

**2011 Annual Report**

Township of  
**ESQUIMALT**

## Our Vision:

Esquimalt is a diverse community, a desirable place to live, and an integral member of a larger region.

We encourage meaningful community participation and consultation to provide open and responsible decision-making. We enhance responsible economic opportunities and embrace sports, recreation, the arts, and the west coast lifestyle.

As we achieve the vision, we enhance our quality of life, enjoy health and safety, build upon our cultural heritage, revitalize our community, protect our natural environment, and foster our diversity.

## Our Mission:

Focusing on community priorities, the Township of Esquimalt provides quality municipal services through open and innovative leadership.



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# About Esquimalt



## Esquimalt Fast Facts

- The area now known as Esquimalt has been inhabited by Coast Salish First Nations for over 4,000 years.
- Esquimalt (pronounced Ess-KWY-malt) is an anglicized version of the First Nations word “es-woy-malth,” which means the place of gradually shoaling waters.
- Year of incorporation: September 1, 1912.
- Esquimalt is home to approximately 17,000 residents living in over 8,300 dwellings.
- The municipality covers approximately 10 square kilometres (or 1,000 hectares).
- Average daily visitors to Esquimalt Recreation Centre in 2011: 700.
- Esquimalt has over 40 hectares of parkland, many of these parks overlooking waterways along the Strait of Juan de Fuca and the Gorge Waterway.
- The Township is endowed with over 30 parks, beaches and green spaces.
- Esquimalt Gorge Park was first established in 1905 and it will be the site of the 2012 Community Centennial Celebration.
- The highest point in Esquimalt is 71 metres at Highrock Park.



*For the First Nations people who have resided here for centuries, Esquimalt means “place of gradually shoaling waters.” The community is defined by the water and shores that surround it.*

*Geographically, the Township is comprised of a peninsula bounded on the south by the Juan de Fuca Strait, on the west by Esquimalt Harbour, and on the north by a long finger-like inlet of tidal water called the Gorge. Moving inland, the landscape is characterized by rocky outcrops and hills in the west and central areas, and relatively level lands to the south and north. The ocean shoreline is characterized by rocky headlands, coves and bays, and several beaches with public access.*

*Historically, it was the quality of Esquimalt’s natural harbour which led to the community being selected as the site for the headquarters of the Royal Navy’s Pacific Squadron in 1865. Today, this same site serves as home to the Canadian Forces Base Esquimalt. The naval base is now the largest employer in Esquimalt, and the original town site has disappeared inside the boundaries of the Base.*

*Today, the compact community is the embodiment of the “live, work, play” west coast lifestyle.*

# Mayor's Message



**On behalf of Esquimalt Council, I am proud to share highlights of the Township's accomplishments in 2011. The year was marked by positive change and improvements throughout the community.**

In early 2011 we issued a Request for Proposal for Policing Services in the community. The RFP came after several months of work by the Esquimalt Policing and Law Enforcement Advisory Panel gathering public input, conducting research on Township policing options, and developing criteria for service and an evaluation matrix for proposals. This was a very high quality process and I congratulate the integrity of my fellow Panel members on delivering their report and recommendations to Council during the year.

Our Public Safety Building, which houses both police and fire services, underwent a significant seismic upgrade during the year which will allow the departments to continue operating in the event of a significant seismic event.

We celebrated the completion of Phase 2 of the Craigflower Road Upgrading Project in 2011 and I was very impressed with the final result. The project encompasses one kilometre of roadway, and includes continuous bike lanes in each direction, continuous sidewalks on both sides of the road, landscaped median islands for traffic calming, improved transit facilities, innovative rainwater capture and treatment, and a complete repaving of the road. This is a significant infrastructure improvement in the community and I congratulate our Engineering Department on a job well done.

Increasingly, Esquimalt is becoming known for its parks and greenways. The improvement project at the Japanese Gardens in Esquimalt Gorge Park, one of the oldest Japanese Gardens in North America, is one of the reasons why. Phase 4 includes the addition of ponds, trails and bridges to create a stunning park experience and will be completed in early 2012, just in time for our centennial celebrations. I am delighted to see that visitation continues to increase at our recreation facilities from both residents and the region. Some 700 people dropped in daily to either the Archie Browning Sports Centre or Esquimalt Recreation Centre during the year. Our programs and events appeal to a wide variety of user groups throughout the region.

The announcement of the Seaspan National Shipbuilding Procurement Strategy will ensure 30 years of consistent work for our dockyard. It will lead to 800-1000 new jobs, and the needed infrastructure investment of \$30 million. Esquimalt is well positioned to benefit from the spin-off economic development that will occur as a result of this exciting news.

Throughout the year, we solicited input from the community on a variety of topics, including infill housing and Council remuneration, and held an open house to solicit ideas from residents and businesses for our 2012 Centennial Celebrations. And speaking of our centennial, we held a very successful kick-off event in October of 2011 that certainly set the stage for our 2012 celebrations. Our 2011 centennial plans have laid the groundwork for a memorable year in 2012.

As you can see, this was a rewarding year in so many ways. I'd like to thank my Council colleagues, Township staff, our municipal committees and residents of Esquimalt for their continuing efforts in community improvement.

A handwritten signature in black ink that reads "Barbara Desjardins".

Barb Desjardins  
Mayor of the Township of Esquimalt

# Mayor and Council



## **Barb Desjardins - Mayor**

### *Appointments*

Capital Regional District Board / Hospital Board  
 Capital Regional District Core Area Liquid Waste Management Committee  
 Capital Regional District Environmental Sustainability Committee  
 Capital Regional District Finance and Corporate Services Committee  
 Capital Regional District Solid Waste Advisory Committee  
 Capital Region Emergency Services Telecommunications (Alternate)  
 Esquimalt Chamber of Commerce  
 Esquimalt/Victoria Police Board  
 Greater Victoria Harbour Authority  
 Greater Victoria Labour Relations Association  
 Local Government Treaty Committee (Te'Mexw Treaty Advisory Committee)  
 Municipal Insurance Association of British Columbia

### *Internal Appointments*

Centennial Celebrations Select Committee  
 Department of National Defence Liaison



## **Meagan Brame - Councillor**

### *Appointments*

Capital Regional District Solid Waste Advisory Committee (Alternate)  
 Esquimalt Chamber of Commerce  
 Local Government Treaty Committee (Te'Mexw Treaty Advisory Committee) (Alternate)

### *Internal Appointments*

Celebration of Lights Committee  
 Local Grants Committee  
 Parks and Recreation Advisory Committee



## **David Hodgins - Councillor**

### *Appointments*

Capital Regional Housing Trust Fund Commission  
 Capital Regional District Water Supply Commission

### *Internal Appointments*

Arts, Culture and Special Events Advisory Committee  
 Buccaneer Days Committee  
 Heritage Advisory Committee



## **Lynda Hundleby - Councillor**

### *Appointments*

Capital Regional District Board / Hospital Board (Alternate)  
 Capital Regional District Arts Committee  
 Capital Regional District Core Area Liquid Waste Management Committee (Alternate)  
 Capital Regional District Environmental Sustainability Committee (Alternate)  
 Capital Regional District Finance and Corporate Services Committee (Alternate)  
 Greater Victoria Labour Relations Association (Alternate)  
 Provincial Capital Commission

### *Internal Appointments*

Arts, Culture and Special Events Advisory Committee  
 Centennial Celebrations Select Committee  
 Environmental Advisory Committee



## Esquimalt Mayor and Council 2011 - 2014

The Mayor and Council of the Township of Esquimalt were elected for a three-year term in November 2011. Mayor and Council create bylaws and policies, approve the municipal budget, and serve on various committees within the municipality and region.



**Robert McKie - Councillor**

*Appointments*

Capital Region Emergency Services  
Telecommunications(C.R.E.S.T.)  
Victoria/Esquimalt Harbour Society (Alternate)  
Capital Regional District Water Supply Commission  
(Alternate)

*Internal Appointments*

Advisory Planning Commission Liaison  
Buccaneer Days Committee  
Local Grants Committee



**Tim Morrison - Councillor**

*Appointments*

Capital Regional District Arts Committee (Alternate)  
Esquimalt Chamber of Commerce  
Victoria / Esquimalt Harbour Society

*Internal Appointments*

Environmental Advisory Committee  
Local Grants Committee  
Parks and Recreation Advisory Committee



**David Schinbein - Councillor**

*Appointments*

Greater Victoria Public Library Board  
Municipal Insurance Association of British Columbia  
(Alternate)

*Internal Appointments*

Celebration of Lights Committee  
Esquimalt Together Against Graffiti (ETAG)  
Heritage Advisory Committee

# Message from the Chief Administrative Officer



It is my pleasure to present the Township of Esquimalt's 2011 Annual Report on behalf of Corporate Administration. The continued focus for 2011 was on completing initiatives from Council's strategic objectives developed in 2009, while looking towards municipal elections and possible changes in future strategic direction.

We continued to provide an enviable level of services to the community and I am extremely proud of our dedicated workforce. In 2011 we were able to maintain service levels while continuing to make strategic investments in our infrastructure. Service delivery excellence remained a primary focus for the organization along with a commitment to sustainability and the environment.

As part of the focus on sustainability and climate action, there was continued retrofitting of municipal facilities throughout 2011. Staff also continued with the development of a Climate Action Strategy, and a Community Engagement Framework for Climate Action. A multimodal transportation evaluation of Admirals Road was completed by our Engineering Department to look at the feasibility of including bike lanes along this corridor.

Our Development Services staff continued their review of our Zoning Bylaw and an update of our Heritage Policy to replace policies dating back to the 1990s. This work ensured that documents governing our daily operations were up-to-date and relevant.

Staff continued moving forward with the Esquimalt Village Plan including gathering public input through a public hearing and question on the November 2011 Election Ballot.

Throughout society, a fundamental shift is happening in the way we communicate. Powerful and convenient mobile devices are becoming the preferred method for browsing the internet and staying in touch. At the same time, social media continues to grow in popularity across all age groups. In this communications environment there are many public engagement opportunities and challenges for government organizations. In 2011, staff started work on two initiatives to open up Municipal Hall to our residents: corporate social media guidelines and a new mobile version of our website which can be easily viewed using handheld devices. We will continue with this work in 2012 to ensure that the public has access to information on our services and programs in the media and formats they prefer. A centennial website was also developed during the year to keep residents and others informed of our milestone year and the celebrations planned for 2012.

In addition to providing support to some high profile and local community events, Parks and Recreation staff also began work on the next phase of the Japanese Gardens in Esquimalt Gorge Park and were instrumental in the official opening of Ken Hill Park.

