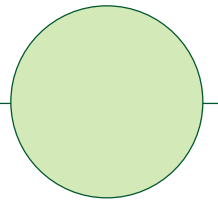


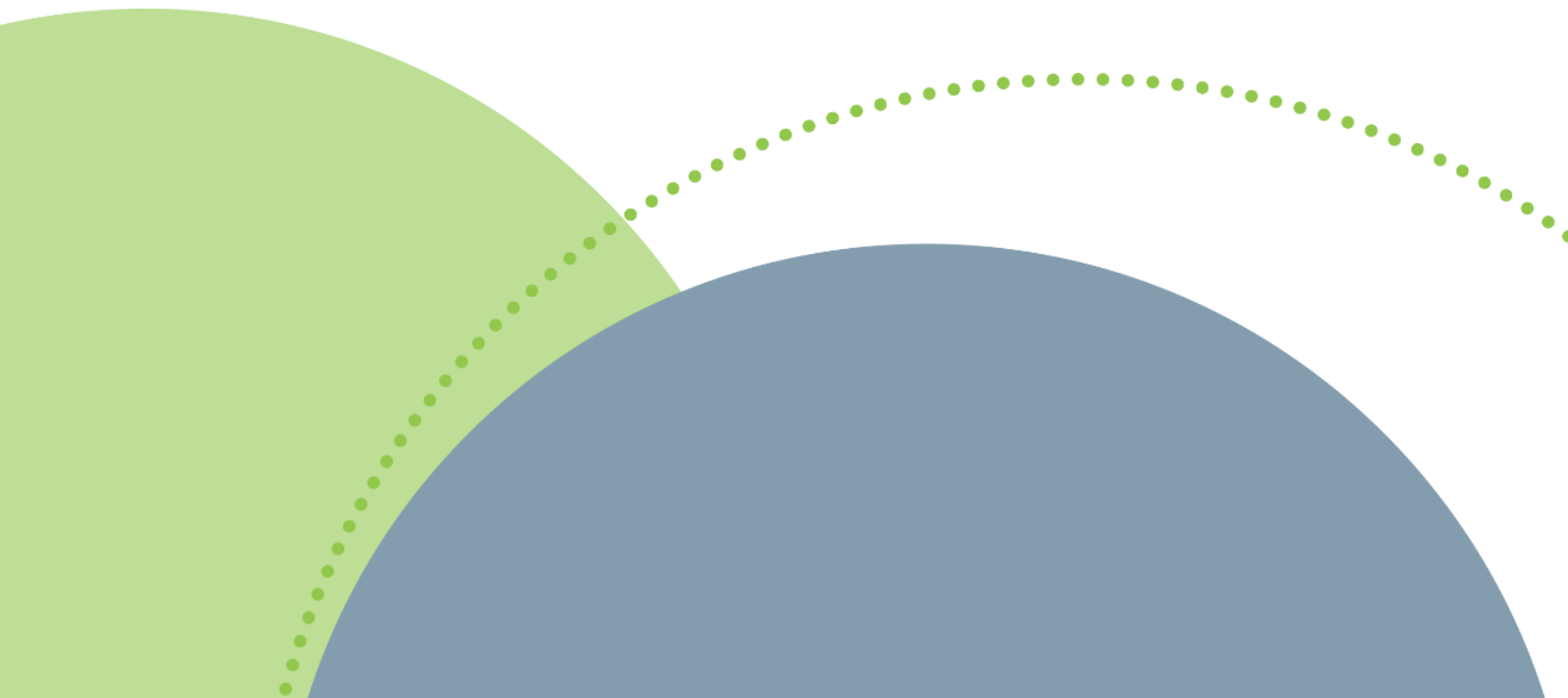


Financial Plan

2018 – 2022



April 25, 2018





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Corporation of the District of Saanich

British Columbia

For the Fiscal Year Beginning

January 1, 2017

Christopher P. Morill

Executive Director



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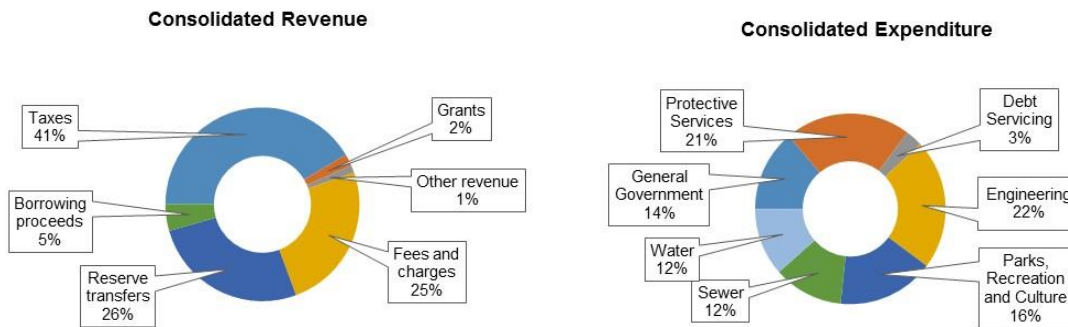
EXECUTIVE SUMMARY

The Community Charter Act 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 draft document provides the supporting details to the 2018-2022 Financial Plan Bylaw, which will be considered for adoption by Council before May 15, 2018.

1. Consolidated Financial Plan Summary

Local governments are required by law to have balanced financial plans. Current revenue, including transfers from reserves, must be sufficient to support current expenditures for each of the three funds.

Saanich's consolidated financial plan for 2018 balances \$291,343,100 in revenues and transfers with \$291,343,100 in expenditures.



Impact to the average homeowner for 2018 is broken down as follows:

Increase to Average Homeowner	% Increase	\$ Increase
Municipal Operations	0.87	21.97
Capital Infrastructure	0.91	22.87
Police Board	1.06	26.64
Greater Victoria Public Library	0.23	5.78
Total	3.07	77.26

Including all municipal taxes and utilities, an average homeowner is projected to pay about \$135 more in 2018:

	<u>2017</u>	<u>2018</u>	<u>Increase</u>
Property Taxes	\$ 2,517	\$ 2,594	\$ 77
Sewer	449	497	48
Water	451	459	4
Refuse Collection	179	185	6
	<u>\$ 3,596</u>	<u>\$ 3,735</u>	<u>\$ 135</u>



2. Summary of Consolidated Financial Plan Changes From 2017 To 2018

Additional revenues from taxation, reserves and user fees will be used to fund non-discretionary increases in 2018 operating programs, new infrastructure maintenance, new service costs 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 Wilkinson Road upgrade project:

<u>Consolidated Revenue</u>							
Source	General Operating	General Capital	Sewer & Water Utility	2018 Budget Total	2017 Budget Total	2017 Actuals Total	2016 Actuals Total
Taxes	106,616,200	14,086,000	-	120,702,200	116,027,300	116,020,000	110,929,700
Grants	4,124,700	991,500	747,000	5,863,200	5,696,600	6,497,900	6,658,700
Other revenue	3,545,800	-	-	3,545,800	3,513,500	10,497,200	6,470,200
Fees and charges	28,266,800	-	43,741,400	72,008,200	68,375,900	82,051,900	81,486,200
Reserve transfers	12,659,400	42,204,800	21,437,500	76,301,700	63,940,800	25,027,500	34,815,500
Borrowing proceeds	-	9,922,000	3,000,000	12,922,000	11,435,900	6,831,800	2,764,600
Total	155,212,900	67,204,300	68,925,900	291,343,100	268,990,000	246,926,300	243,124,900

<u>Consolidated Expenditure</u>							
Function	General Operating	General Capital	Sewer & Water Utility	2018 Budget Total	2017 Budget Total	2017 Actuals Total	2016 Actuals Total
Administration	2,723,700	-	-	2,723,700	2,464,400	2,658,200	1,915,300
Corporate Services	7,619,100	8,573,800	-	16,192,900	15,670,500	10,183,800	9,737,500
Finance	9,369,400	37,000	-	9,406,400	9,172,100	4,609,400	4,291,700
Fiscal Services	7,607,800	-	791,100	8,398,900	8,945,300	8,677,700	8,294,600
Building, Bylaw , Licensing & Legal Services	5,611,000	-	-	5,611,000	4,635,800	4,854,700	3,381,700
Police Protection	39,603,000	2,805,900	-	42,408,900	39,264,600	38,759,500	38,023,800
Fire Protection	19,018,000	1,822,300	-	20,840,300	19,187,900	18,862,500	18,631,600
Emergency Program	455,600	-	-	455,600	483,500	406,600	370,300
Planning	3,742,500	-	-	3,742,500	5,468,700	2,710,200	4,739,200
Engineering	20,282,600	44,454,000	68,134,800	132,871,400	120,057,800	109,532,200	107,963,300
Parks & Recreation	31,107,600	9,511,300	-	40,618,900	37,541,300	35,672,800	35,992,500
Cultural	8,072,600	-	-	8,072,600	6,098,100	7,250,400	6,007,800
Total	155,212,900	67,204,300	68,925,900	291,343,100	268,990,000	244,178,000	239,349,300

Note: The above total figure for General Operating is \$26,296,500 less than the total amount on page 23 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.



Consolidated Revenue level in 2017				\$ 268,990,000
Revenues were increased because:				
	Increased General Taxes			4,674,900
	Increased use of grant revenue mainly for infrastructure spending			166,600
	Increased fees and charges from recreation			207,400
	Increased fees and charges from water and sewer programs			2,648,500
	Increased fees fees and charges from other programs			808,700
	Increased borrowing for infrastructure			1,486,100
	Increased use of reserve funds (including Work in Progress)			12,360,900
New Consolidated Revenue level for 2018				\$ 291,343,100

Consolidated Expenditures level in 2017				\$ 268,990,000
Revenues were increased because:				
	Increased General Operating costs			8,843,400
	Increased General Capital costs			8,026,400
	Increased Water System operating and capital costs			1,205,400
	Increased Sewer System operating and capital costs			4,277,900
New Consolidated Expenditure level for 2018				\$ 291,343,100

3. 2018 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 2017 levels. Reserve funds are expected to decrease in 2018 as funds are appropriated for equipment replacement, capital projects and estimated land purchases.

Fund Balances						
	<u>General Operating</u>	<u>General Capital</u>	<u>Sewer Utility</u>	<u>Water Utility</u>	<u>Reserve Fund</u>	<u>Total</u>
Fund Balance, January 1	23,643,300	23,147,200	18,418,200	19,073,600	121,138,300	205,420,600
Total Revenues	181,516,800	67,204,300	35,351,600	33,574,300	37,012,100	354,659,100
Total Expenditures	(181,516,800)	(67,204,300)	(35,351,600)	(33,574,300)	(63,739,500)	(381,386,500)
Fund Balance, December 31	23,643,300	23,147,200	18,418,200	19,073,600	94,410,900	178,693,200

4. General Operating Fund Summary:

This budget provides for the annual operation of the municipality in 2018 based on a 0.87% increase for core operations and non-discretionary costs to maintain 2017 service levels, 0.91% for capital funding, 1.06% for Police Board and 0.23% for the Greater Victoria Public Library.

This revenue funds the net cost to maintain services at 2017 levels and continues past practice of gradually increasing tax funded capital programs to sustainable levels.

A refuse collection fee of \$185 (based on 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 \$6.00 over prior year is attributable to contracted increases to labour costs, volume increases in hauling of compost, yard drop-off and garbage, increases in processing of compost and reimbursement to the general operating fund for support work provided to the garbage utility.



5. Water Utility Fund Summary:

The Water Utility Budget provides for all operations and capital funding to support the water system. In December 2017 a 2% annual increase in water rates was approved to address construction cost increases and maintain sustainable infrastructure funding and to cover an increase in CRD bulk water purchase rates of 4.22%. Cost to the average homeowner increased by \$8 from \$451 to \$459 per year.

6. Sewer Utility Fund Summary:

The Sewer Utility Budget provides for all operations and capital to support the sewage disposal system. In December 2017 a 10.7% increase in sewer rates was approved to support CRD operating and debt costs and higher Saanich infrastructure replacement funding. Annual cost to the average homeowner increased by \$48 from \$449 to \$497 per year.

7. General Capital Fund Summary:

The 2018 General Capital Program provides for a \$67.2 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 2018 include \$1.1 million Wilkinson Road upgrades, \$4.0 million in sub-standard drain replacement, \$3.0 million in parks projects, \$3.9 million in facility upgrades and \$1.6 million in total fleet replacement.

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 fund both current replacement infrastructure spending and future replacement spending through transfers to capital reserves to assist the District in reaching sustainable annual funding replacement levels by 2019. Funding has risen from \$11 million in 2007 to an annual average of over \$23 million in the last three years.

8. Reserve Fund Summary:

Reserve Funds are projected to decrease from \$121,138,300 in 2017 to \$94,410,900 in 2018 as work in progress reserves are used to complete capital projects planned in previous years and funding is provided for equipment replacement, capital projects and land purchases.



9. Debt Summary:

Overall debt levels are projected to increase to \$46 million in 2018. This remains well below policy guideline of \$93 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.

BY-LAW NUMBER	LOAN TYPE	GENERAL	SEWER	TOTAL	SERVICING COST	INTEREST RATE	MATURITY DATE
		\$	\$	\$	\$	%	D / M / Y
3197	Long Term		143,312	143,312	53,074	2.00%	02.12.2019
3257	Long Term	833,896		833,896	218,639	1.55%	06.04.2020
3292	Long Term	576,410		576,410	166,302	1.80%	13.10.2020
3363	Long Term	1,470,778		1,470,778	303,822	1.75%	19.10.2021
3466	Long Term	683,206	240,241	923,447	226,343	2.25%	12.01.2022
3968	Long Term	1,775,998		1,775,998	271,898	3.00%	14.10.2024
3726	Long Term	1,067,772		1,067,772	154,365	3.35%	01.10.2025
3726	Long Term		696,383	696,383	100,327	3.73%	06.10.2025
3771	Long Term	5,569,298		5,569,298	737,133	3.65%	29.09.2026
3853	Long Term		547,127	547,127	59,206	2.90%	04.10.2027
8409	Long Term	884,041		884,041	62,929	2.10%	03.06.2028
3968	Long Term	2,194,670	1,793,721	3,988,391	377,722	3.00%	14.10.2029
4061	Long Term	5,025,327	2,621,324	7,646,651	627,628	2.60%	19.04.2031
4163	Long Term	2,800,000		2,800,000	228,946	2.80%	07.04.2032
4199	Long Term	2,195,800	1,500,000	3,695,800	315,128	3.15%	04.10.2032
9407	Temporary	836,630		836,630	2,799	1.94%	28.02.2018
9474	Temporary	600,000		600,000	9,289	1.94%	04.10.2018
9475	Temporary	150,000		150,000	2,322	1.94%	04.10.2018
9476	Temporary	950,000		950,000	14,708	1.94%	04.10.2018
Resolution	Short Term	742,659		742,659	190,575	1.94%	31.12.2021
Resolution	Short Term	122,000		122,000	25,590	1.94%	31.12.2022
		(148,099)	(16,372)	(164,471)			Accrued Actuarial Gains
TOTAL		<u>28,330,386</u>	<u>7,525,736</u>	<u>35,856,122</u>	<u>4,148,745</u>		

* Temporary and Short Term loans interest are based on the daily CDOR rates. The above rate is as of December 31st, 2017.



10. Consolidated 2018 Budget Highlights by Strategic Plan Theme Area

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

Safe Community:

- \$100,000 in funding for the Safe Route to School program
- \$2,630,000 in funding to provide fleet, IT and other capital replacement for protective services.

Healthy Community:

- \$3,000,000 for park, playground, trail and other park infrastructure replacement
 - Rainbow & Rosedale playground improvements
 - Layritz Park parking improvements
 - Lambrick Park accessibility pathway and lighting
 - Various tree planting projects

Sustainable Environment:

- \$6,700,000 to continue replacing asbestos cement sewer mains and asbestos cement and cast iron water mains

Balanced Transportation:

- A minimum of \$4,178,000 of sidewalk and bikeways additions and improvements in areas such as:
 - Wilkinson Road 450m sidewalks & cycling
 - Ridgebank (Carey to Vanalman) 50m sidewalks
 - Ansell Road Phase 2 (Garnet to McKenzie) 300m sidewalks
 - Caen Road/Dieppe Road 325m sidewalks
 - Mortimer Street (Shelbourne to Ansell) 650m sidewalks
 - Feltham Road (Shelbourne to Tyndall) 1450m cycling
 - Pear Street Bike Connector Phase 1c 1200m cycling & 150m sidewalks
- \$1,233,000 in various road improvements to Bus Stops, Signals and Street Lights:
 - Helmcken & Burnside signal upgrades
 - Interurban Road at Camosun College signal installation
 - LED street light program

Vibrant Connected Economy:

- \$200,000 for Durrance Road bridge replacement design

Service Excellence:

- \$750,000 for IT infrastructure and Network upgrades
- \$450,000 for Fire Dispatch upgrades
- \$1,450,000 for continued efficiency improvements to JD Edwards software including implementation of the Human Resources and Safety modules



INTRODUCTION

COMMUNITY PROFILE

Population

Saanich's population was reported to be 114,148 in the 2016 census making Saanich the eighth 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

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 fresh water lakes and 30 km of marine shoreline.

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.

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.



ORGANIZATION PROFILE

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

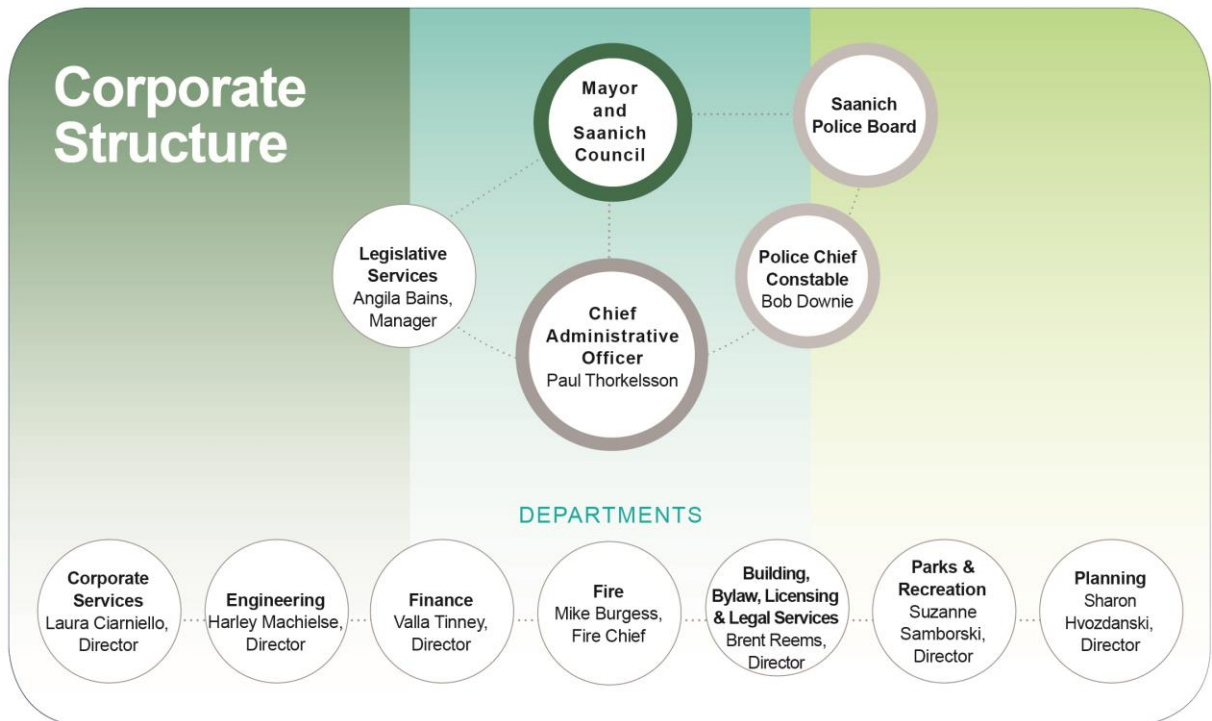
Saanich Council

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:

Mayor:	Richard Atwell	
Councillors:	Susan Brice	Dean Murdock
	Judy Brownoff	Colin Plant
	Karen Harper	Vicki Sanders
	Fred Haynes	Leif Wergeland

Senior Management Team

The Chief Administrative Officer (CAO) leads a senior management team responsible for providing recommendations to Council and coordinating the day-to-day operations of municipal staff. The senior management team also provides vision and leadership in the annual development and implementation of 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:



STRATEGIC CONTEXT

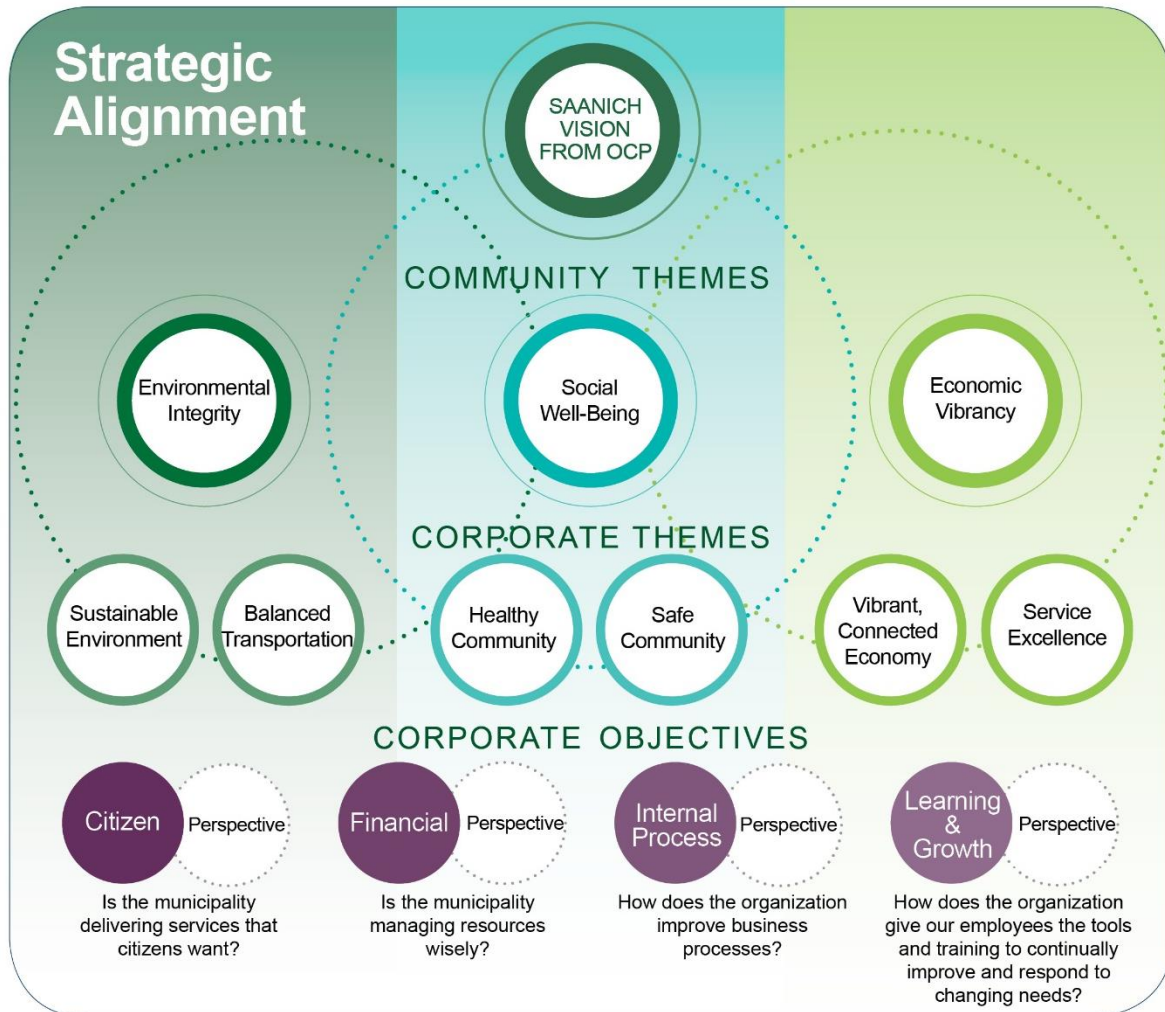
1. Strategic Plan

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. Using the Balanced Scorecard planning approach, the plan identifies priority initiatives within six key community themes aligned with Saanich’s Official Community Plan’s three overarching themes:

Environmental Integrity	Social Well-Being	Economic Vibrancy
➤ Sustainable Environment	➤ Healthy Community	➤ Vibrant, Connected Economy
➤ Balanced Transportation	➤ Safe Community	➤ Service Excellence

The value of using the Balanced Scorecard approach is its ability to address a traditional challenge within organizations: the need to effectively link long-term strategy (achieving the Saanich Vision) with short-term actions (annual departmental activities) in a balanced, integrated way. It helps do this by using four balanced perspectives; Customer, Financial, Internal Process and Learning and Growth to determine organizational objectives and priorities

Each of the six Corporate Theme Groups has cross-departmental representatives composed of staff members working toward the initiatives selected for the theme. The following diagram outlines the departmental groupings of each theme.



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:

June – August	Departmental Work Plans
August	Council adopts Budget Guidelines
August – October	Departmental Financial Plans
October – December	Draft Financial Plan is prepared
January	Senior Management Review
February – April	Public Budget Meetings
May	Final Financial Plan and bylaws adopted

Departmental Work Plans - Each department prepares a work plan that contains major activities to accomplish in the coming year, including those initiatives contained in the Strategic Plan.

Budget Guidelines – See details on page 14.

Departmental Financial Plans - Based on the activities planned for the next year, departmental budgets are compiled, outlining expected costs and associated revenue.

Draft Financial Plan - The departmental budgets are compiled to create a draft financial plan. The draft is compared to the current strategic plan to ensure consistency.

