



Financial Plan

2020 – 2024

Draft

February 25, 2020



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, 2019

Christopher P. Morill

Executive Director

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EXECUTIVE SUMMARY

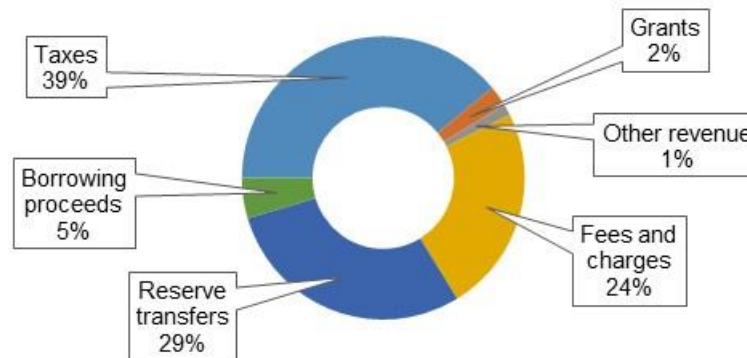
The Community Charter requires that the District of Saanich approve a Five Year Financial Plan bylaw each year prior to the adoption of the annual property tax bylaw. This document provides the supporting details to the 2020-2024 Draft Financial Plan Bylaw, which will be considered for adoption by Council before May 15, 2020.

1. Consolidated Financial Plan Summary

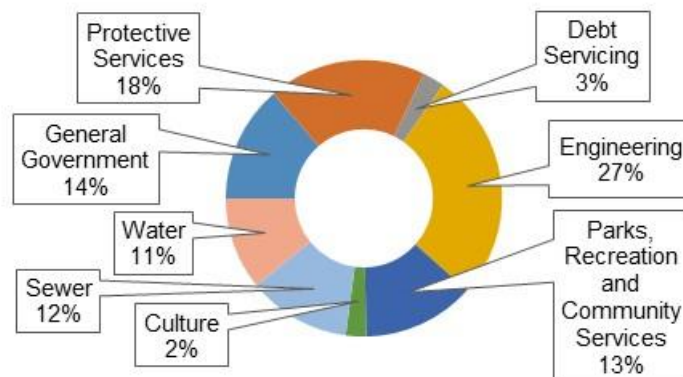
Local governments in British Columbia are required through provisions in the Community Charter to have balanced financial plans. Current revenue, including transfers from reserves, must be sufficient to support current expenditures for each of the three funds: general operating, sewer and water.

Saanich's consolidated financial plan for 2020 balances \$342,481,100 in revenues and transfers with \$342,481,100 in expenditures.

Consolidated Revenue



Consolidated Expenditure

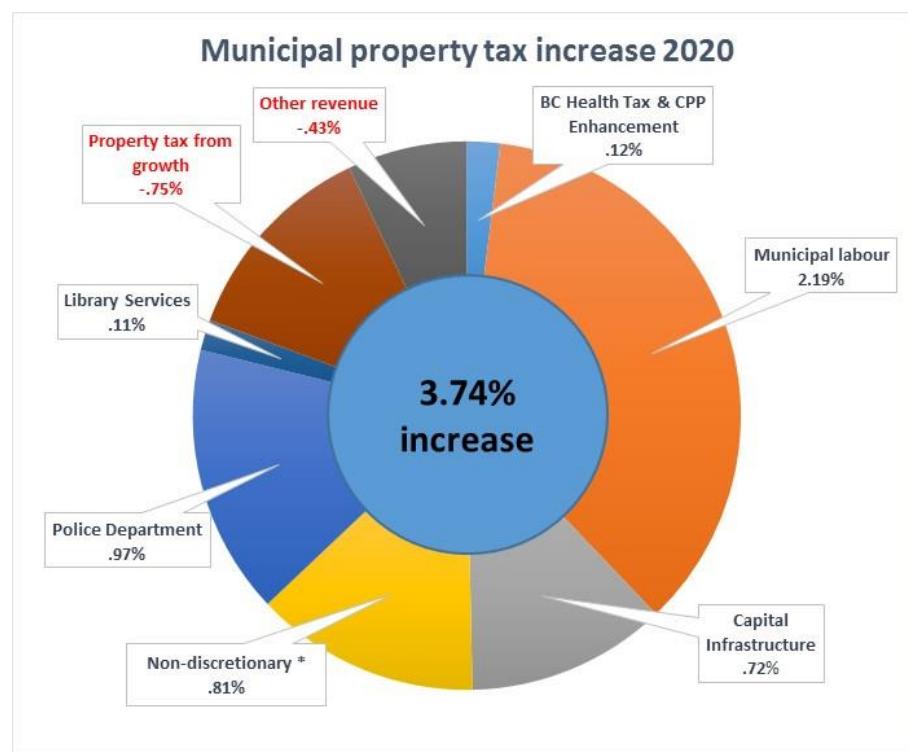


The budget is based on:

1. A municipal property tax increase of 1.94% (\$51.66) for core operations and non-discretionary costs, 0.72% (\$19.17) for capital infrastructure replacement, 0.97% (\$25.83) for Police Board, and 0.11% (\$2.93) for the Greater Victoria Public Library. This totals 3.74% or \$99.59 to the average single family homeowner,
2. No service reductions from 2019 levels,
3. Sewer Utility rates approved in December 2019 of \$1.886 per cubic meter for the Capital Regional District Sewer Usage Charge and \$1.361 per cubic meter for the Saanich Sewer Usage Charge.
4. Water Utility rates approved in December 2019 of \$1.665 per cubic meter for Regular Retail rate.
5. Garbage Utility rates approved in December 2019 of \$133.50 for base fee, \$27 for 80 litre Organics Cart Fees, \$37.80 for 120 litre Organics Cart Fees and \$75.60 for 240 litre Organics Cart Fees. The Garbage Cart Fees remain the same as prior year.

Including all municipal taxes and utilities, an average homeowner is projected to pay about \$164 more in 2020:

	<u>2019</u>	<u>2020</u>	<u>Increase</u>
Property Taxes	\$ 2,660	\$ 2,760	\$100
Sewer	517	560	43
Water	481	495	14
Refuse Collection	<u>192</u>	<u>199</u>	<u>7</u>
	\$ <u>3,850</u>	\$ <u>4,014</u>	\$ <u>164</u>



2. Summary of Consolidated Financial Plan Changes From 2019 To 2020

Additional revenues from taxation, reserves and user fees will be used to fund non-discretionary increases in 2020 operating programs, new infrastructure maintenance and increased capital replacement. Grants from senior levels of government and some reserves will also be used to fund large capital projects such as the Shelbourne Street Improvement project:

Consolidated Revenue					
Source	General Operating	General Capital	Sewer & Water Utility	2020 Budget Total	2019 Budget Total
Taxes	117,874,900	15,693,700	-	133,568,600	127,834,700
Grants	4,583,100	3,471,300	-	8,054,400	6,004,000
Other revenue	4,415,300	-	-	4,415,300	3,978,300
Fees and charges	29,872,600	-	50,324,900	80,197,500	75,631,000
Reserve transfers	9,596,000	65,473,700	25,429,500	100,499,200	81,117,100
Borrowing proceeds	-	12,146,100	3,600,000	15,746,100	22,640,400
Total	166,341,900	96,784,800	79,354,400	342,481,100	317,205,500

Consolidated Expenditure					
Function	General Operating	General Capital	Sewer & Water Utility	2020 Budget Total	2019 Budget Total
Administration	2,649,700	-	-	2,649,700	2,815,300
Corporate Services	9,462,900	12,263,800	-	21,726,700	19,140,000
Finance	4,539,800	-	-	4,539,800	4,197,800
Corporate Revenues & Expenses	6,046,200	-	-	6,046,200	4,989,400
Fiscal Services	7,800,000	-	952,700	8,752,700	8,588,800
Building, Bylaw , Licensing & Legal Services	6,155,100	-	-	6,155,100	5,774,000
Police Protection	40,650,100	2,246,500	-	42,896,600	42,681,400
Fire Protection	20,308,100	346,600	-	20,654,700	20,953,700
Emergency Program	455,600	-	-	455,600	504,400
Planning	5,020,400	-	-	5,020,400	4,200,900
Engineering	21,405,600	70,672,500	78,401,700	170,479,800	149,652,100
Parks, Recreation and Community Services	33,748,100	11,255,400	-	45,003,500	45,767,700
Cultural	8,100,300	-	-	8,100,300	7,940,000
Total	166,341,900	96,784,800	79,354,400	342,481,100	317,205,500

Note: The above total figure for General Operating is \$29,240,000 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 2019						\$ 317,205,500
Revenues were increased because:						
Increased General Taxes						5,733,900
Increased use of grant revenue mainly for infrastructure spending						2,050,400
Increased fees and charges from recreation						3,500
Increased fees and charges from water and sewer programs						3,638,600
Increased fees fees and charges from other programs						1,361,400
Decreased borrowing for infrastructure						(6,894,300)
Increased use of reserve funds (including Work in Progress)						19,382,100
New Consolidated Revenue level for 2020						\$ 342,481,100

Consolidated Expenditures level in 2019						\$ 317,205,500
Expenses were increased because:						
Increased General Operating costs						7,858,700
Increased General Capital costs						8,416,200
Increased Water System operating and capital costs						3,738,000
Increased Sewer System operating and capital costs						5,262,700
New Consolidated Expenditure level for 2020						\$ 342,481,100

3. 2020 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 2019 levels. Reserve funds are expected to decrease in 2020 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	156,995,000	241,277,300
Total Revenues	195,581,900	96,784,800	42,261,400	37,093,000	41,778,900	413,500,000
Total Expenditures	(195,581,900)	(96,784,800)	(42,261,400)	(37,093,000)	(93,112,200)	(464,833,300)
Fund Balance, December 31	23,643,300	23,147,200	18,418,200	19,073,600	105,661,700	189,944,000

4. General Operating Fund Summary:

This budget provides for the annual operation of the municipality in 2020 based on a 1.90% increase for core operations and non-discretionary costs to maintain 2019 service levels, 0.72% for capital funding, 0.97% for Police Board and 0.11% for the Greater Victoria Public Library.

This revenue funds the net cost to maintain services at 2019 levels and continues past practice of gradually increasing tax funded capital programs to address any funding deficits.

A refuse collection fee of \$199 (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 \$7.00 over prior year is attributable to contracted increases to labour costs, compost hauling and processing fees. In addition, maintenance of the garbage and organic fleet, specifically the movable arms, is trending much higher than anticipated at acquisition. The District's experience is similar

to other jurisdictions using this technology. An increase in transfer to the fleet maintenance account to support the work performed on these vehicles is being allocated over two years with this being the second year.

5. Water Utility Fund Summary:

The Water Utility Budget provides for all operations and capital funding to support the water system. In December 2019 a 3.10% annual increase in water rates was approved to address contracted increases to labour costs, water utility's share of 2019 approved increases in engineering positions and higher contracted equipment costs used for waterline emergency repairs. The rate increase also covers an increase in CRD bulk water purchase rates of 2.85%. Cost to the average homeowner increased by \$14 from \$481 to \$495 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 2019 an 8.89% increase in sewer rates was approved to support CRD operating and debt costs, contracted increases to labour costs and sewer utility's share of 2019 approved increases in engineering positions. Annual cost to the average homeowner increased by \$43 from \$517 to \$560 per year.

7. General Capital Fund Summary:

The 2020 General Capital Program provides for \$96.8 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 2020 include \$9.2 million Shelbourne Street Improvement, \$2.0 million for sidewalk installation program, \$3.0 million in sub-standard drain replacement, \$3.3 million in parks projects, \$5.1 million in facility upgrades and \$2.4 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 IT and Facility infrastructure through transfers to capital reserves to address funding deficits for these assets. The increases are planned to be implemented over 6 years. Funding has risen from \$11 million in 2007 to an annual average of over \$29 million in the last three years.

8. Reserve Fund Summary:

Reserve Funds are projected to decrease from \$156,995,000 in 2019 to \$105,661,700 in 2020 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 \$63.6 million in 2020. This remains well below policy guideline of \$112 million in general debt. Current outstanding debt, interest rates and maturity dates are listed below. Temporary borrowing will be paid off and replaced by long term borrowing approved by Council in the last financial plan. The short term borrowing is used for financing equipment purchases and range from one to five years.

Over the 5 year term of the financial plan, \$1.13 million in debt servicing will become available to apply to other borrowing needs.

BY-LAW NUMBER	LOAN TYPE	GENERAL	SEWER	TOTAL	SERVICING COST	INTEREST RATE	MATURITY DATE
		\$	\$	\$	\$	%	D / M / Y
3257	Long Term	288,936		288,936	218,639	1.55%	06.04.2020
3292	Long Term	198,780		198,780	166,302	1.80%	13.10.2020
3363	Long Term	764,217		764,217	303,822	1.75%	19.10.2021
3466	Long Term	425,883	149,757	575,640	170,071	2.25%	12.01.2022
3968	Long Term	1,317,286		1,317,286	271,898	3.00%	14.10.2024
3726	Long Term	826,610		826,610	154,365	3.35%	01.10.2025
3726	Long Term		542,206	542,206	100,327	3.73%	06.10.2025
3771	Long Term	4,482,106		4,482,106	737,133	3.65%	29.09.2026
3853	Long Term		454,163	454,163	59,206	2.90%	04.10.2027
8409	Long Term	756,476		756,476	65,179	2.10%	03.06.2028
3968	Long Term	1,896,708	1,550,194	3,446,902	377,722	3.00%	14.10.2029
4061	Long Term	4,446,804	2,319,554	6,766,358	627,628	2.60%	19.04.2031
4163	Long Term	2,494,391		2,494,391	228,946	2.80%	07.04.2032
4199	Long Term	1,956,137	1,336,281	3,292,418	315,128	3.15%	04.10.2032
4163	Long Term	711,136		711,136	110,052	3.41%	04.10.2028
4283	Long Term	4,475,000	130,000	4,605,000	286,951	2.66%	09.04.2034
4319	Long Term	655,000		655,000	136,276	1.97%	09.10.2024
4319	Long Term	3,990,000	1,920,000	5,910,000	450,145	2.24%	09.10.2034
9541	Temporary	4,040,000		4,040,000	28,225	2.55%	09.10.2020
9590	Temporary		150,000	150,000	1,048	2.55%	09.10.2020
9591	Temporary	150,000		150,000	1,048	2.55%	09.10.2020
9592	Temporary	100,000		100,000	699	2.55%	09.10.2020
9593	Temporary	800,000		800,000	5,589	2.55%	09.10.2020
9594	Temporary	430,000		430,000	3,004	2.55%	09.10.2020
Resolution	Short Term	388,659		388,659	190,574	2.55%	31.12.2021
Resolution	Short Term	75,555		75,555	25,590	2.55%	31.12.2022
Resolution	Short Term	139,083		139,083	36,845	2.55%	31.12.2023
Resolution	Short Term	60,000		60,000	12,775	2.55%	31.12.2024
		(205,780)	(27,010)	(232,790)		Accrued Actuarial Gains	
TOTAL		<u>35,662,987</u>	<u>8,525,145</u>	<u>44,188,132</u>	<u>5,085,186</u>		

* Temporary and Short Term loans interest are based on the daily CDOR rates. The above rate is as of December 31st, 2019.

10. Consolidated 2020 Budget Highlights by Strategic Plan Goal Areas

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

Community Well-Being:

- \$1,413,700 in funding to provide fleet, IT and other capital replacement for protective services.

Climate Action and Environment Leadership:

- \$150,000 in funding for the Active and Safe Route to School program
- \$3,400,000 for park, playground, trail and other park infrastructure replacement
 - Horner Park Renewal
 - Wedgewood Tennis Court
 - Youth Park construction
 - Various tree planting projects
- A minimum of \$10,360,000 of road, sidewalk and bikeways additions and improvements in areas such as:
 - Shelbourne Valley Improvement 1470m cycling
 - Wilkinson Road (Greenlea to Quick's Bottom Park Trail) 240m sidewalks and 480m cycling
 - Arbutus Road (Finnerty to CRD Property) 500m sidewalks
 - Cordova Bay Road (Walema Ave. to Rambler Road) 380m sidewalks
 - Carey Road (Gerda Road to Judah Street) 620m sidewalks
 - Orillia Street (Burnside Road to Hampton Road) 590m sidewalks
 - Margaret Street (Raymond Street to Glanford Ave.) 300m sidewalks
 - Raymond Street North (McKenzie to Judah) 410m cycling
 - Vanalman Avenue (Mann Avenue to Commerce Circle) 700m cycling
- \$930,000 in various road improvements to Bus Stops, Signals and Street Lights:
 - Quadra and Tattersall NW & SW Pole Replacement
 - Burnside at Tillicum Mall SW Pole Replacement
 - LED street light program

Affordable Housing, Land Use and Infrastructure Management:

- \$6,933,000 to continue replacing asbestos cement sewer mains and asbestos cement and cast iron water mains
- \$2,167,000 for IT infrastructure upgrades

Economic Diversification:

- \$130,000 for supporting the operations of High Performance Sports at Saanich Commonwealth Place

Organizational Excellence:

- \$1,050,000 for operations Business Systems upgrades
- \$100,000 for Council Chamber Videos and Monitors upgrade

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

The District of Saanich lies within the traditional territories of the Lkwungen (Lay-kwung-gen) peoples known today as Songhees and **SXIMELEL** (Esquimalt) Nations and the **WSÁNEĆ** (weh-saanich) peoples known today as WJOŁEŁP (Tsartlip), BOKEĆEN (Pauquachin), STÁUTW (Tsawout), WSIKEM (Tseycum) and MÁLEXEL (Malahat) Nations.

Since incorporation on March 1, 1906, Saanich has become a major residential area in the Capital Regional District. The history of Saanich and its pattern of settlement are still evident in many of the old buildings and structures located throughout the district. Geographically, elevations range from sea level to 213 meters, and the municipality is complemented by 817.49 hectares of 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 Serviando*" – which means serving the people. It is a message that all Councillors and staff take to heart in their respective roles.