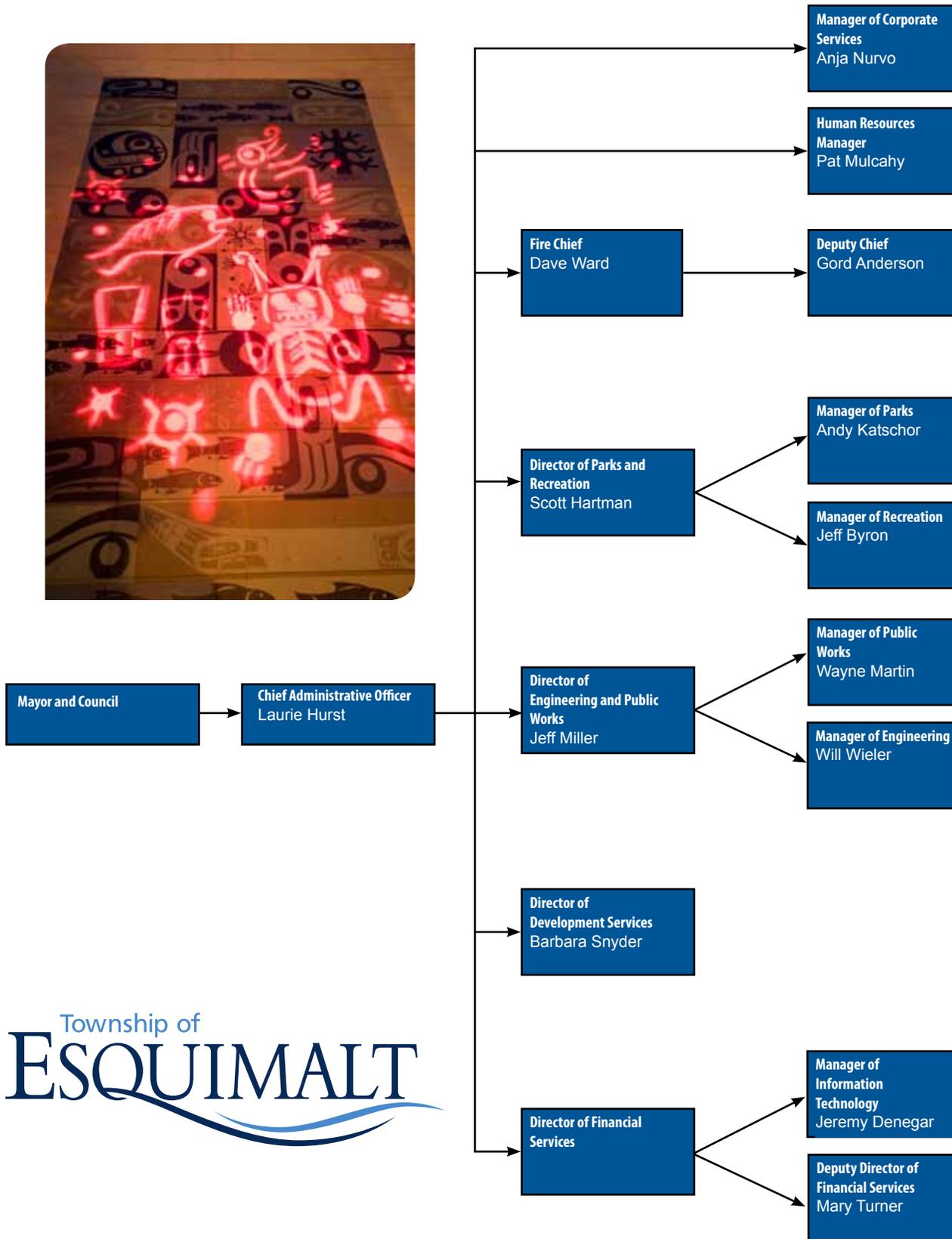
Phase 1 of a seismic upgrade to the Public Safety Building was completed in 2011 and training for staff and volunteers continued throughout the year to ensure readiness in the event of an emergency.

All Township staff can take pride in the achievements of 2011 and I invite everyone to review this annual report, which highlights these achievements as we move forward.

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

**Laurie Hurst**  
Chief Administrative Officer

# Organizational Chart



# Environmental Sustainability

Staff members, Council and the Environmental Advisory Committee work together to minimize the Township's impact on the environment and provide community leadership on environmental initiatives.

As a signatory to the BC Climate Action Charter, the Township of Esquimalt is committed to:

- Becoming corporate carbon neutral in its operations by 2012;
- Measuring and reporting on the community's Greenhouse Gas emissions profile; and,
- Creating a complete, compact, and energy-efficient community.

The Township of Esquimalt's Carbon Tax Grant for 2011 was \$24,382. The grant is deposited to the Sustainability Reserve Fund which will fund future sustainability initiatives.

## 2011 Accomplishments

**Bike Lanes.** The Township's bike lane network was upgraded with the addition of two kilometres of bike lanes on Craigflower Road between Admirals Road and Garthland Road and 750 metres on Esquimalt Road between Lampson Street and Admirals. A multimodal transportation evaluation of the Admirals Road Corridor, which examined the opportunity for bike lanes, was also completed.

**Community Gardens.** Eleven new garden beds and two universally accessible garden beds were added to the Anderson Park Community Garden (first established in 2010 on Colville Road).

**Earth Hour.** The Township promoted and participated in 2011 Earth Hour. During the hour-long event, Esquimalt's community-wide electricity consumption decreased by 2.25%.

**Rain Garden.** A new rain garden was installed as part of the Craigflower Upgrading Project at Yarrow Place. The rain garden acts as a storm water filtration and management facility for the road run-off from Craigflower Road before entering the Gorge Waterway.

**Retrofitting of Municipal Facilities.** The Township continued with the implementation of energy saving retrofits to municipal buildings. Retrofits this year included upgrading the lighting system and controls in the Public Safety Building and Archie Browning Sports Centre. The Archie Browning Sports Centre also underwent significant energy and water saving upgrades, including a heat recovery system that reclaims waste heat from the curling rink to preheat the hot water system.

**Royal Roads University Learning Partnership.** The Environmental Advisory Committee partnered with undergraduate Environmental Science students at Royal Roads University to develop: 1) a social marketing campaign to reduce the distribution of single-use plastic shopping bags, and 2) a framework for community engagement in climate action.

**Solar Hot Water Ready.** The Township signed on to the provincial 'Solar Hot Water Ready Regulation' requiring that construction of new single family dwellings accommodate future installation of a solar hot water system.



# Social Development

## Arts and Culture

In its third year, the Arts, Culture and Special Events Committee again organized a series of activities suitable to a variety of interests and age groups within our community. In October, the Committee hosted the third annual "Harvest of the Arts" featuring demonstrations and displays by Esquimalt artists and performers. Featured arts included painting, dance, pottery, costume design, music and photography. The second Seniors' Tea was hosted in April, 2011 with students from Esquimalt High School and L'École Brodeur serving refreshments and keeping 100 tea cups filled.

On May 7<sup>th</sup>, the second Jane's Walk was held in Esquimalt. This year's walk focussed on the Industrial Park and in particular food producers, wholesalers and retailers, several of whom invited participants into their premises and provided samples of their products.

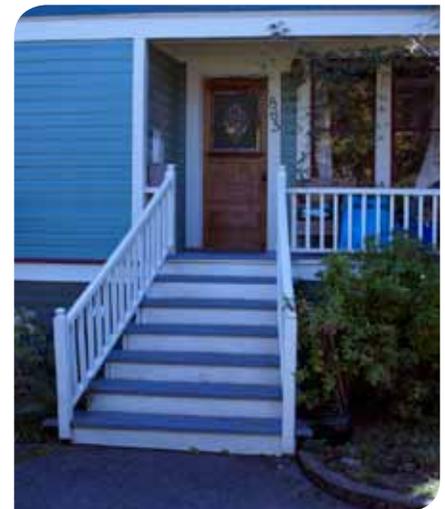


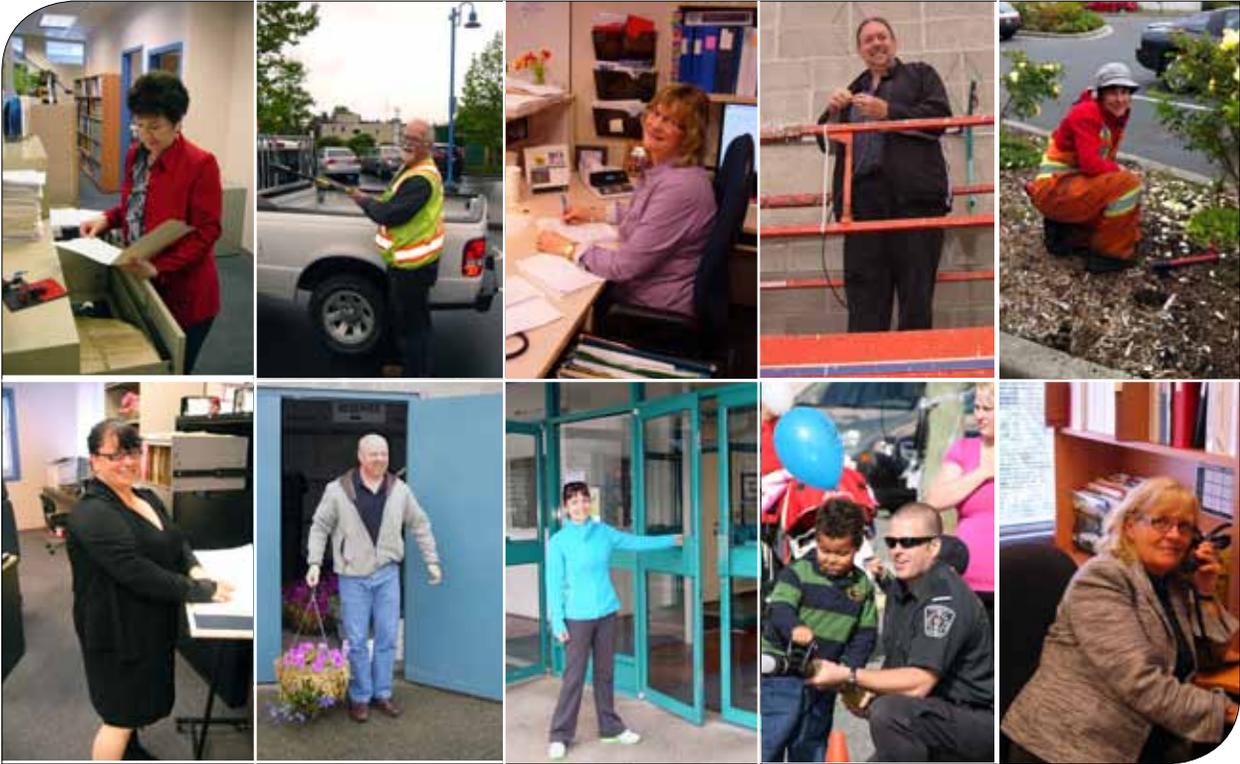
## Heritage

Esquimalt's Heritage Advisory Committee was busy during 2011 updating policies related to heritage management and identifying properties to be included in the municipal Heritage Register. Certificates of Recognition were presented to four property owners for the restoration, upkeep and adaptive re-use of their heritage structures.

## Esquimalt Village Project

In June 2011, after several years of planning and consultation, the Esquimalt Village Plan—which includes the lands previously occupied by the old municipal hall, old public works yard and town square—was given a public hearing. To obtain the opinion of a larger number of residents, it was decided to include a question on the November 2011 Election Ballot asking whether people were in favour of the proposed development. The results of the vote were 1,510 in favour of amending the Official Community Plan and Zoning Bylaw to allow the EVP project to proceed; 690 opposed. A second public hearing will be held after more detailed information is available.





# Township Departments

Corporate Services

Finance and Information Technology

Engineering and Public Works

Development Services

Parks and Recreation

Emergency Services

# Corporate Services

Corporate Services includes the Township departments of administration, human resources, archives, communications and sustainability.

## Administration

- Department staff members were appointed as the Municipality's Chief Election Officer and Deputy Chief Election Officer under the Local Government Act and conducted the 2011 Local General Election, for the Office of Mayor and Councillor, Office of School Trustee (Greater Victoria) and Referendum question on the Esquimalt Village Plan.
- The department coordinated a total of 77 meetings of Council, Committee of the Whole and In Camera meetings, and processed 20 Freedom of Information requests.
- New Council orientation sessions were organized and held on November 28<sup>th</sup> and 30<sup>th</sup>, hosted by Township of Esquimalt, with over 75 Council members and staff in attendance from several regional municipalities.
- The department researched and prepared 60 staff reports to Council on various topics, including numerous policies and bylaws.
- Administration staff coordinated the recruitment process for Township Committees membership and participated in over 75 meetings of numerous Advisory Committees of Council, including notices, agendas, minutes, and follow up.

## Human Resources

The Human Resources Manager assisted with a Fire Department re-organization which resulted in three new exempt Assistant Chiefs being promoted within the department. A new Director of Financial Services and Manager of Corporate Services were also recruited, and a CUPE Collective Agreement was negotiated for the period January 1<sup>st</sup>, 2011 to December 31<sup>st</sup>, 2013. The department also worked at increasing employee awareness of safety in the workplace.

