

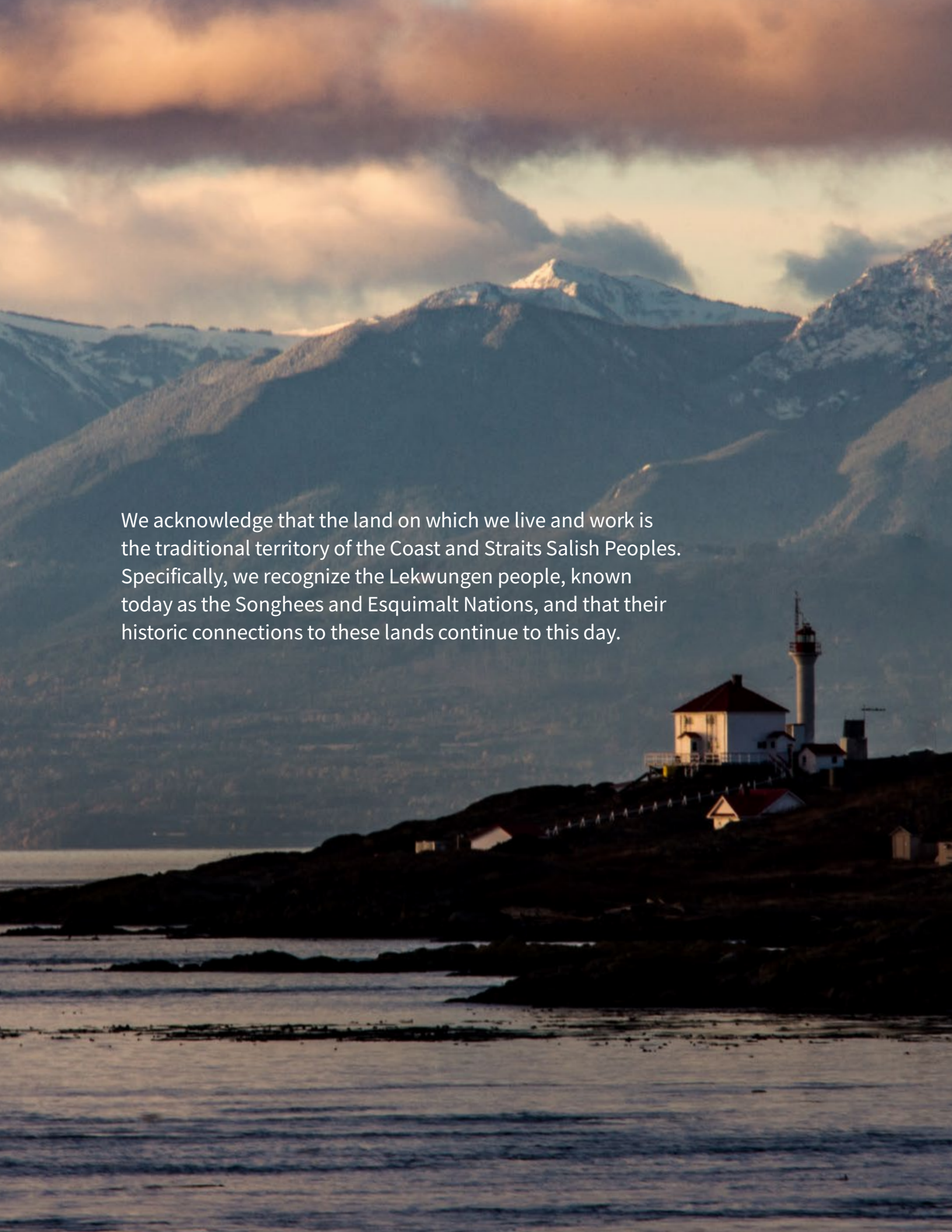


DISTRICT OF
OAK  **BAY**

2025 Annual Report

For The Year Ended December 31, 2025

Oak Bay, British Columbia | Prepared by Corporate Services Department | Approved by Council

A scenic landscape featuring a lighthouse on a rocky shore, with snow-capped mountains in the background under a dramatic, cloudy sky. The lighthouse is a white, cylindrical tower with a red roof, situated on a dark, rocky outcrop. Several smaller white buildings with red roofs are scattered around the base of the lighthouse. The foreground shows the calm, dark water of the sea. The background consists of large, rugged mountains with patches of snow, partially obscured by soft, golden light filtering through the clouds.

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

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Our Oak Bay

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

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

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



Oak Bay at a Glance



2.3

Average household size



17,990

Population



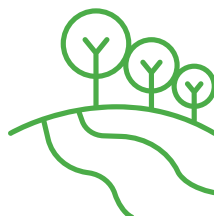
49.7

Average age



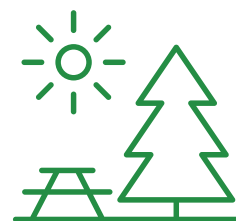
104

Properties included in the heritage registry



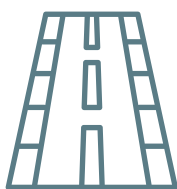
71

Hectares of total park space



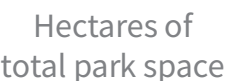
348

Benches and picnic tables



142km

in total sidewalks



11

Playgrounds



5

Recreation facilities

105km

in total roads

Oak Bay Municipal Council

Oak Bay Council consists of a Mayor and six Councillors who are elected to four year terms. Members of the current Council were elected in October 2022.

2022-2026



Top Row Left to Right: Councillor Esther Paterson, Councillor Cairine Green, Councillor Lesley Watson, Councillor Andrew Appleton
Bottom Row Left to Right: Councillor Hazel Braithwaite, Mayor Kevin Murdoch, Councillor Carrie Smart

Connect with your Council



Mayor
Kevin Murdoch
mayor@oakbay.ca
250-896-4983



Councillor
Andrew Appleton
aappleton@oakbay.ca
250-880-3247



Councillor
Hazel Braithwaite
hbraithwaite@oakbay.ca
250-880-3443



Councillor
Cairine Green
cgreen@oakbay.ca
250-920-9534



Councillor
Esther Paterson
epaterson@oakbay.ca
250-888-2975



Councillor
Carrie Smart
csmart@oakbay.ca
250-812-5488



Councillor
Lesley Watson
lwatson@oakbay.ca
250-880-6463

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

Council generally meets on the second and fourth Monday of each month, and sits as Committee of the Whole on the third Monday of each month. Members of the public are welcome and encouraged to attend open meetings of Council. Meetings usually start at 6:00 p.m. and are held in the Council Chambers and available by Zoom unless otherwise noted. Meeting information is available at oakbay.civicweb.net/portal/

Message from the Mayor



On behalf of Oak Bay Council, I am pleased to share the District's 2025 Annual Report. This report provides an overview of the District's accomplishments in 2025, our audited financial statements, and highlights the work to come in 2026.

The Annual Report is a key document for us, and one of many methods we use to ensure transparency and accountability, alongside our Council Priorities Plan and Five-Year-Financial Plan.

The past year saw many important accomplishments and challenges at the forefront of our community, and housing remained a prime topic. 2025 saw an update to our Official Community Plan (OCP). This document is essential in helping guide where residential, commercial and other forms of development occur. We appreciate all the residents who took the time to share their input throughout the process. This past December, Council adopted the OCP bylaw, delivering an updated plan that balances housing options and community amenities while retaining the character that defines Oak Bay.

The District's commitment to renewing our aging infrastructure continued in 2025, with over six and a half kilometres of underground utilities replaced or installed. Large scale projects included underground work completed on phase one of the Uplands Combined Sewer Separation, as well as phase one of the Estevan Utilities Replacement Project including a brand-new outfall on Willows Beach. While they go unseen for years to come, these upgrades are essential in maintaining the health and safety of our community.

The voice of residents continues to be at the forefront of Council's work, shaping projects and policies through public engagement. Several initiatives took place this past year, including a new Community Engagement Framework, cycling routes, and continuing to shape the future of Carnarvon Park. I encourage you to visit Connect.OakBay.ca to keep informed and engaged on upcoming projects in our community.

The District is also proud to have a dedicated group of people that move our priorities forward behind the scenes. This includes District staff, members of our committees and commissions, local community groups and associations and volunteers who contribute to the health and community of Oak Bay.

This past year, while not without challenges and change, demonstrates what we can achieve when we come together as a community. Thank you for taking the time to read this message and report and most importantly, thank you for being one of many people that make Oak Bay a remarkable place to live.

Mayor Kevin Murdoch



Message from the Chief Administrative Officer



On behalf of the District of Oak Bay, I am pleased to introduce the 2025 Annual Report, which highlights the District's financial results and key accomplishments over the past year and outlines priorities and planned achievements for 2026.

The Annual Report offers a comprehensive overview of the District's consolidated financial information, operational progress, service delivery results, and organizational performance in 2025. Together, with the Five-Year Financial Plan and the Council Priorities Plan, these documents offer a transparent and complete view of how the District is managing resources, planning for the future, advancing Council's priorities, and providing high quality public amenities and services to the Oak Bay community.

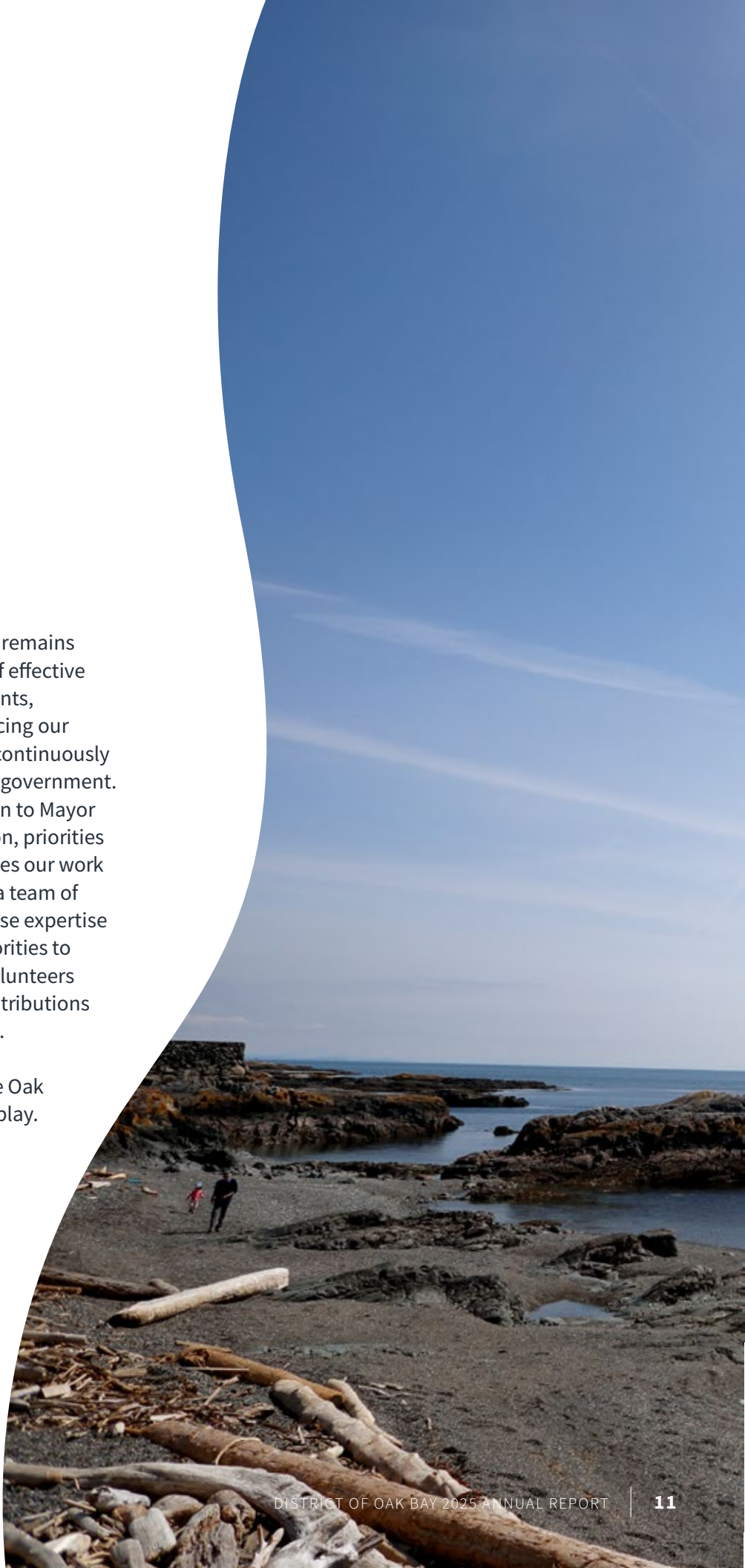
2025 was a significant year for the District and saw the completion of some key initiatives, including an update to Oak Bay's Official Community Plan, following significant community engagement, and the continued repair and replacement of aging yet critical utility and road infrastructure. 2025 also saw progress on the Carnarvon Park Redevelopment Plan, and the development of an updated Community Engagement Framework. We were proud to launch the District's new public website which provides a modern user experience and includes accessibility tools to ensure residents can easily find the information they need, when they need it.

Competitive, application-based grants continue to be a key focus for the District - the municipality currently has six applications under review, valued at just over \$19.4M. One of the approvals in 2025 was a federal grant (Enabling Accessibility Fund) for \$106,000 towards major upgrades to the exterior/public washrooms at Municipal Hall, which will be completed over the coming year.

As we look towards 2026, the District remains committed to continuing provision of effective and responsive services to our residents, businesses and visitors, while enhancing our internal systems and processes and continuously improving how we operate as a local government. I would like to extend my appreciation to Mayor and Council for their leadership, vision, priorities and thoughtful governance that guides our work every day. We are fortunate to have a team of dedicated and professional staff whose expertise and commitment bring Council's priorities to life each day, along with the many volunteers and community members whose contributions enhance the quality of life in Oak Bay.

Thank you for all that you do to make Oak Bay a unique place to live, work and play.

Michelle Hunt,
Chief Administrative Officer



District of Oak Bay Mission and Vision Statement

Oak Bay Mission Statement

The District of Oak Bay holds that its purposes include:

- a) providing for good government of its community,
- b) providing for services, laws and other matters for community benefit,
- c) providing for stewardship of the public assets of its community, and
- d) fostering the economic, social and environmental well-being of its community. (Community Charter, Section 7)



Oak Bay Official Community Plan Vision Statement

This vision statement, taken from the District's Official Community Plan, is expressed in the present tense and it represents the community's aspiration for how Oak Bay will be described in the future:

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

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

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

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

Council Strategic Priorities 2022-2026

Council's 2022-2026 priority themes were identified in late 2022, following the municipal election. Priority themes are as outlined below.



Housing

Enable creation of more diverse and affordable housing that is responsive to current and future community/regional needs and climate change imperatives



Livability

Invest in infrastructure, facilities, and natural assets and services to preserve or improve long term financial and community value/livability



Transportation

Advance low and no carbon, accessible, and active transportation mobility infrastructure and services



Climate Change & Environment

Proactively mitigate and adapt to climate change and preserve and enhance the environment



Diversity & Inclusion

Cultivate diversity and inclusion and ensure a sense of community belonging and safety for people of all identities, ages, and backgrounds



Truth & Reconciliation

Advance Truth and Reconciliation with Indigenous peoples based on respect and desire for shared prosperity



Council priority projects are initiatives that are undertaken in addition to meeting regulatory obligations, delivering core services, and ensuring that processes, systems, and customer service are continually enhanced. Priorities are incorporated into departmental workplans with timelines identified once funded through the annual budget cycle.

Each year, Council decides which projects to fund to advance priority themes. Council's decisions are then reflected in the Five-Year Financial Plan. Funded projects are listed in the Council Priorities Plan, and progress is reported bi-annually.

We invite readers to review the Council Priorities Plan and bi-annual progress reports on the District's website at www.oakbay.ca/municipal-hall/plans-and-reports/council-priorities-plan



Council Advisory Bodies

The work of the District’s volunteers is deeply valued by both Council and staff. In Oak Bay, Advisory Bodies primarily function to inform Council’s governance and decision-making process by providing input, advice and recommendations. The composition of Advisory Bodies is thoughtfully established to ensure that the individuals appointed represent the broader interests of the community.

Committees and Commissions provide important advice and recommendations to Council on matters related to their mandate or referred to them by Council. Other sources that inform Council’s governance decisions and plans include input from the public and staff and all applicable policies, plans, regulations, and legislation.

The members of the Oak Bay Advisory Bodies are greatly valued for the significant contributions that they make to the community. The District recognizes and sincerely appreciates the exceptional skills and generous contributions of our diverse volunteer members.



Advisory Bodies – 2025 Volunteer Members

Accessibility Advisory Committee

Alexa Van Cuylenbourg
Beverley Kissinger
Bruce Cline
Claire Abecia
Dan Mooney
Michael Butler
Nicholas Jackson
Shelby Cain

Advisory Planning Commission - Design Panel

Brett MacIntyre
Catherine Nickerson
Dennis Rogers
Jacqueline East
Russel Reynolds

Advisory Planning Commission - Land Use

Alexander Economou
Murray Crowther
Nicholas Gregory
Nicholas Jackson
Rory McAlpine
Sarah Taylor
Zahra Asgarizadeh Lamjiry

Heritage Commission

Bronwyn Taylor
Chris Hemeon
Christie Horsman
Eva Eaton
Pamela Madoff
Patricia Wilson
Roxanne Helme
Sharman Minus

Parks, Recreation and Culture Committee

Darryl Hooker
David Blacoe
Howard McElderry
Janice Davis
Joe Sheldrake
Julie Wallace
Karin Sweeney

Other Municipal Volunteer Bodies

Board of Variance

The Board of Variance differs from the District's Advisory Bodies in that it is a quasi-judicial body established under the provisions of the British Columbia Local Government Act with the authority to vary provisions of the Zoning Bylaw that do not change the permitted use or density.