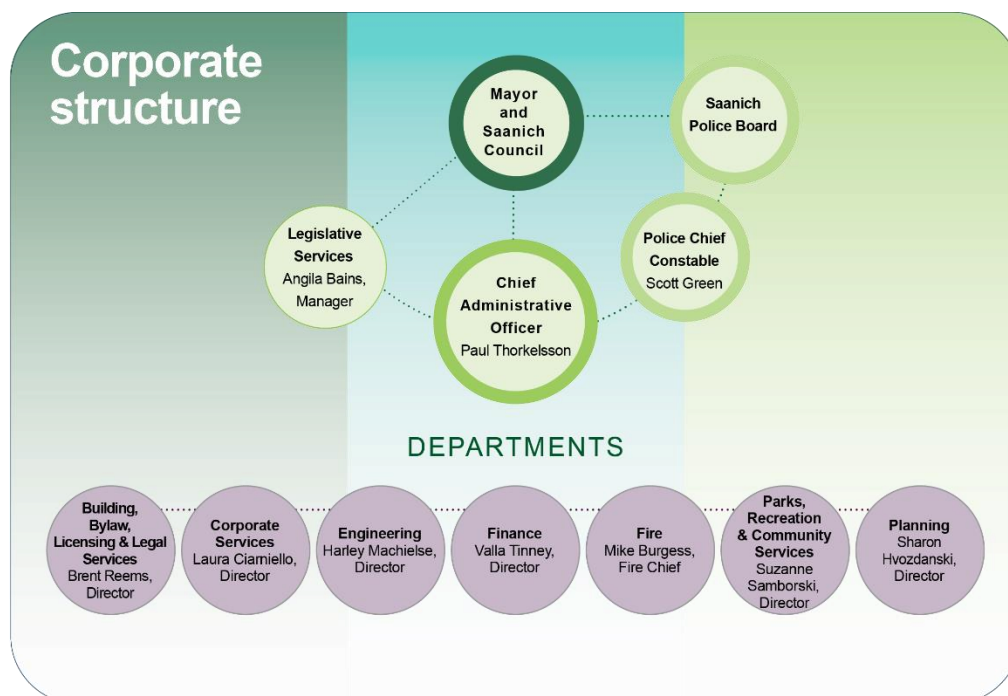
Saanich Council

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

Mayor:	Fred Haynes	
Councillors:	Susan Brice	Karen Harper
	Judy Brownoff	Rebecca Mersereau
	Nathalie Chambers	Colin Plant
	Zac de Vries	Ned Taylor

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:



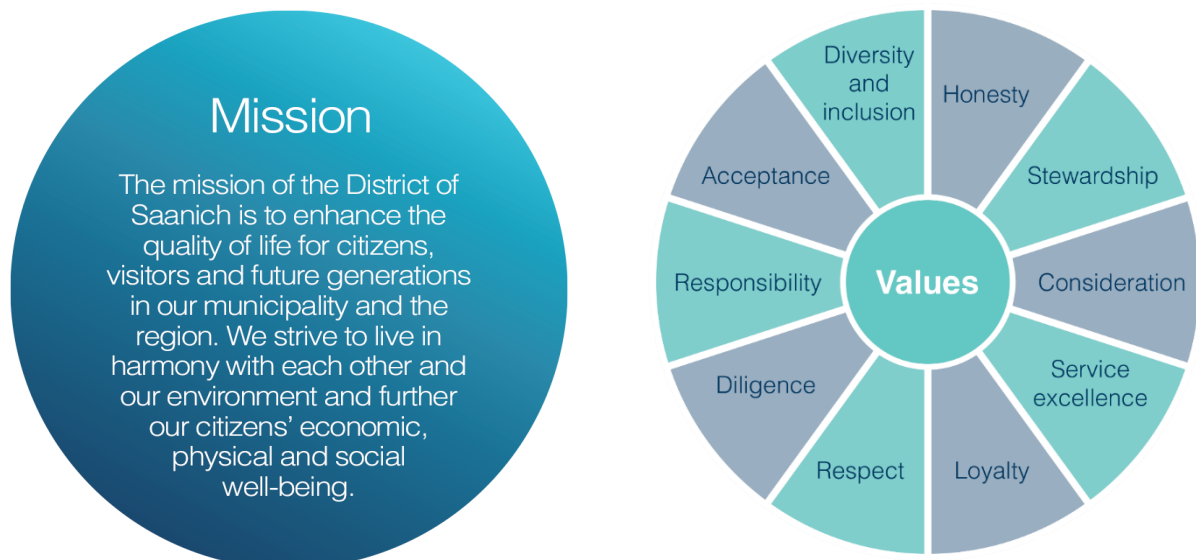
Saanich Vision

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



Mission and Values

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



STRATEGIC CONTEXT

1. Strategic Plan

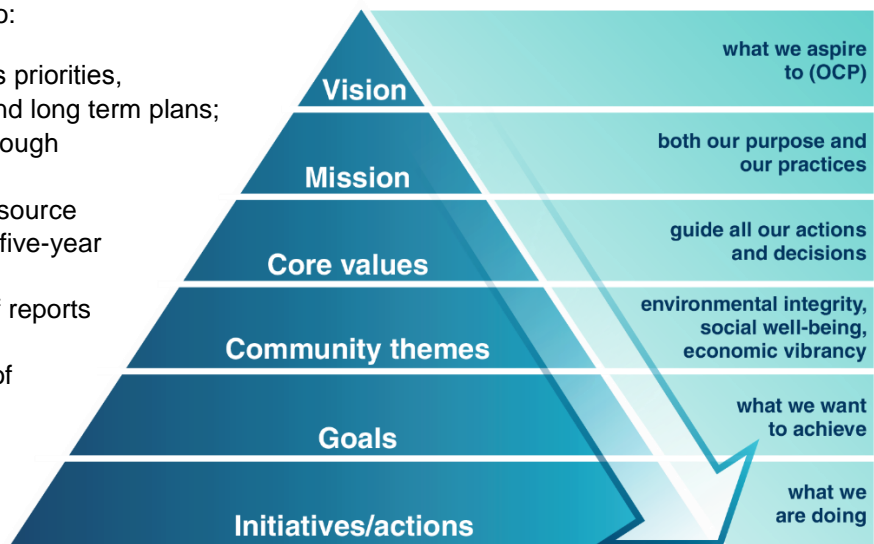
The Saanich Strategic Plan offers a framework to focus and measure progress towards the preferred future as a municipality. Specifically, moving towards and achieving the Saanich Vision. The development of the plan is based on public consultation involving council, citizens and staff. The plan identifies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

Community Well-Being	Affordable Housing, Land Use and Infrastructure Management	Organizational Excellence	Economic Diversification	Climate Action and Environmental Leadership
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The Strategic Plan is used to:

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

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



2. Financial Planning Process

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

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

Each department prepares a work plan that contains major activities to accomplish in the coming year, including those initiatives contained in the Strategic Plan. Based on those activities and while adhering to the budget guidelines (page15), departmental budgets are provided outlining expected costs and associated revenue. The departmental budgets are compiled to create a draft financial plan which is reviewed by the Director of Finance and the Chief Administrative Officer.

Upon finalization of the draft financial plan public meetings are scheduled where each department presents its portion of the financial plan, allowing Council review and for public scrutiny and input. Additional meetings related to grants, resource requests and service reduction scenarios are scheduled thereafter to allow further public input for Council's consideration.

As input is received from the public and Council discusses financial plan priorities, the proposed financial plan is revised until a final version is reached. This becomes the document the District uses to develop the Financial Plan Bylaw. The property tax revenue requirement established in the Financial Plan Bylaw forms the basis for the tax rates approved through the property tax bylaw. The financial plan may be amended by bylaw at any time during the five-year period. Below is the financial planning framework in a glance.

Financial Planning Framework



BUDGET GUIDELINES FOR 2020

Council Approved Budget Guidelines

At the July 22, 2019 meeting of Council, the following motion was passed:

Preliminary 2020 departmental net budget totals will be limited to a 0.0 percent increase over the 2019 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;

Existing personnel costs will be calculated using 2020 bargained rates (or estimates prepared by Finance if not known);

Funding for salary and benefits costs arising from job description changes be provided within existing budgets;

The remaining implementation of the results of CUPE Letter of Understanding #11 – Job Evaluation will be applied January 1, 2020;

Capital expenditures funded from current taxation revenue (Core Capital) be increased by 2% plus a maximum 0.5% property tax increase to facility capital repairs and information technology;

Provision will be made commencing in 2020 for the municipal portion required to fulfill the updated Development Cost Charge program;

Resource requests for additional operating budgets (including one-time resource projects) and new tax funded personnel 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; and

Capital projects will continue to be managed within existing capital budgets (including increases referenced in previous motion);

Council will consider resourcing needs for those strategic initiatives in the 2019-2022 Strategic Plan that have partial or no current funding;

Prepare 1% and 2% strategy related budget reduction scenarios;

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 2020 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 and sewer rates increased annually to accommodate a construction inflation factor of 4% for infrastructure replacement.

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

1. 2% annual increase from taxation to support construction cost inflationary increases.
2. Debt servicing budget levels maintained within policy.
3. Federal gas tax funding allocated to transportation and drainage projects.
4. New infrastructure funding mainly relies on modest debt room, government grants, community contributions and operating budgets, and
5. All figures shown in current year (2020) dollars – no inflation allowance,

2. Revenue And Tax Policies

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

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

	<u>2019</u>	<u>2020</u>	<u>% Property Tax Levy</u>	<u>Tax Multiple</u>
Residential	2.9451			
Utilities	29.0277			
Supportive Housing	2.9451			
Light Industry	6.6177			
Business/Other	12.1864			
Managed Forest	17.9444			
Rec/Non Profit	8.6140			
Farm	0.5000			

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

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

3. Expenditure Policies

Debt Limit Policy

The Community Charter sets a limit on the amount of debt a Local Government may carry. The limit states that no additional debt may be issued if it would result in the total annual debt servicing costs exceeding 25% of the revenue collected in the previous year. At the end of 2019, the legal debt limit is such that average annual servicing costs cannot exceed \$50.6 million or total debt of \$633 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 2020 this limits annual debt servicing costs to no more than \$8.9 million or total debt of \$112 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 2020

Between 2019 and 2020, total full-time equivalent (FTE) positions are expected to increase by 15.14 FTE or 1.36%. Temporary FTE's hired based on one time funding are not included. Details listed below:

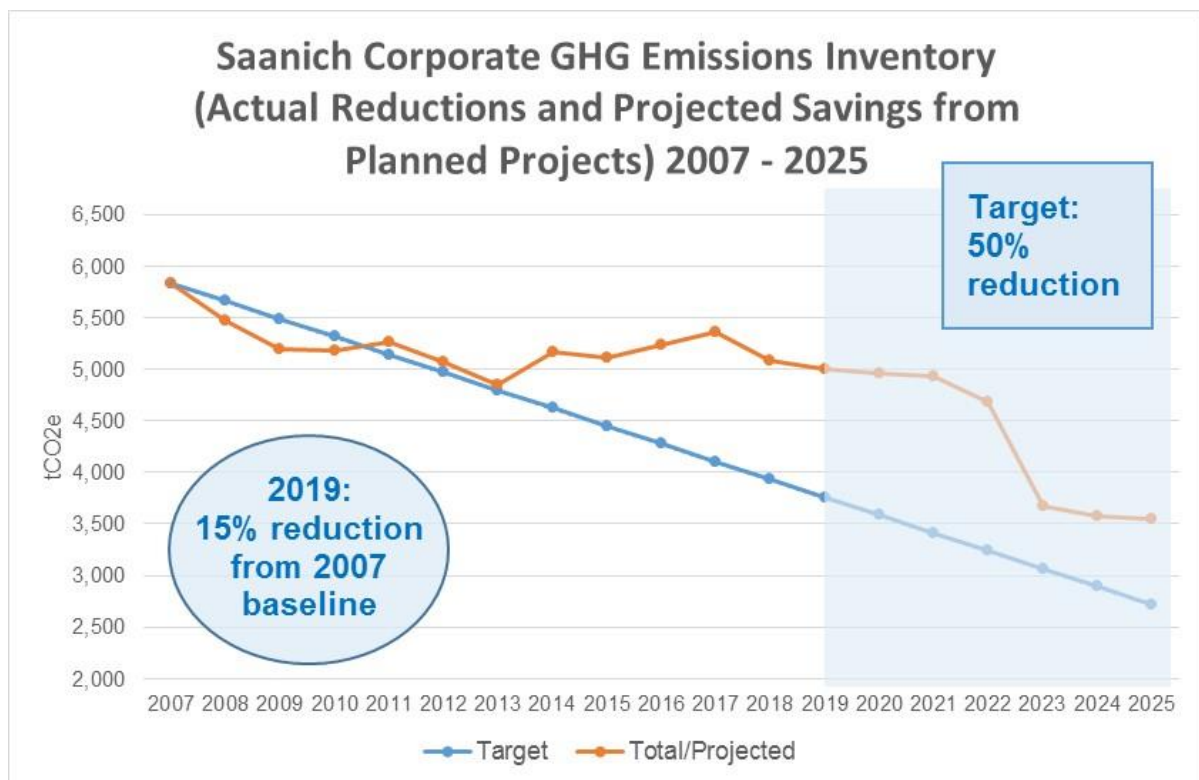
Full time Equivalent (FTE) Employees					
Department	2018	2019	2020	FTE Change	Description of Change
Administration	16.15	16.15	16.14	(0.01)	Minor restructure
Corporate Services	45.56	46.08	47.27	1.19	Full year budgeting of half time clerical, a safety coordinator and a human resource recruiter approved prior year.
Finance	39.08	39.81	41.37	1.56	Full year budgeting of accounting position approved prior year. Additional partial position increases funded from within the department and from other departments.
Building, Bylaw, Licensing and Legal	29.97	30.84	31.90	1.06	Full year funding of a bylaw officer and plan checker approved prior year.
Police Protection	249.27	233.94	237.78	3.84	Partial year addition of 3 civilian positions, 2 sworn positions and budgeted hours for the summer student program.
Fire Protection	126.51	126.85	127.85	1.00	Duty to accommodate one FTE for the year.
Emergency Program	3.00	3.00	3.00	-	
Planning	28.44	30.26	30.84	0.58	Full year budgeting of a planner, community engagement coordinator and a planning clerk approved prior year less transfer of an energy specialist to Engineering
Engineering (includes utilities)	262.59	265.13	268.47	3.34	Full year budgeting of additions of Surveyor hours and the positions of Managers of infrastructure planning, project delivery and development services approved prior year. Also transfer of one position from Planning and increase in auxiliary hours for new inventory maintenance.
Parks & Recreation	315.91	320.61	323.19	2.58	Full year budgeting of a booking clerk, the coordinators of tree permit, volunteer and sports and user groups approved prior year and increase in FTE due to increases in programs and golfing offset by the expected shutdown of the CHGC Clubhouse and of the Golden Arena which will impact 6.9 FTEs and related revenues.
Total	1,116.48	1,112.67	1,127.81	15.14	

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 2020, the District approved the 2020 Climate Plan, which committed to reduce emissions to 50% of 2007 by 2025, and to achieve net-zero emissions by 2040. 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. Overall, Saanich saw a decrease of 50 tCO₂e in our corporate GHG inventory (or carbon emissions) in 2019. This is a 1% reduction from the previous year, and a reduction of 15% from the updated 2007 baseline. The inventory continues to be split between vehicle energy use (59%) and building energy use (41%).

Carbon Footprint (tCO ₂ e)					
Department	2017	2018	2019	GHG Change	Description of Change
Administration	22	11	2	(9)	Decrease due to purchasing Renewable Natural Gas (RNG) at Municipal Hall since January 2019
Corporate Services	41	27	16	(11)	
Finance	33	16	3	(13)	
Building, Bylaw, Licensing and Legal	29	34	28	(6)	
Police Protection	531	492	473	(19)	Decrease in fleet fuel use
Fire Protection	221	218	214	(4)	Decrease in fleet fuel use
Planning	30	15	3	(12)	Decrease due to purchasing RNG at Municipal Hall since January 2019
Engineering (includes utilities)	2,113	2,072	2,114	42	Increase in fleet diesel use due to increase in services required (snow and ice removal)
Parks & Recreation	2,347	2,164	2,146	(18)	Upgrades to centre and the purchase of NRG in facilities that have completed upgrades to reduce natural gas use.
Total (Baseline 2007 = 5,446)	5,367	5,049	4,999	(50)	

* Previous years' figures have been updated from earlier reported GHG emissions due to changes in methodology. New methodology more fully captures additional emissions (e.g. contractors and vehicle allowances).



The main GHG contributions from our fleet relate to diesel use in our heavy duty vehicles and trucks. There was little change in fleet greenhouse gas emissions in 2018 compared to 2017, but progress was made in the installation of new electric vehicle charging stations at the Hall and Public Safety building in preparation for replacing current internal combustion engine light duty fleet vehicles with electric vehicles. Staff are actively monitoring market options that would enable us to electrify our heavy duty fleet and trucks.

Our recreation centres continue to be the main contributors to our building GHG emissions inventory. Savings in 2019 compared to calendar year 2018 are the result of upgrades completed during 2018, and the purchase of Renewable Natural Gas (RNG) from FortisBC in facilities that had recently completed upgrades to reduce natural gas use.

In 2019, work progressed towards a renewable energy and efficiency upgrade at Saanich Commonwealth Place (SCP), which is the biggest energy and GHG emissions source within the District's buildings. The project aims to reduce the recreation centre's GHG emissions by 90%.

BUDGET PLANNING ISSUES

1. 2020 Financial Planning Issues

Preparation of the 2020 budget proposal has taken into account the following financial planning issues:

Infrastructure – Replacement of aging infrastructure continues to be a priority. An overall plan to increase capital funding to reach estimated sustainability targets was reached in 2019 for most assets. An additional increase of 0.50% in property taxes is recommended to address funding deficits in Information Technology and major facility repair determined through recent assessments of these assets. The sustainability levels will be reviewed in the future to determine if any additional funding for capital is needed. Capital program funding for General capital has been increased by 2% in recognition of inflationary pressures. Utility charges have also been increased for both Sewer and Water to provide appropriate annual funding to ensure timely replacement of aging infrastructure in light of increasing construction costs.

Wage and benefit costs – The Police Association contract ended December 2018 and the CUPE and IAFF contracts ended December 2019. Contingency estimates have been included for any increases that will arise from upcoming negotiations. The 2020 budget reflects the final increase to CUPE's Job Evaluation in accordance with budget guidelines. CPP costs increased for all employees due to the Federal enhancement plan of the program. EI, WCB, Pension, Dental and extended health benefit costs have also increased marginally over last year.

Employer Health Tax (EHT) – The province implemented EHT last year and it applies to all employee groups working for the District. This tax replaced the Medical Services Plan which, depending on the union group, was either cost shared with the District or was fully paid for by the employer. The impact of the EHT increase on this year's budget is negligible at 0.03% increase to the property taxes. Annual increases will now reflect the overall increase to gross pay of employees.

Growth – The District experienced modest growth in 2019 which is in line with the historical levels for new tax and permit revenues.

Non-discretionary expenditures – For 2020, an additional 0.81% tax increase was applied to budget for non-discretionary items such as maintenance contracts and software licensing, insurance increases, lease costs for policing space, maintenance costs for additional corporate space, and various contract services.

Resource Requests – For 2020, an additional 0.52% tax increase was implemented to provide final year funding for positions approved by Council in the prior year. No 2020 resource requests are incorporated into the draft 2020 budget.