Senior Management Review – The Director of Finance and Chief Administrative Officer review the draft financial plan.

Public Meetings - Several public meetings are scheduled where each department presents its portion of the financial plan, allowing Council review and for public scrutiny and input.

Final Financial Plan - 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 during the five-year period.



BUDGET GUIDELINES FOR 2018

Council Approved Budget Guidelines

At the August 21, 2017 meeting of Council, the following motion was passed:

Whereas Council supports staff taking advantage of any opportunities to increase operational efficiencies and cost savings initiatives and reporting on the impact, if any:

And Whereas Council wishes to provide direction to staff for the preparation of the 2018 Financial Plan;

Now Therefore, Council resolves to establish the following Budget Guidelines for the 2018 Financial Plan upon which departmental submissions shall be based:

1. Preliminary 2018 departmental net budget totals will be limited to a 0.0 percent increase over the 2017 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;
2. Fleet rental rates will be limited to a maximum 1.0 percent increase over 2017 levels;
3. Existing personnel costs will be calculated using 2018 bargained rates (or estimates prepared by Finance if not known);
4. Funding for salary and benefits costs arising from the JE changes must be provided within existing budgets, with the exception of any impacts resulting from CUPE LOU #11 – Job Evaluation, which will be negotiated and incorporated into the budget as a standalone item;
5. Capital expenditures funded from current taxation revenue (Core Capital) will be increased by 2% plus a maximum 0.75% property tax increase to fund infrastructure replacement;
6. Resource requests for additional operating budgets (including one time projects) and new tax funded personnel will only be considered where critical capacity issues can be clearly demonstrated or where upfront investment will result in longer term savings as outlined in a business case. Resource requests will be reviewed by the senior management team and assessed for alignment with stated strategic priorities and overall corporate benefit. Capital projects will continue to be managed within existing capital budgets (including increases referenced in #5).
7. Budget reduction scenarios of 1.0% and 1.5% will be prepared and will include the impacts of reducing service levels, if any;



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 capital expenditures.

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



The operating component of the Five Year Financial Plan is focused on 2018 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. Wage and benefit costs per collective agreement commitments.
4. Water rates increased annually by an inflation factor of 2% for infrastructure replacement.
5. Sewer rates increased a minimum 3% annually for infrastructure replacement.

The capital component of the Five Year Financial Plan focuses on increasing infrastructure replacement to sustainable levels. This forecast is based on the following assumptions:

1. 2% annual increase in core capital funding from taxation.
2. Property taxation increased a minimum 0.75% annually for infrastructure replacement.
3. Debt servicing budget levels maintained within policy.
4. Federal gas tax funding allocated to transportation projects.
5. New infrastructure funding mainly relies on modest debt room, government grants, community contributions and operating budgets, and
6. All figures shown in current year (2018) 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 a consistent proportionate relationship between classes and uniform annual tax increases. The 2015 – 2018 Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 23%.

	<u>2017</u>	<u>2018</u>	<u>% Property Tax Levy</u>	<u>Tax Multiple</u>
Residential	3.32494	2.9529	76.21%	1.0000
Utilities	31.64091	30.2356	00.35%	10.2393
Supportive Housing	3.32494	2.9529	00.00%	1.0000
Light Industry	8.96859	7.8435	00.17%	2.6562
Business/Other	12.93571	12.5655	23.15%	4.2553
Managed Forest	20.40701	18.6502	00.00%	6.3159
Rec/Non Profit	8.12425	8.3025	00.12%	2.8116
Farm	0.50000	0.5000	00.00%	0.1693

Permissive Tax Exemptions: The Municipality 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.



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 2017, the legal debt limit is such that average annual servicing costs cannot exceed \$46.5 million or total debt of \$547 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 2018 this limits annual debt servicing costs to no more than \$7.9 million or total debt of \$93 million.

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>
Administration	✓						
Corporate Services	✓			✓			✓
Finance	✓						
Legislative Services	✓						
Police Protection	✓			✓			✓
Fire Protection	✓			✓			✓
Emergency Program	✓			✓			✓
Planning & Development	✓						
Engineering	✓	✓	✓	✓	✓	✓	✓
Parks & Recreation	✓			✓			✓
Cultural	✓						

G - General
 R - Reserves
 W - Water Utility
 S - Sewer Utility

 GC - General Capital
 WC - Water Capital
 SC - Sewer Capital



5. Staffing Level In 2017

Between 2017 and 2018, total full-time equivalent (FTE) positions are expected to increase by a net of 12.51 FTE or 1.14%. Temporary FTE's hired based on one time funding are not included. Details listed below:

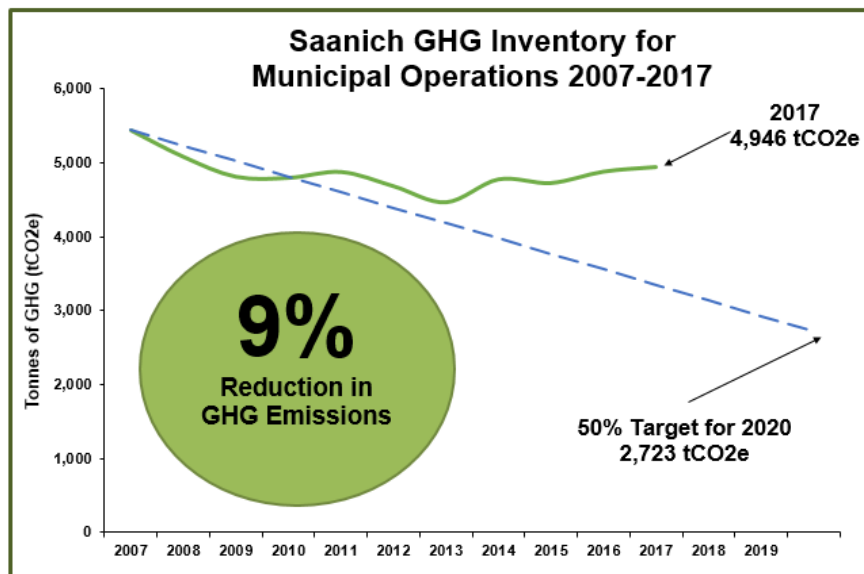
Full time Equivalent (FTE) Employees						
Department	2016	2017	2018	FTE Change	Description of Change	
Administration	3.07	16.22	16.15	(0.07)	Decrease to one time funding of project work in Archives	
Corporate Services	43.66	44.29	44.79	0.50	Full year budgeting of IT Security/Privacy Specialist approved prior year	
Finance	34.04	38.33	38.87	0.54	Full year budgeting of Procurement Specialist approved prior year	
Building, Bylaw, Licensing and Legal	19.62	29.28	29.97	0.69	Full year budgeting of Solicitor approved prior year	
Police Protection	248.33	246.97	249.27	2.30	Addition of 0.64 FTEs for relief, 1.48 FTEs for parental leave coverage and 0.18 other increase.	
Fire Protection	126.17	126.45	126.51	0.06	Reorganization of positions resulting in 0.06 FTE increase, no increase in budget	
Emergency Program	3.00	3.00	3.00	-		
Planning & Development	46.61	26.74	28.44	1.70	Full year budgeting of Planner and a Planning Technician approved prior year	
Engineering (includes utilities)	266.33	261.62	262.35	0.73	Addition of an Assistant Waterworks Supervisor and increase in hours for new inventory maintenance less reduction of one Solid Waste Collector.	
Parks & Recreation	300.40	305.58	311.64	6.06	Full year budgeting of 0.71 additional Building Service Workers hours at all Centres approved prior year; Net Increase of 2.1 FTE in recreation to accommodate for increases in recreation programs, 1.76 non-discretionary increases to lifeguard hours to meet Lifesaving Society Standards and 1.49 increase in parks labour for new inventory maintenance	
Total	1,091.23	1,098.48	1,110.99	12.51		



6. Change in Carbon Footprint

In 2010, the District of Saanich approved the Climate Action Plan which committed to a greenhouse gas (GHG) reduction target for corporate emissions of 50% by 2020 from 2007 levels. In recognition of the need to keep global temperature rise below 2 degrees Celsius relative to pre-industrial levels, Saanich adopted a long range target in 2017 to become a 100% Renewable Community and Corporation by 2050.

Carbon Footprint (tCO ₂ e)					
Department	2015	2016	2017	GHG Change	Description of Change
Administration	24	23	22	(1)	New condensing boilers late 2017
Coporate Services	38	37	37	(0)	
Finance	36	34	32	(2)	New condensing boilers late 2017
Building, Bylaw, Licensing and Legal	31	31	26	(5)	New condensing boilers late 2017
Police Protection	596	513	530	17	Higher natrual gas consumption due to colder weather and an increase in vehicle fuel consumption
Fire Protection	192	232	221	(11)	Decrease in vehicle fuel consumption
Planning	36	34	30	(4)	New condensing boilers late 2017
Engineering (includes utilities)	1,694	1,748	1,782	34	Savings in public works fleet fuel use and street lighting upgrades offset by increase in heating due to colder weather
Parks & Recreation	2,066	2,168	2,266	98	Decrease in parks fleet fuel consumption. Higher natural gas and propane consumption at recreation centres due to colder weather offset by savings at Gordon Head Recreation Centre due to Heat Pump installation
Total (Baseline 2007 = 5,446)	4,713	4,820	4,946	126	



BUDGET PLANNING ISSUES

1. 2018 Financial Planning Issues

Preparation of the 2018 budget proposal has taken into account the following financial planning issues:

Infrastructure – Replacement of aging infrastructure is a priority. An overall plan to increase capital funding to reach sustainable levels by 2019 is in place. This increased spending is estimated at a maximum of 0.75% property tax increase per year in addition to the inflationary cost increase of operations. This target is reviewed each year. Capital program funding from utility charges have also been increased at a minimum of 3% per year for Sewer. Water rates increased annually by an inflation factor of 2% for infrastructure replacement.

Wage and benefit costs – All union contracts are up to date. The 2018 budget reflects the increases of 2.5% for each of the Police Association and the IAFF and 2% for CUPE. In addition funds were allocated for CUPE Job Evaluation in accordance with budget guidelines. This allocation is the first of a three year plan to fund the Job Evaluation results.

Growth – The District experienced modest growth in 2017 which is in line with the historical levels for new tax and permit revenues.

Non-discretionary expenditures – For 2018, an additional 1.12% tax increase was applied to budget for non-discretionary items such as maintenance contracts and software licensing, utility increases, lease and maintenance costs for additional policing space, and various contract services.

Resource Requests – For 2018, a 0.34% tax increase was implemented to provide final funding for key positions deemed critical to maintain current operations or support implementation of adopted strategies in 2017. While additional resources are necessary in many operational service areas, no requests have been submitted for 2018.

Water costs – A large proportion of water costs (39% for 2018) 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 2018 the CRD bulk water rate went up 4.22%.

Sewer costs – A significant proportion of overall sewer costs are from CRD regional Sewage Treatment. CRD sewer charges increased by 16.41% over last year due to operational cost increases and to fund new Liquid Waste Management Plan mandated regional sewer treatment.

2. 2018 – 2022 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 trade and regulation uncertainty with the United States, Canada's largest trading partner.

Provincial grants – Unconditional operating grants of \$1.56 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 1.29% tax increase on property taxes or an equivalent reduction in programs or services that are funded by this grant.

Wage costs uncertainty – The IAFF and CUPE contracts will expire by the end of 2019 while the Police Association contract expires the end of 2018. While the extent of possible wage cost impact is uncertain for the future years, Public Safety and CUPE settlements continue to trend at higher than annual CPI increases.



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.

Water purchases – Water sale volumes in the municipality have started to stabilize after declining for many years due to homeowner’s conservation of water use. The cost of bulk water purchases from the CRD however is projected to increase as the CRD has projected an increase to its rates of 3.5% annually for the next four years.

Sewer costs – Continued significant increases to the regional sewer charges are anticipated over the next few years as the provincially mandated regional sewer treatment system is built and operations commence. The CRD is projecting increases to its requisition from its participating municipalities in the range of 20% decreasing to 14% over the next three years.

Infrastructure Replacement – The overall plan to increase capital funding to sustainable levels by 2019 requires consistent funding increases over the next two years.



General Operating Fund

The total tax levy for the General Operating Fund is proposed to increase by \$4,674,900 or 3.07% or \$77.26 to the average single family homeowner in 2018.

The increase in property tax revenue this year is made up of a 0.87% increase for core Municipal and non-discretionary costs, 0.91% in infrastructure replacement funding to continue the commitment to reach sustainable funding levels by 2019, 1.06% for Police Board and 0.23% for the Greater Victoria Public Library.

BUDGET SUMMARY	
2018 Tax Levy	\$ 120,682,200
2017 Tax Levy	\$ 116,007,300
Net Change	\$ 4,674,900
Average Single Family Homeowner Increase %	3.07%
2018 FTE	1034.94
2017 FTE	1021.78
FTE Change	13.16
FTE Change %	1.29%
2017 Carbon Footprint (CO _{2e})	4889 Tonnes
2016 Carbon Footprint (CO _{2e})	4772 Tonnes

BUDGET ITEM	Budget Increase \$	Tax Increase %
Operating Increases		
Core budget		
Existing personnel costs - municipal	1,677,848	1.45%
Other reductions	(321,171)	(0.28%)
Non-discretionary increases	<u>1,262,997</u>	<u>1.09%</u>
General Municipal Core Operating Increase	\$ 2,619,674	2.26%
Additional revenue	(493,587)	(0.43%)
Tax revenue from new sources	<u>(1,108,000)</u>	<u>(0.96%)</u>
Core Increase to Existing Taxpayers	\$ 1,018,087	0.87%
Increase for Capital Infrastructure	<u>1,050,390</u>	<u>0.91%</u>
Total General Municipal Increase	\$ 2,068,477	1.78%
Police Board Budget	\$ 1,230,690	1.06%
Greater Victoria Public Library	267,733	0.23%
Net Increase to Existing Taxpayers	<u>\$ 3,566,900</u>	<u>3.07%</u>



BUDGET SUMMARY BY OBJECT

Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2016	2017	2017	2018	2018/2017
Personnel (1)	95,508,200	98,780,500	100,631,400	107,321,700	6.65%
Goods and Services	34,365,400	35,394,800	34,168,100	36,431,200	6.62%
Fiscal Services (2)	2,716,700	3,319,700	3,291,100	3,911,500	18.85%
Grants, Overheads & Transfers	13,002,100	17,189,200	19,743,100	19,766,400	0.12%
Capital (tax funded portion only) (3)	12,467,100	13,182,800	13,159,200	14,086,000	7.04%
TOTAL	158,059,500	167,867,000	170,992,900	181,516,800	6.15%
REVENUES AND RECOVERIES					
Property Taxation	(110,908,300)	(116,000,000)	(116,007,300)	(120,682,200)	4.03%
Parcel Tax	(21,400)	(20,000)	(20,000)	(20,000)	0.00%
Other Corporate Revenues	(7,387,800)	(7,662,300)	(7,364,500)	(7,553,400)	2.57%
Other Departmental Revenues	(30,309,400)	(32,621,000)	(27,283,000)	(28,266,800)	3.61%
Inter-Departmental Recoveries (4)	(9,587,700)	(10,535,100)	(11,459,800)	(12,217,900)	6.62%
Transfer from Reserves (5)	(2,178,500)	(4,084,100)	(8,790,900)	(12,659,400)	44.01%
Other Grants	(190,700)	(269,300)	(67,400)	(117,100)	0.00%
TOTAL	(160,583,800)	(171,191,800)	(170,992,900)	(181,516,800)	6.15%
NET OPERATIONS	(2,524,300)	(3,324,800)	-	-	0.00%

1. Personnel costs - increase in wage increment and approval of personnel resource requests.
2. Fiscal Services – increase to fund additional borrowing costs.
3. Property tax based capital funding - increased to continue progress to sustainable funding levels.
4. Inter-Departmental Recoveries – increase to recognize actual recovery levels of services.
5. Transfer from Reserves – increase in projects funded from reserves.

Budget Summary by Function:

Operating Budget	Actual	Actual	Budget	Budget	% Change
ALL DEPARTMENTS	2016	2017	2017	2018	2018/2017
Property Taxation	(110,908,300)	(116,000,000)	(116,007,300)	(120,682,200)	4.03%
Parcel Tax	(21,400)	(20,000)	(20,000)	(20,000)	0.00%
Utility and Hotel Tax	(1,551,200)	(1,574,300)	(1,505,100)	(1,557,700)	3.49%
Grants In Lieu	(2,307,300)	(2,416,000)	(2,292,500)	(2,453,500)	7.02%
Interest and Penalties	(1,582,200)	(1,680,200)	(1,708,200)	(1,677,000)	(1.83%)
Other Revenues	(393,000)	(437,700)	(300,200)	(311,100)	3.63%
Capital Contribution	12,467,100	13,182,800	13,159,200	14,086,000	7.04%
Net Departmental Cost	101,772,000	105,620,600	108,674,100	112,615,500	3.63%
SURPLUS/DEFICIT	(2,524,300)	(3,324,800)	-	-	0.00%



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 3.07% increase in municipal property taxes to the average single family homeowner with an assessed value of \$878,400 and to average business properties. The remaining increase in property taxes 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. These are projected to continue to increase moderately in the future.

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.

Provincial Grants - The Province continues to provide a single unconditional grant program to share traffic fine revenues. These funds are used to offset on-going public safety programs in the Saanich Police Department. A portion of the funds is transferred to the Police Equipment Replacement Reserve and used to fund police capital costs recommended by the Police Board and approved by Council. This grant continues to be marginally reduced every few years.

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 remained consistent in 2017 and are projected to rise minimally in the near future. Property owners who do not pay their property taxes by the deadline are assessed penalties and interest based on provincial legislation.

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.

Capital Contribution - A portion of the core capital program is funded from property taxation. This continues the practice of increasing capital funding from property taxation by an additional minimum of 0.75%.



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 \$3,941,400 or 3.63% in 2018.

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
	2016	2017	2017	2018	2018/2017	2018/2017
Administration	2,142,100	2,294,900	2,322,500	2,311,400	(11,100)	(0.48%)
Corporate Services	5,078,500	5,290,600	6,267,700	6,908,400	640,700	10.22%
Finance	2,674,100	2,959,500	3,380,000	3,421,800	41,800	1.24%
Fiscal Services	6,363,800	7,224,300	7,293,200	7,407,700	114,500	1.57%
Building, Bylaw, Licensing & Legal Services	532,700	(168,500)	1,188,400	1,182,600	(5,800)	(0.49%)
Police Protection	30,709,500	32,462,300	32,334,100	33,574,300	1,240,200	3.84%
Fire Protection	17,166,800	17,528,700	17,782,200	18,182,300	400,100	2.25%
Emergency Program	363,700	399,000	420,000	426,000	6,000	1.43%
Planning	2,250,700	2,313,500	2,490,800	2,745,100	254,300	10.21%
Engineering	12,096,900	12,387,800	12,628,700	12,649,600	20,900	0.17%
Parks and Recreation	15,579,300	15,979,100	15,669,300	16,582,200	912,900	5.83%
Cultural	6,828,500	6,949,400	6,897,200	7,224,100	326,900	4.74%
TOTAL	101,786,600	105,620,600	108,674,100	112,615,500	3,941,400	3.63%



One Time Resource Requests

	One time Resource Request	Budget Estimate	Funding Source	
			Annual Surplus	Reserve Funds
			3,324,833	
Operating requests:				
1	IAP2 Training	30,000	30,000	
2	CAO Appraisal	10,000	10,000	
3	Citizen and Business Surveys - Jan 2019	50,000	50,000	
4	HCI Professional Services	100,000	100,000	
5	Emergency Preparedness & Planning Survey	15,000	15,000	
6	Corporate EM Functional Exercise	25,000	25,000	
7	2018 General Election	250,000	250,000	
8	Older Adult Strategy - 2018 One time items	25,000	25,000	
9	SCP - Sand Filter Replacement	45,000	45,000	
10	Permit Administration - Development	40,000	40,000	
11	Enhanced social media - Pulling Together	25,000	25,000	
12	LAPs & Corridor Study	150,000	150,000	
13	Police Pre-Hire - Recruit Training	280,000	280,000	
14	Police Hiring Lag	180,000	180,000	
15	Police Summer Students	70,000	70,000	
	Subtotal - operating requests	1,295,000	1,295,000	
Capital Requests:				
16	Trailers for Sewer & Water Crews	77,000		77,000
17	Service Vehicles - Refir Tech and Electrician	74,000		74,000
18	Engineering - Asphalt Patch Unit	45,000		45,000
19	Engineering - Hot Mix Asphalt Paver/Trailer	183,000	10,000	173,000
20	3 ton utility dump truck	110,000		110,000
	Subtotal - capital requests	489,000	10,000	479,000
Other:				
21	Swan Lake Sanctuary Roof	40,000	40,000	
22	Contingency for Council Initiatives	380,726	380,726	
23	Accumulated Surplus	500,000	500,000	
24	Facilities Major Repairs & Replacement Reserve	1,099,107	1,099,107	
	Subtotal - Other	2,019,833	2,019,833	
	Total one time requests	3,803,833	3,324,833	479,000



Council, Administration and Legislative Services

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

In addition various special events and community grant programs are grouped under this heading.

The **Council and Committees** section provides for the direct costs of Council and committees activities.

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

The **Legislative Division** is responsible for 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* legislation and oversees the corporate records management program. 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** as part of the Legislative Division collects and preserves the documentary heritage of Saanich and makes this information available through public reference room services, website resources, and public outreach.

BUDGET SUMMARY	
2018 Net Budget	\$ 2,311,400
2017 Net Budget	\$ 2,322,500
Net Change	\$ (11,100)
Change by %	(0.48%)
2018 FTE	16.15
2017 FTE	16.22
FTE Change	(0.07)
FTE Change %	(0.43%)
2017 Carbon Footprint (CO2e)	22 Tonnes
2016 Carbon Footprint (CO2e)	23 Tonnes
Carbon Footprint Change	(1) Tonnes

2018 BUDGET CHALLENGES

- Review agenda preparation processes.
- Review options for Electronic Bylaw Index for all Saanich Bylaws.
- Corporate Records Management Strategy for Offsite Storage

KEY 2017 ACCOMPLISHMENTS

- Initiated relationship building with local First Nations.
- Initiated First Nations recognition as part of Council Meetings.
- Implemented first phase of Granicus electronic agendas for Council.
- Successfully initiated webcasting for all Saanich Council meetings in Chambers.
- Legislative Services conducted the 2017 By-Election for one member of Council.
- Assisted Council with and improved and updated Council Procedure Bylaw.
- Implemented the Records Management Bylaw and the Records Management Policy.
- Legal Review of the corporate Records Classification and Retention Schedule completed which includes a schedule for transitory records.
- Introduction of new Records Management Resources: *A Guide for Elected Officials – Managing Official and Transitory Records*, *A Guide for Employees – Managing Official and Transitory Records*. Updated the Records Management Training Guide.



- Implementation of the Privacy Management Policy.
- Introduction of new FIPPA resources including, *Access and Privacy at the District of Saanich – A guide for Employees, Elected Officials, Volunteers and Service Providers*.
- Completion of Archives Reports Index – electronic inventory/index of all reports in Archives collections now available on the website.

2018 KEY PRIORITIES

Priority Strategic Initiatives include:

Service Excellence

- 2018 Elections including replacement of aging electronic voter system.
- Implementation and maintenance of Privacy Management and Records Management Programs.
- Completion of the “Saanich Remembers World War One” project.
- Continue to support relationship building with First Nations
- Initiate corporate and Council action with respect to Truth & Reconciliation actions.
- Continue to ensure citizen engagement in Council Proceedings
- Service Excellence provided by front line staff
- Audit of Saanich Privacy Management Program
- Initiate options for Electronic Document Management Programs

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. 2018 General Local Government Election	Plan and conduct legislated local government elections	P3 Service Excellence C1 Healthy Community
2. Records Classification & Retention Schedule Completion	Implementation of a foundational corporate program	P3 Service Excellence
3. Records Management Training	Implementation of a foundational corporate program	P3 Service Excellence
4. Audit of Saanich Privacy Management Program	Review of a legislated corporate program	P3 Service Excellence
5. Freedom of Information & Protection of Privacy Training	Continue to ensure the District of Saanich complies with legislation	P3 Service Excellence
6. Enhanced Information Technology for Council meetings, agendas & minutes	Review options for ongoing efficiency for meeting processes	P3 Service Excellence C1 Healthy Community



CORE BUDGET

The Department's 2018 Budget of \$ 2,311,400 represents a 0.48% decrease over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Council & Committees	506,200	505,000	521,400	529,500	8,100	1.55%
Administration	455,700	503,000	495,500	504,300	8,800	1.78%
Elections						
Revenues	-	(123,100)	(173,500)	(450,000)	(276,500)	159.37%
Expenses	-	<u>123,100</u>	<u>173,500</u>	<u>450,000</u>	<u>276,500</u>	<u>159.37%</u>
Total	-	-	-	-	-	0.00%
Legislative	1,002,600	1,111,500	1,120,600	1,084,500	(36,100)	(3.22%)
Archives	177,600	175,400	185,000	193,100	8,100	4.38%
Total	2,142,100	2,294,900	2,322,500	2,311,400	(11,100)	(0.48%)

- Legislative – implemented efficiencies which resulted in reductions in advertising and agenda printing costs.
- Archives – job evaluation.



Corporate Services

The **Corporate Services Department** is comprised of: Communications, Human Resources, Information Technology, Occupational Health and Safety and Strategic Planning.

The **Communications Division** provides support for internal and external communications. This support includes the Saanich website(s), intranet, social media, media relations, brand management, print publications and public participation activities.

The **Human Resources Division** provides support to a work force of approximately 1,600 employees. The Division provides a full range of Human Resources services to managers, employees, and the public. These include; recruitment and selection, job evaluation, learning and development, employee recognition, pension counseling, wellness management, support for succession planning initiatives and employee and labour relations, and records management. The Division supports managers and employees to meet operational demands and to achieve their strategic goals.