Chris Gower
John Peck
Randall Romanin

Oak Bay Police Board

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

Bob Plecas
Christine Hall
Heather Cochran
Ian Robertson
Lawrence Lewis
Robert Richards



Related Organizations

Oak Bay Tourism Committee

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

Heritage Foundation

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



Municipal Services and Operations

Organizational Structure

(Current to December 31, 2025)



Corporate Administration

Corporate Administration provides executive leadership, governance and legislative support, human resource services, and strategic planning functions for the District. The department supports effective Council operations, legislative compliance, organizational performance, and transparent engagement with the community.

The department is led by the **Chief Administrative Officer (CAO)**, who serves as the administrative head of the Corporation. The CAO provides direction to all departments, implements Council policy, and acts as the principal advisor to Council on operational and strategic matters.

Corporate Administration is organized into five functional areas:

Council

Council represents the elected governing body of the District and is responsible for establishing municipal policy, adopting bylaws, approving the Financial Plan, and setting strategic direction for the organization. For budget purposes, Council expenditures — including remuneration, professional development, and governance-related costs — are presented within Corporate Administration, as the department provides the legislative, administrative, and governance support necessary for Council to fulfill its statutory role.

CAO (Executive Leadership)

Provides overall administrative leadership to the Corporation and ensures coordination across departments to deliver Council's strategic priorities and organizational objectives. The CAO represents the District's interest within regional and other intergovernmental forums and is responsible for building and maintaining relationships with local First Nations and community organizations.

Corporate Services

Led by the Director of Corporate Services, this division supports Council governance and public access to municipal records. It provides legislative services, coordinates council advisory committee and commission meetings and public hearings, administers local elections, maintain official records archives, and manages requests under the Freedom of Information and Protection of Privacy Act (FOIPPA).

Human Resources

Led by the Director of Human Resources, this division oversees workforce planning, recruitment, labour relations, occupational health and safety, disability management, training and development, and employee wellness. It supports a safe, engaged, and high-performing workforce aligned with the District's long-term service delivery needs.

Strategic Initiatives

Led by the Director of Strategic Initiatives, this division advances Council priority projects, major corporate initiatives, intergovernmental partnerships and Indigenous relations, and cross-departmental programs. The division supports long-range planning, community engagement initiatives, and implementation of Council's strategic priorities.



2025 Accomplishments

CAO (Executive Leadership)

- Advanced the development of a relationship agreement with local First Nations to support respectful engagement and ongoing collaboration.

Corporate Services

- The District developed and adopted a Corporate Accessibility Plan to identify barriers and guide improvements to accessibility across municipal services, facilities, and workplaces.
- Developed and supported efficiencies for council meeting planning, council agenda management and staff report processes across the organization.
- Developed and supported processes for public notifications in response to legislative changes to the *Local Government Act*.
- Continued incremental advancement of the District's Records Management Project by converting two business units' physical records to the LGMA classification and retention schedule.
- Responded to forty-nine Freedom of Information requests within legislative deadlines.
- Supported and attended all meetings of Council, including Public Hearings and Town Hall Sessions.
- Facilitated the development and delivery of the Corporate Annual Report for Council approval.
- Supported multiple Council Advisory Body recruitments cycles and the onboarding of new members.
- Archivist with the support of 7 volunteers provided over 500 volunteer hours to the district's archives.

Human Resources

- Developed a leadership development program for the District's management team to strengthen organizational capacity, consistency, and succession readiness.
- Engaged with staff to establish a set of shared workplace values to support a positive, accountable, and service-oriented organizational culture.
- Developed and implemented a graduated return-to-work program.
- Developed bi-annual orientation sessions for new staff to support onboarding, integration, and understanding of municipal operations and culture.
- Participated in ongoing collective bargaining with IAFF and CUPE to support fair, sustainable labour agreements and positive labour relations.
- Developed a structured staff performance feedback and review program to strengthen accountability, development, and organizational effectiveness.

Strategic Initiatives

- Extended lease for 1531 Hampshire Rd.
- Obtained geotechnical/seismic evaluation for Turkey Head (Spewhung Point).
- Obtained agreement with Songhees Events and Catering for use of Marina Restaurant.
- Concluded deer management research project.
- Supported Council's bi-annual review of priorities.
- Delivered Annual Community Questionnaire.
- Supported development of Relationship Agreement with Songhees (in progress).
- Sought external grant funding for Council Priority and Capital Plan projects.
- Developed Values for District operations.
- Delivered IAP2 engagement training sessions for Council and staff.
- Updated Communications and Engagement Framework.
- Completed website refresh (including new District Intranet).

2026 Planned Accomplishments

CAO (Executive Leadership)

- Continue progressing the relationship agreement with local First Nations toward completion.
- Organize and host a Long Service Recognition Awards event to acknowledge employee contributions and years of service to the District.
- Advance organizational development strategy with performance metrics.

Corporate Services

- Administer the 2026 General Local Election in compliance with legislative requirements, ensuring a fair, accessible, and well-managed voting process.
- Provide orientation for the incoming Council to support an effective transition and informed governance.
- Ongoing Records Management Project: Convert two business units physical records to the Local Government Management Association (LGMA) records classification and retention schedule.
- Advance amendments to the *Council Procedure Bylaw* and *Correspondence Management Policy* to address required changes as a result of the revisions to the *Local Government Act*.

Human Resources

- Deliver Indigenous relations training for staff to strengthen cultural awareness, respectful engagement, and alignment with reconciliation commitments.
- Provide leadership development training for managers and directors to support effective supervision, decision-making, and organizational capacity.
- Undertake a comprehensive review of HR policies to ensure alignment with legislation, best practices, and organizational priorities.
- Implement a performance planning and development process to support employee growth, accountability, and consistent feedback.
- Implement a Human Resources Plan for 2026–2029 to guide workforce planning, recruitment, retention, and organizational development.
- Conduct an exempt compensation review to benchmark employee compensation against comparable municipalities and ensure pay structures remain competitive, equitable, and aligned with labour market conditions.
- Develop and implement a Council Remuneration Policy and complete a Council remuneration review.
- Develop and implement recruitment software.

Strategic Initiatives

- Seek Expressions of Interest for Marina operator.
- Review Agreement with Songhees Events and Catering for Use of Marina Restaurant.
- Develop Communications and Engagement Guidelines and toolkit.
- Develop videos showcasing District services (for awareness and recruitment).
- Inventory District-Owned Lands.
- Support Council's mid-year review of priorities.
- Seek external grant funding for Council Priority and Capital Plan projects.

Administration – Statistics

Performance Measure	2023 Actual	2024 Actual	2025 Actual
Meetings of Council Supported	51	53	58
Public Hearings Supported	0	2	4
Town Halls supported	0	1	2
Meeting minutes posted	63	74	77
# FOIPPA requests	19	34	49
FOI requests within statutory deadlines	19	32	49
Bylaws reviewed	25	33	36
Special Events Permits Issued	24	22	27
Block Party Permits Issued	20	28	24
Total web pages viewed	2.9M	1.49M	1.5M
# Social Media posts	833	1,049	986
# Social Media followers	4,011	4,693	6,149
Volunteer Hours Contributed to Archives	100	489	505
District-wide Job Postings (including auxiliary and regular)	143	124	134
Archives Research Inquiries conducted	144	202	112
Archives Program (school programs, history talks, special events)	60 (2)	4	9
Archives Collections Acquired	15	9	10



986

social media posts



1.5 mil

web pages viewed



58

meetings of council supported



134

District-wide job postings

Facilities Management

In 2021, the District established a centralized facilities management function responsible for administrative buildings, residential facilities, and major facility project delivery. The centralized function includes the District-owned administrative buildings listed below:

- Municipal Hall
- 1538 Monterey Ave
- 1423 Hampshire Ave
- 1531 Hampshire Ave
- Tod House
- Oak Bay Marina lands

In 2026, the scope of the centralized facilities management function was extended to include recreation facilities. Facilities Management provides program support, repairs and maintenance, lifecycle capital planning, and project delivery for recreation facilities. Recreation facilities within scope include:

- Oak Bay Recreation Centre
- Monterey Recreation Centre
- Henderson Recreation Centre
- Windsor Park Recreation Centre
- Neighbourhood Learning Centre
- Carnarvon Park Recreation Centre (redevelopment underway)

2025 Accomplishments

- Improved the District's Asset Management Maturity level by completing a detailed facilities condition assessment on all Municipal Buildings, entering all data into an Asset Management database, and beginning lifecycle cost budgeting.
- In cooperation with Parks, Recreation, and Culture, commenced the detailed design of the Carnarvon Park Master Plan program, including the new main building and park amenities.
- In cooperation with the Police and Fire Departments, continued the work on the Public Safety Building Feasibility Study.
- In cooperation with Strategic Initiatives, completed a seismic and geotechnical analysis of the Turkey Head (Spewhung) parking lot area.
- Conducted an engineering study for the replacement of the Oak Bay Library HVAC unit that has reached the end of its operational life.
- Conducted an engineering study to determine the effectiveness of replacing the Municipal Hall gas boilers with an energy-efficient heat pump system.
- In partnership with BC Hydro, explored the opportunity to install a public DC Fast Charger within the District.
- Initiated a cross-department Asset Management Community of Practice to explore strategic and tactical initiatives to improve the District's asset management maturity.
- In cooperation with Planning – Climate Action, initiated a District-wide EV fleet infrastructure study.
- Renegotiated commercial waste and recycling collection contracts for administrative buildings, resulting in a 30% reduction in costs.
- Centralized washroom and janitorial supply contracts, resulting in approximately 50% cost savings.



2026 Planned Accomplishments

- Begin the transition to a single point of responsibility under a District-wide Facilities and Asset Management department. Operations, preventative maintenance, levels of service, and project management functions standardized. This will make reporting, financial management, and the Project Management Office more uniform for all 65 of the District's buildings and for the over 50 capital projects per year undertaken by the department.
- In partnership with Public Works, renovate the main office building to improve space utilization, energy efficiency, health and safety, and gender neutrality. This is part of asset management renewals to improve the Facilities' Condition Index.
- Renew Police station interior lighting to reduce energy usage
- Construct renovations for the Municipal Hall exterior public washrooms
- In partnership with the Regional District, add to the District's public EV charging capacity.
- In cooperation with Public Works and Engineering, begin a Business Analysis to identify regulatory requirements of the Public Works yard, for a future feasibility study.
- Partnering with Police and the Fire Department, install an Emergency Generator for fleet EV charging to reduce operational risks in converting the Public Safety fleet fully to electric vehicles.
- Complete the detailed design for Carnarvon Park to a tender-ready state.
- Renew old Police Station furniture and redesign increase the space capacity of the building without having to resort to costly renovations.
- Partner with the Parks Department to renew the Information Kiosk area in front of Municipal Hall.

Financial Services, Information Technology, and Asset Management

The Finance, Information Technology, and Asset Management functions operate under the leadership of the **Chief Financial Officer (CFO)**. Together, these areas safeguard the District's financial sustainability, technological infrastructure, and physical assets.

The CFO is responsible for the overall financial stewardship of the District, including long-term financial planning, fiscal policy implementation, and ensuring alignment with Council's strategic and infrastructure priorities.

The department is organized into three distinct functional areas:

Financial Services

Financial Services is responsible for the systems and processes that support the financial well-being of the district. The division provides financial advice and reporting to Council, staff, and the public, and coordinates expenditures through procurement and the annual budget process.

Core responsibilities include:

- Preparation of financial statements and financial reporting
- Property taxation and utility billing administration
- Accounts payable and accounts receivable
- Payroll administration
- Insurance and risk management. **Insurance and risk management budget transferred to Financial Services in 2026 to align oversight with corporate financial governance and risk administration.*
- Debt issuance and management
- Cash flow management to support the Five-Year Financial Plan
- Asset management planning to ensure long-term infrastructure sustainability
- Financial Services also delivers front counter financial services to the public and ensures that financial resources are available for long-term infrastructure replacement in accordance with Council direction.
- **In 2025, Parking operations budget has been reallocated from Financial Services to Building & Planning to align program oversight with operational responsibility*



Information Technology

The Information Technology division provides corporate-wide technology services to support secure, reliable, and modern service delivery.

Core responsibilities include:

- Network design and infrastructure management
- End-user training and technical support
- Network and cybersecurity oversight
- Software implementation and systems integration
- Business analysis and technology project support
- The division also manages and replaces a substantial inventory of IT hardware, including desktop computers, laptops, mobile devices, printers, servers, and telecommunications equipment.

Asset Management

Asset Management is responsible for the stewardship, maintenance, and lifecycle planning of the District's buildings and major assets. This includes administrative facilities, public safety facilities, and other municipal infrastructure.

The division supports long-term infrastructure planning, capital renewal programs, preventative maintenance, energy management initiatives, and compliance with regulatory requirements. Its mandate is to preserve asset value, manage lifecycle risk, and ensure facilities remain safe, functional, and aligned with service delivery needs.

2025 Accomplishments

Financial Services and Asset Management

- Completed Development Cost Charge and Amenity Cost Charge bylaw development, bylaws implemented for 2025.
- Completed Phase 1 Comprehensive Asset Management Plan, launched Phase 2.
- Completed transition to in-house procurement model, launched standards and legal review.
- Designed and onboard enhanced financial services, resources to support project delivery, investment and debt management along with asset management and long-term financial planning.
- Completed Council Debt Management Policy, commencing development of District financial strategy and advancing required borrowing bylaws.

Information Technology

- User Licensing audits and agreements reviewed.
- Executed network hardware upgrades and replacements with zero downtime, improving overall connectivity and performance.
- Implemented Mobile Device Management to control, secure and monitor mobile devices for policy enforcement, track devices, deploy apps, and protect sensitive information.
- Remediated Vadim cost structure to provide balanced operating and capital budgets for all departments, offering daily access to department variance results (refresh weekly).
- Launched IT Staff Advisory Committee to review District AI policy options, evaluate state of technology strategy and complete initial IT risk assessment.
- Review of the District's risks surrounding Information Technology (IT) and Cyber Security.

2026 Planned Accomplishments

Financial Services and Asset Management

- Phase 2 Comprehensive Asset Management Plan project including launch of Enterprise Asset Management System development.
- Remediate Capital Project Cost Management in Vadim, with GL remediation.
- Assess readiness for deferred budget software project.
- Complete role and responsibility review, develop procedures.
- Maintain long term infrastructure forecast.
- Complete development of cash management tool, with investment scenario planning model.
- Complete review of purchase card process.
- Complete development of automated and auditable approvals tracking tool for procurement compliance.
- Complete development of procedures and guidelines for procurement, contract management (change orders), risk management.
- Procurement support for capital project delivery.

Information Technology

- Develop a District Technology Strategy and IT Master Plan.
- Migrate to new hybrid IT resource model and resource project.
- Support Staff Advisory Committees continued work on District AI policy options and IT risk register maintenance.
- Advance technology investment evaluation criteria.
- Remediate and patch systems.

Financial Services – Statistics

Performance Measure	2024 Actual	2025 Actual
\$ Property Taxes Levied	\$61.7M	\$68.1M
# Taxable Folios	6,890	6875
# Home Owner Grants Claimed	4,360	4401
# Tax Deferment Applications	1,399	1352
# Cash Receipts/Bank Transactions	31,250	37,266
# T4s and T4As Issued	803	812
# Accounts Payable Invoices	12,500	10,980
\$ Investment Returns	\$TBD	\$TBD
Distinguished Budget Report	Awarded	Awarded
Canadian Award for Financial Reporting	Awarded	Awarded
Helpdesk Tickets	845	1,054
Network uptime	Hall: 99.98% Public Works: 100% OBRC: 100% NLC: 99.92% Henderson: 100% Windsor: 99.99% Tempest: 99.93%	Hall: 100% Public Works: 100% OBRC: 100% NLC: 100% Henderson: 100% Windsor: 100% Tempest: 100%

Police Services

The Oak Bay Police Department (OBPD) has served the residents of Oak Bay since 1906, contributing to Oak Bay's reputation as one of Canada's safest communities. The members of the OBPD are committed to partnerships with the wider community, leading to the sharing in the delivery of police services. The Department pledges to treat all people equally and with respect, and to uphold the Canadian Charter of Rights and Freedoms: to serve, protect, and work with the community and other agencies to prevent and resolve problems that affect community safety and quality of life.

2025 Accomplishments

- Established the Community Support Team, which includes a Community Officer, School and Youth Officer, General Investigative Services Sergeant and General Investigative Services Constable.
- Continued participation and support of the regional Greater Victoria Police Foundation Junior and Senior Police Camps significant.
- 44% decrease or reported residential break-ins.
- All operational female police officers attended the Women in Policing Leadership Conference.
- Over 95% of all uniformed Oak Bay Police Officers are now Bicycle Patrol Trained.
- “Project Sea Watch” was successfully launched to improve safety, education and connection with our Marine community members.
- Implemented a new, more efficient scheduling system to track training, leave and overtime.
- Increased available and ongoing leadership training and development opportunities to all members of our team.
- Delivered road safety education programs and initiatives including high-speed traffic enforcement and distracted driving and impaired driving campaigns throughout 2025.