- Volunteers logged over 1000 hours in Municipal Archives during 2011.
- Corporate Services hired and trained 28 election staff to help with the 2011 Municipal Election.

## Archives

In addition to housing municipal records of all kinds, the Esquimalt Archives is a safe, permanent home for the records of businesses and organizations, and for family papers and photographs. The Archives also plays a role in promoting public awareness regarding the rich heritage of Esquimalt. Archives fielded a total of 283 requests for information throughout the year and volunteers logged over 1000 hours, assisting with filing and organizing information. Materials acquired in 2011 included photographs, early newspaper clippings and books for archival library.

## Communications

Township communications efforts keep residents, businesses, the media and other stakeholders informed of Township news, events and initiatives. Communications manages the corporate website, as well as websites devoted to tourism and the 2012 centennial celebrations. During 2011, the Township website received some 193,000 visits, providing pertinent information on Township services, meetings, and Mayor and Council. Thirty-four news releases were issued to media outlets during the year, and a total of 68 news items and public service announcements were posted to [www.esquimalt.ca](http://www.esquimalt.ca). The department published the tri-annual community newsletter and began work on corporate social media guidelines in 2011.

## Sustainability

The Township of Esquimalt is committed to sustainability and protecting the environment and is taking steps to become a leader and innovator in sustainable community development. Township sustainability efforts are administered within the Corporate Services Division by a Sustainability Coordinator, who promotes initiatives, resources and rebates to support sustainability practices within the Township. Council, Staff, and the Environmental Advisory Committee are working together to minimize the Township's impact on the environment, and provide community leadership on environmental initiatives.

# Finance and Information Technology

Finance and Information Technology are responsible for the management of the Township's financial assets and information systems to ensure public accountability and transparency while supporting the strategic objectives set by



Each year the Financial Services Department leads the budget process to develop the five-year financial plan that will provide the level of services and assets to Esquimalt that are set by Council, the public and senior management. This process involves the calculation of annual levy rates to generate revenues that will support current operations, as well as the maintenance of reserve funds to ensure fiscal sustainability and funding for future capital projects. Budget management includes monthly budget against actual reports to management and Council for monitoring.

The Township's annual financial statements are prepared in compliance with legislation and in accordance with Canadian public sector accounting principles for local government and audited each year. A system of internal controls is maintained to safeguard assets, ensure transactions are properly authorized and to provide accurate financial information on a timely basis.

Ongoing activities of the Financial Services Department include cash management, collection of property taxes, processing business and dog licences, permits, commercial vehicle licenses and accounting and payroll for the municipality as well as insurance and risk management. Financial Services staff are the public's first point of contact at the Municipal Hall and address all general enquiries, in addition to assisting residents with property taxes, home owner grants, and tax deferrals. The Department also provides financial reporting and analysis to Council and management for decision making and provides financial information to the public as requested.



Information Technology staff utilize technology to maximize the productivity and efficiency of Township operations while maintaining the security of information systems. Staff integrate the hardware, software, wireless and telephone systems at all municipal locations and provide ongoing support and training for staff.



- During 2011, the Financial Services Department issued 647 business licences.

# Engineering and Public Works

Esquimalt Engineering and Public Works maintains, upgrades and develops municipal infrastructure, including roads, sidewalks, traffic installations, and sewers in a cost effective manner. The department also handles the Township's refuse collection, fleet services and building maintenance.

The Engineering Department focuses on new developments, infrastructure and planning, while the Public Works Department ensures the smooth operation and maintenance of existing infrastructure. Both departments oversee 47 kilometres of roads, nine kilometres of boulevards, two kilometres of traffic islands and 65 kilometres of storm and sanitary sewer pipes.

Capital projects undertaken by the Engineering Department during 2011 included:

- Deconstruction of the old Municipal Hall as a first step towards the development of the Esquimalt Village Plan
- Securing 14 BC Transit bus shelters for various locations throughout the Township to encourage the use of transit and reduce vehicle congestion.
- Improving sidewalks at the Munro/Fraser/Bewdley intersection to improve pedestrian access and mobility.
- Completing a feasibility study of Admirals Road to determine if the right-of-way can support bike lanes.
- Securing funding for additional improvements to the Craigflower Road corridor to improve storm water quality from road run-off, add sidewalks, and improve transit stops for bus commuters.



*Storm water outfall into rain garden at Yarrow Place.*

During 2011, Public Works operations included maintenance and improvements to the municipal sewage system, roadways and sidewalks as well as handling refuse collection, fleet services and building maintenance.

Specific improvements in 2011 included:

- Separation of nine combination manholes for sanitary and storm water collection systems.
- Working with the Department of National Defense to complete the Canteen Road upgrading project, which involved the construction of sidewalks to improve pedestrian safety and the installation of boulevards.
- Replacing street signs, sweeping and line marking of roadways and snow and ice removal.



*Boulevard and curb and gutter construction along Canteen Road.*

# Development Services

The Township's Development Services department provides property owners, developers, and businesses with the information they need to make decisions regarding the sale or purchase of property.

Development Services encompasses several distinct areas of activity including planning, building inspection and bylaw enforcement.

**Planning** activity involves preparing long-range plans such as the Official Community Plan; providing advice and recommendations to Council and Committees on land use issues; promoting investment in the community; processing various applications such as changes in zoning, development permits, variances and subdivisions; and researching issues and drafting policies and regulations to address them.

This department is also responsible for providing information to home owners, purchasers, realtors and the development community regarding the history of properties, their servicing requirements and development potential. In 2011, major planning projects included: a public hearing on the Esquimalt Village Plan; a proposed 12 storey development on the site of the Cambie Pub; a four storey, small unit proposal in the downtown core; several strata subdivisions along the Gorge Waterway, and small infill projects throughout the community. Work also continued on the review of the 1993 Zoning Bylaw.

**Building inspection** is responsible for reviewing building permit applications and completing inspections of construction work to ensure that new buildings and renovations comply with the BC Building and Plumbing Codes. The Township's building inspectors spend many hours assisting residents by explaining the requirements

of the Building and Plumbing Codes before application is made for permits. The department is also responsible for inspections related to business licenses to ensure that commercial premises are safe and comply with code requirements. For 2012, building inspection will become part of the Engineering Department.

Some of the major construction projects completed in 2011 included a 13-unit townhouse project on Craighflower Road, a 58-unit six storey building on Carlton Terrace, five single family homes on Dunsmuir Road, and four townhouses on Admirals Road.

**Enforcement** activities undertaken during 2011 included enforcement of the Township's Noise Bylaw, issuing parking tickets pursuant to our Streets and Traffic Bylaw, and ensuring compliance with the Maintenance of Property, Zoning and Parking Bylaws. For 2012, bylaw enforcement will become part of the Corporate Services Department.



2011	2010	% Change in 2011
157 Building Permits issued	186 Building Permits issued	- 16%
119 Plumbing Permits issued	141 Plumbing Permits issued	- 16%
647 Business Licences issued	701 Business Licences issued	- 8%
26 Municipal tickets issued	169 Municipal tickets issued	- 85%
24 Development Applications considered	20 Development Applications considered	+ 20%
48 new Residential Units approved	78 new Residential Units approved	- 38.5%

# Parks and Recreation

The Esquimalt Parks and Recreation Department has a long history of serving the Township. Formed in the early 1960s, the department has worked since its inception to create a diverse number of programs and services to enhance the health and quality of life for Township residents.

Esquimalt is a compact community with a wealth of parks and recreation opportunities maintained and operated by the Parks and Recreation Department. The department provides services in three main areas:

- Parks and sports fields;
- Recreation, leisure, and fitness programs for youth and adult groups; and,
- Facility rentals.

The department's programs and services generate revenue directly through user fees, but additional economic activity is also generated from staging and promoting sporting and special events in the community, such as the Victoria Curling Classic and the LifeMark Esquimalt 5k Fun Run and Walk.

## Parks

Parks staff is responsible for the maintenance and conservation of Esquimalt's stunning parks, trails and beaches. While maintaining Township parks to a high standard, staff members follow principles of sustainability and ecology, ensuring that future generations will continue to enjoy our coastal and upland parks and greenways. Throughout 2011 parks staff—working alongside volunteers, community organizations, First Nations, and youth groups—also provided support for a variety of Township events.

### 2011 Parks Department Highlights

- As part of a \$31,000 BC Hydro Regreening Grant awarded in 2010, 61 trees were planted on municipal boulevards bringing the total of trees planted to approximately 260.
- A total of 75 tree removal permits were completed; 61 were approved and 14 denied.
- Donations of four benches and four trees were made to Esquimalt Gorge Park and two picnic tables were donated to Saxe Point Park.
- Freeman Ken Hill Park, located at the corner of Lyall and Grafton Streets, was officially opened on October 1<sup>st</sup>. The Esquimalt Garden Club, the Ken

Hill family, the Buccaneer Days Committee and the Esquimalt Lions Club all contributed to this welcome addition to the Esquimalt parks system.

- A plaque unveiling ceremony commemorating Walter and Eva Chafe for the donation of their house at 398 Fraser Street was held on November 12<sup>th</sup>.
- Phase 4 of the Japanese Gardens Improvement Project at Esquimalt Gorge Park commenced in November and is estimated to be completed by March 2012. This phase of work includes a waterfall, pond, trails, bridges and the planting of flowers, shrubs and trees.



Japanese Gardens at Esquimalt Gorge Park.

## Recreation

On average, 700 people participated daily in drop-in programs at both the Esquimalt Recreation Centre and the Archie Browning Sports Centre during 2011. Some 5,781 memberships were sold, 858 Leisure Involvement for Everyone Passes were issued, and 10,949 registrants enjoyed 1,041 programs.

# Parks and Recreation

## Archie Browning Upgrade

A \$2,009,291 upgrade to the Archie Browning Sports Centre was completed in October. A plaque recognizing the federal and provincial contributions through the Building Canada Fund was unveiled at the 50th Birthday of the Centre on June 29, 2011.

## 2011 Recreation Department Achievements:

- The Sixth Annual Victoria Curling Classic was hosted at the Archie Browning Sports Centre from March 31<sup>st</sup> to April 3<sup>rd</sup>. Close to 1,000 spectators per draw came to see 24 top teams compete in this professional curling tour event.
- The LifeMark Health Esquimalt 5K hosted its Fourth successful race on March 19<sup>th</sup>.
- Staff have been building the presence of Esquimalt Parks and Recreation through social media sites such as Facebook and Twitter. Currently, Esquimalt Parks and Recreation has over 250 followers on Facebook and 680 followers on Twitter.
- The Out-of-School Care Program successfully applied for an increase in capacity with VIHA Child Care Licensing from 40 to 58 children starting in September 2011.
- A new partnership with the UVIC Centre on Aging was established, resulting in the development of a pilot program called Chronic Pain Self-Management – Land & Pool Mix.
- The department received #1 in its category in Victoria's CityHub "Most Loved" contest.
- Recreation received a \$10,000 prize from the Walk BC Challenge and a \$1,000 grant was awarded from Promotions Plus for a new sport and fitness program called Pickleball SportFit.
- The Archie Browning Sports Centre 50<sup>th</sup> Birthday Celebration was held on September 10<sup>th</sup>.

## Esquimalt Community Events

The Recreation Department provided support to several community events. In 2011, these events included:

- The Second Annual Esquimalt Fun & Fit Walk on September 24<sup>th</sup>.
- The Ready Set Learn event in partnership with School District 61 on January 29<sup>th</sup> at the Esquimalt



Summer playground programs are popular at Esquimalt Recreation

Recreation Center. Approximately 100 families who attended received information on Esquimalt's programs and services for preschool and school aged children.

