



# Financial Plan Draft 2023-2027

February 24, 2023



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Corporation of the District of Saanich  
British Columbia**

For the Fiscal Year Beginning

**January 01, 2022**

*Christopher P. Morill*

Executive Director

# TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY .....</b>	<b>2</b>
<b>INTRODUCTION.....</b>	<b>9</b>
COMMUNITY PROFILE .....	9
ORGANIZATION PROFILE .....	10
BUDGET GUIDELINES FOR 2023.....	14
BUDGET POLICY AND PRINCIPLES .....	15
<b>General Operating Fund .....</b>	<b>25</b>
<b>Council, Administration, Sustainability and Legislative Services .....</b>	<b>29</b>
Corporate Services .....	33
Information Technology .....	35
Finance .....	38
Corporate Revenues and Expenses .....	40
Fiscal Services .....	41
Building, Bylaw, Licensing and Legal Services .....	42
Fire Protection.....	45
Emergency Program.....	48
Planning.....	50
Engineering .....	53
Parks, Recreation and Community Services .....	58
Police Services.....	68
Library, Grants and Economic Development .....	69
<b>General Capital Program .....</b>	<b>70</b>
<b>Water Utility Fund.....</b>	<b>82</b>
<b>Sewer Utility Fund .....</b>	<b>87</b>
<b>Reserve Funds .....</b>	<b>92</b>
<b>General Operating Fund Estimates 2024 - 2027 .....</b>	<b>95</b>
<b>Water Utility Fund Estimates 2024 - 2027 .....</b>	<b>96</b>
<b>Sewer Utility Fund Estimates 2024 - 2027 .....</b>	<b>96</b>
<b>Glossary.....</b>	<b>97</b>
<b>Bylaws.....</b>	<b>100</b>
<b>Appendix A - Saanich Police Board 2023 Provisional and Revised Budget</b>	
<b>Appendix B - Greater Victoria Public Library 2023 Budget and Five-Year Financial Plan</b>	

# EXECUTIVE SUMMARY

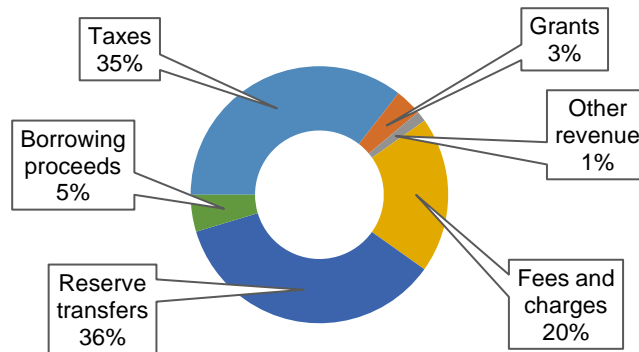
The Community Charter requires that the District of Saanich approve a Five Year Financial Plan bylaw each year prior to the adoption of the annual property tax bylaw. This document provides the supporting details to the 2023-2027 Draft Financial Plan Bylaw, which will be considered for adoption by Council before May 15, 2023.

## 1. Consolidated Financial Plan Summary

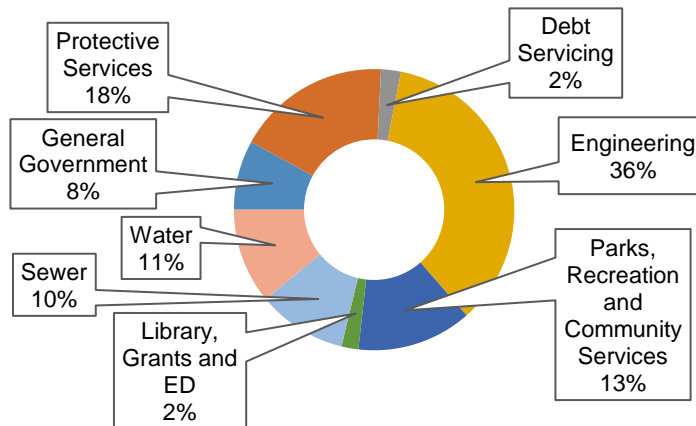
Local governments in British Columbia are required through provisions in the Community Charter to have balanced financial plans. Current revenue, including transfers from reserves, must be sufficient to support current expenditures for each of the three funds: general operating, sewer and water.

Saanich's consolidated financial plan for 2023 balances \$457,179,600 in revenues and transfers with \$457,179,600 in expenditures.

**Consolidated Revenue**



**Consolidated Expenditure**



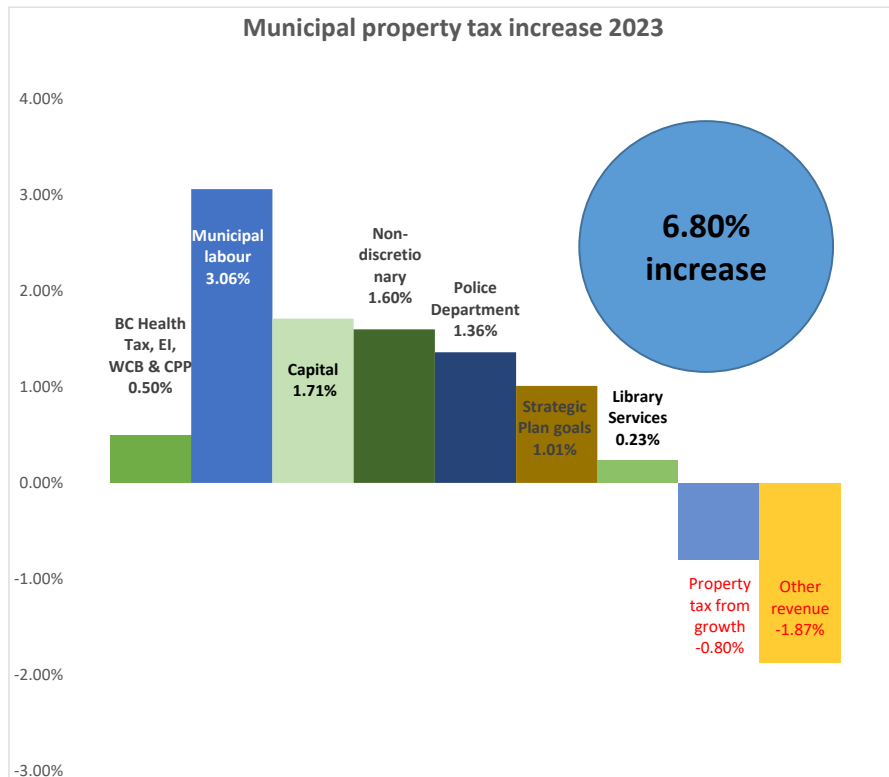
The budget is based on:

1. A municipal property tax increase of 3.50% (\$111.51) for core operations and non-discretionary costs including new resources approved in prior year to advance Strategic Plan Goals, 1.71% (\$54.48) for capital infrastructure, 1.36% (\$43.33) for Police Board, and 0.23% (\$7.33) for the Greater Victoria Public Library. This totals 6.80% or \$216.65 to the average single family homeowner,
2. Sewer Utility rates approved in December 2022 of \$2.080 per cubic meter for the Capital Regional District Sewer Usage Charge and \$1.603 per cubic meter for the Saanich Sewer Usage Charge
3. Water Utility rates approved in December 2022 of \$1.978 per cubic meter for Regular Retail rate.
4. Garbage Utility rates approved in December 2022 of \$152.10 for base fee, \$33.00 for 80 litre Organics Cart Fees, \$46.20 for 120 litre Organics Cart Fees, \$92.40 for 240 litre Organics Cart Fees, \$29.25 for 120 litre Garbage Cart Fees and \$43.83 for 180 litre Garbage Cart Fees.

Including all municipal taxes and utilities, an average homeowner is projected to pay about \$286 more in 2023:

	<u>2022</u>	<u>2023</u>	<u>Increase</u>
Property Taxes	\$ 3,185	\$ 3,402	\$217
Sewer	684	710	26
Water	412	443	31
Refuse Collection *	<u>216</u>	<u>228</u>	<u>12</u>
	<u>\$ 4,497</u>	<u>\$ 4,783</u>	<u>\$ 286</u>

\* base fee plus 120L of each organics and garbage cart fees



### Summary of Consolidated Financial Plan Changes from 2022 To 2023

Additional revenues from taxation, reserves and user fees will be used to fund non-discretionary increases in 2023 operating programs, new infrastructure maintenance and increased capital replacement. Grants from senior levels of government and some reserves will also be used to fund large capital projects such as the Shelbourne Street Improvement project:

<b>Consolidated Revenue</b>					
<b>Source</b>	<b>General Operating</b>	<b>General Capital</b>	<b>Sewer &amp; Water Utility</b>	<b>2023 Budget Total</b>	<b>2022 Budget Total</b>
Taxes	139,514,700	21,832,300	-	161,347,000	149,950,000
Grants	5,535,600	9,842,400	-	15,378,000	14,030,500
Other revenue	5,970,700	-	-	5,970,700	3,880,200
Fees and charges	32,483,500	-	56,457,300	88,940,800	84,356,900
Reserve transfers	10,522,600	120,888,200	33,100,300	164,511,100	131,925,000
Borrowing proceeds	-	17,932,000	3,100,000	21,032,000	20,704,600
<b>Total</b>	<b>194,027,100</b>	<b>170,494,900</b>	<b>92,657,600</b>	<b>457,179,600</b>	<b>404,847,200</b>

<b>Consolidated Expenditure</b>					
<b>Function</b>	<b>General Operating</b>	<b>General Capital</b>	<b>Sewer &amp; Water Utility</b>	<b>2023 Budget Total</b>	<b>2022 Budget Total</b>
Administration	4,843,100	-	-	4,843,100	4,884,300
Corporate Services	4,033,100	-	-	4,033,100	16,654,900
Information Technology	7,436,800	20,067,900	-	27,504,700	6,642,600
Finance	3,739,400	-	-	3,739,400	3,285,900
Corporate Revenues and Expenses	7,735,100	-	-	7,735,100	9,077,600
Fiscal Services	8,498,900	-	1,356,400	9,855,300	9,154,700
Building, Bylaw, Licensing & Legal Services	8,785,000	-	-	8,785,000	7,884,600
Police Protection	45,593,000	1,998,400	-	47,591,400	44,924,400
Fire Protection	24,642,500	3,836,700	-	28,479,200	24,973,900
Emergency Program	524,500	-	-	524,500	614,700
Planning	5,233,300	-	-	5,233,300	7,208,600
Engineering	26,404,000	125,857,500	91,301,200	243,562,700	208,486,500
Parks, Recreation and Community Services	38,220,400	18,734,400	-	56,954,800	52,779,800
Library, Grants and Economic Development	8,338,000	-	-	8,338,000	8,274,700
<b>Total</b>	<b>194,027,100</b>	<b>170,494,900</b>	<b>92,657,600</b>	<b>457,179,600</b>	<b>404,847,200</b>

Note: The above total figure for General Operating is \$40,520,400 less than the total amount on page 26 due to the removal of the inter-departmental recoveries and the allocation of the capital expenditure funded by property taxes to the General Capital Fund.

<b>Consolidated Revenue level in 2022</b>						\$ 404,847,200
Revenues were increased because:						
	Increased General Taxes					11,397,000
	Increased use of grant revenue mainly for infrastructure spending					4,707,700
	Decreased use of COVID-19 Safe Restart Grant					(3,360,200)
	Increased fees and charges from recreation					1,317,800
	Increased fees and charges from water and sewer programs					2,175,300
	Increased fees fees and charges from other programs					3,181,300
	Increased borrowing for infrastructure					327,400
	Increased use of reserve funds (including Work in Progress)					32,586,100
<b>New Consolidated Revenue level for 2023</b>						\$ 457,179,600
<b>Consolidated Expenditures level in 2022</b>						\$ 404,847,200
Expenses were increased because:						
	Increased General Operating costs					7,501,100
	Increased gross General Capital costs					35,714,100
	Increased Water System operating and gross capital costs					6,909,400
	Increased Sewer System operating and gross capital costs					2,207,800
<b>New Consolidated Expenditure level for 2023</b>						\$ 457,179,600

## 2. 2023 Consolidated Fund Balance Summary

Municipal activities are accounted for on a fund basis. Under the Community Charter municipalities are required to have a balanced budget with expenditures not exceeding revenues. With the exception of reserve funds, all funds are budgeted to remain at 2022 levels. Reserve funds are expected to decrease in 2023 as funds are appropriated for equipment replacement, capital projects and estimated land purchases.

Fund Balances						
	<u>General</u> <u>Operating</u>	<u>General</u> <u>Capital</u>	<u>Sewer Utility</u>	<u>Water Utility</u>	<u>Reserve</u> <u>Fund</u>	<u>Total</u>
Fund Balance, January 1	28,191,300	30,680,900	20,730,500	16,832,900	144,553,400	240,989,000
Total Revenues	234,547,500	170,494,900	45,584,700	47,072,900	20,365,800	518,065,800
Total Expenditures	(234,547,500)	(170,494,900)	(45,584,700)	(47,072,900)	(98,780,400)	(596,480,400)
Fund Balance, December 31	28,191,300	30,680,900	20,730,500	16,832,900	66,138,800	162,574,400

## 3. General Operating Fund Summary:

This budget provides for the annual operation of the municipality in 2023 based on a 3.50% increase for core operations, resource requests and non-discretionary costs to both maintain and enhance services over 2022 service levels, 1.71% for capital funding, 1.36% for Police Board and an increase of 0.23% for the Greater Victoria Public Library.

This tax revenue funds the net cost to maintain services at 2022 levels, fund resource requests approved in the prior year that address Saanich's strategic plans and continues past practice of gradually increasing tax funded capital programs to address any funding deficits.

A refuse collection fee of \$228 (based on base fee plus cart sizes of 120 Litre each for garbage and organic) per household is charged on the utility bill to fund refuse, garden and kitchen waste collection and disposal. The increase of \$12 over prior year is attributable to increase in tonnage for compost, increase in compost hauling and processing fee, vehicle operation and maintenance, wage increments and Solid Waste's share of Engineering and corporate support.

#### **4. Water Utility Fund Summary:**

The Water Utility Budget provides for all operations and capital funding to support the water system. In December 2022 an 8.20% annual increase in water rates was approved to address contracted increases to labour costs, inflationary cost of materials, water utility's share of engineering and corporate support and capital infrastructure replacement funding. The rate increase also covers an increase in CRD bulk water purchase rates of 5.00%. Cost to the average homeowner increased by \$31 from \$412 to \$443 per year.

#### **5. Sewer Utility Fund Summary:**

The Sewer Utility Budget provides for all operations and capital to support the sewage disposal system. In December 2022 a 3.98% increase in sewer rates was approved to support CRD operating costs of the Wastewater Treatment Plant which came online in 2021, contracted increases to the District's labour costs, inflationary increase in materials and hired equipment, sewer utility's share of engineering and corporate support and capital infrastructure replacement funding. Annual cost to the average homeowner increased by \$26 from \$684 to \$710 per year.

#### **6. General Capital Fund Summary:**

The 2023 General Capital Program provides for \$170.5 million program of infrastructure and equipment replacement funded from a mixture of property taxation, debt, reserves, grants and development cost charges. Significant new capital projects in 2023 include \$8.4 million for Shelbourne Street improvement, \$2.5 million for sidewalk installation program, \$1.1 million for cycling infrastructure program, \$5.4 million in wood stave replacement, \$6.5 million in sub-standard drain replacement, \$4.5 million in parks projects and \$16.8 million in facility upgrades and planning.

The Capital Plan matches the District's needs for investment in capital with available financial resources. Replacement of aging infrastructure is given priority in balancing capital requirements with funding. Funding is being gradually increased to support replacement of information technology assets and facility infrastructure through transfers to capital reserves. The addition of \$327,000 annually over 5 years is required to reinstate the Facilities Reserve Fund transfer that was reduced in the 2020 budget. Total capital funding has risen from \$11 million in 2007 to an annual average of over \$48.8 million in the last three years demonstrating Council's commitment to infrastructure replacement.

#### **7. Reserve Fund Summary:**

Reserve Funds are projected to decrease from \$144,553,400 in 2022 to \$66,093,800 in 2023 as work progresses to complete capital projects planned in previous years and funding is provided for from the various reserves to fund those continuing and new projects.



**8. Debt Summary:**

Overall debt levels are projected to increase to \$67.6 million in 2023. This remains well below Council policy of \$115 million in general debt. Current outstanding debt, interest rates and maturity dates are listed below. Temporary borrowing will be paid off and replaced by long term borrowing approved by Council in the last financial plan. The short term borrowing is used for financing equipment purchases and range from one to five years.

Over the 5 year term of the financial plan, \$1.6 million in debt servicing will become available to apply to other borrowing needs.

BY-LAW NUMBER	LOAN TYPE	GENERAL	SEWER	TOTAL	SERVICING COST	INTEREST RATE	MATURITY DATE
		\$	\$	\$	\$	%	D / M / Y
4319	Long Term	273,669		273,669	136,276	1.97%	09.10.2024
3968	Long Term	558,092		558,092	271,898	3.00%	14.10.2024
3726	Long Term	433,717		433,717	154,365	3.35%	01.10.2025
3726	Long Term		285,721	285,721	76,454	1.28%	06.10.2025
4361	Long Term	424,212		424,212	140,544	0.91%	02.10.2025
3771	Long Term	2,697,933		2,697,933	737,133	3.65%	29.09.2026
3051	Long Term	540,199		540,199	65,179	2.25%	03.06.2028
4163	Long Term	460,146		460,146	101,494	3.41%	04.10.2028
3968	Long Term	1,403,562	1,147,142	2,550,704	377,722	3.00%	14.10.2029
4061	Long Term	3,500,851	1,826,123	5,326,974	627,628	2.60%	19.04.2031
4163	Long Term	2,000,729		2,000,729	228,946	2.80%	07.04.2032
4199	Long Term	1,569,000	1,071,819	2,640,819	315,128	3.15%	04.10.2032
4283	Long Term	3,731,313	108,396	3,839,709	370,088	2.66%	09.04.2034
4319	Long Term	3,326,913	1,600,921	4,927,834	450,145	2.24%	09.10.2034
4361	Long Term	1,440,786	837,154	2,277,940	175,722	0.91%	02.10.2035
4400	Long Term	5,376,305	1,414,817	6,791,122	582,398	2.41%	15.04.2036
4438	Long Term	3,018,277		3,018,277	245,083	1.98%	27.09.2036
4504	Long Term	4,655,000	700,000	5,355,000	496,543	4.09%	23.09.2037
9563	Temporary	2,175,400		2,175,400	103,549	4.76%	30.06.2024
Resolution	Short Term	32,593		32,593	32,593	4.60%	31.12.2023
Resolution	Short Term	23,676		23,676	12,775	4.60%	31.12.2024
Resolution	Short Term	9,850		9,850	3,321	4.60%	31.12.2025
Resolution	Short Term	167,233		167,233	42,120	4.60%	31.12.2026
		(151,661)	(46,122)	(197,783)			Accrued Actuarial Gains
TOTAL		<u>37,667,795</u>	<u>8,945,971</u>	<u>46,613,766</u>	<u>5,747,104</u>		

\* Temporary and Short Term loans interest are based on the daily CDOR rates. The above rate is as of December 31<sup>st</sup>, 2022.

## Consolidated 2023 Budget Highlights by Strategic Plan Goal Areas

Funding of key initiatives has been allocated to each Strategic Plan Goals as follows:

### Community Well-Being:

- \$1,598,000 in funding to provide fleet, IT and other capital replacement for protective services
- \$280,500 in funding to hire one additional 24/7 firefighter (5.25 FTE) partial year.
- \$150,000 in annual funding for the Active and Safe Route to School program
- \$1,155,000 in various road improvements to Bus Stops, Signals and Street Lights:
  - Intersections and traffic signal program
  - Street furniture program
  - LED street light program

### Climate Action and Environment Leadership:

- \$4,478,000 for park, playground, trail and other park infrastructure replacement
  - Park Renewals phases at Fowler and Lochside
  - Mount Doug and Arbutus Cove Washroom additions
  - Wedgewood Tennis Court reconstruction.
  - Garry Oak and Aspen restoration projects
  - Various tree planting projects
- A minimum of \$18,199,000 of road, sidewalk and bikeways additions and improvements in areas such as:
  - Shelbourne Street Improvement Phase-2 2.5km sidewalk, 2.8km cycling
  - Sinclair Road Phase-2 1.9km sidewalk, 1.9km cycling
  - Gorge Road (Tillicum Road to Harriet Road) 450m sidewalk, 1.7km cycling
  - Cadboro Bay (Walema to Rambler) 500m sidewalk, 690m cycling

### Affordable Housing, Land Use and Infrastructure Management:

- \$15,238,000 to continue replacing asbestos cement sewer mains and asbestos cement and cast iron water mains
- \$1,584,000 for Information Technology infrastructure upgrades

### Economic Diversification:

- \$77,600 to continue to support the implementation of the Economic Development Section

### Organizational Excellence:

- \$933,200 in funding to maintain new assets added in the prior year and to offset inflationary costs to maintain service levels.
- \$4,818,000 for operations Business Systems upgrades

# INTRODUCTION

## COMMUNITY PROFILE

### Population

Saanich’s population was reported to be 117,735 in the 2021 census making Saanich the ninth largest municipality in British Columbia.

### Age Distribution

The population is distributed among age groups similar to other cities in the province. Saanich’s population is slightly older than that of the provincial average, with a higher percentage of its population in the highest two age groups.

**Age and Gender Distribution**

Ages	Male	Female	Total	Percent	BC
0 to 14	7,765	7,275	15,040	13.7%	15.5%
15 to 24	7,955	7,625	15,580	14.2%	12.6%
25 to 44	12,565	13,060	25,625	23.3%	26.3%
45 to 64	15,635	17,815	33,450	30.5%	30.0%
65+	9,010	11,035	20,045	18.3%	15.6%
Total	52,930	56,810	109,740	100.0%	100.0%

### History

The District of Saanich lies within the territories of the ləkʷəŋən (lay-kwung-gen) peoples represented by the Songhees and Esquimalt Nations and the WSÁNEĆ (weh-saanich) peoples represented by the Tsartlip (Sart-Lip), Pauquachin (Paw-Qua-Chin), Tsawout (Say-Out), Tseycum (Sigh-Come) and Malahat (Mal-a-hat) Nations.

Since incorporation on March 1, 1906, Saanich has become a major residential area in the Capital Regional District. The history of Saanich and its pattern of settlement are still evident in many of the old buildings and structures located throughout the district. Geographically, elevations range from sea level to 213 meters, and the municipality is complemented by 817.49 hectares of freshwater lakes and 30 km of marine shoreline.

*Saanich’s appealing, clean environment, its recreation and parks amenities, skilled workforce & responsive public service make the municipality a great community to live, work & do business in.*

Today, Saanich is the largest of the municipalities in Greater Victoria, with an area of 10,334 hectares and a population of approximately 114,000. Located in a core position within the metropolitan area – the Trans-Canada Highway enters from the west and the Pat Bay Highway enters from the north, converging within the Municipality and running parallel into the City of Victoria. Traditionally, Saanich has been the bedroom community or “gateway” to the downtown core of Victoria, by virtue of its location and strong historical rural roots.

Saanich is a thriving community that benefits from strong infrastructure and a wide range of community-based services for youth, families, adults, and seniors. This infrastructure helps sustain local economic development, while meeting or exceeding social and environmental commitments.

### Business and Industry

Saanich is home to a wide variety of community-based business and industries. Statistical information of principal taxpayers and top industries of employment can be viewed in the [annual report](#).

## ORGANIZATION PROFILE

The District of Saanich has a motto in Latin – "*Populo Serviando*" – which means serving the people. It is a message that all Councillors and staff take to heart in their respective roles.

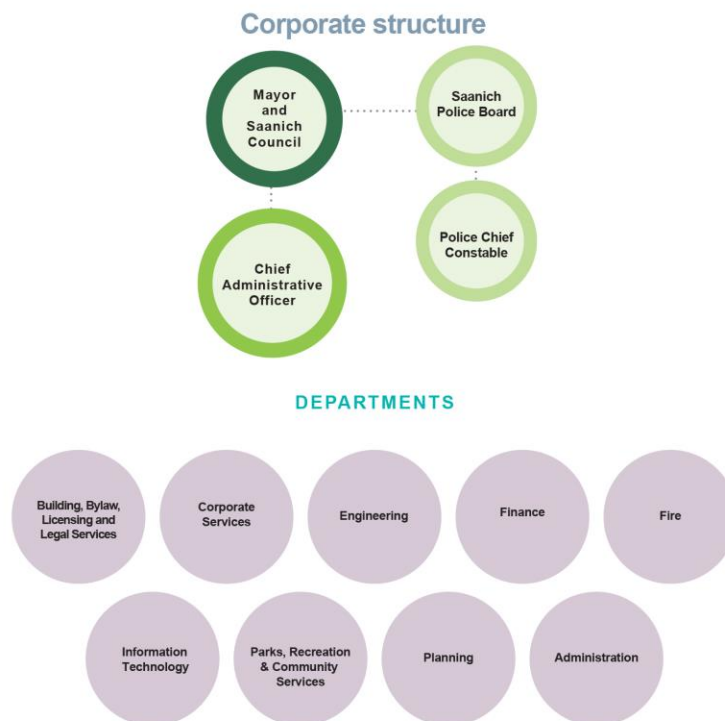
### Saanich Council

The Saanich municipal council represents the citizens of Saanich and provides leadership as the legislative and policy-making body for the organization. Saanich Council is made up of a Mayor and eight Councillors who are elected for four-year terms. Saanich Council is currently comprised of the following members:

<b>Mayor:</b>	Dean Murdock	
<b>Councillors:</b>	Susan Brice	Karen Harper
	Judy Brownoff	Teale Phelps Bondaroff
	Nathalie Chambers	Colin Plant
	Zac de Vries	Mena Westhaver

### Senior Management Team

The Chief Administrative Officer (CAO) leads a senior management team responsible for providing recommendations to Council and ensuring effective provision of municipal services through their departmental staff. The senior management team also provides leadership throughout the organization to support implementation of Council’s Strategic Plan initiatives. As illustrated in the following diagram, the senior management team consists of the CAO, Directors of the municipal departments, the Fire Chief and the Chief Constable:



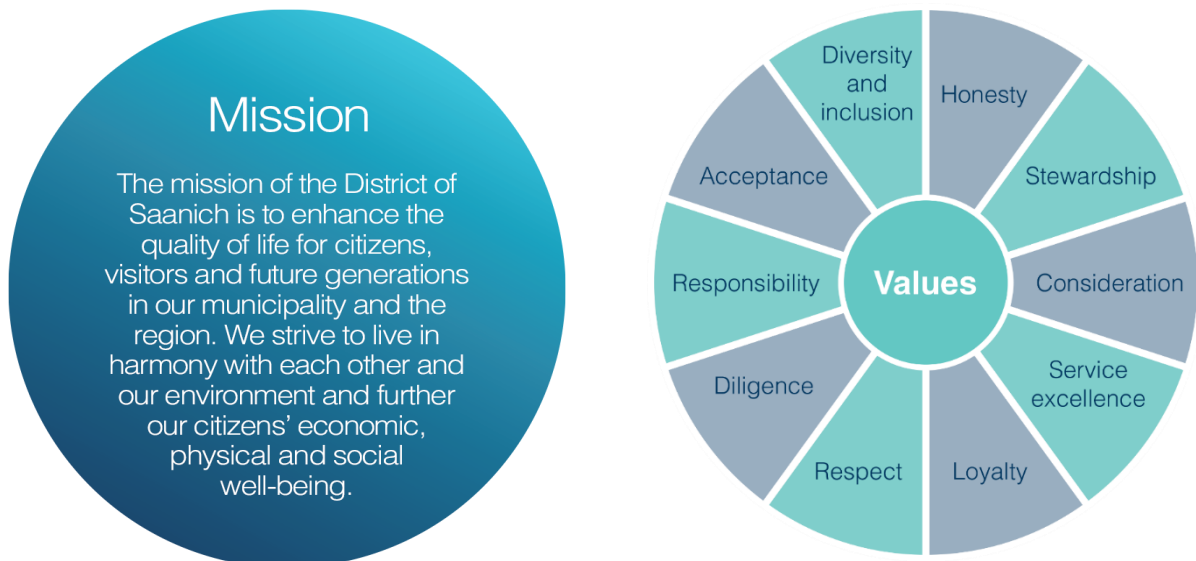
## Saanich Vision

The Official Community Plan (Saanich Vision) expresses the fundamental values and goals of our community and describes a future view of our community that we are committed to achieving. The OCP embraces three themes that Council and the community identified as core focus areas for Saanich over the next 20 years, including environmental integrity, social well-being and economic vibrancy.