The **Information Technology Division** provides computer and technology to nine different locations. The Information Technology Division operates a Helpdesk for staff queries, conducts technology training courses, assesses new products and upgrades existing corporate applications. Network Services operates a geographical dispersed integrated data and voice network with secure access to the internet. The Saanich website is maintained in conjunction with a group of departmental web authors throughout the organization.

The **Occupational Health and Safety Division** provides a comprehensive corporate safety program that meets the Certification of Recognition standards of the Worksafe BC program. This program includes safety prevention support for all employees of the municipality and return to work support for injured employees.

The **Strategic Planning Division** manages and supports the strategic planning and progress reporting processes, coordinates reporting on previous years, implementation for the current year, and planning for future years. The division also conducts the citizen and business surveys.

BUDGET SUMMARY	
2018 Net Budget	\$ 6,908,400
2017 Net Budget	\$ 6,267,700
Net Change	\$ 640,700
Change by %	10.22%
2018 FTE	44.79
2017 FTE	44.29
FTE Change	0.50
FTE Change %	1.13%
2017 Carbon Footprint (CO2e)	37 Tonnes
2016 Carbon Footprint (CO2e)	37 Tonnes
Carbon Footprint Change	0 Tonnes

2018 BUDGET CHALLENGES

- Meeting the increasing legislative requirements and fluctuating demands for Human Resources and Safety services and support.
- Ongoing maintenance and upgrading of IT infrastructure to ensure that corporate needs and service levels can be met.
- Challenges with recruitment of qualified IT staff and ensuring staff capacity to complete approved capital projects.
- Retirements of long term employees – resulting in increased recruitment and training of new employees to transfer the knowledge base.



- Resources to implement the security component of the privacy program – keeping citizen and municipal information and data safe and ensuring it is used only by authorized staff and for the purposes for which it was collected.
- Meeting operational demands and capacity issues for both HR and OH&S during implementation of their JDE software.

KEY 2017 ACCOMPLISHMENTS

Corporate Services Department

- In conjunction with Legislative Services and Facility Operations, implemented webcasting of Council meetings

Communications Division

- Improved profile of Saanich through media relations
- Boosted public interaction via social media
- Improved functionality of the website

Human Resources Division

- Concluded a new Police collective agreement
- Concluded a new CUPE collective agreement

Information Technology Division

- Issued RFP for Firewall and Phones
- Server/Storage capacity increased
- Secondary data centre established for disaster recovery of business continuity
- Compiled and uploaded 16 spatial datasets to the Saanich GIS spatial data catalogue
- Supported departments in significant upgrades and implementation of JD Edwards, Tempest and Active Net software

Occupational Health and Safety Division

- Increased modified work opportunities and reduced days lost due to injury
- New resources and processes for Contractor Safety Coordination
- New Asbestos Management Plan and Ammonia Exposure Control Plan – meets WCB requirements
- New Confined Space Risk Assessments for over 200 Confined Spaces within Saanich
- New OHS Orientation and Onboarding Resources for supervisors and staff

2018 KEY PRIORITIES

Priority Strategic Initiatives include:

- Upgrade key business applications and programs
- Strengthen the information technology infrastructure
- Increase municipal emergency communication capabilities



Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Crisis Communications	Rollout a new Crisis Communications Plan and provide training for staff	L1 Service Excellence
2. JDE HRIS & OHS modules	Adapt software and processes to implement the JDE HRIS & OHS modules	L2 Service Excellence
3. Telephone System replacement	Replace the current telephone system with a new modern system	L2 Service Excellence
4. Citizen and Business Surveys	Prepare the citizen and business surveys to help guide financial and strategic decision making for both Council and staff	C1 Healthy Community

CORE BUDGET

The core budget for 2018 of \$6,908,400 represents a 10.22% increase over prior year.

Net Budget By Function	Actual 2016	Actual 2017	Budget 2017	Budget 2018	\$ Change 2018/2017	% Change 2018/2017
Corporate Services	674,100	682,000	729,700	736,600	6,900	0.95%
Human Resources	1,074,100	1,093,100	1,176,600	1,211,700	35,100	2.98%
Information Technology	3,301,500	3,563,700	4,361,400	4,960,100	598,700	13.73%
Occupational Health/Safety						
Revenue	(518,700)	(542,000)	(552,900)	(564,700)	(11,800)	2.13%
Expense	<u>547,500</u>	<u>493,800</u>	<u>552,900</u>	<u>564,700</u>	<u>11,800</u>	<u>2.13%</u>
Total	28,800	(48,200)	-	-	-	0.00%
Total	5,078,500	5,290,600	6,267,700	6,908,400	640,700	10.22%

- Human Resources – wage increments.
- Information Technology – negotiated wage increases and increments, full year costing of the IT Security/Privacy Specialist approved position and increase in non-discretionary costs for strategic plan initiatives – IT foundation: licensing for Network, Firewall, WAN, Phone System, Mail and Fire Dispatch software and hardware maintenance.
- Occupational Health/Safety – negotiated wage increases and increments.



Finance

The Finance Department is responsible for the overall management of the financial affairs of the municipality and the procurement of all required goods and services.

The **Accounting and Audit Section** provides accounting and audit services for over \$260 million in annual expenses and revenues; cash management of over \$210 million in investments to maximize the returns and provide additional income to both operating and reserve funds; accounts payable making payments to over 25,200 invoices annually; coordination of the production of five different payroll groups paid on a bi-weekly basis and benefits records maintenance for over 1,800 staff.

The Revenue Collection Division

processes all revenues including property taxes, utility bills, dog licenses, business licenses and recreation programs. Over 118,080 utility bills and 42,960 tax notices are produced annually. This section also manages a pre-approved instalment tax payment system and a web based online payment system.

The **Financial Services Division** provides a complete range of purchasing services to all departments. 189 quotations, tenders and requests for proposals totalling over \$22 million dollars are managed and processed in a year. The division also supports departments with their financial analysis and coordinates the annual budgeting process and financial policy development, as well as, the preparation of the financial statements which are audited by an independent accounting firm.

Finance also manages the corporate Contingency & Administration Recoveries, as well as, general Government Service budgets, which contain budget items that are attributable to the whole organization such as retirement severance pay.

BUDGET SUMMARY	
2018 Net Budget	\$ 3,421,800
2017 Net Budget	\$ 3,380,000
Net Change	\$ 41,800
Change by %	1.24%
2018 FTE	38.87
2017 FTE	38.33
FTE Change	0.54
FTE Change %	1.41%
2017 Carbon Footprint (CO2e)	32 Tonnes
2016 Carbon Footprint (CO2e)	34 Tonnes
Carbon Footprint Change	(2) Tonnes

2018 BUDGET CHALLENGES

- Resources for public engagement tools and processes during budget development.
- Resources for budget development including support for departments and development of appropriate budget documents.

KEY 2017 ACCOMPLISHMENTS

- GFOA Financial Reporting Award received.
- GFOA Distinguished Budget Presentation Award received.
- Implementation of JD Edwards Payroll Module.
- Implementation of Tempest (Land & Utility Software) upgrade.
- DCC Transition Plan.



2018 KEY PRIORITIES**Priority Strategic Initiatives include:**Vibrant, Connected Economy

- Maintaining infrastructure replacement capital spending.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Capital Budgeting, Monitoring and Reporting	Enhance the financial management of capital projects from inception to completion	P3 Service Excellence
2. JD Edwards Payroll and Financial system improvements	Improve reporting and ease of use of the current system and improve productivity of all departments who use the system	L1 Service Excellence
3. JD Edwards HRIS and Safety module implementation	Assist with the implementation of the new HR and Safety modules in JD Edwards	L1 Service Excellence
4. Implementation of new DCC program	Assist with the review and implementation of a new DCC program	P3 Vibrant, Connected Economy



CORE BUDGET

The Department's total 2018 net core budget is \$3,421,800 and it represents a 1.24% increase over prior year. Excluding contingency and government services the 2018 net core budget of \$3,700,300 is an increase of 2.98% over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	%Change
	2016	2017	2017	2018	2018/2017	2018/2017
Accounting and Payroll	1,603,100	1,716,700	1,823,300	1,847,400	24,100	1.32%
Revenue Collections						
Revenue	(162,200)	(176,100)	(150,000)	(150,000)	-	0.00%
Expense	<u>1,180,200</u>	<u>1,131,700</u>	<u>1,152,100</u>	<u>1,168,200</u>	<u>16,100</u>	<u>1.40%</u>
Total	1,018,000	955,600	1,002,100	1,018,200	16,100	1.61%
Stores	119,100	155,700	127,100	136,800	9,700	7.63%
Purchasing	538,800	575,000	640,700	697,900	57,200	8.93%
Total Operations	3,279,000	3,403,000	3,593,200	3,700,300	107,100	2.98%
Contingency & Administration Recoveries	(1,733,500)	(1,792,700)	(1,111,800)	(1,181,500)	(69,700)	(6.27%)
Government Services	1,128,600	1,349,200	898,600	903,000	4,400	0.49%
Total	2,674,100	2,959,500	3,380,000	3,421,800	41,800	1.24%

- Stores – negotiated wage increases and job evaluation.
- Purchasing – negotiated wage increases and increments and full year funding of approved addition of a procurement specialist.



Fiscal Services

Under the Community Charter, all long term debenture financing is coordinated by the Capital Regional District through the Municipal Finance Authority. There are two debenture issues per year, spring and fall. To authorize the financing request, a Council resolution is required.

As of December 2017, the total outstanding debt in the general operating fund is approximately \$28.3 million. This is projected to increase by \$7.5 million during the year, bringing total outstanding general operating debt to about \$35.9 million (\$46 million including utilities) by December 2018. This remains well within guideline of a maximum of 7% of property tax revenue.

\$7.9 million in annual debt servicing cost is 6.82% of property tax revenue and about \$93 million in total debt at current rates. The total legal borrowing limit for Saanich is \$547 million.

The average homeowner's share of servicing debt per capita is \$25 per year (\$21 in 2017 adjusted for the new census data).

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 2018, transfers will support technology infrastructure.

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

CORE BUDGET

Core budget increase of 1.57% reflects the policy of increasing the fiscal services budget up to 7% of property tax revenue. Funds that are not needed in 2018 for debt servicing are transferred to capital reserves to support current and future capital asset replacement.

BUDGET SUMMARY	
2018 Net Budget	\$ 7,407,700
2017 Net Budget	\$ 7,293,200
Net Change	\$ 114,500
Change by %	1.57%
FTE	n/a
Carbon Footprint (CO_{2e})	n/a

Net Budget By Function	Actual 2016	Actual 2017	Budget 2017	Budget 2018	\$ Change 2018/2017	% Change 2018/2017
Interest	680,000	729,100	811,400	975,600	164,200	20.24%
Principal	1,096,000	1,599,800	1,586,500	1,895,800	309,300	19.50%
Transfer to Capital Reserves	4,587,800	4,895,400	4,895,300	4,536,300	(359,000)	(7.33%)
Total	6,363,800	7,224,300	7,293,200	7,407,700	114,500	1.57%

- Interest – interest payments for new borrowing of over \$7.5 million for capital in 2017 & 2018.
- Principal – principal payments for new borrowing for capital in 2017 & 2018.



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.

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 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.

BUDGET SUMMARY	
2018 Net Budget	\$ 1,182,600
2017 Net Budget	\$ 1,188,400
Net Change	\$ (5,800)
Change by %	(0.49%)
2018 FTE	29.97
2017 FTE	29.28
FTE Change	0.69
FTE Change %	2.36%
2017 Carbon Footprint (CO2e)	26 Tonnes
2016 Carbon Footprint (CO2e)	31 Tonnes
Carbon Footprint Change	(5) Tonnes



2018 BUDGET CHALLENGES

- Resources for policy development related to bylaw enforcement, the B.C. Building Code and introduction of the B.C. Energy Step Code
- Regular appraisal services to determine asset replacement costs for insurance purposes
- Resources for policy development and corporate risk analysis appropriate for a municipality of the size and complexity of Saanich
- Resources for long range planning with respect to municipal land
- Continuing to meet building inspection service levels with increasing building permit volumes and building complexity
- Continuing to meet bylaw enforcement service levels with high volumes of calls for service and increasing complexity due to municipal growth and density.

KEY 2017 ACCOMPLISHMENTS

- Completed updates of several bylaws, including the Firearms and Bow Regulation Bylaw, the Officers Bylaw and Signing Authority Bylaw
- Held risk management workshops for staff and conducted risk assessments on parks, facilities, and equipment in order to prevent loss.
- Settled significant damage claims in an equitable, timely, and cost effective manner.
- Processed a high volume of building permits, including an increased volume of permits for multi-family construction projects
- Managed a high-volume bylaw enforcement caseload with increasing complexity due to continued municipal growth and densification

2018 KEY PRIORITIES

Priority Strategic Initiatives include:

Vibrant, Connected Economy

- Review the building permit process

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Bylaw Enforcement Policies	Review and update bylaw enforcement policies and procedures and ensure continued alignment with best practices	C6 Safe Community P3 Service Excellence
2. Building Bylaw	Review and update the Building Bylaw to incorporate changes to the BC Building Code	C6 Safe Community P3 Service Excellence P3 Vibrant, Connected Economy
3. Building Act	Review and update municipal bylaws to ensure alignment with the Provincial Building Act	P3 Service Excellence P3 Vibrant, Connected Economy
4. Step Code	Work with internal working group to develop recommendations on Step Code implementation	C4 Sustainable Environment



CORE BUDGET

The Department's 2018 net core budget of \$1,182,600 represents a 0.49% decrease over prior year. Gross expenditure increased by 3.30% over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Legal Services	654,400	703,700	590,700	715,500	124,800	21.13%
Risk Management	291,100	253,300	287,900	289,400	1,500	0.52%
Insurance & Claims	616,100	673,600	603,700	603,700	-	0.00%
Bylaw Enforcement	409,800	464,500	480,700	471,800	(8,900)	(1.85%)
Inspections						
Revenues	(2,806,300)	(3,633,900)	(2,093,600)	(2,243,600)	(150,000)	7.16%
Expenses	<u>1,780,300</u>	<u>1,768,600</u>	<u>1,714,800</u>	<u>1,735,400</u>	<u>20,600</u>	<u>1.20%</u>
Total	(1,026,000)	(1,865,300)	(378,800)	(508,200)	(129,400)	34.16%
Business License						
Revenue	(517,500)	(518,100)	(511,300)	(511,300)	-	0.00%
Expense	<u>165,200</u>	<u>162,600</u>	<u>155,500</u>	<u>160,900</u>	<u>5,400</u>	<u>3.47%</u>
Total	(352,300)	(355,500)	(355,800)	(350,400)	5,400	(1.52%)
Lands/Property Management						
Revenue	(571,800)	(597,200)	(578,800)	(578,800)	-	0.00%
Expense	<u>511,400</u>	<u>554,400</u>	<u>538,800</u>	<u>539,600</u>	<u>800</u>	<u>0.15%</u>
Total	(60,400)	(42,800)	(40,000)	(39,200)	800	(2.00%)
Total	532,700	(168,500)	1,188,400	1,182,600	(5,800)	(0.49%)

- Legal Services – wage increments and full year funding of the approved Solicitor position.
- Inspections – permitting revenues increase due to increased cost of construction.
- Business License – job evaluation.



Fire Protection

The Fire Department provides high quality, efficient and caring emergency response, fire prevention and life-safety education services to the District of Saanich.

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.

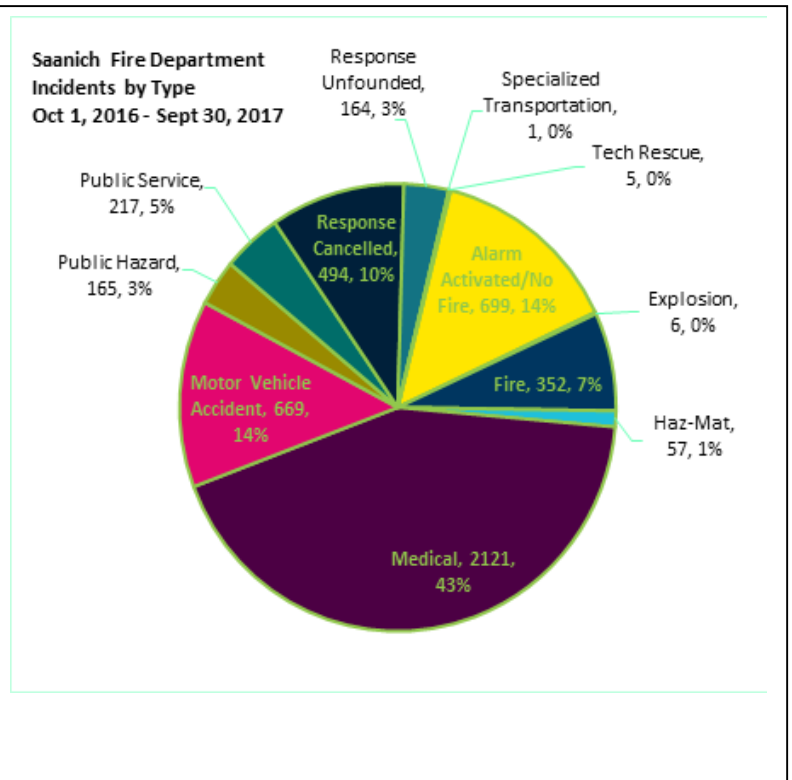
The Department also provides fire safety inspections, public education, fire apparatus, mechanical and high angle rescue services. Fire dispatch services, including emergency and non-emergency call receiving, processing and dispatching are provided to seven client municipalities.

The Department employs 121.5 uniformed personnel and five support staff working out of three fire stations.

BUDGET SUMMARY	
2018 Net Budget	\$ 18,182,300
2017 Net Budget	\$ 17,782,200
Net Change	\$ 400,100
Change by %	2.25%
2018 FTE	126.51
2017 FTE	126.45
FTE Change	0.06
FTE Change %	0.05%
2017 Carbon Footprint (CO2e)	221 Tonnes
2016 Carbon Footprint (CO2e)	232 Tonnes
Carbon Footprint Change	(11) Tonnes

FIRE DEPARTMENT STATISTICAL SUMMARY¹

Population served	113,058 (est)
Protection area in square kilometres	103.43 (est)
Incident responses	4,950
Emergency incident responses	4,167
Number of fire related	Fatalities: 0 Injuries: 3
Total dollar fire loss (est)	\$3,082,325
Estimated value of property saved	\$121,841,595
Public building inspections	2,791
Incidents dispatched (Saanich and clients)	13,494



¹12 month period ending September 30, 2017



2018 BUDGET CHALLENGES

- **Stations and Facilities:** Some fire stations and facilities are more than 60 years old. Emergency operations, training and space requirements have changed significantly. Maintain aging stations and address the department's short, medium and long term infrastructure and service delivery needs.
- **Technology:** Significant information technology projects require completion to address key 24/7 business functions and safeguard the Fire Dispatch Centre and Emergency Operations Centre functionality and operations.

KEY 2017 ACCOMPLISHMENTS

- **Suppression/Rescue:** 4,950 incidents for fire, medical, motor vehicle incidents, marine, hazardous materials and technical rescues where 88% of the time the first apparatus arrived within 8 minutes of the request for service
- **Fire Prevention:** 2,791 public building inspections completed, 300 new construction plans reviewed and 581 oil burner and tank inspections and re-inspections carried out.
- **Public Education:** 65 fire and life-safety programs and information provided to an estimated 27,500 participants of all ages (i.e. Learn Not to Burn, Grade 5 Fire Expo, school fire drills and community events).
- **Community Relations:** Suppression/Rescue and Fire Prevention attended 77 community events with an estimated 30,000 participants (i.e. Music in the Park, Strawberry Festival, Community Association Days) and provided 47 fire station tours to 500 participants.
- **Support to B.C. Interior Wildfires:** In response to the request from the Office of the Fire Commissioner to support the provincial state of emergency due to wildfire conditions across B.C., the Fire Department deployed more than 30 firefighting personnel and equipment, including an Engine and the Saanich Command Vehicle over a two month period to assist with firefighting efforts. In addition, Department personnel were assigned to the Provincial Regional Emergency Coordination Centre to manage the Provincial Fire Branch Coordinator position for Emergency Management B.C.
- **Regional Fire Dispatch Corporation:** The District of Saanich and City of Victoria agreed to establish a regional fire dispatch corporation. As a result, Saanich and Victoria will become both partners and shareholders in a newly established fire dispatch corporation that will be jointly responsible for the delivery of fire dispatch services to participating agencies in the Capital Region and potentially beyond.
- **Infrastructure Improvements:** Commenced planning and design work to address staffing and living quarter requirements at Station No. 1. Renovated washroom and kitchen facilities at No. 2 Fire Station.
- **Fleet Optimization:** To improve fleet efficiencies and response capabilities, the Department took delivery of an electric vehicle to be used for daily inspections and a utility vehicle to enhance rescue and medical assistance capabilities in parks, trails, etc.
- **P25 Radio Technology:** As part of the Capital Region Emergency Service Telecommunications (CREST) radio communications system upgrade, Saanich Fire's portable and mobile units were replaced. This replacement technology supports a transition to a new P25 radio network which will provide improved communications reliability, increased capacity, superior audio clarity and better coverage.
- **Fire Services Agreement:** The City of Colwood was included as an additional party to the Fire Services Agreement established in 2016 to enhance level of fire protection and life safety resources between the municipalities of Central Saanich, Esquimalt, Saanich, Oak Bay and View Royal without incurring additional costs. The agreement enables parties to provide resources, emergency response and mutual aid to each other.



2018 KEY PRIORITIES

Priority Strategic Initiatives include:

Safe Community

- Migrate to Industry Canada’s dedicated public safety radio frequencies. Work collaboratively with Capital Region Emergency Services Telecom (CREST) to support a safe and effective transition to a Project 25 standard technology radio network. The 700 MHz network in the Core area is scheduled for “go live” in late Q1, 2018.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Emergency Management	Migrate to Industry Canada’s dedicated public safety radio frequencies. Work collaboratively with Capital Region Emergency Services Telecom (CREST) to support a safe and effective transition to a Project 25 standard technology radio network. The 700 MHz network in the Core area is scheduled for “go live” in late Q1, 2018.	C6 Safe Community F4 Safe Community
2. Emergency Operations Support	Work with Corporate Services to address Department information technology requirements including E-Comm / Dispatch, remediation, Dispatch expansion, transition planning and business continuity.	C6 Safe Community F4 Safe Community
3. Fire Dispatch Services	Complete planning and transition work to ensure a reliable, stable and redundant dispatch service for Saanich, existing clients and future clients. Work with fire dispatch partners to implement equitable cost allocation model.	C6 Safe Community F4 Safe Community
4. Emergency Operations Support	Implement Strategic Facilities Plan to meet short, mid and long term infrastructure needs and funding requirements.	F4 Safe Community
5. Emergency Operations Support	Complete Fire Station No. 3 renovations to sustain fire infrastructure and accommodate workplace and staffing requirements.	C6 Safe Community F4 Safe Community
6. Community Engagement and Education	Attend community events and deliver community fire and life safety public education programs to a wide range of audiences at a variety of locations.	C6 Safe Community P1 Safe Community
7. Community Engagement and Education	A working smoke alarm in every home – provide fire fighter-delivered door-to-door fire prevention education and smoke alarm inspections to reduce frequency and severity of residential structure fires.	C6 Safe Community P1 Safe Community
8. Community Engagement and Education	Attract and retain a skilled workforce that reflects the community it serves. Identify outreach opportunities to recruit and encourage people of diverse backgrounds to apply to the fire department.	L1 Service Excellence



CORE BUDGET

The Department's 2018 net core budget of \$18,182,300 represents a 2.25% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Administration	1,629,900	1,910,200	2,004,200	2,009,500	5,300	0.26%
Suppression and Rescue	12,287,500	12,269,700	12,410,800	12,603,600	192,800	1.55%
Dispatch						
Revenues	(556,300)	(568,700)	(563,500)	(586,000)	(22,500)	3.99%
Expenses	<u>1,532,100</u>	<u>1,596,500</u>	<u>1,618,700</u>	<u>1,671,400</u>	<u>52,700</u>	<u>3.26%</u>
Total	975,800	1,027,800	1,055,200	1,085,400	30,200	2.86%
Prevention	877,200	867,800	907,400	927,100	19,700	2.17%
Staff Development	447,700	401,200	447,700	447,700	-	0.00%
Equipment Maintenance	835,100	931,500	854,300	1,000,800	146,500	17.15%
Building Maintenance	113,600	120,500	102,600	108,200	5,600	5.46%
Total	17,166,800	17,528,700	17,782,200	18,182,300	400,100	2.25%

- Dispatch expenses - \$22,100 in ECOMM services
- Equipment Maintenance – additional mechanic by transferring one FTE from Suppression and Rescue and non-discretionary increases to equipment reserve transfer and supplies.
- Building Maintenance – utility budgets



Emergency Program

The Saanich Fire Department is responsible for administration of Saanich's Emergency Program. 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 preparedness practices and ready to respond should a major emergency or disaster unfold.

BUDGET SUMMARY	
2018 Net Budget	\$ 426,000
2017 Net Budget	\$ 420,000
Net Change	\$ 6,000
Change by %	1.43%
2018 FTE	3.00
2017 FTE	3.00
FTE Change	0.00
FTE Change %	0.00%
Carbon Footprint (CO2e)	n/a

Complementing the Emergency Program and Saanich's emergency response and recovery capacity are 129 municipal staff trained in Incident Command System and Emergency Operations Centre response procedures. There are also 80 Emergency Program volunteers in three emergency response divisions. Services provided to the community by Emergency Program volunteers include emergency social services, search and rescue, emergency communications and neighbourhood emergency preparedness.