Additional community events held throughout the year included the Lions Easter Egg Hunt at Esquimalt Gorge Park (April 24<sup>th</sup>); Rivers and Oceans' Day (June 5<sup>th</sup>); Buccaneer Days (June 10<sup>th</sup> – 12<sup>th</sup>); Esquimalt Lantern Festival (September 24<sup>th</sup>); Esquimalt Children's Story Festival (October 1<sup>st</sup>); Lion's Halloween Bonfire (October 31<sup>st</sup>); and the Esquimalt Celebration of Lights (December 6<sup>th</sup>)

## Community Development

### Esquimalt Together Against Graffiti (ETAG)

ETAG volunteers continue to remove graffiti in their designated areas of the community. A graffiti removal event was hosted in April to remove graffiti from the Trackside Art Gallery. Volunteers included Youth with a Mission, ETAG volunteers, and committee members.

### Esquimalt Youth Strategy

Youth Services hosted two community forums (January 20<sup>th</sup> and April 19<sup>th</sup>) and two on-line surveys—one for youth and the other for adults—were developed and posted.

In addition, youth volunteers helped the Esquimalt Lions to run the annual Easter Eggstravaganza at Esquimalt Gorge Park by operating the craft and face painting table.

# Emergency Services

## Fire Department

The Esquimalt Fire Department is a professional and dynamic organization employing 26, including 24 members in the Suppression Division supported by one Fire Chief and a half time Administrative Assistant. Members of the Suppression Division train on a daily basis to National Fire Protection Association Standards and are educated in Justice Institute Fire Officer Programs. The department has one station located in the municipal Public Safety Building which is shared with the Victoria Police Department.

During 2011 there was a slight increase in calls for service to the department, but dollar losses were down by 86% compared to 2010 (\$350,000 to \$50,000). The department provides a variety of services to Township residents including Medical First Responder, Fire Investigation, Fire Prevention, Confined Space Rescue, Public Education, Hazardous Materials Response and Fire Suppression. Members are also active in the community providing support to various charities and school programs.

### 2011 Key Accomplishments

- The first phase of a seismic upgrade to the Public Safety Building was completed within budget. The upgrade will allow the departments to continue operating in the event of a significant seismic event.
- The department took delivery of a new command vehicle that senior officers will use for fire prevention, incident command, and inspection activities.

### In the Community

- The Learn Not to Burn fire safety program was delivered to children from kindergarten to grade four at a local elementary school.
- The Prevention Division continues to provide building plan reviews for new construction projects and major renovations to ensure fire codes are being met. As well, fire fighters continue to provide in-company fire inspections of businesses and public buildings.

As a kick off for National Emergency Preparedness Week, Emergency Services offered 126 grade four students in Esquimalt a fun and valuable program to help them learn about individual preparedness.

## Emergency Program

An Emergency Program Manager dedicates 28 hours weekly to the Emergency Program, developing and supporting a number of programs and initiatives around preparedness, training and awareness, including:

- The Township's Emergency Operations Centre, ensuring that all resources have been updated, organized, inventoried and labeled and that appropriate staff are oriented to the EOC contents and processes.
- Emergency Social Services, which provides assistance to those evacuated from their homes during an emergency. During 2011 the ESS team also participated in their first ever reception centre exercise.
- The Neighbourhood Emergency Preparedness Program, which builds community capacity for resilience after an emergency or disaster. The program includes free individual preparedness presentations to community residents. Over 240 individuals attended a variety of courses in 2011 as well as volunteer-staffed information tables at public events.
- The Emergency Communications group, which provides backup communication capabilities to the municipality in the event regular communication methods become unavailable. During 2011 the group conducted maintenance on vital antennae equipment, and located some equipment and power capability in the EOC.

## Police Department

The West Division of the Victoria Police Department, along with VicPD's K9 Unit, is located in the Township of Esquimalt's Public Safety Building at 500 Park Place, just off Esquimalt Road near Municipal Hall. The division includes four school resource positions, one youth investigator, and one community resource officer.

The division is supervised by one police sergeant and one police inspector. The school resource officers and youth investigator are responsible for police services directed toward youth and schools within the City of Victoria and Township of Esquimalt; the community resource officer provides services to the communities of Esquimalt, Vic West, and the Gorge Burnside Road area.

# Financial Section

Financial Reporting Responsibility

Auditors' Report

Financial Statements

Statistical Information

# Management's Responsibility for Financial Statements

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of the Corporation of the Township of Esquimalt (the "Township") are the responsibility of management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of the The Canadian Institute of Chartered Accountants. 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 judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Township'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 Township. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Township's financial statements.



Laurie Hurst, CGA  
Chief Administrative Officer



Mary Turner  
Acting Director of Financial Services

# Auditor's Report to the Mayor and Councillors of the Corporation of the Township of Esquimalt



**KPMG LLP**  
**Chartered Accountants**  
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Victoria BC V8W 3Y7

Telephone (250) 480-3500  
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## INDEPENDENT AUDITORS' REPORT

*To the Mayor and Councillors of the Corporation of the Township of Esquimalt*

We have audited the accompanying financial statements of the Corporation of the Township of Esquimalt which comprise the statement of financial position as at December 31, 2011, the statements of operations, change in net debt and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation of the Township of Esquimalt as at December 31, 2011, and its results of operations, its change in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants

May 14, 2012  
Victoria, Canada

# The Corporation of the Township of Esquimalt

## Statement of Financial Position

December 31, 2011, with comparative information for 2010

	2011	2010
<b>Financial assets:</b>		
Cash and cash equivalents (note 2)	\$ 18,027,197	\$ 13,164,166
Property taxes receivable	676,239	609,829
Accounts receivable	725,893	859,146
Government grant receivable	413,424	1,663,707
Property acquired for taxes	-	181,200
MFA debt reserve cash (note 12(b))	188,108	181,907
	<u>20,030,861</u>	<u>16,659,955</u>
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities	7,167,327	7,122,288
Deferred revenue and deposits (note 3)	2,913,467	1,916,288
Long-term debt (note 4)	10,122,439	10,727,717
Obligations under capital leases (note 5)	87,708	145,170
Employee benefit and retirement obligations (note 6)	1,114,971	1,061,866
	<u>21,405,912</u>	<u>20,973,329</u>
<b>Net debt</b>	<u>(1,375,051)</u>	<u>(4,313,374)</u>
<b>Non-financial assets:</b>		
Tangible capital assets (note 7)	76,860,961	76,251,556
Inventory of supplies	104,166	92,523
Prepaid expenses and deposits	52,173	666,426
	<u>77,017,300</u>	<u>77,010,505</u>
Commitments and contingent liabilities (note 12)		
<b>Accumulated surplus (note 8)</b>	<u>\$ 75,642,249</u>	<u>\$ 72,697,131</u>

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



Acting Director of Financial Services

# The Corporation of the Township of Esquimalt

## Statement of Operations

Year ended December 31, 2011, with comparative information for 2010

	Budget	2011	2010
	(Unaudited - note 13)		
Revenues:			
Taxes for municipal purposes (note 9)	\$ 14,044,231	\$ 14,057,224	\$ 13,245,998
Payments in place of taxes (note 10)	8,744,904	9,126,457	8,303,212
Sale of services	3,167,332	3,085,378	3,099,673
Other revenue from own sources	1,263,802	2,447,750	1,596,316
Conditional transfers from other governments (note 11)	2,174,392	1,036,409	4,852,141
Unconditional transfers from other governments (note 11)	611,062	806,811	211,887
Total revenue	30,005,723	30,560,029	31,309,227
Expenses:			
General government	3,218,345	3,108,758	3,197,530
Protective services	10,589,211	10,909,700	10,389,997
Transportation	2,288,351	3,483,071	3,185,809
Environmental health	1,150,093	1,510,825	1,458,837
Environmental development	626,515	460,351	444,685
Recreation, parks and culture	8,205,485	8,142,206	8,240,505
Total expenses	26,078,000	27,614,911	26,917,363
Annual surplus	3,927,723	2,945,118	4,391,864
Accumulated surplus, beginning of year	72,697,131	72,697,131	68,305,267
Accumulated surplus, end of year	\$ 76,624,854	\$ 75,642,249	\$ 72,697,131

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

# The Corporation of the Township of Esquimalt

## Statement of Change in Net Debt

Year ended December 31, 2011, with comparative information for 2010

	Budget (Unaudited - note 13)	2011	2010
Annual surplus	\$ 3,927,723	\$ 2,945,118	\$ 4,391,864
Contributed tangible capital assets		(849,447)	-
Acquisition of tangible capital assets	(5,902,174)	(2,694,695)	(8,093,964)
Acquisition of capital lease		-	(104,420)
Amortization of tangible capital assets	-	2,722,350	2,400,967
Proceeds on sale of tangible capital assets		-	5,626
Loss on disposal of tangible capital assets		212,387	285,331
	(5,902,174)	(609,405)	(5,506,460)
Acquisition of inventory and supplies		(104,166)	(92,523)
Consumption of inventory and supplies		92,523	78,787
Acquisition of prepaid expenses		(52,173)	(666,426)
Consumption of prepaid expenses		666,426	754,174
		602,610	74,012
Change in net debt	(1,974,451)	2,938,323	(1,040,584)
Net debt, beginning of year	(4,313,374)	(4,313,374)	(3,272,790)
Net debt, end of year	\$ (6,287,825)	\$ (1,375,051)	\$ (4,313,374)

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

# The Corporation of the Township of Esquimalt

## Statement of Cash Flows

Year ended December 31, 2011, with comparative information for 2010

	2011	2010
Cash provided by (used in):		
<b>Operating activities</b>		
Annual surplus	\$ 2,945,118	\$ 4,391,864
Items not involving cash:		
Contributed tangible capital assets	(849,447)	-
Amortization of tangible capital assets	2,722,350	2,400,967
Change in employee benefits and other liabilities	53,105	66,174
Actuarial adjustment on debt	(157,450)	(130,682)
Loss on disposal of tangible capital assets	212,387	285,331
Change in non-cash operating assets and liabilities:		
Property taxes receivable	(66,410)	(186,984)
Tax sale receivable	-	-
Accounts receivable	133,253	(95,291)
Government grant receivable	1,250,283	(695,685)
Property acquired for taxes	181,200	-
MFA debt reserve fund cash	(6,201)	(5,723)
Accounts payable and accrued liabilities	45,039	(128)
Deferred revenue and deposits	997,179	674,056
Inventory of supplies	(11,643)	(13,736)
Prepaid expenses and deposits	614,253	87,748
	8,063,016	6,777,911
<b>Capital activities:</b>		
Acquisition of tangible capital assets	(2,694,695)	(8,093,964)
Proceeds on disposal of tangible capital assets	-	5,626
	(2,694,695)	(8,088,338)
<b>Financing activities:</b>		
Capital lease principal repaid	(57,462)	(56,480)
Long-term debt principal repaid	(447,828)	(447,828)
	(505,290)	(504,308)
Increase (decrease) in cash and cash equivalents	4,863,031	(1,814,735)
Cash and cash equivalents, beginning of year	13,164,166	14,978,901
Cash and cash equivalents, end of year	\$ 18,027,197	\$ 13,164,166
<b>Supplemental cash flow information:</b>		
Cash paid for interest	\$ 680,635	\$ 680,135
Cash received from interest	318,740	227,457
Assets acquired under capital lease	-	104,420

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

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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The Corporation of the Township of Esquimalt (the "Township") was incorporated on September 1, 1912 under the Municipal Act, a statute of the Province of British Columbia. Its principal activities are the provisions 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 Township are prepared by management in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. Significant accounting policies adopted by the Township 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 Township's activities and funds. Inter-departmental balances and organizational transactions have been eliminated.

(b) Basis of accounting:

The Township 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.

Casino revenues are required to be spent on eligible expenditures as defined in the agreement with the provincial government. The gross revenue received is deferred and recorded as revenue when the related expenditures are incurred.

(c) Government transfers:

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

(d) 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 expenditures are incurred, services performed, or the tangible capital assets are acquired.

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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### 1. Significant accounting policies (continued):

(e) 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.

(f) Cash and cash equivalents:

Cash and cash equivalents include investments in the Municipal Finance Authority of British Columbia (the "MFA") Money Market Funds which, are recorded at cost plus earnings reinvested in the funds.

