated by an actuarial valuation completed effective for December 31, 2019. Information about liabilities for employee benefit plans is as follows:

	2019	2018
Accrued benefit liability, beginning of year	\$ 1,691,000	\$ 1,723,600
Service cost	131,600	132,900
Interest cost	57,800	50,700
Long-term disability expense	(900)	(114,000)
Actuarial adjustment	3,700	900
Benefit payments	(235,300)	(103,100)
Accrued benefit liability, end of year	\$ 1,647,900	\$ 1,691,000

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

4. Employee future benefit obligations: (continued)

The difference between the actuarially accrued benefit obligation of \$1,862,700 (2018 \$1,734,000) and the accrued benefit liability of \$1,647,900 (2018 - \$1,691,000) is an actuarial net loss of \$214,800 (2018 - \$43,000). This actuarial loss is being amortized over a period equal to the employees' average remaining service period of 10 years.

The total expense recorded in the financial statements in respect of obligations under this plan amounts to \$192,200 (2018 - \$70,500).

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

	2019	2018
Discount rates	2.70%	3.30%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increases	2.58 to 4.50%	2.59 to 4.63%

Municipal Pension Plan

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

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

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

The District paid \$2,050,188 (2018- \$1,848,231) for employer contributions while employees contributed \$1,553,746 (2018 - \$1,461,054) to the plan in fiscal 2019

The next valuation for the Municipal Pension Plan will be December 31, 2021, with results available in 2022.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

4. Employee future benefit obligations: (continued)

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

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 District 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, 2017. At December 31, 2018, the total plan provision for approved and unreported claims was \$18,160,100 with a net surplus of \$3,016,917. The actuary does not attribute portions of the unfunded liability to individual employers. The District paid \$86,679 (2018 - \$86,745) for employer contributions and District employees paid \$81,508 (2018 - \$91,893) for employee contributions to the plan in fiscal 2019.

5. Long-term debt:

	2019	2018
Debenture debt - MFA Issue 80 payable at \$142,594 annually; fixed interest payments 2.85% paid semi-annually (\$134,377). Final payment October 3, 2023.	\$ 1,300,573	\$ 1,638,031
Capital loans - MFA, payable monthly; payments include interest between 2.21% -3.04%; mature in 2020.	20,854	105,493
Total long-term debt	\$ 1,321,427	\$ 1,743,524

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

5. Long-term debt: (continued)

(a) Debenture debt:

The loan agreements with the Capital Regional District and the MFA provide that if, at any time, the scheduled payments provided for in the agreements are not sufficient to meet the MFA's obligations in respect of such borrowings, the resulting deficiency becomes a liability of the District.

The District issues its debentures through the MFA. Debentures are issued on a sinking fund basis, where the MFA invests the District's sinking fund payments so that the payments, plus investment income, will equal the original outstanding debt amount at the end of the repayment period. The gross value of debenture debt at December 31, 2019 is \$4,715,000.

(b) The aggregate amount of payments required on the District's long-term debt during each of the next four years is as follows:

	Minimum loan payments	Estimated principal payments	Total
2020	\$ 20,351	\$ 142,594	\$ 162,945
2021	-	142,594	142,594
2022	-	142,594	142,594
2023	-	142,594	142,594
	\$ 20,351	\$ 570,376	\$ 590,727

(c) Total interest expense on long-term debt for the year ending December 31, 2019 amounted to \$134,378 (2018 - \$117,084).

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

6. Tangible capital assets:

Cost	Balance December 31, 2018 (restated - note 6(b))	Additions	Disposals/ Transfers	Balance December 31, 2019
Land	\$ 2,852,877	\$ -	\$ -	\$ 2,852,877
Land improvements	1,713,062	18,726	-	1,731,788
Building and building improvements	25,985,225	392,697	-	26,377,922
Machinery and equipment	3,447,204	512,682	432,308	4,392,194
IT Equipment	1,330,333	75,620	90,513	1,496,466
Vehicles	6,148,394	367,425	(236,547)	6,279,272
Roads, drains, sewer and water	63,981,727	2,360,065	(402,942)	65,938,850
Assets under construction	1,218,358	10,786	(756,076)	473,068
Total	\$ 106,677,180	\$ 3,738,001	\$ (872,744)	\$ 109,542,437

Accumulated amortization	Balance December 31, 2018 (restated - note 6(b))	Amortization Expense	Disposals	Balance December 31, 2019
Land improvements	\$ 442,249	\$ 55,518	\$ -	\$ 497,767
Building and building improvements	9,355,006	461,899	-	9,816,905
Machinery and equipment	2,036,672	289,187	(231,382)	2,094,477
IT Equipment	930,049	212,612	-	1,142,661
Vehicles	3,322,504	282,594	(198,113)	3,406,985
Roads, drains, sewer and water	29,569,172	1,015,084	(383,623)	30,200,633
Total	\$ 45,655,652	\$ 2,316,894	\$ (813,118)	\$ 47,159,428

Net book value	December 31, 2018 (restated - note 6(b))	December 31, 2019
Land	\$ 2,852,877	\$ 2,852,877
Land improvements	1,270,813	1,234,021
Building and building improvements	16,630,219	16,561,017
Machinery and equipment	1,410,532	2,297,717
IT equipment	400,284	353,805
Vehicles	2,825,890	2,872,287
Roads, drains, sewer and water	34,412,555	35,738,217
Assets under construction	1,218,358	473,068
Total	\$ 61,021,528	\$ 62,383,009

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

6. Tangible capital assets: (continued)

(a) Assets under construction:

Assets under construction having a value of \$473,068 (2018 - \$1,218,358) have not been amortized. Amortization of these assets will commence when the asset is available for service.

(b) Contributed tangible capital assets:

Contributed assets having a value of \$240,000 (2018 - nil) were acquired from developers as part of subdivision installations, including drainage, and sewer and water infrastructure. These contributed assets were recognized at an estimate of fair value of the cost of the materials and installation.

Tangible capital assets received from developers are recorded at their fair values at the date of receipt and also recorded as revenue. The District had previously not recorded tangible capital assets received from developers during the period from 2011 to 2017. The 2018 opening cost, accumulated amortization and net book values of roads, drains, sewer and water assets have been restated to reflect the addition of these contributed assets accumulated during the period from 2011 to the end of 2017. The 2018 amounts above for cost increased by \$1,098,350, for accumulated amortization increased by \$126,002 and for net book value increased by \$972,348. The opening 2018 accumulated surplus has been restated by \$972,348 to recognize the receipt of these tangible capital assets. Within accumulated surplus, these amounts are reported as equity in tangible capital assets.