## Mission and Values

Our mission describes both our purpose and our practices. It acknowledges that Saanich serves many stakeholders, and all of their interests are important to us. Our mission also speaks directly to our employees, without whose tremendous effort and contributions we can never achieve our goals. Both our OCP and mission are founded on the values that guide all our actions and decisions.



## STRATEGIC CONTEXT

### 1. Strategic Plan

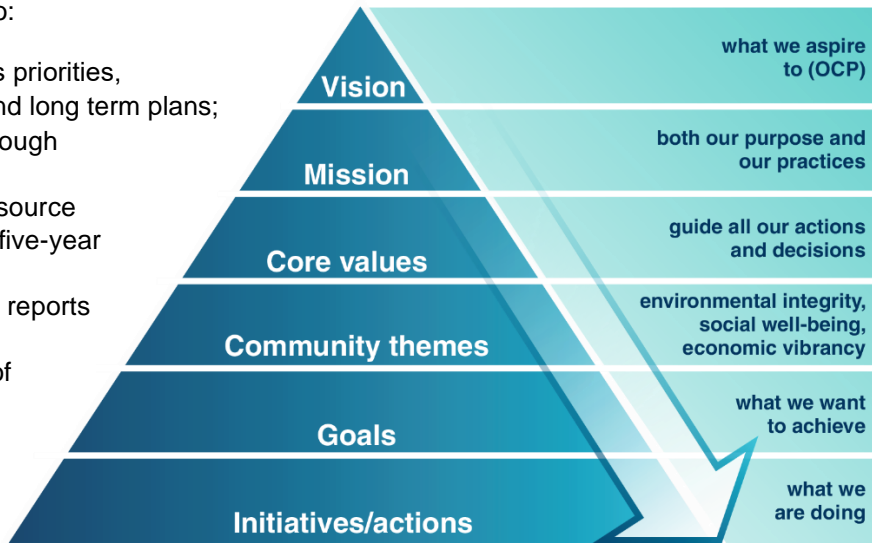
The Saanich Strategic Plan offers a framework to focus and measure progress towards the preferred future as a municipality. Specifically, moving towards and achieving the Saanich Vision. The development of the plan is based on public consultation involving council, citizens and staff. The plan identifies the goals of this Council which are aligned with Saanich’s Official Community Plan:

<b>Community Well-Being</b>	<b>Affordable Housing, Land Use and Infrastructure Management</b>	<b>Organizational Excellence</b>	<b>Economic Diversification</b>	<b>Climate Action and Environmental Leadership</b>
-----------------------------	---	----------------------------------	---------------------------------	--

The Strategic Plan is used to:

- define the municipality’s priorities, processes, and short and long term plans;
- guide work priorities through departmental plans;
- prioritize budget and resource allocations through the five-year financial plan;
- provide context for staff reports to Council; and
- evaluate achievement of Saanich goals.

Ultimately, the success of the Strategic Plan is moving toward our vision.



## 2. Financial Planning Process

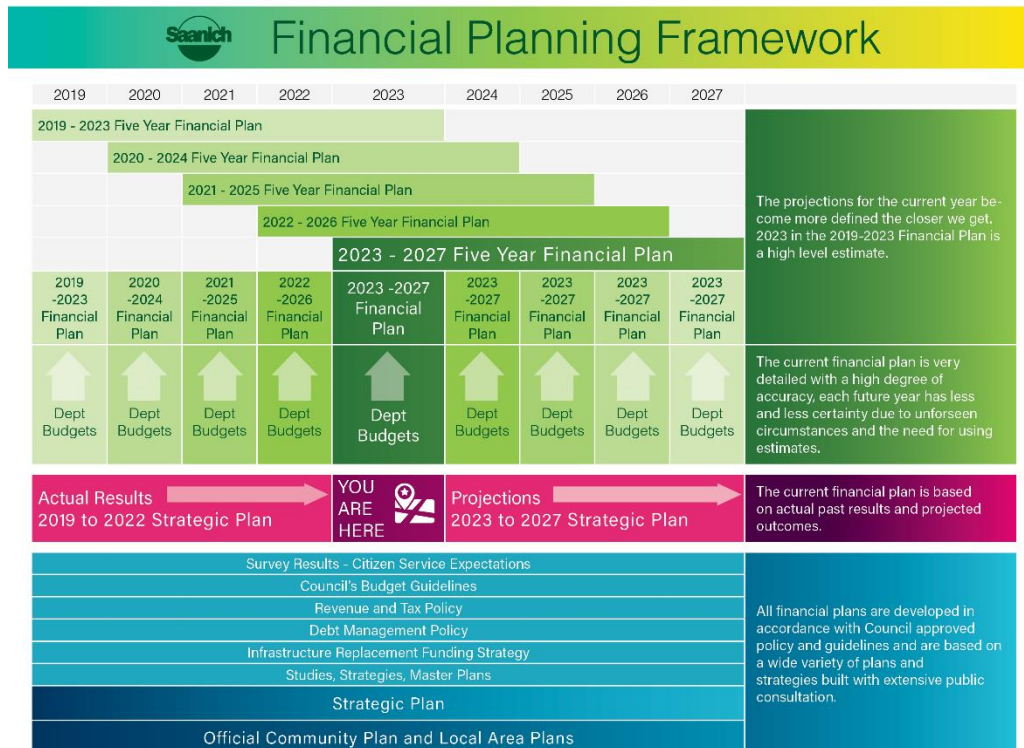
Financial planning is an on-going year round process. The cycle begins in June and continues until the following May when the plan is adopted by Council:

July - August	Council develops Budget Guidelines
September – October	Departmental Financial Plans
November – January	Draft Financial Plan is prepared
January - February	Senior Management Review
March – April	Public Budget Meetings
May	Final Financial Plan and bylaws adopted

Each department prepares a work plan that contains major activities to accomplish in the coming year, including those initiatives contained in the Strategic Plan. Based on those activities and while adhering to the budget guidelines (page14), departmental budgets are provided outlining expected costs and associated revenue. The departmental budgets are compiled to create a draft financial plan which is reviewed by the Director of Finance and the Chief Administrative Officer.

Upon finalization of the draft financial plan public meetings are scheduled where each department presents its portion of the financial plan, allowing Council review and for public scrutiny and input. Additional meetings related to grants, resource requests and other matters relevant to current circumstances are scheduled thereafter to allow further public input for Council’s consideration.

As input is received from the public and Council discusses financial plan priorities, the proposed financial plan is revised until a final version is reached. This becomes the document the District uses to develop the Financial Plan Bylaw. The property tax revenue requirement established in the Financial Plan Bylaw forms the basis for the tax rates approved through the property tax bylaw. The financial plan may be amended by bylaw at any time. The Financial Planning Framework shown below demonstrates how layers of public process, plans, strategies and policies from the past and into the future inform the development of the five year financial plan.



## BUDGET GUIDELINES FOR 2023

---

### Council Approved Budget Guidelines

At the August 22, 2022 meeting of Council, the following motion was passed:

Preliminary 2023 departmental net budget totals will be limited to a 0.0% increase over the 2022 adopted net budget totals, exclusive of existing personnel costs, phased in funding for positions approved by Council in the prior year, core capital increases, and non-discretionary increases;

Funding for salary and benefits costs arising from Job Evaluation (JE) changes must be provided within existing budgets with the exception of any impacts resulting from the Exempt Job Evaluation process which will be incorporated into the budget as a standalone item of approximately 33% each year in 2023, 2024 and 2025;

Capital expenditures funded from current taxation revenue (Core Capital) be increased by 4%;

Provision will be made for an addition of \$327,000 to commence reinstating the Facilities Reserve Fund transfer that was reduced in the 2020 budget and \$250,000 to support major repair work to Saanich facilities;

Provision will be made for Corporate Information Technology replacement with the annual addition of \$750,000 until such time as annual sustained funding is achieved;

Provision will be made to transition \$500,000 in funding for acceleration of the Active Transportation Plan from borrowing to taxation;

Resource requests for additional operating budgets (including one-time resource projects) and new tax funded personnel only be considered for critical capacity issues or where upfront investment will result in longer term savings;

Council will consider any outstanding resourcing needs for strategic initiatives from the 2019-2023 Strategic Plan;

Council will consider resourcing needs for the long term staffing plan;

Council will consider resourcing needs to continue implementation of the Climate Action Plan;

Direct staff to provide Council with budget reduction scenarios of 1% and 2% on the proposed tax increase; and

Addition of \$150,000 annually for five years dedicated to debt servicing or direct acquisition of land identified for park use.



---

## BUDGET POLICY AND PRINCIPLES

---

### 1. Financial Plan Policies and Assumptions

#### Balanced Financial Plan

The District of Saanich, under the Community Charter, is required to have a balanced financial plan. Expenditures may not exceed the total of revenues, transfers from reserves and proceeds from debt.

Financial performance is monitored through quarterly budget variance analysis at the department level and monthly at division and section levels.

#### Accounting

The accounting policies of the District conform to Canadian generally accepted accounting principles for local governments and the Consolidated Financial Statements are prepared as prescribed by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada.

The District uses various funds to account for its revenue and expenditures. The revenue in each fund may be spent only for the purpose specified by the fund. Each fund belongs to one of three categories: operating, capital, or reserve. Operating funds are used for day-to-day operations. Capital funds pay for physical assets with a life of more than two years. Reserve funds accumulate revenue and interest that will be used to pay for major capital expenses in future years.

All funds (general, water utility, sewer utility and reserves) are accounted for on the accrual basis. Sources of revenue are recognized when earned. Revenue unearned in the current period is reported on the balance sheet as deferred revenue. All funds are appropriated for specific purposes as follows:

General Operating Fund - used to account for all general operating revenues and expenses of the Municipality other than water and sewer operations.

Water Utility Fund - provides for all revenues and expenses related to the operation of the municipal water system. Revenues are collected through water billing based on volume of water consumed.

Sewer Utility Fund - community sewage disposal system revenues and expenditure are accounted for separately. Revenues are primarily recovered from consumption based utility billings.

General Capital Fund (Capital Programs) - used to account for all general capital expenditures.

Statutory Reserve Fund - used to account for all statutory reserve revenues and transfers.

#### Basis of Budgeting

The budget is prepared using the accrual method of accounting. This is consistent with PSAB requirement when preparing audited financial statements. PSAB requires all inter fund activities be eliminated and capital expenditures be capitalized as asset. For budgeting purpose, those are included as part of the financial plan to provide a balanced budget.

The operating component of the Five Year Financial Plan is focused on 2023 but includes a general forecast for the balance of the five year horizon based on the following:

1. 0% annual inflation factor applied to most expenditures.
2. 1% annual inflation factor applied to fees and charges.
3. 1.5% tax allocation per year for non-discretionary operating costs.
4. Selected recovery of recreation programs budgets to pre COVID-19 amounts.
5. Wage and benefit costs per collective agreement commitments or estimates if agreements not finalized.
6. Increase in staffing as per the approved implementation of the Fire Services Review.

The capital component of the Five Year Financial Plan focuses on maintaining funding for infrastructure replacement. This forecast is based on the following assumptions:

1. Water and sewer rates and taxes increased annually to accommodate a construction inflation factor of 4% for infrastructure replacement;
2. Debt servicing budget levels maintained within policy.
3. Federal gas tax funding allocated to transportation and drainage projects.
4. New infrastructure funding mainly relies on modest debt room, government grants, community contributions and operating budgets.
5. Continued annual funding increases to Facilities Reserve Fund and capital funding for facilities major repairs and Corporate IT.
6. All figures shown in current year (2023) dollars – no inflation allowance,

## 2. Revenue And Tax Policies

Proportion of Total Revenue: The Municipality will continue to pursue revenue diversification to minimize the overall percentage of revenue raised from property taxes wherever possible. The objective is to continue maintaining a reasonable tax burden by maximizing other revenue sources and shifting the burden to user fees and charges where feasible.

Distribution of Property Taxes: The Municipality will continue to set tax rates to ensure tax stability by maintaining uniform annual tax increases between the classes.

	Tax Rate <u>2022</u>	Tax Rate <u>2023</u>	% Property <u>Tax Levy</u>	Tax <u>Multiple</u>
Residential	2.7177			
Utilities	25.5837			
Supportive Housing	2.7177			
Light Industry	6.9216			
Business/Other	13.0515			
Managed Forest	19.5772			
Rec/Non Profit	8.2518			
Farm	0.5000			

Tax rates are established once the budget has been finalized by Council and BC Assessment has provided the Revised Assessment Roll

Permissive Tax Exemptions: The District of Saanich will continue to support local organizations through permissive tax exemptions. The objective is to consider exemptions individually on their merits, in context with the Saanich Strategic Plan, consistent with the other Saanich policies and the principles of accountability, reasonableness, equality/fairness, inclusiveness, and accessibility.

### 3. Expenditure Policies

#### Debt Limit Policy

The Community Charter sets a limit on the amount of debt a Local Government may carry. The limit states that no additional debt may be issued if it would result in the total annual debt servicing costs exceeding 25% of the revenue collected in the previous year. At the end of 2023, the legal debt limit is such that average annual servicing costs cannot exceed \$53.6 million or total debt of \$573 million.

The municipality limits debt internally to a maximum of 7% of the property tax revenue collected in the previous year. At the end of 2023 this limits annual debt servicing costs to no more than \$10.5 million or total debt of \$115million.

Debt principal repayments are charged to financial activities when payments are made.

### 4. Relationship Between Funds and District’s Departments

While the District’s finances are structured according to funds, its daily activities are structured by functional departments (e.g., Engineering Services, Fire, Police, etc.). Funds and departments overlap somewhat with some departments using all funds.

<i>Use of Funds by Departments</i>							
<i>Department</i>	<i>Operating Fund</i>			<i>Capital Fund</i>			<i>Reserve Fund</i>
	<i>G</i>	<i>W</i>	<i>S</i>	<i>GC</i>	<i>WC</i>	<i>SC</i>	<i>R</i>
Council, Administration and Legislative Services	✓						
Corporate Services	✓			✓			✓
Finance	✓						
Building, Bylaw, Licensing and Legal Services	✓						
Police Protection	✓			✓			✓
Fire Protection	✓			✓			✓
Emergency Program	✓			✓			✓
Planning	✓						
Engineering	✓	✓	✓	✓	✓	✓	✓
Parks, Recreation and Community Services	✓			✓			✓
Library, Grants and Economic Development	✓						

G - General  
R - Reserves  
W - Water Utility  
S - Sewer Utility  
  
GC - General Capital  
WC - Water Capital  
SC - Sewer Capital

## 5. Staffing Level In 2023

Between 2022 and 2023, total full-time equivalent (FTE) positions are expected to increase by 30.29 FTE or 2.56%. Temporary FTE's hired based on one time funding are not included. Details listed below:

Full time Equivalent (FTE) Employees				
Department	2021	2022	2023	FTE Change
<b>Administration</b>	<b>17.16</b>	<b>23.10</b>	<b>24.63</b>	<b>1.53</b>
	Full year budgeting of an Information and Privacy Analyst approved in the prior year and the addition of Director of Sustainability & Strategic Initiatives.			
<b>Corporate Services</b>	<b>23.93</b>	<b>26.79</b>	<b>28.33</b>	<b>1.54</b>
	Full year budgeting of an HR Manager of People and Programs, a Communications Specialist and a Communication Advisor approved in the prior year.			
<b>Information Technology</b>	<b>23.82</b>	<b>26.84</b>	<b>27.82</b>	<b>0.98</b>
	Full year budgeting of two Business Relationship Managers approved in the prior year.			
<b>Finance</b>	<b>45.36</b>	<b>48.34</b>	<b>48.78</b>	<b>0.44</b>
	Full year budgeting of an Assistant Manager of Purchasing Services and a Financial Analyst approved in the prior year.			
<b>Building, Bylaw, Licensing and Legal</b>	<b>36.08</b>	<b>38.36</b>	<b>39.00</b>	<b>0.64</b>
	Full year budgeting of a Bylaw Officer approved in the prior year.			
<b>Police Protection</b>	<b>239.86</b>	<b>243.27</b>	<b>243.22</b>	<b>(0.05)</b>
	Full year funding of 5 positions approved in 2022, partial year funding of a Wellness Officer offset by reduction in animal control staffing which is now contracted to the CRD and relief staffing.			
<b>Fire Protection</b>	<b>132.77</b>	<b>137.80</b>	<b>144.00</b>	<b>6.20</b>
	Full year budgeting of for 10.5 Firefighters approved October 2021.			
<b>Emergency Program</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>-</b>
<b>Planning</b>	<b>34.07</b>	<b>30.64</b>	<b>31.14</b>	<b>0.50</b>
	Full year budgeting of 2 Senior Planners, a Planner and a Planning Analyst approved September 2021 and January 2022.			
<b>Engineering (includes utilities)</b>	<b>275.96</b>	<b>284.54</b>	<b>292.93</b>	<b>8.39</b>
	Full year budgeting of a Development Specialist approved September 2021. In addition full year funding for an Engineer Technician II, a Facilities Sustainable Energy Specialist, a Water Resources Project Engineer, a Drainage Project Engineer and an Engineer Technician V all approved in the prior year. In addition an increase in auxiliary hours for new inventory maintenance.			
<b>Parks, Recreation &amp; Community Services</b>	<b>295.42</b>	<b>320.93</b>	<b>331.05</b>	<b>10.12</b>
	Full year budgeting of an Assitant Manager at SCP, an Arborist, a Diversity and Equity and Arts Programmer. In addition a net increase of round 6.4 FTE in recreation program staff and increase in Parks auxiliary hours for new inventory maintenance.			
<b>Total</b>	<b>1,127.43</b>	<b>1,183.61</b>	<b>1,213.90</b>	<b>30.29</b>

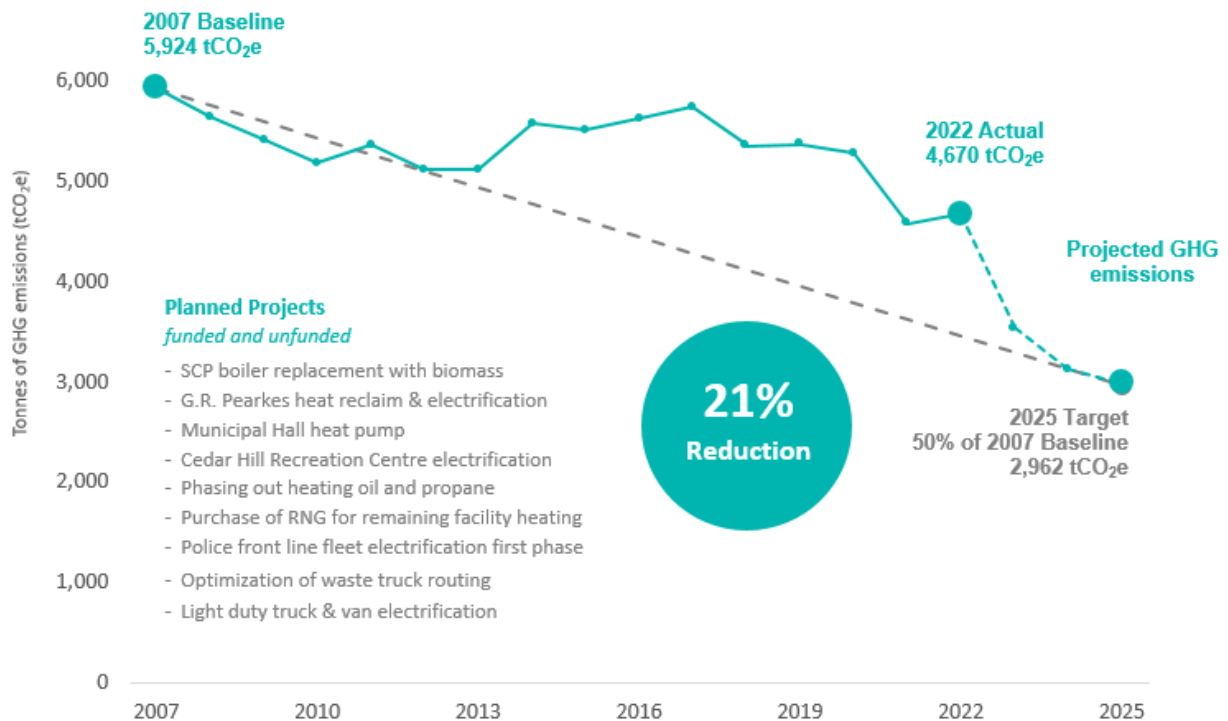
## 6. Change in Carbon Footprint

In January 2020, Council approved the Climate Plan, which commits to reducing greenhouse gas (GHG) emissions from municipal operations to 50% of 2007 levels by 2025 and net-zero by 2040.

The latest 2022 corporate greenhouse gas (GHG) emissions inventory shows a 21% reduction in Saanich’s GHG emissions since our 2007 baseline (Figure 1 and Table 1). This is a 2% increase compared with 2021. Building emissions saw an increase over the last year, mainly due to ageing mechanical systems requiring considerably greater energy use, which was countered somewhat by energy reductions from facility closures as systems were upgraded. Fleet emissions also saw a slight increase in 2022, mainly due to greater diesel fuel use in the Fire Department given an increase in call volume and in-person training. The 2022 inventory was also impacted by a slight increase in electricity emissions factors.

There are multiple projects underway that are projected to take us close to, or meet, our 2025 target as outlined in Figure 1. Most of these are funded and some are supported by considerable provincial and federal grants. However, there are key resource requests as part of the 2023 budget that will be needed to support these projected emissions reductions, including the Municipal Hall heat pump design and waste truck routing optimization.

**Figure 1: District of Saanich Corporate GHG Emissions**



**Table 1: District of Saanich Corporate GHG Emissions Inventory 2021 and 2022**

Source	GHG Emissions (tCO <sub>2e</sub> )			Description of change
	2021*	2022	Change 2021-22	
<b>Stationary</b>	<b>2,047</b>	<b>2,123</b>	<b>+76</b>	
<b>Key Buildings</b>				
Saanich Commonwealth Place	1,175	1,131	-45	Long facility closure for mechanical upgrades led to considerable energy and emissions reductions, which overshadowed increases from the dehumidification system failure and the increased ventilation and air filtration required for COVID.
G.R. Pearkes	254	372	+118	Dehumidification system failure resulted in increased energy demand and emissions.
Cedar Hill Recreation Centre	175	193	+18	Increased centre usage and higher heating degree day demand.
Public Safety Building	117	81	-36	New efficiency measures including new rooftop units and closers for fire bay doors.
Public Works	137	104	-33	New heat pump in Stores building increased energy efficiency. Lower cooling demand in 2022.
Cedar Hill Golf Course	8	29	+21	Reopened after 2021 flood closure.
Annex Building	32	24	-8	Shut down period for renovations.
Les Passmore	23	25	+2	Slight change in emissions factors.
3500 Blanshard	19	24	+5	Slight change in emissions factors.
Gordon Head Rec. Centre	14	20	+6	While pool closure between May and August reduced energy demand, energy use increased overall due to upgrades and repairs.
Fire Hall 3	17	15	-2	No significant change.
Municipal Hall	6.5	7.4	+0.8	No significant change.
Other buildings	12	33	+21	More heating degree days and slight increase in electrical emissions factor.
<b>Street Lighting</b>	38	43	+5	Slight change in emissions factors.
<b>Underground Services</b>	19	23	+3	Slight change in emissions factors.
<b>Mobile</b>	<b>2,533</b>	<b>2,547</b>	<b>+14</b>	
Municipal & Police Fleet (includes fire fuelling at SOC)	2,030	2,034	+4	While gasoline consumption decreased, diesel consumption increased resulting in an overall increase in emissions.
Contractors	299	293	-5	Slight change in emissions factors.
Fire Fleet (excludes fuelling at SOC)	129	152	+23	Increase in diesel use due to 13% increase in call volume and resumption of more in person training.
Reimbursed in-city travel	26	24	-1	No significant change.
Golf course equipment	49	45	-4	No significant change
<b>Total</b>	<b>4,580</b>	<b>4,670</b>	<b>+90</b>	

\*The 2021 emissions data has been updated for new emissions factors and does not reflect data that was included in the 2022 Financial Plan or 2021 Climate Report Card.

Biogenic emissions are non-fossil fuel emissions of carbon dioxide, methane, and nitrous oxide from biomass combustion including from wood, ethanol, biodiesel, and renewable natural gas. These emissions must be reported separately from fossil fuel emissions. In 2022, our corporate biogenic emissions were 703 tBioCO<sub>2</sub> compared with a 2007 baseline of 108 tBioCO<sub>2</sub>.

---

## BUDGET PLANNING ISSUES

### 1. 2023 Financial Planning Issues

Preparation of the 2023 budget proposal has taken into account the following financial planning issues:

COVID-19 – In November of 2020 the Province provided the District a one-time COVID-19 Safe Restart Grant in the amount of \$7,453,000. These funds were used in 2020, 2021 and 2022 to address revenue shortfalls, facility reopening and additional operating costs associated directly with the pandemic. Given the on-going mutations to the virus and its impact on the community and staffing, the economic challenges and ongoing uncertainty for full recovery in the community are expected to remain an issue through 2023 and therefore the remaining COVID-19 Safe Restart Grant is budgeted for in 2023 and will be used as needed.

Inflationary pressure – For the past several years inflationary pressures have been experienced in infrastructure maintenance and capital replacement costs. For two years inflation has also impacted household consumption. Costs of everything from oil, food, base metals, semiconductor chips, international shipping, housing and labour market have gone up dramatically and in response the central banks across the world have increased the interest rates to combat inflation.

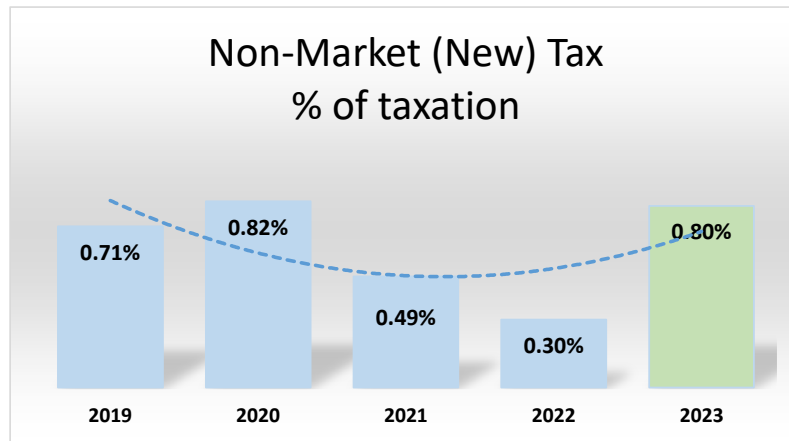
While the current inflation is transitory, it is unknown how persistent it will be and what its final impact on goods and supplies will be. For 2023 \$802,900 is being added to all operating budgets to offset some of the inflationary cost increases.

Infrastructure – Replacement of aging infrastructure continues to be a priority. An additional increase of 0.67% in property taxes is recommended to address funding deficits in Information Technology and major facility repair. The sustainability levels of all assets will be reviewed in the future to determine if any additional funding for capital is needed. Capital program funding for General capital has been increased by 4% in recognition of inflationary pressures however construction inflationary pressures have increased much higher than 4% in the last few years. Utility charges have also been increased for both Sewer and Water to provide appropriate annual funding to ensure timely replacement of aging infrastructure in light of increasing construction costs.

Wage and benefit costs – The IAFF (Fire) and the Police Association contracts both ended in December 2022. The CUPE contract was concluded in 2022 and expires December 2024. Contingency estimates for both IAFF and Police Association have been included for any increases that will arise from upcoming negotiations. CPP costs continue to increase for all employees due to the Federal CPP Enhancement program. WCB rates have increased for all employees as the maximum earning amount at which the base rate is applied has gone up by \$4,400 and the base rate itself was increased due to lower investment income earned by Worker's Compensation and higher payments made for mental health claims. Extended health and dental benefits premiums have also increased with a range of increases per group over prior year. Other benefit costs increased marginally over last year with Pension costs decreasing due to changes to the Plan implemented by Pension BC.