2026 Planned Accomplishments

- Reintegrate Major Crimes Investigations, Records Services, and Mandatory Use of Force Training back into the Oak Bay Police Department to enhance service delivery and increase autonomy of the Oak Bay Police Department.
- Negotiate a new collective bargaining agreement.
- Implement a “Bait Bike” initiative as a focused strategy to deter and prevent bicycle theft in the community.
- Revitalize the community Block Watch Program and broaden volunteer opportunities to empower residents and strengthen neighborhood-based crime prevention efforts and support for crime prevention initiatives.
- Enhance proactive road safety and traffic enforcement campaigns, with an emphasis on curbing high-speed driving, distracted driving, and impaired driving that impact the safety of our community.
- Increase officer training using speed enforcement equipment to support efforts to prevent speed-related offenses and risk to community safety.
- Broaden community education sessions to cover relationship safety, child exploitation, cybercrime, online scams, and fraud prevention, helping residents and businesses prevent personal, digital, and financial crimes.
- Strengthening relationships with the business community to collaboratively address crime prevention, including CPTED evaluations, programs, and strategies to reduce thefts and frauds.
- Continue to support the connections with youth in our community by continuing to run the Oak Bay Teen Drop in Center at the Oak Bay High School on Tuesday and Thursday lunch hours throughout the school year and strengthen relationships within our school community.
- Continue to support ongoing leadership and professional development opportunities for all staff.

Police Services – Statistics

Offence	2023	2024	2025
Robbery	1	0	3
Assaults	31	24	34
Sexual Assaults	12	11	7
Utter Threats	15	15	13
Break and Enter – Business	11	5	2
Break and Enter – Residence	17	16	9

Police Services – Statistics Continued

Offence	2023	2024	2025
Break and Enter – Other	12	1	6
Theft of Motor Vehicle	7	8	8
Theft from Motor Vehicle	39	26	30
Theft of Bike	28	10	26
Theft Under \$5,000	61	57	81
Fraud	58	43	52
Mischief	119	152	113
Cause Disturbance	18	19	29
Counterfeit Currency	0	1	1
Trespass at Night	1	2	3
Breach/Bail Violations	16	12	17
Drug Possession	1	0	0
Impaired Drivers (CC and 90-day IRP)	10	8	8
Bylaw Infractions	206	158	174
Parking Violations	63	106	80
Collisions	94	106	82
Assist Public	632	740	634
Lost and Found	309	239	315
Suspicious Person	347	317	271
False Alarms	224	165	127
Liquor Offenses	29	11	11
Property Check Program	120	125	111
Violation Tickets/Warnings Issued	829	760	813

Police Metrics	2023	2024	2024
Pedestrian Injury Collisions	2	3	4
Total Injury Collisions	16	14	13
Total Number of Collisions	94	106	82
Number of Injured Cyclists	5	5	4



Fire and Emergency Services

The Oak Bay Fire Department was established in 1938, enacted by Bylaw 848. The Fire Hall is located at 1703 Monterey Avenue. At present, the Fire Department employs 31 career firefighters and two support personnel. Oak Bay Fire Department is a direct provider of fire, rescue and medical first responder emergency services along with non-emergency services to the following:

- Residents of the District of Oak Bay.
- Businesses and customers located within the District of Oak Bay.
- People attending and working at the University of Victoria.
- Residents of the panhandle area of the District of Saanich (automatic response area). Other municipal departments (e.g., Police, Public Works, Parks Department plus Administration).
- Mutual aid partners: Saanich Fire Department, Victoria Fire Department and Esquimalt Fire Department.

The Fire Department is staffed 24 hours, seven days a week with a minimum of five firefighters on duty. The Fire Chief is the Department Head and normally works Monday to Friday.

The Fire Prevention Division works a similar weekday shift. The Fire Department also provides the after-hours call answering services for Public Works and Parks emergencies such as: flooding from a broken water line, a serious sewer leak, or municipal trees fallen across a public road or path.





2025 Accomplishments

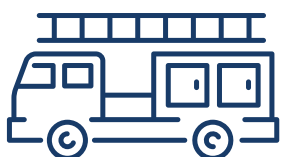
- Implemented incident Resource Allocation Plan (RAP) to support Right Sized response vehicle.
- Completed internal Succession Planning Expression of Interest.
- Replaced Fire Prevention vehicle with a Hybrid.
- Completed initial update of Fire Department and Emergency Program website.
- Completed Fire Station improvements for washrooms, offices and dorms to support a more accessible workplace.
- Co-Hosted Regional Emergency Preparedness Fair.
- Implemented new Emergency Management Planning Committee to support District EM.
- Updated Municipal Emergency Response Plan.
- Initiated multi-year emergency management/ Emergency Operations Center training plan.

2026 Planned Accomplishments

- Complete joint (multi-department) Fire Fighter Recruitment.
- Support completion of Public Safety Building Feasibility Study.
- Complete Fire Hall multi-purpose space to support Department and Municipal Operations Center and training classroom.
- Create secure structural firefighting training opportunity.
- Install turn-out gear extractor/cleaning equipment to reduce PPE life-cycle replacement and cleaning costs and out of service periods.
- Implement Medic right sized response vehicle.
- Repurpose Squad Unit to support site Rehab and Confined Space Operations.
- Develop firefighter education assistance program to support succession planning.
- Complete external fleet services contract to support new Engine, Ladder and after-hours emergency requirements.
- Complete community emergency preparedness survey.
- Continue multi-year EM/EOC training plan.

Fire and Emergency Services – Statistics

Performance Measure	2023	2024	2025
Response to Requests for Assistance <ul style="list-style-type: none"> • Fire and Other • Medical 	1382 579 803	1481 662 819	1520 631 889
Number of Reportable Fires to the Office of the Fire Commissioner	27	29	31
Fire related injuries - civilian	1	1	0
Fire related fatalities	0	0	0
Fire and Life Safety Inspections	672	672	672
University of Victoria <ul style="list-style-type: none"> • Response to Requests for Assistance 	74	84	67



1,520

response to requests
for assistance



31

reportable fires



672

fire and life safety
inspections



Community Building and Planning

The Community Building and Planning Services Department works with Council and the community to create long-range community plans and land use policies that support our economic, environmental, heritage, and social goals to ensure a safe, healthy, and sustainable lifestyle for the residents of Oak Bay. The department is also responsible for processing Development Applications and Building Permits, supporting applicants through the process. Bylaw Compliance, including Animal Control and Parking Enforcement, are also services provided by the department, educating the public about the expectations from District bylaws and policies.

The department undertakes the following functions and activities:

- Develops plans, policies and programs that support Council Priority Projects related to the Official Community Plan, Zoning Bylaw, and Building Bylaw.
- Manages and processes building permits and development applications including Board of Variance applications, Development Permits, Development Variance Permits, Heritage additions, Heritage Alteration Permits, Heritage Revitalization Agreements, Official Community Plan amendments, rezoning proposals, Uplands siting and design submissions, and subdivision proposals.
- Provides technical and administrative support to the Advisory Design Panel, Advisory Planning Commission, Board of Variance, and Heritage Commission.
- Reviews and issues business licenses for businesses operating within the District of Oak Bay.
- Provide Bylaw Compliance services, including oversight of contracted parking enforcement and animal control.



2025 Accomplishments

Implement the Housing Action Program Council Priority Projects:

- Implemented the Amenity Cost Charges and Development Cost Charges programs.
- Completed mandated Five-Year review of the Official Community Plan for 20 year housing need.
- Advanced Zoning Bylaw changes for 20 year housing need.
- Facilitated mandated Provincial Advisor review Housing Target Order progress.
- Revised Parking Bylaw requirements for multi-unit buildings.
- Established delegated staff approval for certain minor variances.
- Completed Part 1 of Optimize Development Processes project.
- Reported on Housing Target Order progress.
- Complete Phase 2 changes to the Infill Housing Program.

Climate Action Program implementation:

- Advanced Climate Action Plan (corporate).
- Facilitation of climate action initiatives.

Other Community Planning initiatives:

- Completed Allan Cassidy Design Awards – 2023.
- Reported back on Blasting Regulations amendments.
- Participate in CRD Climate Action Roundtable, CSPC Regional Household Affordability and Prosperity project; CRD Bowker Creek Initiative, CRD Development Planners Advisory Committee.
- Prepared other eApply options for Building Permit types.
- Advanced Home Based Business review in conjunction with OCP review.
- Developed miscellaneous bylaw and policy updates to address outdated regulation or in response to operational challenges.
 - Real Estate Offices Zoning Bylaw amendment
 - Advanced Short-Term Rental regulations
 - Completed changes and brochure for Heat Pump siting options

2026 Planned Accomplishments

Housing Action Program initiatives:

- Finalize and implement Official Community Plan changes.
- Provide Infill Housing Program update report.
- Provide options for Pre-Zoning to Implement Updated OCP.
- Start Part 2 of Optimization of Development Processes.
- Advance Planning to support (Pre)Zoning for Cedar Hill Corner.

Climate Action Program initiatives

- Start Community Climate Action Plan (community).
- Complete Corporate Climate Action Plan initiatives.
 - EV-Ready Fleet Plan
 - Strategic Energy Management Plan

Other Community Planning initiatives

- Complete and implement Blasting Regulations amendments.
- Complete and implement Short-Term Rental program.
- Prepare other eApply options for Building Permit and other permit types.
- Report back on options for staff delegated approvals for Permit types.
- Prepare revisions to the Home-Based Business program.
- On-boarding of new Parking Enforcement contractor.
- Update Development Applications Fees and Charges.
- Time-permitting, follow up on Council Resolution requests such as Derelict Properties Bylaw and Climate Grant and Rebate Program.

Community Building and Planning – Statistics

Permit Type	2023	2024	2025
Residential (existing buildings)	191	144	138
Permits for New Dwellings			
• 1 Family Residential - (New Dwelling Unit)			14
• Accessory Dwelling Unit			9
• Duplex - New Dwelling Units			3
• Triplex/Row House (New Dwelling Units)			4
• Fourplex/Row House(4 units)			5
• Multi Family Dwelling			10
• Secondary Suites	26	25	18
Commercial	14	10	8
Institutional	8	6	4
Accessory Buildings (non-residential)	21	13	12
Accessory Structures	3	5	5
Demolition	14	18	20
House Move	3	4	2
Plumbing	202	189	211
Irrigation	31	18	19
Wood Burning Appliances	3	1	0
Blasting	6	6	6
Signs	3	4	5
Renewal	21	12	4
Total	546	455	507

For updated information on the Housing Supply Act Targets and progress reporting, please visit

www.oakbay.ca/municipal-services/planning/housing-supply-act-targets

Development Applications	2023	2024	2025
Board of Variance	4	4	2
Covenant Amendment	3	3	1
Development Permit	8	6	11
Development Variance Permit	19	15	13
Heritage Addition	2	0	0
Heritage Alteration Permit	6	1	2
Heritage Revitalization Agreement	4	2	1
OCP Amendment	1	3	2
Uplands Siting and Design	12	14	18
Subdivision	1	6	10
Zoning	6	8	10
Total	66	62	70

Bylaw Compliance	2023	2024	2025
Bylaw Complaints Investigated	336	269	205
MTI Tickets issued	45	67	12
• Animal Control	23	53	9
• Property Violations	7	8	2
• Tree Protection	6	5	1
• Fire Prevention	9	0	0
Parking Enforcement – tickets	2573	1536	2166

Engineering Services and Public Works

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

- Planning and design of infrastructure renewals and replacements.
- Monitoring infrastructure asset management through asset data collection, analysis, planning, and prioritization.
- Scoping, planning, prioritizing, and leading the delivery of capital renewals and capital projects.
- Coordinating construction projects to install, rehabilitate, or renew underground utilities: storm drains, sanitary sewers, and water mains.
- Completing construction projects to resurface or replace sidewalks and roads.
- Implementing construction projects that deliver safer streets for all road users.
- Providing daily operations and maintenance of infrastructure such as sewers, roads, sidewalks, water distribution, traffic control, and street lighting.
- Maintenance and upkeep of the municipal fleet.
- Curbside solid waste and organics collection.



2025 Accomplishments

Capital Project Delivery Improvements

- Developed a project close-out template to log lessons learned, and disseminate Capital Project considerations to all Project Delivery staff.
- Managed Delivery of Planned Capital Projects, through project initiation, planning, procurement, design and construction. Continue to work closely with District's teams (Public Works, Planning, etc.), consultants and contractors to manage design reviews, schedule and budget. Completion of MMCD front end, and supplemental General Conditions.
- Development of Capital Project Delivery Procedures (Project Tracking, Change Order documentation and approvals, formalized key Consultant and Contractor communication templates).

Maintenance Planning and Management:

- Developed operational protocols to support work planning, and coordination with professional archaeologists to reduce regulatory risks and limit delays to emergency/urgent maintenance, within or near registered archaeological sites.
- Created an operational guideline for valve maintenance to improve planning and replacement of aging valves in the water system.
- Enhanced maintenance plan for water quality.
- Enhanced preventative maintenance procedures for pump stations to assess performance and to maintain service.
- Developed an internal web-based infrastructure needs database that will improve coordination of maintenance work planning and capital delivery project planning, as well as service call requests relating to municipal infrastructure.

2026 Planned Accomplishments

- Deliver Capital Projects included in the 2026-2030 Capital Works Plan.
- Document and maintain Project Charters for all major Capital Projects.
- Provide District's Owner-led Project Delivery Leadership and Inspections.

Annual Utility Maintenance and Capital Renewal Programs, focus areas for 2026 include:

- Focus on spot repairs in the storm sewer network following severe rainfall events in winter 2025.
- Produce an Annual Report for the water distribution system.
- Procure updated fleet management software to enable better scheduling/prioritization of key maintenance tasks.
- Establish base levels of service for core utilities to guide prioritization and deferred maintenance decisions.
- Work with finance to establish key asset management decision criteria, (lifecycle cost analysis, total cost of ownership, etc.) to guide risk informed prioritization of major maintenance and capital renewals.

Development Servicing:

- Review plans for new developments, subdivisions, and land use changes to ensure they comply with engineering specifications and bylaws.
- Review Engineering Services capacity and standards to meet community needs as per the OCP.
- Support a development review process initiated by the Planning Department to reduce administrative time and approval times for development applications.
- Support the corporate asset management strategy with the Finance Department.
- Support the Communications Department to improve communication and coordination of capital project delivery and operations.

GIS and Records management:

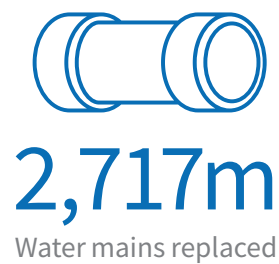
- Commence implementation of the GIS needs assessment.
- Modernize GIS tools and procedures, to support increased Capital renewals, and documentation of conditions.



Engineering Services and Public Works – Statistics

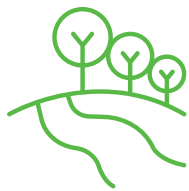
Performance Measure	2024	2025	2026 Forecast
Water Mains Replaced	688m	2,717m	1,500m
Storm Mains Installed	1700m	1900m	*500m
Storm Mains Replaced (conventional)	136m	1,030m	*500m
Sanitary Sewer Main Replaced	0m	430m	634m
New Fire Hydrants	3	18	8
Catch Basins Replaced	29	72	*36
Road Rehabilitation Completed	2,922m ²	4,550m ²	39,000m ²
Sidewalk Replaced	4170m	750m	1,350m
Curb Drops Installed	18		52

*Note: 2026 Stormwater asset forecasts may increase based on stormwater modelling and capacity review currently in progress



Parks, Recreation and Culture

The Oak Bay Parks, Recreation, and Culture (PRC) department facilitates opportunities for individuals to connect with others, pursue health and wellness goals, and enjoy parks and natural spaces. The PRC team manages programs and services at five recreation facilities including Oak Bay Recreation Centre, Henderson Recreation Centre, Neighbourhood Learning Centre, Monterey Recreation Centre, and Windsor Park Pavilion, and 29 park spaces consisting of a wide range of amenities. The Parks team maintains playing fields, beaches, trails, playgrounds, gardens, sensitive natural areas, and a golf course, in addition to boulevards, 10,000+ trees, and approximately 300 benches and picnic tables. Meanwhile, the Recreation and Culture team supports a diverse collection of community programs, camps, lessons and special events including concerts, studio tours, the Arts Alive Annual Sculpture program, and more.



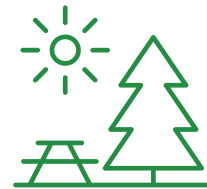
71

Hectares of park spaces, which include playing fields, natural areas, lawns and gardens and the Henderson Par 3 Golf Course



27km

of public irrigated boulevards and beach accesses



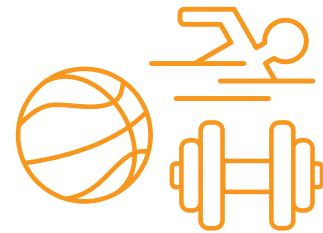
348

Benches and picnic tables



11

Playgrounds



1.1 mil

visits to recreation facilities

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



2025 Accomplishments

- Engaged the community to inform the designs of new amenities for Carnarvon Park.
- Hosted a community celebration to mark the 50th Anniversary of Oak Bay Recreation Centre.
- Installation of field lighting enhancements at Windsor Park.
- Engaged the community and completed the design for a new playground at Quimper Park.
- Completion of the boardwalk and trail enhancement at Uplands Park.
- Implemented Year 4 of the CoolKit Program, and hosted/supported tree planting initiatives with community members.
- Supported Victoria Hockey League Society's 'Century Celebration' of the Victoria Cougars winning the Stanley Cup in 1925.
- Completion of Island Health Safety and Resiliency grant to improve staff resilience, mental wellbeing and confidence, and improve accessibility of recreation for community members affected by the toxic drug crisis and mental health issues.
- Installed information plaques to accompany the Staqeya sculpture at Cattle Point.
- Hosted the 9th Arts Alive Outdoor Sculpture Exhibition.
- Completed facility upgrades at the Monterey Recreation Centre, including a new reception area.
- Completed an organizational review and restructure of the Facilities Maintenance group to better support the needs of existing facilities, and future demands.
- Completed an assessment of the roles and procedures relating to the support and management of special events hosted by external parties on public property, to inform future planning for service improvements and operational efficiencies.
- Transitioned relationship with Friends of Monterey Society to take on all program and operational responsibilities and allow society to focus on volunteer recruitment, fundraising and program advisory services.