(c) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made, tangible capital assets are recognized at a nominal value. Land is the only category where nominal values have been assigned.

(d) Works of art and historical treasures:

The District manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at District sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

(e) Write-down of tangible capital assets:

There were no write-downs of assets during 2018 or 2019.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

7. Accumulated surplus:

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

	2019	2018
		(restated - see note below)
Surplus:		
Equity in tangible capital assets (restated - note 6(b))	\$ 61,061,582	\$ 59,278,004
Operating Fund	13,697,469	12,879,513
Total surplus	74,759,051	72,157,517
Reserve Funds:		
Village Parking	949,787	929,921
Fire Equipment	1,501,473	1,289,037
Land Sale	38,029	37,378
Machinery and Equipment	2,230,717	2,233,674
Heritage	2,219,337	2,178,532
Tax Sale Property	1,815	1,789
Parks Acquisition	472,997	463,757
Capital Works	17,506,922	15,135,253
Alternative Transportation Infrastructure	14,404	14,197
Infrastructure Renewal	4,419,405	1,725,654
Total reserve funds	29,354,886	24,009,192
	\$ 104,113,937	\$ 96,166,709

The 2018 Capital Works reserve has been restated by a reduction of \$6,106,315 and correspondingly the Operating Fund 2018 surplus has been restated by an increase of \$6,106,315 to adjust for certain reserves which were misclassified in prior years. The reclassification of amounts corrected an error in the previously reported allocation of accumulated surplus.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

8. Taxation:

As well as taxes for its own purposes, the District is required to collect taxes on behalf of, and transfer these amounts to, the government agencies noted below. Taxes levied over or under the amounts requisitioned are recorded as accounts payable or receivable.

	2019	2018
Taxes		
Property tax	\$ 45,301,410	\$ 41,887,116
Grants in lieu of taxes	188,255	186,999
Special assessments and local improvements	208,215	199,643
1% Utility tax	93,691	93,462
Waste disposal fees	1,543,095	1,541,770
Penalties and interest	198,510	151,684
	47,533,176	44,060,674
Less taxes levied on behalf of:		
Provincial government - school taxes	12,159,688	10,685,418
Capital Regional District	3,180,119	3,182,813
Telus (CREST) - CRD	65,000	64,219
Provincial Government - Non-residential school	945,914	1,003,429
Capital Regional Hospital District	2,047,009	2,089,714
Municipal Finance Authority	1,941	1,830
BC Assessment Authority	383,599	376,736
BC Transit Authority	1,789,335	1,736,519
Business Improvement Area	77,998	79,998
	20,650,603	19,220,676
Net taxes available for municipal purposes	\$ 26,882,573	\$ 24,839,998

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

9. Commitments and contingent liabilities:

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

(a) MFA debt reserve fund deposits:

Under borrowing arrangements with the MFA, the District is required to lodge security by means of demand notes and interest-bearing cash deposits based on the amount of the borrowing. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are included in the District's financial assets as cash and are held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the District. At December 31, 2019 there were contingent demand notes of \$136,718 (2018 - \$136,718) which are not included in the financial statements of the District.

(b) Capital Regional District (CRD) debt, under the provision of the Local Government Act, is a direct, joint and several liability of the CRD and each member municipality within the CRD, including the District.

(c) The District is a shareholder and member of the Capital Regional Emergency Service Telecommunications (CREST) Incorporated whose services provide 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.

(d) In the normal course of business, the District is a defendant in various lawsuits for which no liability is reasonably determinable at this time. Should the claims be successful as a result of litigation, amounts will be recorded when a liability is likely and determinable.

The District is self-insured for general liability claims through membership in the Municipal Insurance Association of British Columbia, a reciprocal insurance exchange. Under this program, member municipalities jointly share claims against any member in excess of their deductible. Should the Association pay out claims in excess of premiums received, it is possible that the District, along with the other participants, would be required to contribute towards the deficit. The District's deductible is \$10,000.

(e) During 2008 the Province of BC gave its share (50%) of the heritage property known as Tod House to the District. The value of this transaction was recorded as \$395,000. Concurrently the Province registered a "Possibility of Reverter" against the property. This states that the Province has granted its interest to the District "for so long as the land is used for the specific purpose of managing the Tod House Heritage Site". Previous correspondence with the Province suggests that if the property use is changed the District will pay to the Province 50% of the market value of the property at the time that its use changed. The District has no plans to change the use of Tod House.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

9. Commitments and contingent liabilities: (continued)

- (f) During 2015, the District entered into a lease agreement with the Board of Education of School District No. 61 (Greater Victoria) to lease the Neighbourhood Learning Centre, located in the Oak Bay High School. The lease commenced on September 1, 2015 and requires annual lease payments of \$89,984 for a term of 25 years

10. Contractual rights:

The District of Oak Bay's contractual rights arise from rights to receive payments from lease agreements. The District leases real estate property to commercial, affordable housing and non-profit organizations with terms ranging from 1 to 30 years. The District has contractual rights to receive the following amounts of lease revenue in the next 5 years.

Year	Lease Revenue
2020	\$ 394,040
2021	394,040
2022	394,040
2023	394,040
2024	394,040
	\$ 1,970,200

11. Trust funds:

Trust funds administered by the District have not been included in the statement of financial position nor have their operations been included in the statement of operations.

	Heritage House Trust	Legacy Trusts	2019	2018
Financial assets:				
Cash	\$ 686	\$ 77,710	\$ 78,396	\$ 77,268
Investments	342,636	332,094	674,730	655,858
Due from operating fund	-	36,975	36,975	28,508
	\$ 343,322	\$ 446,779	\$ 790,101	\$ 761,634

Since the use of Trust Funds is restricted, their assets and liabilities are not recorded in the financial statements.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

11. Trust funds: (continued)

The District has received bequests that are to be used for various purposes. These are maintained in the Legacy Trusts, with authorized expenditures being funded from it, and earnings on investments being added to the Trust.

12. Financial plan data:

The financial plan data presented in these financial statements is based upon the 2019 operating and capital financial plans approved by Council on May 14, 2019. Amortization was not contemplated in the development of the financial plan and, as such, has not been included. The following reconciles the approved financial plan to the financial plan figures reported in these financial statements.