Resource Requests – For 2023, a 0.82% tax increase was implemented to provide final funding for key positions to support implementation of adopted strategies in 2022. An additional 0.19% tax increase was implemented to continue the implementation of the Fire Services Review.

Growth – The District has been experiencing low growth with the 5 year historical average for new taxable properties trending well below 1% of taxation.



Non-discretionary expenditures – For 2023, 1.60% of the proposed tax increase is for non-discretionary items as listed:

Cost driver	Budget Increase
Contracts and Leases	\$ 52,100
Inflationary Costs	\$ 622,700
Health and Safety	\$ 132,100
IT Licencing and Maintenance	\$ 500,000
New Asset Maintenance	\$ 310,500
Policy	\$ 406,200
Service Level	\$ 302,000
Services and supplies	\$ 70,700
<b>Total</b>	<b>\$ 2,396,300</b>
<b>Tax Impact</b>	<b>1.60%</b>

Water costs – A large proportion of water costs (39.64% for 2023) are bulk water purchases from the CRD. These costs are subject to change each year dependant on CRD regional infrastructure work and operating costs. In 2023 the CRD bulk water rate went up 5.00%.

Sewer costs – A significant proportion of overall sewer costs are from CRD regional Sewage Treatment (53.86% for 2023). CRD sewer charges increased marginally over last year due to increase in operational cost offset by reduction in debt payments of the regional sewer treatment plant which commenced operations in 2021.

Various action plans and operational reviews – The District continues to improve operations through development of plans and strategies that are considered and adopted by Council. The most recent plans with significant financial implications are the Strategic Facility Master Plan, Active Transportation Plan, Climate Plan, Fire Services Review, Development Process Review and Housing Strategy. These plans and strategies identify the current and future needs of the District and what resources are needed to implement them. There are a number of resource requests that Council will be considering in this year’s budget that will address this year’s implementation costs.



## 2. 2024 – 2027 Financial Planning Issues

Future year budget planning will take into account the following more significant issues:

Economic uncertainty – Economic impact on the local community due to continued post COVID-19 supply chain issues and resulting higher interest rate to control inflationary increases have impacted commodity costs which the District uses for both construction and maintenance of its infrastructure. IT is unknown whether inflationary increases to construction material and labour of over 10% annually will continue into the future.

Provincial grants uncertainty – Unconditional operating grants of \$1.5 million are paid annually by the Province of BC based on sharing of traffic fine revenues. It is uncertain whether this grant will continue in the long term given the current economic climate. Should the grant be discontinued the equivalent effect would be a 1.00% tax increase on property taxes or an equivalent reduction in programs or services that are funded by this grant.

Wage costs uncertainty – The IAFF (Fire) and the Police Association contracts both ended in December 2022. The extent of possible wage cost impact is uncertain for the future years.

Benefit costs increases – Based on historical trends and future outlook from benefit providers, all benefits will be experiencing increases in the long term due to aging workforce, longer life spans and rising health care costs. CPP costs will continue to increase for majority of employees as the Federal enhancement continues to 2025. WCB's base rate for municipalities and law enforcement are also expected to increase over 15% annually for the foreseeable future.

Active Transportation Plan (ATP) – In 2018 Council adopted the ATP which is used to guide Saanich's investments in active transportation over the next 30 years. The plan establishes a vision, goals and targets to improve active transportation, along with a series of strategies and actions related to three overarching themes: Connections, Convenience, and Culture. The Active Transportation Plan also includes an implementation and monitoring plan to prioritize investments and actions over the short-, medium-, and long-term and to monitor progress in achieving the Plan's goals.

The strategies and actions in the Active Transportation Plan are designed to double the proportion of all trips made by walking, cycling and transit by 2036. The financial impact on the District's capital funding requirements is significant as new funds are needed to expand the sidewalk, biking and transit infrastructure. Continued increases in operating budgets will also be needed to maintain and fund future replacement of these new assets.

Strategic Facility Master Plan (SFMP) – In April 2018, Council adopted the SFMP. The plan looks at the strategic management of the District's publicly owned facility based assets over the next twenty years with the goal of maintaining and improving services that residents rely on. The plan takes into account the District's anticipated population and demographic growth trends along with changes in services, standards and practices, building codes and the wear and tear that the facilities experience on a daily basis. The result is a comprehensive plan that prioritizes facility projects to ensure that funds are properly allocated.

Climate Plan: 100% Renewable and Resilient Saanich – Council declared a Climate Emergency on March 25, 2019 and adopted the Climate Action Plan in early 2020. The plan outlines options for achieving the ambitious climate targets necessary to stay below 1.5 °C of global warming and preparing the community for the anticipated climate change in response to the latest climate science and increasing public concern.

The Climate Plan identifies a total of 131 actions to be implemented over the coming years. Seventy two of those actions were initiated by 2022 and are currently either ongoing, achieved or on track. The implementation of the remaining actions will require re-allocation of existing resources, new resources and funding, and increased capacity in the organization.

Fire Services Review – The Fire Department conducted this review through 2019 and the recommendations were presented to Council in 2020. The Saanich Fire Department (SFD) initiated this review to determine its future requirements as the last review was done in 2007. Since that time the population of the District has continued to grow, the number of incidents has increased, and the regulatory framework is in flux. The review has identified operational needs that require additional staffing in suppression, training and other positions over the next nine years. Council has committed to reach the service levels identified in the review by increasing Fire services funding on an annual average of \$500,000.

Development Process Review – On July 5, 2021 Council endorsed the Development Process Review Report to improve the efficiency and effectiveness of the District’s processes. These include: updating the Planning policy framework to address gaps and overlaps and provide clear direction to all on the District’s development-related priorities; further streamlining applications by complexity to accelerate application review times; exploring opportunities for additional delegation to empower Staff and reduce administrative burdens; building on Information Technology work and tools to enable Staff to meet goals and timelines and improve application quality. Council approved five new positions on September 2021 to begin the work in 2022. Further funding will be needed in the next two years to advance process improvements.

Housing Strategy – On January 31, 2022 Council adopted the Housing Strategy 10 year implementation plan. The 10-year plan provides direction on how the District can achieve greater housing supply, affordability and diversity and accommodate a broad range of community housing needs now and in the future. The main elements of the Strategy are based on six guiding principles, seven focus areas and twenty-two strategies which accumulate to seventy-three interconnected actions. Council approved two new positions to begin the work on the implementation in 2022. Further funding is required over the next ten years to implement the full Strategy.

Water purchases – Water sale volumes in the municipality have started to decline again due to homeowner’s conservation of water use. The cost of bulk water purchases from the CRD is projected to increase as the CRD has projected an average increase to its rates of 8.76% for the next four years, fluctuating between 6.88% to 12.4% in any given year.

Sewer costs – With the provincially mandated regional sewer treatment system starting operations this past year the future increases to the CRD’s requisition from its participating municipalities is projected to keep up with inflationary costs of operations. The projected average increase in costs is 3.94% for the next four years, fluctuating between 2.31% to 5.06% in any given year.

Infrastructure Replacement – Continue to increase capital funding for Information Technology and major facility repairs to reach sustainable levels. In addition work is needed to determine the future replacement cost of minor facilities owned by the District. Future increases will be based on applying an inflationary increase to keep up with rising costs of construction and as replacement costs are updated.

## General Operating Fund

The total tax levy for the General Operating Fund is proposed to increase by \$11,397,000 or 6.80%.

The increase in property tax revenue this year is made up of a 3.50% increase for core Municipal, prior year approved resource requests and non-discretionary costs, 1.71% in infrastructure replacement funding, 1.36% for Police Board and an increase of 0.23% for the Greater Victoria Public Library.

BUDGET SUMMARY	
2023 Tax Levy	\$ 161,327,000
2022 Tax Levy	\$ 149,930,000
Net Change	\$ 11,397,000
Average Single Family Homeowner Increase %	6.80%
2023 FTE	1135.77
2022 FTE	1105.56
FTE Change	30.21
FTE Change %	2.73%

Saanich 2023 Draft Financial Plan	Budget Increase \$	Tax Increase %
<b>Operating Increases</b>		
Core budget		
Existing personnel costs - municipal	5,341,000	3.56%
New positions approved in the prior year	1,512,800	1.01%
Non-discretionary increases	2,396,300	1.60%
General Municipal Core Operating Increase	\$ 9,250,100	6.17%
Increase in non-tax revenue	(2,813,500)	-1.87%
Tax revenue from new sources	(1,199,400)	-0.80%
<b>Core Operating Increase to Existing Taxpayers</b>	\$ 5,237,200	<b>3.50%</b>
Increase for Capital Infrastructure	2,566,200	1.71%
<b>Total General Municipal Increase</b>	\$ 7,803,400	<b>5.21%</b>
Police Board Budget Submission	\$ 2,041,600	1.36%
Greater Victoria Public Library	\$ 352,700	0.23%
<b>General Municipal, Police and Library</b>	<b>\$ 10,197,700</b>	<b>6.80%</b>

**BUDGET SUMMARY BY OBJECT**

Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2021	2022	2022	2023	2023/2022
Personnel (1)	114,177,400	118,686,900	124,591,600	135,750,800	8.96%
Goods and Services	45,140,300	58,464,100	48,514,200	48,024,800	(1.01%)
Debt Payment and Bank Charges (2)	4,811,100	5,288,800	5,187,000	5,419,400	4.48%
Grants, Overheads & Transfers	16,419,100	13,849,900	23,177,300	23,520,200	1.48%
Capital (tax funded portion only) (3)	17,279,200	19,341,300	19,323,400	21,832,300	12.98%
<b>TOTAL</b>	<b>197,827,100</b>	<b>215,631,000</b>	<b>220,793,500</b>	<b>234,547,500</b>	<b>6.23%</b>
REVENUES AND RECOVERIES					
Property Taxation	(140,067,400)	(149,828,800)	(149,930,000)	(161,327,000)	7.60%
Parcel Tax	0	(20,000)	(20,000)	(20,000)	0.00%
Other Corporate Revenues (4)	(8,446,400)	(10,852,700)	(8,496,000)	(10,726,300)	26.25%
Other Departmental Revenues (5)	(30,514,300)	(35,387,200)	(30,074,900)	(32,483,500)	8.01%
Inter-Departmental Recoveries (6)	(13,230,600)	(13,165,700)	(14,944,100)	(18,688,100)	25.05%
Transfer from Reserves (7)	(5,958,700)	(9,333,900)	(15,410,400)	(10,522,600)	(31.72%)
COVID-19 Safe Restart Grant (8)	(1,652,800)	(165,100)	(1,509,400)	(520,000)	(65.55%)
Other Grants (8)	(435,900)	(967,800)	(408,700)	(260,000)	(36.38%)
<b>TOTAL</b>	<b>(200,306,100)</b>	<b>(219,721,200)</b>	<b>(220,793,500)</b>	<b>(234,547,500)</b>	<b>6.23%</b>
<b>NET OPERATIONS</b>	<b>(2,479,000)</b>	<b>(4,090,200)</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

1. Personnel costs - increase in wage increment and addition of new positions.
2. Debt Payment and Bank Charges – increase in borrowing.
3. Property tax based capital funding - increased to continue progress to sustainable funding levels as per Council budget guideline on page 14.
4. Other Corporate Revenues – increase in Investment revenue and Grants in Lieu from senior government.
5. Other Departmental Revenues – continued recreation revenue recovery post COVID-19 closures.
6. Inter-Departmental Recoveries – increase to recognize actual recovery levels of services.
7. Transfer from Reserves – decrease in projects funded from one time funding.
8. COVID-19 Safe Restart Grant and Other Grants – decrease in one-time provincial funding to offset losses and reimburse for additional costs related to the pandemic and decrease in program related grants.

**Budget Summary by Function:**

Operating Budget	Actual	Actual	Budget	Budget	% Change
ALL DEPARTMENTS	2021	2022	2022	2023	2023/2022
Property Taxation	(140,067,400)	(149,828,800)	(149,930,000)	(161,327,000)	7.60%
Parcel Tax	-	(20,000)	(20,000)	(20,000)	0.00%
Utility and Hotel Tax	(1,733,800)	(1,851,000)	(1,755,000)	(1,819,500)	3.68%
Grants In Lieu	(3,034,900)	(3,183,100)	(3,115,800)	(3,255,600)	4.49%
Interest and Penalties	(1,841,600)	(3,872,700)	(1,783,700)	(3,865,600)	116.72%
Other Revenues	(336,100)	(549,200)	(341,500)	(285,600)	(16.37%)
COVID-19 Safe Restart Grant	(324,200)	0	(369,700)	-	(100.00%)
Capital Contribution	17,279,200	19,341,300	19,323,400	21,832,300	12.98%
Net Departmental Cost	127,579,800	135,873,300	137,992,300	148,741,000	7.79%
<b>SURPLUS/DEFICIT</b>	<b>(2,479,000)</b>	<b>(4,090,200)</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

**Property Taxation** - The largest single source of revenue for the Municipality is property taxes. Property taxes are levied on owners of property situated in Saanich based on the assessed value of their property. This core budget provides for a 6.80% increase in municipal property taxes to the average single family homeowner with an assessed value of \$1,306,800 and to average business properties. The remaining increase in property tax revenue is from new tax revenues on construction completed during the previous year.

**Utility and Hotel Tax** - This includes the 1% revenue tax from utilities such as Fortis, Shaw, BC Hydro and Telus and 2% hotel revenue tax on hotels that operate within Saanich. Utility Taxes are projected to continue to increase in the future as tax base grows and a 2 percent rate increase approved by BC Utilities Commission. Hotel Tax is still negatively impacted due to travel restrictions. Revenue from this tax is expected to continue recovering in 2023.

**Grants in Lieu** - Grants in Lieu are similar to property taxes and are paid by Federal and Provincial Crown Agencies. Because these agencies are exempt from property taxation by law, they pay the Municipality a grant in lieu of the property taxes they would otherwise pay. These grants are projected to increase in the future in line with assessment changes.

**Interest and Penalties** - The majority of revenues are collected in July whereas expenses are paid throughout the year. Until expenses are incurred, funds are available to invest. Revenue from these investments is an important source of operating funds and reduces the amount needed from property taxes. Investment returns have more than recovered since the lows of 2021 due to Bank of Canada increasing interest rates to manage inflation arising from COVID-19 related disruption to the supply chain. Property owners who do not pay their property taxes by the deadline are assessed penalties and interest based on provincial legislation and the District's tax scheme bylaw. Property tax penalties and interest income are trending back to pre COVID-19 years.

**Other Revenues** - This includes a mixture of sundry revenues such as early payment discounts, refund of worker's compensation payments and school tax collection commissions. A portion of the refund from worker's compensation payments has been eliminated starting in 2023 as well as the full amount of the commission that is received for Home Owner Grant administration.

**COVID-19 Safe Restart Grant** - The Province provided the District with a one-time grant of \$7,453,000 late 2020. These funds are to be used to offset increased operating costs and lower revenue due to COVID-19. It is provided to ensure that local governments can continue to deliver the services people depend on in their communities. The grant was used to cover losses and expenses experienced in the 2020 and 2021 budget years and will be used again in 2022 as needed.

**Capital Contribution** - A portion of the capital program is funded from property taxation. The capital budget is increased by 4% annually to keep up with increasing construction costs. An additional increase of 0.67% of property taxes is being implemented to address capital funding deficits in information technology and major facility repair. An addition of \$327,000 each year for five years is required to reinstate the Facilities Reserve Fund transfer that was reduced in the 2020 budget. 2023 is the second year of a four year transition plan to move \$500,000 annually in funding from borrowing to taxation for acceleration of the Active Transportation Plan. Finally, 2023 is the first year of a five year cumulative funding of \$150,000 annually to a park acquisition fund. All the above transfers add up to an increase of 1.71% in property taxation in 2023.

## Net Departmental Cost

Net departmental operating costs include total expenditure less revenues or recoveries generated by the departments. The net departmental costs are projected to rise by \$10,748,700 or 7.79% in 2023.

Specific details for each department have been provided in the departmental budget section later in this document.

Net Department Budget	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Administration	3,439,500	2,970,300	3,490,600	3,768,700	278,100	7.97%
Corporate Services	2,011,000	2,547,800	2,928,700	3,189,000	260,300	8.89%
Information Technology	5,631,100	6,675,600	6,642,600	7,436,800	794,200	11.96%
Finance	3,699,100	4,218,800	4,667,800	5,209,300	541,500	11.60%
Corporate Revenues and Expenses	1,580,500	1,665,400	(1,184,900)	(672,800)	512,100	(43.22%)
Fiscal Services	7,795,900	8,054,800	8,054,800	8,433,700	378,900	4.70%
Building, Bylaw, Licensing and Legal Services	1,362,200	1,443,800	2,002,800	2,555,600	552,800	27.60%
Police Protection	37,832,000	40,084,800	39,389,700	41,431,300	2,041,600	5.18%
Fire Protection	20,674,500	22,433,300	22,637,100	24,013,000	1,375,900	6.08%
Emergency Program	382,200	466,900	465,100	497,300	32,200	6.92%
Planning	2,444,900	2,867,500	3,567,000	3,823,900	256,900	7.20%
Engineering	13,856,900	14,049,600	15,500,700	16,899,200	1,398,500	9.02%
Parks, Recreation and Community Services	19,283,600	20,570,400	22,078,000	24,037,900	1,959,900	8.88%
Library, Grants and Economic Development	7,586,400	7,824,300	7,752,300	8,118,100	365,800	4.72%
<b>TOTAL</b>	<b>127,579,800</b>	<b>135,873,300</b>	<b>137,992,300</b>	<b>148,741,000</b>	<b>10,748,700</b>	<b>7.79%</b>

# Council, Administration, Sustainability and Legislative Services

This budget provides for the operation of Municipal Council, committees and corporate administration.

The **Council and Committees Section** provides for the direct costs of Council and committee activities.

The **Administration Section** is responsible for corporate leadership for all municipal operations and providing strategic advice to Council.

The **Legislative Services Division** is responsible for legislative and corporate administration, and provides management, information and support services for Council, its advisory committees, and the Board of Variance. The Division administers the *Freedom of Information and Protection of Privacy Act* (FIPPA) and oversees the information management program which includes corporate records and documents. The Division also conducts the local government elections, referenda, and elector approval processes and provides customer service and information to the general public and Saanich staff through the Municipal Hall reception desk.

The **Archives Section** is part of the Legislative Services collects and preserves the documentary heritage of Saanich and makes this information available through public reference room services, website resources, and public outreach.

The **Sustainability and Climate Change Division** works with Council, residents, staff and a range of stakeholders on implementing the goals and objectives of the 2020 Climate Plan. The work is both corporate and community in nature with the overarching objective of reducing GHG emissions and making our community and region more resilient to the effects of Climate Change. The Division's work and success relies heavily on partnerships with other local governments, institutions and community organizations. The Division provides professional advice to Council, the public, staff, and a broad range of stakeholders on sustainability and climate change matters and regulatory documents.

The **Economic Development Office** is responsible for the creation and implementation of the District's economic development strategy and program. Working with Council, staff, residents, the local business community, senior level governments, and various agencies and stakeholder groups the Office pursues activities that support business attraction, retention, and expansion in the District.

BUDGET SUMMARY	
2023 Net Budget	\$ 3,768,700
2022 Net Budget	\$ 3,490,600
Net Change	\$ 278,100
Change by %	7.97%
2023 FTE	24.63
2022 FTE	23.1
FTE Change	1.53
FTE Change %	6.62%

## 2023 BUDGET CHALLENGES

- Support for standing and ad hoc committees.
- Support the Citizens Assembly process.
- Implementation of an Electronic Document Records Management System (EDRMS).
- Create strategy for Economic Development

## 2023 KEY PRIORITIES

### Priority Strategic Initiatives include:

#### Organizational Excellence:

- Support the Citizens Assembly process.
- Increase online resources on Archives website (ongoing):
  - Digitize archival documents and finding aids to expand online access to holdings.
  - Create online history exhibits.
  - Create online exhibits / Digitize archival documents and finding aids. Continue to expand online access to holdings.
- Continue to support relationship building with First Nations.
- Privacy Management Program – Assessment of program controls
- Advance the Information Management Program – electronic records LAN (Local Area Network) restructuring.
- Continue to ensure citizen engagement in Council proceedings.
- Service excellence provided by front line staff.
- Develop a Climate Friendly Commuter Program and implement early quick wins.

#### Climate Action and Environmental Leadership

- Complete the Zero Emissions Fleet Strategy and implementation plan.

#### Economic Diversification

- Create and implement an economic development strategy

### Priority Departmental Initiatives include:

#### Legislative

- Review the organization, access and storage needs for agreements. Develop inventory of executed agreements and plan for access and storage.
- Implement changes for storage and improved access to bylaws.
- Continue to provide additional online resources on Archives website.

#### Records Management

- Information and Governance Policy – Direct the creation and management of recorded information by employees and to establish employee responsibilities. The policy provides a framework to manage information efficiently including the creation of an information governance committee.
- Project Plan (Roadmap) - Using the EDRMS Strategy & Project Plan as a framework develop a Saanich/IM (information management) readiness project plan and timelines including an EDRMS project charter, business case and request for proposal. In conjunction with IT.
- Refit Retention Schedule and Metadata Mapping - refit RCRS with a modern software ready retention schedule and meet with departments to define needed metadata.
- LAN Restructuring – Commence the restructuring of a file share.
- Physical Records Inventory - Departments inventory of physical records located in offices and offsite storage for automation purposes.
- EDRMS Request for Proposal – Preparation to seek proposals from software providers for the supply of EDRMS.
- Digitization of physical records - Evaluation of corporate digitization needs of program areas
- Offsite Records Storage – Explore central coordinator of offsite storage for efficiencies, Promote the use of the FileBridge software for storing records.



#### Freedom of Information and Protection of Privacy

- Develop a self-study PowerPoint presentation for new employees/advanced on FIPPA w/Q&A
- Review and update Information Access and Privacy Training Plan.
- Personal Information Inventory (PII) Phase Two - Project involving all program areas and Records Management, update the locations personal information is stored
- Review and update communication strategies regarding information access and privacy accountability.

#### **Sustainability and Climate Change**

##### Climate Action and Environmental Leadership

- Secure grant funding and initiate design and construction for additional Level 2 EV chargers and DC Fast Chargers at key facilities to support medium-duty and front-line vehicle fleet electrification.
- Expand the e-bike fleet program to the Municipal Hall and Saanich Operations Centre (SOC).
- Develop the licensing program for car share vehicles to have access to on-street charging.
- Complete the feasibility study and Pathway to 100% Renewable Energy & Resiliency for the Municipal Hall in collaboration with Facility Operations.
- Deliver the Building Retrofit Strategy, associated implementation plan and first priority actions.
- Develop a Revitalization Tax Exemption (RTE) program for commercial and multi-family building deep energy retrofits & fuel switching.
- Deliver a review of the Oil to Heat Pump Financing Program and recommendations for program expansion.
- Evaluate ecosystem services for key Saanich natural assets to inform the Asset Management strategy.
- Undertake a Zero Waste strategy and identify early actions for implementation.

##### Community Well-Being

- Complete a heat vulnerability mapping dashboard in collaboration with the Capital Regional District and Saanich Emergency Program.
- Develop a Heat and Air Quality Adaptation Strategy to increase climate resiliency to increasing summer temperatures, extreme heat events and air quality events arising from wildfires in collaboration with Saanich Emergency Program.
- Update the Saanich eco-city footprint and consumption-based emissions inventory (CBEI).

#### **Economic Development**

##### Economic Diversification

- Continue working to pursue activities that support business attraction, retention and expansion

## CORE BUDGET

The Department's 2023 net core budget of \$3,768,700 represents a 7.97% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Council & Committees	602,000	631,100	675,500	689,800	14,300	2.12%
Administration	1,212,300	475,200	552,400	531,200	(21,200)	(3.84%)
Elections						
Revenue	-	(540,300)	(664,500)	-	664,500	(100.00%)
Expense	-	540,300	664,500	-	(664,500)	100.00%
Total	-	-	-	-	-	-
Economic Development	10,000	175,100	126,400	204,000	77,600	61.39%
Sustainability	289,500	296,000	550,900	597,000	46,100	8.37%
Legislative	1,189,600	1,248,000	1,431,600	1,581,900	150,300	10.50%
Archives	136,100	144,900	153,800	164,800	11,000	7.15%
<b>Total</b>	<b>3,439,500</b>	<b>2,970,300</b>	<b>3,490,600</b>	<b>3,768,700</b>	<b>278,100</b>	<b>7.97%</b>

- Administration – change in staffing and related wage increments.
- Economic Development – non-discretionary increases to establish the economic development program.
- Sustainability – wage increments and benefit increases.
- Legislative – full year budgeting of an Information and Privacy Analyst approved in the prior year.
- Archives – wage increments and benefit increases.

# Corporate Services

The **Corporate Services Department** is comprised of: Communications, Human Resources and Occupational Health and Safety. We are the organizational connector enabling clients achieve their best business outcomes and service delivery to citizens.

**Communications** provides internal and external communications support, including strategic communications planning, to all departments across the organization. Communications oversees the Saanich website, intranet, social media, media relations, issues management, the Visual Identity Program, graphic design for print and digital publications and promotion of public participation activities. The division also provides print and mail services for the organization.

**Human Resources** HR enables the people vision throughout the organization through professional consulting, strategic business partnership and in the development and delivery of programs and services. All are designed to enhance the employee experience and foster an accountable and productive workforce. Programs, strategies, policies and consulting span topic areas such as workforce and workplace consulting, recruitment & selection, training & development, employee recognition, disability management, workforce planning, employee and labour relations, collective bargaining, job evaluation, compensation & benefits management and employee records management.

**Occupational Health and Safety (OHS)** provides a support to the corporation in keeping with Saanich’s OHS Program and Workplace Injury Management (WIM) Program; both of which are “COR” certified by WorkSafeBC. The OHS program includes risk assessment, hazard identification and control, training and certification, safety inspections, incident investigations, sub-programs and support for Saanich’s Joint Health and Safety Committees. The WIM program supports employees who have sustained an occupational injury or illness and facilitates timely return to work.

BUDGET SUMMARY	
2023 Net Budget	\$ 3,189,000
2022 Net Budget	\$ 2,928,700
Net Change	\$ 260,300
Change by %	8.89%
2023 FTE	28.33
2022 FTE	26.79
FTE Change	1.54
FTE Change %	5.75%

## 2023 BUDGET CHALLENGES

- Meeting the increasing / changing legislative requirements for Human Resources and Safety.
- Increased demands for Corporate Services support from other departments.
- Lagging HRIS/OHS systems increasing manual workflow processes
- Ongoing recruitment and retention challenges - Increased vacancy rate and turnover rate
- Aging work force and retirements of long-term employees, training of new employees, and transfer of knowledge base.
- Increased public expectations regarding communications and engagement.
- Increased demand for new training and initiatives to support EDI, cultural safety, psychological safety, reconciliation.
- Assisting ill and injured workers considering the current capacity issue within BC’s health care system.
- Assisting ill and injured workers considering the current capacity issue within BC’s health care system.

## 2023 KEY PRIORITIES

### Priority strategic initiatives include:

#### Organizational Excellence

- Establish metrics related to a high-performing workforce
- Create a Workforce Plan
- Consider the Strategic plan through a post-colonial lens

### Priority departmental initiatives include:

#### Corporate Services

- Development Department Strategic Plan
- Support organizational development initiatives
- Recruitment and Retention software

#### Communications

- Create internal communications strategy
- Create and implement external communication strategy for corporate, capital and infrastructure projects and initiatives (social media, website, media relations, issues management, VIP and writing style, graphic design, printing, and P2)
- Increase frequency of digital Spotlight community newsletter to monthly (from quarterly)

#### Human Resources

- Negotiate new IAFF and Police Collective Agreements
- Support leadership in the implementation of action plans for the 2021 Employee Survey results
- Develop robust programs as part of broader Workforce Plan

#### Occupational Health & Safety

- Develop a Corrective Action Plan (CAP) from the Certificate of Recognition (COR) 2022 audit
- Safety, Disability Management and Training software implementation
- Mental health training for leadership, managers, supervisors and employees

## CORE BUDGET

The Department's 2023 net core budget of \$3,189,000 represents an 8.89% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Corporate Services	922,200	1,132,800	1,127,800	1,263,900	136,100	12.07%
Human Resources	1,183,600	1,605,500	1,800,900	1,925,100	124,200	6.90%
Occupational Health/Safety						
Revenue	(647,900)	(628,700)	(791,500)	(855,200)	(63,700)	8.05%
Expense	553,100	438,200	791,500	855,200	63,700	8.05%
Total	(94,800)	(190,500)	-	-	-	0.00%
<b>Total</b>	<b>2,011,000</b>	<b>2,547,800</b>	<b>2,928,700</b>	<b>3,189,000</b>	<b>260,300</b>	<b>8.89%</b>

- Corporate Services – full year budgeting of a Communication Advisor and a Communication Specialist.
- Human Resources – full year budgeting of an HR Manager – People and Programs.
- Occupational Health/Safety – non-discretionary increase to audit services and wage increments offset by internal recovery for all these costs.