Water costs – A large proportion of water costs (40% for 2020) 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 2020 the CRD bulk water rate went up 2.85%.

Sewer costs – A significant proportion of overall sewer costs are from CRD regional Sewage Treatment (55.36% for 2020). CRD sewer charges increased by 11.20% over last year due to operational cost increases and to fund new Liquid Waste Management Plan mandated regional sewer treatment.

2. 2021 – 2024 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 and political uncertainty with China.

Provincial grants uncertainty – Unconditional operating grants of \$1.5 million are paid annually by the Province of BC based on sharing of traffic fine revenues. It is uncertain whether this grant will continue in the long term given the current economic climate. Should the grant be discontinued the equivalent effect would be a 1.17% tax increase on property taxes or an equivalent reduction in programs or services that are funded by this grant.

Wage costs uncertainty – The Police Association contract expired the end of 2019 and the IAFF and CUPE contracts expired at the end of 2019. While the extent of possible wage cost impact is uncertain for the future years, Public Safety and CUPE settlements continue to trend at 2.0% or higher.

Benefit costs increases – Based on historical trends and future outlook from benefit providers, all benefits will be experiencing increases in the long term due to aging workforce, longer life spans and rising health care costs. CPP costs will continue to increase for majority of employees as the Federal enhancement continues to 2025.

Water purchases – Water sale volumes in the municipality have started to decline again due to homeowner's conservation of water use. The cost of bulk water purchases from the CRD is projected to increase as the CRD has projected an increase to its rates of 2.90% 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 at 14% in 2021 and then 2% annually after that.

Infrastructure Replacement – The overall plan to increase capital funding to sustainable levels was reached in 2019 with the exception of Information Technology and major repairs to facilities. In addition further work is needed to determine the future replacement cost of minor facilities owned by the District. Future increases will be based on applying an inflationary increase to keep up with rising costs of construction and as replacement costs are updated.

General Operating Fund

The total tax levy for the General Operating Fund is proposed to increase by \$5,733,900 or 3.74% or \$99.59 to the average single family homeowner in 2019.

The increase in property tax revenue this year is made up of a 1.94% increase for core Municipal and non-discretionary costs, 0.72% in infrastructure replacement funding, 0.97% for Police Board and 0.11% for the Greater Victoria Public Library.

BUDGET SUMMARY	
2020 Tax Levy	\$ 133,548,600
2019 Tax Levy	\$ 127,814,700
Net Change	\$ 5,733,900
Average Single Family Homeowner Increase %	3.74%
2020 FTE	1051.64
2019 FTE	1036.71
FTE Change	14.93
FTE Change %	1.44%

Saanich 2020 Financial Plan	Budget Increase \$	Tax Increase %
Operating Increases		
Core budget		
Existing personnel costs - municipal	2,943,611	2.31%
Non-discretionary increases	1,027,650	0.81%
General Municipal Core Operating Increase	\$ 3,971,261	3.12%
Increase in non-tax revenue	(549,056)	-0.43%
Tax revenue from new sources (preliminary)	(958,600)	-0.75%
Core Operating Increase to Existing Taxpayers	\$ 2,463,605	1.94%
Increase for Capital Infrastructure	922,100	0.72%
Total General Municipal Increase	\$ 3,385,705	2.66%
Police Board Budget Submission	\$ 1,244,985	0.97%
Greater Victoria Public Library	144,535	0.11%
General Municipal, Police and Library	\$ 4,775,225	3.74%

BUDGET SUMMARY BY OBJECT

Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2018	2019	2019	2020	2020/2019
Personnel (1)	106,735,500	102,868,000	105,217,700	110,417,900	4.94%
Goods and Services (2)	38,792,700	42,323,400	40,046,200	42,625,800	6.44%
Fiscal Services (3)	3,863,200	4,124,400	4,138,200	4,993,700	20.67%
Grants, Overheads & Transfers	18,854,600	15,183,600	22,173,400	21,850,800	(1.45%)
Capital (tax funded portion only) (4)	14,200,600	15,242,100	15,226,600	15,693,700	3.07%
TOTAL	182,446,600	179,741,500	186,802,100	195,581,900	4.70%
REVENUES AND RECOVERIES					
Property Taxation	(120,641,800)	(127,799,800)	(127,814,700)	(133,548,600)	4.49%
Parcel Tax	(20,000)	(20,000)	(20,000)	(20,000)	0.00%
Other Corporate Revenues (5)	(8,716,900)	(9,624,700)	(8,188,300)	(8,608,600)	5.13%
Other Departmental Revenues	(32,059,100)	(32,335,500)	(28,944,700)	(29,872,600)	3.21%
Inter-Departmental Recoveries (6)	(11,793,400)	(11,776,200)	(13,092,300)	(13,546,300)	3.47%
Transfer from Reserves (7)	(12,147,400)	(2,206,700)	(8,548,100)	(9,596,000)	12.26%
Other Grants	(264,600)	(399,000)	(194,000)	(389,800)	0.00%
TOTAL	(185,643,200)	(184,161,900)	(186,802,100)	(195,581,900)	4.70%
NET OPERATIONS					
	(3,196,600)	(4,420,400)	-	-	0.00%

1. Personnel costs - increase in wage increment and addition of new positions.
2. Goods and Services – increase in one time projects funded from reserves.
3. Fiscal Services – increase to fund additional borrowing costs.
4. Property tax based capital funding - increased to continue progress to sustainable funding levels.
5. Other Corporate Revenues – new revenues from hotel tax and higher returns on investments.
6. Inter-Departmental Recoveries – increase to recognize actual recovery levels of services.
7. Transfer from Reserves – increase in projects funded from reserves.

Budget Summary by Function:

Operating Budget	Actual	Actual	Budget	Budget	% Change
ALL DEPARTMENTS	2018	2019	2019	2020	2020/2019
Property Taxation	(120,641,800)	(127,799,800)	(127,814,700)	(133,548,600)	4.49%
Parcel Tax	(20,000)	(20,000)	(20,000)	(20,000)	0.00%
Utility and Hotel Tax	(1,660,200)	(1,899,500)	(1,621,000)	(1,869,400)	15.32%
Grants In Lieu	(2,572,100)	(2,747,200)	(2,655,900)	(2,693,300)	1.41%
Interest and Penalties	(2,449,900)	(2,990,000)	(2,057,900)	(2,230,000)	8.36%
Other Revenues	(480,600)	(433,900)	(299,400)	(315,900)	5.51%
Capital Contribution	14,200,600	15,242,100	15,226,600	15,693,700	3.07%
Net Departmental Cost	110,427,400	116,227,900	119,242,300	124,983,500	4.81%
SURPLUS/DEFICIT	(3,196,600)	(4,420,400)	-	-	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 3.70% increase in municipal property taxes to the average single family homeowner with an assessed value of \$897,000 and to average business properties. The remaining increase in property tax revenue is from new tax revenues on construction completed during the previous year.

Utility and Hotel Tax - This includes the 1% revenue tax from utilities such as Fortis, Shaw, BC Hydro and Telus and 2% hotel revenue tax on hotels that operate within Saanich. 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 increased in 2019 due to increase in investment rates and high rate saving products available for municipalities. 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 capital program is funded from property taxation. The capital budget is increased by 2% annually to keep up with increasing construction costs. An additional increase of 0.50% of property taxes is being implemented to address capital funding deficits in information technology and major facility repair.

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 \$5,741,200 or 4.81% in 2020.

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
	2018	2019	2019	2020	2020/2019	2020/2019
Administration	2,285,400	2,454,700	2,465,300	2,531,800	66,500	2.70%
Corporate Services	5,631,600	6,092,800	7,820,000	8,750,600	930,600	11.90%
Finance	3,380,100	3,635,400	3,841,100	4,118,100	277,000	7.21%
Corporate Revenues & Expenses	23,200	720,000	848,900	886,600	37,700	4.44%
Fiscal Services	7,295,900	7,660,600	7,734,800	7,734,800	-	0.00%
Building, Bylaw, Licensing & Legal Services	1,045,100	1,012,600	1,184,200	1,335,300	151,100	12.76%
Police Protection	33,574,800	34,243,500	34,765,200	36,010,200	1,245,000	3.58%
Fire Protection	18,315,000	18,913,400	19,026,700	19,761,700	735,000	3.86%
Emergency Program	417,500	408,400	438,900	447,100	8,200	1.87%
Planning	2,468,800	2,838,500	2,884,300	3,096,600	212,300	7.36%
Engineering	12,542,500	13,167,200	12,854,100	13,399,500	545,400	4.24%
Parks and Recreation	16,103,300	17,289,300	17,919,600	19,037,100	1,117,500	6.24%
Cultural	7,344,200	7,791,500	7,459,200	7,874,100	414,900	5.56%
TOTAL	110,427,400	116,227,900	119,242,300	124,983,500	5,741,200	4.81%

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.

BUDGET SUMMARY	
2020 Net Budget	\$ 2,531,800
2019 Net Budget	\$ 2,465,300
Net Change	\$ 66,500
Change by %	2.70%
2020 FTE	16.14
2019 FTE	16.15
FTE Change	(0.01)
FTE Change %	(0.06%)

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 Services Division** is responsible for legislative and corporate administration, and provides management, information and support services for Council, its advisory committees, and the Board of Variance. The Division administers the *Freedom of Information and Protection of Privacy Act* (FIPPA) and oversees the 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.

2020 BUDGET CHALLENGES

- Support the Citizens Assembly process.
- Support for additional standing and ad hoc committees.
- Review agenda preparation process and future use of Granicus for agenda management.
- Review options for an electronic bylaw index for all Saanich bylaws.

2020 KEY PRIORITIES

Priority Strategic Initiatives include:

Organizational Excellence:

- Finalize the new Council Procedure Bylaw.
- Integrate electronic records management.
- Review structure, roles and appointment process for Advisory Committees and other Council appointments.

Community Well-Being:

- Support the Citizens Assembly process.

Priority Departmental Initiatives include:

Legislative

- Create online exhibits / Digitize archival documents and finding aids.
- Continue to support relationship building with First Nations. Member of the Interdepartmental Working Group and Training Taskforce.
- Continue to ensure citizen engagement in Council proceedings.
- Increase online resources on Archives website.
- Support the Emergency Operations Centre (EOC).
- Service excellence provided by front line staff.
- Implement changes for storage and improved access to bylaws.
- Review options for an electronic bylaw index for all Saanich bylaws.
- Review agenda preparation process and future use of Granicus for agenda management.

Records Management

- Continue to offer educational opportunities to all staff on Information and Records Management.
- Develop a Document and Information Management Strategy and a Local Area Network Restructuring.
- Develop a Document and Information Management Strategy and an Electronic Document Records Management System.
- Review the organization, access and storage needs for agreements.
- Review the organization, access and offsite storage needs.
- Replace filing cabinets, Legislative Services.
- Update Records Classification and Retention Schedule (RCRS).
- Evaluate corporate records digitization needs.

Freedom of Information and Protection of Privacy

- Privacy Management Program – Assessment of program controls – Ongoing
- Develop a self-study power point presentation for new employees/advanced on FIPPA with Q&A.
- Publish a guidance documents on the use of the corporate cell phone.
- Focused training for Recreation centers and Bylaw Enforcement.
- Review of the Citizen's Assembly structure, records, Working group role, sharing of information, standard release documents.
- Update Personal Information Inventory (PID).

CORE BUDGET

The Department's 2020 Budget of \$2,531,800 represents a 2.70% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	%Change
	2018	2019	2019	2020	2020/2019	2020/2019
Council & Committees	535,800	631,000	619,700	633,200	13,500	2.18%
Administration	458,500	501,400	529,300	551,700	22,400	4.23%
Elections						
Revenues	(438,600)	-	-	-	-	0.00%
Expenses	498,200	-	-	-	-	0.00%
Total	59,600	-	-	-	-	0.00%
Legislative	1,049,400	1,142,600	1,116,400	1,198,900	82,500	7.39%
Archives	182,100	179,700	199,900	148,000	(51,900)	(25.96%)
Total	2,285,400	2,454,700	2,465,300	2,531,800	66,500	2.70%

- Council & Committees – estimated increase in remuneration.
- Administration – wages and benefits.
- Legislative/Archives – allocation of position from Archives to Legislative

Corporate Services

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

Communications 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 division also provides print and mail services for the organization.

Human Resources provides support to approximately 1,700 employees from initial hire to the end of their employment life cycle, with a full range of services including recruitment and selection, employee and labour relations, collective bargaining, job evaluation, compensation and benefits, wellness and disability management, personnel records management, training, employee recognition and the annual retirement and long service banquet. The Division supports managers and employees to meet operational demands and to achieve their strategic goals.

Information Technology 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.

Occupational Health and Safety (OHS) provides a corporate-wide OHS Program and Workplace Injury Management (WIM) Program both of which are "COR" certified by WorkSafeBC. The OHS program includes hazard identification and control, training and certification, safety inspections, incident investigations and sub-programs (e.g. asbestos, fall protection, hearing, and respirators). The WIM program includes safety prevention support for all employees of the municipality and return to work support for injured employees.

Strategic Planning manages and supports the strategic planning and progress reporting processes, and conducts the citizen and business surveys.

BUDGET SUMMARY	
2020 Net Budget	\$ 8,750,600
2019 Net Budget	\$ 7,820,000
Net Change	\$ 930,600
Change by %	11.90%
2020 FTE	47.27
2019 FTE	46.08
FTE Change	1.19
FTE Change %	2.58%

2020 BUDGET CHALLENGES

- Meeting the increasing / changing legislative requirements for Human Resources and Safety.
- Fluctuating demands for Corporate Services support.
- Ongoing maintenance and upgrading of IT infrastructure to ensure that corporate needs and service levels can be met.
- Ongoing retention and recruitment of qualified staff.
- Aging work force and retirements of long term employees, training of new employees, and transfer of 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.
- Increased public expectations regarding communications and engagement.
- Capacity limitations.
- Assisting ill and injured workers considering the current capacity issue within BC's health care system.

2020 KEY PRIORITIES

Priority Strategic Initiatives include:

Organizational Excellence

- Implement metrics related to a high-performing workforce

Priority Departmental Initiatives include:

Communications

- Develop a crisis management plan/protocol.
- Enhance the Saanich Spotlight community newsletter and increase subscribers.
- Implement media monitoring software.

HR

- Collective Bargaining for CUPE and IAFF, potentially Police Association
- HR Metric Design
- Refresh and rollout of Healthy Workplace / Attendance Management Program

IT

- E-mail system replacement
- Continue with the computer network upgrade
- Refresh / replacement of desktop computers

OH&S

- Maintain and adjust our OHS program in keeping with COR (including adapting to upcoming WorkSafeBC changes)
- Scope, source and purchase a computer system to support OHS, RTW and training/learning.
- Continue to support the corporate goal of mental health.

Strategic Planning

- Implement the annual statistically valid online citizen survey.

CORE BUDGET

The core budget for 2020 of \$8,750,600 represents an 11.90% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Corporate Services	687,300	794,000	919,100	947,200	28,100	3.06%
Human Resources	1,122,400	1,171,600	1,287,900	1,365,600	77,700	6.03%
Information Technology	3,886,200	4,187,500	5,613,000	6,437,800	824,800	14.69%
Occupational Health/Safety						
Revenue	(605,500)	(584,700)	(633,000)	(718,500)	(85,500)	13.51%
Expense	<u>541,200</u>	<u>524,400</u>	<u>633,000</u>	<u>718,500</u>	<u>85,500</u>	<u>13.51%</u>
Total	(64,300)	(60,300)	-	-	-	0.00%
Total	5,631,600	6,092,800	7,820,000	8,750,600	930,600	11.90%

- Corporate Services – allocation of courier expense budget from Purchasing.
- Human Resources – full year budgeting of a Human Resource Recruiter position approved prior year and wage increments.
- Information Technology – non-discretionary costs for strategic plan initiatives – IT foundation and sustainable funding for capital replacement.
- Occupational Health/Safety – full year budgeting of a Return to Work and Occupational Health and Safety Coordinator approved prior year and non-discretionary increase to services. The increase in expense is offset by increased charges to all departmental budgets that rely on this service.

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 Services Division** provides accounting and audit services for over \$291 million in annual expenses and revenues; cash management of over \$216 million in investments to maximize the returns and provide additional income to both operating and reserve funds; accounts payable processing over 32,590 invoices annually; coordination of the production of five different payroll groups paid on a bi-weekly basis and benefits records maintenance for over 2,190 staff.

BUDGET SUMMARY	
2020 Net Budget	\$ 4,118,100
2019 Net Budget	\$ 3,841,100
Net Change	\$ 277,000
Change by %	7.21%
2020 FTE	41.37
2019 FTE	39.81
FTE Change	1.56
FTE Change %	3.92%

The **Revenue Collection Division** processes all revenues including property taxes, utility bills, dog licenses, business licenses and recreation programs. Over 119,100 utility bills and 43,700 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. 176 quotations, tenders and requests for proposals totalling over \$20 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.

2020 BUDGET CHALLENGES

- Resources for budget development including support for departments and development of appropriate budget documents.

2020 KEY PRIORITIES

Priority Strategic Initiatives include:

Organizational Excellence

- Conduct a long-term financial planning process.

Priority Departmental Initiatives include:

- Improve reporting and ease of use of the financial software and improve productivity of all departments who use the system.
- Acquire and implement budget software to replace current excel based budgeting.
- Implement tendering management software to replace current manual system.
- Improve purchasing templates.
- Support departments with financial analysis.
- Implement tracking process for new DCC program.
- Advance public engagement on budget.

CORE BUDGET

The Department's total 2020 net core budget is \$4,118,100 and it represents a 7.21% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	%Change
	2018	2019	2019	2020	2020/2019	2020/2019
Accounting and Payroll	1,660,400	1,942,500	1,991,100	2,061,800	70,700	3.55%
Revenue Collections						
Revenue	(137,100)	(130,300)	(150,000)	(150,000)	-	0.00%
Expense	<u>1,183,500</u>	<u>1,163,900</u>	<u>1,210,300</u>	<u>1,233,600</u>	<u>23,300</u>	<u>1.93%</u>
Total	1,046,400	1,033,600	1,060,300	1,083,600	23,300	2.20%
Stores						
Revenue	(162,300)	(188,700)	(120,000)	0	120,000	(100.00%)
Expense	<u>257,600</u>	<u>291,100</u>	<u>265,400</u>	<u>308,000</u>	<u>42,600</u>	<u>16.05%</u>
Total	95,300	102,400	145,400	308,000	162,600	111.83%
Purchasing	578,000	556,900	644,300	664,700	20,400	3.17%
Total	3,380,100	3,635,400	3,841,100	4,118,100	277,000	7.21%

- Accounting and Payroll – full year budgeting of an Accountant Technician approved prior year.
- Stores – elimination of stocking fee revenues by reducing equivalent amount of expense budgets for Public Works and Parks operations and capital. Additional budget reductions used to fund partial position in Stores.
- Purchasing – allocation of labour funding from Accounting.

