



# **DRAFT Financial Plan 2021-2025**

**February 23, 2021**



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, 2020**

*Christopher P. Morill*

Executive Director

# TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY .....</b>	<b>2</b>
<b>INTRODUCTION.....</b>	<b>9</b>
COMMUNITY PROFILE .....	9
ORGANIZATION PROFILE .....	10
BUDGET GUIDELINES FOR 2021 .....	14
BUDGET POLICY AND PRINCIPLES.....	15
<b>General Operating Fund .....</b>	<b>25</b>
Council, Administration and Legislative Services .....	30
Corporate Services .....	32
Finance .....	35
Corporate Revenues and Expenses.....	37
Fiscal Services .....	38
Building, Bylaw, Licensing and Legal Services .....	39
Fire Protection.....	42
Emergency Program.....	45
Planning.....	47
Engineering .....	50
Parks, Recreation and Community Services .....	55
Police Services.....	65
Library, Grants and Economic Development .....	66
<b>General Capital Program .....</b>	<b>67</b>
<b>Water Utility Fund.....</b>	<b>79</b>
<b>Sewer Utility Fund .....</b>	<b>84</b>
<b>Reserve Funds .....</b>	<b>89</b>
<b>General Operating Fund Estimates 2022 - 2025.....</b>	<b>92</b>
<b>Water Utility Fund Estimates 2022 - 2025 .....</b>	<b>93</b>
<b>Sewer Utility Fund Estimates 2022 - 2025 .....</b>	<b>93</b>
<b>Glossary.....</b>	<b>94</b>
<b>Bylaws.....</b>	<b>97</b>
Appendix A - Saanich Police Board 2021 Provisional Budget	
Appendix B - Greater Victoria Public Library 2021 Budget and Five Year Financial Plan	

# EXECUTIVE SUMMARY

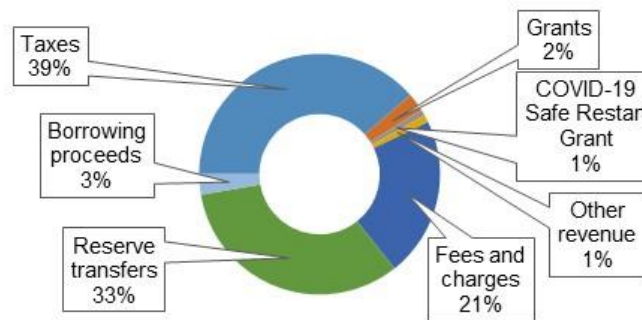
The Community Charter requires that the District of Saanich approve a Five Year Financial Plan bylaw each year prior to the adoption of the annual property tax bylaw. This document provides the supporting details to the 2021-2025 Draft Financial Plan Bylaw, which will be considered for adoption by Council before May 15, 2021.

## 1. Consolidated Financial Plan Summary

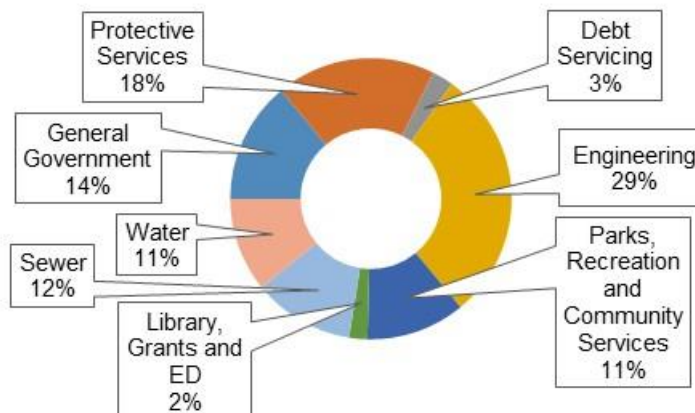
Local governments in British Columbia are required through provisions in the Community Charter to have balanced financial plans. Current revenue, including transfers from reserves, must be sufficient to support current expenditures for each of the three funds: general operating, sewer and water.