2026 Planned Accomplishments

- Implementation of process improvements to support the planning and management of safe and enjoyable special events on District property.
- Initiation of a Parks Master Plan, including public consultation and technical analysis, to identify strategic priorities relating to parks and open spaces.
- Continuation of signage improvement programs for parks and recreation spaces.
- Assessment of the condition of trees on municipal property and development of a database to inform long-term planning.
- Coordination with regional recreation providers to manage potential service impacts associated with changes to major recreation facilities in neighbouring jurisdictions.
- Hosting the 10th Annual Arts Alive Exhibition.
- Collaboration with local First Nations to commission Indigenous artwork for municipal hall.
- Introduction of a new user code of conduct policy to support inclusive, welcoming and safe facilities, programs and services.
- Participation on internal teams to advance District objectives relating to asset management, new or updating policies, process improvements, infrastructure projects, long-term plans, and other corporate priorities.

Parks, Recreation and Culture – Statistics

Performance Measure	2024	2025
Total recreation visits	1,021,581	1,100,265
Arena utilization	62%	74%
Indoor Sport Field utilization	47%	59%
Number of swim lesson participants	4,525	5,022
Number of fitness visits	258,415	285,411
Rounds of golf	32,164	32,336
Number of racquet sport lessons	4,572	4,444
Licensed care visits	35,600	35,620
Approximate number of volunteer hours in parks	3,696	4,131
Trees planted on public property	216	149
Trees removed from public property	93	60



Culture – Public Art

Oak Bay allocates a total of \$20,000 annually to the Public Art Fund. Ten percent (10%) of the annual contribution (\$2,000) is committed to maintaining existing works; the balance (\$18,000) is used to purchase, plan, design, and fabricate/install new public art. To date, the District of Oak Bay has retained the following pieces of art for permanent display:



Sculpture & Artist	Location	Date Installed	Cost	Source of Funding
“Salish Sea” by Chris Paul	Oak Bay Marina Parking Lot/ Turkey Head	May 2015	\$23,600	\$9,700 - public donations \$4,600 - Arts and Culture Operating Budget surplus; \$9,300 - Oak Bay Public Art Fund
“Rebirth” by David Hunwick	Entrance Park - corner of Foul Bay Rd. and Oak Bay Ave.	May 2016	\$17,250	\$10,000 - Province of BC Grant; \$7,250 - Oak Bay Public Art Fund
“Sleeping Giants” by Nathan Scott and Fred Dobbs	Oak Bay Municipal Hall (front lawn)	May 2017	\$16,585	2016 People’s Choice Winner: \$16,585 - Oak Bay Public Art Fund
“The Hunt” by Ken Hall	Queens' Park on Beach Drive	January 2018	\$25,000	\$10,000 - Province of BC Grant; \$15,000 - public Donations
“Bodhi Frog” by Doug Taylor	Willows Beach Esplanade at Estevan Ave.	January 2018	\$11,000	\$11,000 - private donation
“Lunar Transitions” by Fred Dobbs	Garden at Monterey Rec. Centre and Oak Bay Public Library	May 2018	\$21,060	2017 People’s Choice Winner; \$21,060 - Oak Bay Public Art Fund
“M’akhotso (Mother of Peace)” by Linda Lindsay	Monterey Rec. Centre-Monterey Ave.	May 2018	\$18,000	Mayors' Arts Legacy Fund
“Gardener's Gown” by Bev Petow	Scented Garden at Windsor Park	May 2019	\$8,000	\$8,000 - private donation
“Salmon Cycle” by Trinita Waller	Bowker Creek Walkway near Monterey Ave.	June 2019	\$20,160	2018 People’s Choice Winner; \$20,160 - Oak Bay Public Art Fund
“Harmony Humpbacks” by Daniel Cline	Willows Park entrance	August 2020	\$20,160	2019 People’s Choice Winner; \$20,160 - Oak Bay Public Art Fund
“Winds of Time” by Linda Lindsay	King George Terrace lookout above Trafalgar Park	March 2021	\$21,280	\$21,280 - private donation
“Jelly” by Nathan Smith	2527 Estevan Avenue	June 2022	\$15,000	\$15,000 - private donation
“Portal” by Heather Passmore	Esplanade, north end near Cattle Point stairwell	June 2022	\$5,000	\$5,000 - private donation
“stqéya” by Kent Laforme	Esplanade, north end near Cattle Point stairwell	October 2023	\$140,000	\$140,000 - private donation
“Together” by Neeraj Gupta	Windsor Pavillion Behind the Rose Garden	May 2024	\$15,000	\$15,000 - private donation
“Copper Finch” by Erick James	Henderson Recreation Centre	May 2025	\$5,000	Oak Bay Public Art Fund
“Japanese Maple Tree” by Tony Hermanutz	Henderson Road at Cedar Hill X Road	Not yet installed	Not yet appraised	Private Donation

Financial Report

For the year ended December 31, 2025



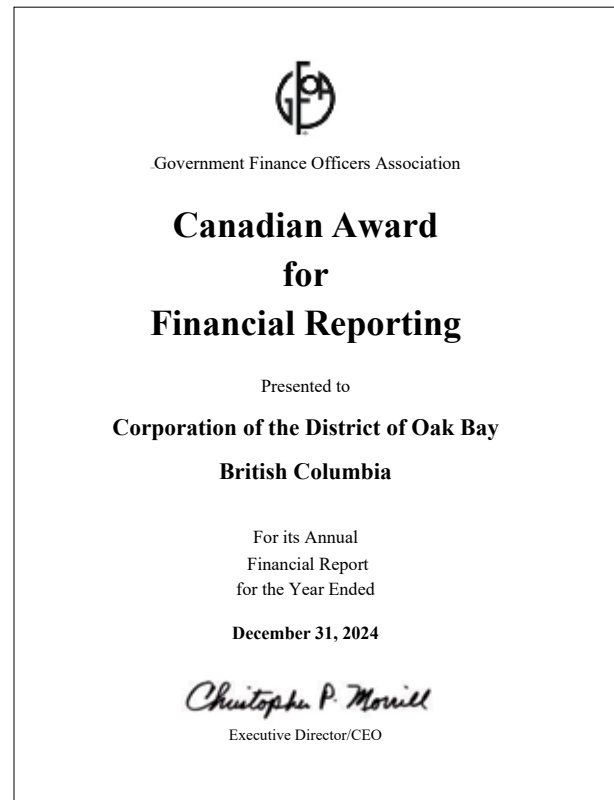
Canadian Award for Financial Reporting

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the Corporation of the District of Oak Bay for its annual financial report for the fiscal year ended December 31, 2024.

The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government organization must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we will be submitting this Annual Report to GFOA to determine its eligibility for another award.





Message from the Chief Financial Officer

I am pleased to present the Corporation of the District of Oak Bay Statement of Financial Information (SOFI) for the year ended December 31, 2025. This statement includes the audited financial statements along with other legislated disclosures.

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

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

KPMG LLP has expressed that, in their opinion, the financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2025, and its results of operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

The District provides a wide range of services including parks and recreation, fire protection, policing, bylaw enforcement, water and sewer utilities, stormwater management, solid waste services, and development services.

The District to relies on regional partners, including the Capital Regional District, for bulk water supply and wastewater treatment services, with these shared services reflected in the financial results.



Financial Highlights

Financial Management Policies (2025 Updated)

Table 1 summarizes financial results for 2025 compared to 2024.

Total revenue increased by \$8.6 million (13%), driven by taxation revenue, user fees, and government transfers consistent with the Council approved plans and bylaws. The increased revenue relates directly to increased capital investment and municipal operational costs; with some higher than planned recreation patronage. Taxation revenue increased by \$4.5 million (12%), while sales and services increased by \$3.2 million (17%) due to higher recreation activity, utility demand and increased transfers to capital reserve. Government transfers increased by \$1.8 million (35%) due to grant funding related to the Uplands Sewer Separation Project and Investment income decreased by \$1.0 million (29%) due to lower prevailing market returns.

Total expenses increased by \$4.9 million (9%), driven by salary and wage increases, higher materials and service costs, and increased amortization from continued capital investment.

The District recorded an annual surplus of \$15.2 million in 2025, an increase of \$3.7 million (32%) over 2024. It is important to note that under Canadian public sector accounting standards, an annual surplus does not represent unrestricted cash available for spending. Most of the District’s accumulated surplus reflects investment in tangible capital assets such as roads, water and sewer infrastructure, parks, facilities, and equipment, as well as reserve funds dedicated for future infrastructure replacement and other long-term obligations. At December 31, 2025, \$122.7 million (68%) of accumulated surplus related to tangible capital assets and \$45.9 million was held in reserve funds.

Table 1: Statement of Operations and Accumulated Surplus (Summary) – \$ millions

	2025	2024	\$ Change	% Change
Revenue	76.4	67.8	8.6	12.70%
Expenses	61.2	56.3	4.9	8.70%
Annual Surplus	15.2	11.6	3.6	31.60%
Accumulated Surplus beginning	164.0	152.8	11.2	7.30%
Accumulated Surplus end	179.2	164.0	15.2	9.30%

Statement of Financial Position

Table 2 summarizes the District’s financial position as at December 31, 2025 compared to 2024.

Accumulated surplus increased to \$179.2 million. While accumulated surplus increased during the year, this increase primarily reflects continued capital investment and infrastructure renewal rather than growth in unrestricted financial resources. The District used financial assets during 2025 to fund capital construction and asset replacement projects, which increased the recorded value of tangible capital assets on the Statement of Financial Position. This distinction between accounting surplus and available cash resources is an important feature of public sector financial reporting and supports long-term asset management and protects intergenerational equity.

Financial assets decreased by \$5.4 million (6%), mainly due to lower cash and investment

balances, partially offset by higher receivables due to timing differences.

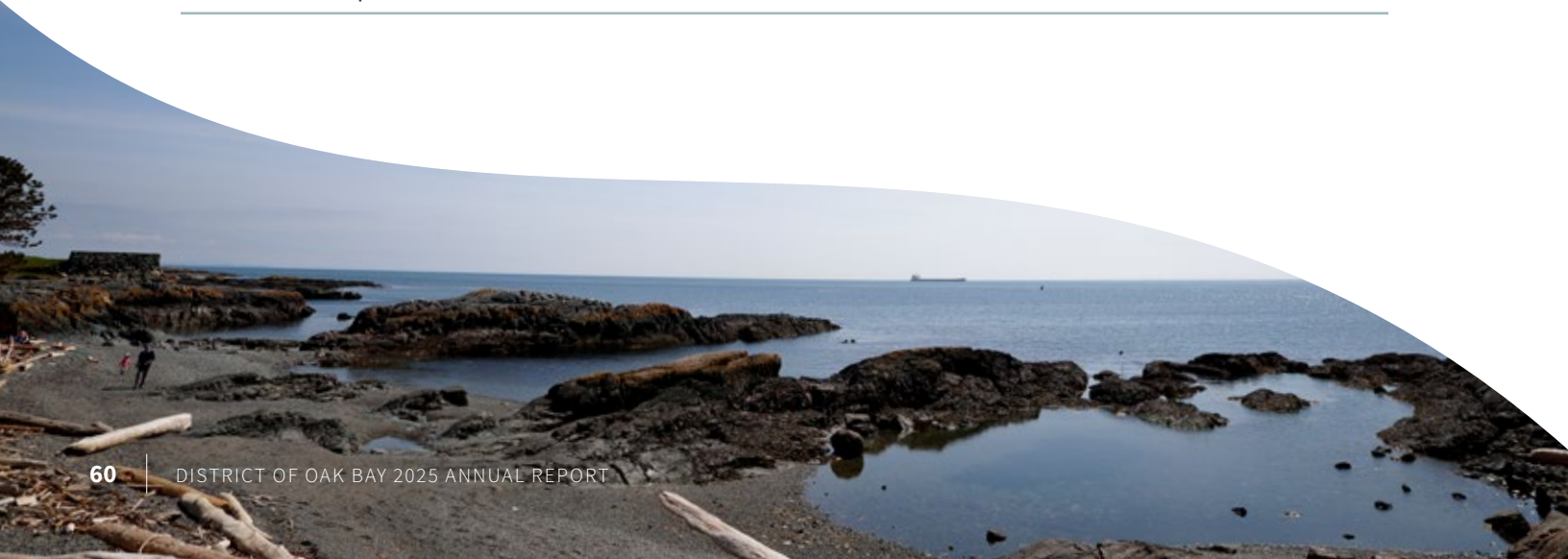
Financial liabilities increased by \$1.8 million (7%) due to increases in deferred revenue and accounts payable. In 2025, the District commenced collection of Development and Amenity Cost Charges on development activity in the District as part of the Districts long-term asset management strategy. These charges represent developer funded contributions restricted to fund future growth-related infrastructure.

Non-Financial Assets consist of Tangible Capital Assets, Inventories and Prepaid Expenses. In 2025, investment in infrastructure totaled \$22.1 million (22%), reflecting an expanded renewal program across transportation, water, sewer, and community facilities.

Net financial assets decreased by \$7.1 million (11%), reflecting planned use of financial resources for capital investment.

Table 2: Statement of Financial Position (Summary) – \$ millions

	2025	2024	\$ Change	% Change
Financial Assets	81.3	86.7	(5.4)	(6.20%)
Financial Liabilities	25.9	24.2	1.7	7.00%
Net Financial Assets	55.4	62.5	(7.1)	(11.40%)
Non-Financial Assets	123.8	101.4	22.4	22.10%
Accumulated Surplus	179.2	164	15.2	9.30%



Parks, Recreation and Culture (PRC)

Parks, Recreation and Culture (PRC) continued to experience strong participation growth in 2025, with increased program enrollment and facility usage contributing to higher fee revenues.

However, operating costs continue to increase at a faster rate than revenues, driven by wage pressures, increased program delivery, and higher facility operating costs. As a result, PRC continues to operate with a structural net operating deficit when compared to a target % fee recovery.

The District is undertaking service and pricing reviews to improve long-term cost recovery while maintaining accessibility and service levels valued by the community.

Capital Investment and Asset Management

The District continues to prioritize long-term asset sustainability through significant capital investment.

Key 2025 projects included road rehabilitation, streetlight replacement, park and playground upgrades, and major water, sewer, and stormwater system improvements. These investments support infrastructure renewal and long-term service reliability.

Financial Management Policies (2025 Updated)

The District's financial management framework in 2025 continues to be guided by established corporate policies that support prudent financial stewardship, long-term infrastructure planning, and sustainable service delivery. In 2025, Council approved a new Debt Management Policy and Long-term Borrowing Guidelines introducing these into the District's suite of financial management policies.

The most significant new policy direction in 2025 relates to long-term land use and community planning:

- 2025 Official Community Plan (OCP) – The most significant policy update in 2025, establishing renewed long-term direction for land use, housing, transportation, environmental sustainability, and community form. The updated OCP introduces expanded housing diversity, opportunities for gentle density in appropriate areas, and alignment with provincial housing legislation and housing supply objectives.
- Zoning Bylaw Amendments (OCP Implementation) – Updated zoning regulations were advanced in 2025 to implement the direction of the new OCP, including revised housing permissions, density provisions, and development standards.

These planning updates provide the primary policy shift in 2025, along with the District's disciplined approach to adding borrowing policies and guidelines. These policies may be viewed at the District of Oak Bay Municipal website.

The District's 2025 financial results reflect strong fiscal performance, with District infrastructure investment reaching new levels, and continuous improvement in disciplined financial management. The organization remains focused on long-term sustainability, responsible growth, and maintaining transparency and accountability in the stewardship of public funds.