	Financial plan amount
Revenues:	
Financial plan	\$ 49,773,197
Less:	
Transfers from reserves	3,773,437
Total revenue	45,999,760
Expenses:	
Financial plan	49,773,197
Less:	
Capital expenses	6,968,559
Transfers to reserves	3,128,066
Debt principal payments	142,594
Total expenses	39,533,978
Annual surplus	\$ 6,465,782

The annual surplus above represents the planned results of operations prior to the budgeted transfers between reserve funds, debt repayments and capital expenditures.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

13. Segmented information:

The Corporation of the District of Oak Bay is a diversified municipal organization that provides a wide range of services to its citizens. For management reporting purposes, the District's operations and activities are organized and reported by service areas. Municipal services are provided by departments and their activities are reported in these service areas. Service areas that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

(a) General Government

The departments within General Government are Corporate Administration, Finance, and Information Technology. These departments are responsible for adopting bylaws, adopting administrative policy, levying taxes, ensuring effective financial management, monitoring performance and ensuring that high quality municipal service standards are met.

(b) Protective Services:

Protective Services is made up of Police, Fire, Building and Planning and Animal Control. The Police Department ensures the safety of the lives and property of Oak Bay citizens through the enforcement of municipal bylaws and criminal law, the maintenance of law and order, and the prevention of crime. The Fire Department is responsible for providing critical, life-saving services in preventing or minimizing the loss of life and property from fire emergencies. The Fire Department also coordinates the District's emergency program. The Building and Planning department provides a full range of building services related to permits and current regulatory issues and through its Bylaw Enforcement division promotes, facilitates and enforces general compliance with bylaws. Animal Control services enforce the animal control bylaws and operate the pound and adoption centre for animals.

(c) Transportation Services:

Transportation Services is responsible for the construction and maintenance of roads and sidewalks throughout Oak Bay. Other duties include street cleaning, leaf pickup, snow removal and street lighting. This department is also responsible for the construction and maintenance of the storm drain collection systems.

(d) Environmental Health Services:

The Environmental Health Services is responsible for the collection and disposal of household garbage.

(e) Recreation Services:

Recreation Services is responsible for providing, facilitating the development of, and maintaining the high quality of parks, recreation facilities, and cultural services.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

13. Segmented information: (continued)

(f) Water Utilities and Sewer Collection System:

The Water Utilities and Sewer Collection System Departments operate and distribute the water and sewer networks. They are responsible for the construction and maintenance of the water and sewer distribution systems, including mains and pump stations.

Certain allocation methodologies have been employed in the preparation of the segmented financial information. Taxation and payments-in-lieu of taxes are apportioned to General Government, Protective, Transportation, and Recreation Services based on current year expenditures less revenue from other sources. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in note 1.

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

13. Segmented information: (continued)

2019	General Government	Protective Services	Transportation Services	Environmental Health	Recreation Services	Water Utility	Sewer Collection System	Total
Revenue:								
Taxation, net	\$ 1,414,090	\$ 12,837,345	\$ 4,589,092	\$ 1,543,095	\$ 6,498,951	\$ -	\$ -	\$ 26,882,573
Sales and service	111,628	-	-	-	8,875,384	4,020,008	3,416,966	16,423,986
Government transfers	2,148,118	202,568	-	-	2,506	-	-	2,353,192
Other revenues	487,735	720,745	26,309	-	39,300	-	-	1,274,089
Developer contributions	133,000	-	-	-	-	23,000	84,000	240,000
Investment income	1,149,991	-	-	-	-	-	-	1,149,991
Total revenue	5,444,562	13,760,658	4,615,401	1,543,095	15,416,141	4,043,008	3,500,966	48,323,831
Expenses:								
Salaries and wages	2,214,303	9,101,801	2,069,304	391,148	9,248,184	558,342	497,438	24,080,520
Materials, supplies and services	2,689,312	1,448,690	775,523	925,338	3,777,918	2,188,525	2,037,873	13,843,179
Interest and other	-	307	428	-	135,278	-	-	136,013
Amortization of tangible capital assets	180,269	171,220	683,893	140,147	716,438	304,564	120,363	2,316,894
Total expenses	5,083,883	10,722,018	3,529,147	1,456,634	13,877,817	3,051,430	2,655,674	40,376,603
Annual surplus	\$ 360,678	\$ 3,038,640	\$ 1,086,253	\$ 86,462	\$ 1,538,323	\$ 991,578	\$ 845,292	\$ 7,947,228

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

13. Segmented information: (continued)

2018	General Government	Protective Services	Transportation Services	Environmental Health	Recreation Services	Water Utility	Sewer Collection System	Total
Revenue:								
Taxation, net	\$ 1,685,617	\$ 11,863,745	\$ 4,688,222	\$ 1,541,770	\$ 5,060,644	\$ -	\$ -	\$ 24,839,998
Sales and service	120,441	-	-	6,914	8,567,628	3,628,235	3,092,299	15,415,517
Other revenues	464,232	929,576	39,218	-	-	-	-	1,433,026
Government transfers	1,508,839	203,312	-	-	665,563	678,094	-	3,055,808
Investment income	883,831	-	-	-	-	-	-	883,831
Total revenue	4,662,960	12,996,633	4,727,440	1,548,684	14,293,835	4,306,329	3,092,299	45,628,180
Expenses:								
Salaries and wages	1,542,284	8,416,484	1,864,067	369,551	8,726,688	526,864	462,463	21,908,401
Materials, supplies and services	2,494,994	1,109,346	909,353	826,896	3,572,189	2,217,036	2,357,360	13,487,174
Interest and other	-	-	-	-	118,334	-	-	118,334
Amortization of tangible capital assets	155,736	163,232	646,960	134,699	683,991	291,439	115,451	2,191,508
Total expenses	4,193,014	9,689,062	3,420,380	1,331,146	13,101,202	3,035,339	2,935,274	37,705,417
Annual surplus	\$ 469,946	\$ 3,307,571	\$ 1,307,060	\$ 217,538	\$ 1,192,633	\$ 1,270,991	\$ 157,025	\$ 7,922,763

THE CORPORATION OF THE DISTRICT OF OAK BAY

Notes to Financial Statements

Year ended December 31, 2019

14. Subsequent event:

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This situation presents uncertainty over the District's future cash flows, and may have a significant impact on the District's future operations. Potential impacts on the District's business could include future decreases in revenue, future increases in expenses, impairment of receivables, impairment of investments or reduction in investment income, and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact on the economy are not known, an estimate of the financial effect on the District is not practicable at this time.

15. Comparative information:

Certain 2018 comparative information has been reclassified to conform with the financial statement presentation adopted for the current year.