(g) Long-term debt:

Long-term debt is recorded net of related sinking funds balances.

(h) Employee future benefits:

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

Sick leave benefits and other retirement benefits are also available to the Township'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.

(i) Non-financial assets:

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

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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### 1. Significant accounting policies (continued):

(i) Non-financial assets (continued):

(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 in years
Land improvements	15 - 50
Building and building improvements	10 - 40
Vehicles, machinery and equipment	3 - 30
Water and wastewater infrastructure	25 - 60
Roads infrastructure	20 - 80

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 Township's ability to provide goods and services, or when the value of future economic benefits associated with the asset are less than the book value of the asset.

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions including a tangible capital asset in lieu of a developer cost charge, is considered to be equal to its 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 Township does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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### 1. Significant accounting policies (continued):

(i) Non-financial assets (continued):

(v) Leased tangible capital assets

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

(vi) Inventories of supplies

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

(j) Use of estimates:

The preparation of financial statements in conformity with Canadian 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 and estimating provisions for accrued liabilities including employee future benefits. Actual results could differ from those estimates.

### 2. Cash and cash equivalents:

	2011	2010
Cash and bank deposits	\$ 2,361,414	\$ 818,266
Municipal Finance Authority Money Market Funds	15,665,783	12,345,900
	\$ 18,027,197	\$ 13,164,166

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

### 3. Deferred revenue and deposits:

Deferred revenue, reported on the statement of financial position, includes the following:

	2011	2010
Gas Tax Agreement Funds	\$ 1,044,741	\$ 535,363
Gaming revenue	206,727	263,297
Trust and deposit liabilities	489,630	160,073
Unearned recreation fees	367,720	353,511
Property tax instalments	498,284	470,731
Miscellaneous	306,365	133,313
	<u>\$ 2,913,467</u>	<u>\$ 1,916,288</u>

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.

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

	2011	2010
Opening balance	\$ 535,363	\$ 51,545
Add:		
Amounts received during the year	502,566	502,629
Interest earned	6,812	1,297
	<u>1,044,741</u>	<u>555,471</u>
Less: Eligible expenditures	-	(20,108)
Closing balance	<u>\$ 1,044,741</u>	<u>\$ 535,363</u>

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

### 4. Long-term debt:

Bylaw	Purpose	Matures	Rate	Original Amount	Sinking Fund	Net Balance	
						2011	2010
<u>General Capital</u>							
2492	Recreation Centre	2023-03-10	4.775%	\$ 2,800,000	\$ 818,443	\$ 1,981,557	\$ 2,102,135
2492	Recreation Centre	2022-03-12	5.370%	4,000,000	1,338,990	2,661,010	2,840,410
				6,800,000	2,157,433	4,642,567	4,942,545
<u>Sewer Capital</u>							
2281	Sanitary Sewers	2012-05-11	5.850%	425,000	388,956	36,044	73,458
2565	Sanitary Sewers	2022-03-12	4.820%	2,353,000	336,647	2,016,353	2,105,527
2565	Sanitary Sewers	2022-03-12	4.430%	1,129,000	206,992	922,008	966,712
2565	Sanitary Sewers	2025-02-12	4.170%	2,012,000	452,036	1,559,964	1,642,870
2565	Sanitary Sewers	2024-02-12	4.975%	1,256,000	310,497	945,503	996,605
				7,175,000	1,695,128	5,479,872	5,785,172
				\$ 13,975,000	\$ 3,852,561	\$ 10,122,439	\$ 10,727,717

In 2002, the Council of the Township of Esquimalt adopted Bylaw No. 2492 to authorize the borrowing for estimated renovation and upgrade costs for the Esquimalt Recreation Centre in the sum of \$6,800,000.

In 2003, the Council of the Township of Esquimalt adopted Bylaw No. 2565 to authorize the construction of improvements to the sanitary sewer system and to borrow upon the credit of the Township a sum not to exceed \$6,750,000.

Total interest on long-term debt for the year was \$678,801, including accrued interest of \$94,670 (2010-\$678,801, including accrued interest of \$94,670).

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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#### 4. Long-term debt (continued):

The Township issues its debt instruments through the MFA. The debt is issued on a sinking fund basis, where the MFA invests the Township'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. Actuarial adjustments on debt represent the repayment and/or forgiveness of debt by the MFA using surplus investment income generated by the sinking fund assets.

Principal payments on long-term debt for the next five years are as follows:

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2012	\$	447,828
2013		428,132
2014		428,132
2015		428,132
2016		428,132

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#### 5. Obligations under capital lease:

The Township financed specific municipal hall, recreational and fire department equipment by entering into capital leases with the MFA Leasing Corp. The Township will acquire ownership of the equipment at the end of the lease term. Repayments are due as shown.

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2012	\$	48,723
2013		35,385
2014		4,744
2015		655
Total minimum payments		89,507
Less: Amounts representing interest (at prime plus 1%)		(1,799)
Present value of net minimum capital lease payments	\$	87,708

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Total interest on leases for the year was \$2,423 (2010 - \$1,413).

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

### 6. Employee benefit and retirement obligations:

The Township provides sick leave and certain benefits to its employees. These amounts and other employee related liabilities that require funding in future periods 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 Township'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.

Information about liabilities for employee benefit plans is as follows:

	2011	2010
Accrued benefit obligation, beginning of year	\$ 1,061,866	\$ 995,692
Service cost	72,900	74,100
Interest cost	39,300	44,300
Benefits payments	(50,400)	(22,600)
Past agreement refund accrual	(8,695)	(29,626)
Accrued benefit liability, end of year	\$ 1,114,971	\$ 1,061,866

The actuarially accrued benefit obligation set out in the actuarial valuation is \$948,800 (2010 - \$835,600), resulting in a variance of \$166,171 between the obligation and the accrued benefit liability of \$1,114,971 (2010 - \$1,061,866). The variance is composed of the following two amounts: an actuarial net gain of \$149,700 (2010 - \$219,500) and the special agreement refund accrual of \$16,471 (2010 - \$6,766). This actuarial gain is being amortized over a period equal to the employees' average remaining service lifetime of 11 years. The total expense recorded in the financial statements in respect of obligations under this plan amounts to \$93,800 (2010 - \$109,100).

The accrued benefit obligations and the net periodic benefit cost were estimated by actuarial valuation as of December 31, 2010. At December 31, 2011, the valuation was updated to reflect specific changes in the assumptions adopted in measuring the Township's accrued employee benefit obligations. The significant assumptions adopted in measuring the Township's accrued benefit obligations are as follows:

	2011	2010
Discount rates	3.60%	4.50%
Expected inflation rate	2.50%	2.50%
Expected wage and salary increase, based on age and gender	2.58% - 4.63%	2.58% - 4.63%

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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### **6. Employee benefit and retirement obligations (continued):**

#### **Municipal Pension Plan**

The Township and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 173,000 active members and approximately 63,000 retired members. Active members include approximately 35,000 contributors from local government.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012, with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The Township paid \$824,476 (2010 - \$828,618) for employer contributions while employees contributed \$652,565 (2010 - \$659,196) to the plan in fiscal 2011.

#### **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 Employee locals. The Trust's sole purpose is to provide a long-term disability income benefit plan. The Township and its employees each contribute equal amounts into the Trust. The total plan provision for approved and unreported claims was actuarially determined as of December 31, 2011. At December 31, 2011, the total plan provision for approved and unreported claims was \$17,077,500 with a net deficit of \$5,359,196. The actuary does not attribute portions of the unfunded liability to individual employers. The Township paid \$29,680 (2010 - \$30,482) for employer contributions in fiscal 2011.

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

### 7. Tangible capital assets:

Cost	Balance December 31, 2010	Additions	Disposals/ transfers	Balance December 31, 2011
Land and land improvements	\$ 37,893,440	\$ 1,447,565	\$ -	\$ 39,341,005
Building and building improvements	18,761,255	1,370,219	(238,173)	19,893,301
Vehicles, machinery and equipment	7,878,431	88,302	(6,150)	7,960,583
Water and wastewater infrastructure	20,179,665	1,142,736	-	21,322,401
Roads infrastructure	32,020,637	2,336,713	(733,427)	33,623,923
Work in progress	3,279,852	425,740	(3,267,133)	438,459
<b>Total</b>	<b>\$ 120,013,280</b>	<b>\$ 6,811,275</b>	<b>\$ (4,244,883)</b>	<b>\$ 122,579,672</b>

Accumulated amortization	Balance December 31, 2010	Disposals	Amortization expense	Balance December 31, 2011
Land and land improvements	\$ 9,203,829	\$ -	\$ 163,370	\$ 9,367,199
Building and building improvements	6,766,983	(75,524)	633,723	7,325,182
Vehicles, machinery and equipment	3,807,850	(6,150)	469,777	4,271,477
Water and wastewater infrastructure	9,682,044		348,065	10,030,109
Roads infrastructure	14,301,018	(683,689)	1,107,415	14,724,744
<b>Total</b>	<b>\$ 43,761,724</b>	<b>\$ (765,363)</b>	<b>\$ 2,722,350</b>	<b>\$ 45,718,711</b>

Net book value	Balance December 31, 2010	Balance December 31, 2011
Land and land improvements	\$ 28,689,611	\$ 29,973,806
Building and building improvements	11,994,272	12,568,119
Vehicles, machinery and equipment	4,070,581	3,689,106
Water and wastewater infrastructure	10,497,621	11,292,292
Roads infrastructure	17,719,619	18,899,179
Work in progress	3,279,852	438,459
<b>Total</b>	<b>\$ 76,251,556</b>	<b>\$ 76,860,961</b>

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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### 7. Tangible capital assets (continued):

(a) Assets under construction

Assets under construction having a value of \$438,459 (2010 - \$3,279,852) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets

Contributed tangible capital assets are recognized at fair market value at the date of contribution. There were contributed tangible capital assets having a value of \$849,447 during the year (2010 - \$nil).

(c) Tangible capital assets disclosed at nominal values

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value. Land is the only category to which nominal values were assigned.

(d) Works of art and historical treasures

The Township manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at Township 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 tangible capital assets during the year (2010 - \$nil).

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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### 8. Accumulated Surplus:

Accumulated surplus includes unappropriated operating funds and various appropriated operating accounts and reserve funds.

	2011	2010
<b>Surplus:</b>		
Equity in tangible capital assets	\$ 66,650,814	\$ 65,378,669
Unappropriated operating funds	2,667,772	2,896,319
<b>Total surplus</b>	<b>69,318,586</b>	<b>68,274,988</b>
<b>Appropriated operating funds:</b>		
Celebrations Rainy Day	8,000	8,000
Future expenditures	226,874	416,133
Property acquired for taxes	-	181,200
Uncollected taxes	100,000	100,000
Working capital	400,000	400,000
<b>Total appropriated operating funds</b>	<b>734,874</b>	<b>1,105,333</b>
<b>Reserve funds set aside for specific purposes by Council:</b>		
Capital Projects	2,683,943	1,347,922
Local Improvement	127,860	121,915
Machinery and Equipment	2,460,723	1,596,758
Municipal Archives Trust	5,444	5,306
Parkland Acquisition	38,496	246
Tax Sale Lands	145,044	143,561
Sustainability	89,125	64,082
Eva Chafe	38,154	37,020
	5,588,789	3,316,810
	\$ 75,642,249	\$ 72,697,131

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

### 9. Taxes:

	2011	2010
Taxes for municipal purposes:		
Property tax	\$ 13,811,311	\$ 13,022,074
Local Improvement	4,685	-
1% Utility tax	241,228	223,924
	<u>\$ 14,057,224</u>	<u>\$ 13,245,998</u>

As well as taxes for its own purposes, the Township 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.