# Information Technology

The **Information Technology Department** responds to demand for digital products by designing, implementing, and supporting digital solutions that enhance employee productivity and citizen engagement with the district. Solutions include collaboration and productivity software, end-user devices, infrastructure, commercial applications, network and internet access, web-services and supporting processes. Five IT divisions work together to support approximately 1600+/- employees in fifteen different locations.

BUDGET SUMMARY	
<b>2023 Net Budget</b>	<b>\$ 7,436,800</b>
<b>2022 Net Budget</b>	<b>\$ 6,642,600</b>
<b>Net Change</b>	<b>\$ 794,200</b>
<b>Change by %</b>	<b>11.96%</b>
<b>2023 FTE</b>	<b>27.82</b>
<b>2022 FTE</b>	<b>26.84</b>
<b>FTE Change</b>	<b>0.98</b>
<b>FTE Change %</b>	<b>3.65%</b>

The **Service Delivery Division** provides front-line support for all district staff including the management of system access to district applications, manages IT incidents and related communications, manages and deploys end-user devices (computers, mobile phones, tablets, printers etc.) and provides instructional support to ensure end users are functional and stay productive.

The **Operations and Infrastructure Division** manages all back-end infrastructure including servers, storage, network, intra-office connectivity, internet, and related monitoring. They provide system patching, regular security testing, and conduct proactive capacity upgrades to ensure district information assets are available, perform as expected and are secure.

The **Service Management – Engineering and Emergency Services Division** partners with Fire, Engineering and Public Works departments to provide application support and new solutions within the portfolio. Services include tier 2 application support, managing the intake and delivery of new solutions on a priority basis, and providing project management and business analysis for new and active projects.

The **Service Management – Recreation and Regulation Division** partners with Parks & Recreation, Planning, Permitting, Bylaw and Legislative Services to provide application support new solutions within the portfolio. Services include tier 2 application support, managing the intake and delivery of new solutions on a priority basis, and providing project management and business analysis for new and active projects. This division also provides Geographic Information System (GIS Saanich Map) services to the district by managing a vast repository of objects.

**Service Management – Corporate Services and Security Division** partners with Strategic Human Resources, Information and Records Management, Communications, Payroll, and Labour Relations to provide application support and new solutions within the portfolio. Services include tier 2 application support, manage the intake and delivery of new solutions on a priority basis, and provide project management and business analysis for active projects.

## 2023 BUDGET CHALLENGES

- Significant growth in demand for new or improved digital services with only modest incremental capital investment to enable new services. The IT department is well funded through 2023 however out years will experience pressure if incremental capital investment is not increased relative to demand.

- Insufficient operational labour resources required to remedy significant gaps in the maturity of existing processes particularly operational, security, financial and administrative controls. Ability to capitalize IT labour costs against capital projects will help remedy this challenge.
- New products and services implemented are shifting to subscription-based fees, away from using one time capital expenditure. This places pressure on operational budgets as systems (and related subscription contracts) are replaced.
- Insufficient budget (FTE allocation) to ensure adequate IT security and related employee awareness program is in place considering the demand and growth in IT solutions.

## **2023 KEY PRIORITIES**

### **Priority strategic initiatives include:**

#### Organizational Excellence

- Continue to implement Microsoft Office productivity software (SharePoint, Teams, OneDrive) by priority to all departments.
- Implement mobile device management software to enhance user productivity and personal experience.
- Enable district meeting rooms with enhanced collaboration and video capability.
- Design and implement improvements to multi-department HR management system including scheduling and employee self-serve capabilities for staff (payroll stubs, timesheets, benefits statements).
- Increase licensing to ensure all staff (including casual and part-time) can access district email and intranet.
- Implement mobile applications on a priority basis (Tempest/Prospero mobile ticketing, GIS fieldworkers, irrigation management, IntelliSearch calls for service, ActiveNet recreational booking).
- Continue analysis of district budgeting and forecasting software.
- Conduct review of IT Assets and submit records to corporate asset management program.
- Assist in the preparation for NextGen 911 fire dispatch.
- Conduct discovery and prepare for the implementation of public participation software to improve district/community engagement and communications.

### **Priority departmental initiatives include:**

#### Information Technology

- Continue to stabilize and tune recent infrastructure upgrades, increase bandwidth to all sites, prepare for future network expansion and implement operational infrastructure monitoring.
- Prepare for the consumption and management of Microsoft M365 productivity applications.
- Complete computer refresh project (phase II, 100+ specialized laptops).
- Refresh and modernize all district printers and copiers with multifunction printer/copier/scanners and pilot secure print capability and fleet toner management to reduce consumable expenditures.
- Improve IT governance by beginning implementation of new IT service delivery software including online customer portal.
- Implement Security awareness program for staff to ensure the district's Information Security posture keeps up with continued enhancement of online services.
- Implement approved IT security upgrades.

**CORE BUDGET**

The Department's 2023 net core budget of \$7,436,800 represents an 11.96% increase over prior year.

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>	<b>2023/2022</b>
IT Administration	208,200	343,700	377,100	368,600	(8,500)	(2.25%)
Operations	2,129,200	2,147,900	2,753,000	3,091,200	338,200	12.28%
Licensing & Maintenance	3,293,700	4,184,000	3,512,500	3,977,000	464,500	13.22%
<b>Total</b>	<b>5,631,100</b>	<b>6,675,600</b>	<b>6,642,600</b>	<b>7,436,800</b>	<b>794,200</b>	<b>11.96%</b>

- IT Administration – change in staffing and related wage increments.
- Operations – full year budgeting for two Business Relationship Managers and wage increments.
- Information Technology – non-discretionary costs for hardware and software licensing and maintenance.

## Finance

The Finance Department is comprised of: Financial Services, Revenue Collection, and JDE Program. The Department is responsible for the overall management of the financial affairs of the municipality and the procurement of all required goods and services.

The **Financial Services Division** provides a complete range of budgeting, accounting, payroll and purchasing services to all departments.

- **Accounting Services** provides accounting and audit services for approximately \$457 million in annual expenses and revenues; cash management of over \$282 million in investments to maximize the returns and provide additional income to both operating and reserve funds and accounts payable processing over 37,190 invoices annually. The division also performs financial policy development, as well as, the preparation of the financial statements which are audited by an independent accounting firm.
- **Payroll Services** coordinates the time sheet entries for the District, the production of five different payroll groups paid on a bi-weekly basis and maintains benefits records for over 1,659 staff.
- **Financial Planning** supports departments with their financial analysis and coordinates the annual budgeting process.

The **Purchasing Services Division** centralizes the procurement of goods and services to all departments. 189 procurement processes including quotations, tenders, direct awards and requests for proposals with an estimated total of \$82 million dollars are managed and processed in a year.

The **Revenue Collection Division** processes all revenues including property taxes, utility bills, dog licenses, business licenses and recreation programs. Around 111,790 utility bills and 44,740 tax notices are produced annually. This section also manages a pre-approved instalment tax payment system and a web based online payment system.

The **JDE Program Section** supports the financial enterprise software of the District by creating a multi-year roadmap for ongoing implementation, maintenance and operations of the JDE system which will enhance efficient operations within the District. The Section also project manages the enhancement work and the ongoing support and training strategy to ensure the organization and end users are successful.

BUDGET SUMMARY	
<b>2023 Net Budget</b>	<b>\$ 5,209,300</b>
<b>2022 Net Budget</b>	<b>\$ 4,667,800</b>
<b>Net Change</b>	<b>\$ 541,500</b>
<b>Change by %</b>	<b>11.60%</b>
<b>2023 FTE</b>	<b>48.78</b>
<b>2022 FTE</b>	<b>48.34</b>
<b>FTE Change</b>	<b>0.44</b>
<b>FTE Change %</b>	<b>0.91%</b>

### 2023 BUDGET CHALLENGES

- Resources for payroll and accounting to keep up with both increasing staffing and activities undertaken to achieve Council strategic.
- Resources to support the organization with procurement services.

### 2023 KEY PRIORITIES

**Priority Strategic Initiatives include:**

#### Organizational Excellence

- Implement the recommendations of the long-term financial planning report.



**Priority Departmental Initiatives include:**

- Improve reporting and ease of use of the financial software and improve productivity of all departments who use the system.
- Implement budget software to replace current excel based budgeting.
- Overhaul procurement bylaws, policies, procedures and templates
- Support departments with financial analysis.
- Advance public engagement on budget.
- Funding strategy for sustainable asset replacement.
- Business case and funding strategy for Saanich Operations Centre.

**CORE BUDGET**

The Department's 2023 net core budget of \$5,209,300 represents an 11.60% increase over prior year.

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>	<b>2023/2022</b>
Accounting & Payroll	1,690,100	1,857,800	2,034,300	2,143,400	109,100	5.36%
Financial Planning	196,100	274,800	386,200	468,500	82,300	21.31%
Revenue Collections						
Revenue	(652,900)	(575,300)	(673,600)	(687,700)	(14,100)	2.09%
Expense	<u>1,322,000</u>	<u>1,353,500</u>	<u>1,507,400</u>	<u>1,619,700</u>	<u>112,300</u>	<u>7.45%</u>
Total	669,100	778,200	833,800	932,000	98,200	11.78%
Stores	340,400	369,700	348,100	405,500	57,400	16.49%
Purchasing	803,400	938,300	1,065,400	1,259,900	194,500	18.26%
<b>Total</b>	<b>3,699,100</b>	<b>4,218,800</b>	<b>4,667,800</b>	<b>5,209,300</b>	<b>541,500</b>	<b>11.60%</b>

- Accounting & Payroll – wage increment.
- Financial Planning – full year budgeting of a Financial Analyst and wage increment.
- Revenue Collections – wage increment and non-discretionary increase to office and printing costs.
- Stores – wage increment and transfer of budget from Accounting Services.
- Purchasing – wage increment and full year budgeting of an Assistant Manager of Purchasing Services.

# Corporate Revenues and Expenses

The Finance Department also manages budget allocations related to the corporation as a whole.

BUDGET SUMMARY	
<b>2023 Net Budget</b>	<b>\$ (672,800)</b>
<b>2022 Net Budget</b>	<b>\$ (1,184,900)</b>
<b>Net Change</b>	<b>\$ 512,100</b>
<b>Change by %</b>	<b>-43.22%</b>
<b>FTE</b>	<b>n/a</b>

These include the following:

Corporate contingency –

- general contingency of \$700,000 for unforeseen events or emerging opportunities
- contingency amounts for wage and benefit increases anticipated for the year pending allocation to departmental budgets.

Administrative recoveries –

- recoveries of overhead charges from water and sewer functions to the general operating fund
- recoveries of overhead charges from developers

Government Services –

- provision for retirement severance pay
- municipal dues to other organizations
- Employer Health Tax – as of 2023 the tax is allocated to all departments and the recovery is funneled to government services where it is paid.

## 2023 Budget Challenges

- Ensuring adequate contingency to react to unforeseen emergencies.

## CORE BUDGET

Net Budget By Function	Actual 2021	Actual 2022	Budget 2022	Budget 2023	\$ Change 2023/2022	% Change 2023/2022
Corporate Contingency	218,900	1,703,500	(71,300)	732,100	803,400	(1126.79%)
Administrative Recoveries	(1,859,900)	(2,010,200)	(2,012,100)	(2,241,400)	(229,300)	(11.40%)
Government Services	3,221,500	1,972,100	898,500	836,500	(62,000)	(6.90%)
COVID-19 Expenditure	630,200	165,100	300,000	100,000	(200,000)	(66.67%)
COVID-19 Safe Restart Grant	(630,200)	(165,100)	(300,000)	(100,000)	200,000	66.67%
<b>Total</b>	<b>1,580,500</b>	<b>1,665,400</b>	<b>(1,184,900)</b>	<b>(672,800)</b>	<b>512,100</b>	<b>(43.22%)</b>

- Corporate Contingency – unallocated exempt wage contingency and corporate benefit budget increases.
- Administrative Recoveries – increase in costs recovered from the utility functions.
- COVID-19 Expenditure – estimated costs not reimbursed by Emergency Management BC (EMBC).

## Fiscal Services

Under the Community Charter, all long term debenture financing is coordinated by the Capital Regional District through the Municipal Finance Authority which has a triple A Standard & Poor's (S&P) rating. There are two debenture issues per year, spring and fall. To authorize the financing request, a Council resolution is required.

BUDGET SUMMARY	
<b>2023 Net Budget</b>	<b>\$ 8,433,700</b>
<b>2022 Net Budget</b>	<b>\$ 8,054,800</b>
<b>Net Change</b>	<b>\$ 378,900</b>
<b>Change by %</b>	<b>4.70%</b>
<b>FTE</b>	<b>n/a</b>

As of December 2022, the total outstanding debt in the general operating fund is approximately \$37.7 million. This is projected to increase by \$18 million during the year, bringing total outstanding general operating debt to about \$55.7 million (\$67.6 million including utilities) by December 2023. This remains well within Council policy of a maximum of 7% of property tax revenue.

\$8.4 million in annual debt servicing cost is 5.6% of prior year's property tax revenue and about \$90 million in total debt at current rates. The total legal borrowing limit for Saanich is \$573 million.

The average homeowner's share of servicing debt per capita is \$37 per year (\$35 in 2022).

The debt servicing budget is maintained each year within Debt Policy levels. The debt service room is used each year for capital projects through expenditure or transfer to reserves until such time as it is needed. In 2023, transfers will support technology infrastructure and various equipment replacement reserves.

Royal Oak Burial Park debt servicing costs of \$62,929 per year are 100% recovered.

### CORE BUDGET

Core budget remains the same as last year to allow Council to determine future debt servicing strategy. The transfer to capital reserves is budgeted lower to accommodate the increase in interest and principal payments for new borrowing. Funds that are not needed in 2023 for debt servicing are transferred to capital reserves to support current and future capital asset replacement.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Interest	1,014,000	1,064,000	1,247,300	1,306,400	59,100	4.74%
Principal	2,750,600	2,891,500	2,887,800	3,051,100	163,300	5.65%
Transfer to Climate Action Reserve	125,000	190,500	190,500	194,400	3,900	2.05%
Transfer to Capital Reserves	3,906,300	3,908,800	3,729,200	3,881,800	152,600	4.09%
<b>Total</b>	<b>7,795,900</b>	<b>8,054,800</b>	<b>8,054,800</b>	<b>8,433,700</b>	<b>378,900</b>	<b>4.70%</b>

- Interest – interest payments for 2023 capital borrowing.
- Principal – principal payments for 2023 capital borrowing.
- Transfer to Capital Reserves – funding for information technology infrastructure and various equipment replacement reserves.

## Building, Bylaw, Licensing and Legal Services

The Building, Bylaw, Licensing and Legal Services Department has two divisions: the Building, Bylaw, Licensing Division and the Legal, Risk Management and Lands Division. The Department provides a diverse variety of external and internal customer services and is responsible for overseeing regulatory compliance in the municipality.

BUDGET SUMMARY	
<b>2023 Net Budget</b>	<b>\$ 2,555,600</b>
<b>2022 Net Budget</b>	<b>\$ 2,002,800</b>
<b>Net Change</b>	<b>\$ 552,800</b>
<b>Change by %</b>	<b>27.60%</b>
<b>2023 FTE</b>	<b>39.00</b>
<b>2022 FTE</b>	<b>38.36</b>
<b>FTE Change</b>	<b>0.64</b>
<b>FTE Change %</b>	<b>1.67%</b>

The **Inspection Services and Inspection Administration** Sections are responsible for overseeing the construction, alteration, repair and demolition of buildings in the District by ensuring that construction complies with bylaw requirements, the BC Building Code and applicable regulations. The Sections process a broad range of building applications for residential, commercial, institution and industrial use and provide professional advice to Council, the public, staff and a broad range of stakeholders on building matters.

The **Bylaw and Parking Enforcement** Section is responsible for the enforcement of municipal bylaws. The Section responds to public complaints and enquiries and conducts investigations related to alleged bylaw violations. The Section provides professional advice on enforcement matters, educates the public and stakeholders with regard to bylaw and regulatory requirements and works to ensure compliance with bylaws across the District.

The **Business Licensing** Section administers the issuing of business licenses. Over 4,600 business licenses are produced annually. The Section also responds to customer complaints and enquiries, and conducts investigations regarding possible bylaw violations.

The **Legal Services** Section provides legal services to the municipality and is responsible for providing advice to Council and staff, preparing legal documents, negotiating contracts and managing legal proceedings. The Section works closely with the Risk Management and Lands Sections to complete real property acquisitions and dispositions.

The **Lands** Section acquires, manages, and disposes of real property on behalf of the municipality. The Section negotiates, prepares and registers municipal rights-of-way, and supports the subdivision process. The Section manages the rental housing stock and the Mt. Douglas and Mt. Tolmie communication facilities.

The **Risk Management** Section promotes policies and procedures designed to prevent incidents causing loss. The Section is also responsible for managing an insurance program that sustains the municipality's ability to deliver services to the community. The Section receives, investigates and adjusts claims filed by citizens or businesses and assists with recovery of costs when the Municipality suffers a loss as a result of a third party.

### 2023 BUDGET CHALLENGES

- Increasing claims and insurance costs driven by external market factors;
- meeting building inspection and bylaw enforcement service levels with permit and call service volumes and increasing complexity due to municipal growth and density;
- continuing to meet the demand for legal services
- managing the District's land holdings

## **2023 KEY PRIORITIES**

### **Priority Strategic Initiatives include:**

#### Community well-being

- continuing to review and update bylaws as required

#### Affordable housing, land use and infrastructure management

- continuing to explore modular and other affordable housing options on municipal lands

### **Priority Departmental Initiatives include:**

#### Risk Management

- implementing enterprise risk management at the District

#### Bylaw/Licensing/Legal

- implementing updated ticketing process for parking tickets
- reviewing resources related to land management and real estate opportunities for the District
- monitoring the change to contracted animal control services

#### Inspection Services and Inspection Administration

- working interdepartmentally to support and develop electronic building plan review, submission and reporting processes and continuing to support efficiencies in permit processing

**CORE BUDGET**

The Department's 2023 net core budget of \$2,555,600 represents a 27.60% increase over prior year. Gross expenditure increased by 8.83% over prior year.

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>	<b>2023/2022</b>
Legal Services	1,162,500	851,700	988,900	943,400	(45,500)	(4.60%)
Risk Management	285,000	296,300	325,500	340,900	15,400	4.73%
Insurance and Claims	1,485,300	1,057,000	1,221,100	1,221,100	-	0.00%
Bylaw and Parking Enforcement	863,600	983,300	1,064,500	1,516,400	451,900	42.45%
Inspections						
Revenues	(3,740,700)	(2,972,300)	(3,152,600)	(3,152,600)	-	0.00%
Expenses	<u>1,749,500</u>	<u>1,696,700</u>	<u>1,952,800</u>	<u>2,068,100</u>	<u>115,300</u>	<u>5.90%</u>
Total	(1,991,200)	(1,275,600)	(1,199,800)	(1,084,500)	115,300	(9.61%)
Business License						
Revenue	(514,500)	(522,700)	(504,600)	(510,400)	(5,800)	1.15%
Expense	<u>173,700</u>	<u>151,000</u>	<u>180,300</u>	<u>192,200</u>	<u>11,900</u>	<u>6.60%</u>
Total	(340,800)	(371,700)	(324,300)	(318,200)	6,100	(1.88%)
Lands/Property Management						
Revenue	(661,500)	(637,000)	(665,300)	(665,300)	-	0.00%
Expense	<u>559,300</u>	<u>539,800</u>	<u>592,200</u>	<u>601,800</u>	<u>9,600</u>	<u>1.62%</u>
Total	(102,200)	(97,200)	(73,100)	(63,500)	9,600	(13.13%)
<b>Total</b>	<b>1,362,200</b>	<b>1,443,800</b>	<b>2,002,800</b>	<b>2,555,600</b>	<b>552,800</b>	<b>27.60%</b>

- Legal Services – change in staffing and related wage increments.
- Risk Management – wage increment.
- Bylaw and Parking Enforcement – full year budgeting of a Bylaw Officer and non-discretionary increase to the animal control services agreement with the CRD. This function was moved over from Police to Bylaw starting midway in 2022 and services were increased to include weekends and extended hours.
- Inspections – wage increment.

## Fire Protection

The Fire Department provides high quality, efficient and caring emergency response, fire prevention, education and emergency management services that help keep our community and citizens safe.

Saanich Fire responds to a range of emergency incidents including fire suppression, medical response, vehicle extrication, land and marine rescue, mutual aid requests, hazardous materials incidents and requests for public service.

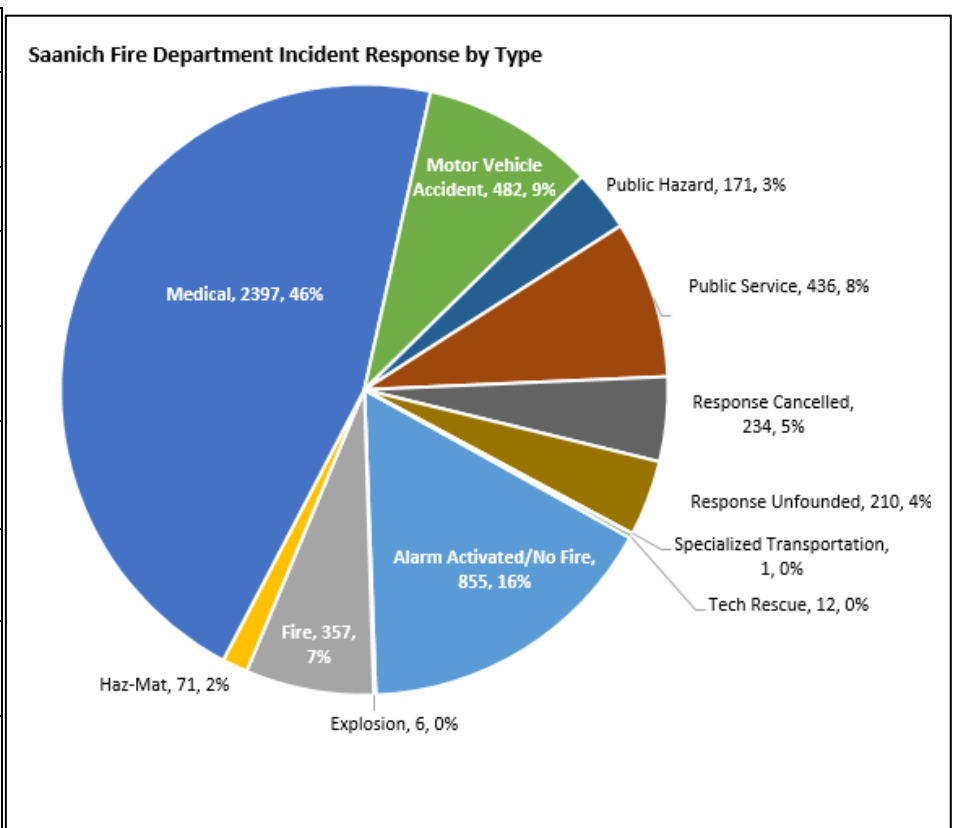
The Department also provides fire safety inspections, public education, fire apparatus, mechanical and high angle rescue services. Fire dispatch services, including emergency and non-emergency call receiving, processing and dispatching are provided to two client municipalities and the Capital Regional District and its participants, including the Districts of Highlands, Metchosin and Sooke and the Juan de Fuca, Salt Spring Island and Southern Gulf Islands Electoral Areas.

The Department employs 138 uniformed personnel and 6 support staff working out of 3 fire stations.

BUDGET SUMMARY	
<b>2023 Net Budget</b>	<b>\$ 24,013,000</b>
<b>2022 Net Budget</b>	<b>\$ 22,637,100</b>
<b>Net Change</b>	<b>\$ 1,375,900</b>
<b>Change by %</b>	<b>6.08%</b>
<b>2023 FTE</b>	<b>144.00</b>
<b>2022 FTE</b>	<b>137.80</b>
<b>FTE Change</b>	<b>6.20</b>
<b>FTE Change %</b>	<b>4.50%</b>

### FIRE DEPARTMENT STATISTICAL SUMMARY<sup>1</sup>

Population served	124,639 (est)
Protection area in square kilometres	103.43 (est)
Incident responses	5,233
Emergency incident responses	4,051
Number of fire related	Fatalities: 2 Injuries: 5
Estimated total dollar fire loss	\$1,750,000
Estimated value of property saved	\$187,665,000
Public building inspections	2,662
Incidents dispatched (Saanich and clients)	10,510



<sup>1</sup>12 month period ending September 30, 2022

## 2023 BUDGET CHALLENGES

- Inflation and supply chain shortages significantly impacting cost and availability of equipment, supplies, and services
- Increased overtime costs due to more frequent and longer absences due to illness/Covid-19 practices
- Deferred fire station renovations and facility improvements, increased costs to maintain aging facilities have further exacerbated impact on department operations, training, and space requirements, notwithstanding Fire Station No. 2 replacement

## 2023 KEY PRIORITIES

### Priority Strategic Initiatives include:

#### Community well-being

- **2020 Master Fire Plan:** Implement the recommendations of the Fire Services Review to ensure the department continues to deliver efficient, effective and fiscally responsible fire services to the District.

### Priority Departmental Initiatives include:

- Complete Fire Underwriters Survey Accreditation and update fire insurance gradings to support homeowner fire insurance protection rates.
- Provide oversight for replacement and construction of Fire Station No. 2 to be completed in 2025.
- Continue to work with industry partners and Saanich Sustainability in the greening and electrification of zero emission apparatus, vehicles, equipment and supplies.
- Begin implementation and compliance with federally mandated Next Generation 9-1-1 system and continue to explore dispatch business opportunities outside the Capital Region.
- Ensure fire fighter training plans continue to meet new training standards established by the Office of the Fire Commissioner.
- Provide professional development opportunities and succession planning through Chief Fire Officer Development Program and continue to recruit and retain a skilled and diverse workforce.



**CORE BUDGET**

The Department's 2023 net core budget of \$24,013,000 represents a 6.08% increase over prior year.

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>	<b>2023/2022</b>
Administration	2,152,500	2,195,500	2,260,100	2,361,600	101,500	4.49%
Suppression and Rescue	14,387,900	15,639,500	15,741,800	16,917,700	1,175,900	7.47%
Dispatch						
Revenues	(241,500)	(444,200)	(435,500)	(456,600)	(21,100)	4.85%
Expenses	<u>1,889,700</u>	<u>2,144,700</u>	<u>2,091,000</u>	<u>2,050,100</u>	<u>(40,900)</u>	<u>(1.96%)</u>
Total	1,648,200	1,700,500	1,655,500	1,593,500	(62,000)	(3.75%)
Prevention	926,500	981,700	1,059,000	1,113,000	54,000	5.10%
Staff Development	346,100	557,200	644,300	645,700	1,400	0.22%
Equipment Maintenance	1,051,500	1,153,000	1,114,000	1,224,200	110,200	9.89%
Building Maintenance	161,800	205,900	162,400	157,300	(5,100)	(3.14%)
<b>Total</b>	<b>20,674,500</b>	<b>22,433,300</b>	<b>22,637,100</b>	<b>24,013,000</b>	<b>1,375,900</b>	<b>6.08%</b>

- Administration – wage increments, wage contingency and non-discretionary increase to equipment costs.
- Suppression and Rescue – wage increments, wage contingency and full year budgeting of addition of two 24/7 firefighter (10.50 FTE) approved by Council October 2021 as part of their overall commitment to fund the resources recommended in the Fire Services Review.
- Equipment Maintenance – non-discretionary increase to fuel, equipment and fleet replacement costs due to inflation.

# Emergency Program

The Saanich Fire Department is responsible for administration of Saanich's Emergency Program (SEP). The program provides for continuity in government and preservation of life and property through a coordinated response by elected officials, municipal departments, volunteer services and outside agencies who are able to assist during a major emergency or disaster.