Corporate Revenues and Expenses

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

BUDGET SUMMARY	
2020 Net Budget	\$ 886,600
2019 Net Budget	\$ 848,900
Net Change	\$ 37,700
Change by %	4.44%
FTE	n/a

These include the following:

Corporate contingency –

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

Administrative recoveries –

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

Government Services –

- provision for retirement severance pay
- municipal dues to other organizations
- corporate postage costs
- Council, Committee of the Whole and other meeting support costs

Employer Health Tax – the Provincial Employer Health Tax cost is shown as a general corporate cost as per Council direction.

2020 Budget Challenges

- Ensuring adequate contingency to react to unforeseen emergencies.

CORE BUDGET

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Corporate Contingency	1,047,900	181,300	298,900	493,900	195,000	65.24%
Administrative Recoveries	(2,087,000)	(2,114,500)	(2,105,800)	(2,309,400)	(203,600)	(9.67%)
Government Services	1,062,300	808,900	849,400	851,100	1,700	0.20%
Employer Health Tax	-	1,844,300	1,806,400	1,851,000	44,600	2.47%
Total	23,200	720,000	848,900	886,600	37,700	4.44%

- Corporate Contingency – allocation of MSP Premiums savings out of contingency to departments.
- Employer Health Tax – wage increment and FTE increases.

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.

BUDGET SUMMARY	
2020 Net Budget	\$ 7,734,800
2019 Net Budget	\$ 7,734,800
Net Change	\$ -
Change by %	0.00%
FTE	n/a

As of December 2019, the total outstanding debt in the general operating fund is approximately \$35.8 million. This is projected to increase by \$16.3 million during the year, bringing total outstanding general operating debt to about \$52 million (\$64 million including utilities) by December 2020. This remains well within guideline of a maximum of 7% of property tax revenue.

\$8.9 million in annual debt servicing cost is 6.42% of prior year's property tax revenue and about \$112 million in total debt at current rates. The total legal borrowing limit for Saanich is \$633 million.

The average homeowner's share of servicing debt per capita is \$34 per year (\$27 in 2019).

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 2020, transfers will support technology, drainage and parks and trails infrastructure.

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

CORE BUDGET

Core budget remains the same as last year to allow Council to determine future debt servicing strategy. The transfer to capital reserves budgeted lower to accommodate the increase in interest and principal payments. Funds that are not needed in 2020 for debt servicing are transferred to capital reserves to support current and future capital asset replacement.

Net Budget By Function	Actual 2018	Actual 2019	Budget 2019	Budget 2020	\$ Change 2020/2019	% Change 2020/2019
Interest	805,400	945,600	1,083,000	1,244,200	161,200	14.88%
Principal	1,954,200	2,055,600	1,992,400	2,678,800	686,400	34.45%
Transfer to Capital Reserves	4,536,300	4,659,400	4,659,400	3,811,800	(847,600)	(18.19%)
Total	7,295,900	7,660,600	7,734,800	7,734,800	-	0.00%

- Interest – interest payments for new borrowing for capital in 2019 & 2020.
- Principal – principal payments for new borrowing for capital in 2019 & 2020.
- Transfer to Capital Reserves – funding for information technology infrastructure.

Building, Bylaw, Licensing and Legal Services

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

BUDGET SUMMARY	
2020 Net Budget	\$ 1,335,300
2019 Net Budget	\$ 1,184,200
Net Change	\$ 151,100
Change by %	12.76%
2020 FTE	31.90
2019 FTE	30.84
FTE Change	1.06
FTE Change %	3.44%

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.

2020 BUDGET CHALLENGES

- Increasing claims costs driven by changes in the legal and regulatory climates;
- Resources for policy review and development for initiatives in the Strategic Plan (2019-2023) related to bylaw enforcement;
- Continuing to meet building inspection and bylaw enforcement service levels with high permit and call for service volumes and increasing complexity due to municipal growth and density;
- Continuing to meet the organization's demand for legal services and being positioned to provide legal services related to the initiatives outlined in the Strategic Plan (2019-2023);

2020 KEY PRIORITIES

Priority Strategic Initiatives include:

Community Well-Being

- Reinforce and conduct ongoing reviews of bylaws and review Saanich's bylaw enforcement approach.
- Review bylaw enforcement hours of operation.
- Improve parking enforcement.

CORE BUDGET

The Department's 2020 net core budget of \$1,335,300 represents a 12.76% increase over prior year. Gross expenditure increased by 7.37% over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Legal Services	977,600	785,100	765,500	777,800	12,300	1.61%
Risk Management	276,800	291,700	298,000	301,600	3,600	1.21%
Insurance and Claims	824,900	952,300	603,700	799,200	195,500	32.38%
Bylaw Enforcement	470,300	531,300	553,500	605,400	51,900	9.38%
Inspections						
Revenues	(2,812,900)	(2,927,400)	(2,502,600)	(2,702,600)	(200,000)	7.99%
Expenses	<u>1,673,000</u>	<u>1,774,400</u>	<u>1,835,700</u>	<u>1,896,900</u>	<u>61,200</u>	<u>3.33%</u>
Total	(1,139,900)	(1,153,000)	(666,900)	(805,700)	(138,800)	20.81%
Business License						
Revenue	(496,600)	(503,100)	(495,000)	(495,000)	-	0.00%
Expense	<u>179,900</u>	<u>174,200</u>	<u>165,100</u>	<u>167,400</u>	<u>2,300</u>	<u>1.39%</u>
Total	(316,700)	(328,900)	(329,900)	(327,600)	2,300	(0.70%)
Lands/Property Management						
Revenue	(592,800)	(599,700)	(583,700)	(583,700)	-	0.00%
Expense	<u>544,900</u>	<u>533,800</u>	<u>544,000</u>	<u>568,300</u>	<u>24,300</u>	<u>4.47%</u>
Total	(47,900)	(65,900)	(39,700)	(15,400)	24,300	(61.21%)
Total	1,045,100	1,012,600	1,184,200	1,335,300	151,100	12.76%

- Insurance and Claims – non-discretionary increase to building and liability insurance.
- Bylaw Enforcement – full year budgeting of a Bylaw Officer approved prior year.
- Inspections – permitting revenues increase due to increased cost of construction. Full year budgeting of a Plan Checker position approved prior year.
- Lands/Property Management - non-discretionary increase to property taxes and advertising.

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.

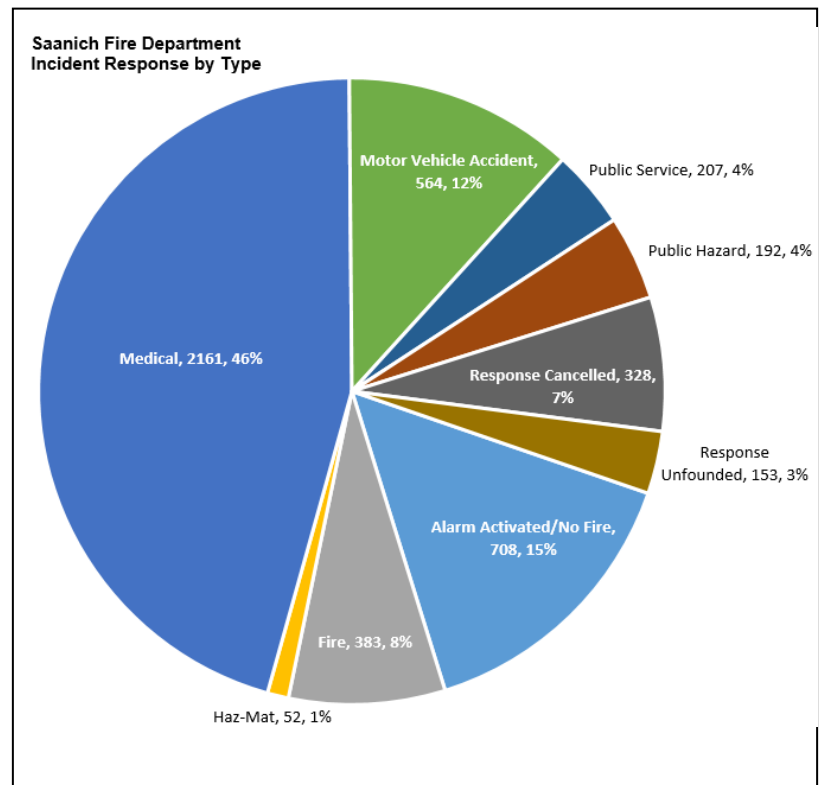
The Department also provides fire safety inspections, public education, fire apparatus, mechanical and high angle rescue services. Fire dispatch services, including emergency and non-emergency call receiving, processing and dispatching are provided to two client municipalities.

The Department employs 121.85 uniformed personnel and 6 support staff working out of 3 fire stations.

BUDGET SUMMARY	
2020 Net Budget	\$ 19,761,700
2019 Net Budget	\$ 19,026,700
Net Change	\$ 735,000
Change by %	3.86%
2020 FTE	127.85
2019 FTE	126.85
FTE Change	1.00
FTE Change %	0.79%

FIRE DEPARTMENT STATISTICAL SUMMARY¹

Population served	113,058 (est)
Protection area in square kilometres	103.43 (est)
Incident responses	4,753
Emergency incident responses	4,035
Number of fire related	Fatalities: 1 Injuries: 2
Total dollar fire loss (est)	\$3,997,485
Estimated value of property saved	\$258,396
Public building inspections	3,050
Incidents dispatched (Saanich and clients)	8,246



¹12 month period ending September 30, 2019

2020 BUDGET CHALLENGES

- **Fire Services Review:** Implementing the recommendations of the Fire Services Review to ensure the department is able to deliver efficient, effective and fiscally responsible fire services to the District and meet training and occupational health and safety requirements of the Office of the Fire Commissioner and WorkSafeBC.
- **Stations and Facilities:** Ongoing funding is required to maintain aging stations and address department operations, training and space requirements notwithstanding renovations undertaken at Fire Stations Nos. 1 and 3 in 2019 and the anticipated replacement of Fire Station No. 2 in 2021.

2020 KEY PRIORITIES

Priority Departmental Initiatives include:

- Implement the recommendations of the 2020 Master Fire Plan to ensure the Fire Department is able to provide efficient, effective and fiscally responsible services to the District.
- Update Fire Underwriters Survey and renew Superior Tanker Shuttle Accreditation to support homeowner insurance protection rates.
- Develop Community Wildfire Preparedness Plan to further reduce wildfire by identifying the risks of wildland/ urban interface fires in Saanich.
- Complete Fire Station No. 2 redevelopment planning, design and public consultation work to redevelop the site and replace Fire Station No. 2.
- Develop a Life Safety Upgrade Program for multi-unit wood frame residential buildings.
- Update Fire Prevention Bylaw to align with the Fire Safety Act and changes to the BC Building Code and BC Fire Code.
- Implement Fire Fighter Health and Wellness Program to assist member with physical and mental health and wellness and address effects of post-traumatic stress.
- Complete planning and transition work to ensure a reliable, stable and redundant dispatch service for Saanich, existing clients and future clients.

CORE BUDGET

The Department's 2020 net core budget of \$19,761,700 represents a 3.86% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	%Change
	2018	2019	2019	2020	2020/2019	2020/2019
Administration	1,824,100	2,083,700	2,062,700	2,149,700	87,000	4.22%
Suppression and Rescue	12,933,400	12,895,100	13,036,500	13,495,700	459,200	3.52%
Dispatch						
Revenues	(576,500)	(235,900)	(230,000)	(231,200)	(1,200)	0.52%
Expenses	<u>1,629,300</u>	<u>1,590,900</u>	<u>1,626,900</u>	<u>1,667,100</u>	<u>40,200</u>	<u>2.47%</u>
Total	1,052,800	1,355,000	1,396,900	1,435,900	39,000	2.79%
Prevention	953,200	976,900	957,000	985,700	28,700	3.00%
Staff Development	425,400	420,300	440,400	448,800	8,400	1.91%
Equipment Maintenance	1,022,400	1,004,400	1,023,500	1,087,300	63,800	6.23%
Building Maintenance	103,700	178,000	109,700	158,600	48,900	44.58%
Total	18,315,000	18,913,400	19,026,700	19,761,700	735,000	3.86%

- Administration – non-discretionary increase for CREST equipment.
- Suppression and Rescue - negotiated wage increases, wage increments, duty to accommodate and increase to overtime hours.
- Equipment Maintenance – non-discretionary increases to vehicle supplies and insurance.
- Building Maintenance – non-discretionary increases to building maintenance and custodial supplies.

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 management practices and ready to respond should a major emergency or disaster unfold.

Complementing the Emergency Program and Saanich's emergency response and recovery capacity are 155 municipal staff trained in Incident Command System and Emergency Operations Center response procedures. There are also 90 dedicated Emergency Program volunteers that support the community through emergency support services, search and rescue, emergency communications and neighbourhood emergency preparedness programs.

BUDGET SUMMARY	
2020 Net Budget	\$ 447,100
2019 Net Budget	\$ 438,900
Net Change	\$ 8,200
Change by %	1.87%
2020 FTE	3.00
2019 FTE	3.00
FTE Change	0.00
FTE Change %	0.00%

2020 BUDGET CHALLENGES

- Implementing the recommendations of the Business Area Analysis of the Emergency Operations Center (EOC) to ensure effective operational use of the facility.

2020 KEY PRIORITIES

Priority Departmental Initiatives include:

- Emergency Operations Center business area analysis: Implement recommendations to improve the usability of the EOC and supporting technology.
- Joint Emergency Support Services / Recreation staff reception center activation exercise.
- Continue approved three year emergency management training and exercise plan (2019-2021).
- Develop framework for disaster staging areas plan – Phase 1.
- Continue working with provincial government and stakeholders to implement the Regional Emergency Management Partnership to enhance emergency management across the Capital Region.
- Coordinate and support Emergency Operations Center and Incident Command System training and exercises for municipal staff assigned to the Emergency Operations Center and working at key municipal facilities.

CORE BUDGET

The Department's 2020 net core budget of \$447,100 represents a 1.87% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	%Change
	2018	2019	2019	2020	2020/2019	2020/2019
Program Administration	390,800	398,500	417,400	425,600	8,200	1.96%
Training Programs	19,100	2,200	15,100	15,100	-	0.00%
Neighbour Helping Neighbour	7,600	7,700	6,400	6,400	-	0.00%
Total	417,500	408,400	438,900	447,100	8,200	1.87%

- Program Administration - wage increments and benefits.

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 border issues such as mobility, land use, economic matters, health issues and housing. The Division provides professional advice to Council, the public, staff, and a broad range of stakeholders on community planning matters and regulatory documents.

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 decreased between 2018 and 2019. There were 22 applications received in 2019 representing 66 potential new lots. At the present time, there are 93 active subdivision applications in total under review representing 281 potential new lots. It is expected that the trend towards a greater number of small 2-lot style applications will continue.

In 2020, subdivision applications are expected to be consistent with 2019 figures. Rezoning and major project applications in 2020 are expected to be similar to the volume experienced in during 2019.

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.

BUDGET SUMMARY	
2020 Net Budget	\$ 3,096,600
2019 Net Budget	\$ 2,884,300
Net Change	\$ 212,300
Change by %	7.36%
2020 FTE	30.84
2019 FTE	30.26
FTE Change	0.58
FTE Change %	1.92%

2020 BUDGET CHALLENGES

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

2020 KEY PRIORITIES

Priority Strategic Initiatives include:

Affordable Housing, Land Use and Infrastructure Management

- Complete 2 Local Area Plans.
- Investigate inclusionary zoning guidelines as a means to provide more affordable housing in Saanich.
- Explore options to increase below market and rental housing in Saanich.

Community Well-Being

- Consider options to Council on how community contributions can be negotiated in an equitable, clear and focused manner.
- Proactively support the installation of public art in the community.

Climate Action and Environmental Leadership

- Implementation of key initiatives from the Agriculture and Food Security Plan.
- Implement actions from Saanich's Climate Plan.
- Enhance electric vehicle infrastructure in an effort to reduce greenhouse gas emissions.
- Introduce an Environmental Policy Framework with a focus on climate change, stewardship and biodiversity.

Organizational Excellence

- Review and improve the development application process.

Priority Departmental Initiatives include:

Affordable Housing, Land Use and Infrastructure Management

- Completion of Cordova Bay and Cadboro Bay Local Area Plan updates.
- Completion of the Uptown Douglas Corridor Plan.
- Initiation of the updates to the North Quadra and Quadra Local Area Plans.
- Work with regional partners to complete a Housing Needs Assessment.

Climate Action and Environmental Leadership

- Implementation of the updated Climate Plan.
- Initiation of the Home Energy Retrofit Municipal Financing Pilot Project.
- Completion of a Community-wide Electric Vehicle strategy.
- Completion of Milestones 1 and 2 of the Resilient Saanich Environmental Policy Framework.
- Updating the Streamside Development Permit Area Guidelines based on Provincial requirements.
- Implementation of the second phase of the BC Energy Step Code.

CORE BUDGET

The Department's 2020 net core budget of \$3,096,600 represents a 7.36% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Planning Administration	578,400	637,800	689,300	712,600	23,300	3.38%
Environmental Services	430,400	447,800	427,700	452,500	24,800	5.80%
Community Planning	759,000	945,600	923,400	979,700	56,300	6.10%
Sustainability						
Revenues	(296,400)	(306,500)	(310,200)	(229,200)	81,000	(26.11%)
Expenses	489,600	514,400	429,300	359,900	(69,400)	(16.17%)
Total	193,200	207,900	119,100	130,700	11,600	9.74%
Current Planning						
Revenues	(124,900)	(210,100)	(125,000)	(125,000)	-	0.00%
Expenses	437,400	582,200	630,900	717,600	86,700	13.74%
Total	312,500	372,100	505,900	592,600	86,700	17.14%
Subdivision						
Revenues	(70,100)	(50,700)	(65,200)	(65,200)	-	0.00%
Expenses	265,400	278,000	284,100	293,700	9,600	3.38%
Total	195,300	227,300	218,900	228,500	9,600	4.39%
Total	2,468,800	2,838,500	2,884,300	3,096,600	212,300	7.36%

- Planning Administration – full year budgeting of a Planning Clerk position approved prior year.
- Environmental Services – moved Bowker Creek Coordinator funding from other departments
- Community Planning – full year budgeting of a half time Community Engagement Coordinator position approved prior year.
- Sustainability – job evaluation and allocating a temporary FTE funded by grants to Facility Operations.
- Current Planning – full year budgeting of a Planner position approved prior year.