Saanich's consolidated financial plan for 2021 balances \$359,781,300 in revenues and transfers with \$359,781,300 in expenditures.

**Consolidated Revenue**



**Consolidated Expenditure**

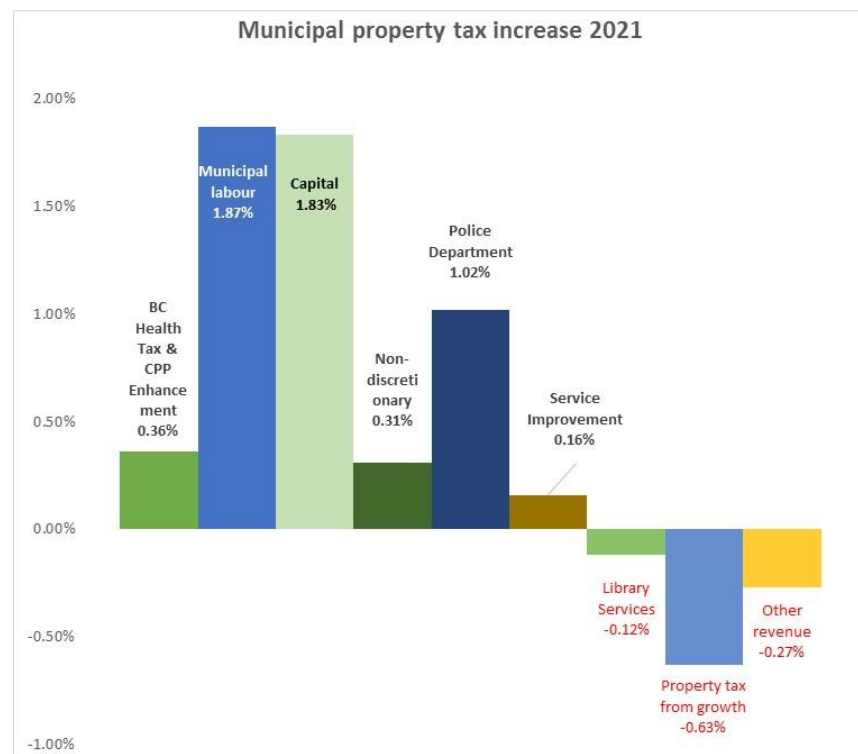


The budget is based on:

1. A municipal property tax increase of 1.80% (\$50.34) for core operations and non-discretionary costs, 1.83% (\$51.18) for capital infrastructure replacement, 1.02% (\$28.53) for Police Board, and tax decrease of 0.12% (\$3.36) for the Greater Victoria Public Library. This totals 4.53% or \$126.69 to the average single family homeowner,
2. No service reductions from 2020 levels,
3. Sewer Utility rates approved in December 2020 of \$2.051 per cubic meter for the Capital Regional District Sewer Usage Charge and \$1.409 per cubic meter for the Saanich Sewer Usage Charge.
4. Water Utility rates approved in December 2020 of \$1.742 per cubic meter for Regular Retail rate.
5. Garbage Utility rates approved in December 2020 of \$139.20 for base fee, \$28.80 for 80 litre Organics Cart Fees, \$40.32 for 120 litre Organics Cart Fees, \$80.64 for 240 litre Organics Cart Fees, \$28.50 for 120 litre Garbage Cart Fees and \$41.04 for 180 litre Garbage Cart Fees.

Including all municipal taxes and utilities, an average homeowner is projected to pay about \$194 more in 2021:

	<u>2020</u>	<u>2021</u>	<u>Increase</u>
Property Taxes	\$ 2,797	\$ 2,924	\$127
Sewer	599	636	37
Water	493	514	21
Refuse Collection	<u>199</u>	<u>208</u>	<u>9</u>
	<u>\$ 4,088</u>	<u>\$ 4,282</u>	<u>\$ 194</u>



### Summary of Consolidated Financial Plan Changes from 2020 To 2021

Additional revenues from taxation, reserves and user fees will be used to fund non-discretionary increases in 2021 operating programs, new infrastructure maintenance and increased capital replacement. Grants from senior levels of government and some reserves will also be used to fund large capital projects such as the Shelbourne Street Improvement project:

<b>Consolidated Revenue</b>					
<b>Source</b>	<b>General Operating</b>	<b>General Capital</b>	<b>Sewer &amp; Water Utility</b>	<b>2021 Budget Total</b>	<b>2020 Budget Total</b>
Taxes	121,472,000	17,288,200	-	138,760,200	131,949,200
Grants	4,539,800	4,260,400	-	8,800,200	8,054,400
COVID-19 Safe Restart Grant	2,195,300	100,000	720,000	3,015,300	-
Other revenue	3,610,700	-	-	3,610,700	4,415,500
Fees and charges	25,423,000	-	51,791,900	77,214,900	80,197,500
Reserve transfers	9,338,200	80,888,600	28,298,700	118,525,500	102,161,800
Borrowing proceeds	-	8,754,500	1,100,000	9,854,500	15,746,100
<b>Total</b>	<b>166,579,000</b>	<b>111,291,700</b>	<b>81,910,600</b>	<b>359,781,300</b>	<b>342,524,500</b>

<b>Consolidated Expenditure</b>					
<b>Function</b>	<b>General Operating</b>	<b>General Capital</b>	<b>Sewer &amp; Water Utility</b>	<b>2021 Budget Total</b>	<b>2020 Budget Total</b>
Administration	2,771,300	-	-	2,771,300	2,670,500
Corporate Services	8,770,100	12,655,500	-	21,425,600	21,692,300
Finance	3,846,500	-	-	3,846,500	3,400,900
Corporate Revenues and Expenses	9,338,500	-	-	9,338,500	7,186,300
Fiscal Services	7,929,400	-	956,000	8,885,400	8,752,700
Building, Bylaw, Licensing & Legal Services	6,641,700	-	-	6,641,700	6,153,000
Police Protection	43,184,800	1,412,100	-	44,596,900	42,896,600
Fire Protection	21,497,500	1,023,800	-	22,521,300	20,654,700
Emergency Program	466,500	120,000	-	586,500	455,600
Planning	3,887,000	-	-	3,887,000	5,029,400
Engineering	22,544,000	82,856,400	80,954,600	186,355,000	170,529,200
Parks, Recreation and Community Services	28,202,500	13,223,900	-	41,426,400	45,003,000
Library, Grants and Economic Development	7,499,200	-	-	7,499,200	8,100,300
<b>Total</b>	<b>166,579,000</b>	<b>111,291,700</b>	<b>81,910,600</b>	<b>359,781,300</b>	<b>342,524,500</b>

Note: The above total figure for General Operating is \$31,280,200 less than the total amount on page 24 due to the removal of the inter-departmental recoveries and the allocation of the capital expenditure funded by property taxes to the General Capital Fund.

<b>Consolidated Revenue level in 2020</b>				\$ 342,524,500
Revenues were increased because:				
	Increased General Taxes			6,811,000
	Increased use of grant revenue mainly for infrastructure spending			745,800
	Increased use of COVID-19 Safe Restart Grant			3,015,300
	Decreased fees and charges from recreation			(5,354,900)
	Increased fees and charges from water and sewer programs			1,467,000
	Increased fees fees and charges from other programs			100,500
	Decreased borrowing for infrastructure			(5,891,600)
	Increased use of reserve funds (including Work in Progress)			16,363,700
<b>New Consolidated Revenue level for 2021</b>				\$ 359,781,300
<b>Consolidated Expenditures level in 2020</b>				\$ 342,524,500
Expenses were increased because:				
	Increased General Operating costs			221,300
	Increased General Capital costs			14,479,300
	Increased Water System operating and capital costs			2,004,500
	Increased Sewer System operating and capital costs			551,700
<b>New Consolidated Expenditure level for 2021</b>				\$ 359,781,300