The Deputy Fire Chief is the Emergency Program Coordinator and is responsible for maintaining Saanich's emergency plan and ensuring key municipal staff and departments are trained in emergency management practices and ready to respond should a major emergency or disaster unfold.

Complementing the Emergency Program and Saanich's emergency response and recovery capacity are 119 municipal staff trained in Emergency Operations Center (EOC) response procedures and Incident Command System (ICS). There are also 74 dedicated Emergency Program volunteers who support the community through emergency support services (ESS), emergency radio communications (COMMS) and neighbourhood emergency preparedness programs (NEPP).

BUDGET SUMMARY	
<b>2023 Net Budget</b>	<b>\$ 497,300</b>
<b>2022 Net Budget</b>	<b>\$ 465,100</b>
<b>Net Change</b>	<b>\$ 32,200</b>
<b>Change by %</b>	<b>6.92%</b>
<b>2023 FTE</b>	<b>3.00</b>
<b>2022 FTE</b>	<b>3.00</b>
<b>FTE Change</b>	<b>0.00</b>
<b>FTE Change %</b>	<b>0.00%</b>

## 2023 BUDGET CHALLENGES

- SEP is experiencing significant cost increases / inflation for all purchases required to support the program, whether it be a utility bill, public education print materials or renovation costs and continues to struggle with resources being available and supply chain issues.

## 2023 KEY PRIORITIES

### Priority Strategic Initiatives include:

#### Community well-being

- Review, Revise and Update the Emergency Response and Recovery Plan.

### Priority Departmental Initiatives include:

- Implement recommendations of the Emergency Operations Centre Business Area Analysis to improve the usability of the EOC and supporting technology.
- Update the Emergency Response and Recovery Plan.
- Implement recommendations from the Community Risk Assessment.
- Coordinate and support Emergency Operations Center and Incident Command System training and exercises for municipal staff assigned to the Emergency Operations Center and working at key municipal facilities.
- Facilitate joint emergency activation exercises with District departments and staff.
- Develop framework for disaster staging areas plan – Phase 1.
- Continue working with provincial government and stakeholders to implement the Regional Emergency Management Partnership to enhance emergency management across the Capital Region.

**CORE BUDGET**

The Department's 2023 net core budget of \$497,300 represents a 6.92% increase over prior year.

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>	<b>2023/2022</b>
Program Administration	376,700	459,100	442,400	474,600	32,200	7.28%
Training Programs	4,100	5,700	15,100	15,100	-	0.00%
Neighbour Helping Neighbour	1,400	2,100	7,600	7,600	-	0.00%
<b>Total</b>	<b>382,200</b>	<b>466,900</b>	<b>465,100</b>	<b>497,300</b>	<b>32,200</b>	<b>6.92%</b>

- Program Administration – wage increment and estimated wage contingency.

## Planning

The Planning Department is comprised of two divisions Community Planning and Current Planning.

**The Community Planning Division** works with Council, residents and a range of stakeholders on plans and policies that guide growth and change in the community. The Division's work includes comprehensive plans such as Centers, Corridors and Villages plans, the recently completed Uptown-Douglas Plan, and more focused projects such as the Community Amenity Contribution policy and agriculture and long-term food security initiatives. Implementation of the Housing Strategy is a central component of the Division's work in an effort to better address community housing needs. The Division also works with the regional community on cross border issues such as mobility, land use, economic matters, health issues and housing. The Division provides professional advice to Council, the public staff and a broad range of stakeholders on community planning matters and regulatory documents.

BUDGET SUMMARY	
<b>2023 Net Budget</b>	<b>\$ 3,823,900</b>
<b>2022 Net Budget</b>	<b>\$ 3,567,000</b>
<b>Net Change</b>	<b>\$ 256,900</b>
<b>Change by %</b>	<b>7.20%</b>
<b>2023 FTE</b>	<b>31.14</b>
<b>2022 FTE</b>	<b>30.64</b>
<b>FTE Change</b>	<b>0.50</b>
<b>FTE Change %</b>	<b>1.63%</b>

**The Current Planning Division** oversees a broad range of development related applications such as: Rezoning, Development Permits, Variances, Subdivision; building stratification, Agricultural Land Reserve, Liquor and Antennas. Current Planning is actively engaged in policy development and implementation initiatives with external organizations and other divisions and departments including Community Planning, Sustainability and Climate Change and the Engineering and Parks, Recreation and Community Services Departments. The Division provides professional advice to Council, the public, staff, property owners, the development community and other stakeholders on a range of land use and development matters and regulatory documents.

Within the department, Planning Administration provides all administrative and graphical support to the Planning department, as well as the Sustainability & Strategic Initiatives department. Key functions of Planning Administration include facilitating all general, application and department project inquiries; provide front line customer service; intake and file management support of development and land-use change applications; and support department initiatives with graphical, technical and communications presentations for community engagement and long-range planning Action Plans.

### 2023 BUDGET CHALLENGES

- The alignment of Council and Community objectives and expectations with the resources required to meet those service levels.
- Recruitment and retention of professional staff within the context of national shortages of qualified planners and technical staff.
- Implementation of new technology with ongoing support continues to be an issue for the Department.

---

## 2023 KEY PRIORITIES

### Priority Strategic Initiatives include:

#### Affordable Housing, Land Use and Infrastructure Management

- Complete the Strategic Official Community Plan Update to incorporate recently adopted Council policy, update the land use framework, integrate One Planet Saanich principles and enhance complete communities content.
- Implement priority actions from the Saanich Housing Strategy, including the capacity analysis and the development of a Neighbourhoods Housing program.
- Undertake significant project work to develop land use and transportation plans for Centres, Corridors and Villages in the McKenzie Quadra area
- Implement the Uptown-Douglas Plan and undertake priority implementation actions, including developing design guidelines, reviewing parking standards, exploring pre-zoning and updating community amenity contribution approaches.
- Developing a data monitoring program and working on communicating housing goals and outcomes.
- Complete a Land Capacity Analysis to develop an understanding of projected growth and the capacity of Saanich lands to meet housing and employment needs

#### Organizational Excellence

- Commence implementation of the Development Process Review recommendations.
- Develop systems and processes to improve development application processing timelines.

#### Community Well-Being

- Adopt a Community Amenity Contribution and Inclusionary Housing Program to guide contributions from new development.
- Develop and adopt a Tenant Assistance Policy and support to maintain existing affordable rentals.
- Reduce barriers/support non-market housing.

### Priority Departmental Initiatives include:

- Provide a two-year progress report to Council on Garden Suite regulations.
- Undertake update of off-street parking requirements in the Zoning Bylaw to support a mode shift towards active transportation.
- Complete strategic Official Community Plan Review.
- Continue to implement priority actions of the Housing Strategy.
- Initiate development of an update to the Saanich Housing Needs Report

**CORE BUDGET**

The Department's 2023 net core budget of \$3,823,900 represents a 7.20% increase over prior year.

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>	<b>2023/2022</b>
Planning Administration	763,300	1,092,900	948,700	961,900	13,200	1.39%
Housing Program	-	181,300	350,500	408,200	57,700	16.46%
Community Planning	920,000	830,600	1,057,300	1,140,000	82,700	7.82%
Current Planning						
Revenues	(196,700)	(203,600)	(168,000)	(168,000)	-	0.00%
Expenses	<u>839,400</u>	<u>923,400</u>	<u>1,124,900</u>	<u>1,205,400</u>	<u>80,500</u>	<u>7.16%</u>
Total	642,700	719,800	956,900	1,037,400	80,500	8.41%
Subdivision						
Revenues	(46,300)	(44,900)	(57,200)	(57,200)	-	0.00%
Expenses	<u>165,200</u>	<u>87,800</u>	<u>310,800</u>	<u>333,600</u>	<u>22,800</u>	<u>7.34%</u>
Total	118,900	42,900	253,600	276,400	22,800	8.99%
<b>Total</b>	<b>2,444,900</b>	<b>2,867,500</b>	<b>3,567,000</b>	<b>3,823,900</b>	256,900	<b>7.20%</b>

- Housing Program – full year budgeting of a Senior Planner and a Planning Analyst to implement the Housing Strategy approved in the prior year.
- Community Planning – wage increment.
- Current Planning – wage increment.
- Subdivision – wage increment.

# Engineering

The Engineering Department is responsible for policy development, design, delivery, construction and management for services and infrastructure on and under public streets and in right-of-way's. In addition, the Department is responsible for the design, construction, and maintenance of the major facility buildings. The Department is comprised of four divisions: Transportation and Development Services, Water Resources, Public Works, and Municipal Facilities; and also has an Asset Management office.

BUDGET SUMMARY	
<b>2023 Net Budget</b>	<b>\$ 16,899,200</b>
<b>2022 Net Budget</b>	<b>\$ 15,500,700</b>
<b>Net Change</b>	<b>\$ 1,398,500</b>
<b>Change by %</b>	<b>9.02%</b>
<b>2023 FTE</b>	<b>214.80</b>
<b>2022 FTE</b>	<b>206.49</b>
<b>FTE Change</b>	<b>8.31</b>
<b>FTE Change %</b>	<b>4.02%</b>

The **Transportation and Development Services Division** is responsible for the planning, design and implementation of all aboveground infrastructure and transportation systems. In addition, the Division processes, accepts and inspects of all works installed by private developers that become municipal assets.

The **Water Resources Division**, is responsible for managing the municipal water, sanitary sewer and storm drainage systems by undertaking systems planning and analysis; engineering designs and overseeing the construction of infrastructure improvement and replacement programs. As part of the Division, Water Resources also provides surveying services to all engineering divisions and other departments; and is responsible for collecting, housing and publishing the infrastructure digital records and providing mapping services through a department-based GIS team.

The **Public Works Division** is responsible for the operations and maintenance of roads, bridges, traffic signals, streetlights, sidewalks, bus shelters, residential refuse collection, leaf pick up, roadside litter control, garden waste drop off and disposal, storm drainage, creeks and waterways maintenance, wastewater collection including sewer lift station maintenance, water distribution, water quality, water systems maintenance including hydrants, valves, meters water reservoirs and pressure regulating stations. Management of fleet services and administration round out the Public Works functional responsibilities.

The **Municipal Facilities Division** is responsible for ensuring the safe and uninterrupted operations and services delivery through municipally owned facilities. The stewardship of these assets includes strategic planning, design, construction, commissioning, operational efficiency management, maintenance, repair as well as minor and major modifications as required. The portfolio includes the Municipal Hall and Annex, Police headquarters and satellite offices, three Fire stations, four Recreation Centres, and the Saanich's Operation Centre. The Division also provides building support services to four libraries within Saanich.

## 2023 BUDGET CHALLENGES

- Hiring skilled and qualified staff continues to be a challenge
- Procurement and availability of gas and electric powered vehicles is an ongoing challenge
- Escalation in the construction and supplier industries while expected to soften from 2021-2022 levels of 10-30% will remain a major concern for project realization. Management of budgets and scope will require careful due diligence to avoid either delay or cancellation.

## 2023 KEY PRIORITIES

### Priority Strategic initiatives include:

#### Community well-being

- Strengthen transportation safety for all road users by implementing initiatives from the Active Transportation Plan that improve transportation safety through infrastructure improvements, policy development, and education and public outreach programs. Staff continue to implement initiatives from the Active Transportation Plan (ATP) that improve transportation safety. In addition, staff are working to implement Council's Quick Build active transportation projects.
- Collaborate with the Ministry of Transportation and Infrastructure and BC Transit to identify and undertake safety improvements and advance active transportation initiatives. Input and collaboration is underway on the following projects: Road Safety Action Plan, Active Transportation Plan Update, Uptown Multi-modal Transit Hub and the McKenzie Transit Corridor Study.

#### Affordable housing, land use and infrastructure management

- Prepare a District-wide stormwater management master plan. The project scope has been extended to include integrated stormwater management plans (ISMP) for alignment with Council's Strategic Plan and Climate Plan initiatives. The first of five plans is the pilot for the Cordova Bay which is well in hand and expected to be completed in early 2023. Next, we turn our attention to the Colquitz ISMP.
- Complete a District-wide asset management strategy that promotes sustainable service delivery and integrates climate change in the lifecycle management of physical assets, including engineered and natural assets.

#### Climate action and environmental leadership

- Complete the update to Schedule H (engineering specifications) of the Subdivision Bylaw, considering the impacts of climate change on the drainage systems.
- Undertake construction of Phase II and complete detailed design of Phase III for the Shelbourne Street Improvement Project (SSIP)
- Construction of Fire Station #2 Redevelopment will see realization of District's first Net Zero Energy and Mass Timber constructed facility.
- Support BC Transit by participating in the development of a Rapid Bus Implementation Strategy for the Region and by participating in discussions advancing the Uptown Multi-Modal Transit Hub. This includes a joint McKenzie Ave corridor study is underway and expected to be complete in 2023

### Priority Departmental Initiatives include:

#### Transportation and Development Services:

- Finalize the update to the Active Transportation Plan
- Develop a Road Safety Action Plan that aligns with Vision Zero and Safe Systems approaches
- Review and implement the nine (9) priority corridors identified in the Speed Establishment Policy report.
- Construct new walking and cycling infrastructure along with asset renewal on Shelbourne (Phase II), Gorge Road, and Sinclair Roads.
- Modernize our development services policy framework, starting with updating the Engineering Specifications of the Subdivision Bylaw

#### Water Resources:

- Complete restoration works along Wray Creek from the November 2021 flood event
- Implement plan to complete the rehabilitation of the remaining large diameter Wood Stave storm drains
- Pilot residential water meter replacement product(s) and reading technology



**Public Works:**

- Continue to foster and promote a healthy respectful workplace and culture of safety
- Review the Yard and Garden Waste Drop-off service model
- Undertake a succession planning review to forecast future staff resource needs

**Facilities:**

- Construction beginning for Fire Station #2 Redevelopment
- Beginning of Phase II work of Feasibility Study for the Saanich Operations Centre Redevelopment project. Specifically, the District will work to secure contractual agreement with the engagement of a private sector developer.
- Complete construction of the biomass boiler system at Saanich Commonwealth Place.
- Construction beginning for ice plant heat reclaim system at G.R. Parkes Recreation Centre.

**CORE BUDGET**

The Department’s 2023 net core budget of \$16,899,200 represents a 9.02% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2021	2022	2022	2023	2023/2022	2023/2022
Engineering Administration	(829,300)	(739,400)	(680,900)	(919,400)	(238,500)	35.03%
Transportation & Development Services	1,661,000	2,156,400	2,382,700	2,603,300	220,600	9.26%
Water Resources	1,867,100	1,698,300	2,092,300	2,474,800	382,500	18.28%
Facility Operations	2,585,800	2,712,300	2,426,000	2,622,100	196,100	8.08%
Public Works	8,572,300	8,222,000	9,280,600	10,118,400	837,800	9.03%
<b>Total</b>	<b>13,856,900</b>	<b>14,049,600</b>	<b>15,500,700</b>	<b>16,899,200</b>	<b>1,398,500</b>	<b>9.02%</b>

**Engineering Services**

The Division’s net core budget of \$4,158,700 represents a 9.61% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2021	2022	2022	2023	2023/2022	2023/2022
Engineering Administration						
Revenue	(1,970,300)	(1,954,800)	(1,905,300)	(2,171,400)	(266,100)	13.97%
Expense	1,141,000	1,215,400	1,224,400	1,252,000	27,600	2.25%
Total	(829,300)	(739,400)	(680,900)	(919,400)	(238,500)	35.03%
Transportation & Development Services	1,661,000	2,156,400	2,382,700	2,603,300	220,600	9.26%
Water Resources	1,867,100	1,698,300	2,092,300	2,474,800	382,500	18.28%
<b>Total</b>	<b>2,698,800</b>	<b>3,115,300</b>	<b>3,794,100</b>	<b>4,158,700</b>	<b>364,600</b>	<b>9.61%</b>

- Engineering Administration – increases in cost recovery from utilities for engineering services.
- Transportation & Development Services – wage increment and full year budgeting of an Engineer Technician V related to the Climate Action Plan implementation and approved in the prior year.
- Water Resources – wage increment and full year budgeting of an Engineer Technician II, a Project Engineer – Water Resources and a Project Engineer – Drainage.

## Facility Operations

The Division's net core budget of \$2,622,100 represents an 8.08% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Administration	392,600	415,900	502,800	643,800	141,000	28.04%
Minor Facility Repair	546,200	690,900	515,000	456,900	(58,100)	(11.28%)
Les Passmore Building	191,400	186,100	181,800	197,600	15,800	8.69%
Municipal Hall Building	672,800	668,500	612,700	680,200	67,500	11.02%
Municipal Annex	164,200	169,000	144,100	158,100	14,000	9.72%
Other Buildings	206,500	163,800	133,900	149,300	15,400	11.50%
Public Safety Building						
Revenues	(600,200)	(604,700)	(604,700)	(669,000)	(64,300)	10.63%
Expenses	974,700	984,800	936,800	1,005,200	68,400	7.30%
Total	374,500	380,100	332,100	336,200	4,100	1.23%
Public Works and Parks						
Revenues	(323,800)	(327,900)	(327,900)	(344,300)	(16,400)	5.00%
Expenses	361,400	365,900	331,500	344,300	12,800	3.86%
Total	37,600	38,000	3,600	-	(3,600)	100.00%
<b>Total</b>	<b>2,585,800</b>	<b>2,712,300</b>	<b>2,426,000</b>	<b>2,622,100</b>	<b>196,100</b>	<b>8.08%</b>

- Administration – full year budgeting of a Facilities Sustainable Energy Specialist approved in the prior year.
- All other – wage increment and utility increases.

## Public Works

The Public Works Division provides diverse services to the community from above ground services such as roads, bridges and refuse collection to underground services such as waterworks, drainage and sewer collection. The Division's net core budget of \$10,118,400 increased by 9.03% over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Administration	613,500	561,100	893,700	945,500	51,800	5.80%
Fleet						
Revenue	(6,004,800)	(6,260,400)	(6,206,300)	(6,835,800)	(629,500)	10.14%
Expense	<u>6,013,900</u>	<u>6,260,400</u>	<u>6,206,300</u>	<u>6,835,800</u>	<u>629,500</u>	<u>10.14%</u>
Total	9,100	-	-	-	-	0.00%
Solid Waste Services						
Revenue	(7,304,200)	(7,687,900)	(7,786,900)	(8,241,600)	(454,700)	5.84%
Expense	<u>7,652,000</u>	<u>7,933,100</u>	<u>8,208,400</u>	<u>8,690,500</u>	<u>482,100</u>	<u>5.87%</u>
Total	347,800	245,200	421,500	448,900	27,400	6.50%
Storm Drains	2,080,900	2,150,200	2,090,500	2,304,300	213,800	10.23%
Street Operations	5,521,000	5,265,500	5,874,900	6,419,700	544,800	9.27%
<b>Total</b>	<b>8,572,300</b>	<b>8,222,000</b>	<b>9,280,600</b>	<b>10,118,400</b>	<b>837,800</b>	<b>9.03%</b>

- Administration – wage increment and non-discretionary labour increase for new asset maintenance.
- Fleet – wage increment and inflationary increase to fuel and supplies.
- Solid Waste Services – non-discretionary increases in costs due to increase in tonnage for compost and increase to garbage disposal and compost hauling and processing fees.
- Storm Drains – wage increment and non-discretionary inflationary increase to material and contract costs.
- Street Operations – wage increment and non-discretionary inflationary increase to material and contract costs and increases to costs for new asset maintenance.

## Parks, Recreation and Community Services

The Parks, Recreation and Community Services Department is committed to achieving a Healthy Saanich for residents and their families; community organizations and their volunteers; businesses and their employees; and the natural environment.

The Department does this by fostering and supporting Healthy Nature, Healthy People and a Healthy Community through social, mental and physical well-being programs and services; helping Saanich residents connect with nature, themselves, their neighbours and with others throughout the region, including the Lkwungen peoples, represented by the Songhees and SXIMELEĒ (Esquimalt) Nations and the WSÁNEĆ peoples known today as WJOLEĒP (Tsartlip), BOKEĆEN (Pauquachin), STÁUTW (Tsawout), WSIKEM (Tseycum) and MÁLEXEĒ (Malahat) Nations, in whose territories Saanich resides.

The Department is organized into three divisions:

The **Parks Division (Healthy Nature)** stewards healthy nature through planning, designing, constructing, managing, programming and maintaining the District's 171 parks (ranging from neighbourhood parks, to multi-sport athletic parks to natural areas and open spaces) covering more than 825 hectares with more than 100 kilometres of trails, effectively making the Division the District's largest land-owner. Parks' work is environmental stewardship and protection, which is integrated into all the Division's work, whether providing outdoor sports facilities using best-of-class environmental practices or providing trail or nature restoration opportunities. Biodiversity does not recognize fence lines, so caring for and protecting nature on private lands is as important as public lands. The Division's lands are biologically diverse, offering residents a spectrum of active living experiences and opportunities to connect with nature.

The **Recreation Division (Healthy People)** supports healthy people by planning, coordinating and delivering a continuum of active living recreation and wellness programs and services spanning all ages and abilities, and by planning, managing and maintaining the District's four recreation centres (Cedar Hill, Gordon Head, G.R. Pearkes and Saanich Commonwealth Place), the Cedar Hill Golf Course and Braefoot Park Centre. The facilities, welcoming more than one million visitors annually and generating more than \$12 million in revenues, offer a range of activity areas including: aquatics; arenas; gymnasiums; racquet sport courts, weight rooms; multi-purpose activity spaces; arts and cultural studios and public assembly areas.

The **Community Services Division (Healthy Community)** creates healthy community by coordinating and supporting a wide variety of focus areas to Saanich's underserved and / or most vulnerable populations including municipal and community special events, community development, volunteerism, financial accessibility services for low-income citizens, inclusion services, youth services and teen centres, summer playground programs, seniors and active aging initiatives, parks programming, multicultural and social programs, and mental health initiatives.

It supports the creation of local initiatives that provide opportunities for citizens to lead a healthy, active lifestyle and to be engaged in their community. The goal is to maximize resources in the community by working alongside citizens, schools, non-profit organizations, social service agencies, health care

BUDGET SUMMARY	
2023 Net Budget	\$ 24,037,900
2022 Net Budget	\$ 22,078,000
Net Change	\$ 1,959,900
Change by %	8.88%
2023 FTE	331.05
2022 FTE	320.93
FTE Change	10.12
FTE Change %	3.15%

providers, and neighbourhood committees to decrease the barriers many families and individuals face in accessing parks and recreation services.

## 2023 BUDGET CHALLENGES

- Changing Community
- Balancing Service Levels – meeting program demand within existing physical spaces
- Meeting Council (and community) priorities
- Aging Infrastructure
- Staff Recruitment and Retention
- Rebuilding participation in programs and services post pandemic
- High inflation
- Logistical challenges resulting in increased costs
- Climate Adaptation

## 2023 KEY PRIORITIES

### Priority Strategic initiatives include:

#### Community well-being

- Reconciliation
- Comprehensive Direction and Action Plan
- DEI (Diversity Equity and Inclusion Strategy)
- People, Pets and Parks Strategy
- Ice Demand Analysis Study
- Community Canvas Mural Pilot Project Phase 2

#### Organizational excellence

- Digitization of Development Review Process
- Continued Modernization of Agreements with Community Groups

#### Climate action and environmental leadership

- Urban Forest Strategy Update
- Biodiversity Conservation Strategy
- Panama Flats Concept Plan Check-in
- Working towards Audubon Certification (CHGC)
- GR Pearkes Mechanical Upgrade, and heat recovery (led by Engineering)
- Cedar Hill Recreation Green and Accessible Project

### Priority Departmental Initiatives include:

#### Community well-being

- Signage and Wayfinding Strategy Implementation
- Leading the Comprehensive Art Policy and Public Art Program
- Reconciliation

#### Organizational excellence

- YES Survey response implementation
- Ceramics Ventilation Project

#### Climate action and environmental leadership

- Sustainability and climate adaptation initiatives

**CORE BUDGET**

The Department's 2023 net core budget of \$24,037,900 represents an 8.88% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL FUNCTIONS	2021	2022	2022	2023	2023/2022	2023/2022
Parks & Rec. Administration	874,800	1,068,200	931,000	1,051,000	120,000	12.89%
Parks Division	8,679,300	9,988,000	9,913,800	10,785,200	871,400	8.79%
Community Services Division	1,431,800	1,569,100	1,881,600	2,048,900	167,300	8.89%
Cedar Hill Recreation Centre	1,271,900	1,034,400	1,357,200	1,280,700	(76,500)	(5.64%)
Gordon Head Recreation Centre	2,149,300	1,893,300	2,389,300	2,556,800	167,500	7.01%
G R Pearkes Recreation Centre	1,466,300	1,433,400	1,626,700	1,799,700	173,000	10.64%
Saanich Commonwealth Place	3,698,200	3,818,500	4,010,900	4,460,200	449,300	11.20%
Cedar Hill Golf Course	(288,000)	(234,500)	(32,500)	55,400	87,900	(270.46%)
<b>Total net cost</b>	<b>19,283,600</b>	<b>20,570,400</b>	<b>22,078,000</b>	<b>24,037,900</b>	<b>1,959,900</b>	<b>8.88%</b>

**Parks and Recreation Administration**

Parks and Recreation administration provides management, marketing, volunteer and support services. It oversees the department's parks and recreation registration software (ActiveNet) and coordinates department-wide initiatives and services.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Administration	693,400	849,200	741,400	846,700	105,300	14.20%
Marketing						
Revenues	(112,400)	(159,900)	(197,000)	(197,000)	-	0.00%
Expenses	<u>344,300</u>	<u>378,900</u>	<u>386,600</u>	<u>401,300</u>	<u>14,700</u>	<u>3.80%</u>
Total	231,900	219,000	189,600	204,300	14,700	7.75%
COVID-19 Safe Restart Grant	(50,500)	-	-	-	-	0.00%
<b>Total</b>	<b>874,800</b>	<b>1,068,200</b>	<b>931,000</b>	<b>1,051,000</b>	<b>120,000</b>	<b>12.89%</b>

- Administration – wage increments and non-discretionary inflationary increase to equipment replacement reserve.

**Parks Division**

The Parks Division works in partnership with the community to support healthy lifestyles, well-being, and protection and stewardship of the natural environment on both public and private land. This is achieved by providing parks, trails and natural areas that meet a variety of community needs. The Division is responsible for planning, designing, developing and operating 171 parks covering more than 825 hectares and over 100 km of trails. It is also responsible for maintaining and stewarding Saanich’s parks natural areas and the urban forest. This includes caring for trees in parks and on boulevards, overseeing the Tree Protection Bylaw, developing, and implementing environmental policies for private and public lands. Parks applies relevant policies and bylaws when conducting development reviews, bylaw enforcement, issuing tree permits, developing a mapping and tracking system for Saanich’s green assets. Community stewardship is foundational to maintaining the health of Saanich’s natural environment and the community’s social and physical well-being. As Saanich’s major roads are redeveloped, the Parks Division responsibilities have expanded to assume maintaining and caring for tree related green infrastructure such as tree planting and landscaping on boulevards and in rain gardens.

The Division’s net core budget of \$10,785,200 represents an 8.79% increase over prior year..

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>	<b>2023/2022</b>
Administration	926,900	1,149,100	1,125,200	1,064,600	(60,600)	(5.39%)
Parks Operations	5,764,300	6,370,700	6,328,700	7,095,600	766,900	12.12%
Design and Development	1,183,600	1,386,500	1,299,600	1,407,500	107,900	8.30%
Community Development & Business Systems	804,500	1,081,700	1,160,300	1,217,500	57,200	4.93%
<b>Total</b>	<b>8,679,300</b>	<b>9,988,000</b>	<b>9,913,800</b>	<b>10,785,200</b>	<b>871,400</b>	<b>8.79%</b>

- Administration – wage increment offset by position and budget transfer to Park Operations.
- Parks Operations – full year budgeting of an Arborist and position and budget transfer from both Administration and Community Development.
- Design and Development – wage increment.
- Community Development & Business Systems – wage increment offset by position and budget transfer to Parks Operations.

### Community Services Division

Community Services coordinates and supports a wide variety of focus areas including municipal and community special events, community development, volunteerism, financial accessibility services for low income citizens, youth services and teen centres, summer playground programs, seniors and active aging initiatives, parks programming, multicultural and social programs, and healthy eating initiatives.