2018 BUDGET CHALLENGES

- Support of operational needs has been a priority over capital replacement.

KEY 2017 ACCOMPLISHMENTS

- Emergency Management Training: 129 municipal staff provided with Emergency Operations Centre and/or Incident Command System training and emergency preparedness presentations provided to municipal staff in Public Works and Recreation.
- Emergency Planning: Municipal Emergency Evacuation Plan prepared, tested and validated through an exercise involving Saanich Police, Emergency Program staff, volunteers, Saanich Command Vehicle and Gordon Point Estate residents.
- Emergency Preparedness: Two emergency public information exercises completed in conjunction with National Emergency Preparedness Week and ShakeOut B.C.
- Community Engagement and Education: Emergency Program volunteers assisted in delivering 28 emergency preparedness presentations to 1,080 Grade 4 students. A total of 47 presentations were provided to 1,162 citizens, including 33 neighbourhood emergency preparedness presentations to 815 attendees and 14 staff presentations to 347 attendees.
- Community Events: With the assistance of Saanich Recreation's Youth Interns, Emergency Program volunteers and interns attended 15 community events to provide residents with information to prepare for, respond to and recover from earthquakes and other disasters.
- Support to Provincial State of Emergency: At the request of Emergency Management British Columbia (EMBC) to support the provincial state of emergency due to wildfire conditions across B.C., Emergency Program staff were deployed in July and August to the Provincial Emergency Coordination Centre in Victoria and Provincial Regional Emergency Operations Centre in Kamloops to manage and carry out advance planning for EMBC's Emergency Social Services Branch. In addition, Emergency Program volunteers were assigned to the EMBC call centre in Victoria and



deployed to Kamloops to assist at evacuee reception centres. Emergency Program staff and volunteers also provided support and assistance to displaced residents who had evacuated to Greater Victoria during the provincial emergency.

- Joint Partnerships: Participated in the Regional Emergency Management Partnership and Committee with the Province and CRD to enhance emergency management activity in the Capital Region. Through the partnership, the CRD and Province provide resources to municipalities and electoral areas to prepare for emergencies that are multi-jurisdictional or impact the entire region.
- Volunteer Management: Implemented volunteer management software to enhance communication, training and scheduling with Emergency Program volunteers.
- Emergency Response: The Emergency Program took delivery of a new amateur radio communications trailer to support amateur radio volunteers and post disaster communications.

2018 KEY PRIORITIES

Priority Strategic Initiatives include:

Safe Community

- Support municipal departments to develop and implement Department Operation Centre (DOCs) plans to operate during an emergency.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Emergency Management Systems	Support municipal departments to develop and implement Department Operation Centre (DOCs) plans to operate during an emergency.	C6 Safe Community
2. Emergency Management Training	Coordinate and support Emergency Operations Centre (EOC) and Incident Command System (ICS) training and exercises for municipal staff assigned to the EOC and working at key municipal facilities.	C6 Safe Community L1 Service Excellence
3. Emergency Management Systems	Work with provincial government and stakeholders to implement the Regional Emergency Management Partnership to enhance emergency management across the Capital Region.	C6 Safe Community
4. Emergency Management Systems	Rapid Damage Assessment (RDA) – Develop disaster staging areas.	C6 Safe Community
5. Emergency Management Systems	Expand the use of GIS mapping to include hazard risk vulnerability assessment mapping and other key information to support emergency response and recovery activities for the EOC and Saanich Command Vehicle.	C6 Safe Community
6. Emergency Management Systems	Update the Emergency Program Strategic Plan.	C6 Safe Community
7. Emergency Management Systems	Complete community emergency program planning survey.	C6 Safe Community
8. Emergency Management Systems	Implement a notification system for staff and volunteer recall.	C6 Safe Community



CORE BUDGET

The Department's 2018 net core budget of \$426,000 represents a 1.43% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Program Administration	351,000	378,400	398,500	404,500	6,000	1.51%
Training Programs	6,300	12,800	15,100	15,100	-	0.00%
Neighbour Helping Neighbour	6,400	7,800	6,400	6,400	-	0.00%
Total	363,700	399,000	420,000	426,000	6,000	1.43%



Planning

The Planning Department is comprised of four Divisions: Community Planning; Current Planning; Environmental Services; and Sustainability and Climate Change.

The **Community Planning Division** works with Council, residents and a range of stakeholder on plans and policies that guide growth and change in the community. The Division's work includes comprehensive plans such as Local Area Plans, the ongoing Douglas Corridor-Uptown initiative, and more focused projects such as looking at means to develop more affordable housing and ways to support agriculture and long-term food security. The Division also works with the regional community on cross boarder 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	
2018 Net Budget	\$ 2,745,100
2017 Net Budget	\$ 2,490,800
Net Change	\$ 254,300
Change by %	10.21%
2018 FTE	28.44
2017 FTE	26.74
FTE Change	1.70
FTE Change %	6.36%
2017 Carbon Footprint (CO2e)	30 Tonnes
2016 Carbon Footprint (CO2e)	34 Tonnes
Carbon Footprint Change	(4) Tonnes

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 Antenna. 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.

Subdivision activity increased between 2016 and 2017. There were 32 applications received in 2017 representing 91 potential new lots. At the present time, there are 75 active subdivision applications in total under review representing 231 potential new lots. It is expected that the trend towards a greater number of small 2-lot style applications will continue.

In 2018, subdivision applications are expected to be consistent with 2017 figures. Rezoning and major project applications in 2018 are expected to be similar to the volume experienced in during 2017.

The **Environmental Services Division** works with Council, staff, residents and a range of stakeholder on plans and policies that support a healthy natural environment. The Division's work includes comprehensive plans and programmes such as the management of invasive species in partnership with the Parks Division, and the protection of streams and associated riparian areas through the Streamside Development Permit Areas. The Division also undertakes more focused work reviewing development proposals, community outreach and the provision of educational programs for both staff and the public. The Division provides professional advice to Council, the public, staff, and a broad range of stakeholders on environmental matters and regulatory documents.

The **Sustainability and Climate Change Division** works with Council, residents, staff and a range of stakeholder on implementing the goals and objectives of both the Climate Change Mitigation and Climate Change Adaptation Plans. 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 works 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.

2018 BUDGET CHALLENGES

- The alignment of Council objectives and expectations with the resources and/or compromises required to meet those service levels.

KEY 2017 ACCOMPLISHMENTS

- Completed 4 phases of the Uptown Douglas Corridor Plan, which most recently include a comprehensive round of community and stakeholder engagement and initial policy development work.
- Completed community and stakeholder engagement on the Agriculture and Food Security Plan and initial policy development work.
- The master work plan for the renewal of the Local Area Plans was endorsed by Council.
- 2017 saw the adoption by Council of new long term Climate Action targets for Saanich to become a 100% Renewable Energy community and corporation by 2050 and to reduce our green house gas (GHG) emissions by 80% from 2007 levels. Council has approved the Terms of Reference for updating the Climate Plans to achieve these targets and work is underway in preparation for stakeholder and community engagement in 2018.
- 2017 also saw progress on several climate mitigation projects; the new Air Source Heat Pump at Gordon Head Recreation Centre was commissioned in early 2017 and is resulting in considerable natural gas savings in recent months and Saanich continues to lead in the province with 126 homes registered for the Oil to Heat Pump program and has seen great uptake on the Home Renovation Rebate Program.

2018 KEY PRIORITIES

Priority Strategic Initiatives include:

Balanced Transportation

- Complete draft of Uptown Douglas Corridor Plan, undertake community engagement and bring before Council for review and consideration.
- Develop Electric Vehicle Strategy.

Sustainable Environment

- Update the Streamside Development Permit Area Guidelines in response to the 2014 ombudsperson of British Columbia Report.
- Complete draft Agriculture and Food Security Plan, undertake community engagement and bring before Council for review and consideration.
- Update Pesticide Bylaw in response to new amendments of the Provincial legislation.
- Develop District Energy Business Case for the Uptown Douglas Corridor.
- Further investigate potential implementation of Step Code.
- Bring report to Council for consideration on the potential for a Home Energy Retrofit Financing (LIC) Pilot.

Healthy Community

- Complete community engagement and drafting of options report for Council on the potential for permitting garden suites.
- Bring forward process options report on means to accelerate the development review process.



Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Continue to implement key initiatives from the Climate Action Plans	The focus for 2018 will be on community and corporate initiatives related to improving building energy efficiency and moving towards 100% renewable energy.	C4 Sustainable Environment
2. Local Area Planning	<p>Work on updating both the Cordova Bay and Cadboro Bay Local Area Plans commence in late 2017, and will continue through 2018.</p> <p>Local area plans form part of the Official Community Plan and provide a policy framework for Council by addressing issues such as land use, transportation, environment, urban design, housing, economic development, parks, climate change, and community amenities.</p> <p>Completion of these two draft plans is targeted for first half of 2019.</p>	C1 Healthy Community C2 Foster Liveable Neighbourhoods C5 Vibrant Connected Economy
3. Uptown Douglas Corridor Plan	<p>Stretching from the City of Victoria border at the south end to just north of the Saanich Municipal Hall, the study area represents a critical regional hub that is expected to experience significant growth and change in the near future. Planning for future rapid transit on Douglas Street, creating a more attractive walkable urban environment and providing opportunities for more residents and jobs are some of the key topics that will be explored in the process.</p> <p>Completion of the draft plan and related community engagement is targeted for the end of Q2.</p>	C1 Healthy Community C2 Foster Liveable Neighbourhoods C5 Vibrant Connected Economy
4. Garden Suites	Garden suites are currently not permitted in Saanich. However, there has been growing community interest in having a garden suite to help offset a mortgage with rental income, house a family member, or provide an accessible living situation. On September 11, 2017, Council adopted a Terms of Reference for a study to explore potential regulatory changes to permit garden suites. The study commenced in late 2017 and is targeted to be completed in Q4 2018.	C1 Healthy Community C2 Foster Liveable Neighbourhoods



CORE BUDGET

The Department's 2018 net core budget of \$2,745,100 represents a 10.21% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Planning Administration	594,900	628,800	613,700	633,300	19,600	3.19%
Environmental Services	370,000	420,200	423,700	428,000	4,300	1.01%
Community Planning	662,400	581,500	716,900	879,300	162,400	22.65%
Sustainability	63,900	134,200	101,100	106,700	5,600	5.54%
Current Planning						
Revenues	(139,400)	(156,600)	(110,000)	(110,000)	-	0.00%
Expenses	<u>503,900</u>	<u>512,300</u>	<u>529,900</u>	<u>582,100</u>	<u>52,200</u>	<u>9.85%</u>
Total	364,500	355,700	419,900	472,100	52,200	12.43%
Subdivision						
Revenues	(65,000)	(64,600)	(59,100)	(59,100)	-	0.00%
Expenses	<u>260,000</u>	<u>257,700</u>	<u>274,600</u>	<u>284,800</u>	<u>10,200</u>	<u>3.71%</u>
Total	195,000	193,100	215,500	225,700	10,200	4.73%
Total	2,250,700	2,313,500	2,490,800	2,745,100	254,300	10.21%

- Planning Administration – allocation of budget from Inspections.
- Community Planning – full year budgeting of a planner and a planning technician approved prior year and job evaluation increase.
- Sustainability/Current Planning/Subdivision – job evaluation.



Engineering

The Engineering Department is responsible for policy development, design, delivery, construction and management for services and infrastructure on and under the street right-of-way. 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, Underground Services, Public Works, and Facility Operations. Engineering also has a Project and Quality Management office that plays an integrative role across the department in the delivery of capital projects and provides support in improving Project Management processes and tools for all departments.

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

The **Underground Services Division**, is responsible for managing the municipal water, sanitary sewer and storm drainage systems by undertaking systems planning and analysis; engineering designing and overseeing the construction of infrastructure improvement and replacement programs. As part of the Division, Underground Services 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 maintenance and repair 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 main and service repair and replacement, hydrant, valve and meter maintenance, water sample collection and testing, and the maintenance of six finished water reservoirs and 30 pressure regulating stations. Management of Fleet services and Administration round out the Public Works functional responsibility.

The **Facility Operations Division** is responsible for ensuring the safe and uninterrupted operation of corporate facilities, including Municipal Hall, the Police Station, Fire Halls, Recreation Centres, and Public Works Yard buildings. The Division also provides support services to several libraries within Saanich. To ensure the smooth operation of these facilities the Division actively manages the construction, maintenance and repair, and day-to-day efficiency of complex building systems.

BUDGET SUMMARY	
2018 Net Budget	\$ 12,649,600
2017 Net Budget	\$ 12,628,700
Net Change	\$ 20,900
Change by %	0.17%
2018 FTE	186.30
2017 FTE	184.92
FTE Change	1.38
FTE Change %	0.75%
2017 Carbon Footprint (CO2e)	1725 Tonnes
2016 Carbon Footprint (CO2e)	1700 Tonnes
Carbon Footprint Change	25 Tonnes

2018 BUDGET CHALLENGES

- The Public Works Yard continues to be a challenge as it is in substandard condition and doesn't meet BC Building Code requirements. There are operational space challenges and vectors are disrupting operations.
- The construction industry is busy with land development projects and a number of major infrastructure projects that will continue through 2018. A lack of contractor competition may result in less competitive prices.



- The increase in land development projects has put a strain on our ability to deliver the works and services in a timely manner.
- The continual aging of municipal assets / infrastructure will require ongoing maintenance and attention.
- Aging work force and retirements of long term employees, training of new employees, and transfer of knowledge base.
- Increasing numbers of public inquiries related to Transportation will continue to strain the staff resources available to respond to these inquiries.

KEY 2017 ACCOMPLISHMENTS

Transportation & Development Services

- The Active Transportation Plan is in Phase 3 of development and is expected to be presented to Council for adoption in the second quarter of 2018
- The Wilkinson Bridge Replacement and Colquitz River Trail was completed in May of 2017
- The Borden Cycle Track opened in July of 2017. 140,000 cycling trips were made on the cycle track in the second half of 2017.
- A new sidewalk and cycle track was constructed on McKenzie Ave between Shelbourne and Cedar Hill Cross Road, closing a gap in this important cycling route.
- Over 35 bus stops were improved, including 22 new shelters.
- Development Services processed over 2500 development and utility applications / permits.

Underground Services

- Completion of the Water Master Plan
- Completion of the Swan Creek/Blenkinsop Creek drainage model
- Upgrade/replacement of the Grange and Wilkinson Pump Stations
- Replacement of 5,000 metres of watermain; replacement/rehabilitation of 3,000 metres of sanitary sewer and replacement/rehabilitation of 2,200 metres of storm drain main
- Surveying services were provided for more than 115 construction layouts, 110 preliminary designs and 105 as-constructed records.
- The GIS team made significant advancement in collaboration with Corporate GIS on the creation of as-constructed records drawing attribute layer on the GIS which will be published in the first quarter of 2018.

Public Works

- Waterworks has implemented over 50% of the recent Arc Flash Study recommendations at various Pressure Relief Valve (PRV) stations throughout the municipality to improve worker safety.
- Implementation of radio-based traffic signal coordination on McKenzie Ave from Nelthorpe Street to Braefoot Rd and some adjacent intersections (7 intersections and growing), resulting in improved traffic flows and reduced idling and greenhouse gases.
- Successful delivery of the 2017 Capital Works Program.
- Completion of first two phases of Street Light upgrades from HPS to LED (for an anticipated total of 1405 lights by Dec 31 2017), resulting in 8% reduction in total street light power use.

Facility Operations

- The Strategic Facilities Master Plan is in the final phase of development and is expected to be presented to Council for adoption in the first quarter of 2018.
- Replaced the heating plant in the municipal hall with multiple, smaller boilers to increase the level of system redundancy and protect the facility from unforeseen shutdowns. The project incorporated additional controls to optimize the system performance and further reduced the Corporate GHG emissions by 35 tonnes.
- Repairs made to the dehumidification system at Saanich Commonwealth Place.
- Remediated the steam room at Gordon Head Recreation Centre.
- Completed renovations to the municipal Council Chambers.



2018 KEY PRIORITIES

Priority Strategic initiatives include:

Sustainable Environment

- Complete a Drainage Master Plan. Saanich has made a long-term commitment to improve its storm drain network and reduce the risk of flooding. As part of this commitment a Drainage Master Plan will be completed and the first step is to model all drainage basins. These models will consider the impact of climate change, identify deficiencies and solutions, and evaluate the impact of storm water management improvements. The next drainage catchments to be modelled include: Colquitz, Tod and Cecilia Creek catchment areas
- Support the Capital Regional District (CRD) project team on the Core Area Wastewater Treatment project.

Balanced Transportation

- Collaborate with the Ministry of Transportation on the Trans-Canada Highway / McKenzie Avenue and Admirals Road interchange project.
- Develop an Active Transportation Master Plan to serve as a long-term strategic vision for the District that will help guide active transportation decisions and public investments for the years ahead.
- Collaborate with BC Transit on transportation initiatives such as the transit exchange at Uptown Centre and implementation of bus rapid transit on Douglas Street.
- Develop a strategic plan to protect or relocate Cordova Bay Road within Mount Douglas Park.
- Begin implementation of the Shelbourne Valley Action Plan (SVAP) short term mobility improvements projects. As part of the SVAP, it was identified that short term mobility priorities needed to be implemented along the Shelbourne corridor to enhance the pedestrian, cycling, and transit infrastructure. The existing road structure and underground utilities are also in need of replacement and repair to maintain service levels and/or extend the useful life of each asset.

Healthy Community

- Develop and implement a major Facilities Master Plan. Over the next decade, Saanich will complete a number of initiatives to ensure the long-term sustainability of aging municipal facility infrastructure.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
Transportation and Development Services		
1. Tillicum Road Walking, Cycling and Utilities Upgrades	Construct upgraded sidewalks and new all ages and abilities cycling facilities.	C7 Balanced Transportation
2. Finnerty Road Walking, Cycling and Utilities Upgrades	Construct new sidewalks and all ages and abilities cycling facilities	C7 Balanced Transportation
3. Safe and Active Routes to School Planning	Continue to support safe and active routes to school planning in collaboration with the CRD.	C7 Balanced Transportation
Underground Services		
1. Gorge drainage system replacement	Continued focus on replacing aging drainage infrastructure in the Gorge drainage basin.	F4 Sustainable Environment C4 Sustainable Environment
2. As-constructed record drawing layer in GIS	Complete phase 1 of project to publish all available record drawings for underground utilities as a single attribute.	F4 Sustainable Environment



3. Survey equipment replacement plan	Complete a Survey equipment asset replacement plan	F4 Sustainable Environment C4 Sustainable Environment
Public Works		
1. Ongoing commitment for OH&S	Continue to foster and promote a healthy respectful workplace and culture of safety.	C6 Safe Community L1 Service Excellence L3 Service Excellence
2. Sidewalk Inspection Policy Review	Undertake a review of the Sidewalk Inspection Policy	C6 Safe Community F4 Sustainable Environment
3. Solid Waste Management Plan	Undertake a terms of reference for a Solid Waste Management Plan.	C4 Sustainable Environment F4 Sustainable Environment
Facility Operations		
1. Universal Accessibility - Les Passmore	Renovate an existing lavatory to create a universally accessible washroom.	C6 Safe Community F4 Sustainable Environment
2. Barracks Refresh – Fire Hall 1	Remediate existing space to improve environmental conditions and workplace safety.	C6 Safe Community F4 Sustainable Environment
3. Walkway Replacement – Municipal Hall	Replace the existing walkway and improve wheelchair accessibility between the Annex and Municipal Hall.	C6 Safe Community F4 Sustainable Environment

CORE BUDGET

The Department's 2018 net core budget of \$12,649,600 represents a 0.17% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2016	2017	2017	2018	2018/2017	2018/2017
Engineering Services	2,476,800	2,434,100	2,756,500	2,707,800	(48,700)	(1.77%)
Facility Operations	1,482,900	1,581,400	1,505,500	1,604,900	99,400	6.60%
Public Works	8,137,200	8,372,300	8,366,700	8,336,900	(29,800)	(0.36%)
Total	12,096,900	12,387,800	12,628,700	12,649,600	20,900	0.17%

Engineering Services

The Division's net core budget of \$2,707,800 represents a 1.77% decrease over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2016	2017	2017	2018	2018/2017	2018/2017
Engineering Services						
Revenue	(1,180,300)	(1,157,600)	(1,223,700)	(1,321,300)	(97,600)	7.98%
Expense	3,657,100	3,591,700	3,980,200	4,029,100	48,900	1.23%
Total	2,476,800	2,434,100	2,756,500	2,707,800	(48,700)	(1.77%)

- Engineering Services Division – cost recovery from utilities to better reflect the services provided by the Division.



Facility Operations

The Division's net core budget of \$1,604,900 represents a 6.60% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Administration	159,800	120,100	186,400	188,500	2,100	1.13%
Minor Facility Repair	354,300	311,500	351,200	351,200	-	0.00%
Les Passmore Building	209,800	165,300	162,300	165,700	3,400	2.09%
Municipal Hall Building	587,700	610,400	541,000	550,500	9,500	1.76%
Municipal Annex	136,100	145,200	124,600	125,600	1,000	0.80%
Other Buildings	20,800	19,000	27,100	37,900	10,800	39.85%
Public Safety Building						
Revenues	(483,600)	(563,400)	(563,400)	(579,800)	(16,400)	2.91%
Expenses	<u>447,700</u>	<u>723,300</u>	<u>676,300</u>	<u>765,300</u>	89,000	<u>13.16%</u>
Total	(35,900)	159,900	112,900	185,500	72,600	100.00%
Public Works and Parks						
Revenues	(241,600)	(261,900)	(261,900)	(280,100)	(18,200)	6.95%
Expenses	<u>291,900</u>	<u>311,900</u>	<u>261,900</u>	<u>280,100</u>	18,200	<u>6.95%</u>
Total	50,300	50,000	-	-	-	0.00%
Total	1,482,900	1,581,400	1,505,500	1,604,900	99,400	6.60%

- Other Buildings – full year funding for Goward House utilities and maintenance as approved by Council in the prior year.
- Public Safety Building – lease costs for the Police building on 57 Cadillac. Additional increases to come in the next two years totaling \$75,000.
- Public Works and Parks – utility costs.



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 \$8,336,900 decreased 0.36% over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Administration	586,400	820,000	960,800	777,100	(183,700)	(19.12%)
Fleet						
Revenue	(4,569,800)	(4,564,000)	(4,741,000)	(4,810,500)	(69,500)	1.47%
Expense	<u>4,586,800</u>	<u>4,739,100</u>	<u>4,741,000</u>	<u>4,810,500</u>	<u>69,500</u>	<u>1.47%</u>
Total	17,000	175,100	-	-	-	0.00%
Solid Waste Services						
Revenue	(5,908,100)	(6,136,900)	(6,107,600)	(6,378,000)	(270,400)	4.43%
Expense	<u>6,079,400</u>	<u>6,300,400</u>	<u>6,371,200</u>	<u>6,672,100</u>	<u>300,900</u>	<u>4.72%</u>
Total	171,300	163,500	263,600	294,100	30,500	11.57%
Storm Drains	1,976,600	1,929,900	1,979,900	2,007,200	27,300	1.38%
Street Operations	5,385,900	5,283,800	5,162,400	5,258,500	96,100	1.86%
Total	8,137,200	8,372,300	8,366,700	8,336,900	(29,800)	(0.36%)

- Administration – cost recovery from utilities for services provided by Public Works administration including the consolidation of clerical services which were previously allocated by section and utility.
- Solid Waste Services – volume increases of both organics and garbage waste with a corresponding increase in disposal and processing costs. In addition the increases are due to allocation of utility billing costs to Solid Waste Services for the first time supporting Council's revenue policy to utilize user fees where appropriate.



Parks and Recreation

The Parks and Recreation Department develops social capital in the community and supports social well-being by ensuring our residents can connect with self, community, the District and the region in order to create a Healthy Saanich by:

- Leveraging Council's investment through strong programs, services and relationships.
- Creating spaces and places for individuals and families to develop self and engage with one another and the community.
- Providing a wide range of programs and services (from arts to special events; cultural to social and environmental to sport); promoting active, healthy living (direct/indirect).
- Managing and operating the District's recreation and park's physical assets that support residents in their pursuit of self, connections and community.

BUDGET SUMMARY	
2018 Net Budget	\$ 16,582,200
2017 Net Budget	\$ 15,669,300
Net Change	\$ 912,900
Change by %	5.83%
2018 FTE	311.64
2017 FTE	305.58
FTE Change	6.06
FTE Change %	1.98%
2017 Carbon Footprint (CO2e)	2266 Tonnes
2016 Carbon Footprint (CO2e)	2168 Tonnes
Carbon Footprint Change	98 Tonnes

The Department is comprised of two Divisions that plan and manage a number of municipal services.

The **Parks Division** is responsible for 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. The Division's lands are biologically diverse offering residents a spectrum of active living experiences and opportunities to connect with nature. Recent studies have shown that human health outcomes are improved with access to nature. This requires the Division to provide urban forestry, horticulture and natural areas management services. Signature parks known throughout the region and beyond include: Mount Douglas, Mount Tolmie, Gorge, Cuthbert Holmes, Cedar Hill and Prospect Lake. The Division's functions are supported by its own Administration unit.

The **Recreation Division** is responsible for planning, coordinating and delivering a continuum of active living programs and services spanning all ages and abilities, and for planning, managing and maintaining the District's four recreation centres and the Cedar Hill Golf Course. The facilities, welcoming more than one million visitors annually and generating over \$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 Division's functions are supported by its own Administration unit, which provides similar support to the Community Recreation Services Section and the Department's leadership team.