SCHEDULE OF DEBTS

For the year ended December 31, 2019

A Schedule of Debts has not been prepared because information on the District's long-term debt is shown in Note 5 of the Financial Statements.

As shown in Note 5 and 9(a) to the Financial Statements, long term debt of \$4,715,000 has been borrowed through the Municipal Finance Authority. These debentures are issued on a sinking fund basis. At December 31, 2019, the outstanding debt was \$1,321,427.

Prepared under the Financial Information Regulation, Schedule 1, section 4.

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

For the year ended December 31, 2019

A Schedule of Guarantees and Indemnity payments has not been prepared because the District of Oak Bay has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

Prepared under the Financial Information Regulation, Schedule 1, section 5.

SCHEDULE OF REMUNERATION AND EXPENSES

For the year ended December 31, 2019

Regulations require the District of Oak Bay to report the total amount of remuneration for each employee that exceeds \$75,000 and the total amount of expenses paid to or on behalf of that employee in that year. It also requires that the total amount of remuneration and the total amount of expenses paid to or on behalf of each elected office to be reported.

Prepared under the *Financial Information Regulation*, Section 1, subsection 6(2)

Note for the readers

Employee expenses defined in the *Financial Information Regulation* as including travel expenses, memberships, tuition, relocation, vehicle leases, extraordinary hiring expenses, and registration fees and similar amounts which has not been included in the definition of remuneration.

Remuneration all forms of salary, wages, and taxable benefits paid to an employee during the year. Remuneration can differ from total salary because while an employee may earn wages, those wages may not be paid until a different financial period.

Police Remuneration: The Schedule does not include remuneration paid to employees of the Oak Bay Police Department.

(Schedule begins on the following page)

SCHEDULE OF REMUNERATION AND EXPENSES

MAYOR AND COUNCIL

For the year ended December 31, 2019

Name	Remuneration	Expenses	Total
Appleton, Andrew	\$14,604.46	\$1,032.17	\$15,636.63
Braithwaite, Hazel	14,604.48	2,959.15	17,563.63
Green, Carine	14,604.48	2,760.65	17,365.13
Murdoch, Kevin	34,415.26	2,858.72	37,273.98
Ney, Tara	14,604.48	4,340.70	18,945.18
Paterson, Esther	14,604.46	1,999.88	16,604.34
Zhelka, Eric	14,604.48	3,590.68	18,195.16
	\$122,042.10	\$19,541.95	\$141,584.05

SCHEDULE OF REMUNERATION AND EXPENSES

EMPLOYEES

For the year ended December 31, 2019

Last Name	First Name	Department	Remuneration	Expenses
Adam	Daniel	Fire	\$ 122,566	\$ 729
Adsett	Duane	Fire	132,003	-
Ahokas	Jason	Fire	137,477	1,166
Anderson	Bruce	Building & Planning	141,807	3,626
Ballantyne	John	Fire	144,524	582
Banfield	Ian	Fire	83,893	-
Beaumont	Kyle	Fire	119,439	729
Brown	Cody	Fire	116,715	424
Brozuk	David	Public Works	118,793	315
Buser	Rene	Building & Planning	79,886	901
Carlson	Caitlin	Recreation	77,444	636
Carter	Debbie	Finance	77,176	2,535
Cobus	Leslie	Recreation	78,039	90
Costin	Donna	Finance	124,793	2,702
Currie	John	Public Works	81,621	75
D'Antonio	Gianfranco	Public Works	76,624	-
Ding	K. Richard	Engineering	99,218	16
Donnelly	Bonnie	Human Resources	113,807	476
Frenkel	Trent	Fire	120,817	75
Herman	Ray	Recreation	149,348	1,050
Hodge	Jason	Fire	122,444	405
Hopkins	Debra	Corporate Services	103,603	290
Horan	Daniel	Engineering	145,093	6,704
Hughes	Darren	Fire	154,379	6,188
Hyde-lay	Christopher	Parks	104,463	-
Ireland	Riley	Fire	110,731	687
Jensen	Deborah	Building & Planning	101,770	3,717
Johnson	Terry	Public Works	106,767	285
Jones	Warren	Administration	81,583	
Josephson	Michael	Fire	113,300	-
Joynson	Jason	Fire	128,689	115
Kivell	Robert	Fire	125,598	159
Kreiger	Xanthe "Mandi"	Recreation	81,959	-
Lawrence	Caroline	Recreation	77,678	
Lee	Darren	Fire	148,700	7,931
Malinosky	Kris	Fire	137,036	\$ 1,586

Last Name	First Name	Department	Remuneration	Expenses
Marshall	R. Gordon	Fire	\$ 146,013	\$ -
Matthews	Garrett	Public Works	84,287	490
Mcfarlane	Todd	Public Works	76,114	-
McKinnon	Kurt	Public Works	76,585	-
Meikle	Steven	Recreation	117,001	-
Paul	Christopher	Parks	75,877	593
Popham	Jonathan	Fire	140,591	-
Roberts	Tim	Parks	80,736	-
Rushton	Eric	Fire	113,173	75
Scott	Brad	Fire	138,186	2,633
Smith	Patrick	Public Works	82,604	75
Stewart	C. Roger	Fire	145,661	533
Stoffer	Ryan	Fire	75,616	-
Swan	Gregory	Fire	124,953	2,072
Thomson	Cameron	Fire	145,750	410
Thorneloe	Adam	Fire	115,155	-
Trenholm	Bradley	Fire	122,084	2,875
Trumble	Douglas	Fire	129,435	950
Varela	Louelyn	Administration	159,074	6,897
Welham	Janet	Recreation	77,114	959
Wetselaar	Jurrien	Public Works	82,453	-
2019 Number of Employees				
	57	>\$75,000	\$ 6,348,239	
	687	≤\$75,000	\$ 10,644,752	
Total	744		\$ 16,992,991	

Reconciliation of Schedule of Remuneration and Expenses to Financial Statements

The Schedule of Remuneration and Expenses has been prepared on a cash basis whereas the financial statements have been prepared on an accrual accounting basis, and include payroll related obligations. Therefore no reconciliation of this schedule with the financial statements has been prepared.

SCHEDULE OF REMUNERATION AND EXPENSES

SCHEDULE OF SEVERANCE AGREEMENTS

For the year ended December 31, 2019

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(7).