It supports the creation of local initiatives that provide opportunities for citizens to lead a healthy, active lifestyle and to be engaged in their community. The goal is to maximize resources in the community by working alongside citizens, schools, non-profit organizations, social service agencies, health care providers, and neighbourhood committees to decrease the barriers many families and individuals face in accessing parks and recreation services.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Programming	825,500	819,000	892,800	1,021,000	128,200	14.36%
Programs						
Revenues	(268,400)	(265,500)	(195,900)	(302,800)	(106,900)	54.57%
Expenses	874,700	1,015,600	1,184,700	1,330,700	146,000	12.32%
Total	606,300	750,100	988,800	1,027,900	39,100	3.95%
<b>Total</b>	<b>1,431,800</b>	<b>1,569,100</b>	<b>1,881,600</b>	<b>2,048,900</b>	<b>167,300</b>	<b>8.89%</b>

- Programming – wage increment and final year budgeting to increase the position of Volunteer Services Coordinator to full time approved in the prior year.
- Programs – Full year budgeting of a Diversity, Equity and Arts Programmer. Continued implementation of the Older Adult Strategy which include full year funding of three part time programmers approved in the prior year.



### Cedar Hill Recreation and Arts Centre and Golf Course

Cedar Hill Recreation and Art Centre is centrally located at the corner of Finlayson and Cedar Hill Road, on the border of Saanich and Victoria, within Cedar Hill Park. Park at Cedar Hill for easy access to the very popular 3.5km (2.2 mile) walking trail surrounding the Cedar Hill Golf Course. Inside the main entrance to the building, The Gallery Lounge area provides a welcoming, social environment for participants as well as community members to meet, gather and enjoy some conversation. Cedar Hill offers a wide variety of programs and services serve all ages of the Saanich community.

Cedar Hill is home to the Arts Centre at Cedar Hill, home to two purpose-built visual arts studios, a ceramics studio, with both registered and community drop-in programs as well as a dance studio for the performing arts. Two gallery spaces serve as a venue for local artists to display their work. The Family Day Arts Festival special event takes place each year and invites community to view visual and performing arts as well as participate in art activities.

Cedar Hill has an enduring partnership with the Cedar Hill Squash Club that allows for enhanced services to residents. Four indoor squash courts compliment the four indoor tennis courts to allow participants a chance to practice tennis and squash year-round. In the gymnasium, badminton, pickleball and table tennis round out the racquet sport offerings at Cedar Hill.

The weight room, other multi-purpose spaces and gymnasium host fitness and wellness programs, an older adults club, sports activities and community rentals.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Programming & Reception						
Revenues	(16,000)	(19,100)	(29,300)	(29,300)	-	0.00%
Expenses	1,194,100	1,097,700	1,177,100	1,202,300	25,200	2.14%
Total	1,178,100	1,078,600	1,147,800	1,173,000	25,200	2.20%
Programs						
Revenues	(1,121,500)	(1,692,900)	(1,292,800)	(1,618,700)	(325,900)	25.21%
Expenses	669,000	843,700	767,700	846,800	79,100	10.30%
Total	(452,500)	(849,200)	(525,100)	(771,900)	(246,800)	47.00%
Maintenance	765,600	805,000	809,600	879,600	70,000	8.65%
COVID-19 Safe Restart Grant	(219,300)	-	(75,100)	-	75,100	(100.00%)
<b>Total</b>	<b>1,271,900</b>	<b>1,034,400</b>	<b>1,357,200</b>	<b>1,280,700</b>	<b>(76,500)</b>	<b>(5.64%)</b>

- Programs – continue programming increases in both budgeted expenditure and revenues post COVID-19 closures.
- Maintenance – wage increment and non-discretionary utility and inflationary costs increases to maintenance supplies.

Cedar Hill Golf Course, Cedar Hill Golf Course features a player-friendly 18-hole, 5,200-yard, par 67 course, with picturesque views of the Olympic Mountains, surrounded by a 3.5km trail. Cedar Hill Golf Course is conveniently located only 10 minutes from downtown Victoria. Located on Derby Road off Cedar Hill Road, the Cedar Hill Golf Course provides “close to home” golf for beginners and experienced players. CPGA instruction, pro shop retail, a short iron practice range, licensed concession and banquet and meeting rental services are all available. The golf course has been accepted into the Audubon Co-operative Sanctuary Program for Golf Courses and has received a Certificate of Recognition for Environmental Planning. The course has been operating for over 100 years and has repeatedly been named as the best course in Victoria by the Times Colonist Reader Awards.

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>%Change</b>
	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>	<b>2023/2022</b>
Golf Revenues	(1,945,800)	(2,005,100)	(1,881,200)	(1,953,000)	(71,800)	3.82%
Administration	175,400	237,800	368,400	339,300	(29,100)	(7.90%)
Pro Shop	74,700	124,900	131,300	131,500	200	0.15%
Facility Maintenance	259,100	218,700	273,600	323,700	50,100	18.31%
Grounds Maintenance	1,148,600	1,189,200	1,075,400	1,213,900	138,500	12.88%
<b>Total</b>	<b>(288,000)</b>	<b>(234,500)</b>	<b>(32,500)</b>	<b>55,400</b>	<b>87,900</b>	<b>27.26%</b>

- Golf Revenues – more rounds and higher green fees anticipated.
- Administration – transfer of budget to Facility Maintenance.
- Facility Maintenance – wage increment and transfer of labour budget from Administration.
- Grounds Maintenance – wage increment and non-discretionary inflationary increase of grounds supplies and equipment.

## Gordon Head Community Recreation Centre

Gordon Head Community Recreation Centre, located in Lambrick Park off Feltham Road in the heart of Gordon Head, provides community access to a wide variety of activities which promote healthy lifestyles for preschoolers, youth, families, adults and seniors. Facilities include a 25 metre pool with climbing wall and lifts to assist people with disabilities, a river pool, leisure and tot pools, steam room and sauna and accessible and universal change rooms. The Centre also supports a Youth Activity Centre and Lambrick Skate Park. In addition, Gordon Head has a highly accessible weight room, multipurpose rooms and auditorium. The Centre provides many community programs that focus on fitness, arts and culture, and multicultural programming. In addition, a new partnership with Island Health provides outpatient neuro services from the Centre. Martial Arts and gymnastics programming are offered at Bert Richman building onsite, and wellness activities/rentals at the Annex. A vast number of community rentals ensures the facility is well-utilized and accessible.

A partnership with School District 61 at Gordon Head Middle School also provides valuable community recreation program space for Saanich.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Programming & Reception						
Revenues	(87,900)	(62,200)	(53,000)	(199,500)	(146,500)	276.42%
Expenses	<u>1,216,200</u>	<u>1,313,500</u>	<u>1,423,900</u>	<u>1,691,800</u>	<u>267,900</u>	<u>18.81%</u>
Total	1,128,300	1,251,300	1,370,900	1,492,300	121,400	8.86%
Programs						
Revenues	(1,337,700)	(1,941,300)	(1,698,500)	(1,951,600)	(253,100)	14.90%
Expenses	<u>1,089,600</u>	<u>1,310,500</u>	<u>1,512,500</u>	<u>1,671,900</u>	<u>159,400</u>	<u>10.54%</u>
Total	(248,100)	(630,800)	(186,000)	(279,700)	(93,700)	50.38%
Maintenance	1,269,100	1,272,800	1,411,600	1,465,600	54,000	3.83%
One Time Funding for Shutdown	-	-	(143,600)	-	-	100.00%
COVID-19 Safe Restart Grant	-	-	(63,600)	(121,400)	(57,800)	90.88%
<b>Total</b>	<b>2,149,300</b>	<b>1,893,300</b>	<b>2,389,300</b>	<b>2,556,800</b>	<b>23,900</b>	<b>7.01%</b>

- Programming & Reception – wage increment, transfer of budgeted position from Programs offset by increase in revenues post renovation shutdown.
- Programs – continue programming increases in both budgeted expenditure and revenues post renovation closure.
- Maintenance – wage increment and non-discretionary inflationary costs increases to maintenance supplies offset by reduction in heating costs.
- COVID-19 Safe Restart Grant – continued challenges with aquatic staffing related post COVID-19 operations.

### G. R. Pearkes Community Recreation Centre

G.R. Pearkes Community Recreation Centre, located adjacent to the Tillicum Mall, offers a variety of community programs for all ages, focusing on fitness, preschool and family activities, skating, and physical literacy. The facility hosts a number of District special events and major trade shows, which attract participants from around the region. The facility is home to two indoor ice arenas, indoor multi-use sport courts/fieldhouse, a fitness centre, meeting rooms and a Youth Activity Centre.

The partnership with Saanich Neighbourhood Place provides licensed preschool programs and family support opportunities for residents. Further partnerships are in place with the Greater Victoria Public Library (location of the Saanich Centennial Branch), Burnside Gorge After School Care and Kids Klub, as each organization has facilities and services on. Programs and services are also offered at Colquitz Middle School in partnership with School District 61. The Saanich Archives is located within the facility

Pearkes is home to a number of community and sports associations including: the Gorge Tillicum Community Association, Capital Region Female Minor Hockey, Victoria Minor Hockey, Saanich Predators Jr. B Hockey Club, Spectrum High School Hockey Academy, Saanich Figure Skating Club, Saanich Lacrosse and the Greater Victoria Minor Ball Hockey Association.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Programming & Reception						
Revenues	(728,000)	(1,259,200)	(1,035,000)	(1,114,500)	(79,500)	7.68%
Expenses	<u>1,174,700</u>	<u>1,154,200</u>	<u>1,323,900</u>	<u>1,400,400</u>	<u>76,500</u>	<u>5.78%</u>
Total	446,700	(105,000)	288,900	285,900	(3,000)	(1.04%)
Programs						
Revenues	(595,400)	(881,100)	(848,000)	(967,700)	(119,700)	14.12%
Expenses	<u>455,100</u>	<u>610,200</u>	<u>481,700</u>	<u>579,300</u>	<u>97,600</u>	<u>20.26%</u>
Total	(140,300)	(270,900)	(366,300)	(388,400)	(22,100)	6.03%
Maintenance	1,499,900	1,809,300	1,884,100	1,902,200	18,100	0.96%
One Time Funding for Shutdown	(340,000)	-	-	-	-	0.00%
COVID-19 Safe Restart Grant	-	-	(180,000)	-	180,000	(100.00%)
<b>Total</b>	<b>1,466,300</b>	<b>1,433,400</b>	<b>1,626,700</b>	<b>1,799,700</b>	<b>173,000</b>	<b>10.64%</b>

- Programs – continue programming increases in both budgeted expenditure and revenues post COVID-19 closures.

## Saanich Commonwealth Place

Saanich Commonwealth Place, built for the 1994 Commonwealth Games, is located on Elk Lake Drive in the Royal Oak/Broadmead area and serves both local residents and the larger community, with its world class aquatics facilities. These include a 50-metre competitive pool, which can be used for international level events, a dive tank, leisure pool, wave pool and waterslide. Other facilities include two specially equipped accessible, change rooms, universal change rooms, a gymnasium, hot tub, steam room, dry sauna, dance studio, fitness centre, multi-purpose rooms, pro shop. Saanich Commonwealth Place sees 55% of all Access Pass Scans from all four centres.

The Centre leases space to a Café (Kattia's Kitchen), the Victoria offices of Pacific Sport, 94Forward and the Bruce Hutchison Branch of the Greater Victoria Library.

An integral component of the Centre's programming occurs off site at Royal Oak Middle School through the Department's agreement with School District #63. Saanich Commonwealth Place also offers an outdoor classroom preschool program that runs at capacity with over 140 registrations generating almost \$80,000 in revenue.

At both the Centre and the off-site locations, numerous programs and activities are offered for all ages and abilities. Several health service partnerships are also in place including physiotherapy, massage and rehabilitative therapy.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Programming & Reception						
Revenues	(216,600)	(396,100)	(340,900)	(691,000)	(350,100)	102.70%
Expenses	<u>1,872,800</u>	<u>2,169,800</u>	<u>2,240,500</u>	<u>2,725,700</u>	<u>485,200</u>	<u>21.66%</u>
Total	1,656,200	1,773,700	1,899,600	2,034,700	135,100	7.11%
Programs						
Revenues	(2,507,900)	(3,639,600)	(3,666,600)	(4,000,000)	(333,400)	9.09%
Expenses	<u>2,681,800</u>	<u>3,129,300</u>	<u>3,544,700</u>	<u>3,865,800</u>	<u>321,100</u>	<u>9.06%</u>
Total	173,900	(510,300)	(121,900)	(134,200)	(12,300)	10.09%
Maintenance	2,296,700	2,555,100	2,754,200	2,858,300	104,100	3.78%
COVID-19 Safe Restart Grant	(428,600)	-	(521,000)	(298,600)	222,400	(42.69%)
<b>Total</b>	<b>3,698,200</b>	<b>3,818,500</b>	<b>4,010,900</b>	<b>4,460,200</b>	<b>449,300</b>	<b>11.20%</b>

- Programming & Reception – full year budgeting of an Assistant Manager approved in the prior year.
- Programs – continue programming increases in both budgeted expenditure and revenues post COVID-19 closures.
- Maintenance – wage increment and non-discretionary inflationary costs increases to maintenance supplies offset by reduction in heating costs.
- COVID-19 Safe Restart Grant – continued challenges with aquatic staffing related post COVID-19 operations.

## Police Services

The Mission of the Saanich Police is to provide quality service by working with the community to keep Saanich Safe.

The police department consists of the Saanich Police Board providing civilian oversight to the Office of the Chief Constable, which is responsible for delivering services through the following divisions: Administration, Community Engagement, Detectives, Patrol, Professional Standards, and Staff Development.

The 2018-2022 Saanich Police Strategic Plan identifies policing priorities and goals, and guides decisions, especially in relation to resource acquisition and allocation. It also reinforces the strong community-focused services of the Saanich Police and responds to feedback received from the department's extensive community and employee consultation process.

BUDGET SUMMARY	
<b>2023 Net Budget</b>	<b>\$ 41,431,300</b>
<b>2022 Net Budget</b>	<b>\$ 39,389,700</b>
<b>Net Change</b>	<b>\$ 2,041,600</b>
<b>Change by %</b>	<b>5.18%</b>
<b>2023 FTE</b>	<b>243.22</b>
<b>2022 FTE</b>	<b>243.27</b>
<b>FTE Change</b>	<b>(0.05)</b>
<b>FTE Change %</b>	<b>(0.02%)</b>

### CORE BUDGET

The Saanich Police Board 2023 net core budget is \$41,431,300 which represents a 5.18% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Executive Administration						
Revenues	(1,500,000)	(1,396,700)	(1,500,000)	(1,500,000)	-	0.00%
Expenses	5,656,000	6,470,400	5,886,500	6,303,600	417,100	7.09%
Total	4,156,000	5,073,700	4,386,500	4,803,600	417,100	9.51%
Staff Development	1,271,000	1,641,500	1,466,400	1,619,200	152,800	10.42%
General Administration	7,301,200	7,347,200	7,245,900	7,509,800	263,900	3.64%
Uniform Division	14,974,300	15,863,400	15,369,300	15,928,100	558,800	3.64%
Community Liaison	2,363,200	2,342,100	2,649,600	2,790,500	140,900	5.32%
Detectives	7,766,300	7,816,900	8,272,000	8,780,100	508,100	6.14%
<b>Total</b>	<b>37,832,000</b>	<b>40,084,800</b>	<b>39,389,700</b>	<b>41,431,300</b>	<b>2,041,600</b>	<b>5.18%</b>

- Traffic Fine revenues are received as an unconditional grant to defray the cost of police services.
- The 2022 budget column was revised to include Police's share of the Employer Health Tax which was previously recorded under Corporate Revenues and Expenses.

The provisional [Saanich Police Board 2023 Budget](#) is available on the Saanich website. The provisional budget and subsequent budget addendum reflect a 5.18% increase and explain the changes between the two budget years.

# Library, Grants and Economic Development

Library Services are provided by the Greater Victoria Public Library in accordance with the Library Operating Agreement at the downtown main branch and at four branches located in Saanich: Bruce Hutchison, Nellie McClung, Emily Carr and Centennial Library. Maintenance of the branch libraries is performed by Saanich staff.

BUDGET SUMMARY	
<b>2023 Net Budget</b>	<b>\$ 8,118,100</b>
<b>2022 Net Budget</b>	<b>\$ 7,752,300</b>
<b>Net Change</b>	<b>\$ 365,800</b>
<b>Change by %</b>	<b>4.72%</b>
<b>FTE</b>	<b>n/a</b>

Grants and Agreements provide financial support to non-profit associations and organizations for services, projects or events that contribute toward the District's vision described in the Official Community Plan and align with Council's Strategic Plan.

Economic Development funding is provided to non-profit organizations such as Destination Greater Victoria and Regional Economic Development to leverage regional funding in promoting both Tourism and business development for the District.

## 2023 Budget Challenges

- Maintain funding for library services and grants in an uncertain economic climate.

## CORE BUDGET

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2021	2022	2022	2023	2023/2022	2023/2022
Library						
Greater Victoria Public Library	5,876,000	6,019,500	6,019,500	6,372,200	352,700	5.86%
Branch Libraries Lease and Maintenance	<u>298,400</u>	<u>288,100</u>	<u>297,100</u>	<u>309,000</u>	<u>11,900</u>	<u>4.01%</u>
Total	6,174,400	6,307,600	6,316,600	6,681,200	364,600	5.77%
Grants & Agreements						
Grants	558,200	542,500	565,200	565,200	-	0.00%
Swan Lake Christmas Hill Nature House	<u>387,600</u>	<u>387,500</u>	<u>387,600</u>	<u>387,600</u>	-	<u>0.00%</u>
Total	945,800	930,000	952,800	952,800	-	0.00%
Economic Development						
MRD Tax (Tourism)	285,400	403,800	300,000	300,000	-	0.00%
South Island Prosperity Partnership	<u>180,800</u>	<u>182,900</u>	<u>182,900</u>	<u>184,100</u>	<u>1,200</u>	<u>0.66%</u>
Total	466,200	586,700	482,900	484,100	1,200	0.25%
<b>Total</b>	<b>7,586,400</b>	<b>7,824,300</b>	<b>7,752,300</b>	<b>8,118,100</b>	<b>365,800</b>	<b>4.72%</b>

- Greater Victoria Public Library – increased expenses in 2023 that reflect post COVID-19 service level increases and wage increment.
- MRD Tax (Tourism) – All hotel tax revenues from both online accommodation platforms and regular hotels are transferred on to Destination Greater Victoria as per agreement to promote more tourism.

The complete [Greater Victoria Public Library Budget](#) is available on the Saanich website.

## General Capital Program

The Capital Plan matches the District's needs for investment in capital with its available financial resources. Replacement of ageing infrastructure is the primary factor in determining capital requirements in Saanich. Saanich infrastructure spending is gradually addressing this need, increasing from \$11.0 million in the year 2007 to an annual average of over \$48.8 million in the last three years for general capital.

The focus is replacement of existing infrastructure. The estimates outlined in each section are based on the following assumptions:

1. A net 4% increase in tax funded core capital over 2022 budget
2. A 0.67% property tax allocation to IT and Facility infrastructure replacement
3. A 0.22% property tax allocation to the Facilities Major Repair & Replacement Reserve
4. A 0.33% property tax allocation to fund accelerated Active Transportation Plan.
5. A 0.10% new funding for parkland acquisition.
6. Council debt management policy
7. All figures shown in 2023 dollars – no inflation allowance

<b>Budgeted Expenditures</b>			<b>Budget</b>	<b>Budget</b>
	<b>2022 Projects In Progress</b>	<b>2023 Capital Projects</b>	<b>Total 2023</b>	<b>2022</b>
Vehicles, Equipment & Technology	21,837,500	12,846,300	34,683,800	22,050,000
Land Acquisition	-	4,704,800	4,704,800	4,150,000
Transportation	26,295,200	23,958,300	50,253,500	30,658,700
Drainage	15,553,600	14,354,300	29,907,900	21,483,900
Parks	7,750,600	4,477,900	12,228,500	8,203,200
Recreation & Community Facilities	19,089,800	19,626,600	38,716,400	29,694,000
	<b>90,526,700</b>	<b>79,968,200</b>	<b>170,494,900</b>	<b>116,239,800</b>
<b>Source of Funding</b>			<b>Budget</b>	<b>Budget</b>
	<b>2022 Projects In Progress</b>	<b>2023 Capital Projects</b>	<b>Total 2023</b>	<b>2022</b>
General Operating (Core Capital)	-	21,832,300	21,832,300	17,325,800
General Capital Reserves	20,712,400	25,635,300	46,347,700	33,355,600
Gas Tax Reserve	13,422,600	11,031,200	24,453,800	12,492,200
Capital Carryforward Reserve	24,366,100	4,750,000	29,116,100	25,496,400
Lands Sale Reserve	-	314,000	314,000	650,000
Development Cost Charges	3,290,200	6,776,700	10,066,900	4,773,600
Equipment Replacement Reserve	10,237,900	351,800	10,589,700	6,410,100
Grants & Contributions	6,326,000	3,516,400	9,842,400	4,165,600
Borrowing	12,171,500	5,760,500	17,932,000	11,570,500
	<b>90,526,700</b>	<b>79,968,200</b>	<b>170,494,900</b>	<b>116,239,800</b>

The capital projects listed in the following tables are a representative list of projects planned to commence during the year. As many of these budget estimates are at a "Class D" level, budget transfers occur between projects during the year.



## Five Year General Capital Projection

The following is a projection of infrastructure and facility capital replacement by program:

Description of Program	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Budget 2027	Notes:
<b>Vehicles, Equipment &amp; Technology</b>						
Police	1,598,300	1,364,200	1,375,100	1,386,200	1,397,500	1
Fire	-	2,505,000	2,350,000	150,000	2,130,000	
Emergency Program	-	-	45,000	-	20,000	
Fleet Replacement	46,200	2,920,400	6,061,000	4,125,700	2,684,500	
Parks & Recreation	572,900	360,900	250,100	279,400	271,000	
Information Technology	9,328,900	7,256,600	7,014,100	5,176,600	5,926,600	2
	<b>11,546,300</b>	<b>14,407,100</b>	<b>17,095,300</b>	<b>11,117,900</b>	<b>12,429,600</b>	
<b>Park &amp; Land Acquisition</b>	<b>4,704,800</b>	<b>1,900,000</b>	<b>2,050,000</b>	<b>2,200,000</b>	<b>2,350,000</b>	3
<b>Transportation</b>						
Complete Streets	13,799,000	17,750,000	12,695,000	4,200,000	-	1
Roads Improvement (includes sidewalk and bikeways components)	8,004,300	9,740,400	9,703,400	10,224,400	10,825,400	
Bus Stops Improvement	205,000	205,000	205,000	205,000	205,000	5
Street Lights/Traffic Signals Improvement	950,000	950,000	350,000	350,000	350,000	
Bridges Repair / Replacement	900,000	250,000	100,000	120,000	120,000	1
Studies, Design & Other	100,000	350,000	350,000	350,000	350,000	6
	<b>23,958,300</b>	<b>29,245,400</b>	<b>23,403,400</b>	<b>15,449,400</b>	<b>11,850,400</b>	
<b>Drainage</b>						
Wood Stave Replacement	5,431,000	413,000	474,000	944,000	-	5
Sub-standard Drain Replacement	7,724,300	6,154,000	6,127,000	5,539,000	6,560,000	
Service Connection Replacement	-	75,000	75,000	75,000	75,000	
Other	1,199,000	1,231,000	1,189,000	1,301,000	1,320,000	
	<b>14,354,300</b>	<b>7,873,000</b>	<b>7,865,000</b>	<b>7,859,000</b>	<b>7,955,000</b>	
<b>Sub Total</b>	<b>54,563,700</b>	<b>53,425,500</b>	<b>50,413,700</b>	<b>36,626,300</b>	<b>34,585,000</b>	

Notes:

- 1 – Based on age and condition assessment
- 2 – Based on replacement schedule
- 3 – Based on the OCP, LAPs and opportunity
- 4 – Based on need and ROW acquisition
- 5 – Annual program
- 6 – Safe route to school and planning and design costs

## Five Year General Capital Projection (Continued)

Description of Program	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Budget 2027	Notes:
<b>Parks</b>						
Playground Replacement	375,000	390,000	990,000	400,000	600,000	1
Sports Field & Hard Court Replacement	585,000	450,000	600,000	250,000	250,000	
Parking Replacement	200,000	472,500	-	400,000	-	
Irrigation Replacement	65,000	100,000	30,000	30,000	30,000	
Bridges & Structures Replacement	479,000	423,000	343,000	341,000	383,000	
Trails Replacement	345,000	166,500	219,400	362,300	159,800	
Buildings & Washroom Replacement and Addition	265,000	271,700	525,000	315,000	300,000	
Park Infrastructure Replacement	630,000	535,000	435,000	1,035,000	1,585,000	
Natural Areas and Urban Forestry	1,002,600	565,000	565,000	565,000	565,000	
Other	531,300	372,100	28,400	167,800	236,400	
	<b>4,477,900</b>	<b>3,745,800</b>	<b>3,735,800</b>	<b>3,866,100</b>	<b>4,109,200</b>	
<b>Recreation &amp; Community Facilities</b>						
Electrical	2,000	-	360,000	-	-	1
Mechanical	1,766,100	1,369,500	1,027,500	-	-	
HVAC	3,135,700	451,000	-	-	-	
Building Envelope	381,000	914,000	1,025,000	3,043,000	2,448,200	
Building Interior	447,000	630,000	1,130,900	997,300	1,756,000	
Parking, Signage & Grounds	89,600	82,000	125,000	-	-	
Building Replacement	10,300,000	23,000,000	15,000,000	51,000,000	62,500,000	
Transfer to Major Facilities Repair & Future Replacement Reserve	2,146,000	2,473,000	2,800,000	2,800,000	2,800,000	
Planning & Other	2,659,200	439,600	595,200	351,300	230,500	
	<b>20,926,600</b>	<b>29,359,100</b>	<b>22,063,600</b>	<b>58,191,600</b>	<b>69,734,700</b>	
<b>Grand Total</b>	<b>79,968,200</b>	<b>86,530,400</b>	<b>76,213,100</b>	<b>98,684,000</b>	<b>108,428,900</b>	

Notes:

1 – Based on age and condition assessment

## Vehicles, Equipment and Technology

Saanich vehicles, equipment and information technology includes fleet vehicles for parks, public works, police and fire, computer and telephone hardware and software for all departments and a variety of equipment from fitness machines to lawn mowers.

Ensuring that there are sufficient funds to replace these items as they complete their useful life is of primary concern. The replacement priority of these assets is based on either their working condition or the end of their useful life, whichever is soonest. We will need to investigate if existing equipment are required to be replaced in the future and ensure that all major equipment and technology purchased have adequate funds set aside in a reserve for future replacement.

The funding for this asset category has reached its annual target for most assets except for IT assets. An additional \$3,500,000 in annual funding is needed for these assets. This increase resulted from significant recent investment in technology to bring systems up to appropriate standards. This will be achieved over the next 6 years with a recommended annual addition to property taxation.

## Police Vehicles, Equipment and Technology

Police Services	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Grants & Other	2023
<b>REPLACEMENTS</b>					
Vehicles	287,200		317,900		605,100
Comptuer Hardware and Software	35,400	29,400	911,300		976,100
Office Equipment	40,000				40,000
Investigative Equipment	13,300				13,300
Officer & Public Safety Equipment	157,600	6,300	200,000		363,900
<b>Total</b>	<b>533,500</b>	<b>35,700</b>	<b>1,429,200</b>	<b>-</b>	<b>1,998,400</b>

## Fire Vehicles, Equipment and Technology

Fire Protection	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2023
<b>REPLACEMENTS</b>					
Shop Fume Hood			12,200		12,200
Pickups Replacement			90,000		90,000
Cut Away Van Replacement			180,000		180,000
Engine 1 Replacement			1,265,500		1,265,500
Ladder 1 Replacement			2,289,000		2,289,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,836,700</b>	<b>-</b>	<b>3,836,700</b>

## Fleet Vehicles

The Fleet division has developed a long term vehicle replacement program for over 250 vehicles to stabilize the costs of replacement from year to year. An equipment replacement reserve is funded by annual contributions of approximately \$1,374,000 from the Fleet Division and Fiscal Services.