2018 BUDGET CHALLENGES

Parks and Recreation

- Aging workforce
- Competitive labour market
- Increase of infrastructure without corresponding operational resources
- Aging / stagnant facilities



- High public engagement expectations
- Service pressures (greater demand than available program and support space)
- Declining revenues
- Shifting demographics resulting in higher level of subsidy for aging population

KEY 2017 ACCOMPLISHMENTS

Parks

- Completion of the Lindsay Street portion of the Colquitz Trail
- Renovation of McMinn Park Phase 1
- Implementation of Mount Douglas Park access initiatives
- Development of Partners in Parks framework and guidelines
- Replacement of Sierra Park playground
- First solar lighting of pathway in Layritz Park
- Dedication of Vic Derman Park

Recreation

- Council adoption of Older Adult Strategy
- Regional sign-off and implementation of the Health and Recreation Partnership (HARP)
- Implementation of Year 1 of the Youth Development Strategy
- Completed substantial drainage improvement project at Cedar Hill Golf Course
- Updated non-cardio fitness equipment in community recreation centre weight rooms

2018 KEY PRIORITIES

Priority Strategic initiatives include:

Environmental Integrity

- Review and revise the Park Acquisition Strategy

Sustainable Environment

- Implementation of Invasive Species Strategy
- Implementation of Urban forestry Strategy
- Continuation of park planning with Haro Woods and Cedar Hill Park

Healthy Community

- Citizens who participated in physical activity 3 or more days per week: 2018 TARGET > 82%

Community Infrastructure

- Replacement of field house curtain system at G.R. Pearkes Community Recreation Centre
- Updates to Ceramics Studio at Cedar Hill Community Recreation Centre
- Upgrades to air handling system in multi-purpose rooms at Gordon Head Community Recreation Centre



Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Complete market analysis for recreation facilities	A detailed and relevant analysis of Saanich's population demographics, including vulnerable and special populations and forecasts of future population changes in both the District and the Capital Regional District as it relates to facility development, changes, and renewal.	I3 Service Excellence
2. Successful completion of Recreation System Replacement project	As the current recreation software system (CLASS) retires, a new Recreation management and recreation system will be implemented in Q1.	F2 Service Excellence I3 Service Excellence
3. Completion of park management plans	Haro Woods Park Management Plan is completed. Cedar Hill Park Plan is scoped Park Acquisition Strategy is updated	F4 Healthy Community
4. Infrastructure Planning	Parks irrigation system audit is completed. Cedar Hill Golf Course Drainage Plan is developed to include the Bowker Creek Blueprint. Recreation Centre(s) Parking Lot Plan complete with timeline and costs. Gold Rink Slab Study complete to determine slab replacement timing. Parks Washroom Strategy will begin.	F4 Healthy Community
5. Extension of High Performance Sport Trust Fund at Saanich Commonwealth Place	The Sport Trust fund with the Federal and Provincial governments expires in 2019.	C4 Healthy Community I3 Service Excellence C6 Support economic development F1 Healthy Community
6. Provide leadership in Regional Initiatives	Regional LIFE program review will be undertaken. Regional pickle ball strategy is underway.	C4 Healthy Community I3 Service Excellence F2 Vibrant Connected Economy



CORE BUDGET

The Department's 2018 net core budget of \$16,582,200 represents a 5.83% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2016	2017	2017	2018	2018/2017	2018/2017
Parks & Rec. Administration	868,000	755,300	819,900	829,600	9,700	1.18%
Parks	6,827,500	6,771,800	6,759,800	7,029,200	269,400	3.99%
Cedar Hill Recreation Centre	1,099,100	1,158,000	1,299,700	1,284,200	(15,500)	(1.19%)
Gordon Head Recreation Centre	1,632,900	1,794,300	1,711,400	1,837,000	125,600	7.34%
G R Pearkes Recreation Centre	1,320,600	1,383,100	1,239,400	1,365,700	126,300	10.19%
Saanich Commonwealth Place	2,681,200	2,845,300	2,700,500	2,941,900	241,400	8.94%
Community Services	1,059,200	1,058,700	1,129,800	1,180,900	51,100	4.52%
Cedar Hill Golf Course	90,800	212,600	8,800	113,700	104,900	100.00%
Total net cost	15,579,300	15,979,100	15,669,300	16,582,200	912,900	5.83%

- All recreation centres have the full year costing of additional Building Service Workers hours approved in the prior year and non-discretionary increases to utility budgets, building maintenance supplies and credit card fees. In addition all Divisions have been allocated funds for job evaluation.

Parks and Recreation Administration

Parks and Recreation administration provides management, marketing, volunteer and support services.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Administration	686,900	630,300	640,800	648,000	7,200	1.12%
Marketing						
Revenues	(188,500)	(218,300)	(179,000)	(179,200)	(200)	0.11%
Expenses	<u>327,900</u>	<u>299,800</u>	<u>316,300</u>	<u>318,600</u>	<u>2,300</u>	<u>0.73%</u>
Total	139,400	81,500	137,300	139,400	2,100	1.53%
Integration Recreation Victoria	41,700	43,500	41,800	42,200	400	0.96%
Total	868,000	755,300	819,900	829,600	9,700	1.18%



Parks Division

The Parks Division works in partnership with the community to support healthy lifestyles and to preserve and protect the natural environment. This is achieved through the provision of parks that meet a variety of community needs. The Division is responsible for the planning, design, development and operation of 171 parks covering more than 825 hectares. It is also responsible for maintaining the urban forest in Saanich. This includes arboriculture in parks and boulevards and the oversight of the Tree Protection Bylaw. With the increase in green infrastructure as Saanich's major roads are redeveloped, the Parks Division has assumed the additional responsibility of caring for the related landscaping on boulevards and in rain gardens. The division's net core budget of \$7,029,200 represents a 3.99% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Administration	574,000	581,500	606,800	627,900	21,100	3.48%
Parks Operations	4,774,700	4,712,700	4,655,000	4,881,800	226,800	4.87%
Design and Development	1,157,900	1,141,800	1,138,500	1,151,100	12,600	1.11%
Community Development & Business Systems	320,900	335,800	359,500	368,400	8,900	2.48%
Total	6,827,500	6,771,800	6,759,800	7,029,200	269,400	3.99%

- Administration/Parks Operations - negotiated wage increases and increments and non-discretionary operating costs for new infrastructure added in prior years.
- Community Development & Business Systems – increase in wage increments and allocation of budget from Design and Development.



Cedar Hill Community Recreation Centre and Golf Course

Cedar Hill Community Recreation Centre, which opened in 1973, is located at the corner of Finlayson and Cedar Hill Road, on the Saanich/Victoria border. The facility welcomes over 318,000 participants per year. Services unique to Cedar Hill include tennis, squash, a senior's club, easy access to the 3.5km (2.2 mile) walking trail surrounding the Cedar Hill Golf Course, and the Arts Centre at Cedar Hill completed in 2011. A variety of events of interest to the region are hosted here such as provincial and international racquet sport tournaments and the Family Arts Festival.

A wide variety of preschool, youth and adult programs take place in the dance studio, auditorium, and meeting rooms. Partnership programs with the Cedar Hill Squash Club, New Horizons Seniors Club, Tennis BC, and others allow for enhanced services to residents. Cedar Hill is a designated National Tennis Development Centre for U12 players.

The Gallery Café, adjacent to the main entrance, provides a welcoming, social environment for participants and neighbours and serves as a venue for local artists to display their work.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Programming & Reception						
Revenues	(144,600)	(145,000)	(140,800)	(141,100)	(300)	0.21%
Expenses	<u>1,170,600</u>	<u>1,254,500</u>	<u>1,222,200</u>	<u>1,257,700</u>	<u>35,500</u>	<u>2.90%</u>
Total	1,026,000	1,109,500	1,081,400	1,116,600	35,200	3.26%
Programs						
Revenues	(1,488,900)	(1,556,900)	(1,328,800)	(1,474,300)	(145,500)	10.95%
Expenses	<u>802,100</u>	<u>845,600</u>	<u>784,100</u>	<u>851,400</u>	<u>67,300</u>	<u>8.58%</u>
Total	(686,800)	(711,300)	(544,700)	(622,900)	(78,200)	14.36%
Maintenance	759,900	759,800	763,000	790,500	27,500	3.60%
Total	1,099,100	1,158,000	1,299,700	1,284,200	(15,500)	(1.19%)

- Programming & Reception – job evaluation.
- Programs – revenue increases with corresponding expense increases.
- Maintenance – full year addition to building service workers hours approved in the prior year.



Cedar Hill Golf Course, located on Derby Road off Cedar Hill Road, provides "close to home" golf for beginners and experienced players on an 18 hole, 5100 yard course. CPGA instruction, pro shop sales and services, a short club practice range, FootGolf, licensed light snacks and beverages and banquet and meeting services round out the available services. Green fee play and pass holder tee times are facilitated through an on-line booking system.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Golf Revenues	(1,299,700)	(1,252,800)	(1,317,200)	(1,305,700)	11,500	(0.87%)
Administration	190,800	191,600	184,100	190,200	6,100	3.31%
Pro Shop	74,200	69,900	69,000	69,000	-	0.00%
Food and Beverage						
Revenues	(598,600)	(587,800)	(592,200)	(592,200)	-	0.00%
Expenses	<u>610,200</u>	<u>617,900</u>	<u>619,800</u>	<u>618,600</u>	<u>(1,200)</u>	<u>(0.19%)</u>
Total	11,600	30,100	27,600	26,400	(1,200)	(4.35%)
Facility Maintenance	234,800	224,900	227,200	254,500	27,300	12.02%
Grounds Maintenance	746,400	827,900	735,800	758,300	22,500	3.06%
Debt, Capital and Overhead	476,400	994,200	916,800	414,600	(502,200)	(54.78%)
Sub-Total	434,500	1,085,800	843,300	407,300	(436,000)	(51.70%)
Transfer from Reserves	(343,700)	(873,200)	(834,500)	(293,600)	540,900	(64.82%)
Total	90,800	212,600	8,800	113,700	104,900	100.00%

- Golf Revenues – decrease in season passes mostly offset by increase in green fee revenues.
- Facility Maintenance – full year addition to building service workers hours approved in the prior year and utility costs.
- Grounds Maintenance – non-discretionary utility and supply costs.
- Debt, Capital and Overhead – only debt and overhead are supported by reserve transfers in 2018.



Gordon Head Community Recreation Centre

Gordon Head Community Recreation Centre is nestled in Lambrick Park off Feltham Road in the heart of Gordon Head and provides community access to a wide variety of activities which promote healthy lifestyles for preschoolers, youth, adults and seniors. Facilities include a 25 metre pool with climbing wall and a lift 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 Youth Skateboard Park, providing youth with additional healthy lifestyle choices. 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. Community partnerships with health serving agencies allow for services such as physiotherapy, kinesiology and massage therapy. Partnerships with IHA provide recovery programs, as well as preventative services.

A partnership with School District 61 at Gordon Head Middle School provides valuable community recreation program space for Saanich. Facilities include double gymnasium, dance studio, textiles and food rooms, art room, and music studio available in the evenings, on weekends and on all school non-instructional days.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Programming & Reception						
Revenues	(92,600)	(99,900)	(79,500)	(79,800)	(300)	0.38%
Expenses	<u>1,229,600</u>	<u>1,272,600</u>	<u>1,223,300</u>	<u>1,264,500</u>	<u>41,200</u>	<u>3.37%</u>
Total	1,137,000	1,172,700	1,143,800	1,184,700	40,900	3.58%
Programs						
Revenues	(2,348,600)	(2,311,000)	(2,264,300)	(2,277,500)	(13,200)	0.58%
Expenses	<u>1,747,100</u>	<u>1,736,100</u>	<u>1,760,000</u>	<u>1,795,000</u>	<u>35,000</u>	<u>1.99%</u>
Total	(601,500)	(574,900)	(504,300)	(482,500)	21,800	(4.32%)
Maintenance	1,097,400	1,196,500	1,071,900	1,134,800	62,900	5.87%
Total	1,632,900	1,794,300	1,711,400	1,837,000	125,600	7.34%

- Programming & Reception – non-discretionary credit card charges and job evaluation.
- Maintenance – full year addition to building service workers hours approved in the prior year and non-discretionary supply costs.



G. R. Pearkes Community Recreation Centre

G.R. Pearkes Community Recreation Centre, located behind 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, a fitness centre, meeting rooms, field house and a Youth Activity Centre.

The partnership with Saanich Neighbourhood Place provides licensed preschool programs and family support opportunities for local residents. Further partnerships are in place with the Greater Victoria Public Library, Queen Alexandra Society, Burnside Gorge After School Care and Kids Klub as each organization has facilities and services on site at Pearkes. Programs and services are also offered at Colquitz Middle School in partnership with School District 61, plus 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, Saanich Minor Hockey, Saanich Braves Jr. B Hockey Club, Saanich Major Midget, Saanich Figure Skating Club, Saanich Lacrosse and the Greater Victoria Minor Ball Hockey Association.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Programming & Reception						
Revenues	(987,500)	(1,035,300)	(995,100)	(1,001,800)	(6,700)	0.67%
Expenses	<u>1,090,700</u>	<u>1,109,000</u>	<u>1,103,400</u>	<u>1,135,800</u>	<u>32,400</u>	<u>2.94%</u>
Total	103,200	73,700	108,300	134,000	25,700	23.73%
Programs						
Revenues	(930,400)	(893,400)	(929,900)	(930,000)	(100)	0.01%
Expenses	<u>620,800</u>	<u>693,000</u>	<u>617,100</u>	<u>622,300</u>	<u>5,200</u>	<u>0.84%</u>
Total	(309,600)	(200,400)	(312,800)	(307,700)	5,100	(1.63%)
Maintenance	1,527,000	1,509,800	1,443,900	1,539,400	95,500	6.61%
Total	1,320,600	1,383,100	1,239,400	1,365,700	126,300	10.19%

- Programming & Reception – job evaluation.
- Maintenance – full year addition to building service workers hours approved in the prior year and non-discretionary utility and supply costs.



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 meter competitive pool, which can be used for international level events, a dive tank, leisure pool, wave pool and waterslide. Other facilities within the building 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, café, the Victoria offices of Pacific Sport, and the Bruce Hutchison Branch of the Greater Victoria Library.

A major component of the Centre's programming occurs off site at Royal Oak Middle School through the Department's agreement with School District #63.

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
	2016	2017	2017	2018	2018/2017	2018/2017
Programming & Reception						
Revenues	(432,200)	(467,800)	(373,400)	(414,700)	(41,300)	11.06%
Expenses	<u>1,897,400</u>	<u>1,996,700</u>	<u>1,894,600</u>	<u>1,953,200</u>	<u>58,600</u>	<u>3.09%</u>
Total	1,465,200	1,528,900	1,521,200	1,538,500	17,300	1.14%
Programs						
Revenues	(4,202,100)	(4,297,600)	(4,115,300)	(4,156,800)	(41,500)	1.01%
Expenses	<u>3,334,900</u>	<u>3,512,100</u>	<u>3,261,700</u>	<u>3,454,100</u>	<u>192,400</u>	<u>5.90%</u>
Total	(867,200)	(785,500)	(853,600)	(702,700)	150,900	(17.68%)
Maintenance	2,083,200	2,101,900	2,032,900	2,106,100	73,200	3.60%
Total	2,681,200	2,845,300	2,700,500	2,941,900	241,400	8.94%

- Programming & Reception – non-discretionary credit card charges and job evaluation.
- Programs – revenue reductions to aquatics and preschool programs offset increases in revenues in other programs, full year addition to lifeguard hours approved in the prior year and non-discretionary increases to lifeguard hours to meet Lifesaving Society Standards and to Royal Oak Middle School lease.
- Maintenance – non-discretionary utility costs.



Community Services

Community Recreation Services supports access to Saanich recreation facilities and the creation of local initiatives that provide opportunities for citizens to lead a healthy lifestyle and to be engaged in their community. The goal is to maximize resources in the community by working alongside citizens, schools, social serving agencies, health care providers, special interest groups and neighbourhood committees to create quality recreation programs and to decrease the barriers many families and individuals face in accessing recreation services.

The Section provides a wide variety of services including municipal and community special events, community development, volunteering, inclusion and 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.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Programming	546,400	539,100	569,500	601,900	32,400	5.69%
Programs						
Revenues	(247,300)	(221,100)	(204,200)	(211,100)	(6,900)	3.38%
Expenses	<u>760,100</u>	<u>740,700</u>	<u>764,500</u>	<u>790,100</u>	<u>25,600</u>	<u>3.35%</u>
Total	512,800	519,600	560,300	579,000	18,700	3.34%
Total	1,059,200	1,058,700	1,129,800	1,180,900	51,100	4.52%

- Programming – job evaluation.
- Programs – revenue increases with corresponding expense increases and job evaluation.



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 new 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	
2018 Net Budget	\$ 33,574,300
2017 Net Budget	\$ 32,334,100
Net Change	\$ 1,240,200
Change by %	3.84%
2018 FTE	249.27
2017 FTE	246.97
FTE Change	2.30
FTE Change %	0.93%
2017 Carbon Footprint (CO2e)	530 Tonnes
2016 Carbon Footprint (CO2e)	513 Tonnes
Carbon Footprint Change	17 Tonnes

CORE BUDGET

The Saanich Police Board 2018 net core budget is \$ 33,574,300 which represents a 3.84% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
Executive Administration						
Revenues	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	-	0.00%
Expenses	4,471,200	4,811,100	4,443,500	4,750,000	306,500	6.90%
Total	2,985,800	3,311,100	2,943,500	3,250,000	306,500	10.41%
Staff Development	929,300	946,900	913,500	998,900	85,400	9.35%
General Administration	5,881,800	6,183,400	6,136,000	6,453,700	317,700	5.18%
Uniform Division	11,973,200	12,779,400	12,958,300	13,250,900	292,600	2.26%
Community Liaison	2,368,700	2,476,800	2,519,400	2,429,100	(90,300)	(3.58%)
Detectives	6,570,700	6,764,700	6,863,400	7,191,700	328,300	4.78%
Total	30,709,500	32,462,300	32,334,100	33,574,300	1,240,200	3.84%

- Traffic Fine revenues are received as an unconditional grant to defray the cost of police services
- Executive Administration/Staff Development/General Administration/Uniform Division – partial year cost of a six positions and increases to both contractual costs and reserve transfers.
- Community Liaison – wage increment and relief hours
- Detectives – wage increment; full FTE moved over from Uniform Division

The complete [Saanich Police Board 2018 Provisional Budget](#) is available on the Saanich website. The approved budget reflects a 3.84% increase and includes CUPE job evaluation funding.



Cultural Services

The Cultural Services budget is primarily comprised of Library Services and the Swan Lake Nature House.

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	
2018 Net Budget	\$ 7,224,100
2017 Net Budget	\$ 6,897,200
Net Change	\$ 326,900
Change by %	4.74%
FTE	n/a
Carbon Footprint (CO2e)	n/a

The Swan Lake Christmas Hill Nature House is operated under the terms of a management contract.

2018 Budget Challenges

- Maintain funding for increased library and Swan Lake Nature House services in an uncertain economic climate.

CORE BUDGET

Net Budget By Function	Actual 2016	Actual 2017	Budget 2017	Budget 2018	\$ Change 2018/2017	% Change 2018/2017
Greater Victoria Public Library	5,395,100	5,487,800	5,487,800	5,755,500	267,700	4.88%
Branch Libraries Lease and Maintenance	238,200	240,000	235,800	237,100	1,300	0.55%
Swan Lake Christmas Hill Nature House	369,800	369,800	369,800	378,700	8,900	2.41%
Grants	825,400	851,800	803,800	852,800	49,000	6.10%
Total	6,828,500	6,949,400	6,897,200	7,224,100	326,900	4.74%

- Greater Victoria Public Library – increase due mainly to wage increment and slight increase to Saanich's share of 0.63% over prior year.
- Grants – final increase of approved funding for the Regional Economic Development Strategy.

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 \$4.0 million in the year 2000 to an annual average of over \$23 million in the last three years for general capital.

Spending has historically been balanced between replacing existing infrastructure and building new facilities. The focus is replacement of existing infrastructure. The estimates outlined in each section are based on the following assumptions:

1. A net 2% increase in tax funded core capital over 2017 budget
2. A minimum 0.75% property tax allocation to infrastructure replacement
3. Debt Financing Guideline
4. All figures shown in 2018 dollars – no inflation allowance

Expenditures			Budget	Budget
	2017 Projects In Progress	2018 Capital Projects	Total 2018	2017
Police	1,374,700	1,431,200	2,805,900	2,657,100
Fire	622,300	1,200,000	1,822,300	716,500
Emergency Program	-	-	0	55,000
Finance	-	37,000	37,000	30,800
Transportation	8,604,700	8,231,900	16,836,600	17,323,600
Drainage	8,079,500	7,356,000	15,435,500	12,085,000
Parks	1,226,700	3,176,100	4,402,800	3,706,900
Recreation	1,469,700	1,138,800	2,608,500	2,260,900
Fleet Replacement	1,379,200	1,617,800	2,997,000	2,103,800
Information Technology	4,278,800	4,295,000	8,573,800	8,918,900
Community Facilities	2,930,600	6,254,300	9,184,900	6,819,400
Parkland Acquisition	-	2,500,000	2,500,000	2,500,000
	29,966,200	37,238,100	67,204,300	59,177,900
Source of Funding			Budget	Budget
	2017 Projects In Progress	2018 Capital Projects	Total 2018	2017
General Operating (Core Capital)	-	14,086,000	14,086,000	13,159,200
Future Expenditure Reserve	84,700	-	84,700	646,900
General Capital Reserves	23,931,500	10,119,700	34,051,200	28,730,800
Lands Sale Reserve	-	2,000,000	2,000,000	2,000,000
Development Cost Charges	290,000	658,000	948,000	1,490,200
Equipment Replacement Reserve	2,038,500	3,082,400	5,120,900	3,186,400
Grants & Contributions	521,500	470,000	991,500	1,528,500
Borrowing	3,100,000	6,822,000	9,922,000	8,435,900
	29,966,200	37,238,100	67,204,300	59,177,900

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 2018	Budget 2019	Budget 2020	Budget 2021	Budget 2022	Notes:
Vehicles, Equipment & Technology						
Police	1,431,200	792,900	802,800	812,900	823,200	1
Fire	1,200,000	35,000	270,000	700,000	1,550,000	
Emergency Program	-	50,000	-	-	15,000	
Finance	37,000	-	-	-	-	
Fleet Replacement	1,617,800	1,046,600	961,000	1,032,500	1,002,600	
Engineering	-	-	-	-	-	
Parks & Recreation	554,800	454,000	533,300	399,800	302,100	
Information Technology	4,295,000	4,003,000	3,623,500	3,783,000	5,306,500	2
Parkland Acquisition	2,500,000	1,500,000	1,000,000	1,000,000	500,000	3
	11,635,800	7,881,500	7,190,600	7,728,200	9,499,400	
Transportation						
Complete Streets	1,625,000	5,079,000	8,390,000	3,000,000	-	
Roads Improvement (includes sidewalk and bikeways components)	5,033,900	6,593,000	5,149,000	5,906,000	8,965,000	1
Bus Stops Improvement	190,000	190,000	190,000	190,000	190,000	5
Street Lights/Traffic Signals Improvement	1,043,000	525,000	345,000	345,000	345,000	
Bridges Replacement	200,000	400,000	-	-	-	1
Other	140,000	339,000	310,000	231,000	252,000	6
	8,231,900	13,126,000	14,384,000	9,672,000	9,752,000	
Drainage						
Wood Stave Replacement	175,000	-	1,428,000	4,028,000	3,110,000	5
Sub-standard Drain Replacement	4,011,000	6,575,000	4,825,000	4,685,000	2,350,000	
Other	1,095,000	1,299,000	1,189,000	1,114,000	1,054,000	
Transfer to/(Fr) Capital Reserve	2,075,000	320,000	100,000	-	1,000,000	
	7,356,000	8,194,000	7,542,000	9,827,000	7,514,000	
Sub Total	27,223,700	29,201,500	29,116,600	27,227,200	26,765,400	

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 2018	Budget 2019	Budget 2020	Budget 2021	Budget 2022	Notes:
Parks						
Playground Replacement	716,000	323,000	370,000	702,400	424,000	
Sports Field & Hard Court Replacement	133,000	1,047,000	427,000	602,000	602,000	
Parking Replacement	520,000	-	294,000	339,000	339,000	
Irrigation Replacement	80,000	85,000	68,000	68,000	68,000	
Bridges & Structures Replacement	238,000	220,000	20,000	200,000	200,000	1
Trails Replacement	226,000	132,000	481,000	143,000	143,000	
Buildings Replacement	40,000	124,000	146,000	146,000	146,000	
Park Infrastructure Replacement	425,000	896,400	814,000	626,000	821,000	
Natural Areas and Urban Forestry	383,000	204,000	243,700	238,000	238,000	
Other	272,000	114,100	313,800	95,800	162,500	
	3,033,000	3,145,500	3,177,500	3,160,200	3,143,500	
Recreation & Community Facilities						
Electrical	1,534,300	338,100	235,000	78,600	-	
Mechanical	606,700	51,500	1,387,600	1,995,100	-	
HVAC	315,000	1,560,000	351,000	-	-	
Building Envelope	618,500	780,000	587,500	225,000	697,500	1
Building Interior	644,900	575,000	756,500	765,000	1,263,500	
Parking Signage & Grounds	182,000	18,000	-	80,000	67,500	
Major Facilities Repair & Future Replacement Reserve	2,330,000	2,800,000	2,800,000	2,800,000	2,800,000	
Planning & Other	750,000	2,157,400	155,000	241,400	629,300	
	6,981,400	8,280,000	6,272,600	6,185,100	5,457,800	
Grand Total	37,238,100	40,627,000	38,566,700	36,572,500	35,366,700	

Notes:

1 – Based on age and condition assessment



Vehicles, Equipment and Technology

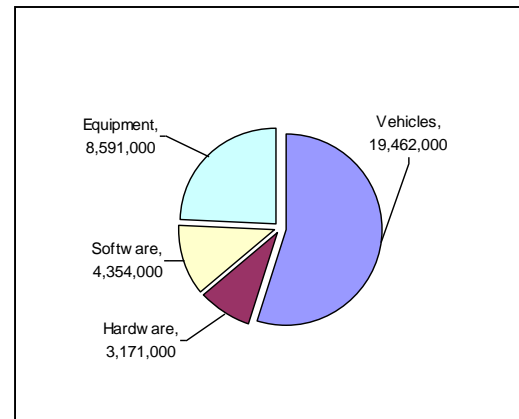
Saanich vehicles, equipment and information technology includes fleet vehicles for parks, public works, police and fire, computer and telephone hardware and software for all departments and a variety of equipment from fitness machines to lawn mowers.