## 2. 2021 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 2020 levels. Reserve funds are expected to decrease in 2021 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	116,506,400	200,788,700
Total Revenues	197,859,200	111,291,700	42,813,100	39,097,500	32,801,700	423,863,200
Total Expenditures	(197,859,200)	(111,291,700)	(42,813,100)	(39,097,500)	(57,774,300)	(448,835,800)
Fund Balance, December 31	23,643,300	23,147,200	18,418,200	19,073,600	91,533,800	175,816,100

## 3. General Operating Fund Summary:

This budget provides for the annual operation of the municipality in 2021 based on a 1.80% increase for core operations and non-discretionary costs to maintain 2020 service levels, 1.83% for capital funding, 1.02% for Police Board and a decrease of 0.12% for the Greater Victoria Public Library.

This tax revenue funds the net cost to maintain services at 2020 levels and continues past practice of gradually increasing tax funded capital programs to address any funding deficits.

A refuse collection fee of \$208 (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 \$9.00 over prior year is attributable to increase in tonnage for both compost and garbage, wage increments, Solid Waste's share of Engineering and corporate support and increases to the transfer to the fleet maintenance budget to support maintenance of the garbage and organic fleet

which are trending higher than anticipated. The District's experience with higher maintenance costs is similar to other jurisdictions using this type of fleet vehicles.

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

The Water Utility Budget provides for all operations and capital funding to support the water system. In December 2020 a 4.62% annual increase in water rates was approved to address contracted increases to labour costs, water utility's share of engineering and corporate support and higher cost of materials used for waterline repairs and small equipment replacement. A significant portion of the needed increase is due to continued reduction in water consumption. As the budgeted consumption is reduced the water usage rate increases to offset the lost revenue which is needed to pay for the fixed costs of delivering water services. The rate increase also covers an increase in CRD bulk water purchase rates of 2.58%. Cost to the average homeowner increased by \$21 from \$493 to \$514 per year.

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

The Sewer Utility Budget provides for all operations and capital to support the sewage disposal system. In December 2020 a 6.56% increase in sewer rates was approved to support CRD operating costs of the Wastewater Treatment Plant as it comes online in 2021, contracted increases to the District's labour costs, sewer utility's share of engineering and corporate support and higher material costs used for maintenance and repairs. Annual cost to the average homeowner increased by \$37 from \$599 to \$636 per year.

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

The 2021 General Capital Program provides for \$111 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 2021 include \$3.0 million for sidewalk installation program, \$4.9 million in sub-standard drain replacement, \$3.9 million in parks projects, \$14.7 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 support replacement of information technology assets and facility infrastructure through transfers to capital reserves. The addition of \$327,000 annually over 5 years is required to reinstate the Facilities Reserve Fund transfer that was reduced in the 2020 budget. A new transfer of \$600,000 is also required to establish funding for the municipal portion required to fulfill the updated Development Cost Charge program. In addition Council approved \$262,000 in annual funding for the Park Washroom Capital Plan which will fund the addition and enhancement of washrooms at various parks. Total capital funding has risen from \$11 million in 2007 to an annual average of over \$36 million in the last three years demonstrating Council's commitment to infrastructure replacement.

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

Reserve Funds are projected to decrease from \$148,292,200 in 2020 to \$118,349,100 in 2021 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.