Engineering

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

BUDGET SUMMARY	
2020 Net Budget	\$ 13,399,500
2019 Net Budget	\$ 12,854,100
Net Change	\$ 545,400
Change by %	4.24%
2020 FTE	192.30
2019 FTE	189.17
FTE Change	3.13
FTE Change %	1.65%

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

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

The **Project and Quality Management Office** 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.

2020 BUDGET CHALLENGES

- Saanich's Operation Centre facilities are 50 to 60 years old and well past their designed life cycle. They are in poor condition and non-conforming to codes and standards as well as being very low in seismic capacity. The redevelopment of these facilities was identified in the Strategic Facilities Master Plan as the District's top investment priority.
- The construction industry continues to be busy with land development projects and a number of major infrastructure projects that will continue through 2020. 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.

2020 KEY PRIORITIES

Priority Strategic initiatives include:

Community well-being

- Collaborate with the Ministry of Transportation and Infrastructure to identify and undertake safety improvements.
- Strengthen transportation safety for all road users.

Affordable housing, land use and infrastructure management

- Prepare a District-wide storm water management master plan.

Climate action and environmental leadership

- Commence construction of the Shelbourne Street Improvement Project (SSIP).
- Support BC Transit initiatives.
- Support the CRD's Solid Waste Management Plan working group by promoting zero waste approaches.

Priority Departmental Initiatives include:

Transportation and Development Services:

- Pilot the use of speed reader boards in school zones.
- Provide traffic signal coordination on the Quadra and Shelbourne corridors.
- Update the engineering specifications of the Subdivision Bylaw
- Continue to support safe and active routes to school planning in collaboration with the CRD.
- Provide support and feedback on the Douglas Street bus lanes project and McKenzie Interchange project, as needed.
- Advocate for Saanich interests in the South Vancouver Island Transportation Strategy.
- Advocate for safety improvements at provincially owned high collision intersections within Saanich.
- Implement initiatives from the Active Transportation Plan that improve transportation safety through infrastructure improvements, policy development, and education and public outreach programs.
- Provide technical input to BC Transit in the development and implementation of the updated BC Transit Corporate Strategic Plan.

Underground Services:

- Continue with storm main replacement/lining program
- Develop storm drain main condition assessment rating framework; and replacement prioritization framework based on asset management principles

Public Works:

- Continue to foster and promote a healthy respectful workplace and culture of safety
- Review the Yard Waste Drop-off service model.
- Continue to build customer service capacity for front line staff by provide training on working with customers; and review customer service touch points and implement changes to enhance customer service.

Facilities:

- Undertake rezoning and development approval for Fire Hall 2 redevelopment.
- Complete a business case for the redevelopment of the Saanich Operation Centre.
- Complete detailed design of the Saanich Commonwealth Pool mechanical upgrade and start construction.

CORE BUDGET

The Department's 2020 net core budget of \$13,399,500 represents a 4.24% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2018	2019	2019	2020	2020/2019	2020/2019
Engineering Administration	(276,000)	(339,000)	(369,700)	(559,000)	(189,300)	51.20%
Transportation & Development Services	1,469,000	1,572,900	1,591,700	1,729,800	138,100	8.68%
Underground Services	1,274,600	1,426,000	1,523,600	1,702,300	178,700	11.73%
Facility Operations	1,630,900	1,948,800	1,788,500	2,014,800	226,300	12.65%
Public Works	8,444,000	8,558,500	8,320,000	8,511,600	191,600	2.30%
Total	12,542,500	13,167,200	12,854,100	13,399,500	545,400	4.24%

Engineering Services

The Division's net core budget of \$2,873,100 represents a 4.64% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2018	2019	2019	2020	2020/2019	2020/2019
Engineering Administration						
Revenue	(1,425,900)	(1,375,300)	(1,406,100)	(1,591,300)	(185,200)	13.17%
Expense	1,149,900	1,036,300	1,036,400	1,032,300	(4,100)	(0.40%)
Total	(276,000)	(339,000)	(369,700)	(559,000)	(189,300)	51.20%
Transportation & Development Services	1,469,000	1,572,900	1,591,700	1,729,800	138,100	8.68%
Underground Services	1,274,600	1,426,000	1,523,600	1,702,300	178,700	11.73%
Total	2,467,600	2,659,900	2,745,600	2,873,100	127,500	4.64%

- Engineering Services – cost recovery from utilities to offset final year funding of Manager of Development Services and Manager of Infrastructure Planning.
- Transportation & Development – full year budgeting of Manager of Development Services approved prior year.
- Underground – full year budgeting of Manager of Infrastructure Planning approved prior year and additional hours for Surveyors with budget allocations from Engineering Administration.

Facility Operations

The Division's net core budget of \$2,014,800 represents a 12.65% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Administration	147,100	227,800	254,700	315,200	60,500	23.75%
Minor Facility Repair	321,300	394,200	338,600	402,100	63,500	18.75%
Les Passmore Building	165,600	165,000	172,400	175,200	2,800	1.62%
Municipal Hall Building	558,900	600,200	571,800	589,700	17,900	3.13%
Municipal Annex	134,400	178,800	135,800	138,100	2,300	1.69%
Other Buildings	39,600	45,500	38,900	85,800	46,900	120.57%
Public Safety Building						
Revenues	(579,800)	(573,300)	(573,300)	(588,500)	(15,200)	2.65%
Expenses	<u>789,600</u>	<u>884,900</u>	<u>849,600</u>	<u>897,200</u>	47,600	<u>5.60%</u>
Total	209,800	311,600	276,300	308,700	32,400	100.00%
Public Works and Parks						
Revenues	(280,100)	(324,000)	(324,000)	(316,200)	7,800	(2.41%)
Expenses	<u>334,300</u>	<u>349,700</u>	<u>324,000</u>	<u>316,200</u>	(7,800)	<u>(2.41%)</u>
Total	54,200	25,700	-	-	-	0.00%
Total	1,630,900	1,948,800	1,788,500	2,014,800	226,300	12.65%

- Administration – full year budgeting of a Manager of Project Delivery approved prior year.
- Minor Facility Repair – non-discretionary increases for electrical and HVAC Duct maintenance for various buildings.
- Other Buildings – Blanshard building operating costs increase approved prior year.
- Public Safety Building – final increase to lease costs budget for the Police building on 57 Cadillac.

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 \$8,511,600 increased by 2.30% over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Administration	669,100	626,700	817,300	844,300	27,000	3.30%
Fleet						
Revenue	(5,064,700)	(4,751,100)	(5,166,300)	(5,441,200)	(274,900)	5.32%
Expense	<u>5,251,200</u>	<u>4,783,200</u>	<u>5,166,300</u>	<u>5,441,200</u>	<u>274,900</u>	<u>5.32%</u>
Total	186,500	32,100	-	-	-	0.00%
Solid Waste Services						
Revenue	(6,376,300)	(6,673,800)	(6,658,200)	(6,949,300)	(291,100)	4.37%
Expense	<u>6,669,000</u>	<u>6,983,600</u>	<u>6,988,100</u>	<u>7,291,900</u>	<u>303,800</u>	<u>4.35%</u>
Total	292,700	309,800	329,900	342,600	12,700	3.85%
Storm Drains	1,965,500	1,912,600	1,931,700	1,968,200	36,500	1.89%
Street Operations	5,330,200	5,677,300	5,241,100	5,356,500	115,400	2.20%
Total	8,444,000	8,558,500	8,320,000	8,511,600	191,600	2.30%

- Administration – non-discretionary utility and supply costs.
- Fleet – non-discretionary fuel, supplies and insurance costs.
- Solid Waste Services – non-discretionary increases to compost hauling and processing fees and maintenance of the garbage and organic fleet.

Parks, Recreation and Community Services

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

The Department does this by fostering and supporting social, mental and physical well-being, helping Saanich residents connect with themselves, their neighbours and with others throughout the region, including the Lkwungen peoples, known today as Songhees and SXIMELEL (Esquimalt) Nations and the W̱SÁNEĆ peoples known today as W̱JOLELP (Tsartlip), BOKEĆEN (Pauquachin), S̱TÁUTW (Tsawout), W̱SIKEM (Tseycum) and MÁLEXEL (Malahat) Nations, in whose traditional territories Saanich resides.

The Department's work includes:

- Leveraging Council's investments through strong programs, services and relationships.
- Creating safe and welcoming spaces and places for individuals and families to connect with each other and the community at large.
- Providing a wide-range of programs and services (from arts to special events, cultural to social and environmental to sport) that promote and support (directly and indirectly) active, healthy living.
- Managing and operating Saanich's parks and recreation assets that residents' value and use in pursuit of their self-connections and community engagement.

The Department is organized into three divisions:

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. Signature parks known throughout the region and beyond include: Mount Douglas, Mount Tolmie, Gorge, Cuthbert Holmes, Cedar Hill and Prospect Lake. 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. 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 (Cedar Hill, Gordon Head, G.R. Pearkes and Saanich Commonwealth Place) and the Cedar Hill Golf Course. The facilities, welcoming more than one million visitors annually and generating more than \$12 million in revenues, offer a range of activity areas including: aquatics; arenas; gymnasiums; racquet sport courts, weight rooms; multi-purpose activity spaces; arts and cultural studios and public assembly areas. The Division's functions are supported by its own Administration unit, which also supports the Community Services Division and the Department's leadership team.

BUDGET SUMMARY	
2020 Net Budget	\$ 19,037,100
2019 Net Budget	\$ 17,919,600
Net Change	\$ 1,117,500
Change by %	6.24%
2020 FTE	323.19
2019 FTE	320.61
FTE Change	2.58
FTE Change %	0.80%

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

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

2020 BUDGET CHALLENGES

Parks and Recreation

- Tree-related referrals for development applications will continue to be a challenge without ongoing funding of temporary positions along with a need for a GIS layer to provide public information on Bylaw protected trees.
- Resource support is needed for an additional small parks refuse truck and driver to deal with increasing volume of park waste and public expectations.
- Council's Strategic Plan action of reviewing and implementing the Urban Forest Strategy is unable to be fulfilled without funding.
- The Washroom Operations and Capital Plan requires funding for washroom cleaning as more washrooms in parks are opened for public use.
- Funding is required to meet Council's expectations of doubling the District tree planting goals as an accelerated action in response to the declared climate emergency.
- With increased interest in stewardship, Parks needs to continue to build staff capacity to meet public expectations.
- The Strategic Plan speaks to the need for diversity, respect and inclusion. There is a need to expand Saanich's response to diversity and inclusionary services and programs, especially in light of Saanich's fast growing immigrant and New Canadian population is putting steady pressure on Multicultural Services. This is an area that has been underfunded.
- Business interruption at Cedar Hill Golf Course due to flooding on January 15, 2020. The anticipated length of time to re-open the clubhouse is six to 9 months.
- GR Pearkes Gold Arena faces an 18 month closure for slab replacement beginning in May, 2020.
- Recreation Centres are unable to meet customer demand for ice, weight room, health and fitness services, racquets, swim lessons, and gymnasium access as evidenced in the 2019 Market Analysis
- Resource capacity to adequately meet customer expectations for building repair, maintenance, and cleanliness and capital improvements (e.g. more universal changerooms).
- Additional funds are required to further implement the Older Adult Strategy.
- Additional capacity is needed to manage capital projects in recreation facilities.
- Under-resourced in administrative support in Recreation Division to assist with Corporate administration, (i.e. OHS, recruitment/onboarding, privacy, records management)

2020 KEY PRIORITIES

Priority Strategic initiatives include:

Community well-being

- Assess the need for childcare in Saanich and review/consider options to improve access.

Affordable housing, land use and infrastructure management

- Develop an asset management road map.

Organizational excellence

- Review and improve the development related processes (as they pertain to the Tree Protection Bylaw)

Climate action and environmental leadership

- Review and update the Urban Forest Strategy
- Implement the existing Invasive Species Management Strategy

Priority Departmental Initiatives include:

Community well-being

- Implement Market Analysis recommendations for Year 1 (also speaks to Organizational Excellence)
- Implement the second year of Older Adults Strategy
- Begin Parks, Recreation and Community Services Master Plan
- Implement the 2019 Regional LIFE Review findings
- Continue to deliver the goals and actions from the Youth Development Strategy (5th year) and Older Adult Strategy (2nd year)
- Continue to develop and deliver inclusive services and programs as outlined by the Recreation, Health and Wellness Market Analysis
- Develop a Diversity and Multicultural Strategy
- Support Planning in updating the Comprehensive Arts Policy and begin process to update the Arts Strategy.

Affordable housing, land use and infrastructure management

- Complete the Cedar Hill Park Management Plan
- Replacement of the G.R. Pearkes Gold Arena slab and addition of an ice melt pit

Organizational excellence

- Implement the staffing strategy of the 2019 Recreation Market Analysis
- Begin the 2021-30 Parks, Recreation and Community Services Strategic Plan planning process
- Conduct Cedar Hill Golf Course Service Review

Economic diversification

- Create a new allocations program for High Performance Sport at Saanich Commonwealth Place
- Pass Analysis Report implementation

Climate action and environmental leadership

- Implement the accelerated action to double the District's tree planting along with other actions noted in the Climate Plan of January 2020
- Continue to support and grow Park's volunteer programs: Pulling Together, Park Ambassadors
- Develop Park's Natural Intelligence Stewardship Program to connect the community with the planet and climate change
- Recreation facilities support Engineering and Sustainability initiatives in the Climate Plan (i.e., lighting upgrades, biomass plant, energy conversion, electric vehicle infrastructure, waste management)
- Deliver parks capital projects including Horner Park renovations and natural area restorations
- Launch Park's Natural Intelligence Program that connects all Saanich residents to nature locally

CORE BUDGET

The Department's 2020 net core budget of \$19,037,100 represents a 6.24% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2018	2019	2019	2020	2020/2019	2020/2019
Parks & Rec. Administration	828,900	709,800	873,500	832,700	(40,800)	(4.67%)
Parks	6,807,100	7,540,900	7,422,900	7,793,600	370,700	4.99%
Community Services	1,137,500	1,401,000	1,506,200	1,624,800	118,600	7.87%
Cedar Hill Recreation Centre	1,090,200	1,059,600	1,196,100	1,243,100	47,000	3.93%
Gordon Head Recreation Centre	1,919,800	1,971,500	1,999,000	2,163,300	164,300	8.22%
G R Pearkes Recreation Centre	1,366,400	1,427,200	1,385,400	1,494,300	108,900	7.86%
Saanich Commonwealth Place	2,781,400	3,014,200	3,295,700	3,617,500	321,800	9.76%
Cedar Hill Golf Course	172,000	165,100	240,800	267,800	27,000	11.21%
Total net cost	16,103,300	17,289,300	17,919,600	19,037,100	1,117,500	6.24%

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
	2018	2019	2019	2020	2020/2019	2020/2019
Administration	628,300	571,300	671,900	665,300	(6,600)	(0.98%)
Marketing						
Revenues	(231,900)	(245,600)	(179,200)	(203,600)	(24,400)	13.62%
Expenses	<u>388,500</u>	<u>376,800</u>	<u>338,200</u>	<u>371,000</u>	<u>32,800</u>	<u>9.70%</u>
Total	156,600	131,200	159,000	167,400	8,400	5.28%
Integration Recreation Victoria	44,000	7,300	42,600	-	(42,600)	(100.00%)
Total	828,900	709,800	873,500	832,700	(40,800)	(4.67%)

- Marketing – revenue generated from marketing offset by expense required for marketing.
- Integration Recreation Victoria – budget allocated to Community Services for inclusion services.

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 by providing parks, trails and natural areas 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 along with over 100 km of trails. 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 \$7,793,600 represents a 4.99% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Administration	590,300	637,600	662,100	683,100	21,000	3.17%
Parks Operations	4,959,100	5,245,400	5,069,000	5,194,900	125,900	2.48%
Design and Development	1,001,800	1,152,000	1,174,800	1,208,500	33,700	2.87%
Community Development & Business Systems	255,900	505,900	517,000	707,100	190,100	36.77%
Total	6,807,100	7,540,900	7,422,900	7,793,600	370,700	4.99%

- Community Development & Business Systems – full year budgeting of a Tree Permit Coordinator, a Volunteer Coordinator and a Sports and User Group Coordinator approved in prior year.

Community Services

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

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

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Programming	543,800	729,600	758,600	802,200	43,600	5.75%
Programs						
Revenues	(162,800)	(201,800)	(371,200)	(357,900)	13,300	(3.58%)
Expenses	<u>756,500</u>	<u>873,200</u>	<u>1,118,800</u>	<u>1,180,500</u>	<u>61,700</u>	<u>5.51%</u>
Total	593,700	671,400	747,600	822,600	75,000	10.03%
Total	1,137,500	1,401,000	1,506,200	1,624,800	118,600	7.87%

- Programming – wage increments due to restructure.
- Programs – Integration Recreation Victoria budget moved from Parks and Recreation Administration to Community Services for inclusion services.

Cedar Hill Community Recreation Centre and Golf Course

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

A wide variety of preschool, youth and adult programs take place in the dance studio, gymnasium, arts studios and multi-purpose spaces. Partnership programs with the Cedar Hill Squash Club, and others allow for enhanced services to residents.

The Gallery Café 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
	2018	2019	2019	2020	2020/2019	2020/2019
Programming & Reception						
Revenues	(131,100)	(139,100)	(145,600)	(132,600)	13,000	(8.93%)
Expenses	<u>1,243,200</u>	<u>1,271,800</u>	<u>1,277,600</u>	<u>1,334,200</u>	<u>56,600</u>	<u>4.43%</u>
Total	1,112,100	1,132,700	1,132,000	1,201,600	69,600	6.15%
Programs						
Revenues	(1,624,100)	(1,702,900)	(1,449,900)	(1,575,700)	(125,800)	8.68%
Expenses	<u>880,700</u>	<u>860,400</u>	<u>756,100</u>	<u>846,300</u>	<u>90,200</u>	<u>11.93%</u>
Total	(743,400)	(842,500)	(693,800)	(729,400)	(35,600)	5.13%
Maintenance	721,500	769,400	757,900	770,900	13,000	1.72%
Total	1,090,200	1,059,600	1,196,100	1,243,100	47,000	3.93%

- Programming & Reception – wage increment.