	2011	2010
Taxes, requisitions and levies collected on behalf of the following agencies are not included in these statements:		
Province of British Columbia - school purposes	\$ 5,629,749	\$ 5,606,271
Capital Regional District - requisition	1,541,363	1,463,012
Capital Regional District - 9-1-1 call answer levy	54,474	72,575
Capital Regional Hospital District - requisition	841,022	820,388
British Columbia Assessment Authority	195,789	194,711
British Columbia Transit - Victoria Regional Transit Commission	746,555	570,602
Municipal Finance Authority	591	557
	<u>\$ 9,009,543</u>	<u>\$ 8,728,116</u>

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

### 10. Payments in place of taxes:

	2011	2010
Payments in place of taxes received for municipal purposes:		
Federal government	\$ 9,016,826	\$ 8,172,969
British Columbia Hydro & Power Authority	93,099	114,290
Liquor Distribution Branch	14,081	13,606
Provincial Rental Housing Corporation	2,451	2,347
	<b>\$ 9,126,457</b>	<b>\$ 8,303,212</b>
Payments in place of taxes collected on behalf of the following agencies are not included in these statements:		
Province of British Columbia - school purposes	\$ 2,935,092	\$ 2,949,433
Capital Regional District	1,011,872	910,580
Capital Regional Hospital District	418,096	405,904
British Columbia Assessment Authority	137,007	130,818
British Columbia Transit - Victoria Regional Transit Commission	532,175	403,974
Municipal Finance Authority	298	280
	<b>\$ 5,034,540</b>	<b>\$ 4,800,989</b>

### 11. Transfers from other governments:

	2011	2010
<b>Conditional transfers from other governments:</b>		
Federal	\$ 134,602	\$ 1,017,168
Provincial	890,458	3,810,191
Other agencies	11,349	24,782
	<b>1,036,409</b>	<b>4,852,141</b>
<b>Unconditional transfers from other governments:</b>		
Small communities protection	290,284	59,987
Traffic fine revenue sharing	516,527	151,900
	<b>806,811</b>	<b>211,887</b>
<b>Total transfers from other governments</b>	<b>\$ 1,843,220</b>	<b>\$ 5,064,028</b>

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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### 12. Commitments and contingent liabilities:

(a) Contractual commitments:

There were no contractual commitments at December 31, 2011.

(b) MFA debt reserve fund deposits:

Under borrowing arrangements with the MFA, the Township 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 totalling \$188,108 (2010 - \$181,907) are included in the Township's financial assets as restricted cash and are held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the Township. At December 31, 2011 there were contingent demand notes of \$426,971 (2010 - \$426,971), which are not recorded in the financial statements of the Township.

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

(d) The Township 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.

(e) The Township is a defendant in various lawsuits. An accrual is recorded in respect of legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The remaining claims, should they be successful as a result of litigation will be recorded when a liability is likely and determinable. The Township is self-insured through membership in the Municipal Insurance Association of British Columbia. Under this program, member municipalities are to share jointly for general liability claims against any member in excess of \$10,000. Should the Association pay out claims in excess of premiums received, it is possible that the Township, along with the other participants, would be required to contribute towards the deficit.

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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### 13. Budget data:

The unaudited budget data presented in these financial statements is based upon the 2011 operating and capital budgets approved by Council on May 9, 2011. Amortization was not contemplated on the development of the budget and, as such, has not been included.

	<u>Budget amount</u>
Revenues:	
Operating budget	\$ 33,929,982
Less:	
Transfer from other funds	(3,666,885)
Proceeds on debt issue	(257,374)
<u>Total revenue</u>	<u>30,005,723</u>
Expenses:	
Operating budget	33,929,982
Less:	
Capital expenditures	(5,902,174)
Transfer to other funds	(1,443,580)
Debt principal payments	(506,228)
<u>Total expenses</u>	<u>26,078,000</u>
<u>Annual surplus</u>	<u>\$ 3,927,723</u>

### 14. Segmented Information:

The Township is a diversified municipal organization that provides a wide range of services to its citizens. For management reporting purposes, the Township's operations and activities are organized and reported by service area. 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:

(i) General Government

The general government operations provide the functions of building services and maintenance, corporate administration, finance, human resources, legislative services and any other functions categorized as non-departmental.

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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### 14. Segmented Information (continued):

(ii) Protective Services:

Protective services is comprised of four different functions, including the Township's emergency program services, fire, police and regulatory and development services. The emergency program services prepares the Township to be more prepared and able to respond to, recover from, and be aware of the devastating effects of a disaster or major catastrophic event that will impact the community. The fire department is responsible for providing critical, life-saving services in preventing or minimizing the loss of life and property from fire and natural or man-made emergencies.

The police services provided by the City of Victoria ensures the safety of the lives and property of the Township as well as Victoria citizens through the enforcement of municipal bylaws, criminal laws and the laws of British Columbia, the maintenance of law and order; and the prevention of crime. The mandate of the regulatory and development services is to promote, facilitate and enforce general compliance with the provisions of bylaws that pertain to the health, safety and welfare of the community and to provide a full range of planning services related to zoning, development permits, variance permits, and current regulatory issues.

(iii) Transportation Services:

Transportation services is responsible for a wide variety of transportation functions such as parking, engineering operations and street maintenance management. This department provides infrastructure, traffic control and transportation planning services, as well as providing services related to infrastructure, land development impacts on transportation, traffic management, pedestrian and cycling issues and on-street parking regulations.

(iv) Environmental Health Services:

Environmental and health services include solid waste services and services related to sanitary and storm sewer systems. Solid waste services include collection of solid waste, household garbage and recycling. Sanitary and sewer services include the construction and maintenance of the sewer distribution systems to protect the environment and public health from the impacts of liquid wastes generated as a result of human occupation and development in the Township.

(v) Environmental Development:

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

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

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### 14. Segmented Information (continued):

(vi) Recreation, Parks and Culture:

Recreation services facilitates the provision of recreation and wellness programs and services through the Township's pool, arena, community and seniors' centres. The parks department preserves and enhances green spaces on public lands; and is responsible for the maintenance, planning and development of all park facilities such as ornamental gardens, natural ecosystems, sport and entertainment venues and playgrounds for recreational and cultural enjoyment in a beautiful and safe environment. The cultural department is responsible to co-ordinate and lead efforts to enhance our neighbourhoods, foster arts and culture, and work to create a Township that is vibrant and people-centric.

Certain allocation methodologies have been employed in the preparation of the segmented financial information. 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 Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

### 14. Segmented Information (continued):

2011		Environmental					2011
		General Government	Protective Services	Transportation Services	Environmental Health Services	Development Services	
<b>Revenue:</b>							
	Taxation	\$ 23,183,681	\$ -	\$ -	\$ -	\$ -	\$ 23,183,681
	Goods and services	2,437,390	69,745	331,161	171,767	23,397	5,533,128
	Government transfers	516,527	297,007	1,015,351	-	-	1,843,220
	<b>Total revenue</b>	<b>26,137,598</b>	<b>366,752</b>	<b>1,346,512</b>	<b>171,767</b>	<b>23,397</b>	<b>30,560,029</b>
<b>Expenses:</b>							
	Salary and wages	1,678,352	3,418,824	1,314,226	292,687	364,623	11,794,805
	Materials, supplies and services	1,147,292	7,293,693	801,175	528,033	95,728	12,347,121
	Interest and other	1,834	70,000	-	330,301	-	750,635
	Amortization	281,280	127,183	1,367,670	359,804	-	2,722,350
	<b>Total expenses</b>	<b>3,108,758</b>	<b>10,909,700</b>	<b>3,483,071</b>	<b>1,510,825</b>	<b>460,351</b>	<b>27,614,911</b>
	<b>Annual surplus (deficit)</b>	<b>\$ 23,028,840</b>	<b>\$ (10,542,948)</b>	<b>\$ (2,136,559)</b>	<b>\$ (1,339,058)</b>	<b>\$ (436,954)</b>	<b>\$ 2,945,118</b>

# The Corporation of the Township of Esquimalt

## Notes to Financial Statements

Year ended December 31, 2011

### 14. Segmented Information (continued):

2010	Environmental Recreation and						
	General Government	Protective Services	Transportation Services	Environmental Health Services	Development Services	Cultural Services	2010
Revenue:							
Taxation	\$ 21,549,210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,549,210
Goods and services	1,585,648	53,836	331,572	133,353	11,445	2,580,135	4,695,989
Government transfers	257,502	68,432	4,733,746	-	-	4,348	5,064,028
Total revenue	23,392,360	122,268	5,065,318	133,353	11,445	2,584,483	31,309,227
Expenses:							
Salary and wages	1,580,214	3,443,102	1,360,141	324,451	316,260	4,783,287	11,807,455
Materials, supplies and services	1,361,851	6,842,110	649,212	476,178	128,425	2,571,030	12,028,806
Interest and other	1,334	-	-	330,301	-	348,500	680,135
Amortization	254,131	104,785	1,176,456	327,907	-	537,688	2,400,967
Total expenses	3,197,530	10,389,997	3,185,809	1,458,837	444,685	8,240,505	26,917,363
Annual surplus (deficit)	\$ 20,194,830	\$ (10,267,729)	\$ 1,879,509	\$ (1,325,484)	\$ (433,240)	\$ (5,656,022)	\$ 4,391,864

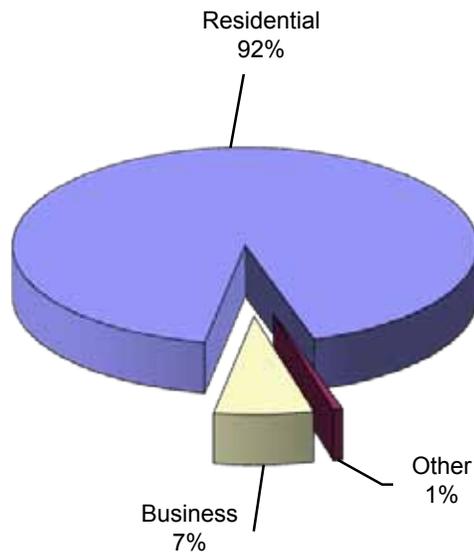
# Statistical Information

As per BC Assessment Roll Tax Base Report

Taxable Assessments of Land and Improvements 2007 - 2011

Property Class	2011	2010	2009	2008	2007
Residential	\$2,382,432,704	\$2,238,867,104	\$2,105,421,703	\$2,064,352,103	\$1,834,292,603
Utilities	975,800	998,000	856,300	854,200	854,330
Major Industry	15,225,900	8,874,800	7,701,300	3,734,000	3,419,400
Light Industry	14,560,500	16,123,100	9,741,700	11,609,700	10,326,100
Business	170,037,002	167,111,803	149,792,253	148,822,252	127,048,953
Recreation Non-Profit	11,173,800	10,983,900	10,227,800	10,227,800	9,896,400
	<b>\$2,594,405,706</b>	<b>\$2,442,958,707</b>	<b>\$2,283,741,056</b>	<b>\$2,239,600,055</b>	<b>\$1,985,837,786</b>

2011 Assessment by Type



Source: BC Assessment

# Statistical Information

## Property Tax Rates 2007 - 2011

	2011	2010	2009	2008	2007
<b>Municipal (\$ per 1000 assessment)</b>					
Residential	4.53135	4.61007	4.70087	4.43548	4.66433
Utilities	22.34697	21.02972	28.39499	26.86425	33.74554
Major Industry	31.26056	29.43320	30.44108	28.79441	29.81196
Light Industry	17.91502	15.57115	17.10122	16.17904	17.24330
Business & Other	12.94204	12.64531	14.04079	13.15493	14.42033
Recreation/Non-profit	5.04938	4.94387	5.09220	4.81760	4.80053
<b>Total (\$ per 1000 assessment)</b>					
Residential	7.31825	7.47365	7.49446	7.14503	7.56213
Utilities	41.52335	40.22631	48.19267	46.23406	54.43775
Major Industry	43.89641	41.95111	42.94311	43.48503	47.81599
Light Industry	28.74974	26.21412	27.82567	26.54179	28.88907
Business & Other	22.95371	22.67617	24.20169	22.95765	25.53558
Recreation/Non-profit	9.57460	9.54082	9.82186	9.41003	9.67893
<b>Municipal Tax Billings by Property Class</b>					
Residential	\$10,795,636	\$10,321,333	\$9,897,313	\$9,156,393	\$8,555,746
Utilities	21,806	20,988	24,315	22,947	28,830
Major Industry	475,970	261,214	234,436	107,537	101,939
Light Industry	260,852	251,055	166,595	187,834	178,056
Business & Other	2,200,626	2,113,181	2,103,202	1,957,746	1,832,088
Recreation/Non-profit	56,421	54,303	52,082	49,273	47,508
	\$13,811,311	\$13,022,074	\$12,477,943	\$11,481,730	\$10,744,167