Number of Agreements	Equivalent Number of Month's Salary & Benefits
2	6-7

SCHEDULE OF SUPPLIERS OF GOOD AND SERVICES

For the year ended December 31, 2019

Regulations require the District of Oak Bay to report the total amount paid to each supplier for goods and services that exceeds \$25,000 in the year reported

Prepared under the Financial Information Regulation Schedule 1, subsection 7(1)

Vendor Name	Payment Amount
Accent Refrigeration Systems Ltd	\$ 74,550
Acklands - Grainger Inc	30,286
Acme Supplies Ltd	83,613
Adam Szekely Trucking	67,980
All-Parts Trailer Sales	36,886
Aon Reed Stenhouse	163,653
Aquashine Building Services	43,552
B.C. Hydro And Power Authority	411,131
B.C. Life & Casualty Company	85,471
0950119 BC Ltd	40,880
0869926 BC Ltd	39,295
Beacon Ridge Productions	45,368
Black Press Group Ltd	73,640
Bloom Yoga	49,460
Butler Concrete & Aggregate Ltd	94,755
C3 Mainline Inspections Inc	32,217
Canadian Linen & Uniform Service	28,060
Canadian Red Cross	30,281
Capital Regional District (Water)	2,046,710
Capital Regional District	494,124
City Of Victoria	122,099
Clarke Engineering & Welding Ltd	26,034
Commissionaires The	39,833
Corix Water Products Limited Partnership	112,658
Crest	84,051
Digital Postage On Call	26,880
Dupuis Nicole	28,334

Vendor Name	Payment Amount
E-Comm Emergency Communications	284,907
Edgar & Miner	32,676
Eli Pasquale Group Inc	27,959
Elisco Enterprises Inc	42,502
Ells Kathryn	57,134
Emco Corporation	71,281
Emterra Environmental	488,262
Finning (Canada)	163,153
Fitness Town Commercial	224,312
Fortis BC Natural Gas	52,822
Gotraffic Management Inc	42,162
Greater Victoria Labour Relations Association	47,068
Greater Victoria School Board	72,717
Great-West Life Assurance Co.	86,497
Gr. Victoria Public Library	1,386,919
GVLRA - Cupe Ltd Trust	167,388
Heritageworks Ltd	72,153
Hot House Marketing	124,288
H2X Contracting Ltd	108,783
Iconix Waterworks Lp	120,750
LGI Resources Inc.	70,619
Insurance Corporation Of Bc	119,764
Island Asphalt Company	834,114
Kerr Wood Leidal Associates Ltd	47,527
KPMG LLP T4348	36,330
Lafarge Asphalt Technologies A Division	26,242
Lehigh Materials V8261	246,977
Liesch Interiors Ltd	25,707
Lordco Parts Ltd	29,240
Macdonald Cayle	28,703
Manson John	31,900
Mar-Tech Underground Services Ltd.	247,157
Mertin Chevrolet Cadillac Buick Gmc Ltd.	75,224
Michell Brothers Farm Composting	135,492
Minister Of Finance	68,223
Monk Office Supply Ltd	47,574
Municipal Insurance Association Of Bc	156,782

Vendor Name	Payment Amount	Vendor Name	Payment Amount
Music Together Victoria	67,383	Sysco Victoria Inc.	104,733
Northridge Excavating Ltd	122,284	Telus Communications (BC) Inc	41,437
Pacific Blue Cross	658,801	Telus Mobility	62,655
Parkland Refining (B.C.) Ltd.	258,264	Tri City Finishing	49,942
Perfectmind Inc	60,500	Urban Wildlife Stewardship Society	64,995
Primecorp	28,347	Urban Systems Ltd.	36,845
Radioworks	34,652	Urban Matters CCC Ltd	26,059
Receiver General (Employer's EI & CPP Contributions only)	999,568	Valley Traffic Systems Inc.	42,034
Receiver General For Canada - Rcmp E Division	62,185	Victoria Landscape Gravel Mart Ltd	34,716
Ricoh Canada Inc.	73,614	Victoria Animal Control Services	73,359
Rollins Machinery Ltd	36,751	Victoria Nissan Ltd	37,324
		White Knight Painting	31,566
Royal Rooter Plumbing & Drain Cleaning Ltd	88,926	Wilson & Proctor Ltd.	28,054
Ryzuk Geotechnical	27,756	Wilson'S Transportation Ltd	29,069
Saanich The Corporation Of The District Of	336,644	Workers Compensation Board Of BC	408,020
Scho'S Line Painting Ltd	111,542		
Sea To Sky Network Solutions Inc.	305,631	Total Suppliers Equal and Over \$25,000	14,848,683
South Island Prosperity Project	44,331	Other Suppliers Less Than \$25,000	4,222,315
Stewart Mcdannold Stuart Barristers & Solicitors	48,524		
Suburban Motors	99,063		<u>\$ 19,070,998</u>

Reconciliation of Schedule of Suppliers of Goods and Services to Financial Statements

The Schedule of Suppliers of Goods and Services has been prepared on a cash basis whereas the financial statements have been prepared on an accrual accounting basis, therefore no reconciliation of this schedule with the financial statements has been prepared.

Other Notes

- The Schedule above does not include property taxes collected on behalf of and remitted to other taxing authorities.
- The Schedule above does not include payments made for the refunding of security and other deposit as these are not a provision of good or serve.

SCHEDULE OF GRANTS OR CONTRIBUTIONS

For the year ended December 31, 2019

Regulations require the District of Oak Bay to report a statement of payments for the purpose of grants or contributions.

Prepared under the Financial Information Regulation, Schedule 1, subsection 7(2)(b).

Organization	Total \$
Oak Bay Volunteer Services	\$ 35,000
Greater Victoria Sport Tourism Commission	5,000
South Island Prosperity Project	44,331
Oak Bay Heritage Foundation	5,275
JexFC Victoria (Canadian Francophone Games)	12,290
Chinese Consolidated Benevolent Association	3,000
City of Victoria	1,650
Community Association of Oak Bay	1,430
Friends of Uplands Park	2,330
Greater Victoria Bike to Work Society	1,650
Green Teams of Canada	3,790
Kiwanis Club of Oak Bay	500
Maritime Museum of BC	1,500
North Oak Bay Community Association	560
Oak Bay United Church	3,500
Oak Bay Rescue Society	5,210
Oak Bay Lawn Bowling	3,280
Oak Bay Figure Skating Club	2,620
Vancouver Island South Film and Media Commission	10,000
Victoria Sexual Assault Centre	5,580
Victoria Women's Transition House	1,220
Saanich Geronimo Canoe Club	500
Total	\$ 150,216



STATISTICAL SECTION

DID YOU KNOW?