Ensuring that there are sufficient funds to replace these items as they complete their useful life is of primary concern.

What needs to be done?

Investigate if existing equipment are required to be replaced in the future. Ensure that all major equipment and technology purchased have adequate replacement funds set aside in a reserve for future replacement.

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2014 \$)
Vehicles	4-25	\$ 2,163,000
Computer Hardware	4-6	\$ 714,000
Computer Software	4-20	\$ 343,000
Major Equipment	4-30	\$ 674,000
		\$ 3,894,000



This asset category was reviewed in 2014 and the average annual replacement cost was adjusted accordingly. Replacement values were also added for police vehicles and information technology. The revised annual replacement target was achieved in 2016 through additional transfer to the various reserve funds. Adjustments will be required for computer hardware and software once the IT infrastructure strategy has been implemented.

Financial Commitment in Financial Plan	2018
Capital funded directly from property taxation	\$ 840,700
Debt principal for capital purchases	\$ 538,700
Transfer to Reserve Funds for future replacement	\$ 2,363,800
Interest earned on Replacement Reserve Funds	\$ 150,800
Total Financial Commitment	\$ 3,894,000



Police Vehicles, Equipment and Technology

Police Services	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
Two-factor Authentication		61,100			61,100
New Building IT Infrastructure & Furniture		80,600			80,600
IT Server Room Air Conditioning		12,300			12,300
ERT Rescue Vehicle		77,000			77,000
Officer & Public Safety Equipment		202,600			202,600
MDT Vehicles		28,000			28,000
Hardware and Software		114,800			114,800
CCTV Equipment		28,800			28,800
Police Interior Renovation		302,700			302,700
Office Furniture		103,800			103,800
Vehicle Replacement Transition		128,000			128,000
Security Fencing		235,000			235,000
Total	-	1,374,700	-	-	1,374,700
2018 Capital Projects:					
MDT Replacement		275,000			275,000
Internet Upgrade		25,000			25,000
Office Equipment	75,000				75,000
Investigative Equipment	23,000				23,000
Officer & Public Safety Equipment	57,400				57,400
Hardware and Software	67,700	448,000			515,700
Annual Vehicle Replacement	260,100	200,000			460,100
Total	483,200	948,000	-	-	1,431,200



Fire Vehicles, Equipment and Technology

Fire Protection	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
SCBA Equipment		425,000			425,000
Shop Fume Hood		15,000			15,000
Protective Gear Washer		25,000			25,000
Medic Unit		110,000			110,000
Vehicle Replacement		47,300			47,300
Total	-	622,300	-	-	622,300
2018 Capital Projects:					
Ladder 3 Replacement		1,000,000			1,000,000
Vehicle Engine Refurbishment		70,000			70,000
Vehicle Replacement		130,000			130,000
Total	-	1,200,000	-	-	1,200,000

For 2018 purchases include 2 pickups and one ¾ ton van.

Finance Equipment

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2018 Capital Projects:					
Municipal Hall Equipment		37,000			37,000
Total	-	37,000	-	-	37,000

Production Printers and Equipment



Fleet Vehicles

The Fleet division has developed a long term vehicle replacement program for over 250 vehicles to smooth out the costs of replacement from year to year. An equipment replacement reserve is funded by annual contributions of approximately \$740,600 from the Fleet Division.

Vehicle Equipment Replacement Program	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
Fleet Vehicle Replacements, Various Small trucks and vehicles		1,379,200			1,379,200
Total	-	1,379,200	-	-	1,379,200
2018 Capital Projects:					
Fleet Vehicle Replacements, Various trucks and vehicles		1,617,800			1,617,800
Total	-	1,617,800	-	-	1,617,800

2017 vehicles yet to be received include 1 tandem dump truck, 1 hydro excavator, 1 sweeper, 1 single axle, 1 patch truck and 2 ¾ ton vans.

Vehicles to be purchased in 2018 include 3 pickups, 4 ¾ ton vans, 2 backhoes, 1 aerial manlift, 2 service vehicles, 1 asphalt patch unit, 1 hot mix asphalt paver/trailer, 1 3 ton utility dump truck and 8 trailers.



Parks and Recreation Equipment

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

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2018 Capital Projects:					
Golf Course Equipment Replacement		40,100		172,000	212,100
Recreation Equipment Replacement		199,600			199,600
Parks Equipment Replacement	143,100				143,100
Total	143,100	239,700	-	172,000	554,800

Golf Course equipment to be replaced in 2018 includes 1 gator, 2 large mowers, 1 ice machine, one floor scrubber and 1 beverage cart.

Recreation equipment to be replaced in 2018 5 elliptical, 2 steppers, 1 upright ryder, 2 treadmills, 25 spin bikes, accessibility lift, bouncy castle and non-cardio equipment.

Engineering Equipment

Annual replacement of equipment for Engineering.

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
Street Operations Equipment		25,000			25,000
Total	-	25,000	-	-	25,000
2018 Capital Projects:					
Survey Equipment		65,000			65,000
Total	-	65,000	-	-	65,000

Street Operations equipment - Tac Tank

Survey equipment – Total station and collectors



Information Technology

Hardware and software replacement including project implementation costs.

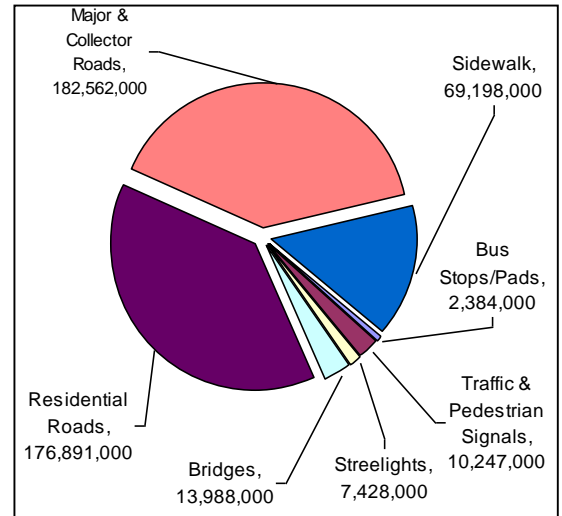
Information Technology	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
IT Infrastructure:					
Telephone System		854,500			854,500
IT Infrastructure Upgrades		603,000			603,000
Network Upgrade		920,000			920,000
Email Upgrades		250,000			250,000
Business Systems:					
Council Webcast		24,500			24,500
Agenda Management		50,000			50,000
Data Security		12,500			12,500
Fire Dispatch Phase 1 & 2		669,500	50,000		719,500
Tempest Upgrades		40,000			40,000
Fire Dispatch Inter-Government Services		90,000			90,000
Dispatch Move (Discovery)		60,000			60,000
Traffic Signal System (Discovery)		40,000			40,000
Elections (Discovery)		100,000			100,000
Ortho Photo Update		31,900			31,900
GIS Application Upgrade		110,000			110,000
Recreation Software Upgrade		224,600			224,600
New Assets/Projects:					
OC Plotter at PW/Parks		68,300			68,300
DOC Public Works Update		80,000			80,000
Total	-	4,228,800	50,000	-	4,278,800
2018 Capital Projects:					
IT Infrastructure:					
IT Infrastructure Upgrades		450,000			450,000
Network Upgrade		300,000			300,000
Business Systems:					
JD Edwards Implementation		1,450,000			1,450,000
Fire Dispatch Inter-Government Services		60,000			60,000
Phones		25,000			25,000
Tempest Upgrades		350,000			350,000
Fire Dispatch Phase 3		450,000			450,000
911 Next Generation		100,000			100,000
Traffic Signal System Implementation		150,000			150,000
Elections Implementation		150,000			150,000
GIS Application Upgrade		100,000			100,000
Recreation Software Upgrade		125,000			125,000
New Assets/Projects:					
Capital Contingency		331,000			331,000
Emerging Priorities	160,400	39,600			200,000
Division Capital	54,000				54,000
Total	214,400	4,080,600	-	-	4,295,000



Transportation

Saanich transportation infrastructure includes 178 km of major or collector roads, 370 km of residential roads, 141 km of bike lanes, 249 km of sidewalks and 32 bridges valued at \$468 million dollars.

Asset	Component	Estimated Asset Life	Average Annual Replacement Cost (2013 \$)
Roads	Major & Collectors	20-80	\$ 3,399,000
	Residential	40-100	\$ 2,378,000
Sidewalks	Concrete & asphalt pedestrian facilities	15-50	\$ 1,749,000
Bridges	Timber, concrete	60-100	\$ 172,000
Streetlights	Pole mount, steel Standard, post top	30	\$ 248,000
Traffic & Pedestrian Signals	Pedestrian control, Solar beacons	25	\$ 410,000
Bus Stops & Pads	Concrete & Asphalt	15-50	\$ 48,000
		Total:	\$ 8,404,000



How did we work toward the target?

- Allocated Federal Gas Tax to road and bridge rehabilitation.
- Allocated a portion of annual capital program tax increase.
- Supplemented with borrowing.
- Supplemented with Federal and/or Provincial Grants where possible.
- Pursued emerging technologies which may lower replacement costs or extend useful life.

Current Ongoing Financial Commitment to Transportation Infrastructure:

Financial Commitment in Financial Plan	2018
Transportation projects funded directly from property taxation	\$ 3,728,900
Annual Gas Tax and interest earned	\$ 3,700,000
Debt principal for transportation projects	\$ 320,700
Interest earned on Transportation reserve funds	\$ 126,700
Annual contributions from developers for transportation projects	\$ 527,700
Total Financial Commitment	\$ 8,404,000

How do we maintain sustainability?

- Continue with annual increases in capital funding to keep up with construction cost indices.



Transportation

Transportation	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
Complete Streets:					
Shelbourne Valley Concept Plan		592,900			592,900
Active Transportation Plan		112,400			112,400
Finnerty Road (McKenzie to Arbutus) 500m S/W & 1000m Cycling		1,235,000		265,000	1,500,000
Haliburton Road (Pat Bay Hwy to Wesley) 500m S/W & 1400m cycling		298,400		310,000	608,400
Shelbourne Valley Property Acquisition		350,000			350,000
Roads:					
Uptown Traffic Study		43,500			43,500
Emerging Priorities		544,400			544,400
Landsdowne at Dean Crosswalk		126,000			126,000
Asphalt Overlay Program		142,900			142,900
Sidewalks:					
Haliburton Road (to Cherry Tree Bend)		154,400			154,400
Morris Drive		299,900			299,900
Other Projects In Progress		275,200			275,200
Interurban Road (Meadowview to 4125 Interurban) 170m		250,000			250,000
Ansell Road Phase 1 (Midgard to Garnet)		45,900		350,000	395,900
Gordon Head Road (3912 to Cedar Hill X) 500m		49,000		320,000	369,000
Bikeways:					
Tillicum Road (Maddock to Trans Canada Hwy) 800m		707,900			707,900
Bus Stops, Signals, Street Lights:					
McKenzie / Quadra Traffic Signal		463,200	58,700		521,900
Various Bus Stop Improvements		284,500			284,500
Traffic Signal Assessment and Timing Updates		200,000		50,000	250,000
LED Street Light Program		20,900			20,900
Traffic & Street Light Rehabilitation		115,800		105,000	220,800
Bridges:					
Bridge Repair & Replacement		147,800			147,800
Keats Pedestrian Bridge		271,000			271,000
Other:					
Mount Doug Shoreline		256,000			256,000
Safe Route to School		94,000			94,000
Total	-	7,081,000	58,700	1,400,000	8,539,700



Transportation (Continued)

Transportation	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2018 Capital Projects:					
Complete Streets:					
Detailed Design SVAP Phase 1a (McKenzie to Feltham)		150,000			150,000
Detailed Design SVAP Phase 1b (Feltham to Torquay)		150,000			150,000
Design & Investigation of West Saanich/Propsect Lake/Sparton Intersection	50,000	150,000			200,000
Wilkinson Road Upgrades (SIDES & 4525) 450m	100,000	750,000		275,000	1,125,000
Roads:					
Ridgebank (Carey to Vanalman) 50m				650,000	650,000
Cedar Hill at McRae/Doncaster Crosswalk	60,000				60,000
Various Crosswalk Improvements	65,000				65,000
Pavement Study	50,000				50,000
Asphalt Overlay Program	937,000	863,000			1,800,000
Emerging Priorities	130,900				130,900
Sidewalks:					
Arrow Rd (1550 to CH Rd) 215m	20,000	50,000			70,000
Ansell Phase 2 (Garnet to McKenzie) / McKenzie Larchwood Crossing 300m	333,000				333,000
Caen Rd/Dieppe Rd 325m	85,000	90,000		200,000	375,000
Mortimer St (Shelbourne to Ansell) 650m	100,000			600,000	700,000
Sidewalk Rehabilitation Program				300,000	300,000
Corner Ramp Program	50,000				50,000
Bikeways Improvements:					
Feltham Rd (Shelbourne to Tyndall) 1450m	150,000			150,000	300,000
Pear St Bike Connector Phase 1c 1200m		150,000			150,000
Bus Stops, Signals, Street Lights:					
Bus Stop Improvements	100,000	15,000			115,000
Bus Stop Concrete Pad Improvements	75,000				75,000
Helmcken & Burnside Signal Upgrades	165,000			225,000	390,000
Quadra/McKenzie Traffic Signal Rehab		48,000			48,000
Interurban Rd (at Camosun College)		150,000			150,000
LED Street Light Program	400,000				400,000
Traffic & Street Light Rehabilitation	55,000				55,000
Bridges:					
Design Durrance Rd Bridge	100,000	100,000			200,000
Other:					
Safe Route to School	100,000				100,000
Right of Way Acquisition	40,000				40,000
Total	3,165,900	2,666,000	-	2,400,000	8,231,900



Drainage

Saanich storm drainage infrastructure includes 600 km of main drains, 30,000 laterals and 14,000 catch basins valued at \$502 million dollars. The majority of the municipal drainage system is in fair condition. Pipe installed prior to 1975 (approx. 168 km) is in varying degrees of decline.

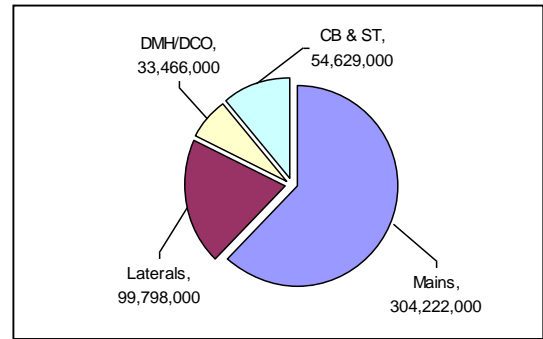
Replacing the remaining four km of large diameter wood stave drain main is our primary priority. Replacing and upgrading problematic small diameter substandard drains is our secondary priority.

What needs to be done?

Continue the aggressive replacement of wood stave and substandard drain system to avoid higher construction costs and neighbourhood inconvenience. The goal this year is to replace 1.2 km of wood stave drain main and 500 meters of substandard drains.

Investigate environmentally sensitive methods of storm water collection, conveyance, and treatment.

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2013 \$)
Gravity Mains	Varies	\$ 4,856,000
Laterals	40	\$ 1,425,000
DMH / DCO	50	\$ 446,000
CBs & STs	50	\$ 780,000
		\$ 7,507,000

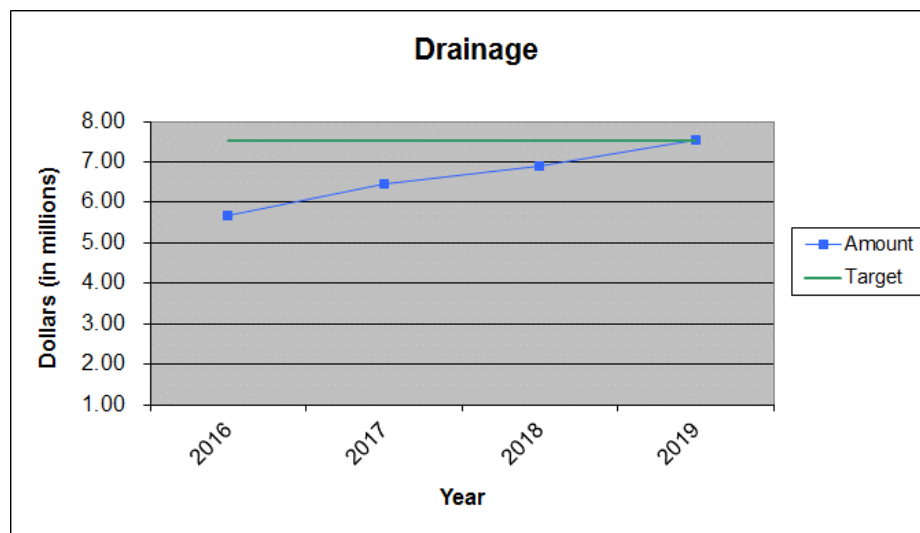


Current Ongoing Funding: \$6,881,000

Future Funding Target: \$7,507,000

How do we work toward this target?

- Allocate a portion of annual capital program tax increase.
- Supplement with borrowing.
- Pursue emerging technologies which may lower replacement costs or extend useful life.



Drainage

Drainage	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
Wood Stave Replacement:					
Dean (Allenby to Haultain)		259,000	92,800		351,800
Whittier / Tennyson		341,100			341,100
Bellevue		174,400			174,400
Jamaica / Parkside		550,000		200,000	750,000
Laval		449,300			449,300
Lambrick Park		158,100	282,600		440,700
Culduthel / Boleskine		369,600			369,600
Blenkinsop Culvert		80,000			80,000
Gordon Head		48,000		400,000	448,000
Orillia		123,200			123,200
Carmen		59,000		200,000	259,000
Sub-standard Drain Replacement:					
Kingsley Street (North Dairy to Lansdowne Road)		491,900			491,900
Emerging Priorities		450,900			450,900
Morris Drive (Lucas to Ambassador)		200,000			200,000
Gorge Drainage Improvements		300,000		300,000	600,000
Abbey		296,000			296,000
Homer		56,000		250,000	306,000
Pike / Maplewood		150,000			150,000
Vanalman / Colquitz Creek Culverts		360,000			360,000
Downham		210,000			210,000
Ansell Road		265,000			265,000
Waterway Restoration Projects		24,600			24,600
Other:					
Drainage Model Implementation		404,000			404,000
Video Inspection & Assessment		89,300			89,300
Wood Stave Drain Design		332,600			332,600
Drain House Connection Replacement		51,400			51,400
Storm Drainage Model Development		25,700			25,700
Drain House Connection Replacement		35,000			35,000
Total	-	6,354,100	375,400	1,350,000	8,079,500



Drainage (Continued)

Drainage	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2018 Capital Projects:					
Wood Stave Replacement:					
Parker				75,000	75,000
Vantreight				100,000	100,000
Sub-standard Drain Replacement:					
Emerging Priorities	366,000				366,000
Ridgebank (Carey to Vanalman)	50,000				50,000
Haliburton (Hwy 17 to Wesley)	50,000			400,000	450,000
Kingsberry (Richmond to end)	85,000			700,000	785,000
Walema (Lochside to Becton)	80,000				80,000
Winston/Leslie (SRW Leslie to Falmouth)	30,000			250,000	280,000
Inlet (2833 to Admirals)	50,000	400,000			450,000
Sims (Battleford to Seton & SRW)	150,000	450,000			600,000
Homer (Tillicum to Seaton)				475,000	475,000
Ansell (Midgard to McKenzie)		265,000			265,000
Downham (1296 Blenkinsop to end)		210,000			210,000
Other:					
Detailed Design SVAP Phase 1	117,000	308,000			425,000
Detailed Design Capital Projects	475,000				475,000
Waterways Restoration	95,000				95,000
CCTV Inspection & Assessment	100,000				100,000
Transfer to Capital Reserve Fund	2,075,000				2,075,000
Total	3,723,000	1,633,000	-	2,000,000	7,356,000



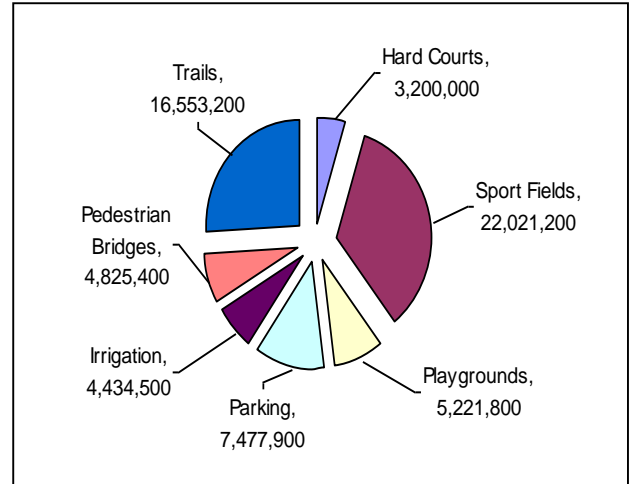
Park and Trail Structures

Parks and Trails structures include over 40 hard courts, 62 sport fields, 56 playgrounds, 50 pedestrian bridges and 100 km of trails valued at \$63 million dollars.

What needs to be done?

- Continue repairing high priority items as they become known.
- Continue utilizing grants and contributions from sports associations to replace aging fields and playgrounds.

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2013 \$)
Hard Courts	15-20	\$ 158,000
Sport Fields	15-40	\$ 834,000
Playgrounds	15	\$ 342,000
Parking	15-40	\$ 314,000
Irrigation	15	\$ 290,000
Pedestrian Bridges	15-50	\$ 245,000
Trails	15-20	\$ 990,000
		\$ 3,173,000

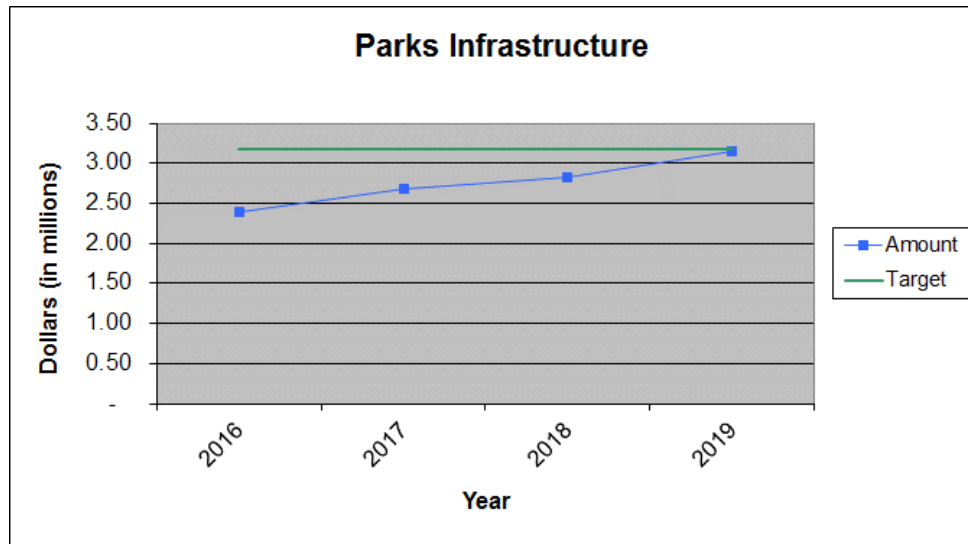


Current Ongoing Funding is \$2,883,000

Future Funding Target is \$3,173,000

How do we work toward this?

- Allocate a portion of annual capital program tax increase.
- Supplement with borrowing.
- Supplement with Federal and/or Provincial Grants if possible.