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, licensed light snacks and beverages and banquet and meeting services round out the available services. The golf course has been accepted into the Audubon Co-operative Sanctuary Program for Golf Courses and has received a Certificate of Recognition for Environmental Planning. Junior Golf is supported by the Bill Leutwyler Junior Golf Fund in partnership with the Cedar Hill Golf Club.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Golf Revenues	(1,462,300)	(1,577,600)	(1,458,700)	(1,549,900)	(91,200)	6.25%
Administration	208,000	246,400	238,300	238,400	100	0.04%
Pro Shop	69,300	73,500	74,000	74,000	-	0.00%
Food and Beverage						
Revenues	(588,800)	(662,800)	(609,200)	(451,200)	158,000	(25.94%)
Expenses	<u>636,800</u>	<u>704,100</u>	<u>655,400</u>	<u>478,700</u>	<u>(176,700)</u>	<u>(26.96%)</u>
Total	48,000	41,300	46,200	27,500	(18,700)	(40.48%)
Facility Maintenance	238,900	282,800	267,500	228,900	(38,600)	(14.43%)
Grounds Maintenance	949,100	977,700	952,500	1,008,800	56,300	5.91%
Debt, Capital and Overhead	414,600	414,600	414,600	406,900	(7,700)	(1.86%)
Contingency for One Time Savings due to Shutdown	-	-	-	119,100	119,100	100.00%
Sub-Total	465,600	458,700	534,400	553,700	19,300	3.61%
Transfer from Reserves	(293,600)	(293,600)	(293,600)	(285,900)	7,700	(2.62%)
Total	172,000	165,100	240,800	267,800	27,000	11.21%

- Administration – full year budgeting of an Event Booking Clerk position offset by reduction of services due to flood closure.
- Food and Beverage – reduction of services due to flood closure.
- Facility Maintenance – reduction of services due to flood closure.
- Grounds Maintenance – non-discretionary utility costs.
- Debt, Capital and Overhead – only debt and overhead are supported by reserve transfers.
- Contingency for One Time Funding due to Shutdown – offset any impact due to flooding for the year.

Gordon Head Community Recreation Centre

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

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

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Programming & Reception						
Revenues	(99,500)	(103,900)	(82,600)	(80,500)	2,100	(2.54%)
Expenses	<u>1,301,200</u>	<u>1,378,100</u>	<u>1,315,500</u>	<u>1,394,100</u>	<u>78,600</u>	<u>5.97%</u>
Total	1,201,700	1,274,200	1,232,900	1,313,600	80,700	6.55%
Programs						
Revenues	(2,383,500)	(2,516,200)	(2,279,500)	(2,382,700)	(103,200)	4.53%
Expenses	<u>1,802,300</u>	<u>1,867,300</u>	<u>1,805,800</u>	<u>1,887,600</u>	<u>81,800</u>	<u>4.53%</u>
Total	(581,200)	(648,900)	(473,700)	(495,100)	(21,400)	4.52%
Maintenance	1,299,300	1,346,200	1,239,800	1,344,800	105,000	8.47%
Total	1,919,800	1,971,500	1,999,000	2,163,300	164,300	8.22%

- Programming & Reception – wage increments and increase in hours due increase in services.
- Maintenance – non-discretionary utility costs and hours of maintenance workers during the shutdown period.

G. R. Pearkes Community Recreation Centre

G.R. Pearkes Community Recreation Centre, located adjacent to the Tillicum Mall, offers a variety of community programs for all ages, focusing on fitness, preschool and family activities, skating and physical literacy. The facility hosts a number of District special events and major trade shows, which attract participants from around the region. The facility is home to two indoor ice arenas, indoor multi-use sport courts, 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 (location of the Saanich Centennial Branch), Queen Alexandra Society, Burnside Gorge After School Care and Kids Klub, as each organization has facilities and services on. Programs and services are also offered at Colquitz Middle School in partnership with School District 61. The Saanich Archives is located within the facility

Pearkes is home to a number of community and sports associations including: the Gorge Tillicum Community Association, 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
	2018	2019	2019	2020	2020/2019	2020/2019
Programming & Reception						
Revenues	(1,049,400)	(1,095,300)	(1,038,000)	(848,600)	189,400	(18.25%)
Expenses	<u>1,140,900</u>	<u>1,199,500</u>	<u>1,150,400</u>	<u>1,181,600</u>	<u>31,200</u>	<u>2.71%</u>
Total	91,500	104,200	112,400	333,000	220,600	196.26%
Programs						
Revenues	(874,200)	(919,700)	(885,100)	(709,700)	175,400	(19.82%)
Expenses	<u>661,800</u>	<u>613,200</u>	<u>588,600</u>	<u>487,800</u>	<u>(100,800)</u>	<u>(17.13%)</u>
Total	(212,400)	(306,500)	(296,500)	(221,900)	74,600	(25.16%)
Maintenance	1,487,300	1,629,500	1,569,500	1,629,700	60,200	3.84%
One Time Funding for Shutdown	-	-	-	(246,500)	(246,500)	100.00%
Total	1,366,400	1,427,200	1,385,400	1,494,300	108,900	7.86%

- Programming & Reception – reduction in revenue due to planned closure and replacement of ice slab at Golden Arena.
- Programs – reduction in services and revenue due to planned closure of Golden Arena.
- Maintenance – additional technical hours for continuous monitoring of Ammonia Plant.
- One Time Funding for Shutdown – appropriation of funds to offset any impact due to Gold Arena closure for the year.

Saanich Commonwealth Place

Saanich Commonwealth Place, built for the 1994 Commonwealth Games, is located on Elk Lake Drive in the Royal Oak/Broadmead area and serves both local residents and the larger community, with its world class aquatics facilities. These include a 50 metre competitive pool, which can be used for international level events, a dive tank, leisure pool, wave pool and waterslide. Other facilities include two specially equipped accessible, change rooms, universal change rooms, a gymnasium, hot tub, steam room, dry sauna, dance studio, fitness centre, multi-purpose rooms, pro shop, café, the Victoria offices of Pacific Sport, and the Bruce Hutchison Branch of the Greater Victoria Library.

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

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
	2018	2019	2019	2020	2020/2019	2020/2019
Programming & Reception						
Revenues	(418,300)	(430,100)	(393,700)	(382,800)	10,900	(2.77%)
Expenses	<u>1,986,200</u>	<u>2,087,400</u>	<u>2,072,400</u>	<u>2,093,200</u>	<u>20,800</u>	<u>1.00%</u>
Total	1,567,900	1,657,300	1,678,700	1,710,400	31,700	1.89%
Programs						
Revenues	(4,500,600)	(4,783,500)	(4,286,900)	(4,536,900)	(250,000)	5.83%
Expenses	<u>3,605,300</u>	<u>3,863,400</u>	<u>3,642,000</u>	<u>3,976,400</u>	<u>334,400</u>	<u>9.18%</u>
Total	(895,300)	(920,100)	(644,900)	(560,500)	84,400	(13.09%)
Maintenance	2,108,800	2,277,000	2,261,900	2,467,600	205,700	9.09%
Total	2,781,400	3,014,200	3,295,700	3,617,500	321,800	9.76%

- Maintenance – non-discretionary utility costs.

Police Services

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

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

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

BUDGET SUMMARY	
2020 Net Budget	\$ 36,010,200
2019 Net Budget	\$ 34,765,200
Net Change	\$ 1,245,000
Change by %	3.58%
2020 FTE	237.78
2019 FTE	233.94
FTE Change	3.84
FTE Change %	1.64%

CORE BUDGET

The Saanich Police Board 2020 net core budget is \$36,010,200 which represents a 3.58% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Executive Administration						
Revenues	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	-	0.00%
Expenses	4,926,400	5,138,400	5,111,100	5,268,600	157,500	3.08%
Total	3,426,400	3,638,400	3,611,100	3,768,600	157,500	4.36%
Staff Development	1,040,500	879,900	1,207,800	1,177,300	(30,500)	(2.53%)
General Administration	6,826,200	6,942,400	6,473,200	6,568,000	94,800	1.46%
Uniform Division	13,016,800	13,976,100	13,524,200	14,365,000	840,800	6.22%
Community Liaison	2,391,400	1,856,000	2,429,200	2,482,000	52,800	2.17%
Detectives	6,873,500	6,950,700	7,519,700	7,649,300	129,600	1.72%
Total	33,574,800	34,243,500	34,765,200	36,010,200	1,245,000	3.58%

- Traffic Fine revenues are received as an unconditional grant to defray the cost of police services

The complete [Saanich Police Board 2020 Provisional Budget](#) is available in appendix A and on the Saanich website. The provisional budget reflects a 3.58% increase and explains the changes between the two budget years.

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.

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

2020 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	Actual	Budget	Budget	\$ Change	% Change
	2018	2019	2019	2020	2020/2019	2020/2019
Greater Victoria Public Library	5,755,500	5,890,300	5,890,300	6,026,800	136,500	2.32%
Branch Libraries Lease and Maintenance	258,800	328,700	276,900	285,300	8,400	3.03%
Swan Lake Christmas Hill Nature House	378,700	387,600	387,600	387,600	-	0.00%
Grants	539,200	561,900	559,900	559,900	-	0.00%
MRD Tax (Tourism)	227,500	438,500	160,000	430,000	270,000	168.75%
Regional Economic Development	184,500	184,500	184,500	184,500	-	0.00%
Total	7,344,200	7,791,500	7,459,200	7,874,100	144,900	5.56%

- Greater Victoria Public Library – wage increment.
- Branch Libraries Lease and Maintenance – increase in strata fees for main library.
- MRD Tax (Tourism) – implementation of hotel tax for online accommodation platforms has resulted in increased MRDT revenue to the District. This revenue along with the regular hotel tax is transferred on to Destination Greater Victoria as per agreement to promote more tourism.

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

General Capital Program

The Capital Plan matches the District's needs for investment in capital with its available financial resources. Replacement of ageing infrastructure is the primary factor in determining capital requirements in Saanich. Saanich infrastructure spending is gradually addressing this need, increasing from \$11.0 million in the year 2007 to an annual average of over \$29 million in the last three years for general capital.

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

1. A net 2% increase in tax funded core capital over 2018 budget
2. A maximum 0.50% property tax allocation to IT and Facility infrastructure replacement
3. Council debt management policy
4. All figures shown in 2020 dollars – no inflation allowance

Budgeted Expenditures			Budget	Budget
	2019 Projects In Progress	2020 Capital Projects	Total 2020	2019
Vehicles, Equipment & Technology	8,851,100	10,093,500	18,944,600	18,596,000
Land Acquisition	-	2,500,000	2,500,000	6,240,400
Transportation	14,561,600	12,261,100	26,822,700	23,335,900
Drainage	14,266,900	10,429,000	24,695,900	18,607,200
Parks	1,985,600	3,667,400	5,653,000	4,473,100
Recreation & Community Services	10,262,200	7,906,400	18,168,600	17,116,000
	49,927,400	46,857,400	96,784,800	88,368,600
Source of Funding			Budget	Budget
	2019 Projects In Progress	2020 Capital Projects	Total 2020	2019
General Operating (Core Capital)	-	15,693,700	15,693,700	15,226,600
General Capital Reserves	12,238,000	10,042,000	22,280,000	21,838,100
Gas Tax Reserve	7,988,300	4,997,400	12,985,700	10,563,900
Capital Carryforward Reserve	18,942,700	1,253,700	20,196,400	12,600,600
Lands Sale Reserve	-	1,000,000	1,000,000	1,700,000
Development Cost Charges	1,273,400	3,673,500	4,946,900	2,091,800
Equipment Replacement Reserve	1,588,700	2,476,000	4,064,700	4,607,200
Grants & Contributions	1,166,300	2,305,000	3,471,300	1,600,000
Borrowing	6,730,000	5,416,100	12,146,100	18,140,400
	49,927,400	46,857,400	96,784,800	88,368,600

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 2020	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Notes:
Vehicles, Equipment & Technology						
Police	1,208,700	1,032,900	1,043,200	1,053,700	1,064,400	1
Fire	262,600	800,000	2,180,000	1,830,000	345,000	
Emergency Program	-	-	15,000	35,000	-	
Fleet Replacement	1,708,500	2,159,700	1,536,400	1,430,200	1,032,000	
Engineering	65,000	-	50,000	-	-	
Parks & Recreation	797,300	296,500	240,600	369,800	561,900	
Information Technology	6,051,400	4,612,000	5,385,400	5,142,100	3,577,300	2
	10,093,500	8,901,100	10,450,600	9,860,800	6,580,600	
Land Acquisition	2,500,000	700,000	500,000	500,000	250,000	3
Transportation						
Complete Streets	5,150,300	6,000,000	8,881,000	5,054,000	4,100,000	1
Roads Improvement (includes sidewalk and bikeways components)	6,037,400	6,902,600	6,069,600	6,037,600	6,007,600	
Bus Stops Improvement	155,000	155,000	155,000	155,000	155,000	5
Street Lights/Traffic Signals Improvement	748,400	775,000	775,000	775,000	775,000	
Bridges Repair / Replacement	120,000	320,000	120,000	120,000	120,000	1
Studies, Design & Other	50,000	609,000	50,000	50,000	50,000	6
	12,261,100	14,761,600	16,050,600	12,191,600	11,207,600	
Drainage						
Wood Stave Replacement	1,500,000	570,000	-	3,755,000	1,810,000	5
Sub-standard Drain Replacement	7,438,400	5,092,000	5,294,000	4,550,000	3,875,000	
Service Connection Replacement	75,000	75,000	75,000	75,000	75,000	
Other	1,415,600	825,000	982,000	1,012,000	1,065,000	
Transfer to/(Fr) Capital Reserve	-	955,000	1,250,000	(1,805,000)	750,000	
	10,429,000	7,517,000	7,601,000	7,587,000	7,575,000	
Sub Total	35,283,600	31,879,700	34,602,200	30,139,400	25,613,200	

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 2020	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Notes:
Parks						
Playground Replacement	298,000	268,000	250,000	224,000	174,000	1
Sports Field & Hard Court Replacement	355,000	170,000	320,000	360,000	350,000	
Parking Replacement	125,000	-	325,000	100,000	-	
Irrigation Replacement	150,000	150,000	150,000	150,000	150,000	
Bridges & Structures Replacement	265,000	249,000	249,000	234,000	234,000	
Trails Replacement	166,900	195,000	195,000	200,000	200,000	
Buildings Replacement	50,000	340,000	290,000	265,000	350,000	
Park Infrastructure Replacement	975,000	1,035,000	585,000	535,000	1,035,000	
Natural Areas and Urban Forestry	591,600	446,000	436,000	405,000	415,000	
Other	690,900	290,900	337,800	659,600	220,300	
	3,667,400	3,143,900	3,137,800	3,132,600	3,128,300	
Recreation & Community Facilities						
Electrical	203,500	176,400	187,500	33,600	187,200	1
Mechanical	1,844,200	1,245,000	55,000	45,000	442,500	
HVAC	11,000	600,000	-	351,000	-	
Building Envelope	1,118,600	449,400	1,165,000	797,000	961,000	
Building Interior	425,100	854,200	670,200	1,064,100	810,700	
Parking Signage & Grounds	85,000	-	-	-	37,500	
Building Replacement	-	8,000,000	16,964,000	17,310,000	25,000,000	
Major Facilities Repair & Future Replacement Reserve	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	
Planning & Other	1,419,000	125,000	560,000	125,000	-	
	7,906,400	14,250,000	22,401,700	22,525,700	30,238,900	
Grand Total	46,857,400	49,273,600	60,141,700	55,797,700	58,980,400	

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. We will need to investigate if existing equipment are required to be replaced in the future and ensure that all major equipment and technology purchased have adequate funds set aside in a reserve for future replacement.

The funding for this asset category has reached its annual target for most assets except for IT assets. An additional \$2,800,000 in annual funding is needed for these assets. This increase resulted from significant recent investment in technology to bring systems up to appropriate standards. This will be achieved over the next 6 years with a recommended annual addition to property taxation.

Police Vehicles, Equipment and Technology

Police Services	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Grants & Other	2020
REPLACEMENTS					
Two-factor Authentication		36,100	25,000		61,100
Minor Projects		63,600			63,600
Vehicles	270,600	281,700	200,000		752,300
Computer Hardware and Software	15,100	137,600	649,000		801,700
Office Equipment	27,000	88,000			115,000
Investigative Equipment	159,400				159,400
Officer & Public Safety Equipment	30,600				30,600
Subtotal	502,700	607,000	874,000	-	1,983,700
NEW INITIATIVES					
E-Ticketing				40,000	40,000
Security Fencing			222,800		222,800
Subtotal	-	-	222,800	40,000	262,800
Total	502,700	607,000	1,096,800	40,000	2,246,500

Fire Vehicles, Equipment and Technology

Fire Protection	Source of Funds			Budget
	Core	Capital Carryover	Reserves	2020
REPLACEMENTS				
Shop Fume Hood			12,200	12,200
Mobile Service Vehicle			71,800	71,800
Truck Replacement			49,600	49,600
Pickups Replacement			78,000	78,000
Mini Van Replacement			35,000	35,000
Ladder 1 Refurbishment			50,000	50,000
Ladder 3 Refurbishment			50,000	50,000
Total	-	-	346,600	346,600

Fleet Vehicles

The Fleet division has developed a long term vehicle replacement program for over 250 vehicles to stabilize the costs of replacement from year to year. An equipment replacement reserve is funded by annual contributions of approximately \$840,600 from the Fleet Division.

Vehicle Equipment Replacement Program	Source of Funds			Budget
	Core	Capital Carryover	Reserves	2020
REPLACEMENTS				
Fleet Vehicle Replacements			2,937,500	2,937,500
Refuse Truck Arm Replacement			165,900	165,900
Subtotal	-	-	3,103,400	3,103,400
NEW INITIATIVES (approved in 2018)				
Trailer for Street Operations			77,000	77,000
Engineering - Slide in Hot Box			45,000	45,000
Subtotal	-	-	122,000	122,000
Total	-	-	3,225,400	3,225,400

2019 vehicles yet to be received include 9 ¾ ton pickups, 1 half ton van, 2 one ton flatdecks, 2 backhoes, 1 aerial manlift, 5 hybrids, and 5 trailers.

Vehicles to be purchased in 2020 include 4 hybrids, 7 half ton pickups, 2 custom vehicles, 5 ton flatdeck, one flail mower, and one 10 yard packer.

Printroom

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2020
REPLACEMENTS					
Municipal Hall Equipment		30,000			30,000
Total	-	30,000	-	-	30,000

Multifunction printer.

Parks and Recreation Equipment

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

Equipment Replacement	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2020
REPLACEMENTS					
Golf Course Equipment Replacement			89,400	16,100	105,500
Recreation Equipment Replacement			216,200		216,200
Ice Resurfacer			169,300		169,300
Parks Equipment Replacement	148,800	117,500			266,300
Subtotal	148,800	117,500	474,900	16,100	757,300
NEW INITIATIVES (approved in 2019)					
Paramobile			40,000		40,000
Total	148,800	117,500	514,900	16,100	797,300

Golf Course equipment to be replaced includes 2 flex mowers, 1 aerator, furnishings for the Clubhouse and one tractor.

Recreation equipment to be replaced include 11 cross trainers, 3 stair climbers, 15 spin bikes, 2 rowers, 2 treadmills and 4 motion trainer.