- In 2019, the average Fire Services emergency response time decreased to 4 minutes, and 10 seconds. The National Fire Protection Association (NFPA) recommends a response time of 5 minutes and 20 seconds 90% of the time.
- The business sector accounts for approximately 5% of the District's property tax base, yet it remains a vital and vibrant part of the community.
- Approximately 10% of the District's housing is over 90 years old.
- Oak Bay has set a target to achieve a tree canopy cover that approaches 40% by 2045.
- In 2019, natural gas consumption dropped by 40% at Oak Bay Recreation Centre and 92% at the Tennis Bubble as a result of the Energy Loop Project.
- Approximately 80% of the District's investment portfolio is invested in the Municipal Finance Authority's Money Market Fund and performance on this fund has grown considerably since 2015.
- Council raised taxes by 3% in 2019 for asset replacement and the District is projected to achieve sustainable funding levels by 2024.

PROPERTY TAX RATES 2015-2019

Municipal (\$ per \$1,000 Assessment)	2015	2016	2017	2018	2019
Residential	3.4350	3.3479	2.6548	2.4748	2.5441
Business/Other	7.0620	7.0774	6.5533	6.2902	6.1582
Recreational/Non-profit	5.2425	5.1210	5.2854	5.4555	5.7708
Farm	2566.4685	3054.2544	2595.9195	3504.3445	4037.4467
Total - Including School, Regional, etc (\$ per \$1,000 Assessment)					
Residential	6.2827	6.0601	4.9117	4.5116	4.4974
Utilities	16.4148	16.2314	15.8254	15.5853	15.3641
Business/Other	16.0029	15.5345	14.0846	12.9389	12.2199
Recreational/Non-profit	9.8879	9.5211	9.2536	9.1722	9.2399
Farm	2929.1100	3481.9506	2974.4153	4003.8591	4565.8195

The tax rates above do not include rates and levies that are not applied to the entire assessment tax base. Other taxes that are applied to only specific properties include:

1. Additional School Tax – applied only to residential properties assessed at greater than \$3M
2. Business Improvement Area – applied only to business class properties within the Business Improvement Area as defined by the *Oak Bay Business Improvement Area Bylaw, 2020*.
3. Boulevard Frontage – applied only to properties within the boulevard roll established by the *Boulevard Frontage Tax Bylaw, 1982*.

Municipal (\$ per \$1,000 Assessment)	2015	2016	2017	2018	2019
Residential	\$ 19,112	\$ 19,718	\$ 20,293	\$ 21,435	\$ 23,320
Business/Other	965	1,010	1,022	1,065	1,149
Recreational/Non-profit	115	130	136	142	153
Farm	18	21	18	25	28
Total	\$ 20,210	\$ 20,879	\$ 21,469	\$ 22,667	\$ 24,650

SOURCE: DISTRICT OF OAK BAY FINANCE DEPARTMENT

NEW CONSTRUCTION 2015-2019

	2015	2016	2017	2018	2019
New Construction Assessment	\$28,303,100	\$31,442,300	\$35,821,861	\$46,609,899	\$74,479,700
% Assessment Base	0.51%	0.55%	0.59%	0.60%	0.84%
Taxes Generated from New Growth	\$ 102,156	\$ 119,968	\$ 87,831	\$ 111,946	\$ 193,338

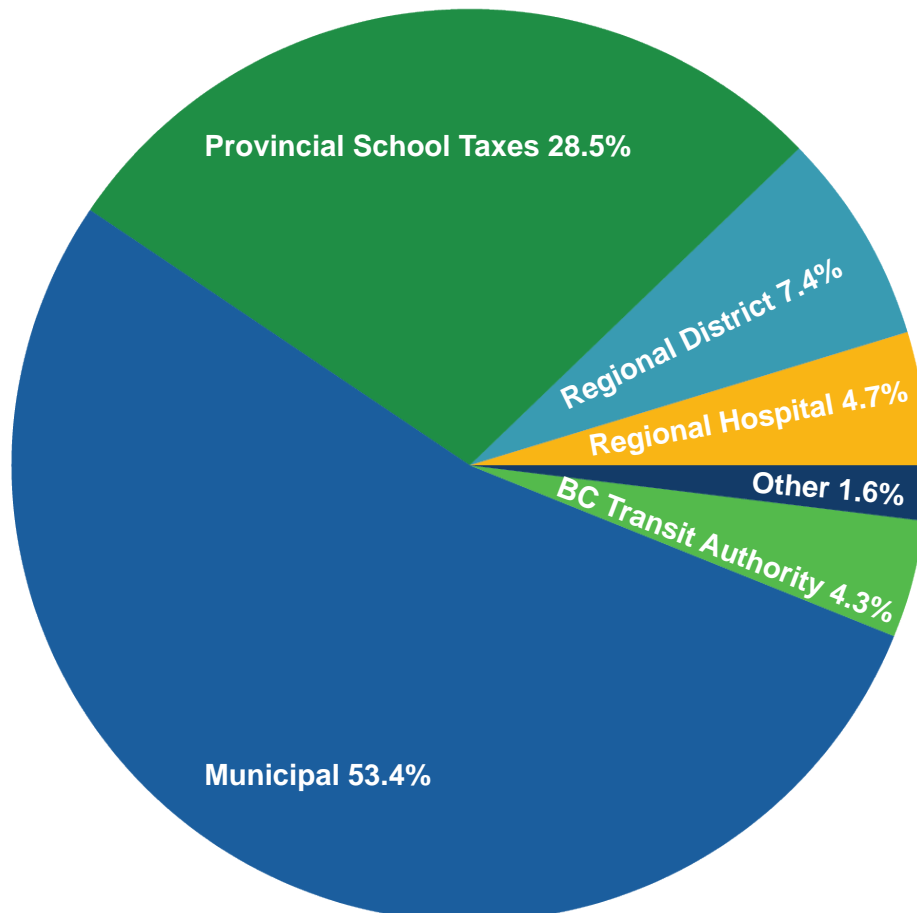
SOURCE: DISTRICT OF OAK BAY FINANCIAL SERVICES DEPARTMENT

PROPERTY TAX LEVIED AND COLLECTED 2015 - 2019 (IN THOUSANDS)