## 8. Debt Summary:

Overall debt levels are projected to increase to \$58.3 million in 2021. This remains well below Council policy of \$116 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, \$1.43 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
3363	Long Term	389,601		389,601	303,822	1.75%	19.10.2021
3466	Long Term	289,452	101,782	391,234	167,071	2.25%	12.01.2022
3968	Long Term	1,074,080		1,074,080	271,898	3.00%	14.10.2024
3726	Long Term	699,936		699,936	154,365	3.35%	01.10.2025
3726	Long Term		460,462	460,462	100,327	3.73%	06.10.2025
4361	Long Term	695,000		695,000	140,544	0.91%	02.10.2025
3771	Long Term	3,908,570		3,908,570	737,133	3.65%	29.09.2026
3853	Long Term		404,874	404,874	59,206	2.90%	04.10.2027
3051	Long Term	687,871		687,871	65,179	2.25%	03.06.2028
4163	Long Term	627,473		627,473	104,347	3.41%	04.10.2028
3968	Long Term	1,738,729	1,421,077	3,159,806	377,722	3.00%	14.10.2029
4061	Long Term	4,142,270	2,160,702	6,302,972	627,628	2.60%	19.04.2031
4163	Long Term	2,334,676		2,334,676	228,946	2.80%	07.04.2032
4199	Long Term	1,830,886	1,250,719	3,081,605	315,128	3.15%	04.10.2032
4283	Long Term	4,234,395	123,010	4,357,405	370,088	2.66%	09.04.2034
4319	Long Term	531,628		531,628	136,276	1.97%	09.10.2024
4319	Long Term	3,775,471	1,816,768	5,592,239	450,145	2.24%	09.10.2034
4361	Long Term	1,635,000	950,000	2,585,000	175,722	0.91%	02.10.2035
9563	Temporary	4,040,400		4,040,400	29,761	0.95%	09.10.2021
9592	Temporary	100,000		100,000	260	0.95%	09.04.2021
9593	Temporary	800,000		800,000	2,082	0.95%	09.04.2021
9594	Temporary	430,000		430,000	1,119	0.95%	09.04.2021
9669	Temporary	1,500,000		1,500,000	3,904	0.95%	09.04.2021
9670	Temporary	1,400,000		1,400,000	3,644	0.95%	09.04.2021
9671	Temporary	1,500,000		1,500,000	3,904	0.95%	09.04.2021
9672	Temporary	100,000		100,000	260	0.95%	09.04.2021
9673	Temporary	800,000		800,000	5,893	0.95%	09.10.2021
9674	Temporary	575,000		575,000	4,235	0.95%	09.10.2021
Resolution	Short Term	203,516		203,516	211,573	0.95%	31.12.2021
Resolution	Short Term	51,096		51,096	25,590	0.95%	31.12.2022
Resolution	Short Term	104,389		104,389	36,845	0.95%	31.12.2023
Resolution	Short Term	48,174		48,174	12,775	0.95%	31.12.2024
Resolution	Short Term	16,100		16,100	3,321	0.95%	31.12.2025
		(128,626)	(34,154)	(162,780)		Accrued Actuarial Gains	
TOTAL		<u>40,135,087</u>	<u>8,655,240</u>	<u>48,790,327</u>	<u>5,130,713</u>		

\* Temporary and Short Term loans interest are based on the daily CDOR rates. The above rate is as of December 31<sup>st</sup>, 2020.

## **Consolidated 2021 Budget Highlights by Strategic Plan Goal Areas**

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

### **Community Well-Being:**

- \$2,099,900 in funding to provide fleet, IT and other capital replacement for protective services
- \$253,500 in net funding for establishing the new Bylaw and Parking Enforcement service delivery model
- \$498,400 in funding to hire an additional 24/7 firefighter (5.25 FTE)
- \$150,000 in annual funding for the Active and Safe Route to School program
- \$1,105,000 in various road improvements to Bus Stops, Signals and Street Lights:
  - Carey at Glanford Pole Replacement
  - Carey at Tillicum Pole Replacement
  - LED street light program

### **Climate Action and Environment Leadership:**

- \$286,600 in funding for three positions in Parks to advance the Tree Protection Bylaw work
- \$3,475,400 for park, playground, trail and other park infrastructure replacement
  - Playgrounds at Allenby, Normandy and Rutledge Parks
  - Playfair and Rutledge Park Washroom Additions
  - Cedar Hill Park Derby Road Connector
  - Various tree planting projects
- A minimum of \$8,046,300 of road, sidewalk and bikeways additions and improvements in areas such as:
  - Shelbourne Valley Improvement 400m sidewalk and 2km cycling
  - Richmond Road (Newton St. to CoV boundary) 450m sidewalks
  - Seaton Street (Burnside Road to Regina Ave.) 1km sidewalks
  - Orillia Street (Maddock Ave. to Burnside Road) 150m sidewalks
  - Douglas (McKenzie to Sanctuary) 750m cycling
  - Viewmont (Royal Oak to Mann) 1km cycling