Vehicle Equipment Replacement Program	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2023
<b>REPLACEMENTS</b>					
Fleet Vehicle Replacements			5,017,600		5,017,600
<b>Subtotal</b>	-	-	5,017,600	-	5,017,600
<b>NEW INITIATIVES</b>					
Trailer for Street Operations			77,000		77,000
Two 4X4 Trucks				280,000	280,000
Garbage Truck				223,600	223,600
Four Pick Up Trucks				134,000	134,000
4X4 Pick Up with Storage, Dump Box, Snowplow & Salt Spreader				150,000	150,000
<b>Subtotal</b>	-	-	77,000	787,600	864,600
<b>Total</b>	-	-	5,094,600	787,600	5,882,200

Vehicles to be purchased in 2023 include six 10 yard refuse packers, 17 trucks, three rollers; two excavators and three large mowers.

## Parks and Recreation Equipment

This is the annual replacement of capital equipment used in the delivery of Parks & Recreation services.

Equipment Replacement	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2023
<b>REPLACEMENTS</b>					
Golf Course Equipment Replacement	98,900	48,800		59,500	207,200
Golf Course Irrigation System Satellite Box Replacement				10,500	10,500
Recreation Equipment Replacement			305,600		305,600
Parks Equipment Replacement	157,900	212,400			370,300
<b>Total</b>	<b>256,800</b>	<b>261,200</b>	<b>305,600</b>	<b>70,000</b>	<b>893,600</b>

## Engineering Equipment

Replacement of equipment for Engineering Services.

Equipment Replacement	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2023
<b>REPLACEMENTS</b>					
Garbage Totes			65,000		65,000
<b>Subtotal</b>	-	-	65,000	-	65,000
<b>NEW INITIATIVES</b>					
Sweeper (Roads)	-	215,000			215,000
Sweeper (Bicycle Lanes)		425,000			425,000
<b>Subtotal</b>	-	640,000	-	-	640,000
<b>Total</b>	-	640,000	65,000	-	705,000

## Park & Land Acquisition & Funding

The District acquires land mainly for parkland and natural areas but also for corporate use. Parkland acquisition decisions are guided by the Official Community Plan, Parks and Recreation Master Plan and the Development Cost Charge Program.

Park & Land Acquisition & Funding	Source of Funds				Budget
	Core	DCC	Reserves	Borrowing	2023
<b>NEW INITIATIVES</b>					
Land Acquisition Contingency		2,500,000	1,454,800		3,954,800
Transfer to Park DCC Assist Reserve	600,000				600,000
Transfer to Parks Acquisition Reserve	150,000				150,000
<b>Total</b>	750,000	2,500,000	1,454,800	-	4,704,800

## Corporate Infrastructure

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2023
<b>REPLACEMENTS</b>					
PKOLS Mount Doug Transmitter		1,300,000			1,300,000
<b>Total</b>	-	1,300,000	-	-	1,300,000

## Information Technology

Hardware and software replacement including project implementation costs.

Information Technology	Source of Funds			Budget
	Core	Capital Carryover	Reserves	2023
<b>REPLACEMENTS</b>				
<b>Business Systems:</b>				
Tempest Ongoing Upgrade			185,000	185,000
JDE Ongoing Upgrade			929,400	929,400
GIS Upgrade			516,100	516,100
Minor Projects		7,500	1,427,900	1,435,400
<b>IT Infrastructure:</b>				
Desktop Environment Refresh			230,000	230,000
Email/Directory Services Upgrade			885,200	885,200
Servers Refresh			1,032,000	1,032,000
Network - Phone			484,200	484,200
Printers Implementation			509,000	509,000
Audio Visual Equipment Replacement			457,400	457,400
Field Use of Windows 10 Devices			200,000	200,000
Transfer to Computer Hardware and Software Reserve	2,872,600			2,872,600
Minor Projects	54,000		266,600	320,600
<b>Subtotal</b>	<b>2,926,600</b>	<b>7,500</b>	<b>7,122,800</b>	<b>10,056,900</b>
<b>New Initiatives</b>				
<b>Business Systems:</b>				
Tempest Enhancements			1,352,900	1,352,900
JDE Enhancements			680,000	680,000
911 Next Generation			420,000	420,000
Budgeting Software (Continuing)			241,700	241,700
Electronic Records Management			200,000	200,000
Public Participation Software			210,000	210,000
Council Agenda Management		185,900	464,100	650,000
Digital Review and Markup Tool			366,200	366,200
Staffing Software implementation			530,000	530,000
Council Technology Refresh			204,700	204,700
Collaboration Upgrades			200,000	200,000
E-Comm Business Tool Set			80,000	80,000
Teams Technology Expansion			400,000	400,000
IT Discoveries		57,000	400,000	457,000
HR/OHS Implementation			1,038,800	1,038,800
Minor Projects		50,000	973,800	1,023,800
Emerging Priorities			236,100	236,100
<b>IT Infrastructure:</b>				
Servers (Disaster Recovery, Storage Security)			200,000	200,000
Minor Projects			219,800	219,800
<b>Subtotal</b>	<b>-</b>	<b>292,900</b>	<b>8,418,100</b>	<b>8,711,000</b>
<b>Total</b>	<b>2,926,600</b>	<b>300,400</b>	<b>15,540,900</b>	<b>18,767,900</b>

# Transportation

Saanich transportation infrastructure includes 178 km of major or collector roads, 370 km of residential roads, 154 km of bike lanes, 287 km of sidewalks and 32 bridges.

We will continue to renew and maintain the current infrastructure and focus on expanding the active transportation network within the District.

Transportation	Source of Funds							Budget
	Core	DCC	Gas Tax	Capital Carryover	Reserves	Grants & Other	Borrowing	2023
<b>REPLACEMENTS</b>								
<b>Roads:</b>								
Minor Projects				105,100				105,100
Transportation Data Monitoring Program	38,700	67,600		238,000				344,300
Pavement Renewal Program			1,679,000		1,000,000		500,000	3,179,000
<b>Sidewalks:</b>								
Corner Ramp Program	56,900	54,300		62,200			150,000	323,400
Sidewalk Condition Assessment				65,000				65,000
<b>Bridges</b>								
Minor Projects			139,200	56,400				195,600
Bridge Repair			1,100,000	429,300	900,000			2,429,300
Durrance Road Bridge Replacement			816,800					816,800
<b>Bus Stops, Signals, Street Lights:</b>								
Traffic Signal Assessment and Timing Updates			200,000	49,900				249,900
Street Light Program (LED Upgrade)	300,000			29,100			600,000	929,100
<b>Subtotal</b>	<b>395,600</b>	<b>121,900</b>	<b>3,935,000</b>	<b>1,035,000</b>	<b>1,900,000</b>	<b>-</b>	<b>1,250,000</b>	<b>8,637,500</b>
<b>MIX OF REPLACEMENT AND CAPACITY BUILDING</b>								
<b>Complete Streets:</b>								
Shelbourne Street Improvement Project	900,000	2,189,500	7,321,300	595,300		500,000	300,000	11,806,100
Cordova Bay Road - Walema to Rambler Part 2		725,300	774,700					1,500,000
Wilkinson Interurban Intersection Review		135,100	423,900					559,000
Gorge (Admirals to Tillicum)		6,000	2,956,100			500,000	2,610,000	6,072,100
Wilkinson Road (Greenlea to Quick's Bottom Pk Trail)					1,646,300			1,646,300
Cordova Bay/Wilkinson/Richmond Design				55,100			200,000	255,100
Cordova Bay Road - Walema to Rambler		725,300	774,700					1,500,000
Gorge Rd (Tillicum Rd to Harriet Rd)	350,000							350,000
Sinclair Road Improvements Design		591,500	1,940,600	61,800	125,000			2,718,900
Sinclair Road Transportation Improvements Part 2	825,000	604,400	1,770,600					3,200,000
<b>Roads:</b>								
Minor Projects	100,000	48,400	51,600	609,000		2,200		811,200
Mount Doug Slopeside Restoration				250,000				250,000
Wayfinding Program	38,700	108,900		197,400				345,000
Crosswalk Installation Program				87,600	500,000			587,600
Active and Safe Route to School Plans Implementation	150,000			140,500				290,500
Transportation Design					500,000			500,000
Transportation Emerging Priorities	629,300				100,000			729,300
<b>Sidewalks:</b>								
Seaton -Regina Improv Proj				99,500				99,500
Carey Rd Commerce Circle				5,900			165,000	170,900
Sidewalk Installation Program	95,600	604,400			300,000		2,150,000	3,150,000
<b>Bikeways Improvements:</b>								
Cycling Infrastructure Program	600,000			233,900			974,400	1,808,300
Gorge Rd (Tillicum Rd to Harriet Rd)			275,000	4,900				279,900
<b>Bus Stops, Signals, Street Lights:</b>								
Intersections and Traffic Signal Program	350,000	73,300					300,000	723,300
Interurban Rd (at Camosun College)				161,000	67,600			228,600
Transit Infrastructure Improvement Program	98,100	106,800		390,000	15,000			609,900
<b>Other:</b>								
Short Term Solutions to Advance Active Transportation				821,100			300,000	1,121,100
Infrastructure Condition Assessment	100,000							100,000
Active Transportation Plan Update		24,900		178,500				203,400
<b>Subtotal</b>	<b>4,236,700</b>	<b>5,943,800</b>	<b>16,288,500</b>	<b>3,891,500</b>	<b>3,253,900</b>	<b>1,002,200</b>	<b>6,999,400</b>	<b>41,616,000</b>

## Drainage

Saanich storm drainage infrastructure dates back to the 1950's and includes 600 km of pipe, 25,000 service connections, 14,000 catch basin structures, 1 pump station and over 300 outfalls.

Engineering's asset replacement strategy remains focussed on the remaining two kilometres of large diameter wood stave pipe, with a project in the Strawberry Vale neighbourhood/Colquitz Creek watershed and another section in Rutledge Park in 2023, as well as a kilometer section upstream of Douglas Creek planned for rehabilitation in the 2024 budget year. Our second priority is addressing substandard drains, many of which are pipes in our inventory as a result of historical, unregulated ditch enclosures.

We continue to advance data gathering on asset condition to further refine our priorities for maintenance and replacement into the future; as well as building the foundational elements for the Integrated Stormwater Management Plans (ISMP).

Drainage	Source of Funds						Budget
	Core	DCC	Gas Tax	Capital Carryover	Reserves	Borrowing	2023
<b>REPLACEMENTS</b>							
<b>Wood Stave Replacement:</b>							
Ardersier Rd, Burns Ave to Douglas St				360,000			360,000
Cadboro Bay Rd, 3912-3922 Cadboro Bay Rd	190,000				120,000		310,000
Mt Doug Creek - 1522 San Juan to Shelbourne St, and Shelbourne St, San Juan Ave to Kenmore Rd (Phase 1)	5,000				1,500,000		1,505,000
Mt Doug Creek - Shelbourne St, Cedarglen Rd to Torquay Dr (Phase 3)					1,400,000		1,400,000
Mt Doug Creek - Shelbourne St, Kenmore Rd to Cedarglen Rd (Phase 2)	378,000				1,500,000		1,878,000
Rutledge Park, Colverdale Ave to Scotia St	338,000						338,000
<b>Sub-standard Drain Replacement:</b>							
Minor Projects	504,000			274,100		50,000	828,100
Shelbourne Street Improvement Project	300,000	577,000	1,829,700	379,400	1,140,300	3,049,700	7,276,100
Vanalman (Commerce Circle to Mann)			389,700				389,700
Gorge Drainage Improvements	99,700	446,700	1,420,100			1,300,300	3,266,800
Walter - Bodega to Tillicum (& 2 SRWs)				495,300			495,300
Adelaide Ave - 2823 Adelaide to Cowper	108,000			252,500			360,500
Crease Ave, 165 to 230 Crease Ave, and 236 to 270 Crease Ave including branch (DGM001316) in Seaton St				240,800			240,800
Sinclair Rd, Haro Rd to Hobbs St			478,000	147,200			625,200
Tattersall Dr, 1149 Tattersall Dr to Salsbury Way				591,500			591,500
Wascana St-Burnside Rd to Hampton Rd				490,000			490,000
Austin Ave, 2888 Austin to Middleton St				227,000		200,000	427,000
Carey Rd, 4053 - 4073 Carey Rd				97,000		458,000	555,000
Colquitz Avenue - Gorge Rd to 2875 Colquitz				120,000		600,000	720,000
Marigold Rd, Side Yard SRW 901 Marigold Rd				189,000		100,000	289,000
Reynolds Rd - Lasalle St, 1248 Reynolds to Cedar Hill X Rd)						324,000	324,000
Trent St, Haultain St to Bowker Creek						368,000	368,000
Wray Creek				300,000			300,000
Canterbury Rd and SevenOaks Rd					762,000		762,000
Inez Dr, Gorge Rd W to 2890 Inez Dr	394,000						394,000
Roy Rd, 1161 Roy to Colquitz Creek	257,000						257,000
Emerging Priorities	1,204,300			853,400	100,000		2,157,700
<b>Other Programs:</b>							
Drain House Connection Replacement				236,400			236,400
Brookleigh Culvert Replacement	33,000						33,000
Gordon Head Rd - Manhole at 3932 Gordon Head Rd	50,000						50,000
Waterway Restoration Projects	95,000			123,900			218,900
Storm Drainage Model Development	50,000		112,800	388,700			551,500
CCTV Inspection & Assessment	75,000			191,600			266,600
Infrastructure Assessment & Testing				100,000			100,000
Drainage Planning & Asset Mgmt Initiatives				528,600			528,600
Detailed Design Capital Projects	451,000			563,200			1,014,200
<b>Total</b>	<b>4,532,000</b>	<b>1,023,700</b>	<b>4,230,300</b>	<b>7,149,600</b>	<b>6,522,300</b>	<b>6,450,000</b>	<b>29,907,900</b>



## Park and Trail Structures

Parks and Trails structures include over 40 hard courts, 62 sport fields, 56 playgrounds, 50 pedestrian bridges and 100 km of trails.

We will continue repairing high priority items as they become known and continue utilizing grants and contributions from external sources (including sports organizations) to replace aging fields and playgrounds.

Parks	Source of Funds						Budget
	Core	DCC	Capital Carryover	Reserves	Grants & Other	Borrowing	2023
<b>REPLACEMENTS</b>							
Minor Projects & Emerging Priorities	425,000	164,100	985,200	481,600		100,000	2,155,900
Emerging Priorities	247,700		(41,900)				205,800
Planning and Design	120,000		149,200				269,200
Playground Safety/Accessibility Improvements			244,300				244,300
Sports/Tennis Courts Minor Projects	155,000		110,000				265,000
Wedgewood Tennis Court	80,000		81,000			200,000	361,000
Irrigation - Valve Replacement Program			311,800				311,800
Bridges, Structures and Furnishings Program	229,000		139,100			550,000	918,100
Signage Program	112,000	32,900	198,400				343,300
Trails Program	60,000	32,600	189,800			100,000	382,400
Rutledge Playground Replacement & Splash Pad			200,000	260,000	905,900		1,365,900
Lochside Tennis Rehab/Relocation			250,000				250,000
Lochside/Fowler Park Renewal Phase 1			350,000			100,000	450,000
Fowler (Washrooms, trails, fencing, landscaping, irrigation)	219,500	80,500				100,000	400,000
Lochside (Playground Redevelopment)	50,800	99,200				150,000	300,000
Field Renovations - Copley Football			100,000			150,000	250,000
Landsdowne Trails			100,000			200,000	300,000
Cedar Hill Park Renewal	80,000		408,500				488,500
Playfair Park Washroom Replacement		48,400	200,500				248,900
Horticulture Islands & Streetscapes	90,000	19,800	95,900				205,700
Natural Areas	295,000		612,600				907,600
Urban Forestry	270,000			150,000			420,000
MOTI Garry Oak & Aspen Restoration				291,200			291,200
Parks Master Plan			100,000				100,000
<b>Subtotal</b>	<b>2,434,000</b>	<b>477,500</b>	<b>4,784,400</b>	<b>1,182,800</b>	<b>905,900</b>	<b>1,650,000</b>	<b>11,434,600</b>
<b>NEW INITIATIVES</b>							
Rutledge Park Washroom Addition	95,000		87,000			175,000	357,000
Single Vault Washroom Addition (2 at Mt Doug; 1 at Outerbridge)	170,000		225,000				395,000
<b>Subtotal</b>	<b>265,000</b>	<b>-</b>	<b>312,000</b>	<b>-</b>	<b>-</b>	<b>175,000</b>	<b>752,000</b>
<b>Total</b>	<b>2,699,000</b>	<b>477,500</b>	<b>5,096,400</b>	<b>1,182,800</b>	<b>905,900</b>	<b>1,825,000</b>	<b>12,186,600</b>

## Community and Recreation Facilities

Saanich owns and operates a variety of facilities: the Municipal Hall, Public Safety Building, libraries, fire halls, operation centre, many park structures, several recreation centres and a golf course. Total square footage is in excess of 590,000 square feet.

The Strategic Facilities Master Plan is instructing the requirements for future improvements or replacements of the major facilities and we will continue repairing high priority items as they become known.

The funding for this asset category was reviewed in 2019. An additional \$1,250,000 is needed to appropriately fund major repairs of facilities. This will be achieved over the next 6 years with a recommended annual addition to property taxation.

Given that the majority of facility replacement expenditures are for large one time projects, a significant portion of annual funding is transferred to the Facilities Reserve Fund for future use.

Community Facilities	Source of Funds					Budget
	Core	Capital Carryover	Reserves	Grants & Other	Borrowing	2023
<b>REPLACEMENTS</b>						
Pearkes - RTU Replacement	250,000	582,500		2,885,700		3,718,200
PSB EV Chargers		173,100		89,300		262,400
Goward House Roof Replacement		234,200				234,200
SCP - Replace Mechanical Systems - Phases 1A & 1B	1,746,100	258,800	2,554,300	1,923,200		6,482,400
Saanich Operation Centre Redevelopment		4,500,000	1,621,000			6,121,000
Fire Hall #3 - Renovation		287,000				287,000
Green and Inclusive CHRC	101,000	577,100		2,394,500		3,072,600
Emergency Ops Centre Annex		68,000	191,300			259,300
Municipal Hall Concrete Repair		358,400				358,400
Fire Hall #2 - Redevelopment			7,392,600			7,392,600
Minor Projects & Emerging Priorities		738,400	250,000	10,900		999,300
Les Passmore Roof Replacement		391,300				391,300
PSB - Roof Replacement	280,000	199,100				479,100
SOC EV Charges			125,000			125,000
Customer Service Counters/Security Measures and Capacity Renovations			50,000		550,000	600,000
Parks Office Trailer			250,000			250,000
Emerging Priorities	288,900					288,900
Sustainability Related Projects			1,358,100	630,700		1,988,800
<b>Total</b>	<b>2,666,000</b>	<b>8,367,900</b>	<b>13,792,300</b>	<b>7,934,300</b>	<b>550,000</b>	<b>33,310,500</b>
<b>RESERVE TRANSFERS</b>						
Major Facilities Repair & Future Replacement Reserve	2,146,000					2,146,000
<b>Total</b>	<b>2,146,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,146,000</b>

## Recreation Facilities

Recreation	Source of Funds			Budget
	Core	Capital Carryover	Reserves	2023
<b>REPLACEMENTS</b>				
CHRC - Minor Facility Renovations	85,000	225,700		310,700
CHRC - Ceramics Studio Storage		40,300	57,700	98,000
CHRC - Ceramics Ventilation		112,900		112,900
CHRC - Blaauw Kiln		75,000		75,000
SCP - Minor Facility Renovations	161,000	74,600		235,600
SCP - Construction of Mezzanine Fitness	220,000			220,000
SCP - Air Conditioning System		631,000		631,000
GHRC - Minor Facility Renovations	40,000	75,500		115,500
GHRC - Pool "Pod" Elevator into Main Tank			60,000	60,000
Pearkes - Minor Facility Renovations		247,100	30,600	277,700
Pearkes - Teen Centre		135,000		135,000
Pearkes - Field House Curtain System Replacement			125,000	125,000
Pearkes - Ice Rink Improvements		45,800		45,800
CHGC - Minor Facility Renovations	4,500			4,500
CHGC - Building and Grounds	20,000	111,100		131,100
CHGC - Parking Lot Resurfacing		17,500		17,500
CHGC - Maintenance Building Renovations		42,700		42,700
Emerging Priorities		207,300		207,300
<b>Subtotal</b>	<b>530,500</b>	<b>2,041,500</b>	<b>273,300</b>	<b>2,845,300</b>
<b>NEW INITIATIVES</b>				
Exterior Digital Signs		125,000		125,000
CCTV Cameras		40,000		40,000
Wayfinding and Signage Strategy Implementation	69,600			69,600
Recreation - Project Management	90,000	90,000		180,000
<b>Subtotal</b>	<b>159,600</b>	<b>255,000</b>	<b>-</b>	<b>414,600</b>
<b>Total</b>	<b>690,100</b>	<b>2,296,500</b>	<b>273,300</b>	<b>3,259,900</b>

## Water Utility Fund

The Water Utility system is comprised of over 550 km of water mains and four (4) reservoirs. Bulk water is purchased from the Capital Regional District and then distributed to Saanich customers within the service area boundary via the municipal water system.

The utility provides potable water in accordance with applicable health standards and the Drinking Water Protection Act. It is also designed to support emergency uses for firefighting capability.

BUDGET SUMMARY	
<b>2023 Utility Charges</b>	<b>\$ 26,350,900</b>
<b>2022 Utility Charges</b>	<b>\$ 25,319,600</b>
<b>Net Change</b>	<b>\$ 1,031,300</b>
<b>Change by %</b>	<b>4.07%</b>
<b>2023 FTE</b>	<b>52.31</b>
<b>2022 FTE</b>	<b>52.27</b>
<b>FTE Change</b>	<b>0.04</b>
<b>FTE Change %</b>	<b>0.08%</b>

The system is self-financed from water charges on a user pay basis. The user charges cover the cost of CRD bulk water purchase, Saanich operations and maintenance, and the infrastructure replacement program.

### 2023 BUDGET CHALLENGES

- Hiring skilled and qualified staff continues to be a challenge
- External service providers have limited capacity to take on more work. As a result, costs are rising and lead times for deliverables are long delaying project implementation.
- Upcoming changes to the Contaminated Soil Regulations (CSR) are adding complexity and cost to projects for material disposal

### 2023 KEY PRIORITIES

#### Priority Strategic Initiatives include:

##### Climate action and environmental leadership

- Develop a strategy to implement bulk meter installations identified in the 2022 Water Supply Master Plan update. Deploying bulk meters throughout the distribution system will support an increased understanding of areas where water conservation can be enhanced through system repairs.

#### Priority Departmental Initiatives include:

- Continue replacement of assets to maintain service
- Continually maintain the Unidirectional Flushing Program (UDF) with current infrastructure information.
- Implement Pilot water meter replacement program for new meter reading technology and meter products.

**CORE BUDGET**

The 2023 gross budget of \$47,072,900 represents a 17.20% increase in gross expenditures over prior year, including a net capital program of \$9,188,000. Water revenues are projected to increase to \$26,350,900 or 4.07%.

<b>Net Budget By Object</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>% Change</b>
<b>EXPENDITURES</b>	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>
Personnel (1)	2,904,100	2,823,200	3,027,100	3,225,700	6.56%
Goods and Services (2)	11,588,100	11,487,100	11,614,100	12,005,400	3.37%
Overheads and Transfers (3)	6,445,100	2,220,400	2,584,100	2,816,500	8.99%
Gross Capital Program (4)	12,032,600	17,006,700	22,938,200	29,025,300	26.54%
<b>Total</b>	<b>32,969,900</b>	<b>33,537,400</b>	<b>40,163,500</b>	<b>47,072,900</b>	<b>17.20%</b>
<b>REVENUES AND RECOVERIES</b>					
Utility Charges	(23,868,000)	(23,971,400)	(25,319,600)	(26,350,900)	4.07%
Non-Rate Revenues (5)	(325,300)	(777,300)	(410,500)	(534,700)	30.26%
COVID-19 Safe Restart Grant	(720,000)	-	-	-	(100.00%)
Surplus Appropriation	(250,000)	(250,000)	(250,000)	(350,000)	40.00%
DCC Contribution (4)	(154,100)	(652,600)	(1,445,500)	(933,500)	(35.42%)
Transfer from Reserves (4)	(7,707,600)	(7,545,000)	(12,737,900)	(18,903,800)	48.41%
<b>Total</b>	<b>(33,025,000)</b>	<b>(33,196,300)</b>	<b>(40,163,500)</b>	<b>(47,072,900)</b>	<b>17.20%</b>
<b>NET OPERATIONS</b>	<b>(55,100)</b>	<b>341,100</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

1. Personnel – wage increment and non-discretionary labour increase for new asset maintenance.
2. Goods and Services – increase in water purchase from the CRD.
3. Overheads and Transfers – increase in transfer to Water Capital Reserve fund.
4. Gross Capital Program/DCC Contribution/Transfers from Reserves- unfinished 2022 projects funded from Transfers from Reserves and an increase in capital funding in line with inflation in construction costs.
5. Non-Rate Revenues – increase in investment income.

**NET BUDGET BY FUNCTION**

The summary below highlights the major cost centres and indicates that they are within our guideline including the capital program policy increase in replacement spending and contingency.

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>	<b>2023/2022</b>
General Administration	1,965,000	2,111,600	2,114,600	2,347,000	232,400	10.99%
Operations	4,113,700	4,203,600	4,080,100	4,343,800	263,700	6.46%
Water Purchases	10,386,700	10,097,200	10,340,000	10,710,000	370,000	3.58%
Contingency	-	41,000	400,000	430,300	30,300	7.58%
Net Capital Program	8,474,900	8,809,100	8,835,000	9,188,000	353,000	4.00%
<b>Total</b>	<b>24,940,300</b>	<b>25,262,500</b>	<b>25,769,700</b>	<b>27,019,100</b>	<b>1,249,400</b>	<b>4.85%</b>

- General Administration – Water Utility share of Engineering and corporate support.
- Operations – wage increment and inflationary increase to materials and contract costs.
- Water Purchases – increase in volume and cost of water purchase from the CRD. CRD rates increased by 5.00% over prior year.
- Contingency – unallocated equipment and benefit increases
- Net Capital Program – construction inflation increase.

## Five Year Water Capital Projection

Saanich potable water infrastructure has been in existence since the early 1900's and includes 550 km of pipe, over 29,000 water services, 4 reservoirs, 18 pump stations, and 2,300 fire hydrants.

Engineering's asset replacement strategy remains focussed on renewal of the oldest mains and those mains made of asbestos cement or cast iron where asset age and condition are driving replacement need. The capital program also continues to build a robust system to a meet fire flow demand based on the results of our updated Water Master Plan analysis. In the coming years, staff are continuing to plan for a water meter replacement program across the municipality including bulk (or zone) metering to enhance our system maintenance and reduce water loss to leaks.

The following is a projection of the infrastructure capital replacement by program:

Description of Program	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Budget 2027	Notes:
<b>Water Capital</b>						
Asbestos Cement & Cast Iron Main Replacement	10,824,000	5,753,000	4,444,000	4,812,000	5,308,000	1
Valves	1,423,000	563,000	563,000	563,000	563,000	2
Pump Station Replacement	-	1,688,000	1,688,000	1,688,000	1,688,000	3
Meter Replacement	650,000	1,482,000	1,782,000	1,782,000	1,782,000	
Service Connection Replacement	100,000	100,000	100,000	100,000	100,000	
Hydrant Replacement	60,000	60,000	60,000	60,000	30,000	
Other	1,280,700	1,428,000	1,331,000	1,361,000	1,308,000	
	<b>14,337,700</b>	<b>11,074,000</b>	<b>9,968,000</b>	<b>10,366,000</b>	<b>10,779,000</b>	

Notes:

- 1 -- Based on condition assessment
- 2 – System improvements as per condition assessments and consultant recommendations
- 3 – Annual Program

## WATER CAPITAL

The capital projects listed in the preceding tables are a representative list of projects planned to commence during the year. As many of these budget estimates are at a “Class D” level, budget transfers may be required between projects.