	2015	2016	2017	2018	2019
Municipal	\$20,210	\$20,880	\$21,470	\$22,666	\$24,651
Provincial School Taxes	10,795	10,789	11,435	11,688	13,105
Regional District	2,797	2,873	3,069	3,183	3,180
Regional Hospital	1,792	1,836	2,095	2,090	2,047
BC Transit Authority	1,635	1,665	1,784	1,737	1,789
BC Assessment Authority	356	349	359	377	384
Boulevard Frontage	176	184	193	200	208
Business Improvement Area	80	81	80	80	78
Municipal Finance Authority	1	1	2	2	2
	\$37,842	\$38,658	\$40,487	\$42,023	\$45,444
Total Current Taxes Levied	\$37,842	\$38,658	\$40,487	\$42,023	\$45,444
Current Taxes Collected	37,428	38,355	40,096	41,602	44,940
Percentage	98.9%	99.2%	99.0%	99.0%	98.9%

SOURCE: DISTRICT OF OAK BAY FINANCE DEPARTMENT

2019 PROPERTY TAXES COLLECTED BY AGENCY



SOURCE: DISTRICT OF OAK BAY FINANCIAL SERVICES DEPARTMENT

2019 PRINCIPAL CORPORATE TAX PAYERS

Registered Owner	Primary Property	Taxes Levied
Noah Holdings Ltd	Hotel	\$309,524
Athlone Court Holdings Ltd	Stores & Offices	223,767
Whitehall Enterprises Ltd	Multi-Family Apartment	162,307
Oak Bay Marina	Marina	144,973
Fortis Energy	Utilities	123,113
Royal Victoria Yacht Club	Marina	121,370
R K Investment Ltd	Multi-Family Apartment	105,055
Namod Properties Ltd	Multi-Family Apartment	91,907
Oak Bay Gate Ltd	Stores & Offices	89,420
Seadragon Properties Inc	Single Family Dwelling	88,182
Sierra Holding Co Ltd	Multi-Family Apartment	87,789
Carlton House Properties Ltd	Multi-Family Apartment	87,414
Victoria Golf Club	Golf Course	85,926
Uplands Golf Club	Golf Course	83,717
Oak Bay Rental Investments Ltd	Stores & Offices	81,339
Overseas Investments Ltd	Multi-Family Apartment	71,680
Oak Bay Chaucer Holdings Ltd.	Stores & Offices	70,245
0847957 B.C. Ltd.	Stores & Offices	67,558
258957 BC Ltd	Multi-Family Apartment	66,732
ANR Investments Ltd	Stores & Offices	64,941
Gill-Am Investments Ltd	Multi-Family Apartment	62,914
3rd Quarter Interests Ltd	Multi-Family/Stores	62,744
H D S Estates Ltd	Multi-Family/Stores	62,301
547808 Bc Ltd	Single Family Dwelling	59,553
Sonria Holdings Ltd	Stores & Offices	57,980
Condor Investments Ltd	Multi-Family/Stores	57,815
412117 B C Ltd	Stores & Offices	57,458
Mattsteph Holdings Ltd	Single Family Dwelling	54,301
Kingston Estates Ltd	Stores & Offices	51,198
2224 Oak Bay Holdings Ltd	Office Building	43,570
		\$2,796,791

SOURCE: DISTRICT OF OAK BAY FINANCIAL SERVICES DEPARTMENT

STATEMENT OF OPERATIONS 2015-2019 (IN THOUSANDS)

Revenue	2015	2016	2017	2018	2019
Taxation, net	\$22,340	\$23,004	\$23,645	\$24,840	\$26,883
Sales and services	7,699	8,054	8,115	8,695	8,987
Other Revenues	1,957	1,506	1,596	1,433	1,274
Develop Contributions	-	-	-	-	240
Government transfers	622	604	1,970	3,056	2,353
Investment income	442	418	483	884	1,150
Sales of water and sewer charges	5,646	6,093	6,181	6,721	7,437
	\$38,706	\$39,679	\$41,990	\$45,629	\$48,324
Expense by Function					
General Government	4,769	4,157	4,833	4,193	5,084
Protective Services	9,042	9,533	9,636	9,689	10,722
Transportation Services	3,286	3,066	3,489	3,420	3,529
Environmental Health Services	1,237	1,406	1,324	1,331	1,457
Recreation Services	11,761	12,217	12,463	13,101	13,878
Water Utilities	3,037	3,299	3,121	3,035	3,051
Sewer Collection System	2,041	2,172	2,539	2,935	2,656
Total	\$35,173	\$35,850	\$37,405	\$37,704	\$40,377
Expense by Object					
Salaries and wages	20,192	21,681	22,700	21,908	24,081
Materials, supplies and services	12,994	12,310	12,218	13,487	13,843
Interest and other	113	113	113	118	136
Amortization	1,874	1,746	2,372	2,192	2,317
Total	\$35,173	\$35,850	\$37,405	\$37,704	\$40,377

SOURCE: DISTRICT OF OAK BAY FINANCIAL SERVICES DEPARTMENT

ANNUAL & ACCUMULATED SURPLUS 2015-2019 (IN THOUSANDS)

	2015	2016	2017	2018 *	2019
Accumulated Surplus, Beginning of Year	\$75,321	\$78,855	\$82,686	\$88,244	\$96,167
Annual Surplus/(Deficit)	3,534	3,830	4,586	7,923	7,947
Accumulated Surplus, End of Year	\$78,855	\$82,686	\$87,272	\$96,167	\$104,114

*Restated: The District had previously not recorded tangible capital assets received from developers during the period from 2011 to 2017. The 2018 net book value of roads, drains, sewers and water assets have been restated to reflect the additional \$972,348. The accumulated surplus has been restated accordingly to recognize the receipt of the tangible capital assets.

SOURCE: DISTRICT OF OAK BAY FINANCE DEPARTMENT

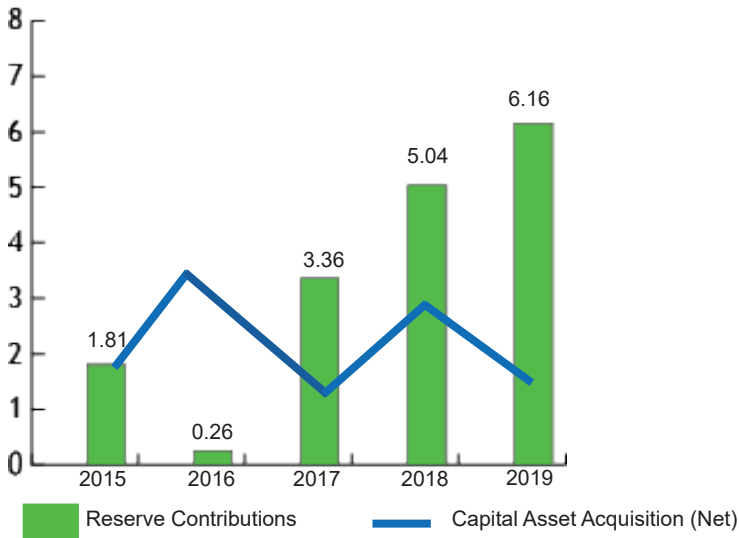
ALLOCATION OF ANNUAL SURPLUSES 2015-2019 (IN THOUSANDS)