Park and Trail Structures

Park Improvements	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
Sports Fields - Maynard, Cost Sharing Clubs & Upgrades		44,100			44,100
Sports/Tennis Courts - Hampton Park		25,300			25,300
Parking - Cedar Hill (Finlayson), Agate, Mount Douglas		41,200		50,000	91,200
Irrigation - Valve Replacement Program		70,000			70,000
Bridges & Structures - Shadywood, Swan Creek, Doumac, Boulderwood & Furniture & Minor Structure Replacement		46,900		50,000	96,900
Trails Resurfacing Gordon Head		118,000			118,000
Trails Resurfacing (Gorge Park & Caldecote)		15,600		200,000	215,600
Buildings - Nursery		53,000		50,000	103,000
Layritz Park - Baseball Repairs, Drainage & Sewer Connection		281,500			281,500
Streetscape Renovations		13,700			13,700
Planning & Design - Env. Assessments; Park Management Plans		18,800			18,800
Signage		28,800			28,800
Mount Douglas - Signs, Creek, Trail Rebuilding & Closures		78,800			78,800
Emerging Priorities		41,000			41,000
Total	-	876,700	-	350,000	1,226,700



Park and Trail Structures (continued)

Park Improvements	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2018 Capital Projects:					
Playgrounds - Rainbow & Rosedale Replacement	546,000			170,000	716,000
Sports Fields - Various Upgrades	78,000				78,000
Sports/Tennis Courts - Various Assessment & Resurfacing	55,000				55,000
Parking - Layritz	520,000				520,000
Irrigation - Braefoot, Hampton, Gorge Waterway & Prospect Lake Soccer				80,000	80,000
Bridges & Structures - Colquitz Meadow View Place, Hyacinth Park South, Gorge Waterways Railings, Lockside Trail	88,000			150,000	238,000
Signage - Interpretive, Wayfinding & Regulatory Program	42,000			100,000	142,000
Trails - Resurfacing of Quadrant 3, Hyacinth, Rudd & Brydon & Edge Park	126,000			100,000	226,000
Buildings - Mt. Doug Washroom Roof	40,000				40,000
Lambrick Accessible Pathway & Lighting	62,000		50,000	100,000	212,000
McMinn Park - Complete Park Project Phase II	25,000			100,000	125,000
Streetscape Renovations	38,000			50,000	88,000
Natural Areas - Restoration Initiatives, Swan & Colquitz Creeks	36,000			50,000	86,000
Urban Forestry - Tree Planting Program	197,000	100,000			297,000
Planning & Design - Park Management Plans	20,000				20,000
Mount Douglas - Creek, Trail Rebuilding & Closures		110,000			110,000
Subtotal Operations	1,873,000	210,000	50,000	900,000	3,033,000
Land Acquisition reserve		2,500,000			2,500,000
Total	1,873,000	2,710,000	50,000	900,000	5,533,000



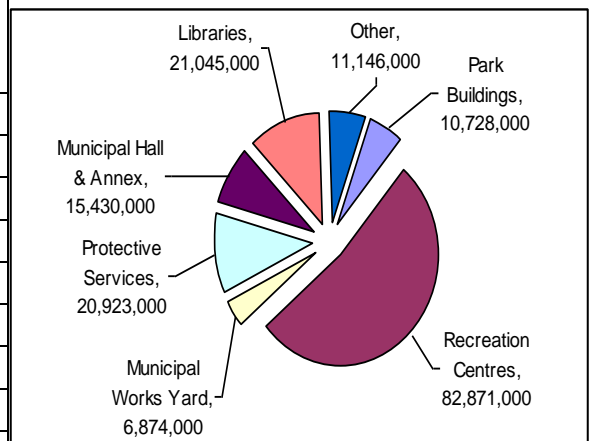
Community and Recreation Facilities

Saanich owns and operates a variety of facilities: the Municipal Hall, Public Safety Building, libraries, fire halls, a public works yard, many park structures, several recreation centres and a golf course. Total square footage is in excess of 590,000 square feet with a replacement cost of \$168 million dollars. These estimates will be refined as the municipality continues to review the condition of its facilities and will produce a plan for the required capital improvements.

What needs to be done?

- Prepare Long Term Major Facilities Capital Replacement Plan.
- Continue repairing high priority items as they become known.
- Continue seismic analysis and upgrades.

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2013 \$)
Recreation Centres	75	\$ 1,498,000
Park Buildings	50-75	\$ 197,000
Municipal Works Yard	75	\$ 95,000
Protective Services	75	\$ 398,000
Municipal Hall & Annex	75	\$ 275,000
Libraries	75	\$ 192,000
Other	75	\$ 145,000
Major Repairs	Various	\$ 1,555,000
Total		\$ 4,355,000

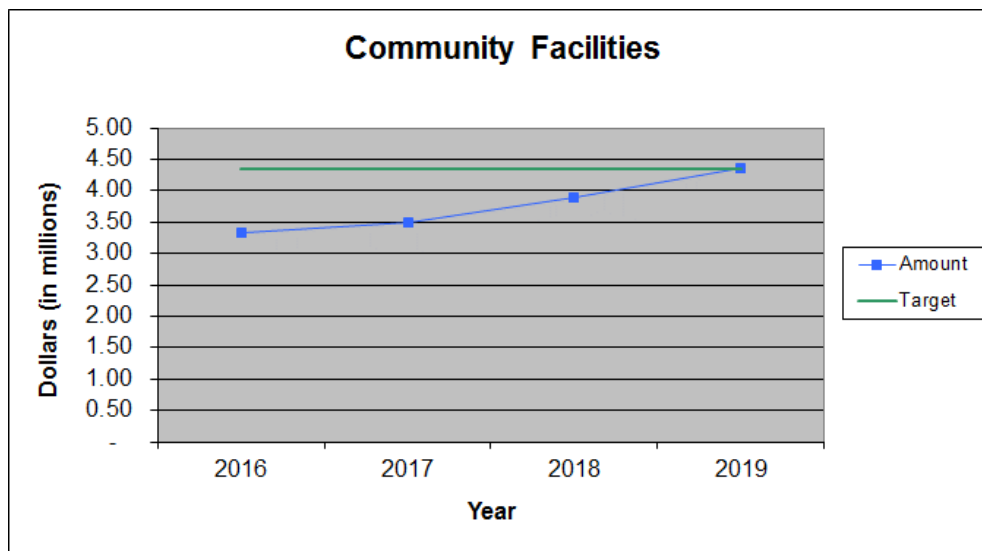


Current Funding is \$3,885,000

Future Funding Target is \$4,355,000

How do we work toward this?

- Allocate majority of the annual capital program tax increase.
- Supplement with Federal and/or Provincial Grants if possible.



Community Facilities

Municipal Facilities	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
Fire Hall #3 Upgrades (Electrical)		871,900			871,900
Legislative/Planning Office Renovation		30,600			30,600
Municipal Hall Boiler		44,400			44,400
Emergency Ops Centre Annex		25,000			25,000
SCP Design for Phased Replacement of Mechanical System		154,300			154,300
CHGC RTU Replacement		388,700			388,700
Public Safety Roof Top HVAC Units		109,900			109,900
Pearkes Make-up Air Unit		165,000			165,000
Municipal Hall & Annex Lighting		250,900	37,400		288,300
IT Network Server Room Construction		569,700			569,700
GHRC Steam Room Remediation		69,800			69,800
Nellie McLung Lighting Replacement		98,100			98,100
CHRC Auditorium Lighting Upgrade		40,000			40,000
Emerging Priorities		74,900			74,900
Total	-	2,893,200	37,400	-	2,930,600
2018 Capital Projects:					
Fire Hall #1 Emergency Backup Power Review	30,000				30,000
Fire Hall #1 Kitchen/Barracks Renovation	285,000				285,000
Fire Hall #1 Roof Replacement	288,000				288,000
Municipal Hall Sidewalk Replacement	57,000		20,000		77,000
Municipal Hall Concrete Repair	187,500				187,500
IT Network Server Room Construction Phase 2				1,350,000	1,350,000
Public Safety RTU Replacement	270,000				270,000
GHRC Fitness Roof Replacement	143,000				143,000
SCP HVAC Design			400,000		400,000
Les Passmore Wheelchair Accessibility	73,500				73,500
Pearkes Installation of REALice	66,000				66,000
Emergency Lighting Renewal		154,300			154,300
Public Works Yard and Fire Hall #2 Business Case/Feasibility Studies		445,000			445,000
Emerging Priorities	155,000				155,000
Total	1,555,000	599,300	420,000	1,350,000	3,924,300
2017 Reserve Transfers					
Major Facilities Repair & Future Replacement Reserve	2,330,000				2,330,000
Total	2,330,000	-	-	-	2,330,000

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.



Recreation Facilities

Recreation Facilities	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
Field House Ramp		101,200			101,200
Front Desk Construction Various Centres		42,300			42,300
Gordon Head Building Improvements		79,400			79,400
Cedar Hill Various Improvements		265,900			265,900
SCP Various Improvements		166,400			166,400
CHGC Building and Grounds Improvement		66,800			66,800
CHGC Parking Lot Resurfacing		131,200			131,200
Ceramics Studio Storage		75,000			75,000
Field House Curtain System Replacement		125,000			125,000
Exterior Digital Signs		100,000			100,000
Cedar Hill Water Ingress & Mechanical Room Fire Separation Studies		30,000			30,000
Pearkes Fitness Change Rooms		78,900			78,900
Pearkes Ice Rink Improvements		78,200			78,200
Recreation Market Analysis		129,400			129,400
Total	-	1,469,700	-	-	1,469,700
2018 Capital Projects:					
CHGC Grounds Improvement		20,000			20,000
CHGC Grounds Maintenance Building Improvements		108,700			108,700
Gordon Head Various Improvements	86,400				86,400
Gordon Head Mechanical	17,000				17,000
Gordon Head Space Design & Planning	25,000				25,000
Cedar Hill Building Sign	25,000				25,000
Cedar Hill Various Improvements	70,000				70,000
Cedar Hill Air Conditioning for Seniors Wing	45,000				45,000
SCP Various Improvements	85,000				85,000
SCP Sound System Replacement	65,000				65,000
SCP Wheelchair Lift / Accessibility Bed	15,000				15,000
Pearkes Fitness Change Rooms	45,000				45,000
Pearkes Snow Pit Improvements	60,000				60,000
Pearkes Electric Zamboni Battery Replacement	30,000				30,000
Pearkes Various Improvements	30,000				30,000
Total	598,400	128,700	-	-	727,100



Water Utility Fund

The Water Utility system is comprised of over 547 km of water mains and four (4) reservoirs. The system is maintained by the Engineering Department's Public Works division and is self-financed from water charges on a user pay basis. Bulk water is purchased from the Capital Regional District and then distributed to customers via the Municipal Distribution System.

The utility provides safe drinking water for domestic and emergency use and meets firefighting standards, applicable health standards and the Drinking Water Protection Act.

BUDGET SUMMARY	
2018 Utility Charges	\$ 21,492,200
2017 Utility Charges	\$ 21,002,800
Net Change	\$ 489,400
Change by %	2.33%
2018 FTE	50.79
2017 FTE	50.68
FTE Change	0.11
FTE Change %	0.22%
2017 Carbon Footprint (CO2e)	24 Tonnes
2016 Carbon Footprint (CO2e)	20 Tonnes
Carbon Footprint Change	4 Tonnes

The Department repaired over 250 water service leaks and 27 water main breaks. Over 300 km of water mains were flushed, over 2,426 system gate valves serviced and 1,100 water meters were replaced. The Department also responded to over 2,000 service requests from our customers.

2018 BUDGET CHALLENGES

- The construction industry is busy with land development projects and a number of major infrastructure projects that will continue through 2018. A lack of contractor competition may result in less competitive prices.
- The water capital budget is allocating a substantial amount of funding into reserve in anticipation of the future construction of system improvements under the Shelbourne Valley Action Plan – Short Term Mobility Improvements Project. Other water system priority projects will compete for funding over the next 3 years and/or be deferred into future years, as a result.

KEY 2017 ACCOMPLISHMENTS

- Completion of the Water Master Plan
- Replacement of 5,000 m of watermains

2018 KEY PRIORITIES

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. CI and AC Watermain Replacement	Continue with the cast iron and asbestos cement watermain replacement program.	F4 Sustainable Environment
2. Replacement of Pump Station & Pressure Relief Valve	Establish priorities and schedule for replacement of key system infrastructure and coordinate integration with SCADA	F4 Sustainable Environment



3. Capital regional District, CAWTP – Residuals Treatment Facility at Hartland Landfill	Continue to support the regional sewage treatment facility project through collaboration on water system upgrades to the Hartland water reservoir, pumps and piping	C4 Sustainable Environment F4 Sustainable Environment
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CORE BUDGET

The 2018 net budget of \$33,574,300 represents a 3.72% increase in net expenditures over prior year, including a net capital program of \$7,615,000. Water revenues are projected to increase to \$21,492,200 or 2.33% in 2018.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2016	2017	2017	2018	2018/2017
Personnel	2,611,400	2,641,100	2,566,000	2,704,300	5.39%
Goods and Services	10,060,800	9,668,900	9,157,900	9,534,400	4.11%
Overheads and Transfers	1,452,600	1,753,200	2,245,300	2,153,800	(4.08%)
Gross Capital Program	15,670,800	18,399,700	18,399,700	19,181,800	4.25%
Total	29,795,600	32,462,900	32,368,900	33,574,300	3.72%
REVENUES AND RECOVERIES					
Utility Charges	(21,541,700)	(20,610,400)	(21,002,800)	(21,492,200)	2.33%
Non-Tax Revenues	(104,400)	(112,200)	(132,100)	(163,800)	24.00%
Surplus Appropriation	-	(250,000)	(250,000)	(250,000)	0.00%
Transfer from Reserves	(8,359,400)	(10,933,700)	(10,984,000)	(11,668,300)	6.23%
Total	(30,005,500)	(31,906,300)	(32,368,900)	(33,574,300)	3.72%
NET OPERATIONS	(209,900)	556,600	-	-	0.00%

- Personnel – wage increment, job evaluation and addition of an Assistant Supervisor position approved in December.
- Goods and Services – increase in water purchase from the CRD.
- Overheads and Transfers – contingency reduction.
- Gross Capital Program - unfinished 2017 projects (funded from Transfers from Reserves) and an increase in capital funding in line with inflation in construction costs.
- Non-Tax Revenues – increase in recovery for work performed by waterworks for the sewer utility.



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.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
General Administration	1,722,800	1,752,600	1,737,600	1,645,100	(92,500)	(5.32%)
Field Operations	863,100	888,900	827,000	871,700	44,700	5.41%
Water Purchases	8,802,700	8,508,100	8,230,000	8,580,000	350,000	4.25%
Waterline Repairs	1,049,000	1,102,100	681,100	706,400	25,300	3.71%
Pump Station Maintenance	511,200	642,000	706,700	727,800	21,100	2.99%
Hydrant Maintenance	209,000	128,000	180,700	188,700	8,000	4.43%
Valve Maintenance	230,100	244,300	311,200	322,500	11,300	3.63%
Meter Repairs/Replacements	317,100	193,300	326,100	338,300	12,200	3.74%
Water Quality Programs	315,400	491,700	336,400	346,700	10,300	3.06%
Contingency	-	-	450,000	400,000	(50,000)	(11.11%)
Net Capital Program	7,311,400	7,466,000	7,466,000	7,615,000	149,000	2.00%
Total	21,331,800	21,417,000	21,252,800	21,742,200	489,400	2.30%

- General Administration – decrease due to reduction to the full amount reimbursed to the general operating fund for utility billing as these charges are now shared with the other utilities.
- Field Operations – addition of the approved assistant supervisory position.
- Water Purchases – increase in cost of water purchase from the CRD. CRD rates increased by 4.22% over prior year.
- Contingency – funded job evaluation.



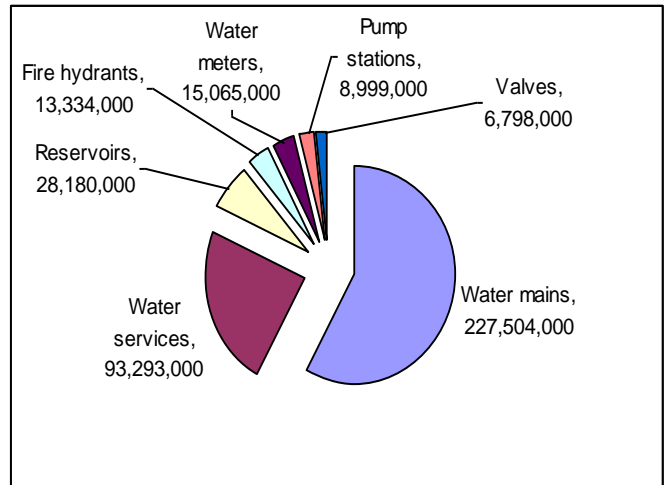
WATER CAPITAL PROGRAM

Saanich water infrastructure includes 547 km of water mains, 29,700 water services, 4 reservoirs, 18 pump stations, 7,916 valves and 2,260 fire hydrants valued at \$400 million.

The replacement of water mains, pump stations and reservoirs is based on an established multi-year program to steadily increase core capital spending to sustainable levels. For 2017 the focus will remain on:

- Replacement of asbestos cement mains
- Regular and on-going end-of-life replacement of water mains, valves and water meters.

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2018 \$)
Water mains	Varies	\$ 2,803,200
Water services	40	\$ 1,650,100
Reservoirs	100	\$ 1,271,300
Fire hydrants	80	\$ 353,700
Water meters	40	\$ 1,065,400
Pump stations	50	\$ 319,400
Valves	80	\$ 151,900
		\$ 7,615,000



Current Funding Level is \$7,615,000

Future Funding Target is \$7,615,000

The Water Capital Program has reached sustainable annual funding levels.

How did we work toward the target?

- Continued ‘Pay as You Go’ practice of increasing core capital funding for water infrastructure replacement with a minimum 3% rate increase each year.
- Supplemented with Federal and/or Provincial Grants when possible.
- Supplemented with reserves and DCC funding when possible

How do we maintain sustainability?

- Continue annual increases in capital funding in line with construction cost indices.



Five Year Water Capital Projection

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

Description of Program	Budget 2018	Budget 2019	Budget 2020	Budget 2021	Budget 2022	Notes:
Water Capital						
Asbestos Cement & Cast Iron Main Replacement	3,126,500	6,067,000	6,407,000	8,515,400	6,337,000	1
Valves	535,000		400,000	425,000	425,000	2
Pump Station Replacement	100,000	550,000	950,000	100,000	100,000	3
Meter Replacement	150,000	350,000	350,000	100,000	100,000	
Service Connection Replacement	100,000	100,000	100,000	100,000	100,000	
Hydrant Replacement	30,000	30,000	30,000	30,000	30,000	
Other	513,000	670,000	685,000	609,500	650,000	
Transfer to/(Fr) Capital Reserve	3,133,500	-	(1,000,000)	(1,800,000)	500,000	
	7,688,000	7,767,000	7,922,000	8,079,900	8,242,000	

Notes:

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



WATER CAPITAL

Water Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
Asbestos Cement & Cast Iron Main Replacement:					
Kingsley Street (North Dairy to Lansdowne)		404,300			404,300
Baxter Avenue (Raymond St. to Glanford)		133,100			133,100
Cedar Hill Cross Road (Shelbourne to Gordon Head) Phase 2		519,800			519,800
Keats Street (Bowker Creek)		95,500			95,500
Mount Baker View		87,600			87,600
Arbutus Road (Rowley to Telegraph Bay)		718,300			718,300
Glanford Avenue Phase 2 (Broadway to Peto Court)		600,000			600,000
Parkside/Jamaica/Winchester		1,654,600			1,654,600
West Saanich Road (Markham to Royal Oak)		797,500			797,500
Bethune Ave (Saanich Rd to Bethune Ave)		262,500			262,500
Broadway St (Raymond St N to Broadway St)		111,000			111,000
Feltham Rd (Tyndall Ave to Fairburn Dr)		348,800			348,800
Finnerty Rd (McKenzie Ave to Arbutus Rd)		657,000			657,000
Kings Rd (Foul Bay Rd to Dean Ave)		209,000			209,000
Laval Ave (Larchwood Dr to Loyola St)		467,500			467,500
Lodge Ave (Saanich Rd to Hawthorne St)		676,500			676,500
Majestic Dr (Kenmore Rd to Woodley Rd)		506,000			506,000
Woodley Rd		120,400			120,400
Mortimer St		360,000			360,000
Emerging Priorities		960,900			960,900
Pump Stations:					
Large Meter & Pump Motor Replacment		266,800			266,800
Other:					
Data Historian Software (SCADA)		33,700			33,700
Meter Replacements		66,200			66,200
12 mm Copper Service Connection Replacement Program		195,600			195,600
Hydrant Replacement Program		44,700			44,700
Detailed Design Capital Projects		446,900			446,900
Unidirectional Flushing Program Development		200,000			200,000
SCADA Servers		85,600			85,600
Tillicum PRV Replacement		464,000			464,000
Total	-	11,493,800	-	-	11,493,800



WATER CAPITAL (continued)

Water Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2018 Capital Projects:					
Asbestos Cement & Cast Iron Main Replacement:					
Foul Bay Rd (Allenby to Landsdowne)	770,000				770,000
Fremont PI	221,000				221,000
Haro Rd (Arbutus Rd to Sutton Rd)	331,500				331,500
Howroyd (Mortimer to 1709)	338,000				338,000
Inlet Ave (Gorge Rd W to Admirals Rd)	650,000				650,000
Kenmore Rd (Shelbourne St to Columbia Dr)	140,000				140,000
Moorgreen PI (Blenkinsop Rd to end)	169,000				169,000
Sims Ave (Seaton St to Wascana St)	351,000				351,000
Tyndall Ave (Serenity PI to El Sereno Dr)	156,000				156,000
Pump Stations:					
Large Meters and Pump Motors Replacement	100,000				100,000
Other:					
Wilkinson to Burnside PRV Replacement	500,000				500,000
Admirals at TCH PRV SCADA	35,000				35,000
Meter Replacements	150,000				150,000
12 mm Copper Service Connection Replacement Program	100,000				100,000
Machinery & Equipment Replacement	110,000	73,000			183,000
Hydrant Replacement Program	30,000				30,000
Detailed Design SVAP Phase 1	300,000				300,000
SCADA Discovery	30,000				30,000
Transfer to Water Capital Reserve	3,133,500				3,133,500
Total	7,615,000	73,000	-	-	7,688,000

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 Fund

The Sewer Utility is maintained by the Engineering Department's Public Works division to collect and dispose of wastewater. The system is comprised of over 550 kms of sewer mains, 5,300 manholes and 39 pumping stations. The Municipality is also responsible for over 29,000 lateral connections from the sewer main to the property line.

The majority of the system was constructed between 1953 and the early 1970's using asbestos cement materials. The system collects wastewater for the majority of Saanich residents and discharges the effluent to the regional sewer system operated by the Capital Regional District.

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

BUDGET SUMMARY	
2018 Utility Charges	\$ 21,583,400
2017 Utility Charges	\$ 19,458,000
Net Change	\$ 2,125,400
Change by %	10.92%
2018 FTE	25.26
2017 FTE	26.02
FTE Change	-0.76
FTE Change %	-2.92%
2017 Carbon Footprint (CO2e)	33 Tonnes
2016 Carbon Footprint (CO2e)	28 Tonnes
Carbon Footprint Change	5 Tonnes

2018 BUDGET CHALLENGE

- The construction industry is busy with land development projects and a number of major infrastructure projects that will continue through 2018. A lack of contractor competition may result in less competitive prices.
- The sewer capital budget is allocating a substantial amount of funding into reserve in anticipation of the future construction of system improvements under the Shelbourne Valley Action Plan – Short Term Mobility Improvements Project. Other sewer system priority projects will compete for funding over the next 3 years and/or be deferred into future years, as a result.

KEY 2017 ACCOMPLISHMENTS

- Replacement/upgrades to the Grange and Wilkinson Pump Stations
- Replacement/rehabilitation of 3,000 metres of sanitary sewer main

2018 KEY PRIORITIES

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Pump Station Assessment	Undertake a detailed assessment of the sewer system pump stations and create a prioritized replacement/upgrade program to inform a future capital replacement strategy	F4 Sustainable Environment
2. Replacement of AC sanitary sewer mains	Continue with asbestos cement sanitary sewer main replacement/lining program	F4 Sustainable Environment



3. CRD Sewage Treatment Project	Continued technical support and involvement in the CRD sewage treatment plant	F4 Sustainable Environment C4 Sustainable Environment
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CORE BUDGET

The 2018 net budget of \$35,351,600 represents a 13.77% increase in net expenditures over prior year, including a net capital program of 5,235,000. Sewer revenues are projected to increase to \$21,583,400 or 10.92% in 2018.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2016	2017	2017	2018	2018/2017
Personnel	1,374,600	1,491,500	1,576,200	1,552,800	(1.48%)
Goods and Services	7,922,900	9,943,400	10,313,400	11,900,600	15.39%
Fiscal Services	605,700	726,600	756,800	791,100	4.53%
Overheads and Transfers	2,054,700	2,150,500	2,177,100	2,417,300	11.03%
Gross Capital Program	13,037,300	15,245,000	16,250,200	18,689,800	15.01%
Total	24,995,200	29,557,000	31,073,700	35,351,600	13.77%
REVENUES AND RECOVERIES					
Utility Charges	(17,365,200)	(18,966,000)	(19,458,000)	(21,583,400)	10.92%
Non-Tax Revenues	(100,000)	(101,700)	(100,000)	(102,000)	2.00%
Surplus Appropriation	-	(150,000)	(150,000)	(150,000)	0.00%
Grants	-	(758,300)	(254,100)	(747,000)	100.00%
Transfer from Reserves	(5,806,800)	(8,061,100)	(8,111,600)	(9,769,200)	20.43%
Borrowing	(2,764,600)	(1,500,000)	(3,000,000)	(3,000,000)	0.00%
Total	(26,036,600)	(29,537,100)	(31,073,700)	(35,351,600)	13.77%
NET OPERATIONS	(1,041,400)	19,900	-	-	0.00%

- Goods and Services - CRD services costs.
- Overhead and Transfers - reimburse the general operating fund and water utility for work performed on sewer related operations.
- Gross Capital Program – increase due to a combination of carrying forward unfinished 2017 projects (funded from Transfers from Reserves and Borrowing) and the annual capital funding increase per council policy to reach sustainability.
- Borrowing – dependent on when a project is expected to commence and end.



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.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2016	2017	2017	2018	2018/2017	2018/2017
General Administration	1,378,000	1,455,300	1,441,200	1,640,800	199,600	13.85%
Field Operations	196,100	261,100	145,300	146,100	800	0.55%
Cleaning and Repairs	430,200	434,400	451,300	460,000	8,700	1.93%
Pump Station Maintenance	573,100	984,200	1,053,000	1,080,400	27,400	2.60%
Man Hole Maintenance	59,000	66,400	69,400	71,200	1,800	2.59%
Sewer Service Maintenance	265,400	219,400	253,700	257,700	4,000	1.58%
CRD Services	8,061,900	9,469,400	9,657,100	11,242,200	1,585,100	16.41%
Debt Charges & Reserve Transfer	1,282,400	1,421,800	1,452,000	1,452,000	-	0.00%
Contingency	-	-	250,000	250,000	-	0.00%
Net Capital Program	4,465,900	4,925,600	4,935,000	5,235,000	300,000	6.08%
Total	16,712,000	19,237,600	19,708,000	21,835,400	2,127,400	10.79%

- General Administration – allocation of utility billing costs to sewer for the first time.
- Pump Station Maintenance – utility costs increases.
- CRD - debt servicing costs for the Regional Sewer Treatment Program.
- Net Capital Program – Sustainability increase.



