

2020 FINANCIAL STATEMENTS

City of Victoria Draft Audited Financial Statements
For the year ended December 31, 2020

Committee of the Whole April 22, 2021



2020 Financial Statements
April 22, 2021 Committee of the Whole

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Overview

- Reporting Timeline
 - Community Charter section 167
 - Due to Ministry by May 15
- 2020 Financial Statement Highlights
- Auditors Report



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Financial Statements

The Corporation of the City of Victoria Statement of Financial Position As at December 31, 2020, with comparative figures for 2019			
	2020	2019	
Financial Assets			Statement of Cash Flows
Cash and cash equivalents (Note 2)	\$ 156,464,722	\$ 144,975,587	
Accounts receivable			
Property Taxes	2,879,392	2,003,083	
Other (Note 3)	24,717,750	28,574,624	
Portfolio investments (Note 4)	170,844,995	173,000,000	
Mortgage receivable (Note 5)	950,928	921,620	
Other assets	10,852	35,605	
MFA debt reserve fund (Note 16)	1,326,811	1,300,059	
	<u>357,195,450</u>	<u>350,810,568</u>	
Liabilities			
Accounts payable and accrued liabilities (Note 6)	29,203,958	34,516,702	
Deposits and prepayments	20,702,720	20,400,100	
Deferred revenue (Note 7)	27,839,138	26,749,918	
Long-term debt (Note 8)	62,515,520	65,134,748	
Employee future benefit liability (Note 9)	18,524,182	18,032,615	
	<u>158,785,518</u>	<u>164,834,083</u>	
Net Financial Assets (net debt)	198,409,932	185,976,505	Statement of Changes in Net Financial Assets
Non-Financial Assets			
Tangible capital assets (Note 10)	585,057,216	552,503,905	
Inventories of supplies	1,732,227	1,389,253	
Deposits towards acquisition of tangible capital assets	3,400,000	1,000,000	
Prepaid expenses	894,998	885,781	
	<u>591,084,441</u>	<u>555,778,919</u>	
Accumulated Surplus (Note 11)	\$ 789,494,373	\$ 741,755,424	Statement of Operations and Accum Surplus
The accompanying notes are an integral part of these financial statements.			

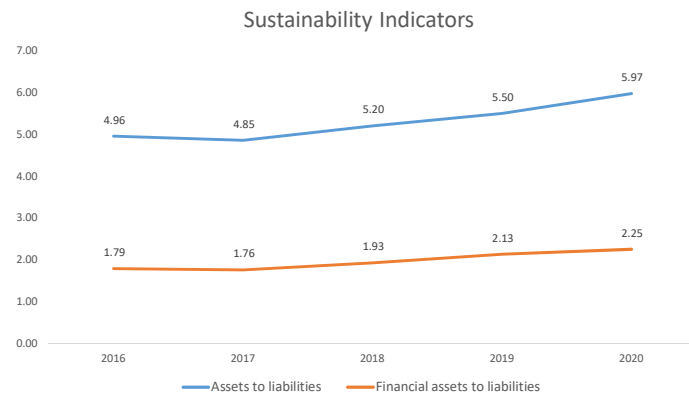
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Financial Condition Indicators

- Sustainability
- Flexibility
- Vulnerability

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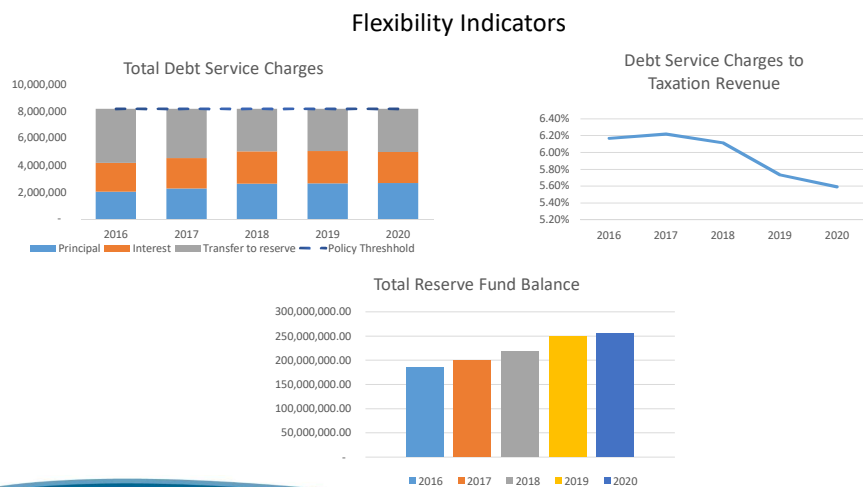
Financial Condition Indicators



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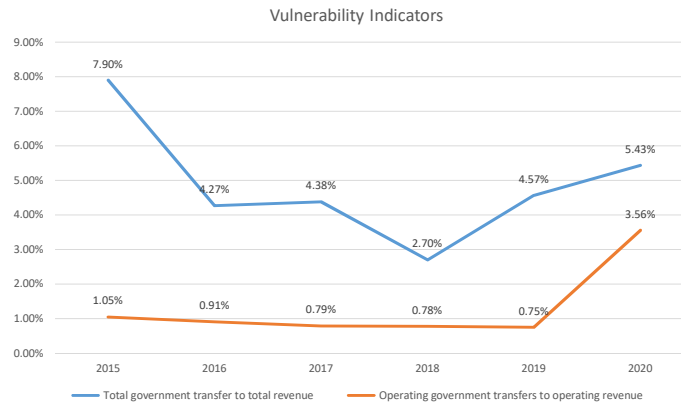
Financial Condition Indicators



