

# 2015 FINANCIAL STATEMENTS

City of Victoria Draft Audited Financial Statements  
For the year ended December 31, 2015

Committee of the Whole April 21, 2016



2015 Financial Statements  
April 21, 2016 Committee of the Whole

## Overview

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- 2015 Financial Statement Highlights
- Auditors Report

## Purpose

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- Section 167 of the Community Charter requires annual financial statements to be presented to Council for its acceptance
- Section 171 of the Community Charter requires the City's Municipal Auditor (BDO) to report to Council on the Financial Statements



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## Audit Results

Notes expanded to increase readability and transparency:

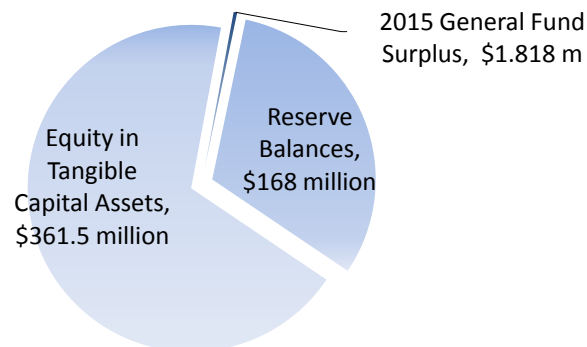
- Employee Future Benefit Liability (Note 10) – further information provided to reconcile with actuarial report
- Long Term Debt (Note 8) – details of individual debt issues listed with current year repayment information and outstanding balances
- Miscellaneous Revenue (Note 15) added to provide breakdown of large total on Statement of Operations
- Financial Plan column added (to Notes 13.Taxation; 14.Government Transfers; and 15. Miscellaneous Revenue) for comparative value



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## Accumulated Surplus

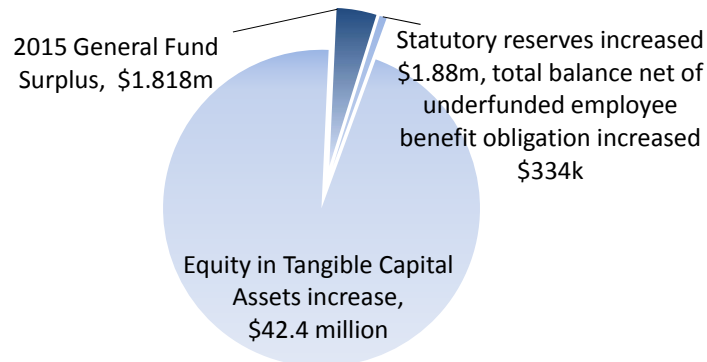
At December 31, 2015 - \$527,904,381



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# Annual Surplus

For the year ended December 31, 2015 - \$44,565,406



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# Reserve Balances

Reserve Fund Description	Dec 31, 2014	Transfer To	Transfer From	Interest	Dec 31, 2015
Financial Stability Reserves	\$ 36,072,351	\$ 6,400,720	\$ (649,217)	\$ 369,741	\$ 42,193,595
Equipment & Infrastructure Replacement Fund	117,189,900	20,916,401	(26,980,415)	1,201,198	112,327,084
Tax Sale Lands Fund	7,201,809	74,649	(472,846)	73,819	6,877,431
Parks and Greenways Acquisition Fund	2,297,832	2,739	-	23,553	2,324,124
Local Amenities	522,121	68,053	-	5,352	595,526
Affordable Housing	2,140,697	1,100,000	(553,725)	21,942	2,708,914
Climate Action	505,768	125,765	(2,250)	5,184	634,467
Art in public places	436,960	135,000	(30,363)	4,479	546,076
Downtown Core Area Public Realm Improvements	58,090	40,576	-	595	99,261
Downtown Heritage Building Seismic Upgrades	19,363	2,500	-	198	22,061
<b>Total Reserve Funds Balance</b>	<b>\$ 166,444,891</b>	<b>\$28,866,402</b>	<b>\$ (28,688,815)</b>	<b>\$ 1,706,061</b>	<b>\$ 168,328,539</b>



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## Financial Plan Comparison of Revenues & Expenses

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- Financial Statements presented in PSAB format
- Budget comparison not effective in this format
- Meaningful comparison of budget to actual provided in the following:
  - Appendix C – Operating Revenues Expenses
  - Appendix D – Capital Expenditures



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## Audit Management Letter Observations

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- Timely completion and review of reconciliations
- Increase permit value threshold for year end review
- Formal, written conflict of interest policy
- Project management framework
- Lifecycle costing



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# Recommendation

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That Council accept the 2015 Financial Statements.



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