Rianna Lachance, CPA, CA
Director of Financial Services and Asset Management



Oak Bay

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www.itsabouttime.ca

District of Oak Bay

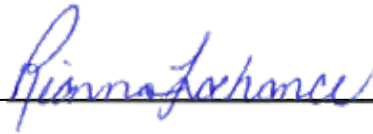
Statement of Financial Information

For the year ended December 31, 2025
(Financial Information Act)

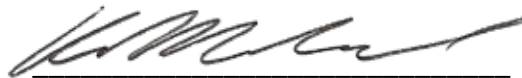
Statement of Financial Information Approval

For the year ended December 31, 2024

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



Rianna Lachance, CPA, CA
Director of Financial Services
May 11, 2026



Mayor Kevin Murdoch
May 11, 2026

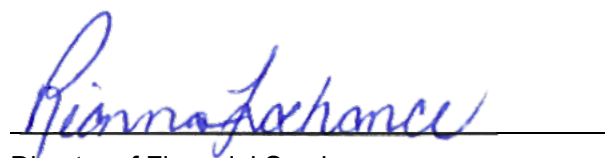
Management's Responsibility for the Financial Statements

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

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

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

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



Director of Financial Services



KPMG LLP

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800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone 250 480 3500
Fax 250 480 3539

Independent Auditor's Report

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

Opinion

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

- the statement of financial position as at December 31, 2025
- the statement of operations and accumulated surplus for the year then ended.
- the statement of changes in net financial assets for the year then ended.
- the statement of cash flows for the year then ended.
- and notes to the financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2025 and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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



Other information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in the Statement of Financial Information document.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the Statement of Financial Information document as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

We also:

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

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

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

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Victoria, Canada

May 11, 2026

Statement of Financial Position

THE CORPORATION OF THE DISTRICT OF OAK BAY

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Financial assets:		
Cash and cash equivalents	\$ 28,125,155	\$ 22,568,318
Investments (note 2)	45,644,854	59,824,984
Taxes receivable	844,009	564,897
Other accounts receivable	6,718,850	3,749,372
	<u>81,332,868</u>	<u>86,707,571</u>
Financial liabilities:		
Accounts payable and accrued liabilities	10,855,636	10,419,606
Asset retirement obligation (note 3)	1,082,033	1,041,581
Deposits	4,393,219	4,104,467
Prepaid property taxes	2,855,651	2,353,099
Deferred revenue (note 4)	5,068,934	4,534,312
Employee future benefit obligations (note 5)	1,679,100	1,717,500
	<u>25,934,573</u>	<u>24,170,565</u>
Net financial assets	55,398,295	62,537,006
Non-financial assets:		
Tangible capital assets (note 6)	122,729,892	100,656,674
Inventory of supplies	677,513	580,800
Prepaid expenses	400,029	199,390
	<u>123,807,434</u>	<u>101,436,864</u>
Accumulated surplus (note 7)	\$ 179,205,729	\$ 163,973,870

Commitments and contingencies (note 10)

Contractual rights (note 11)

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

On Behalf of the District:


 Director of Financial Services

Statement of Operations and Accumulated Surplus

THE CORPORATION OF THE DISTRICT OF OAK BAY

Year ended December 31, 2025, with comparative information for 2024

	Financial plan (note 13)	2025	2024
Revenue:			
Taxation, net (note 8)	\$ 43,522,824	\$ 43,267,886	\$ 38,747,386
Sales and services	8,752,554	9,737,478	8,805,552
Other revenues	1,870,080	1,828,505	1,779,114
Government transfers (note 9)	7,603,866	6,878,222	5,088,784
Investment income	2,250,000	2,490,507	3,484,052
Water and sewer fees and charges	11,267,932	12,191,260	9,924,538
Total revenue	75,267,256	76,393,858	67,829,426
Expenses:			
General government	9,021,608	9,097,146	8,122,984
Protective services	18,864,147	16,898,449	15,011,294
Transportation services	6,312,295	5,309,969	5,574,900
Environmental health	2,203,931	2,163,335	1,933,414
Recreational services	17,566,988	17,942,461	16,577,274
Water utility	4,935,742	5,315,214	4,791,074
Sewer collection system	4,459,702	4,435,425	4,253,864
Total expenses	63,364,413	61,161,999	56,264,804
Annual surplus	11,902,843	15,231,859	11,564,622
Accumulated surplus, beginning of year	163,973,870	163,973,870	152,783,618
Adoption of revenue standard in 2024	–	–	(374,370)
Accumulated surplus, end of year	\$ 175,876,713	\$ 179,205,729	\$ 163,973,870

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

Statement of Changes in Net Financial Assets

THE CORPORATION OF THE DISTRICT OF OAK BAY

Year ended December 31, 2025, with comparative information for 2024

	Financial plan (note 13)	2025	2024
Annual surplus	\$ 11,902,843	\$ 15,231,859	\$ 11,564,622
Acquisition of capital assets	(56,942,157)	(26,005,862)	(16,753,590)
Amortization of capital assets	3,210,600	3,780,070	3,369,976
Loss on disposal of tangible capital assets	–	152,574	16,064
	(53,731,557)	(22,073,218)	(13,367,550)
Change in inventory of supplies	–	(96,713)	37,413
Change in prepaid expenses	–	(200,639)	277,209
	–	(297,352)	314,622
Change in net financial assets	(41,828,714)	(7,138,711)	(1,488,306)
Net financial assets, beginning of year	62,537,006	62,537,006	64,399,682
Adoption of revenue standard in 2024	–	–	(374,370)
Net financial assets, end of year	\$ 20,708,292	\$ 55,398,295	\$ 62,537,006

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

Statement of Cash Flows

THE CORPORATION OF THE DISTRICT OF OAK BAY

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 15,231,859	\$ 11,564,622
Items not involving cash:		
Amortization of tangible capital assets	3,780,070	3,369,976
Loss on disposal of tangible capital assets	152,574	16,064
Accretion expense on asset retirement obligations	40,452	40,061
Changes in non-cash operating assets and liabilities:		
Taxes receivable	(279,112)	465,731
Other accounts receivable	(2,969,478)	1,083,064
Accounts payable and accrued liabilities	436,030	(467,084)
Deposits	288,752	(989,725)
Prepaid property taxes	502,552	(25,614)
Deferred revenue	534,622	659,821
Employee future benefit obligations	(38,400)	167,300
Inventory of supplies	(96,713)	37,413
Prepaid expenses	(200,639)	277,209
	17,382,569	16,198,838
Capital activities:		
Acquisition of tangible capital assets	(26,005,862)	(16,753,590)
Investing activities:		
Net changes in investments	14,180,130	13,882,490
Increase in cash and cash equivalents	5,556,837	13,327,738
Cash and cash equivalents, beginning of year	22,568,318	9,240,580
Cash and cash equivalents, end of year	\$ 28,125,155	\$ 22,568,318

See accompanying notes to financial statements.

Notes to Financial Statements

THE CORPORATION OF THE DISTRICT OF OAK BAY

Year ended December 31, 2025

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

1. Significant accounting policies:

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

(a) Reporting entity:

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

(i) Consolidated entities:

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

(ii) Funds held in trust:

The financial statements exclude trust assets that are administered for the benefit of external parties (note 12).

(b) Basis of accounting:

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

(c) Cash and cash equivalents:

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

(d) Investments:

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

1. Significant accounting policies (continued):

(e) Government transfers:

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

(f) Revenue:

Revenues from transactions with performance obligations such as sales and services revenue, other revenues, water and sewer fees and charges, are recognized when the District satisfies the performance obligations.

Revenues from transactions without performance obligations are recognized at realizable value when the District has the right to claim or retain an inflow of economic resources received or receivable and there is a past transaction or event that gives rise to the economic resources.

(g) Deferred revenue:

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

(h) Property tax revenue:

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

(i) 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 certain deferred revenue is added to the investment and forms part of the deferred revenue balance. Investment income is allocated to various reserves and operating funds on a proportionate basis.

(j) Long-term debt:

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

1. Significant accounting policies (continued):

(k) Employee future benefits:

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

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

(l) 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.

(i) Tangible capital assets:

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

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

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

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

(ii) Contributions of tangible capital assets:

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

1. Significant accounting policies (continued):

(l) Non-financial assets (continued):

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

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

(iv) Interest capitalization:

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

(v) Leased tangible capital assets:

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

(vi) Inventories of supplies:

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

(m) Liability for contaminated sites:

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

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

(n) Asset retirement obligations:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- (i) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (ii) the past transaction or event giving rise to the liability has occurred;
- (iii) it is expected that future economic benefits will be given up; and
- (iv) reasonable estimate of the amount can be made.

1. Significant accounting policies (continued):

(n) Asset retirement obligations (continued):

A liability for the removal of asbestos in several of the buildings owned by the District has been recognized based on estimated future remediation expenses. Assumptions used in the subsequent calculations are revised yearly.

The liability is discounted using a present value calculation and adjusted yearly for accretion expense. The recognition of a liability resulted in an accompanying increase in the respective tangible capital assets. The increase in building assets is being amortized in accordance with the amortization policies outlined in note 1(l).

(o) Financial instruments:

The District's financial instruments include cash and cash equivalents, investments, other accounts receivable, taxes receivable, accounts payable, and accrued liabilities.

Financial instruments are recorded at fair value on initial recognition. Equity instruments quoted in an active market and derivatives are subsequently measured at fair value as at the reporting date. All other financial instruments are subsequently recorded at cost or amortized cost unless the District elects to carry the financial instrument at fair value. The District has not elected to carry any other financial instruments at fair value.

Unrealized changes in fair value are recognized in the Statement of Remeasurement Gains and Losses. They are recorded in the Statement of Operations when they are realized. There are no unrealized changes in fair value in the years presented; as a result, the District does not have a Statement of Remeasurement Gains and Losses.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the Statement of Operations.

Transaction costs incurred on the acquisition of financial instruments subsequently measured at fair value are expensed as incurred. Transaction costs incurred on the acquisition of financial instruments recorded at cost are included in the cost and amortized using the effective interest rate method.

1. Significant accounting policies (continued):

(p) Use of estimates:

The preparation of financial statements 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. Estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets, estimating provisions for accrued liabilities, estimating amounts to settle asset retirement obligations and in performing actuarial valuations of employee future benefits. Actual results could differ from these estimates.

2. Investments:

	2025	2024
MFA Money Market Fund	\$ 13,749,482	\$ 13,365,332
MFA Short Term Bond Fund	9,805,368	9,494,970
MFA Government Focused Ultra Short Bond Fund	5,505,466	5,358,098
MFA Mortgage Fund	5,726,339	5,527,176
MFA Fossil Fuel Free Short Term Bond Fund	10,334,078	10,023,022
Term deposits	–	15,556,076
Bonds	524,121	500,310
	<u>\$ 45,644,854</u>	<u>\$ 59,824,984</u>

The fair value of the Funds approximates the recorded value. Investments include \$9,459 (2024 - \$456,573) in accrued interest receivable.

3. Asset retirement obligation:

The District owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it.

	2025	2024
Balance, beginning of year	\$ 1,041,581	\$ 1,001,520
Accretion expense	40,452	40,061
Balance, end of year	<u>\$ 1,082,033</u>	<u>\$ 1,041,581</u>

4. Deferred revenue:

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

	2025	2024
Unearned revenues	\$ 4,051,051	\$ 3,938,639
Restricted grants	627,110	595,673
Amenity cost charges	139,669	-
Development cost charges	251,104	-
	\$ 5,068,934	\$ 4,534,312

(a) Unearned revenues:

Unearned Revenue consists of amounts received prior to year-end for which the related services have not been provided. These amounts are recognized as revenue in the period in which the related services are provided or eligible expenditures are incurred. These include:

	2025	2024
Recreation programs	\$ 1,544,635	\$ 1,496,017
Recreation facility rentals and memberships	697,796	655,429
Recreation gift certificates and prepaids	71,226	66,993
Permits and licenses	866,032	530,180
Utility prepayments	677,115	267,288
General and other deferred revenue	194,247	922,732
	\$ 4,051,051	\$ 3,938,639

(b) Restricted grants:

Restricted grants represent funding received from other levels of government and organizations that are externally restricted for specific purposes. Revenue is recognized as eligible expenditures are incurred. Restricted grants and community amenities are comprised of:

	2025	2024
Restricted grants	\$ 594,110	\$ 562,673
Community amenity	33,000	33,000
	\$ 627,110	\$ 595,673

4. Deferred revenue (continued):

(c) Amenity and development cost charges:

In 2025, the District implemented the collection of Amenity Cost Charges (ACC) and Development Cost Charges (DCC) in accordance with applicable bylaws and records such amounts as deferred revenue until they are applied to eligible capital expenditures. During the year, Council approved Heritage Revitalization Agreements under Heritage Revitalization Agreement Authorization Bylaw No. 4885, 2025, and Bylaw No. 4912, 2025, which resulted in the waiver of certain ACC and DCC otherwise payable. The total value of ACC and DCC waived under these agreements was \$324,853 (\$94,317 in ACC and \$230,536 in DCC). As no cash was received, these waived amounts have not been recognized as revenue or deferred revenue.

Amenity charges are made up of the following:

	2025	2024
Opening balance of amenity cost charges (ACCs)	\$ —	\$ —
Add: ACCs received during the year	135,654	—
Less: Amount spent on projects and recorded as revenue	—	—
Add: Interest earned on unspent ACCs	4,015	—
	\$ 139,669	\$ —

Development charges are made up of the following:

	2025	2024
Opening balance of amenity cost charges (DCCs)	\$ —	\$ —
Add: DCCs received during the year	243,885	—
Less: Amount spent on projects and recorded as revenue	—	—
Add: Interest earned on unspent DCCs	7,219	—
	\$ 251,104	\$ —

5. Employee future benefit obligations:

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

Accumulated sick leave represents the liability for sick leave banks accumulated for estimated future drawdowns. Retirement benefit payments represent the District's share of the cost of providing employees with various benefits upon retirement, including lump sum retirement payments, death benefits, certain vacation entitlements in the year of retirement, and pension buyback arrangements for qualified employees. The accrued employee benefit obligations and the net periodic benefit cost were estimated using an actuarial valuation completed as of December 31, 2025. Information about liabilities for employee benefit plans is as follows:

	2025	2024
Accrued benefit liability, beginning of year	\$ 1,717,500	\$ 1,550,200
Service cost	119,600	116,900
Interest cost	57,200	55,000
Long-term disability expense (recovery)	(34,400)	125,500
Actuarial adjustment	(4,000)	5,300
Benefit payments	(176,800)	(135,400)
Accrued benefit liability, end of year	\$ 1,679,100	\$ 1,717,500

The difference between the actuarially accrued benefit obligation of \$1,557,200 (2024 - \$1,517,500) and the accrued benefit liability of \$1,679,100 (2024 - \$1,717,500) is an unamortized actuarial gain of \$121,900 (2024 - unamortized actuarial gain of \$200,000). This actuarial gain is being amortized over a period equal to the employees' average remaining service period of 11 years. The total expense recorded in the financial statements in respect of obligations under this plan amounts to \$138,400 (2024 - \$302,700). The significant actuarial assumptions adopted in measuring the District's accrued benefit obligations are as follows:

	2025	2024
Discount rates	4.5%	4.2%
Expected future inflation rates	2.5%	2.5%
Expected wage and salary increases	0% to 3.4%	2.5% to 5.9%

5. Employee future benefit obligations (continued):

Municipal Pension Plan

The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2024, the plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2024, indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2027, with results available in 2028.

The District paid \$2,647,910 (2024 - \$2,394,414) for employer contributions while employees contributed \$2,173,325 (2024 - \$1,970,414) to the plan in fiscal 2025.

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

GVLRA - CUPE Long-Term Disability Trust

The Trust was established on January 1, 1987, as a result of negotiations between the Greater Victoria Labour Relations Association, representing a number of employers and the Canadian Union of Public Employees, representing a number of CUPE locals. The Trust's sole purpose is to provide a long-term disability income benefit plan. The District and its employees each contribute equal amounts into the Trust. The total plan provision for approved and unreported claims was actuarially determined at December 31, 2024. At December 31, 2024, the total plan provision for approved and unreported claims was \$31,688,000 with a net deficit of \$4,356,410. The actuary does not attribute portions of the unfunded liability to individual employers. The District paid \$160,817 (2024 - \$151,972) for employer contributions and District employees paid \$160,817 (2024 - \$151,972) for employee contributions to the plan in fiscal 2025.

6. Tangible capital assets:

Cost	Balance, December 31, 2024	Additions	Disposals/ transfers	Balance, December 31, 2025
Land	\$ 2,852,877	\$ –	\$ –	\$ 2,852,877
Land improvements	2,972,791	112,701	983,883	4,069,375
Building and building improvements	33,558,860	398,201	1,552,096	35,509,157
Machinery and equipment	6,424,533	512,512	225,914	7,162,959
IT equipment	2,572,582	49,111	61,607	2,683,300
Vehicles	11,574,259	125,219	(977,983)	10,721,495
Roads, drains, sewer and water	86,715,857	5,091,546	4,511,550	96,318,953
Assets under construction	14,075,951	19,716,572	(7,743,518)	26,049,005
Total	\$ 160,747,710	\$ 26,005,862	\$ (1,386,451)	\$ 185,367,121

Accumulated amortization	Balance, December 31, 2024	Additions	Disposals/ transfers	Balance, December 31, 2025
Land improvements	\$ 901,901	\$ 159,690	\$ –	\$ 1,061,591
Building and building improvements	12,595,240	809,336	(62,413)	13,342,163
Machinery and equipment	3,507,296	357,242	(42,132)	3,822,406
IT equipment	2,104,224	258,496	–	2,362,720
Vehicles	4,827,898	536,057	(982,236)	4,381,719
Roads, drains, sewer and water	36,154,477	1,659,249	(147,096)	37,666,630
Total	\$ 60,091,036	\$ 3,780,070	\$ (1,233,877)	\$ 62,637,229

Net book value	Balance, December 31, 2024	Balance, December 31, 2025
Land	\$ 2,852,877	\$ 2,852,877
Land improvements	2,070,890	3,007,784
Building and building improvements	20,963,620	22,166,994
Machinery and equipment	2,917,237	3,340,553
IT equipment	468,358	320,580
Vehicles	6,746,361	6,339,776
Roads, drains, sewer and water	50,561,380	58,652,323
Assets under construction	14,075,951	26,049,005
Total	\$ 100,656,674	\$ 122,729,892

(a) Assets under construction:

Assets under construction having a value of \$ 26,049,005 (2024 - \$14,075,951) have not been amortized. Amortization of these assets will commence when the asset is available for service.

6. Tangible capital assets (continued):

(b) Contributed tangible capital assets:

There were no assets received from developers in 2025 or 2024.