Engineering Equipment

Replacement of equipment for Engineering services.

Equipment Replacement	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2020
REPLACEMENTS					
Flush Truck Washdown Station			15,000		15,000
Multipurpose Water Tanks/Washers			50,000		50,000
Total	-	-	65,000	-	65,000

Land Acquisition

Acquisition of land for either parks or other municipal use.

Land Acquisition	Source of Funds				Budget
	Core	DCC	Reserves	Borrowing	2020
NEW INITIATIVES					
Land Acquisition Contingency		1,500,000	1,000,000		2,500,000
Total	-	1,500,000	1,000,000	-	2,500,000

Information Technology

Hardware and software replacement including project implementation costs.

Information Technology	Source of Funds			Budget
	Core	Capital Carryover	Reserves	2020
REPLACEMENTS				
Business Systems:				
Tempest Upgrade			453,100	453,100
Tempest Conversion to SQL			1,372,400	1,372,400
JDE Ongoing Upgrade			700,000	700,000
Fire Dispatch Phases 1 to 3			483,100	483,100
Fire Dispatch Inter-Government Services			50,000	50,000
911 Next Generation			100,000	100,000
Traffic Signal System Discovery			146,400	146,400
Ortho Photo Update		31,900	45,000	76,900
GIS Upgrade			98,000	98,000
Minor Projects			60,000	60,000
Emerging Priorities			198,800	198,800
IT Infrastructure:				
Desktop Environment Refresh			1,196,800	1,196,800
E-Mail Upgrade			942,200	942,200
Servers Upgrade			261,500	261,500
Infrastructure Upgrade			969,200	969,200
Network			444,000	444,000
Phone Upgrade			642,000	642,000
Printers Discovery			300,000	300,000
Audio Visual Equipment Replacement			195,000	195,000
Emerging Priorities			232,700	232,700
Subtotal	-	31,900	8,890,200	8,922,100
New Initiatives				
Business Systems:				
Tempest - My City			177,800	177,800
Digital Review and Markup Tool			163,000	163,000
Fire Staffing Software	169,000	93,500	21,000	283,500
Budgeting Software			345,600	345,600
Council Agenda Management		50,000	600,000	650,000
Technology Improvement Plan Projects			200,000	200,000
Council Chamber Videos and Monitors Upgrade			100,000	100,000
HR/OHS Implementation			647,500	647,500
Minor Projects			120,200	120,200
Emerging Priorities		57,000	143,200	200,200
IT Infrastructure:				
Privacy Policy Project			100,000	100,000
Cell Phone Contract			160,000	160,000
Minor Projects		56,100	53,800	109,900
Divisional Capital	54,000			54,000
Subtotal	223,000	256,600	2,832,100	3,311,700
Total	223,000	288,500	11,722,300	12,233,800

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.

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

Transportation	Source of Funds							Budget
	Core	DCC	Gas Tax	Capital Carryover	Reserves	Grants & Other	Borrowing	2020
REPLACEMENTS								
Roads:								
Minor Projects	75,000			183,600				258,600
Pavement Renewal Program			1,127,400	395,800	372,600		500,000	2,395,800
Sidewalks:								
Minor Projects	60,000			93,000	50,000			203,000
Sidewalk Rehabilitation Program	300,000			242,500				542,500
Bridges								
Bridge Repair & Replacement	120,000			77,600				197,600
Design Durrance Rd Bridge			100,000	100,000				200,000
Durrance Road Bridge Replacement			900,000					900,000
Bus Stops, Signals, Street Lights:								
Traffic Signal Assessment and Timing Updates			200,000	50,000			-	250,000
Street Light Program (LED Upgrade)	125,000						300,000	425,000
Subtotal	680,000	-	2,327,400	1,142,500	422,600	-	800,000	5,372,500
MIX OF REPLACEMENT AND CAPACITY BUILDING								
Complete Streets:								
Shelbourne Street Improvement Project	400,000	1,084,100	3,761,400	574,200	59,000	1,000,000		6,878,700
Design & Investigation of West Saanich/Propsect Lake/Sparton Intersection			2,666,500	49,700				2,716,200
Haliburton Road (Pat Bay Hwy to Wesley)		31,400		576,700				608,100
Finnerty Road (McKenzie to Arbutus)				46,600				46,600
West Saanich Road Streetscape South Phase	-			462,900	560,000			1,022,900
Wilkinson Road (Greenlea to Quick's Bottom Pk Trail)					450,000			450,000
Sinclair Road Improvements (Design Phase)	100,000		70,000		130,300			300,300
Roads:								
Minor Projects	60,000	40,000	60,000	203,000				363,000
Crosswalk Installation Program	150,000			155,400		38,500		343,900
Active and Safe Route to School Plans Implementation	150,000			265,000				415,000
Transportation Emerging Priorities	242,400			127,300	100,000			469,700
Mount Doug Shoreline				225,000				225,000
Sidewalks:								
Townley St Sidewalk Installation				59,600				59,600
Church Ave (Ophir to Cottonwood)				32,600			200,000	232,600
Dieppe Sidewalk							200,000	200,000
Gordon Head Road (3912 to Cedar Hill X)				34,000			335,000	369,000
Sidewalk Installation Program	600,000		800,000	544,900	105,200		2,500,000	4,550,100
Bikeways Improvements:								
Cycling Infrastructure Program	500,000			260,600				760,600
Bus Stops, Signals, Street Lights:								
Minor Projects	50,000	67,800		449,000	138,000			704,800
Intersections and Traffic Signal Program	211,400	112,000		53,100				376,500
Transit Infrastructure Improvement Program	140,000			202,600	15,000			357,600
Subtotal	2,603,800	1,335,300	7,357,900	4,322,200	1,557,500	1,038,500	3,235,000	21,450,200
Total	3,283,800	1,335,300	9,685,300	5,464,700	1,980,100	1,038,500	4,035,000	26,822,700

Drainage

Saanich storm drainage infrastructure includes 600 km of main drains, 30,000 laterals and 14,000 catch basins. 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.

We will 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. We will also investigate environmentally sensitive methods of storm water collection, conveyance, and treatment.

Drainage	Source of Funds						Budget
	Core	DCC	Gas Tax	Capital Carryover	Reserves	Borrowing	2020
REPLACEMENTS							
Wood Stave Replacement:							
Minor Projects				94,900			94,900
Culduethel / Boleskine				119,600		250,000	369,600
Quadra - Culvert Crossing from 3955	360,000						360,000
Braefoot Rd - Braefoot Pl to Wende Rd				480,000			480,000
Rainbow Park - 400 Douglas to McKenzie to Park to Rainbow St/Seven Oaks	410,000			250,000			660,000
Sub-standard Drain Replacement:							
Minor Projects	210,000			797,400			1,007,400
Shelbourne Street Improvement Project	929,200	1,400,000	2,450,400	489,400	69,200	3,950,000	9,288,200
Vanalman (Commerce Circle to Mann)				160,000		200,000	360,000
Inlet (2833 to Admirals)			400,000	50,000			450,000
Gorge Drainage Improvements				340,000		260,000	600,000
Sims (Battleford to Seton & SRW)			450,000	802,000			1,252,000
Veteran - Knight to Derby; Freeman - Veteran to St. Mathews				10,000		590,000	600,000
Gorgeview - Gorge to Vincent				255,000			255,000
Gorge Rd. Pt 2 - Adelaide to Parkview		200,000		700,000			900,000
Davida - 438 to Tillicum				360,000		300,000	660,000
Orillia - Hampton to Burnside				210,000			210,000
Orillia - Gorge to Obed				120,900	131,100		252,000
Obed - Harriett to Wascana				140,000	185,000		325,000
Donald - Gorge to Obed				255,000			255,000
West Saanich Rd - Glanford to BCH Driveway				329,300			329,300
Regina - Tillicum to Wascana	900,000						900,000
Inlet - 2833 to Admirals					390,000		390,000
Hampton Road - Tillicum to Seaton					365,000		365,000
Walter - Bodega to Tillicum (& 2 SRW's)				240,000			240,000
Gorge Rd. Pt 3 - Parkview to Tillicum	375,000	200,000				350,000	925,000
Emerging Priorities				429,300	100,000		529,300
Other Programs:							
Drain House Connection Replacement	75,000			86,400			161,400
Storm Drainage Model Development	50,000			429,800			479,800
CCTV Inspection & Assessment	100,000			174,500			274,500
Large Culvert Repair				330,000			330,000
Drainage Planning & Asset Mgmt Initiatives	250,000						250,000
Detailed Design Capital Projects	475,600			666,900			1,142,500
Total	4,134,800	1,800,000	3,300,400	8,320,400	1,240,300	5,900,000	24,695,900

Park and Trail Structures

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

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

Parks	Source of Funds					Budget
	Core	DCC	Capital Carryover	Reserves	Borrowing	2020
REPLACEMENTS						
Minor Projects & Emerging Priorities	436,900	2,400	294,000			733,300
Playground Safety/Accessibility Improvements	100,000				100,000	200,000
Playground Program Minor Projects	98,000		75,700			173,700
Sportsfield Program Minor Projects	50,000				50,000	100,000
Wedgewood Tennis Court	50,000				100,000	150,000
Sports/Tennis Courts Minor Projects	30,000		13,900		50,000	93,900
Hampton Park (parking and pathway)	25,000				275,000	300,000
Irrigation and Landscaping Program	150,000		188,600			338,600
Bridges, Structures and Furnishings Program	165,000		63,000		150,000	378,000
Signage Program	62,400	25,900	37,300		50,000	175,600
Trails Program	47,600	19,300	125,000	16,100	100,000	308,000
Buildings - Mt. Doug Washroom Roof			29,600		75,000	104,600
Mount Douglas - Creek, Trail Rebuilding & Bridge				205,000		205,000
McMinn Park - Complete Park Project Phase II			132,900		150,000	282,900
Layritz Park - Baseball Repairs, Drainage & Sewer Connection			155,500			155,500
Horner Park Renewal	55,000	195,000			400,000	650,000
Complete Park Renewal Program	100,000		50,000			150,000
Cuthbert Homes Management Plan				150,000		150,000
Horticulture Islands & Streetscapes	90,000	15,700	20,500			126,200
Natural Areas	181,000					181,000
Urban Forestry	310,000					310,000
Parks Master Plan	100,000					100,000
Subtotal	2,050,900	258,300	1,186,000	371,100	1,500,000	5,366,300
NEW INITIATIVES						
Youth Park	100,000	53,300	133,400			286,700
Total	2,150,900	311,600	1,319,400	371,100	1,500,000	5,653,000

Community and Recreation Facilities

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

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

The funding for this asset category was reviewed in 2019. An additional \$1,445,000 is needed to appropriately fund major repairs of facilities. This will be achieved over the next 6 years with a recommended annual addition to property taxation.

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

Community Facilities	Source of Funds					Budget
	Core	Capital Carryover	Reserves	Grants & Other	Borrowing	2020
REPLACEMENTS						
Pearkes - Ice Slab Remediation			700,000			700,000
Blanshard Interior Renovation & Hall/Annex Retrofit			1,868,100			1,868,100
Facilities Roof Replacement	550,000	427,400				977,400
SCP - Replace Mechanical Systems - Phases 1A & 1B		50,000		2,346,900		2,396,900
CHGC - RTU Replacement		88,800	275,000			363,800
Fire Hall #1 - Kitchen/Barracks Upgrade		370,600				370,600
Fire Hall #1 - Roof Replacement		236,100				236,100
Public Safety - RTU Replacement		596,500				596,500
Les Passmore - Wheelchair Accessibility		110,600				110,600
GHRC - Concrete Slab Remediation/Chemical Storage			555,000			555,000
Emergency Lighting Renewal			136,500			136,500
Saanich Operation Centre Redevelopment		-	600,200			600,200
Fire Hall #3 - Renovation		473,500				473,500
GHRC - North Envelope Rehabilitation & Expansion					695,000	695,000
Municipal Hall - Envelope Remediation	166,600					166,600
CHGC - Clubhouse Remediation	150,000					150,000
SCP - Electrical Main Distribution Replacement	165,000					165,000
Public Safety Lighting Replacement	11,000	121,500		5,000		137,500
Pearkes - Elevator Replacement	510,000					510,000
Fire Hall #2 - Redevelopment			1,394,700			1,394,700
Minor Projects & Emerging Priorities	274,500	144,100	-	40,900		459,500
Total	1,827,100	2,619,100	5,529,500	2,392,800	695,000	13,063,500
RESERVE TRANSFERS						
Major Facilities Repair & Future Replacement Reserve	2,800,000					2,800,000
Total	2,800,000	-	-	-	-	2,800,000

Recreation Facilities

Recreation	Source of Funds			Budget
	Core	Capital Carryover	Reserves	2020
REPLACEMENTS				
CHRC - Minor Facility Renovations	5,000	74,700		79,700
CHRC - Ceramics Studio Storage		49,000	57,700	106,700
CHRC - Ceramics Ventilation		135,000		135,000
CHRC - Reception/Café Improvements		40,000		40,000
CHRC - Blaauw Kiln	75,000			75,000
SCP - Minor Facility Renovations	27,500	50,500		78,000
SCP - Aquatic Office Renovation Design	75,000	36,300		111,300
SCP - Health and Wellness Renovations		25,000		25,000
SCP - Change Room Lockers Replacement	25,000			25,000
SCP - Mezzanine Fitness Room Construction	62,000			62,000
SCP - Weight Room Floor Replacement	45,400	34,600		80,000
GHRC - Minor Facility Renovations	21,000	75,700		96,700
GHRC - Pool Acoustic Tiles (Main Pool)		95,000		95,000
GHRC - Lighting Project		29,000		29,000
GHRC - Feltham Room Renovation	55,000			55,000
GHRC - Universal Change Room Door Replacement	24,000			24,000
GHRC - Hot Tub Improvements	24,200			24,200
Pearkes - Minor Facility Renovations	20,000	61,200		81,200
Pearkes - Electrical Upgrade		135,000		135,000
Pearkes - Field House Curtain System Replacement			125,000	125,000
Pearkes - Lighting Project		83,500		83,500
Pearkes - Ice Rink Improvements		71,700		71,700
Pearkes - Score Clock Replacements	30,000	25,000		55,000
Pearkes - Parking Lot / Courtyard Redesign	75,000			75,000
CHGC - Building and Grounds		116,200		116,200
CHGC Parking Lot Resurfacing		54,400		54,400
CHGC - Maintenance Building Renovations		61,400		61,400
CHGC - Clubhouse Office Renovation		21,600		21,600
Subtotal	564,100	1,274,800	182,700	2,021,600
NEW INITIATIVES				
Exterior Digital Signs		225,000		225,000
Recreation - Project Management	58,500			58,500
Subtotal	58,500	225,000	-	283,500
Total	622,600	1,499,800	182,700	2,305,100

Water Utility Fund

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

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

BUDGET SUMMARY	
2019 Utility Charges	\$ 23,525,500
2018 Utility Charges	\$ 22,439,000
Net Change	\$ 1,086,500
Change by %	4.84%
2020 FTE	50.61
2019 FTE	50.61
FTE Change	0.00
FTE Change %	0.00%

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

2020 BUDGET CHALLENGES

- The construction industry continues to be busy with land development projects and a number of major infrastructure projects that will continue through 2019. 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.

2020 KEY PRIORITIES

Priority Strategic Initiatives include:

Climate action and environmental leadership

- Support the Capital Regional District (CRD) as they complete the Core Area Wastewater Treatment Project. Continue to support the regional sewage treatment facility project through collaboration on water system upgrades to the Hartland water reservoir, pumps and piping

Priority Departmental Initiatives include:

- Develop a Leak detection and bulk meter system for water conservation
- Continue with the cast iron and asbestos cement watermain replacement program.

CORE BUDGET

The 2020 gross budget of \$37,065,800 represents an 11.13% increase in gross expenditures over prior year, including a net capital program of \$8,168,300. Water revenues are projected to increase to \$23,525,500 or 4.84%.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2018	2019	2019	2020	2020/2019
Personnel	3,036,900	3,052,000	2,839,400	2,938,500	3.49%
Goods and Services	9,742,800	11,000,800	10,055,900	10,558,800	5.00%
Overheads and Transfers	1,645,100	1,663,800	2,324,800	2,603,000	11.97%
Gross Capital Program	19,171,200	18,058,600	18,134,900	20,992,700	15.76%
Total	33,596,000	33,775,200	33,355,000	37,093,000	11.21%
REVENUES AND RECOVERIES					
Utility Charges	(21,736,900)	(21,947,800)	(22,439,000)	(23,525,500)	4.84%
Non-Tax Revenues	(115,600)	(154,600)	(205,600)	(493,100)	139.83%
Surplus Appropriation	(200,000)	(250,000)	(250,000)	(250,000)	0.00%
DCC Contribution	-	-	(251,000)	(1,271,200)	
Transfer from Reserves	(11,556,500)	(10,169,300)	(10,209,400)	(11,553,200)	13.16%
Total	(33,609,000)	(32,521,700)	(33,355,000)	(37,093,000)	11.21%
NET OPERATIONS	(13,000)	1,253,500	-	-	0.00%

- Personnel – wage increment and job evaluation.
- Goods and Services – increase in water purchase from the CRD.
- Overheads and Transfers – increase in transfer to Water Capital Reserve fund.
- Gross Capital Program/Transfers from Reserves- unfinished 2019 projects funded from Transfers from Reserves and an increase in capital funding in line with inflation in construction costs.

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
	2018	2019	2019	2020	2020/2019	2020/2019
General Administration	1,645,100	1,663,800	1,666,700	1,864,700	198,000	11.88%
Field Operations	920,800	999,000	888,900	923,300	34,400	3.87%
Water Purchases	8,783,400	9,788,300	9,060,000	9,440,000	380,000	4.19%
Waterline Repairs	1,073,800	1,019,300	732,600	906,200	173,600	23.70%
Pump Station Maintenance	660,600	796,800	787,100	806,000	18,900	2.40%
Hydrant Maintenance	153,000	127,500	195,200	200,900	5,700	2.92%
Valve Maintenance	255,800	284,700	328,200	337,700	9,500	2.89%
Meter Repairs/Replacements	244,600	357,300	347,200	352,400	5,200	1.50%
Water Quality & Other Program	572,100	525,300	363,400	375,900	12,500	3.44%
Contingency	-	-	400,000	400,000	-	0.00%
Net Capital Program	7,614,700	7,889,300	7,919,600	8,168,300	248,700	3.14%
Total	21,923,900	23,451,300	22,688,900	23,775,400	1,086,500	4.79%

- General Administration – Water Utility share of additional positions approved in Engineering and the reallocation of Store charges from capital projects to admin.
- Water Purchases – increase in cost of water purchase from the CRD. CRD rates increased by 2.85% over prior year.
- Waterline Repairs – non-discretionary hired equipment costs.
- Net Capital Program – construction inflation increase.