SEWER CAPITAL PROGRAM

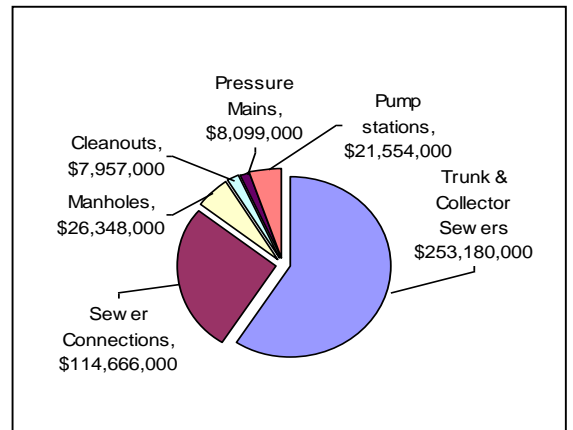
Saanich sewer infrastructure includes 24 km of trunk sewers, 550 km of collector sewers, 18 km of pressure mains, 29,700 service connections and 40 pumping stations valued at \$451 million dollars.

Asbestos cement pipe service life is not likely more than 70 years (64% of system). About 30% of inspected manholes require moderate rehabilitation for deteriorated rungs, defective joints and cracked concrete. Pumping station electrical, mechanical and structural components are nearing their end of useful life (some pumps and electrical are over 20 years old)

What is needed?

- Replacing asbestos cement pipe continues to be a priority
- Accelerate manhole inspection program
- Continue to complete and begin implementing a detailed pump station upgrade and pump replacement plan to reduce risk of pump station failure, lower maintenance costs, and ensure station capacities meet sewer and Infiltration and Inflow demands

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2013 \$)
Trunk & Collector Sewers	Varies	\$ 3,993,000
Sewer Connections	100	\$ 1,685,000
Manholes	100	\$ 351,000
Cleanouts	100	\$ 106,000
Pressure Mains	100	\$ 113,000
Pump stations	50	\$ 744,000
		\$ 6,992,000

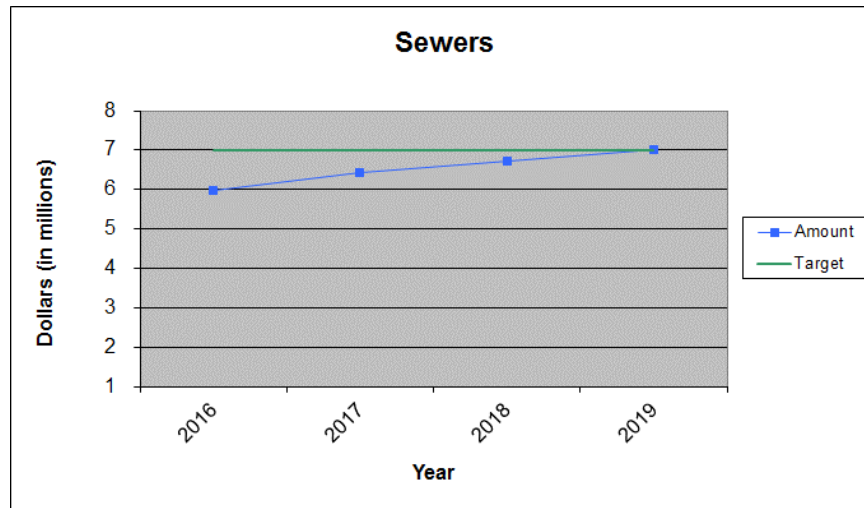


Current Ongoing Funding is \$6,735,000

Future Funding Target is \$6,992,000

How do we work toward this target?

- Continue increasing core capital spending on sewer infrastructure replacement
- Supplement with Federal and/or Provincial Grants if possible.
- Supplement with borrowing as needed



Five Year Sewer Capital Projection

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

Description of Program	Budget 2018	Budget 2019	Budget 2020	Budget 2021	Budget 2022	Notes:
Sewer Capital						
Asbestos Cement Main Replacement	3,125,000	4,690,000	4,080,000	6,471,000	3,423,000	1
Pressure Mains				350,000	-	
Relining	830,000	-	-	800,000	640,000	
Pump Station Replacement	560,000	350,000	1,550,000	1,150,000	2,420,000	2
Service Connections	50,000	50,000	50,000	50,000	50,000	
Manhole Replacement	50,000	50,000	50,000	50,000	50,000	
Other	850,000	870,000	920,000	670,000	450,000	
Transfer to/(Fr) Capital Reserve	1,270,000	1,000,000	400,000	(2,450,000)	-	
	6,735,000	7,010,000	7,050,000	7,091,000	7,033,000	

Notes:

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



SEWER CAPITAL

Sewer Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2017 Projects in Progress:					
Asbestos Cement Main Replacement:					
North Dairy (Shelbourne Trunk Re-routing)		1,287,900			1,287,900
Woodley Road		167,700			167,700
Tennyson (Whittier/Ardersier/Tennyson)		349,100			349,100
Hampton (18 Hampton to Lurline)		28,200			28,200
Bellevue (Cook to Wicklow in SRW)		143,700			143,700
Jamaica Rd (Jamaica to Cedar Hill Rd)				770,000	770,000
Laval Ave (Loyola St to Larchwood Dr)		680,300			680,300
Gordon Head Rd (CH X Rd to Emery)		910,000			910,000
Homer Rd (Tillicum to Seaton)		280,000			280,000
Lodge Ave (Saul to Saanich)		245,000			245,000
Downham Pl (Lasalle to Blenkinsop)		300,000			300,000
Keats St (Bowker Creek to North Dairy)		170,000		80,000	250,000
Culduthel		200,000			200,000
Vantreight SFM (Pump station to Ferndale)		49,600		650,000	699,600
Sanitary Sewer CIPP Lining		1,634,200	747,000		2,381,200
Emerging Priorities		330,100			330,100
Pump Stations:					
Pump & Motor Replacements		84,700			84,700
Arc Flash Electrical Lift Station Study		146,500			146,500
Portage Pump Station Construction		84,400			84,400
Wilkinson & Grange Design		26,200			26,200
Grange Lift Station Construction		169,100			169,100
Wilkinson Lift Station Construction		133,300			133,300
Tolmie Sewage Lift Station		125,000			125,000
Portage Inlet Low Pressure Conversion		150,000			150,000
SCADA (node, HW/SW Replacement)		60,000			60,000
Other:					
Manhole Improvements		313,800			313,800
No-Corrode & AC SHC Replacements		525,500			525,500
Haliburton Force Main Rehabilitation		588,000			588,000
Video Inspection & Assessment		254,800			254,800
McKenzie Interchange		135,700			135,700
Trunk Main Flushing and Debris Removal		135,000			135,000
Total	-	9,707,800	747,000	1,500,000	11,954,800



SEWER CAPITAL (continued)

Sewer Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2018
2018 Capital Projects:					
Asbestos Cement Main Replacement:					
Ridgebank (Carey to Vanalman)	160,000			400,000	560,000
Sims Ave (Tillicum to Wascana)	285,000			500,000	785,000
Kingsberry (Richmond to end)	180,000			300,000	480,000
Inlet Ave (2865 to Gorge)	205,000			300,000	505,000
Downham (3921 Blenkinsop to end)	75,000				75,000
Ansell (Midgard to McKenzie)	200,000				200,000
Homer (Tillicum to Kamloops)	160,000				160,000
CIPP Lining Program	830,000				830,000
Emerging Priorities	360,000				360,000
Pump Stations:					
Pump Station Design	135,000				135,000
Pump Station Condition Assessment	225,000				225,000
Pump Station Arc Flash Electrical Upgrade	150,000				150,000
Pump and Motor Replacement	50,000				50,000
Other:					
Detailed Design SVAP Phase 1	250,000				250,000
Detailed Design Capital Projects	450,000				450,000
No-Corrode & AC Lateral Replacements	50,000				50,000
Manhole Improvements	50,000				50,000
CCTV Inspection	100,000				100,000
Machinery & Equipment	20,000				20,000
SCADA Discovery	30,000				30,000
Transfer to Sewer Capital Reserve	1,270,000				1,270,000
	5,235,000	-	-	1,500,000	6,735,000

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.



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 2018 we project a decrease in reserves to \$94,410,900 while funding a variety of initiatives.

	January 1 2018 Balance	2018 Contributions	2018 Appropriations	December 31 2018 Balance
Land Sales	2,789,200	-	2,534,000	255,200
Public Safety and Security	2,743,300	889,300	2,003,000	1,629,600
Carbon Neutral	782,000	251,700	308,700	725,000
Sub Regional Parks	1,229,200	-	212,600	1,016,600
Equipment Replacement	6,451,000	1,640,800	5,120,900	2,970,900
Capital Works	30,749,900	4,918,400	6,901,300	28,767,000
Commonwealth Pool Operations	479,200	61,300	330,000	210,500
Commonwealth Pool HP Repair	188,100	-	10,600	177,500
Sayward Gravel Pit	1,812,400	-	200,000	1,612,400
Development Cost Charges	14,817,600	-	948,000	13,869,600
Specific Area Capital Projects	4,571,300	-	724,300	3,847,000
Facilities Major Repair & Replacement	8,277,100	3,429,100	-	11,706,200
Computer Hardware & Software	5,565,900	4,780,500	8,098,500	2,247,900
Water Capital	901,000	3,133,500	-	4,034,500
Sewer Capital	2,118,200	1,932,700	-	4,050,900
Capital Reserves for Future Expenditure	35,347,600	15,974,800	35,347,600	15,974,800
Insurance	2,315,300	-	1,000,000	1,315,300
Total	121,138,300	37,012,100	63,739,500	94,410,900

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 from a portion of annual Provincial Traffic Fine revenue grants and other revenues. The main projects being funded from this reserve in 2018 are: vehicle replacement, IT equipment and MDT replacement.

Carbon Neutral:

This reserve fund provides was established for projects that help reduce carbon emissions from municipal operations. In 2018 the focus will be on subsidising the replacement of Municipal Hall, Annex and Nellie McLung library lighting, as well as, subsidize positions in the Sustainability section in Planning.



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. Majority of the funds have been committed to pay the CRD for the purchase of the Haro Woods property. The final annual payment will be made in 2020.

Equipment Replacement:

This reserve provides for the annual replacement of fleet and fire vehicles, photocopiers and some 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 and Mount Tolmie Reserves 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 Operations:

This reserve was established during the Commonwealth Games and \$330,000 is used annually to subsidize the utility costs of the centre for high performance users in accordance with agreements signed in 1994. The fund is expected to be depleted by end of 2019.

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. Currently the fund is being used to determine the future of replacement of the public works yard site.

Development Cost Charges:

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.

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.

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 2018.

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.

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 2019 - 2022

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.

The projected net budget funded from property taxation is projected to increase from \$120,682,200 to \$141,697,800 in 2022 or an average 3.36% annual increase to the average homeowner.

GENERAL OPERATING FUND BUDGET ESTIMATE SUMMARY	
2018 Tax Levy	\$ 120,682,200
2019 Tax Levy	\$ 129,018,900
2020 Tax Levy	\$ 132,983,300
2021 Tax Levy	\$ 137,067,400
2022 Tax Levy	\$ 141,697,800
Annual Increase to Average Homeowner	3.36%

The 2019 - 2022 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. 2.0% percent increase in Core Capital funding per year
4. 0.75% tax allocation per year to infrastructure replacement for 2019 followed by a 2.0% increase in subsequent years
5. 1.0% tax allocation per year for non-discretionary operating costs
6. Average increase in property Taxation revenues of 0.75% per year from new construction.



Water Utility Fund Estimates 2019 - 2022

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	
2018 Fees & Charges	\$ 21,492,200
2019 Fees & Charges	\$ 22,142,300
2020 Fees & Charges	\$ 22,693,900
2021 Fees & Charges	\$ 23,248,500
2022 Fees & Charges	\$ 23,807,100
Annual Increase to Average Homeowner	2.59%

The projected net budget funded from water user charges is projected to increase from \$21,492,200 to \$23,807,100 in 2022 or by an average 2.59% increase per year to the average homeowner.

The 2019 - 2022 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 2.0% increase for core capital funding per year
4. An average increase in CRD water rates of 4.0% per year

Sewer Utility Fund Estimates 2019 - 2022

Sewer Utility expenditures during the next five years will be influenced by significantly increased CRD regional treatment system debt, and CRD regional treatment operating costs.

In addition, the Municipality is gradually increasing the sewer capital replacement program each year until a sustainable program is achieved.

The projected net budget funded from sewer user charges is projected to increase from \$21,583,400 to \$27,465,700 in 2022 or by an average of 6.27% annual increase to the average homeowner.

SEWER UTILITY BUDGET ESTIMATE SUMMARY	
2018 Fees & Charges	\$ 21,583,400
2019 Fees & Charges	\$ 24,161,000
2020 Fees & Charges	\$ 25,783,000
2021 Fees & Charges	\$ 26,582,200
2022 Fees & Charges	\$ 27,465,700
Annual Increase to Average Homeowner	6.27%

The 2019 – 2022 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 3.0% rate increase for core capital funding for 2019 followed by a 2.0% increase in subsequent years
4. An additional increase of \$1,550,000 annually in CRD sewer debt financing costs for the next 2 years to reflect the construction of a regional treatment solution and 5.0% increase thereafter



Glossary

A	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	Balanced budget	A financial plan where current revenue, including transfers from operating reserves, equals current operating expenditures.
C	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 (CO₂e) that is emitted by the municipality.
	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.
D	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.



F	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.
G	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.
H	Hotel tax	A compulsory financial levy imposed on hotel room rentals. Funds collected are utilized on tourism initiatives.
I	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.
L	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.
O	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.
R	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.
S	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
T	Tax	A compulsory financial contribution imposed by a government to raise revenue.
U	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.
V	VIIMCU	A regional force whose acronym stands for Vancouver Island Integrated Major Crime Unit.
W	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 9496

Tax Rate Bylaw 9497



THE CORPORATION OF THE DISTRICT OF SAANICH

BYLAW NO. 9496

TO ADOPT THE FINANCIAL PLAN FOR THE PERIOD 2018 TO 2022

WHEREAS the Municipal Council has caused to be prepared the Financial Plan for the period 2018 to 2022 in accordance with the provision of Section 165 of the Community Charter;

THEREFOR the Municipal Council of The Corporation of the District of Saanich enacts as follows:

1. The Financial Plan for the period 2018 to 2022 being Schedule "A" - General; Schedule "B" - Water Utility; Schedule "C" - Sewer Utility; and, Schedule "D" – Revenue and Tax Policy Disclosure; all attached to this Bylaw, is hereby adopted.
2. This Bylaw may be cited for all purposes as the "**FINANCIAL PLAN BYLAW, 2018, NO. 9496**".

Read a first time this 7 day of May, 2018

Read a second time this 7 day of May, 2018

Read a third time this 7 day of May, 2018

Adopted by Council, signed by the Mayor and Clerk and sealed with the Seal of the Corporation on the 14 day of May, 2018



Deputy Municipal Clerk



Mayor



THE CORPORATION OF THE DISTRICT OF SAANICH

**FINANCIAL PLAN
BYLAW NO. 9496
SCHEDULE "A"
GENERAL**

	2018	2019	2020	2021	2022
	\$	\$	\$	\$	\$
REVENUES					
TAXATION					
Property Taxes	120,682,200	129,018,900	132,983,300	137,067,400	141,697,800
Parcel Taxes	20,000	20,000	20,000	20,000	20,000
Utilities & Other	1,557,700	1,588,900	1,620,700	1,653,100	1,686,200
	<u>122,259,900</u>	<u>130,627,800</u>	<u>134,624,000</u>	<u>138,740,500</u>	<u>143,404,000</u>
Fees and Charges	28,266,800	28,549,500	28,835,000	29,123,400	29,414,600
Other Revenues	12,049,800	11,150,000	11,243,100	11,337,600	11,372,200
TOTAL	<u>162,576,500</u>	<u>170,327,300</u>	<u>174,702,100</u>	<u>179,201,500</u>	<u>184,190,800</u>
EXPENSES					
Operating Purposes	159,494,800	156,954,400	161,583,400	166,016,100	170,504,200
Debt Interest	1,007,400	1,265,400	1,411,000	1,582,600	1,753,900
TOTAL	<u>160,502,200</u>	<u>158,219,800</u>	<u>162,994,400</u>	<u>167,598,700</u>	<u>172,258,100</u>
OPERATING SURPLUS	2,074,300	12,107,500	11,707,700	11,602,800	11,932,700
ADD BACK NON CASH ITEM					
Amortization Expense	15,120,100	15,573,700	16,040,800	16,522,000	17,017,700
CASH SURPLUS	<u>17,194,400</u>	<u>27,681,200</u>	<u>27,748,500</u>	<u>28,124,800</u>	<u>28,950,400</u>
Borrowing Proceeds	9,922,000	5,790,200	5,593,500	5,199,500	4,700,000
Transfers from					
Reserve Funds	26,502,600	14,521,000	13,371,400	11,537,500	13,883,200
Reserve for Future Expenditures	28,131,400	2,354,900	2,354,900	2,354,900	2,354,900
	<u>64,556,000</u>	<u>22,666,100</u>	<u>21,319,800</u>	<u>19,091,900</u>	<u>20,938,100</u>
Capital Purposes	63,775,200	32,462,800	30,863,700	28,834,300	31,211,700
Debt Principal Repayment	2,064,100	2,578,100	2,868,200	3,210,100	3,551,500
Transfers to Reserve Funds					
Public Safety and Security	889,300	889,300	889,300	889,300	889,300
Carbon Neutral	251,700	251,700	251,700	251,700	251,700
Equipment Replacement	1,580,800	1,612,400	1,644,600	1,677,500	1,711,100
Capital Works	4,918,400	5,222,000	7,064,000	6,573,300	6,254,500
Commonwealth Pool Operations	61,300	61,300	61,300	61,300	0
Commonwealth Pool HP Repair	0	0	0	0	0
Facilities Major Repair & Replacement	3,429,100	2,298,700	2,800,000	2,856,000	2,913,100
Computer Hardware & Software	4,780,500	4,971,000	2,625,500	2,863,200	3,105,600
	<u>81,750,400</u>	<u>50,347,300</u>	<u>49,068,300</u>	<u>47,216,700</u>	<u>49,888,500</u>
NET TRANSFERS TOTAL	<u>(17,194,400)</u>	<u>(27,681,200)</u>	<u>(27,748,500)</u>	<u>(28,124,800)</u>	<u>(28,950,400)</u>
FINANCIAL PLAN BALANCE	-	-	-	-	-



THE CORPORATION OF THE DISTRICT OF SAANICH

**FINANCIAL PLAN
BYLAW NO. 9496
SCHEDULE "B"
WATER UTILITY**

REVENUES	2018	2019	2020	2021	2022
	\$	\$	\$	\$	\$
Other Revenue	163,800	163,800	163,800	163,800	163,800
Fees and Charges	21,492,200	22,142,300	22,693,900	23,248,500	23,807,100
Development Cost Charges	44,300	-	-	-	-
TOTAL	21,700,300	22,306,100	22,857,700	23,412,300	23,970,900
EXPENSES					
Operating Purposes	16,474,700	16,933,800	17,394,700	17,857,600	18,322,500
TOTAL	16,474,700	16,933,800	17,394,700	17,857,600	18,322,500
OPERATING SURPLUS	5,225,600	5,372,300	5,463,000	5,554,700	5,648,400
ADD BACK NON CASH ITEM					
Amortization Expense	2,082,200	2,144,700	2,209,000	2,275,300	2,343,600
CASH SURPLUS	7,307,800	7,517,000	7,672,000	7,830,000	7,992,000
Transfers from					
Reserve for Future Expenditures	11,624,000	-	-	-	-
Accumulated Surplus	250,000	250,000	250,000	250,000	250,000
	<u>11,874,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
Capital Purposes	19,181,800	7,767,000	7,922,000	8,080,000	8,242,000
NET TRANSFERS TOTAL	(7,307,800)	(7,517,000)	(7,672,000)	(7,830,000)	(7,992,000)
FINANCIAL PLAN BALANCE	-	-	-	-	-



THE CORPORATION OF THE DISTRICT OF SAANICH

**FINANCIAL PLAN
BYLAW NO. 9496
SCHEDULE "C"
SEWER UTILITY**

	2018	2019	2020	2021	2022
	\$	\$	\$	\$	\$
REVENUES					
Other Revenue	810,800	65,700	67,700	69,700	71,800
Fees and Charges	21,583,400	24,161,000	25,783,000	26,582,200	27,465,700
TOTAL	22,394,200	24,226,700	25,850,700	26,651,900	27,537,500
EXPENSES					
Operating Purposes	18,113,400	19,764,700	21,418,000	22,249,600	23,119,700
Debt Interest	299,100	329,200	374,200	403,200	442,200
TOTAL	18,412,500	20,093,900	21,792,200	22,652,800	23,561,900
OPERATING SURPLUS	3,981,700	4,132,800	4,058,500	3,999,100	3,975,600
ADD BACK NON CASH ITEM					
Amortization Expense	2,242,700	2,310,000	2,379,300	2,450,700	2,524,200
CASH SURPLUS	6,224,400	6,442,800	6,437,800	6,449,800	6,499,800
Borrowing Proceeds	3,000,000	1,500,000	1,500,000	1,500,000	1,500,000
Transfers from					
Reserve Funds	40,000	40,000	40,000	40,000	40,000
Reserve for Future Expenditures	9,769,200	-	-	-	-
Accumulated Surplus	150,000	150,000	150,000	150,000	150,000
	12,959,200	1,690,000	1,690,000	1,690,000	1,690,000
Capital Purposes	16,758,900	7,010,000	7,050,000	7,091,000	7,033,000
Transfers to Capital Reserve	1,932,700	599,400	476,700	407,100	447,800
Debt Principal	492,000	523,400	601,100	641,700	709,000
	19,183,600	8,132,800	8,127,800	8,139,800	8,189,800
NET TRANSFERS TOTAL	(6,224,400)	(6,442,800)	(6,437,800)	(6,449,800)	(6,499,800)
FINANCIAL PLAN BALANCE	-	-	-	-	-



THE CORPORATION OF THE DISTRICT OF SAANICH
FINANCIAL PLAN
BYLAW NO. 9496
SCHEDULE "D"
REVENUE AND TAX POLICY DISCLOSURE

Proportions of Total Revenue

<u>Funding Sources</u>	
Property Taxes	40.73%
Fees and Charges	24.07%
Borrowing Proceeds	4.36%
Other Sources	30.84%
	100.00%

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, lowering the cost of municipal services and shifting the burden to user fees and charges where feasible.

Distribution of Property Taxes

<u>Property Class</u>	
1 Residential	76.21%
2 Utilities	0.35%
3 Supportive Housing	0.00%
5 Light Industry	0.17%
6 Business & Other	23.15%
7 Managed Forest	0.00%
8 Rec/Non-Profit	0.12%
9 Farm	0.00%
	100.00%

The Municipality will continue to set tax rates to ensure tax stability by maintaining the proportionate relationship between classes and uniform annual tax increases. The 2015 - 2018 Draft Saanich Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 23%.

Permissive Tax Exemptions

The Municipality 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.



THE CORPORATION OF THE DISTRICT OF SAANICH

BYLAW NO. 9497

FOR THE LEVYING OF RATES AND TAXES FOR THE YEAR 2018

The Council of The Corporation of the District of Saanich, in open meeting assembled, enacts as follows:

1. The following rates are hereby imposed and levied for the year 2018:
 - (a) For all lawful general purposes of the municipality on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "A" of the Schedule attached hereto and forming a part hereof.
 - (b) For purposes of the Capital Regional District on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "B" of the Schedule attached hereto and forming a part hereof.
 - (c) For hospital purposes on the assessed value of land and improvements taxable for Regional Hospital District purposes, rates appearing in column "C" of the schedule attached hereto and forming a part hereof.
 - (d) For purposes of the expenses related to the Cadboro Bay Village Business Improvement Association and referred to in Bylaw No. 9264 on the assessed value of all land and improvements that fall into Class 6 of the assessments within the designated business improvement area as defined in Bylaw No. 9264 and referred to as the Cadboro Bay Village Business Improvement Area, \$1.245098 per \$1,000 taxable value.

2. The aforesaid rates and taxes shall be considered to have been imposed on and from the First (1st) day of January 2018. Such rates and taxes are not deemed to be paid until payment is received in the office of the Collector of The Corporation at 770 Vernon Avenue, Victoria, B.C.

3. This bylaw may be cited for all purposes as the "TAX BYLAW, 2018, NO. 9497".

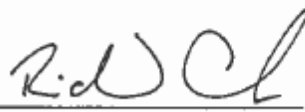
Read a first time this 7th day of May, 2018

Read a second time this 7th day of May, 2018

Read a third time this 7th day of May, 2018

Adopted by Council, signed by the Mayor and Clerk and sealed with the Seal of the Corporation on the 14 day of May, 2018


Deputy Municipal Clerk


Mayor



**2018
SCHEDULE**

Tax Rates (dollars of tax per \$1000 taxable value)

Property Class	A	B	C
	Municipal General	Regional District	Regional Hospital District
(1) Residential	2.9529	0.22651	0.22880
(2) Utilities	30.2356	2.31929	0.80080
(3) Supportive Housing	2.9529	0.22651	0.22880
(4) Major Industry	7.8435	0.60166	0.77792
(5) Light Industry	7.8435	0.60166	0.77792
(6) Business/Other	12.5655	0.96387	0.56056
(7) Managed Forest	18.6502	1.43061	0.68640
(8) Recreational/Non Profit	8.3025	0.63686	0.22880
(9) Farm	0.50000	0.03835	0.22880