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Financial Condition Indicators



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Accumulated Surplus

At December 31, 2020 \$789,494,373



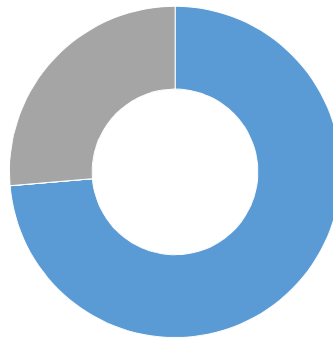
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Annual Surplus

For the year ended December 31, 2020 \$47,738,947

Change in Reserve
Balances
12,566,406



Change in Equity in
Tangible Capital
Assets
35,172,541

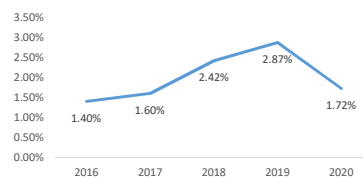


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Investments

Rate of Return



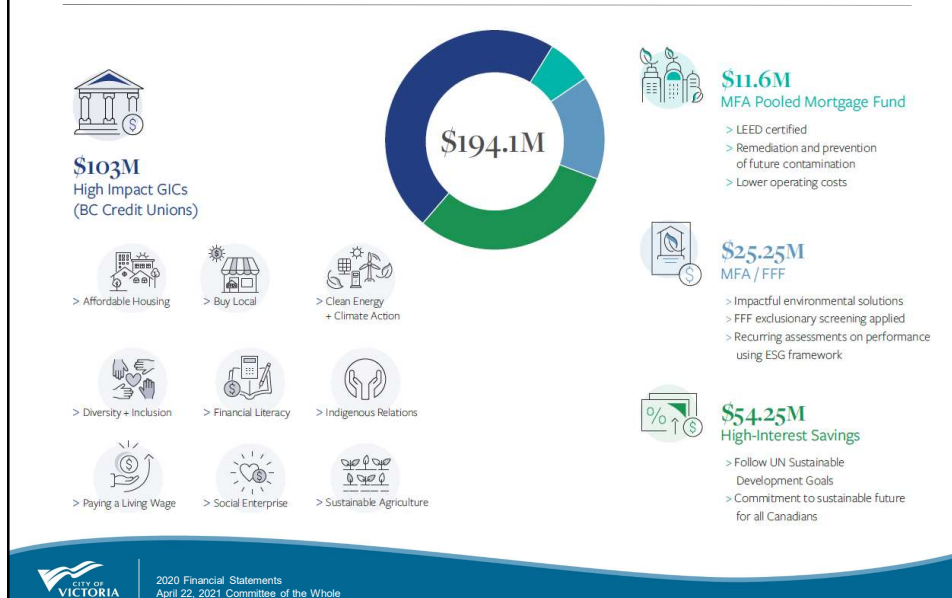
Investment balances at Dec 31, 2020		SRI		2020 Total	SRI % of Total	2019 Total	SRI % of Total
Schedule 1 Banks	31,000,000					69,000,000	
MFA Money Market Fund	82,191,149					110,680,225	
Credit Unions		103,000,000			34%	104,000,000	34%
MFA Pooled High Interest Savings Accounts		54,243,984	FFF		18%	17,977,900	6%
Short Term MFA Fossil Fuel Free Fund (2-5 yrs)		25,249,660	FFF		8%	-	-
MFA Pooled Mortgage Fund (3+ yrs)		11,595,337			4%	-	-
					63%		40%
Total Investments	\$ 113,191,149	\$194,088,980		\$307,280,129		\$301,658,125	



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Socially Responsible Investing (SRI)



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Revenues & Expenses

Revenue Shortfall		Unspent Expense Budgets	
Parking Revenue	\$ 6,973,000	Vacancies	-\$ 3,168,000
Victoria Conference Centre Revenues	2,432,000	Conferences/Travel/Training and Development	- 848,000
Property Lease Revenue	829,000	Recruitment Expenses	- 49,000
Arena Revenue	223,000	Withdrawn/Reduced Tax Appeals	- 824,000
		Other	- 171,584
Additional Costs due to Pandemic		Revenue Over	
PPE, Sheltering Supports, Facility and Public Washroom Cleaning, Neighbourhood Social Distancing Initiatives, Additional Bylaw and Policing Costs, Expanded COVID related Grants to Community Organizations	2,700,000	Traffic Fine Revenue	- 342,000
Total	\$ 13,157,000	Reallocation of Funding from Deferred Initiatives	
		Deferred Initiatives Funded by 2019 Surplus	- 658,050
		Deferred Initiatives Funded by NMC	- 995,366
		Reallocation of Property Tax Funding for Capital Budget	- 2,063,000
		Recovery from the Province (Emergency Management BC and others)	- 645,000
		Savings due to Pandemic Closures	
		VCC, Recreation, Real Estate, Parking Services	- 2,493,000
		Funding from City Reserves and Contingency Budget	- 900,000
		Total	-\$ 13,157,000
		Total Surplus/Deficit	\$ -

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Audit Management Letter Observations

- JD Edwards Replacement
- Asset Retirement Obligation



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Recommendation

That Council approve the 2020 Financial Statements.



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