(c) Tangible capital assets disclosed at nominal values:

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

(d) Works of art and historical treasures:

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

(e) Write-down of tangible capital assets:

During 2025, there were no write-offs of tangible capital assets (2024 - \$nil).

7. Accumulated surplus:

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

	2025	2024
Surplus:		
Equity in tangible capital assets	\$ 122,729,892	\$ 100,656,674
Operating fund	11,615,970	9,795,285
Operating fund - Asset retirement obligation	(1,082,033)	(1,041,581)
Total surplus	133,263,829	109,410,378
Reserve Funds:		
Village parking	1,119,083	1,086,883
Fire equipment	523,257	330,683
Land sale	44,807	43,518
Machinery and equipment	1,795,943	1,492,795
Heritage	2,614,926	2,539,685
Tax sale property	2,139	2,077
Parks acquisition	557,307	541,271
Capital works	17,447,324	17,284,952
Alternative transportation infrastructure	16,972	16,483
Infrastructure renewal	18,387,880	26,031,770
COVID-19 Restart	211,603	1,022,049
Growing Communities Fund	3,220,659	4,171,326
Total reserve funds	45,941,900	54,563,492
	\$ 179,205,729	\$ 163,973,870

8. Taxation:

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

	2025	2024
Taxes		
Property tax	\$ 67,888,974	\$ 61,453,154
Grants in lieu of taxes	216,333	203,928
Special assessments and local improvements	289,956	268,647
1% Utility tax	94,129	102,341
Waste disposal fees	2,092,070	1,862,819
Penalties and interest	282,645	277,956
	<u>70,864,107</u>	<u>64,168,845</u>
Less taxes levied on behalf of:		
Provincial government - school taxes	15,364,994	14,835,516
Capital Regional District	4,481,957	4,155,075
Telus (CREST) - CRD	78,751	80,126
Provincial Government - Non-residential school	1,009,402	941,221
Capital Regional Hospital District	1,557,676	1,577,988
Municipal Finance Authority	2,523	2,527
BC Assessment Authority	456,678	444,587
BC Transit Authority	4,494,240	3,284,419
Business Improvement Area	150,000	100,000
	<u>27,596,221</u>	<u>25,421,459</u>
Net taxes available for municipal purposes	\$ 43,267,886	\$ 38,747,386

9. Government transfers:

The District recognizes the transfer of government funding as revenue when received and all related eligibility criteria and stipulations have been satisfied. The government transfers reported on the statement of operations consist of the following:

	2025	2024
Small communities grant and traffic fines	\$ 538,599	\$ 356,400
Gas tax agreement funds	882,566	882,566
Infrastructure grant	4,146,718	2,636,769
Universal Child Care Program	745,180	746,202
Other	565,159	466,847
	\$ 6,878,222	\$ 5,088,784

10. Commitments and contingent liabilities:

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

- (a) Capital Regional District (CRD) debt, under the provision of the Local Government Act, is a direct, joint and several liability of the CRD and each member municipality within the CRD, including the District.
- (b) The District is a shareholder and member of the Capital Regional Emergency Service Telecommunications (CREST) Incorporated, whose services provide centralized emergency communications, and related public safety information services to municipalities, regional districts, the provincial and federal governments and their agencies, and emergency service organizations throughout the Greater Victoria region and the Gulf Islands. Members' obligations to share in funding ongoing operations and any additional costs relating to capital assets are to be contributed pursuant to a Members' Agreement.
- (c) The District has entered into agreements and contracts for various capital projects. The District has commitments totaling \$13,419,094 as at December 31, 2025 related to these capital projects. Funding for the majority of these obligations has been set aside in reserves for future expenditures, development cost charges and grant revenue. These amounts will be recorded in the accounts in the period when the goods and services to which they relate are received.
- (d) During 2015, the District entered into a lease agreement with the Board of Education of School District No. 61 (Greater Victoria) to lease the Neighbourhood Learning Centre, located in the Oak Bay High School. The lease commenced on September 1, 2015 and requires annual lease payments of \$89,984 for a term of 25 years.

10. Commitments and contingent liabilities (continued):

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

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

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

11. Contractual rights:

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

Year	Lease revenue
2026	\$ 327,130
2027	327,130
2028	94,056
2029	94,056
2030	94,056
	<hr/>
	\$ 936,428

12. Trust funds:

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

	Heritage House Trust	Legacy Trusts	2025	2024
Financial assets:				
Cash	\$ 753	\$ -	\$ 753	\$ 749
Investments	124,959	488,327	613,286	632,281
Due (to) from operating fund	15,737	37,167	52,904	(21,468)
	\$ 141,449	\$ 525,494	\$ 666,943	\$ 611,562

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

The District has received bequests intended for various purposes. These are maintained in the Legacy Trusts, with authorized expenditures funded by it and investment earnings added to the Trust.

13. Financial plan data:

The financial plan data presented in these financial statements is based upon the 2025 operating and capital financial plans approved by Council on April 14, 2025. The following reconciles the approved financial plan to the financial plan figures reported in these financial statements. The budgeted annual surplus represents the planned results of operations prior to the budgeted transfers between reserve funds, debt repayments and capital expenditures.

	Budget 2025
Financial plan, 2025 surplus (deficit)	\$ -
Add:	
Capital expenditures	\$ 56,942,157
Transfers to reserves	14,705,863
Principal payments on debt	-
Less:	
Tod House Trust	(11,300)
Transfers from reserves	(49,923,277)
Transfers from equity in capital assets	(3,210,600)
Debt proceeds	(6,600,000)
Annual surplus per statement of operations and accumulated surplus	\$ 11,902,843

14. Risk management:

The District has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk, and market risk (foreign currency risk, interest rate risk, and other price risk). Management oversees the District's internal control systems and practices, and ensures that these controls contribute to the assessment and mitigation of risk. Management reports regularly to Council on its activities. The District has experienced no change in its risk exposure and has not changed its risk management policies and procedures during the year.

(a) Credit risk:

Credit risk is the risk of a financial loss to the District if a counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss. Such risks arise principally from certain financial assets held by the District consisting of cash and cash equivalents, investments and receivables.

Cash and cash equivalents and investments are held with reputable financial institutions with investment grade external credit ratings. The majority of receivables are owing from government agencies. The District is able to recover delinquent taxes through tax sale of properties with unpaid property taxes.

The District assesses on a continuous basis its receivables and provides for any amounts that are uncollectible in an allowance for doubtful accounts. The maximum exposure to credit risk is the carrying value of financial assets.

(b) Liquidity risk:

Liquidity risk is the risk that the District will not be able to meet its financial obligations as they become due. The District's objective is to have sufficient liquidity to meet these liabilities when due. The District prepares financial plans, monitors its cash balance and cash flows to meet its liquidity requirements. Accounts payable and accrued liabilities are generally due within 30 days of receipt of an invoice.

(c) Market risk:

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and other price risks, will affect the District's results of operations or the fair value of its holdings of financial instruments. In the normal course of operations, the District makes purchases denominated in US dollars. The District does not have any material transactions denominated in foreign currencies at year end.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The District mitigates interest rate risk by investing in fixed-rate investments and debt. The District is subject to interest rate risk on MFA pooled funds, on fixed-rate investments at maturity or refinancing.

15. Segmented information:

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

(a) General Government:

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

(b) Protective Services:

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

(c) Transportation Services:

Transportation Services is responsible for the construction and maintenance of roads and sidewalks throughout Oak Bay. Other duties include street cleaning, leaf pickup, snow removal and street lighting.

This department is also responsible for the construction and maintenance of the storm drain collection systems.

(d) Environmental Health Services:

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

(e) Recreation Services:

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

15. Segmented information (continued):

(f) Water Utilities and Sewer Collection System:

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

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

15. Segmented information (continued):

2025	General Government	Protective Services	Transportation Services	Environmental Health	Recreation Services	Water Utility	Sewer Collection System	Total
Revenue:								
Taxation, net	\$ 6,477,399	\$ 23,574,272	\$ –	\$ 3,001,067	\$ 10,215,148	\$ –	\$ –	\$ 43,267,886
Sales and service	39,033	121,470	10,271	–	9,566,703	6,598,310	5,592,951	21,928,738
Government transfers	1,668,154	195,000	4,146,718	–	868,350	–	–	6,878,222
Other revenues	330,538	1,104,982	272,485	–	120,500	–	–	1,828,505
Investment income	2,490,507	–	–	–	–	–	–	2,490,507
Total revenue	11,005,631	24,995,724	4,429,474	3,001,067	20,770,701	6,598,310	5,592,951	76,393,858
Expenses:								
Salaries and wages	4,326,220	12,237,787	3,316,443	681,368	12,270,782	1,316,561	516,215	34,665,376
Materials, supplies and services	4,168,848	3,999,886	935,893	1,224,198	4,533,186	3,594,035	3,683,578	22,139,624
Interest and other	146,074	–	–	–	237,829	–	–	383,903
Loss (gain) on tangible capital asset	–	152,574	–	–	–	–	–	152,574
Amortization of tangible capital assets	440,991	499,376	1,053,393	257,769	888,291	404,618	235,632	3,780,070
Accretion	15,013	8,826	4,240	–	12,373	–	–	40,452
Total expenses	9,097,146	16,898,449	5,309,969	2,163,335	17,942,461	5,315,214	4,435,425	61,161,999
Annual surplus	\$ 1,908,485	\$ 8,097,275	\$ (880,495)	\$ 837,732	\$ 2,828,240	\$ 1,283,096	\$ 1,157,526	\$ 15,231,859

15. Segmented information (continued):

2024	General Government	Protective Services	Transportation Services	Environmental Health	Recreation Services	Water Utility	Sewer Collection System	Total
Revenue:								
Taxation, net	\$ 3,494,678	\$ 17,255,066	\$ 6,911,007	\$ 2,440,289	\$ 8,646,346	\$ –	\$ –	\$ 38,747,386
Sales and service	35,846	66,591	19,156	–	8,683,960	5,150,062	4,774,475	18,730,090
Government transfers	1,500,159	–	–	–	951,856	–	2,636,769	5,088,784
Other revenues	334,131	1,273,703	80,228	–	91,052	–	–	1,779,114
Investment income	3,484,052	–	–	–	–	–	–	3,484,052
Total revenue	8,848,866	18,595,360	7,010,391	2,440,289	18,373,214	5,150,062	7,411,244	67,829,426
Expenses:								
Salaries and wages	3,577,207	11,639,986	2,991,606	517,657	11,051,699	1,450,544	506,040	31,734,739
Materials, supplies and services	3,999,261	2,865,916	1,604,140	1,191,060	4,564,373	2,997,489	3,511,319	20,733,558
Interest and other	180,206	–	–	–	190,200	–	–	370,406
Loss (gain) on tangible capital asset	–	–	–	–	16,064	–	–	16,064
Amortization of tangible capital assets	351,875	496,906	974,120	224,697	742,832	343,041	236,505	3,369,976
Accretion	14,435	8,486	5,034	–	12,106	–	–	40,061
Total expenses	8,122,984	15,011,294	5,574,900	1,933,414	16,577,274	4,791,074	4,253,864	56,264,804
Annual surplus	\$ 725,882	\$ 3,584,066	\$ 1,435,491	\$ 506,875	\$ 1,795,940	\$ 358,988	\$ 3,157,380	\$ 11,564,622

Schedule – COVID-19 Restart Reserve (unaudited)

THE CORPORATION OF THE DISTRICT OF OAK BAY

Year ended December 31, 2025, with comparative information for 2024

On November 19, 2020, the District was awarded a COVID-19 Safe Restart Grant of \$3,589,000 from the Province of British Columbia to support the financial challenges caused by COVID-19. The grant was initially recognized as revenue upon receipt and placed into an operating reserve to cover future eligible response and recovery expenses.

COVID-19 Restart Reserve	2025	2024
Balance, beginning of year	\$ 1,022,049	\$ 1,398,360
Deducted:		
Revenue shortfalls	810,446	376,311
Balance, end of year	\$ 211,603	\$ 1,022,049

Schedule – Growing Communities Fund Reserve (unaudited)

In March 2023, the Province of British Columbia distributed conditional Growing Communities Fund (GCF) grants to support local governments in delivering community infrastructure and amenities needed to accommodate population growth. The program provided a one-time total of \$1 billion to all 161 municipalities and 27 regional districts across the province.

As part of this initiative, the District received \$4,773,000 in GCF funding. These funds are designated for eligible infrastructure projects that support community expansion and service delivery.

Growing Communities Fund Reserve	2025	2024
Balance, beginning of year	\$ 4,171,326	\$ 4,773,000
Deducted:		
Eligible expenditures	950,667	601,674
Balance, end of year	\$ 3,220,659	\$ 4,171,326



District of Oak Bay

Other Statements of Financial Information

The following schedule is unaudited.
Year ended December 31, 2025



Schedule of Debts

Year ended December 31, 2025

A Schedule of Debts has not been prepared because the District does not have any long-term debt.

As shown in Note 10 to the Financial Statements, there were no deposits held and there were no contingent demand notes as all debt was extinguished on October 3, 2023. At December 31, 2025, there was no outstanding debt.

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

Schedule of Guarantee and Indemnity Agreements

Year ended December 31, 2025

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

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

Schedule of Remuneration and Expenses

Year ended December 31, 2025

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

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

Note for the readers

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

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

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

(Schedule begins on the following page)

Schedule of Remuneration and Expenses

MAYOR AND COUNCIL

Year ended December 31, 2025

Name	Remuneration	Expenses	Total
Murdoch, Kevin	\$63,446	\$3,415	\$66,861
Appleton, Andrew	26,969	1,974	28,943
Braithwaite, Hazel	26,969	900	27,869
Green, Cairine	26,969	900	27,869
Paterson, Esther	26,969	800	27,769
Smart, Caroline	26,969	5,991	32,960
Watson, Lesley	26,969	1,035	28,004
	\$225,260	\$15,015	\$240,275

Schedule of Remuneration and Expenses

EMPLOYEES

Year ended December 31, 2025

Last Name	First Name	Department	Position	Remuneration	Expenses
Adam	Daniel	Fire	Fire Fighter	169,850	1,027
Adsett	Duane	Fire	Assistant Fire Chief	211,310	70
Ahokas	Jason	Fire	Lieutenant	211,772	1,173
Anderson	Crystal-Ann	Corporate Services	Director Corporate Services	138,460	0
Bagh	Signe K	Strategic Initiatives	Director Strategic Initiatives	168,613	1,276
Bailey	Christopher	Fire	Fire Fighter	161,725	879
Balfour	Andrea	Fire	Fire Fighter	97,024	0
Ballantyne	John	Fire	Platoon Captain	223,459	0
Banfield	Ian	Fire	Fire Fighter	171,897	1,176
Beaumont	Kyle	Fire	Lieutenant	194,927	0
Boal	Sparky	Parks, Rec & Culture	Facility Maintenance Technician	76,587	100
Boel	Lambert (Andre)	Building & Planning	Director Community Building & Planning	171,843	2,143
Brown	Shannon	Parks, Rec & Culture	Executive Assistant/Human Resources	92,986	163
Brozuk	David	Public Works	Superintendent Public Works	141,641	168
Burgoyne	Marc	Public Works	Electrician	96,285	481
Buser	Rene	Building & Planning	Building Official	128,200	692
Carlson	Caitlin	Parks, Rec & Culture	Aquatic Coordinator	89,061	372
Chase	Steven	Public Works	Heavy Duty Mechanic	90,213	0
Cobus	Lesley E.	Parks, Rec & Culture	Monterey Coordinator	89,441	0
Costin	Donna	Information Technology	IT Project Manager	154,346	2,130
Currie	John B.	Public Works	General Foreman - Construction	93,140	188
D'antonio	Gianfranco	Public Works	Roads Foreman	82,443	188
Davison	James	Engineering	Sr Eng Technician	89,251	593
Dennill	Jade	Fire	Fire Fighter	140,945	0
Ding	Kangfa Richard	Engineering	Design Engineer	114,470	1,183
Dixon	Spencer	Public Works	Sewer & Storm Drain Foreman	86,081	188
Donnelly	Bonnie	Human Resources	Director Of Human Resources	167,842	231
Eldridge	Terry	Parks, Rec & Culture	Facility Operations Coordinator	95,606	160
Espedido	Grace G.	Engineering	Sr Eng Technician	89,646	0
Fredrickson	Miranda	Human Resources	Human Resources Advisor	86,222	261
Frenkel	Trent	Fire	Fire Fighter	171,691	909
Gan	Jin	Fire	Fire Fighter	127,611	970
Goldade	Jared M.	Public Works	Utility Locator / Fitter	81,967	188
Goodgrove	Hayley	Communications	Manager Of Communications	110,697	606
Goodwin	Brandon	Fire	Fire Fighter	104,103	0
Gow	Adam	Public Works	General Foreman	99,030	1,556