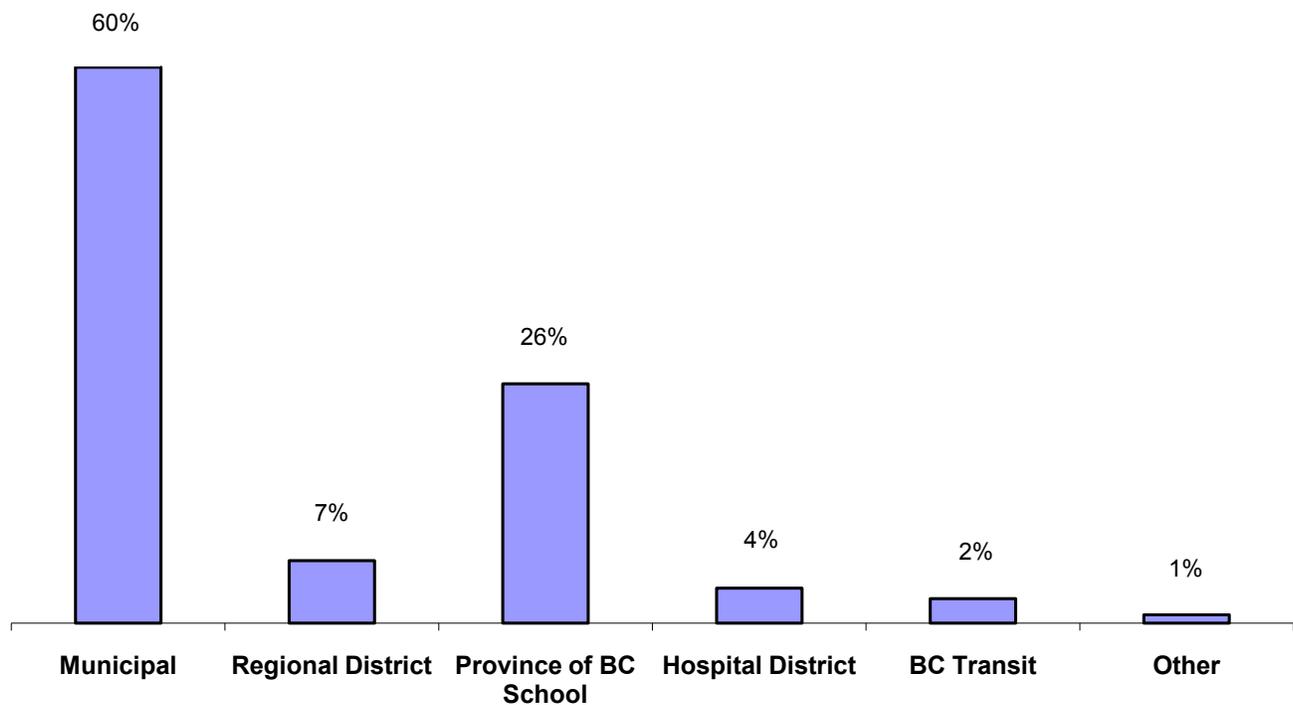
Source: Corporation of the Township of Esquimalt Finance Department

# Statistical Information

## Property Tax Levied and Collected 2007- 2011

	2011	2010	2009	2008	2007
Municipal	\$13,811,311	\$13,022,074	\$12,477,943	\$11,481,730	\$10,744,168
Capital Regional District	1,541,363	1,463,012	1,375,546	1,395,100	1,278,158
Province of BC School	5,629,749	5,606,271	5,259,034	5,117,105	5,033,265
Capital Regional Hospital District	841,022	820,388	600,507	506,998	455,758
BC Transit	746,555	570,602	488,969	418,590	365,091
BC Assessment Authority	195,789	194,711	174,330	164,787	161,383
Municipal Finance Authority	591	557	515	442	576
	<b>\$22,766,380</b>	<b>\$21,677,615</b>	<b>\$20,376,844</b>	<b>\$19,084,752</b>	<b>\$18,038,399</b>
Total Current Taxes Levied	22,766,380	21,677,615	20,376,844	19,084,752	18,038,399
Current Taxes Collected	22,179,636	21,155,629	20,038,891	18,759,146	17,644,155
Percentage	97%	98%	98%	98%	98%

## 2011 Taxes by Jurisdiction



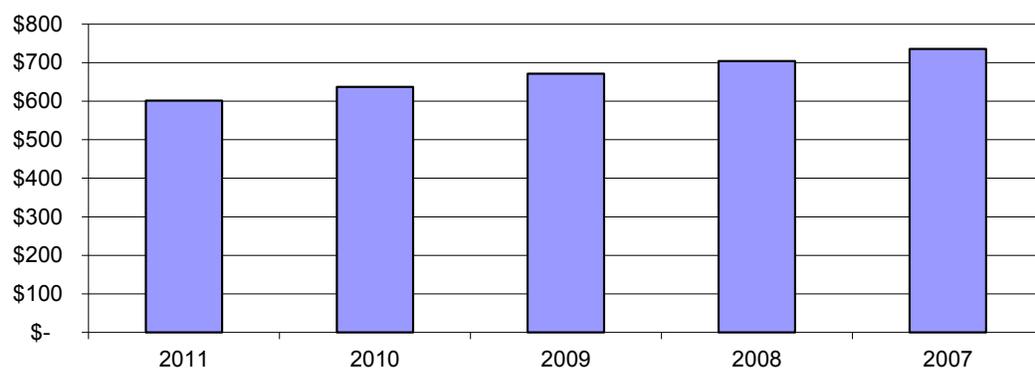
Source: Corporation of the Township of Esquimalt Finance Department

# Statistical Information

## Debenture Debt 2007 - 2011

	2011	2010	2009	2008	2007
Gross Outstanding Debt	\$13,975,000	\$13,975,000	\$13,975,000	\$13,975,000	\$13,975,000
Less: Sinking Fund Payments	3,852,561	3,247,283	2,668,773	2,115,904	1,587,901
<b>Net Debt</b>	<b>\$10,122,439</b>	<b>\$10,727,717</b>	<b>\$11,306,227</b>	<b>\$11,859,096</b>	<b>\$12,387,099</b>
General	\$4,642,567	\$4,942,545	\$5,228,277	\$5,500,403	\$5,759,590
Sewer	5,479,872	5,785,172	6,077,950	6,358,693	6,627,509
	\$10,122,439	\$10,727,717	\$11,306,227	\$11,859,096	\$12,387,099
<b>Debt Servicing Costs</b>					
Property Tax Supported	\$851,629	\$909,522	\$910,298	\$933,004	\$1,134,381
Casino	275,000	275,000	275,000	275,000	275,000
<b>Total Debt Servicing Costs</b>	<b>\$1,126,629</b>	<b>\$1,184,522</b>	<b>\$1,185,298</b>	<b>\$1,208,004</b>	<b>\$1,409,381</b>
Population	16,840	16,840	16,840	16,840	16,840
Net Debt per Capita	\$601	\$637	\$671	\$704	\$736
Debt Servicing per Capita	\$67	\$70	\$70	\$72	\$84
Debt Service as % of Expenditures	4%	4%	4%	5%	6%
# of Households	8,038	8,317	8,311	8,319	8,309
Gross Debt Servicing Limit	\$6,438,768	\$6,581,601	\$6,906,607	\$6,497,388	\$6,165,792
Debt Capacity Available	\$5,312,139	\$5,397,079	\$5,723,214	\$5,164,514	\$4,694,649

## Per Capita Net Debt



Source: Municipal Finance Authority and Statistics Canada

# Statistical Information

Revenue and Expenses 2007 - 2011

<b>Revenue</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Property taxes	\$14,057,224	\$13,245,998	\$12,699,908	\$11,694,124	\$10,946,113
Payments in place of taxes	9,126,457	8,303,212	8,750,626	8,212,472	7,833,351
Sale of services	3,085,378	3,099,673	3,176,131	3,305,289	2,698,144
Other revenue from own sources	2,447,750	1,596,316	2,552,903	2,226,492	2,724,024
Unconditional transfers from other governments	806,811	211,887	982,441	557,042	521,854
Conditional transfers from other governments	1,036,409	4,852,141	4,005,706	190,374	179,663
	<b>\$30,560,029</b>	<b>\$31,309,227</b>	<b>\$32,167,715</b>	<b>\$26,185,793</b>	<b>\$24,903,149</b>

## **Expenses by Function**

General government	\$3,108,758	\$3,197,530	\$3,199,126	\$2,884,072	\$2,969,415
Protective services	10,909,700	10,389,997	10,135,644	8,934,262	8,645,498
Transportation	3,483,071	3,185,809	3,408,682	3,654,685	3,182,426
Environmental health (garbage collection, sanitary sewers)	1,510,825	1,458,837	1,787,649	1,388,424	1,820,808
Environmental development (land use planning)	460,351	444,685	320,545	388,080	386,778
Recreation, parks and culture	8,142,206	8,240,505	8,272,185	7,560,557	6,778,365
Other	-	-	-	-	772,143
	<b>\$27,614,911</b>	<b>\$26,917,363</b>	<b>\$27,123,831</b>	<b>\$24,810,080</b>	<b>\$24,555,433</b>

## **Expenses by object**

Personnel costs	\$11,794,805	\$11,807,455	\$11,670,309	\$10,905,613	\$10,347,621
Materials, supplies and services	12,347,121	12,028,806	12,546,263	10,956,470	10,310,401
Interest and other	750,635	680,135	680,875	696,461	638,876
Capital	-	-	-	-	3,258,535
Amortization	2,722,350	2,400,967	2,226,384	2,251,536	-
	<b>\$27,614,911</b>	<b>\$26,917,363</b>	<b>\$27,123,831</b>	<b>\$24,810,080</b>	<b>\$24,555,433</b>

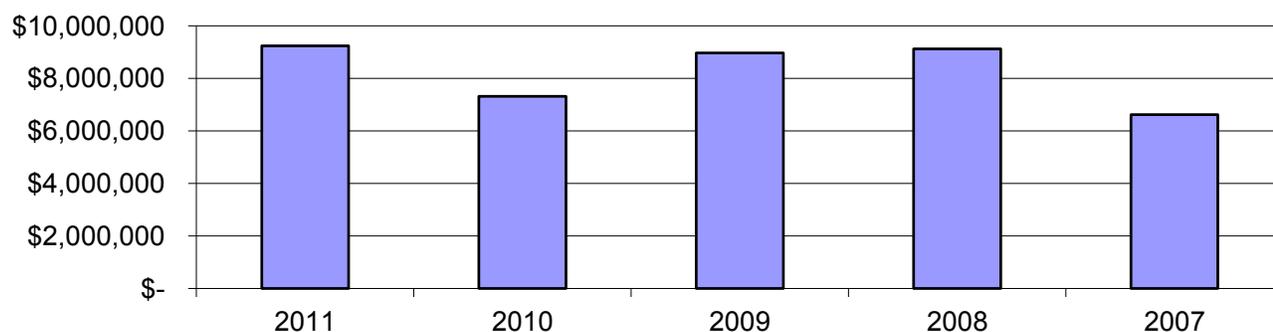
Source: Corporation of the Township of Esquimalt Finance Department