Water Utility	Source of Funds				Budget
	Core	DCC	Capital Carryover	Reserves	2023
<b>REPLACEMENTS</b>					
<b>Asbestos Cement &amp; Cast Iron Main</b>					
Minor Projects	338,000		206,200		544,200
Mann Ave, Vanalman Ave, and Parkridge St			432,700		432,700
Shelbourne Street Improvement Phase 2 & 3 Construction		528,000	444,900	4,263,700	5,236,600
Quadra St - Cook to Holmes			621,900		621,900
Sinclair Rd, Finnerty Rd to Cadboro Bay			1,768,000		1,768,000
Burnside Rd E, Harriet Rd to Duplin Rd			644,000		644,000
Carman St, McRae Ave to Landsdowne Rd			624,000		624,000
Cedar Hill X, Borden St to McKenzie Ave			390,000		390,000
Reynolds Rd, Cumberland Rd to Cedar Hill X Rd			532,000		532,000
Patricia Bay Highway Watermain lining			433,100		433,100
Knight Ave (McRae to Richmond)		193,800	589,200		783,000
Tulip Ave, 3944 Interurban Rd to Marigold Rd			275,000		275,000
Tulip Ave, Grange Rd to Marigold Rd			598,000		598,000
Tyndall Ave, El Sereno Dr to Ash Rd and Hillcrest Ave to Serenity Pl			588,000		588,000
Tattersal (Quadra to Salsbury)			574,600		574,600
Cadboro Bay, Maynard Rd to Tudor Ave	865,000				865,000
Carey Rd, Ravine Way to 3600 Carey	383,000				383,000
Claremont Ave, Lochside Dr to Cordova Bay Rd	264,000				264,000
Douglas St - Saanich Rd to Audley St	367,000				367,000
Elk Lake Rd, Marsett Pl to Pat Bay Hwy X	745,000			563,000	1,308,000
Homer Rd and Kamloops Ave Loop to Seaton St	154,000			602,000	756,000
Mountfield St, Raymond St S to End	220,000				220,000
Patricia Bay Highway Watermain Crossings	310,000				310,000
Rutledge St, Cloverdale Ave to Tolmie Ave	347,000				347,000
Saanich Rd, Vernon Ave to Lodge Ave - Phase 1	873,000				873,000
Cedar Hill, Garnet Rd to Mortimer St, Phase 1	489,000				489,000
Emerging Priorities	1,004,000		370,600		1,374,600
<b>Pump Stations:</b>					
Large Meter & Pump Motor Replacment	150,000		250,000		400,000
Pump Station / PRV Replacement			565,700		565,700
<b>Other Programs:</b>					
Minor Projects	485,000	106,700	316,500		908,200
SCADA IT related work	100,000		179,000		279,000
Shelbourne Project Administration	300,000		61,600		361,600
PRV Installation - Ferrie/Quadra	363,000			200,000	563,000
PRV Installation - Alderly/Sayward	305,000	105,000		350,000	760,000
Meter Replacements	500,000		1,469,000		1,969,000
Shelbourne Street Improvement Phase 2 Design			200,900		200,900
Detailed Design Capital Projects	626,000		790,200		1,416,200
<b>Total</b>	<b>9,188,000</b>	<b>933,500</b>	<b>12,925,100</b>	<b>5,978,700</b>	<b>29,025,300</b>



## Sewer Utility Fund

The Sewer Utility collects and conveys wastewater for Saanich residents within the sewer service area and transports the effluent to the Capital Regional District trunk sewer system for treatment.

The system is comprised of over 570 kms of sewer mains and 37 pumping stations. The majority of the system was constructed between 1953 and the early 1970's using asbestos cement materials.

The system is self-financed from sewer charges on a user pay basis. The user charges cover the cost of CRD sewage disposal, Saanich operations and maintenance, and the infrastructure replacement program.

BUDGET SUMMARY	
<b>2023 Utility Charges</b>	<b>\$ 28,721,600</b>
<b>2022 Utility Charges</b>	<b>\$ 27,861,500</b>
<b>Net Change</b>	<b>\$ 860,100</b>
<b>Change by %</b>	<b>3.09%</b>
<b>2023 FTE</b>	<b>25.82</b>
<b>2022 FTE</b>	<b>25.78</b>
<b>FTE Change</b>	<b>0.04</b>
<b>FTE Change %</b>	<b>0.16%</b>

### 2023 BUDGET CHALLENGE

- Hiring skilled and qualified staff continues to be a challenge
- External service providers have limited capacity to take on more work. As a result, costs are rising and lead times for deliverables are long delaying project implementation.
- Upcoming changes to the Contaminated Soil Regulations (CSR) are adding complexity and cost to projects for material disposal

### 2023 KEY PRIORITIES

#### Priority Strategic Initiatives include:

##### Climate action and environmental leadership

- Complete Operating Agreement with Capital Regional District (CRD) as final element in the construction of the Core Area Wastewater Treatment Project.

#### Priority Departmental Initiatives include:

- Continue replacement of assets to maintain service
- Evaluate impact of "Atmospheric Rivers" on lift station operation
- Develop a plan to protect or relocate the Cordova Bay sewer trunk main

**CORE BUDGET**

The 2023 gross budget of \$45,584,700 represents a 5.32% decrease in gross expenditures over prior year, including a net capital program of \$6,705,000. Sewer revenues are projected to increase to \$28,721,600 or 3.09%.

<b>Net Budget By Object</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>% Change</b>
<b>EXPENDITURES</b>	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>
Personnel (1)	1,561,400	1,857,700	1,828,700	2,008,000	9.80%
Goods and Services	15,631,000	16,798,200	16,612,500	16,659,700	0.28%
Fiscal Services (2)	939,000	1,336,400	1,034,700	1,356,400	31.09%
Overheads and Transfers (3)	8,734,000	2,120,600	3,148,400	2,492,600	(20.83%)
Gross Capital Program (4)	6,858,400	11,862,600	20,752,600	23,068,000	11.16%
<b>Total</b>	<b>33,723,800</b>	<b>33,975,500</b>	<b>43,376,900</b>	<b>45,584,700</b>	<b>5.09%</b>
<b>REVENUES AND RECOVERIES</b>					
Utility Charges	(27,196,400)	(27,571,500)	(27,861,500)	(28,721,600)	3.09%
Non-Rate Revenues (5)	(1,213,000)	(398,800)	(290,400)	(350,100)	20.56%
Surplus Appropriation	-	-	(150,000)	(150,000)	0.00%
DCC Contribution (4)	(164,500)	(205,700)	(265,900)	(59,400)	(77.66%)
Transfer from Reserves (4)	(4,790,500)	(4,035,900)	(11,609,100)	(13,203,600)	13.73%
Borrowing (4)	(1,100,000)	(700,000)	(3,200,000)	(3,100,000)	(3.13%)
<b>Total</b>	<b>(34,464,400)</b>	<b>(32,911,900)</b>	<b>(43,376,900)</b>	<b>(45,584,700)</b>	<b>5.09%</b>
<b>NET OPERATIONS</b>	<b>(740,600)</b>	<b>1,063,600</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

1. Personnel – wage increment and non-discretionary increase in labour for new asset maintenance.
2. Fiscal Services – debt servicing payments for new borrowing for capital in 2023.
3. Overheads and Transfers – decrease in transfer to Sewer Capital Reserve fund.
4. Gross Capital Program/DCC Contribution, Transfers from Reserves and Borrowing – combination of carrying forward unfinished 2021 projects funded from Transfers from Reserves and Borrowing and the annual capital funding increase in line with inflation in construction costs.
5. Non-Rate Revenues – increase in investment revenue.

**NET BUDGET BY FUNCTION**

The summary below highlights the major cost centres and indicates that they are within our guideline including the capital program policy increase in replacement spending and contingency.

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
	<b>2021</b>	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023/2022</b>	<b>2023/2022</b>
General Administration	2,012,200	2,219,300	2,158,400	2,369,500	211,100	9.78%
Operations	1,975,300	2,486,600	2,359,100	2,663,800	304,700	12.92%
CRD Services	15,124,300	15,373,400	15,636,400	15,686,400	50,000	0.32%
Debt Charges & Reserve Transfer	1,452,000	1,452,000	1,452,000	1,452,000	-	0.00%
Contingency	-	26,000	250,000	250,000	-	0.00%
Net Capital Program	6,014,400	6,386,000	6,351,000	6,705,000	354,000	5.57%
<b>Total</b>	<b>26,578,200</b>	<b>27,943,300</b>	<b>28,206,900</b>	<b>29,126,700</b>	<b>919,800</b>	<b>3.26%</b>

- General Administration – Sewer Utility share of Engineering and corporate support.
- Operations – wage increment and inflationary increase to materials and contract costs.
- Net Capital Program – construction inflation increase.

## Five Year Sewer Capital Projection

Saanich sanitary sewer infrastructure dates back to the 1950's and includes 570 km of pipe, over 29,000 sewer services and 37 pumping stations.

Engineering's asset replacement strategy remains focussed on renewal of the oldest mains and those mains made of asbestos cement where condition is driving replacement need. With the completion of the system wide studies for Lift Station Condition Assessment (2020), Lift Station Arc Flash (2022) and an update Sanitary Sewer Master Plan (2022), we are moving forward with planning priority maintenance, upgrades and renewal of the critical infrastructure. All of these efforts contribute to our pursuit of the regional Liquid Waste Management Plan objectives for system wide Inflow and infiltration reduction by 2030.

The following is a projection of the infrastructure capital replacement by program:

Description of Program	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Budget 2027	Notes:
<b>Sewer Capital</b>						
Asbestos Cement Main Replacement	4,045,000	6,395,000	6,058,000	5,924,000	4,896,000	1
Pressure Mains	1,000,000	869,000	648,000	-	-	
Pump Station Replacement	400,000	1,900,000	1,788,000	550,000	1,788,000	
Service Connections	50,000	-	-	-	-	
Manhole Replacement	-	50,000	50,000	50,000	50,000	2
Other	1,810,000	1,389,000	1,242,000	1,260,000	1,360,000	
	<b>7,305,000</b>	<b>10,603,000</b>	<b>9,786,000</b>	<b>7,784,000</b>	<b>8,094,000</b>	

Notes:

- 1 – Based on condition assessment
- 2 – Annual program

## SEWER CAPITAL

The capital projects listed in the preceding tables are a representative list of projects planned to commence during the year. As many of these budget estimates are at a "Class D" level, budget transfers may be required between projects.

Sewer Utility	Source of Funds					Budget
	Core	DCC	Capital Carryover	Reserves	Borrowing	2023
<b>REPLACEMENTS</b>						
<b>Asbestos Cement Main Replacement:</b>						
Minor Projects	500,000		520,000			1,020,000
CIPP Lining Program			616,900			616,900
Vanalman - 636 to 648 (& SRW to Ridgewood); 4268 Springridge to 676 Vanalman			546,700			546,700
Shelbourne Street Improvement Phase 2 Construction	740,000		1,500,000	1,017,600	1,900,000	5,157,600
Arena Rd, 340 Ker Ave to Dysart Rd			637,000		400,000	1,037,000
Crease Ave, 165 to 283 Crease including SRW to Cadillac Ave and Galloping Goose			765,000			765,000
Sinclair Rd, Haro Rd to Hobbs St			588,800			588,800
Austin Ave, 2888 Austin to Middleton St			340,000			340,000
Beckwith Pl, 4173 Beckwith Pl ROW to 805 Hartford ROW			306,000			306,000
Colquitz (Gorge Rd to 7825 Colquitz)			213,000			213,000
Madock Ave, Wascanna St to Harriet Rd, Qu'Appelle St to 3126 Qu'Appelle and Davin St to 3126 Davin St			305,000		800,000	1,105,000
Saanich Rd, Blanshard St to Short St and Short St, Saanich Rd to Blandshard St			693,000			693,000
Tattersall Dr, 1149 Tattersall Dr to Salsbury Way			542,300			542,300
Albina-Gorge Utility Upgrades, Geotechnical Remediation, 450m of Forcemain	1,000,000					1,000,000
Cadboro Bay Rd, 3891 Cadboro Bay Rd to Tudor Ave	237,000					237,000
Cantebury Rd and SevenOaks Rd, Rear Yard SRW 855-887 SevenOaks Rd	322,000					322,000
Inez Dr, Gorge Rd W to 2872 Inez Dr	421,000					421,000
Kenmore Rd SRW, 1650 Kenmore Rd to 1651 Tasco Cl	201,000					201,000
Roy Road, 1151 Roy Rd to Elizabeth St and 4155 Wilkinson to 4149 Wilkinson ROW	393,000					393,000
Emerging Priorities	631,000		137,300			768,300
<b>Pump Stations:</b>						
Minor Projects			303,100			303,100
Pump & Motor Replacements			351,800			351,800
Pump Station Construction (Albina)	400,000		1,411,500			1,811,500
Arc Flash Electrical Lift Station Study	450,000		575,900			1,025,900
<b>Other Programs:</b>						
Minor Projects	150,000	59,400	173,200			382,600
Shelbourne Project Administration	300,000		62,100			362,100
Video Inspection & Assessment	100,000		195,600			295,600
Shelbourne Street Improvement Phase 2 & 3 Design			351,100			351,100
Detailed Design Capital Projects	860,000		644,600			1,504,600
Manhole Improvements			406,100			406,100
<b>Total</b>	<b>6,705,000</b>	<b>59,400</b>	<b>12,186,000</b>	<b>1,017,600</b>	<b>3,100,000</b>	<b>23,068,000</b>

## Reserve Funds

The Municipality maintains statutory and other general reserve funds for a variety of purposes. Revenues are contributed to each reserve as they are received. These revenues could include contributions from the general operating fund for a future project, investment income earned on the reserve balance, revenues from the sale of land, development cost charges received or other fees and contributions.

A work in progress reserve is used to bring funding forward for projects that take more than one year to complete. In addition we identify a contingency allocation from the insurance reserve of \$1,000,000 in each year for use in the event claims are made. In 2023 we project a decrease in reserves to \$89,409,100 while funding a variety of initiatives.

	January 1 2023 Estimate	2023 Contributions	2023 Appropriations	December 31 2023 Estimate
Land Sales	314,000	-	314,000	-
Public Safety and Security	3,378,700	820,000	1,429,200	2,769,500
Carbon Neutral	633,200	-	434,000	199,200
Sub Regional Parks	1,140,800	-	1,140,800	-
Equipment Replacement	10,523,500	4,349,100	10,589,700	4,282,900
Capital Works	57,805,600	5,693,700	36,440,500	27,058,800
Commonwealth Pool HP Repair	292,700	10,000	-	302,700
Sayward Gravel Pit	525,100	-	409,700	115,400
Development Cost Charges	16,108,600	1,600,000	11,059,800	6,648,800
DCC Program Municipal Responsibility	1,200,000	600,000	-	1,800,000
Specific Area Capital Projects	2,470,000	-	1,946,300	523,700
Facilities Major Repair & Replacement	17,300,000	2,146,000	11,817,900	7,628,100
Computer Hardware & Software	12,368,200	4,704,400	15,508,100	1,564,500
Urban Forest	241,400	100,000	195,000	146,400
Climate Action	296,600	247,000	499,100	44,500
Water Capital	7,725,000	-	5,978,700	1,746,300
Sewer Capital	12,230,000	95,600	1,017,600	11,308,000
Capital Reserves for Future Expenditure	28,862,100	22,000,000	28,862,100	22,000,000
Insurance	2,315,300	-	1,000,000	1,315,300
<b>Total</b>	<b>175,730,800</b>	<b>42,365,800</b>	<b>128,642,500</b>	<b>89,454,100</b>

### Land Sales:

All revenues from the sale of land are mandated under the Community Charter to be placed in this reserve and used for land and property development purposes.

### Public Safety and Security:

This reserve is funded mainly from taxation. The main projects being funded from this reserve in 2023 are: vehicle replacement and IT equipment replacement.

### Carbon Neutral:

This reserve fund provides was established for projects that help reduce carbon emissions from municipal operations. This fund will be drawn down in favour of the Climate Action Fund.

**Sub Regional Parks:**

This reserve is funded from contributions made by developers during the subdivision process and may be used to purchase or develop parks of this type.

**Equipment Replacement:**

This reserve provides for the annual replacement of fleet and fire vehicles, public works and recreation equipment. Annual contributions from departmental core budgets accumulate in this account and are used to replace equipment based on long term replacement plans.

**Capital Works:**

This reserve has four components: a General Infrastructure Reserve accumulated from planned transfers, a Gas Tax Reserve from transfer of revenues under the federal Community Works Fund, Mount Douglas Reserve for the purchase of parkland and site renovations and a Future Improvement Reserve which has been accumulated from revenues received from developers for specific projects.

**Commonwealth Pool High Performance (HP) Area Repair and Replacement:**

This reserve was established to fund the repair or replacement of equipment and improvement of the high performance area of the SCP Aquatic Pool. Contributions are received from high performance user groups.

**Sayward Gravel Pit:**

This fund was established from the sale proceeds of the Sayward Pit in the 1990's. Funds from this reserve are used annually to offset the costs of aggregate purchases for both transportation and drainage operations and capital projects. This fund is expected to be depleted by 2023.

**Development Cost Charges (DCC):**

The Municipality has established a development cost charge program that requires the payment of DCC's from developers during the development approval process. These funds are collected and held for a variety of specific purposes and used for capital projects and parkland purchase as required.

**DCC Program Municipal Responsibility:**

This fund is established to accumulate the municipal benefit and assist portion of park acquisition and development projects that are on the DCC project list.

**Specific Area Capital Projects:**

This fund was established in 2017 to hold funds transferred from certain DCC reserves for projects to be completed under the 5 Year Capital Plan.

**Facilities Major Repairs and Replacement:**

This reserve fund was established to fund major repair, upgrading, expansion or replacement of municipal buildings and ancillary structures.

**Computer Hardware and Software:**

The reserve fund was established to fund corporate information technology infrastructure and enterprise software.

**Urban Forest:**

This reserve fund is established to fund projects that support the goals and objectives of the Urban Forest Strategy.

**Climate Action:**

This reserve fund is established to fund projects that support the goals and objectives of Council to become 100% carbon neutral by 2040.

**Water Capital:**

This reserve fund is established for significant water capital projects requiring multi-year funding.

**Sewer Capital:**

This reserve fund is established for significant sewer capital projects requiring multi-year funding.

**Capital Reserves for Future Expenditure:**

Each year funding for the balance of approved projects that are not completed by year end are reserved and carried forward to the following year to complete the projects. These funds will be used by end of the current year and a new reserve set up for projects to be carried forward to 2022.

**Insurance:**

The municipality maintains a self-insurance appropriation to fund insurance claims. \$1,000,000 of this reserve is brought into revenue each year as a contingency even though it is not expected to be used.



# General Operating Fund Estimates 2024 - 2027

The Municipality is required under the provisions of the Community Charter to adopt a five year financial plan bylaw on or before May 15. This plan must include five year operating estimates. Given the dynamic nature of the municipal environment, five year estimates are prepared on a broad brush basis with adjustments made for significant cost factors where they are known with some certainty.

GENERAL OPERATING FUND BUDGET ESTIMATE SUMMARY	
<b>2023 Tax Levy</b>	<b>\$ 161,327,000</b>
<b>2024 Tax Levy</b>	<b>\$ 171,687,500</b>
<b>2025 Tax Levy</b>	<b>\$ 180,926,600</b>
<b>2026 Tax Levy</b>	<b>\$ 189,565,800</b>
<b>2027 Tax Levy</b>	<b>\$ 197,917,000</b>
<b>Annual Increase to Average Homeowner</b>	<b>4.75%</b>

The projected net budget funded from property taxation is projected to increase from \$161,327,000 to \$197,917,000 in 2027 or an average 4.75% annual increase to the average homeowner.

The 2024 - 2027 operating estimates have been prepared using the following criteria:

1. 0% increase per year in operating costs
2. Wage and benefit costs per collective agreement commitments or estimates where contracts are pending including estimated payroll tax increases
3. Increase in staffing as per the approved implementation of the Fire Services Review
4. 4.0% percent funding increase to infrastructure replacement per year for inflation in construction costs
5. 1.5% tax allocation per year for non-discretionary operating costs
6. \$1,000,000 annual increase to capital to reach sustainable infrastructure funding for information technology and major facility repairs
7. \$327,000 annual increase to the Facilities Major Repair & Replacement Reserve to get to the \$2,800,000 annual transfer
8. Annual \$500,000 increase from 2023 to 2025 in Transportation Capital funding for Active Transportation Plan projects to shift from debt to tax funding as per Council direction
9. Annual increase of \$150,000 dedicated to debt servicing or direct acquisition of land identified for park use
10. Average increase in property taxation revenues of 0.50% per year from new construction

## Water Utility Fund Estimates 2024 - 2027

Water Utility expenditures are expected to be influenced over the next five years by the cost to purchase bulk water from the Capital Regional District, capital funding of infrastructure replacement, inflation and personnel costs.

The balance of five year estimates are prepared on a broad brush basis with adjustments made for significant cost factors where they are known with some certainty.

WATER UTILITY BUDGET ESTIMATE SUMMARY	
<b>2023 Fees &amp; Charges</b>	<b>\$ 26,350,900</b>
<b>2024 Fees &amp; Charges</b>	<b>\$ 27,560,100</b>
<b>2025 Fees &amp; Charges</b>	<b>\$ 28,842,100</b>
<b>2026 Fees &amp; Charges</b>	<b>\$ 30,215,100</b>
<b>2027 Fees &amp; Charges</b>	<b>\$ 32,052,900</b>
<b>Annual Increase to Average Homeowner</b>	<b>5.02%</b>

The projected net budget funded from water user charges is projected to increase from \$26,350,900 to \$32,052,900 in 2027 or by an average 5.02% increase per year to the average homeowner.

The 2024 - 2027 operating estimates have been prepared using the following criteria:

1. 0% increase per year in operating costs
2. Wage and benefit costs per collective agreement commitments or estimates where contracts are pending
3. A 4.0% increase for core capital funding per year for inflation in construction costs
4. An average increase in CRD water rates of 8.76% per year

## Sewer Utility Fund Estimates 2024 - 2027

Sewer Utility expenditures during the next five years will be influenced by increases to the CRD regional treatment system operating costs.

In addition, the Municipality is increasing the sewer capital replacement program by 4.0% each year to keep up with inflation in construction costs.

The projected net budget funded from sewer user charges is projected to increase from \$28,721,600 to \$33,120,700 in 2027 or by an average of 3.63% annual increase to the average homeowner.

SEWER UTILITY BUDGET ESTIMATE SUMMARY	
<b>2023 Fees &amp; Charges</b>	<b>\$ 28,721,600</b>
<b>2024 Fees &amp; Charges</b>	<b>\$ 29,993,100</b>
<b>2025 Fees &amp; Charges</b>	<b>\$ 31,251,700</b>
<b>2026 Fees &amp; Charges</b>	<b>\$ 32,340,800</b>
<b>2027 Fees &amp; Charges</b>	<b>\$ 33,120,700</b>
<b>Annual Increase to Average Homeowner</b>	<b>3.63%</b>

The 2024 – 2027 operating estimates have been prepared using the following criteria:

1. 0% increase per year in operating costs
2. Wage and benefit costs per collective agreement commitments or estimates where contracts are pending
3. 4.0% percent funding increase for core capital funding per year for inflation in construction costs
4. An average increase in CRD regional treatment plant operating costs of 3.94% per year.

# Glossary

<b>A</b>	Accrual	An accounting method which measures the financial performance and position of an organization by recognizing economic events when they happen, regardless of when the related cash actually changes hands.
	Appropriated	When a fund is appropriated, it is subject to certain restrictions on what its assets can be used for.
	Asset	Anything you own that has monetary value plus any money you are owed.
<b>B</b>	Balanced budget	A financial plan where current revenue, including transfers from operating reserves, equals current operating expenditures.
<b>C</b>	Capital asset	General capital assets are those in excess of \$10,000 with a useful life of two or more years (e.g. land, buildings).
	Capital budget	A financial plan outlining projected expenditures on capital assets during a given fiscal period.
	Capital project	Creation or improvement of infrastructure assets.
	Carbon footprint	Amount of carbon dioxide ( <b>CO<sub>2</sub>e</b> ) that is emitted by the municipality.
	CARIP	The Climate Action Revenue Incentive Program (CARIP) is a conditional grant program that typically provides funding to local governments that have signed the B.C. Climate Action Charter equal to 100 percent of the carbon taxes they pay directly to support local government operations. The program encourages investments in climate action.
	CDOR rates	CDOR is the recognized financial benchmark in Canada for banker's acceptances (Bas) with a term of maturity of one year or less. It is the rate at which banks are willing to lend to companies.
	Community charter	The provincial legislation governing local governments. This legislation replaced the Local Government Act in 2003.
	COR	Certificate of Recognition is given to organizations that meet and exceed the legal requirements for an occupational health and safety program and an occupational injury management / return to work program.
	Council	The eight councillors elected at large that represent the municipality as a whole and the Mayor.
	CUPE	Canadian Union of Public Employees.

<b>D</b>	Development cost charge (DCC)	A fee paid by a developer to help fund cost related to developing a property. Often these fees are used for parks and streets, and for infrastructure used to provide water, sanitary sewer and storm drainage services.
	Development permit	A permit that allows development of a property subject to certain conditions such as the timing or sequence of construction, density of development, alteration of specific requirements of the zoning of the property etc.
<b>E</b>	EMBC	Emergency Management BC is the province's lead coordinating agency for all emergency management activities, including response, planning, training, testing and exercising. This work is done in collaboration with local governments and other government and non-government entities.
<b>F</b>	Fee	A fee is a charge to recover the cost of providing a service.
	Financial plan	This term is used interchangeably with "budget".
	Full-time equivalent (FTE) staff	A statistic used to compare staffing levels between departments or organizations, and is calculated by dividing the total number of hours one full-time staff member is scheduled to work in a year.
	Fund	A pool of money normally set apart for a specific purpose.
	Fund balance	The excess of assets over liabilities in a fund.
<b>G</b>	GHG	Green House Gases are gasses generated from fossil fuel burning, released into the atmosphere and linked to climate change.
	Grant	Funds given to an organization from another organization (senior government to local government) which may have conditions attached to it and require specific spending to occur or goal to be accomplished in order to retain the funds.
	GVDA	Greater Victoria Development Agency facilitates and promotes the development of a strong economic base in Greater Victoria.
<b>H</b>	Hotel tax	A compulsory financial levy imposed on hotel room rentals. Funds collected are utilized on tourism initiatives.
<b>I</b>	Infrastructure	Physical structures that form the foundation for development. Infrastructure includes: wastewater and waterworks, electric power, communications, transit and transportation facilities and oil and gas pipelines and associated facilities.
	IAFF	International Association of Fire Fighters.
<b>L</b>	Liability	A loan, expense, or any other form of claim on the assets of an entity that must be paid or otherwise honoured by that entity.

<b>M</b>	MRDT	The Municipal and Regional District Tax is a tax imposed by the province on the purchase of accommodation imposed in specific geographical areas of the province of behalf of municipalities and regional districts.
<b>O</b>	OH&S	Occupational Health and Safety is a program that is run by the District to meet the requirements of the Workers Compensation Act.
	Operating budget	A financial plan outlining projected revenue and expenditures for the on-going, day-to-day activities of an organization during a given fiscal period.
<b>R</b>	Revenue	The money collected in exchange for providing a product or service.
	RFP	A Request For Proposal is issued at an early stage in a procurement process, where an invitation is presented for suppliers to submit a proposal on a commodity or service.
	RTW	Return to Work is a program that is run by the District to meet the requirement of the Workers Compensation Act in helping employees return to work either partially or fully.
<b>S</b>	Sanitary sewer	The sewage system that carries substances requiring sanitation treatment.
	Sustainability	In terms of community development, sustainability is that which meets the needs of the present without compromising the ability of future generations to meet their own needs
<b>T</b>	Tax	A compulsory financial contribution imposed by a government to raise revenue.
<b>U</b>	Utility	A business organization performing a public service and subject to special governmental regulation.
	Utility tax	A financial contribution imposed by Provincial legislation to substitute taxation based on assessment for applicable utility companies. Tax calculation based on gross revenues.
<b>V</b>	VIIMCU	A regional force whose acronym stands for Vancouver Island Integrated Major Crime Unit.
<b>W</b>	WHIMS	Workplace Hazardous Materials Information System is Canada's national hazard communication standard.

## Bylaws

Council is required by the Community Charter to adopt a Five Year Financial Plan Bylaw on or before May 15 of each year. The attached bylaw is the legal authority for the municipality to conduct its operations. The budget document provides the basis for development of the bylaw, but it is not considered to be part of, or a schedule to the bylaw. The budget can be amended from time to time through adoption of an amending bylaw.

The following bylaws are attached for reference purposes:

Financial Plan Bylaw

Tax Rate Bylaw