Graham	David	Facilities	Prog Mngr Facilities & Asset Mgmt	145,989	377
Green	Brian	Building & Planning	Deputy Director Community Building & Planning	136,930	1,998
Hamilton	Wade	Parks, Rec & Culture	Maintenance	75,419	69
Hannesson	Hannes	Engineering	Underground Util Eng (Eng In Training)	89,421	300
Hauser	Dale	Public Works	Operations Manager	116,049	188
Hodge	Jason	Fire	Lieutenant	171,070	561
Hoekstra	Skylar	Public Works	Foreman	79,585	0
Hyde-Lay	Christopher R.	Parks, Rec & Culture	Manager Parks Services	123,636	0
Ireland	Riley	Fire	Lieutenant	182,391	585
Josephson	Michael	Fire	Fire Fighter	112,836	0
Joynson	Jason	Fire	Platoon Captain	222,842	0
Krawczynski	Janusz	Engineering	GIS Technician	84,500	0
Lachance	Rianna	Financial Services and Asset Management	Director Finance Services	174,264	2,821
Lapierre	Briana D	Public Works	Stores Clerk	76,678	0
Larocque	Camille	Parks, Rec & Culture	Manager Admin & Reception Services	95,476	0
Lawrence	Caroline	Parks, Rec & Culture	Sports Coordinator	89,260	0
Leigh	Ryan	Fire	Fire Fighter	155,045	993
Letts	William Robert Earl	Building & Planning	Bylaw Compliance Official	83,182	2,393
Lloyd	Bryden	Engineering	Utility Maintenance Coordinator	77,705	484
Macdonald	Frank	Fire	Fire Chief	223,123	2,445
Macleod	Iain E.	Parks, Rec & Culture	Gardener Arboriculture	77,713	0
Major	Adam	Public Works	General Foreman	85,027	188
Mathieson	David	Fire	Fire Fighter	135,560	0
Mccann	Ian	Parks, Rec & Culture	Greenskeeper	77,038	0
Mcdonough	James	Public Works	Skilled Labourer	78,777	0
Mckinnon	Kurt Niklas	Public Works	Electrician	96,352	1,133
Miscovitch	Kenneth	Engineering	Senior Engineering Technician	89,014	1,059
Morden	Sarah	Strategic Initiatives	Deputy Director Strategic Initiatives	137,642	1,842
O'connell	Paul	Parks, Rec & Culture	Facility Maintenance Technician	76,662	404
Pacheco	Richard	Parks, Rec & Culture	Carpentry	79,845	0
Paul	Chris	Parks, Rec & Culture	Gardener Arboriculture	78,644	806
Pearson	Sandra	Parks, Rec & Culture	Manager Recreation & Culture	135,133	0
Peers	Cody	Fire	Fire Fighter	101,401	0
Plouffe	Dianna	Corporate Services	Director Corporate Services	133,212	803
Preston	Jill	Finance	Payroll & Benefits Specialist	82,906	459
Prewett	Jameson	Engineering	Engineering Technician	78,682	0

Redecopp	Scott	Fire	Fire Fighter	96,682	0
Regan	Linda	Parks, Rec & Culture	Lounge Supervisor	86,811	1,060
Rennick	Stephen	Engineering	Director Engineering & Public Works	151,890	562
Roberts	Tim	Parks, Rec & Culture	Grounds & Horticulture Foreman	93,334	0
Rushton	Eric	Fire	Fire Fighter	170,088	804
Samoukovic	Mihajlo	Engineering	Deputy Director Engineering & Public Works	127,491	0
Sankaranarayanan	Kanchana	Finance	Manager Of Financial Operations	96,261	0
Schenk	Jollette	Emergency Services	Emergency Program Manager	92,042	0
Scott	Brad	Fire	Platoon Captain	227,138	390
Shute	Kaelen D	Fire	Fire Fighter	159,421	887
Smith	Patrick G.	Public Works	General Foreman	101,537	188
Soulliere	Thomas	Parks, Rec & Culture	Director Of Parks, Recreation & Culture	106,551	0
Stewart	Roger	Fire	Acting Deputy Fire Chief	81,133	774
Thorneloe	Adam	Fire	Platoon Captain	209,379	0
Thorsen	Tyler	Parks, Rec & Culture	Maintenace Leadhand	81,709	124
Trenholm	Bradley	Fire	Captain Inspector	174,347	1,382
Trumble	Douglas	Fire	Platoon Captain Suppresion Rescue	216,505	1,453
Van Wijngaarden	Russell	Parks, Rec & Culture	Supervisor Urban Forestry	87,232	312
Vickers	Simon	Parks, Rec & Culture	Tennis Coordinator	88,875	226
Welch	Emma Lea	Parks, Rec & Culture	Fitness Coordinator	81,610	332
Welham	Janet	Parks, Rec & Culture	Henderson Coordinator	89,715	116
Wells	Aidan H	Fire	Fire Fighter	159,954	887
Wetselaar	Jurrien	Public Works	Mechanic Foreman	96,240	174
Williams	Matthew	Communications	Communications Coordinator	82,578	362
Williams	Selina L	Corporate Services	Chief Administrative Officer	239,682	3,402
Withrow	Tyler	Parks, Rec & Culture	Gardener, Horticulture	79,680	2,238
Woods	Meghan	Building & Planning	Senior Planner, Climate Action	107,482	22
Young	Cameron	Fire	Fire Fighter	131,855	0
2025 Number of Employees	100 > \$75,000			\$ 12,196,616	\$ 54,676
2025 Number of Employees	712 < \$75,000			\$ 16,853,800	
Total	812			\$ 29,050,416	

Reconciliation of Schedule of Remuneration and Expenses to Financial Statements

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

Statement of Severance Agreements

Year ended December 31, 2025

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

Number of Agreements	Equivalent Number of Month's Salary & Benefits
3	17.65

Schedule of Payments to Suppliers for Goods and Services

SCHEDULE OF SUPPLIERS OF GOODS AND SERVICES

Year ended December 31, 2025

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

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

Vendor Name	Payment Amount
1299873 BC Ltd	\$ 30,257
A D S N Holdings Ltd	34,310
Accutemp Refrigeration & Air Conditioning Ltd	451,529
Acklands - Grainger Inc	152,422
Adam's The Tarp & Tool Co. Ltd.	43,535
Advantage Tree Care	38,736
Allterra Construction Ltd	516,985
Aquashine Building Services	87,877
Arc Aviation Renewables Corp	114,240
Associated Fire Safety	49,022
A-Tech Doors	34,256
Avalon Mechanical Consultants Ltd	34,351
B.C. Hydro And Power Authority	477,512
Bartlett Tree Experts	69,083
Berlin Eaton & Associates Ltd	129,647
Better Buy Chairs Inc	49,582
Black Press Group Ltd	38,184
Bloom Yoga	38,952
Bunzl Canada Inc	181,475
C-1 Contractors Ltd	182,213
Canadian Recreation Solutions	150,213
Capital City Paving Ltd	30,817
Capital Regional District	3,143,230
Carolynn Wilson Architect Ltd.	33,405
Centralsquare Canada Software Inc	75,847
Christenson Dawn	66,646

Vendor Name	Payment Amount
Chua, Matthew	\$ 25,212
City of Victoria	194,927
Cleartech Industries Inc.	29,397
Columbia Fuels	341,515
Commissionaires The	56,318
Compugen Inc	81,430
Crest	89,310
Cyr, Lori	26,470
Day, Kathleen	50,502
Denbow Transport	28,384
Diligent Canada Inc	26,380
DL's Bins Ltd	56,418
Don Mann Excavating Ltd	4,539,537
Dupuis, Nicole	34,890
E H Emery Electric Ltd	331,919
E-Comm Emergency Communications	416,388
Edutainment Workshops Inc	35,573
Elisco Enterprises Inc	126,155
Emco Corporation	285,758
Emterra Environmental	113,995
Engage Delaney Inc	98,922
Engineering For Kids	30,206
Extreme Portable Buildings	56,330
Fineline Road Marking Ltd	41,388
Flueck, Regina	26,238
Fortis BC Natural Gas	150,739
G&E Contracting Lp	2,844,390
Galaxie Signs Ltd	77,353
Geoadvice Engineering Inc	102,241
GFL Environmental Inc	651,364
Global Industrial Canada	133,213
Gordon Food Service Canada Ltd	97,289
Graphically Speaking Services Inc	48,888
Greater Victoria Labour Relations Association	69,246
Greater Victoria Public Library	1,418,701
Greater Victoria School Board	135,229

Schedule of Payments to Suppliers for Goods and Services

SCHEDULE OF SUPPLIERS OF GOODS AND SERVICES (CONTINUED)

Year ended December 31, 2024

Vendor Name	Payment Amount	Vendor Name	Payment Amount
GVLRA/Cupe Long Term Disability Trust	\$ 349,109	Mountfield Nigel	\$ 135,000
H2 Accelerator	35,765	Municipal Insurance Association of BC	478,663
H2X Contracting Ltd	258,181	Music Together Victoria	72,628
Habitat Systems Inc	291,610	Northridge Excavating Ltd	366,818
Heidelberg Materials Canada Ltd	279,261	Nova Pole International Inc	431,548
Home Depot Credit Services	26,343	Ocean River Sports	59,953
Iconix Waterworks LP	165,698	Origin Planning Ltd	69,435
Indigenous Worx Business Consulting Ltd	142,976	Pacific Blue Cross	1,038,692
Insurance Corporation of BC	122,167	Paragon Strategic Services Ltd	27,893
ISL Engineering And Land Services Ltd	44,709	Parsons Inc.	40,187
Island Asphalt Company	1,547,353	Perfectmind Inc	75,600
Island Cleaning Supplies	31,433	Phil Ballam Plumbing & Heating Co Ltd	35,898
Jenner Chevrolet Buick Gmc Ltd	86,500	Prairie Coast Equipment	107,990
JSF Technologies Inc	25,301	Primecorp	56,824
Justice Institute of BC	108,000	Pro Works Painting	43,754
Karate Brothers	44,570	Quadient Canada Ltd	37,760
Kerr Wood Leidal Associates Ltd	299,968	Rampart International Corp	41,459
KMF Traffic Solutions	111,353	Real Canadian Wholesale Club #6708	31,696
KPMG LLP T4348	66,174	Receiver General (Employer's EI & CPP contributions only)	1,666,002
KTI Limited	62,413	Ricoh Canada Inc.	87,900
Lafarge Canada Inc.	36,293	Rollins Machinery Ltd	52,214
Lee, Deryk	29,799	Ryzuk Geotechnical	71,678
Lidstone & Company	36,369	Saanich, The Corporation of The District of	787,718
Littluniverse Education	51,184	Safetek Emergency Vehicles Ltd	176,912
Lopez Contracting And Design Ltd	25,725	Sea To Sky Network Solutions Inc.	627,997
Lordco Parts Ltd	66,658	Seaforth Construction Ltd	172,087
Macnutt Enterprises Limited	25,484	Shape Architecture Inc	236,193
Manulife Financial Group	59,699	Shaw Cablesystems G.P.	28,203
Mcelhanney Ltd	2,328,426	Sigma Safety Corp	46,951
Metercor Inc.	85,608	Somers, Andrew	27,249
Metro Motors Ltd.	146,136	Spatial Technologies (2017) Inc.	35,783
Michell Brothers Farm Composting	121,645	Spur Communication Inc	66,239
Minister of Finance	145,309	Stantec Consulting Ltd	31,343
Mitchell Press Limited	35,781	Stewart McDannold Stuart Barristers & Solicitors	76,333
Modus Planning Design And Engagement Inc.	491,926	Stresscrete Ltd	244,793
Monk Office Supply Ltd	108,646	Sunbelt Rentals of Canada Inc.	42,577

Schedule of Payments to Suppliers for Goods and Services

SCHEDULE OF SUPPLIERS OF GOODS AND SERVICES (CONTINUED)

Year ended December 31, 2025

Vendor Name	Payment Amount
Swing Time Distributors Ltd	\$ 70,238
Sysco Victoria Inc.	73,257
Telus Communications Inc	72,271
Telus Mobility	85,494
The Canada Life Assurance Company	83,248
Thomas William	41,162
Trio Ready-Mix (1971) Ltd	53,501
Uline Canada Corp	47,989
Urban System Ltd	117,330
Valley Traffic Systems Inc.	25,344
Valmont West Coast Engineering Ltd.	31,107
VFA Canada Corporation	76,890
Victoria Animal Control Services Ltd	131,474
Victoria Drain Services	98,361
Victoria Landscape Gravel Mart Ltd	64,456
Vimar Equipment Ltd	264,284
Willie Dodge Chrysler Ltd	63,353
Wilson & Proctor Ltd.	50,144
Windley Contracting Ltd	7,403,015
Workers Compensation Board of BC	1,506,470
WSP Canada Inc	238,354
Young Anderson Barristers & Solicitors	66,957
Total Suppliers Equal and Over \$25,000	45,314,783
Other Suppliers Under \$25,000	4,666,110
	<u>\$ 49,980,893</u>

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

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

Other Notes

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

Schedule of Grants or Contributions

Year ended December 31, 2025

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

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

Organization	Total \$
Action Committee of People With Disabilities	\$ 1,400
Canadian Heritage Arts Society	1,900
Capital Region Food & Agriculture Initiatives	400
Chinese Consolidated Benevolent Association	5,000
Community Association of Oak Bay	3,000
Community Social Planning Council of Greater Victoria	3,400
Compost Education Centre	1,500
Construction Foundation of BC	5,000
Fed Urban Agriculture Society	1,100
Friends of Uplands Park	3,000
Island String Players Society	500
Maritime Museum of BC Society	1,700
Marlet Publishing Society	1,600
Need2 Suicide Prevention Education & Support	1,600
Newcombe Singers Association	300
Oak Bay Heritage Foundation	9,200
Oak Bay High School	92
Oak Bay Lawn Bowling Club	3,300
Oak Bay Old Boys Soccer Association	800
Oak Bay Sea Rescue Society	5,500
Oak Bay Tea Party Society	7,000
Oak Bay United Church	3,500
Oak Bay Volunteer Services Society	40,400
Peninsula Streams Society	3,900
Songhees First Nation	10,000
South Island Prosperity Project Society	48,594
St. Christopher's Montessori School Casa	400
Surfrider Foundation Canada	3,000
UVSS Food Bank And Free Store	1,100
Vancouver Island South Film and Media Commission	11,500
Victoria Hockey Legacy Society	20,000
Victoria Sexual Assault Centre	2,900
Wear2Start Society	900
West Coast Chamber Music	700
Total	\$ 204,186

District of Oak Bay

Annual Development and Amenity Cost Charges Report

For the year ended December 31, 2025

Annual Development and Amenity Cost Charges Report

Year ended December 31, 2025

Annual Development Cost Charges Report 2025

DCC Program	Reserve Fund Balance (Jan 1, 2025)	DCCs Received	Investment Income	Expenditure funded Through DCCs Collected	Reserve Fund Balance (Dec 31, 2025)	Waivers & Reductions Issued in 2025
Transportation	\$ -	\$ 31,611	\$ 936	\$ -	\$ 32,547	\$ 37,037
Water	-	50,224	1,487	-	51,711	45,728
Sanitary Sewer	-	38,822	1,149	-	39,971	35,346
Drainage	-	1,583	47	-	1,630	1,673
Parks	-	48,343	1,431	-	49,774	44,016
Fire Facilities	-	36,651	1,085	-	37,736	33,368
Police	-	36,651	1,085	-	37,736	33,368
Total	\$ -	\$ 243,885	\$ 7,220	\$ -	\$ 251,105	\$ 230,536

Annual Amenity Cost Charges Report 2025

ACC Program	Reserve Fund Balance (Jan 1, 2025)	DCCs Received	Investment Income	Expenditure funded Through ACCs Collected	Reserve Fund Balance (Dec 31, 2025)	Waivers & Reductions Issued in 2025
Amenities	\$ -	\$ 168,654	\$ 4,015	\$ -	\$ 172,669	\$ 94,317
Total	\$ -	\$ 168,654	\$ 4,015	\$ -	\$ 172,669	\$ 94,317

Notes:

The District of Oak Bay's Development Cost Charges (DCC) and Amenity Cost Charges (ACC) programs are governed by Development Cost Charge Bylaw No. 4891, 2024 and Amenity Cost Charge Bylaw No. 4892, 2024 and implemented in 2025.

Statistical Information

Five-Year Statistical Review 2021-2025





Property Tax Rates 2021-2025

Municipal (\$ per \$1,000 Assessment)	2021	2022	2023	2024	2025
Residential	\$ 2.9058	\$ 2.5513	\$ 2.5547	\$ 3.1854	3.1854
Business/Other	7.6090	7.5382	7.9194	8.9196	8.9196
Recreational/Non-profit	6.1506	6.0958	6.6231	7.1257	7.1257
Farm	4592.7788	5089.4842	5554.9259	0.0000	0.0000
Utilities	10.0712	10.3914	10.9164	10.9086	10.9086

Total - Including School, Regional, etc. (\$ per \$1,000 Assessment)

Residential	4.9633	4.2970	4.2348	4.6436	5.1477
Utilities	25.6949	26.3704	26.6947	26.0157	26.57518
Business/Other	14.0838	13.4148	14.6197	15.7839	17.28281
Recreational/Non-profit	9.7542	9.3003	9.7779	9.7852	10.56162
Farm	5245.1622	5795.7000	6259.1312	6234.7726	0.00000

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

1. Additional School Tax – applied only to residential properties assessed at greater than \$3M
2. Business Improvement Area – applied only to business class properties within the Business Improvement Area as defined by the *Oak Bay Business Improvement Area Bylaw No. 4879*.
3. Boulevard Frontage – applied only to properties within the boulevard roll established by the *Boulevard Frontage Tax Bylaw, 1982*.