# Statistical Information

## Reserve Funds and Appropriated and Unappropriated Operating Funds 2007 - 2011

Description	2011	2010	2009	2008	2007
<b>Reserve Funds</b>					
Capital Projects	\$2,683,943	\$1,347,922	\$1,650,403	\$1,908,225	\$1,710,849
Local Improvements	127,860	121,915	121,201	175,228	168,962
Machinery and Equipment Depreciation	2,460,723	1,596,758	2,396,180	2,563,235	2,405,510
Municipal Archives Trust	5,444	5,306	5,278	5,225	5,055
Parkland Acquisition	38,496	246	423,384	418,794	403,813
Tax Sale Lands	145,044	143,561	142,719	141,171	136,120
Sustainability	89,125	64,082	19,847	-	-
Eva Chafe	38,154	37,020	-	-	-
	<b>5,588,789</b>	<b>3,316,810</b>	<b>4,759,012</b>	<b>5,211,878</b>	<b>4,830,309</b>
<b>Appropriated Operating Funds</b>					
Celebration Rainy Day	8,000	8,000	8,000	8,000	8,000
Future expenditures	226,874	416,133	809,666	969,504	563,659
Property acquired for taxes	-	181,200	181,200	181,200	181,200
Uncollected taxes	100,000	100,000	100,000	100,000	100,000
Working Capital	400,000	400,000	400,000	400,000	400,000
	<b>734,874</b>	<b>1,105,333</b>	<b>1,498,866</b>	<b>1,658,704</b>	<b>1,252,859</b>
<b>Unappropriated Operating Funds</b>	<b>2,667,772</b>	<b>2,896,319</b>	<b>2,705,750</b>	<b>2,249,946</b>	<b>535,682</b>
<b>Total</b>	<b>\$8,991,435</b>	<b>\$7,318,462</b>	<b>\$8,963,628</b>	<b>\$9,120,528</b>	<b>\$6,618,850</b>

### Total Reserve Funds, Appropriated and Unappropriated Operating Funds



Source: Corporation of the Township of Esquimalt Finance Department

# Statistical Information

## 2011 Grants

<b>Organization</b>	<b>Exemption From Property Taxes (\$)</b>	<b>Grants (\$)</b>	<b>Total (\$)</b>
2483 PPCLI Army Cadet Corps - Parents Sponsoring Committee		750	750
B.C. Sustainable Energy Association		3,000	3,000
Big Brothers Big Sisters of Victoria		7,500	7,500
Bike to Work Society		1,500	1,500
Boys and Girls Club Services of Greater Victoria	4,956	7,000	11,956
Capital Mental Health Association	9,170		9,170
Capital Region Good Food Society		1,000	1,000
City of Victoria - Portion of Barnard Park off Sea Terrace	2,787		2,787
City of Victoria - Canada Day Celebrations		2,000	2,000
Committee to Host Provincial NIFT		1,000	1,000
Community Social Planning Council of Greater Victoria		3,221	3,221
Creative Peace Mural Society		750	750
Crisis Intervention and Public Information Society of Greater Victoria (NEED)		2,100	2,100
Esquimalt Anglers' Association	269		269
Esquimalt High School		1,050	1,050
Esquimalt High School - Athletic Team Funding		2,750	2,750
Esquimalt High School - Terry Fox Scholarship		500	500
Esquimalt High School - Township of Esquimalt Scholarship		500	500
Esquimalt High School - Coast Salish Art Project		1,000	1,000
Esquimalt Lantern Festival Society		4,000	4,000
Esquimalt Neighbourhood House Society	10,221	17,000	27,221
Esquimalt Resident Association		863	863
Friends of Living & Learning Through Loss		2,000	2,000
Greater Victoria Film Commission		1,000	1,000
Greater Victoria Harbour Society		1,000	1,000
Greater Victoria Volunteer Society (Victoria Volunteer Bureau)		2,416	2,416
Habitat Acquisition Trust	10,206		10,206
Island Corridor Foundation	5,475		5,475

(continued next page)

# Statistical Information

## 2011 Grants (continued)

<b>Organization</b>	<b>Exemption From Property Taxes (\$)</b>	<b>Grants (\$)</b>	<b>Total (\$)</b>
L'Ecole Victor Brodeur		750	750
Macaulay Elementary School Parents' Advisory Council - Crossing Guard		13,410	13,410
Maritime Museum of British Columbia Society		1,000	1,000
Michael Dunahee Keep the Hope Alive Drive		2,100	2,100
Ocean's Day Festival Society		2,500	2,500
Our Place Society		3,700	3,700
Prostitutes Empowerment Education & Resource Society	10,467	2,000	12,467
Rock Solid Foundation	10,772		10,772
Rockheights Middle School		1,500	1,500
Royal Canadian Legion Esquimalt Dockyard Branch 172	18,767		18,767
Shoreline Community Middle School		2,500	2,500
Society of St. Vincent de Paul Vancouver Island	16,033		16,033
South Island Dispute Resolution		1,000	1,000
St. John Ambulance Association		880	880
The Victoria First Church of the Nazarene	19,717		19,717
The Ismail Jamatkhana and Centre (0768944 BC Ltd)	13,680		13,680
Tourism Victoria		2,112	2,112
Victoria Operatic Society	13,612		13,612
Victoria Rainbow Kitchen Society		6,000	6,000
Victoria Restorative Justice		10,000	10,000
World Fisheries Trust		1,000	1,000
	<b>\$146,132</b>	<b>\$114,352</b>	<b>\$260,484</b>

# Township Strategic Priorities

## Township of Esquimalt STRATEGIC PRIORITIES CHART

January 2012

<b>COUNCIL PRIORITIES</b> (Council/CAO)	
<b>NOW</b> <ol style="list-style-type: none"> <li>1. <b>SEASPAN: Needs Assessment</b></li> <li>2. <b>ESQUIMALT VILLAGE PROJECT: Zoning Bylaw / Public Hearing</b></li> <li>3. <b>CENTENNIAL PROGRAM: Funding</b></li> <li>4. <b>FUTURE LEGACY: Terms of Reference</b></li> <li>5. <b>ECONOMIC DEVELOPMENT STRATEGY: Terms of Reference</b></li> </ol>	<b>March</b> <b>March</b> <b>February</b> <b>November</b> <b>November</b>
<b>NEXT</b> <ul style="list-style-type: none"> <li>• POLICING TRANSITION: Readiness</li> <li>• BYLAW ENFORCEMENT POLICY: Review</li> <li>• MULTI-MODAL TRANSPORTATION: Plan</li> <li>• SERVICE CAPACITY REVIEW</li> <li>• ESQUIMALT VILLAGE PROJECT: Brownfield Assessment</li> </ul>	<b>ADVOCACY</b> <ul style="list-style-type: none"> <li>• <i>Policing Decision</i></li> <li>•</li> </ul>
<b>OPERATIONAL STRATEGIES</b> (CAO/Staff)	
<b>CAO</b> <ol style="list-style-type: none"> <li>1. <b>FUTURE LEGACY: Terms of Ref. (Nov)</b></li> <li>2. <b>POLICING: RFP Process (June)</b></li> <li>3. <b>SERVICE CAPACITY REVIEW (Sept)</b></li> </ol> <ul style="list-style-type: none"> <li>• Performance Management System (Dec)</li> <li>• Policing Transition Readiness</li> </ul>	<b>PLANNING</b> <ol style="list-style-type: none"> <li>1. <b>SEASPAN: Needs Assessment (Mar)</b></li> <li>2. <b>VILLAGE PROJECT: Zoning Bylaw (Mar)</b></li> <li>3. <b>ECONOMIC DEV. STRATEGY: ToR (Nov)</b></li> </ol> <ul style="list-style-type: none"> <li>• Zoning Bylaw Review</li> <li>• MULTI-MODAL TRANSPORTATION: Plan</li> </ul>
<b>COMMUNICATIONS</b> <ol style="list-style-type: none"> <li>1. <b>CENTENNIAL PROGRAM: Funding (Feb)</b></li> <li>2. <b>Website Refresh (May)</b></li> <li>3. <b>Public Engagement Options (June)</b></li> </ol>	<b>FINANCE</b> <ol style="list-style-type: none"> <li>1. <b>Tax Incentives Policies (May)</b></li> <li>2. <b>Internal Service Level Review (June)</b></li> <li>3. <b>Orientation to Finance Functions (Sept)</b></li> </ol>
<b>ENGINEERING</b> <ol style="list-style-type: none"> <li>1. <b>Cycling Connectivity Study (Aug)</b></li> <li>2. <b>Sidewalk Gaps: Construction (Oct)</b></li> <li>3. <b>Infrastructure Priorities: Chart (Oct)</b></li> </ol> <ul style="list-style-type: none"> <li>• Waste Management Options</li> <li>• Waste Water Treatment Plant</li> </ul>	<b>CORPORATE</b> <ol style="list-style-type: none"> <li>1. <b>BYLAW ENFORCE. POLICY: Review (Apr)</b></li> <li>2. <b>Bylaw Review: Targets List (May)</b></li> <li>3. <b>Records Management: Update (Dec)</b></li> </ol> <ul style="list-style-type: none"> <li>• Climate Action Plans</li> <li>• Policy Review Program (Dec)</li> </ul>
<b>RECREATION</b> <ol style="list-style-type: none"> <li>1. <b>Special Events Management Strategy (Apr)</b></li> <li>2. <b>Urban Forest/Greenway Management (Oct)</b></li> <li>3. <b>Infrastructure Renewal Strategy (Dec)</b></li> </ol> <ul style="list-style-type: none"> <li>• Recreation Centre: Energy Upgrade</li> <li>• Macaulay Point Park Species Protection</li> </ul>	<b>FIRE SERVICES</b> <ol style="list-style-type: none"> <li>1. <b>Business Continuity Plan: Curriculum (Aug)</b></li> <li>2. <b>Underwriter Survey (May)</b></li> <li>3. <b>Strategic Emergency Plan (Oct)</b></li> </ol> <ul style="list-style-type: none"> <li>• Seniors Fire Safety Public Ed. Program (Sept)</li> <li>• Safe Community: Operational Audit (Oct)</li> </ul>

**CODES:** **BOLD CAPITALS** = Council NOW Priorities; **CAPITALS** = Council NEXT Priorities;  
 Regular Title Case = Operational items; **Italics** = Council **ADVOCACY** items

# Township Organizational Values

The following organizational values will guide Council and staff as they work towards achieving strategic goals and realizing Esquimalt's community vision:

**Openness** – We are open and transparent with our information, process, and communication to our customers, community, the public, and one another, except where clearly prohibited.

**Fiscal and Performance Accountability** – We are accountable to our community, the Municipality, and our work teams for the work we do and taxpayer's money we spend. We do this through long term planning, setting measurable performance goals, performance reviews, and regular feedback about our work to our leaders, community, and customers. We value hard work and achievement of organizational goals.

**Team Work** – We work as members of teams, understanding that individuals, divisions, and departments that work together achieve high quality results and provide exceptional service.

**Respect** – As public servants we treat all residents, customers, co-workers, and viewpoints with the respect that we would have accorded to ourselves.

**Customer Service** – We are in the business of providing exceptional service to our community, customers, and co-workers.

**Integrity and Trust** – We say what we mean and mean what we say. We honour our work and keep our commitments. We are worthy of the public's and each other's trust.

**Innovation and Creativity** – We strive for excellence as individuals and team members, and in the services that we provide to our community. We create a work environment in which we look for new solutions and experiment with innovative ways to work – even if they don't always succeed the first time. We recognize the need to be dynamic in meeting the community's changing needs. Each employee is given the opportunity to grow and develop.

**Recognition** – We recognize and are proud of achievements in the organization. We also recognize the need for balance in work and non-work as a value that will ultimately benefit our organization and the taxpayers of Esquimalt.

**Stewardship** – The work we do makes our community, the environment, and the world a better place to live for residents of today and future generations. We use our energy, skills, and resources to protect and nurture community assets for the greater good of all residents. We think and work locally, but our actions and results have global impact.





Township of  
**ESQUIMALT**