	2015	2016	2017	2018	2019
Annual Surplus	\$3,534	\$3,830	\$4,586	\$7,923	\$7,947
Capital Asset Acquisition (Net)	1,725	3,570	1,227	2,884	1,783
Reserve Contributions	1,809	260	3,359	5,039	6,164
	\$3,534	\$3,830	\$4,586	\$7,923	\$7,947

SOURCE: DISTRICT OF OAK BAY FINANCIAL SERVICES DEPARTMENT

RESERVE FUNDS & OTHER FUNDING SOURCES 2015-2019 (IN THOUSANDS)

ANNUAL SURPLUS ALLOCATIONS 2015-2019 (IN MILLIONS)



Reserve Funds & Other Funding Sources

	2015	2016	2017	2018	2019
Operating Fund Surplus *	4,022	2,788	4,744	12,880	13,697
Village Parking	897	906	913	930	950
Fire Equipment	903	1,080	1,133	1,289	1,501
Land Sale	1,768	40	33	37	38
Machinery and Equipment	1,946	1,894	1,957	2,234	2,231
Heritage	2,202	2,160	2,164	2,179	2,219
Tax Sale Property	2	2	2	2	2
Parks Acquisition	271	273	275	464	473
Capital Works *	16,206	19,335	19,965	15,135	17,507
Alternative Transportation Infrastructure	16	14	14	14	14
Infrastructure Renewal	-	-	649	1,726	4,419
Gas Tax Funds - Uplands Sewer Separation **	5,103	5,957	6,001	6,106	6,232
	33,336	34,449	37,850	42,996	49,283

*Restated: The 2018 Capital Works reserve has been restated by a reduction of \$6,106,316 and correspondingly the Operating Fund 2018 surplus has been restated by an increase of \$6,106,315 to adjust for certain reserves which were misclassified in prior years. The reclassification of amounts correct an error in the previously reported allocation of accumulated surplus. The overall balance of funding sources remains consistent.

**See Note 3 of the Financial Statements.

DEBENTURE DEBT 2015-2019 (IN THOUSANDS)

	2015	2016	2017	2018	2019
Gross Outstanding Debt - MFA	\$4,715,000	\$4,715,000	\$4,715,000	\$4,715,000	\$4,715,000
Gross Outstanding debt - Capital Lease	341,164	334,572	215,488	105,493	20,854
Total Gross Outstanding Debt	5,056,164	5,049,572	4,930,488	4,820,493	4,735,854
Less: Sinking Fund Payments	(2,269,684)	(2,525,762)	(2,794,640)	(3,076,969)	(3,414,427)
Net Debt	\$2,786,480	\$2,523,810	\$2,135,848	\$1,743,524	\$1,321,427
Debt servicing (property taxes)	389,304	380,894	505,363	509,408	556,475
Population	18,164	18,094	18,466	18,564	18,568
Net Debt per Capita	\$153	\$139	\$116	\$94	\$71
Debt Servicing per Capita	\$21	\$21	\$27	\$27	\$30
Debt servicing as % of Expenses	1.1%	1.1%	1.4%	1.4%	1.4%
Debt Servicing Limit	9,612,643	9,871,196	10,084,241	10,722,419	
% Debt Servicing Limit	4.0%	3.9%	5.0%	4.8%	

SOURCE: DISTRICT OF OAK BAY FINANCE DEPARTMENT

STATEMENT OF FINANCIAL POSITION 2015 - 2019 (IN THOUSANDS)

	2015	2016	2017	2018	2019
Financial Assets	\$41,371	\$43,074	\$48,671	\$57,772	\$62,355
Financial Liabilities	16,903	18,129	19,926	23,385	21,673
Net Financial Assets/(Net Debt)	\$24,468	\$24,945	\$28,745	\$34,387	\$40,682
Non-Financial Assets	54,388	57,741	58,526	61,779	63,431
Accumulated surplus	\$78,856	\$82,686	\$87,271	\$96,166	\$104,113

SOURCE: DISTRICT OF OAK BAY FINANCE DEPARTMENT

CAPITAL EXPENDITURES 2015 - 2019 (IN THOUSANDS)

Expenditures	2015	2016	2017	2018	2019
Land Improvements	\$77.00	\$752.00	\$29.00	\$61.00	\$19.00
Building and Building Improvements	271	2,205	302	151	393
Machinery and Equipment	245	348	222	167	513
IT Equipment	74	59	263	132	76
Vehicles	202	612	378	69	367
Roads, Drains, Sewer, and Water	1696	1,778	1,244	3,274	2,360
Assets Under Construction	782	(562)	839	883	11
Total	\$3,347	\$5,192	\$3,277	\$4,737	\$3,739

SOURCE: DISTRICT OF OAK BAY FINANCE DEPARTMENT

PERMISSIVE TAX EXEMPTIONS 2015-2019

Name	2015	2016	2017	2018	2019
Emmanuel Baptist Church	\$12,913	\$12,620	\$13,451	\$14,547	\$17,259
Guide Hall	1,036	1,054	1,031	1,015	1,059
Kiwanis Manor	5,595	5,984	5,465	5,598	10,874
Kiwanis Tea Room	483	494	441	441	465
Oak Bay Lawn Bowling Club	6,463	6,595	6,771	6,950	7,362
Oak Bay United Church	7,633	7,407	7,794	8,096	8,995
Queenswood Montessori School	2,955	2,962	2,831	2,849	3,136
St. Mary's Church	8,523	8,381	8,961	9,603	11,145
St. Patrick's Church	25,441	25,092	26,845	28,638	32,925
St. Phillip's Church	3,329	3,356	3,463	3,756	4,455
Scout Hall	1,506	1,528	1,566	1,547	1,620
	\$75,878	\$75,472	\$78,619	\$83,040	\$99,294

SOURCE: DISTRICT OF OAK BAY FINANCIAL SERVICES DEPARTMENT



The 2019 Annual Report is available at www.oakbay.ca.
Printed copies are available by request.

Questions and comments may be submitted by telephone at
250-598-3311 or by email to obcouncil@oakbay.ca.

DISTRICT OF
OAK  **BAY**