Municipal Taxes Billings by Property Class (in Thousands)

	2021	2022	2023	2024	2025
Residential	\$ 26,891	\$ 28,510	\$ 31,239	\$ 34,182	\$ 38,259
Business/Other	1,354	1,428	1,578	1,606	1,808
Recreational/Non-profit	179	189	210	208	233
Farm	32	36	39	39	0
Total	\$ 28,456	\$ 30,163	\$ 33,066	\$ 36,035	\$ 40,300

Source: District Of Oak Bay Finance Department

New Construction 2021-2025

	2021	2022	2023	2024	2025
New Construction Assessment	\$74,534,000	\$52,581,000	\$ 50,791,400	\$ 51,287,000	\$ 53,128,201
% Assessment Base	0.79%	0.55%	0.38%	0.38%	0.40%
Taxes Generated from New Growth	232,577	135,314	142,574	133,148	180,570

Source: District of Oak Bay Finance Department

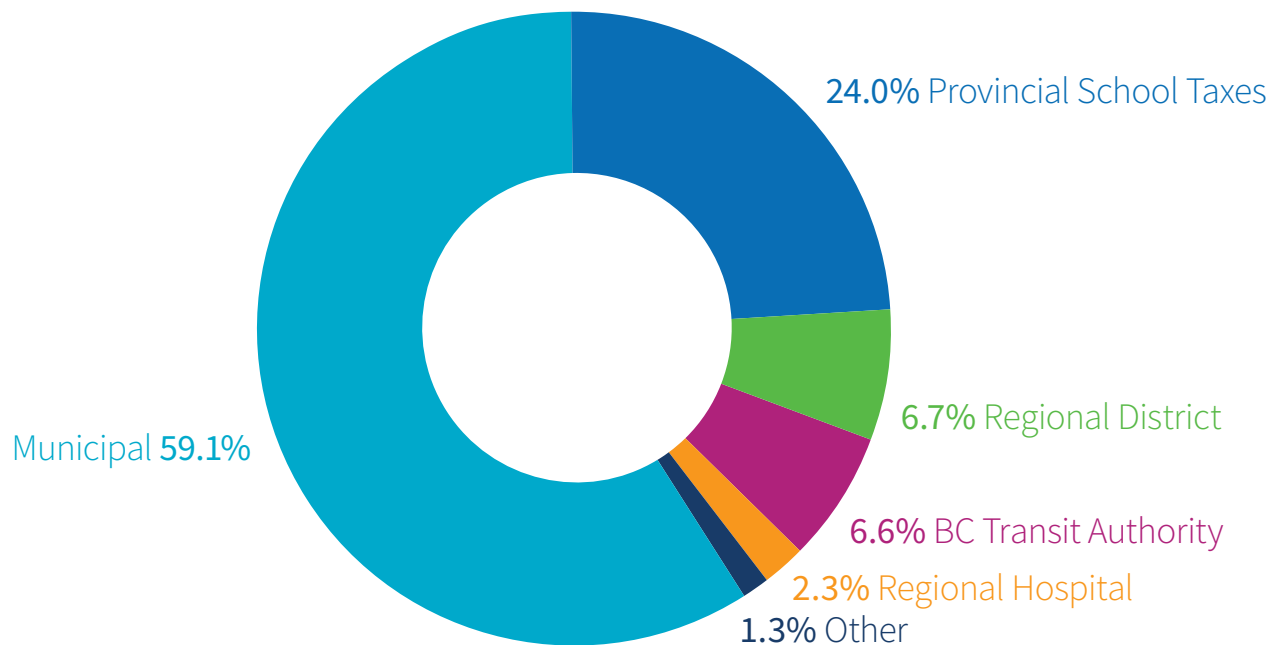
Property Tax Levied and Collected 2021- 2025

(IN THOUSANDS)

	2021	2022	2023	2024	2025
Municipal	\$ 28,457	\$ 30,163	\$ 33,066	\$ 35,781	\$ 40,301
Provincial School Taxes	13,428	14,524	15,673	15,775	16,325
Regional District	3,997	4,142	4,146	4,205	4,560
Regional Hospital	1,845	1,648	2,344	3,284	4,491
BC Transit Authority	1,850	1,987	1,608	1,602	1,564
BC Assessment Authority	408	416	437	445	456
Boulevard Frontage	220	232	256	267	290
Business Improvement Area	100	100	100	100	149
Municipal Finance Authority	2	2	3	210	3
	\$ 50,307	\$ 53,214	\$ 57,633	\$ 61,669	\$ 68,139
Total Current Taxes Levied	\$ 50,307	\$ 53,214	\$ 57,633	\$ 61,669	\$ 68,139
Current Taxes Collected*	49,802	52,524	57,360	61,453	67,889
Percentage	99.0%	98.7%	99.5%	99.6%	99.6%

*as at December 31 of the respective year
Source: District of Oak Bay Finance Department

2025 Property Taxes Collected by Agency



Source: District Of Oak Bay Finance Department

2025 Principal Corporate Taxpayers

Registered Owner	Primary Property	Taxes Levied
Athlone Court Holdings Ltd	Stores & Offices	\$ 341,836
R K Investment Ltd	Multi-Family Apartment	186,568
Fortisbc Energy	Utilities	154,397
Victoria Golf Club	Golf Course	146,635
Oak Bay Hospitality Land Inc	Hotel & Commercial	145,376
Uplands Golf Club	Golf Course	128,313
Crown Provincial	Marina	127,322
Sierra Holding Co Ltd	Multi-Family Apartment	126,484
Oak Bay Gate Ltd	Stores & Offices	120,380
Whitehall Enterprises Ltd	Multi-Family Apartment	119,138
1390956 BC LTD	Stores & Offices	116,841
2228 Oak Bay Avenue Holdings Ltd	Stores & Offices	111,439
Oak Bay Rental Investments Ltd	Stores & Offices	109,728
Seadragon Properties Inc	Single Family Dwelling	108,173
Carlton House Properties Ltd	Multi-Family Apartment	102,331
Oak Bay Chaucer Holdings Ltd.	Stores & Offices	100,603
0847957 B.C. Ltd.	Stores & Offices	94,416
ANR Investments Ltd	Stores & Offices	92,740
Gill-Am Investments Ltd	Multi-Family Apartment	88,520
Baptist Housing Society of BC	Multi-Family Apartment	84,705
Condor Investments Ltd	Multi-Family/Stores	83,972
1459498 BC Ltd	Single Family Dwelling	82,252
Whitehall Enterprises Ltd	Multi-Family Apartment	79,938
547808 BC Ltd	Single Family Dwelling	79,261
Royal Victoria Yacht Club	Marina	78,786
Crown Provincial	Marina	75,936
Sonria Holdings Ltd	Stores & Offices	72,276
412117 BC Ltd	Stores & Offices	71,351
Namod Properties Ltd	Multi-Family Apartment	70,014
H D S Estates Ltd	Stores & Offices	68,458
1725 Beach Drive Holdings Ltd	Multi-Family Apartment	66,426
1459498 BC Ltd	Single Family Dwelling	65,420
258957 BC Ltd	Multi-Family Apartment	64,912
Upfield 2201 Oak Bay Avenue Holdings Corp	Stores & Offices	64,155
Kingston Estates Ltd	Stores & Offices	60,497
Namod Properties Ltd	Multi-Family Apartment	\$ 60,449

Registered Owner	Primary Property	Taxes Levied
Basha Sales Co Ltd	Multi-Family Apartment	\$ 59,687
Vista Towers Ltd	Multi-Family Apartment	58,179
Oak Bay Housing Cooperative	Multi-Family Apartment	54,138
Emerynn Holdings Inc	Stores & Offices	54,096
2224 Oak Bay Holdings Ltd	Stores & Offices	54,008
Overseas Investments Ltd	Multi-Family Apartment	53,443
Oak Bay Avenue Holdings Ltd	Stores & Offices	50,984
		\$ 4,134,605
Total 2025 Tax Levies		\$ 68,139,248
% of Corp Tax Payers for 2025		6.07%

Source: District Of Oak Bay Finance Department



Statement of Operations 2021-2025

(IN THOUSANDS)

Revenue	2021	2022	2023	2024	2025
Taxation, net	\$ 30,890	\$ 32,645	\$ 35,728	\$ 38,747	\$ 43,268
Sales and services	6,132	7,596	8,451	8,806	9,737
Other Revenues	1,884	1,729	1,691	1,779	1,829
Develop Contributions	223	-	-	-	-
Government transfers	9,130	2,766	7,364	5,089	6,878
Investment income	916	1,910	3,617	3,484	2,491
Sales of water and sewer charges	9,054	9,791	10,305	9,924	12,191
Total	\$ 58,229	\$ 56,437	\$ 67,156	\$ 67,829	\$ 76,394

Expenses by Function	2021	2022	2023	2024	2025
General Government	\$ 5,597	\$ 6,760	\$ 7,787	\$ 8,123	\$ 9,097
Protective Services	11,393	13,105	12,805	15,011	16,898
Transportation Revenue	4,296	4,753	5,635	5,575	5,310
Environmental Health Services	1,628	1,641	1,857	1,933	2,163
Recreation Services	12,940	14,257	15,658	16,577	17,942
Water Utilities	3,635	4,015	4,589	4,791	5,315
Sewer Collection System	3,884	3,712	4,222	4,254	4,435
Total	\$ 43,373	\$ 48,243	\$ 52,553	\$ 56,264	\$ 61,162

Expenses by Object	2021	2022	2023	2024	2025
Salaries and wages	\$ 24,819	\$ 27,540	\$ 28,940	\$ 31,735	\$ 34,665
Materials, supplies and services	15,805	17,529	20,111	20,734	22,140
Interest and other	134	134	484	370	384
Amortization	2,615	2,797	2,979	3,370	3,780
Accretion	-	-	39	40	40
Loss of tangible capital assets	-	244	-	16	153
Total	\$ 43,373	\$ 48,244	\$ 52,553	\$ 56,265	\$ 61,162

Source: District Of Oak Bay Finance Department

Annual & Accumulated Surplus 2021-2025

(IN THOUSANDS)

	2021	2022	2023	2024	2025
Accumulated Surplus, Beginning of Year	\$ 115,130	\$ 129,987	\$ 138,180	\$ 152,784	\$ 163,974
Adoption of PS 3400 Standard				(374)	
Annual Surplus/(Deficit)	14,857	8,193	14,604	11,565	15,232
Accumulated Surplus, End of Year	\$ 129,987	\$ 138,180	\$ 152,784	\$ 163,974	\$ 179,206

Source: District Of Oak Bay Finance Department

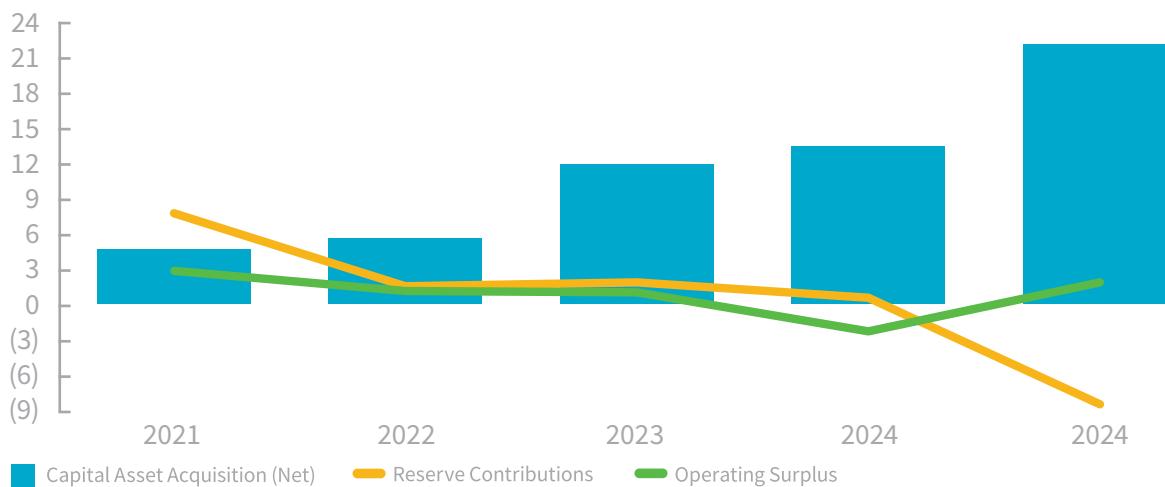
Allocation of Annual Accounting Surpluses 2021-2025

(IN THOUSANDS)

	2021	2022	2023	2024	2025
Annual Surplus	\$ 14,857	\$ 8,193	\$ 14,604	\$ 11,565	\$ 15,232
Capital Asset Acquisition (Net)	4,672	5,458	11,896	13,368	22,073
Reserve Contributions	7,478	1,510	1,712	485	(8,621)
Operating Surplus	2,707	1,225	996	(2,288)	1,780
	\$ 14,857	\$ 8,193	\$ 14,604	\$ 11,565	\$ 15,232

Source: District Of Oak Bay Finance Department

Annual Surplus Allocations 2020-2024 (In Millions)



The withdrawal from reserve contributions in 2025 reflects a strategic reallocation of funds toward capital asset acquisition, which increased from \$13.4 million in 2024 to \$22.1 million in 2025. As the municipality prioritized infrastructure investments and tangible capital assets, contributions to reserves decreased by \$8.6 million. This shift demonstrates a deliberate investment in physical assets that will strengthen long-term service delivery capacity and support the community's future infrastructure needs.

Reserve Funds & Other Funding Sources 2021-2025

(IN THOUSANDS)

Reserve Funds & Other Funding Sources	2021	2022	2023	2024	2025
Operating Fund Surplus	\$ 17,471	\$ 10,420	\$ 11,416	\$ 8,754	\$ 10,534
Village Parking	973	996	1,043	1,087	1,119
Fire Equipment	2,148	1,571	57	331	523
Land Sale	39	40	42	44	45
Machinery and Equipment	1,669	2,035	1,563	1,493	1,796
Heritage	2,274	2,327	2,437	2,540	2,615
Tax Sale Property	2	2	2	2	2
Parks Acquisition	485	496	519	541	557
Capital Works	18,023	20,841	19,256	17,285	17,447
Alternative Transportation Infrastructure	15	15	16	16	17
Infrastructure Renewal	14,375	22,036	22,972	26,032	18,388
COVID-19 Restart*	2,563	2,008	1,398	1,022	212
Growing Communities Fund*	-	-	4,773	4,171	3,221
Gas Tax Funds - Uplands Sewer Separation	-	-	-	-	-
	\$ 60,037	\$ 62,787	\$ 65,494	\$ 63,318	\$ 56,476

Source: District Of Oak Bay Finance Department

Debenture Debt 2021-2025

(IN THOUSANDS)

	2021	2022	2023	2024	2025
Gross Outstanding Debt - MFA	\$ 4,715,000	\$ 4,715,000	\$ -	\$ -	\$ -
Gross Outstanding debt - Capital Lease	-	-	-	-	-
Total Gross O/S* Debt	4,715,000	4,715,000	-	-	-
Less: Sinking Fund Payments	(4,060,411)	(4,407,764)	-	-	-
Net Debt	\$ 654,589	\$ 307,236	\$ -	\$ -	\$ -
Debt servicing (property taxes)	276,972	276,972	-	-	-
Population	18,930	19,211	19,962	19,962	17,990
Net Debt per Capita	\$ 35	\$ 16	\$ -	\$ -	\$ -
Debt Servicing per Capita	\$ 15	\$ 14	\$ 14	\$ 7	\$ -
Debt Servicing as % of Expenses	0.6%	0.6%	0.5%	0.3%	0.0%
Debt Servicing Limit	11,825,877	13,086,232	13,397,987	14,530,270	16,225,457
% Debt Servicing Limit	2.3%	2.1%	2.1%	1.0%	0.0%

Source: District Of Oak Bay Finance Department

Statement of Financial Position 2021-2025

(IN THOUSANDS)

	2021	2022	2023	2024	2025
Financial Assets	\$ 73,877	\$ 79,290	\$ 88,811	\$ 86,708	\$ 81,333
Financial Liabilities	15,500	17,818	24,411	24,171	25,935
Net Financial Assets/(Net Debt)	\$ 58,377	\$ 61,472	\$ 64,400	\$ 62,537	\$ 55,398
Non-Financial Assets	71,610	76,708	88,384	101,437	123,807
Accumulated surplus	\$ 129,987	\$ 138,180	\$ 152,784	\$ 163,974	\$ 179,206

Source: District Of Oak Bay Finance Department

Capital Expenditures 2021-2025

(IN THOUSANDS)

Expenditures	2021	2022	2023	2024	2025
Land Improvements	\$ 572	\$ 364	\$ -	\$ 215	\$ 332
Building and Building Improvements	1,018	2,060	1,745	1,104	429
Machinery and Equipment	773	166	382	394	513
IT Equipment	341	32	183	239	49
Vehicles	997	-	1,080	447	125
Roads, Drains, Sewer, and Water	2,777	3,433	3,943	2,898	4,841
Assets Under Construction	565	2,105	7,289	11,457	19,717
Total	\$ 7,043	\$8,160	\$ 14,622	\$ 16,754	\$ 26,006

Source: District Of Oak Bay Finance Department

Property Tax Exemptions 2021-2025

Expenses by Name	2021	2022	2023	2024	2025
Emmanuel Baptist Church	\$ 22,804	\$ 26,035	\$ 32,528	\$ 35,296	\$ 41,991
Guide Hall	1,451	1,655	1,977	2,206	2,580
Kiwanis Manor	13,942	13,762	15,069	16,779	18,364
Kiwanis Tea Room	594	715	828	936	1,084
Oak Bay Lawn Bowling Club	5,716	6,425	7,850	7,850	10,226
Oak Bay United Church	15,157	20,100	22,389	24,290	28,599
St. Mary's Church	12,000	17,325	18,475	21,954	23,695
St. Patrick's Church	22,542	29,632	33,357	35,526	41,817
St. Phillip's Church	6,122	8,004	9,975	10,823	12,874
Scout Hall	2,344	2,887	3,491	664	1,758
Total	\$ 102,672	\$ 126,540	\$ 145,939	\$ 156,324	\$ 182,988

Source: District Of Oak Bay Finance Department







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