Five Year Water Capital Projection

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.

The focus for this five year plan will be on replacement of asbestos cement mains and the regular and on-going end-of-life replacement of water mains, valves and water meters.

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

Description of Program	Budget 2020	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Notes:
Water Capital						
Asbestos Cement & Cast Iron Main Replacement	7,032,000	9,137,500	6,697,000	6,373,000	6,370,000	1
Valves	400,000	425,000	-	500,000	500,000	2
Pump Station Replacement	650,000	-	-	-	-	3
Meter Replacement	450,000	700,000	450,000	200,000	200,000	
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	1,190,000	799,500	908,000	835,000	856,000	
Transfer to/(Fr) Capital Reserve	-	(2,358,000)	740,000	1,150,000	1,500,000	
	9,852,000	8,834,000	8,925,000	9,188,000	9,556,000	

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	DCC	Capital Carryover	Reserves	2020
REPLACEMENTS					
Asbestos Cement & Cast Iron Main					
Minor Projects	75,000		277,700		352,700
Sims Ave (Seaton St to Wascana St)			360,800		360,800
Inlet Ave (Gorge Rd W to Admirals Rd)			650,000		650,000
Lodge Ave (Saanich Rd to Hawthorne St)			984,000		984,000
Foul Bay Rd (Allenby to Landsdowne)			210,000		210,000
Parkside/Jamaica/Winchester			228,300		228,300
Davida Ave, 462 Davida Ave to Tillicum Rd			650,000		650,000
Donald St, Gorge Rd W to Obed Ave			243,800		243,800
Foul Bay Rd, Haultain St to Allenby St			791,900		791,900
Gorgeview Dr, Gorge Rd W to Vincent Ave			256,300		256,300
Orillia St, Burnside Rd W to Hampton Rd			212,500		212,500
Prospect Lake Rd, West Saanich Rd to Prospect Lake Elementary		47,200	162,800		210,000
Veteran St, Knight Ave to Cedar Ave; Freeman Veteran to St Mathews; St Mathews, Freeman to Derby			712,900		712,900
Vernon (Nigel Avenue to 894 Vernon)			210,000		210,000
Shelbourne Street Improvement Phase 1 Construction	1,500,000	103,000	1,899,300		3,502,300
Shelbourne Street Improvement Phase 2 Construction (including Freeman from Shelbourne to St. Matthews)	1,640,000	910,000			2,550,000
Dawe Rd, Cadboro Bay Rd to Arbutus Rd	325,000				325,000
Leslie Dr, 921 Leslie Dr to Savannah Ave	312,500				312,500
Regina Ave, 240 Regina Ave to Wascana St	775,000				775,000
Spring Bay Rd, Medway St, and Whiterock St	425,000				425,000
Mann Ave, Vanalman Ave, and Parkridge St	878,800			160,700	1,039,500
Emerging Priorities	30,000		657,700		687,700
Pump Stations:					
Large Meter & Pump Motor Replacment	100,000		128,800		228,800
Pump Station / PRV Replacement			350,000		350,000
Mt. Tolmie Pumps Back-up Power and Electrical	150,000		500,000		650,000
Other Programs:					
Minor Projects	255,000	30,000	77,200		362,200
Machinery & Equipment Replacement	150,000		91,400		241,400
Unidirectional Flushing Program Development			263,200		263,200
Shelbourne Street Improvement Phases 1 to 3 - Design	150,000	181,000	232,600		563,600
12 mm Copper Service Connection Replacement Program	100,000		73,100		173,100
Detailed Design Capital Projects	402,000		668,200		1,070,200
Water System Planning & Asset Management Initiatives	250,000				250,000
Zone Metering & Meter Replacement Study	250,000				250,000
PRV Replacement - Ferrie	400,000				400,000
Wilkinson to Burnside PRV Replacement			500,000		500,000
Total	8,168,300	1,271,200	11,392,500	160,700	20,992,700

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 collects and conveys of wastewater for the majority of Saanich residents and discharges the effluent to the Capital Regional District trunk sewer system for treatment.

The system is comprised of over 570 kms of sewer mains and 39 pumping stations. The majority of the system was constructed between 1953 and the early 1970's using asbestos cement materials.

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

BUDGET SUMMARY	
2019 Utility Charges	\$ 25,460,500
2018 Utility Charges	\$ 23,532,700
Net Change	\$ 1,927,800
Change by %	8.19%
2020 FTE	25.56
2019 FTE	25.52
FTE Change	0.04
FTE Change %	0.16%

2020 BUDGET CHALLENGE

- The construction industry continues to be busy with land development projects and a number of major infrastructure projects that will continue through 2020. 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.

2020 KEY PRIORITIES

Priority Strategic Initiatives include:

Climate action and environmental leadership

- Support the Capital Regional District (CRD) as they complete the Core Area Wastewater Treatment Project. Final approvals the engineering designs for Saanich infrastructure improvements (i.e., curb, gutter and sidewalk on Esson and Grange roads; traffic circle at the intersection of Vincent and Obed) expected to be completed in Q1 2020. Continued oversight of construction work on Saanich roadways needed until the end of the project in Q4 2020. Discussions underway with the CRD to complete a municipal access agreement to address items such as emergency response, notification of work, future permit processes, etc. as a framework for CRD maintenance work in Saanich.

Priority Departmental Initiatives include:

- Continued replacement of asbestos cement sanitary sewer mains.
- Establish a baseline condition of each 39 lift stations and create a prioritized upgrade/replacement strategy.

CORE BUDGET

The 2020 gross budget of \$42,270,200 represents a 14.25% increase in gross expenditures over prior year, including a net capital program of \$5,780,200. Sewer revenues are projected to increase to \$25,460,500 or 8.19%.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2018	2019	2019	2020	2020/2019
Personnel	1,744,500	1,690,500	1,581,600	1,636,900	3.50%
Goods and Services	11,503,600	13,000,500	13,478,900	14,912,200	10.63%
Fiscal Services	769,000	780,000	791,100	952,700	20.43%
Overheads and Transfers	2,419,200	2,427,500	2,708,100	2,774,300	2.44%
Gross Capital Program	16,138,950	15,655,000	18,439,000	21,985,300	19.23%
Total	32,575,250	33,553,500	36,998,700	42,261,400	14.22%
REVENUES AND RECOVERIES					
Utility Charges	(21,264,100)	(23,755,900)	(23,532,700)	(25,460,500)	8.19%
Non-Tax Revenues	(128,800)	(116,500)	(109,000)	(445,800)	308.99%
Surplus Appropriation	(150,000)	-	(150,000)	(150,000)	0.00%
Grants	(1,226,400)	-	-	-	100.00%
DCC Contribution	-	-	(762,000)	(841,200)	
Transfer from Reserves	(9,677,550)	(7,945,000)	(7,945,000)	(11,763,900)	48.07%
Borrowing	-	(2,200,000)	(4,500,000)	(3,600,000)	(20.00%)
Total	(32,446,850)	(34,017,400)	(36,998,700)	(42,261,400)	14.22%
NET OPERATIONS	128,400	(463,900)	-	-	0.00%

- Goods and Services - CRD services costs.
- Fiscal Services - new borrowing for capital in 2019 & 2020.
- Overheads and Transfers – increase in transfer to Sewer Capital Reserve fund.
- Gross Capital Program/Transfers from Reserves and Borrowing – combination of carrying forward unfinished 2019 projects funded from Transfers from Reserves and Borrowing and the annual capital funding increase in line with inflation in construction costs.
- 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
	2018	2019	2019	2020	2020/2019	2020/2019
General Administration	1,758,300	1,766,600	1,682,700	1,867,200	184,500	10.96%
Field Operations	264,400	248,200	149,000	149,600	600	0.40%
Cleaning and Repairs	459,800	403,500	469,100	482,300	13,200	2.81%
Pump Station Maintenance	1,050,300	1,172,200	1,134,600	1,155,900	21,300	1.88%
Man Hole Maintenance	116,700	83,600	73,600	76,600	3,000	4.08%
Sewer Service Maintenance	312,600	313,900	264,000	271,000	7,000	2.65%
CRD Services	11,044,300	12,469,600	12,806,700	14,241,200	1,434,500	11.20%
Debt Charges & Reserve Transfer	1,429,900	1,440,900	1,452,000	1,452,000	-	0.00%
Contingency	-	-	250,000	250,000	-	0.00%
Net Capital Program	5,235,000	5,510,000	5,510,000	5,780,200	270,200	4.90%
Total	21,671,300	23,408,500	23,791,700	25,726,000	1,934,300	8.13%

- General Administration – Sewer Utility share of additional positions approved in Engineering and the reallocation of Store charges from capital projects to admin.
- Man Hole Maintenance – non-discretionary operating costs for new infrastructure added in prior years.
- CRD - debt servicing costs for the Regional Sewer Treatment Program.
- Net Capital Program – construction inflation increase.

Five Year Sewer Capital Projection

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.

Asbestos cement pipe service life is averaging around 70 years instead of the intended 100 years. 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)

We will continue replacing asbestos cement pipe and will accelerate manhole inspection program. We will also continue to implement and then complete 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

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

Description of Program	Budget 2020	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Notes:
Sewer Capital						
Asbestos Cement Main Replacement	5,326,000	6,146,000	4,406,000	4,406,000	3,603,000	1
Pressure Mains	-	350,000	-	-	-	
Relining	-	-	800,000	800,000	900,000	
Pump Station Replacement	1,510,000	-	920,000	970,000	1,025,000	
Manhole Replacement	50,000	45,000	45,000	45,000	45,000	2
Other	1,297,000	1,000,000	980,000	980,000	938,000	
Transfer to/(Fr) Capital Reserve	-	(400,000)	-	-	750,000	
	8,183,000	7,141,000	7,151,000	7,201,000	7,261,000	

Notes:

1 – Based on condition assessment

2 – Annual program

SEWER CAPITAL

Sewer Utility	Source of Funds					Budget
	Core	DCC	Capital Carryover	Reserves	Borrowing	2020
REPLACEMENTS						
Asbestos Cement Main Replacement:						
Culduthel			200,000			200,000
Vantreight SFM (Pump station to Ferndale)			202,700			202,700
Lodge Ave (Saul to Saanich)			540,000	35,000		575,000
Inlet Ave (2865 to Gorge)			433,000		300,000	733,000
Sims Ave (Tillicum to Wascana)			507,800		350,000	857,800
CIPP Lining Program			1,573,300		150,000	1,723,300
Jamaica Rd (Jamaica to Cedar Hill Rd)			131,500			131,500
Veteran St - Knight to Derby; Freeman - Veteran to St. Mathews		100,000	630,000			730,000
Dauida Ave		80,000	400,000			480,000
Orillia - Gorge to Obed		45,000	129,000			174,000
Donald - Gorge to Obed		42,000	230,000			272,000
Gorgeview - Gorge to end		45,000	235,000			280,000
Obed - Harriet to Qu'Appelle		50,000	270,000			320,000
Vanalman - 636 to 648 (& SRW to Ridgewood); 4268 Springridge to 676 Vanalman	120,000		500,000			620,000
Regina - Tillicum to Wascana	700,000					700,000
Emily Carr Dr - Rithewood to Cotton Tree	96,800	79,200				176,000
Hampton Park Swr Replacement	480,000					480,000
Albina - Gorge to Obed (Emerg Works)	800,000					800,000
Shelbourne Street Improvement Phase 2 Construction	1,050,000				1,300,000	2,350,000
Shelbourne Street Improvement Phase 1 Construction	185,200	400,000		514,800	1,500,000	2,600,000
Emerging Priorities			793,800			793,800
Pump Stations:						
Minor Projects	85,000		367,600			452,600
Portage Pump Station Construction			200,500			200,500
Pump Station Design	175,000		270,300			445,300
Pump Station Condition Assessment			221,700			221,700
Arc Flash Electrical Lift Station Study			346,500			346,500
Lift and Station Replacement	750,000		500,000			1,250,000
Other Programs:						
Minor Projects	285,000		237,500			522,500
Shelbourne Phase 1 to 3 - Design	250,000		250,000			500,000
Gorge-Albina Sinkhole			209,000			209,000
Detailed Design Capital Projects	433,200		735,400			1,168,600
Video Inspection & Assessment	100,000		396,300			496,300
Manhole Improvements	50,000		354,000			404,000
No-Corrode & AC SHC Replacements			349,200			349,200
Sanitary Planning & Asset Management Initiatives	220,000					220,000
Total	5,780,200	841,200	11,214,100	549,800	3,600,000	21,985,300

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 2020 we project a decrease in reserves to \$105,661,700 while funding a variety of initiatives.

	January 1 2020 Estimate	2020 Contributions	2020 Appropriations	December 31 2020 Estimate
Land Sales	1,010,000	-	1,000,000	10,000
Public Safety and Security	2,890,000	819,000	874,000	2,835,000
Carbon Neutral	790,000	114,200	-	904,200
Sub Regional Parks	1,770,000	-	-	1,770,000
Equipment Replacement	6,259,600	1,756,600	4,064,700	3,951,500
Capital Works	45,360,000	5,372,300	17,371,900	33,360,400
Commonwealth Pool Operations	98,400	61,300	155,000	4,700
Commonwealth Pool HP Repair	210,000	10,000	20,600	199,400
Sayward Gravel Pit	1,490,000	-	409,700	1,080,300
Development Cost Charges	16,150,000	-	7,059,300	9,090,700
Specific Area Capital Projects	3,070,000	-	1,326,100	1,743,900
Facilities Major Repair & Replacement	15,050,000	2,800,000	3,661,400	14,188,600
Computer Hardware & Software	8,100,000	4,511,000	11,722,300	888,700
Urban Forest	-	50,000	-	50,000
Water Capital	4,275,000	285,200	160,700	4,399,500
Sewer Capital	4,385,000	499,300	514,800	4,369,500
Capital Reserves for Future Expenditure	43,771,700	25,500,000	43,771,700	25,500,000
Insurance	2,315,300	-	1,000,000	1,315,300
Total	156,995,000	41,778,900	93,112,200	105,661,700

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 2020 are: vehicle replacement and IT equipment replacement.

Carbon Neutral:

This reserve fund provides was established for projects that help reduce carbon emissions from municipal operations.

Sub Regional Parks:

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

Equipment Replacement:

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

Capital Works:

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

Commonwealth Pool 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 will be depleted by end of this year.

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

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

Sayward Gravel Pit:

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

Development Cost Charges:

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.

Urban Forest:

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

Water Capital:

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

Sewer Capital:

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

Capital Reserves for Future Expenditure:

Each year funding for the balance of approved projects that are not completed by year end are reserved and carried forward to the following year to complete the projects. These funds will be used by end of the current year and a new reserve set up for projects to be carried forward to 2021.

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 2021 - 2024

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 \$133,547,700 to \$154,673,500 in 2024 or an average 2.99% annual increase to the average homeowner.

GENERAL OPERATING FUND BUDGET ESTIMATE SUMMARY	
2020 Tax Levy	\$ 133,548,600
2021 Tax Levy	\$ 139,735,300
2022 Tax Levy	\$ 144,718,000
2023 Tax Levy	\$ 149,621,100
2024 Tax Levy	\$ 154,673,500
Annual Increase to Average Homeowner	2.99%

The 2021 - 2024 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 funding increase to infrastructure replacement per year for inflation in construction costs
4. 1.0% tax allocation per year for non-discretionary operating costs
5. 0.5% tax allocation per year to reach sustainable infrastructure fundin for IT and Major Facility Repairs
6. Average increase in property Taxation revenues of 0.75% per year from new construction.

Water Utility Fund Estimates 2021 - 2024

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	
2020 Fees & Charges	\$ 23,525,500
2021 Fees & Charges	\$ 24,184,700
2022 Fees & Charges	\$ 24,857,200
2023 Fees & Charges	\$ 25,542,700
2024 Fees & Charges	\$ 26,243,200
Annual Increase to Average Homeowner	2.77%

The projected net budget funded from water user charges is projected to increase from \$23,525,500 to \$26,243,200 in 2024 or by an average 2.77% increase per year to the average homeowner.

The 2021 - 2024 operating estimates have been prepared using the following criteria:

1. 0% increase per year in operating costs
2. Wage and benefit costs per collective agreement commitments or estimates where contracts are pending
3. A 4.0% increase for core capital funding per year for inflation in construction costs
4. An average increase in CRD water rates of 2.9% per year

Sewer Utility Fund Estimates 2021 - 2024

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 \$25,460,500 to \$29,129,200 in 2024 or by an average of 3.44% annual increase to the average homeowner.

SEWER UTILITY BUDGET ESTIMATE SUMMARY	
2020 Fees & Charges	\$ 25,460,500
2021 Fees & Charges	\$ 27,155,600
2022 Fees & Charges	\$ 27,759,000
2023 Fees & Charges	\$ 28,292,700
2024 Fees & Charges	\$ 29,129,200
Annual Increase to Average Homeowner	3.44%

The 2021 – 2024 operating estimates have been prepared using the following criteria:

1. 0% increase per year in operating costs
2. Wage and benefit costs per collective agreement commitments or estimates where contracts are pending
3. 4.0% percent funding increase for core capital funding per year for inflation in construction costs
4. An additional increase of \$1,440,000 annually in CRD sewer debt financing costs for the 2021 to reflect the construction of a regional treatment solution and 2.0% 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.
M	MRDT	The Municipal and Regional District Tax is a tax imposed by the province on the purchase of accommodation imposed in specific geographical areas of the province of behalf of municipalities and regional districts.
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.

	RTW	Return to Work is a program that is run by the District to meet the requirement of the Workers Compensation Act in helping employees return to work either partially or fully.
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 #####

Tax Rate Bylaw #####

Learn about the financial planning process at Saanich

Shaping
Saanich

Educational resources available

We heard from our residents that they want to participate in our strategic and financial planning processes, but they need more information before they can contribute.

In response, we launched Shaping Saanich in early 2019 as a public education campaign to ensure our residents understand the elements of municipal decision making. We are committed to providing accessible learning and public input opportunities.

We created an introductory video, How the future of Saanich takes shape, as well as a variety of fact sheets through Shaping Saanich:

- [Understanding how property assessments relate to property taxes](#)
- [Understanding how financial planning works in Saanich](#)
- [Saanich service delivery](#)
- [What is the Saanich Strategic Plan?](#)
- How Saanich plans connect - coming soon

As part of the 2020 budget process, Saanich will launch a new online budget education tool. The tool provides an opportunity for citizens to learn about the financial planning process while Council deliberates the draft plan. The tool is available from March 3 to April 3, 2020.

Watch the video, read the factsheets, and explore the budget education tool at saanich.ca/budget.