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

- \$11,515,000 to continue replacing asbestos cement sewer mains and asbestos cement and cast iron water mains
- \$2,118,400 for Information Technology infrastructure upgrades

### **Economic Diversification:**

- \$143,000 for supporting the operations of High Performance Sports at Saanich Commonwealth Place

### **Organizational Excellence:**

- \$321,300 in funding to hire an Assistant Municipal Solicitor and two Purchasing positions to help advance corporate procurement and support fulfillment of Council's strategic plan.
- \$2,110,800 for operations Business Systems upgrades
- \$575,000 for Council Agenda Management and Council Chamber Teams Technology 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 territories of the lək'wəŋən (lay-kwung-gen) peoples represented by the Songhees and Esquimalt Nations and the WSÁNEĆ (weh-saanich) peoples represented by the Tsartlip (Sart-Lip), Pauquachin (Paw-Qua-Chin), Tsawout (Say-Out), Tseycum (Sigh-Come) and Malahat (Mal-a-hat) Nations.

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

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.

## ORGANIZATION PROFILE

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

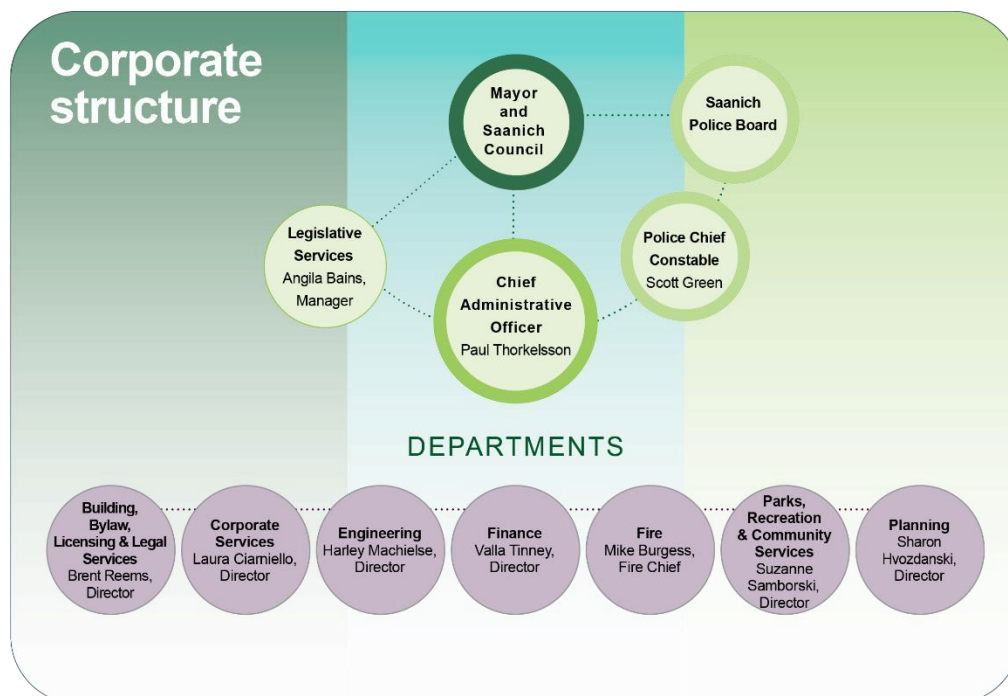
### Saanich Council

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

<b>Mayor:</b>	Fred Haynes	
<b>Councillors:</b>	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 ensuring effective provision of municipal services through their departmental staff. The senior management team also provides leadership throughout the organization to support implementation of Council's Strategic Plan initiatives. As illustrated in the following diagram, the senior management team consists of the CAO, Directors of the municipal departments, the Fire Chief and the Chief Constable:



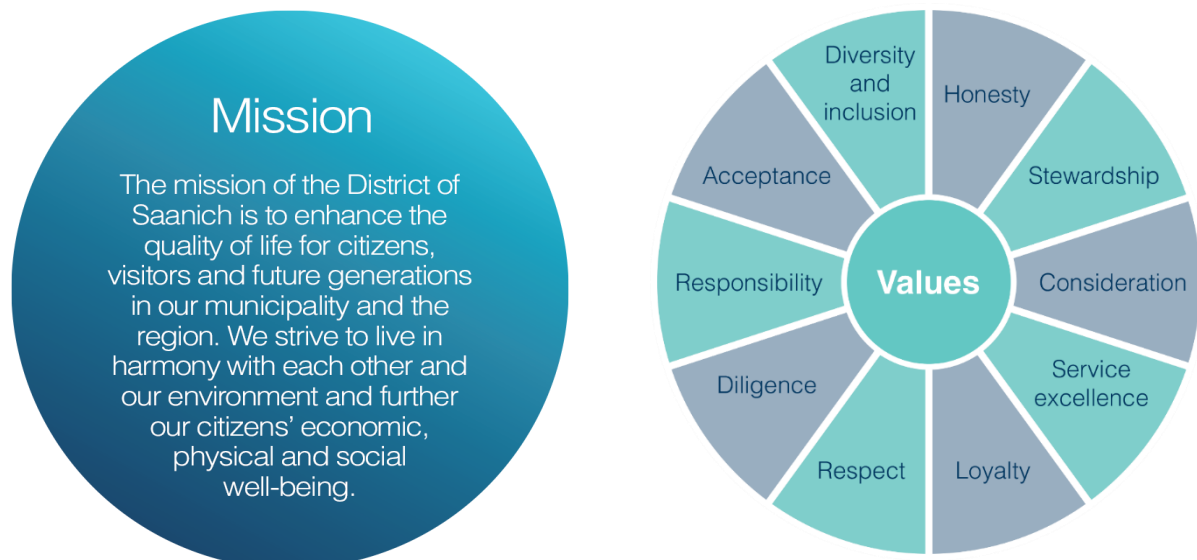
## Saanich Vision

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



## Mission and Values

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



## STRATEGIC CONTEXT

### 1. Strategic Plan

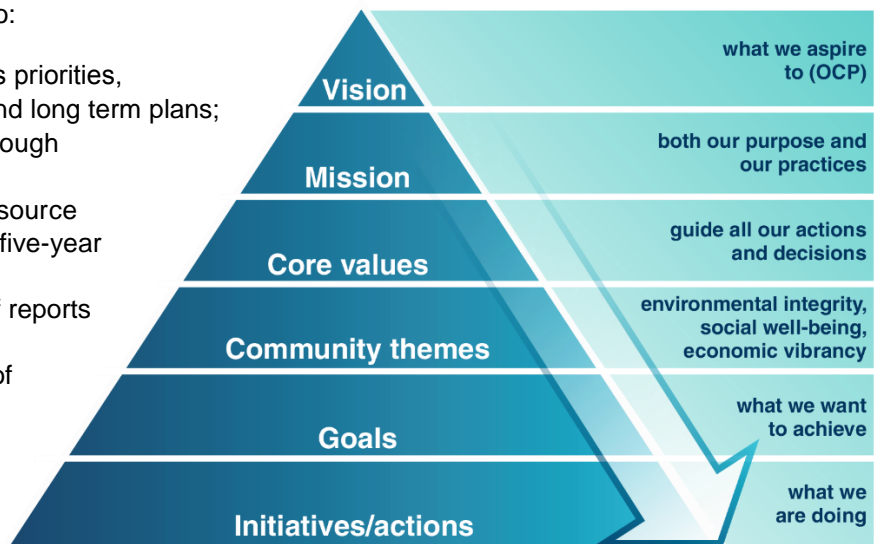
The Saanich Strategic Plan offers a framework to focus and measure progress towards the preferred future as a municipality. Specifically, moving towards and achieving the Saanich Vision. The development of the plan is based on public consultation involving council, citizens and staff. The plan identifies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

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

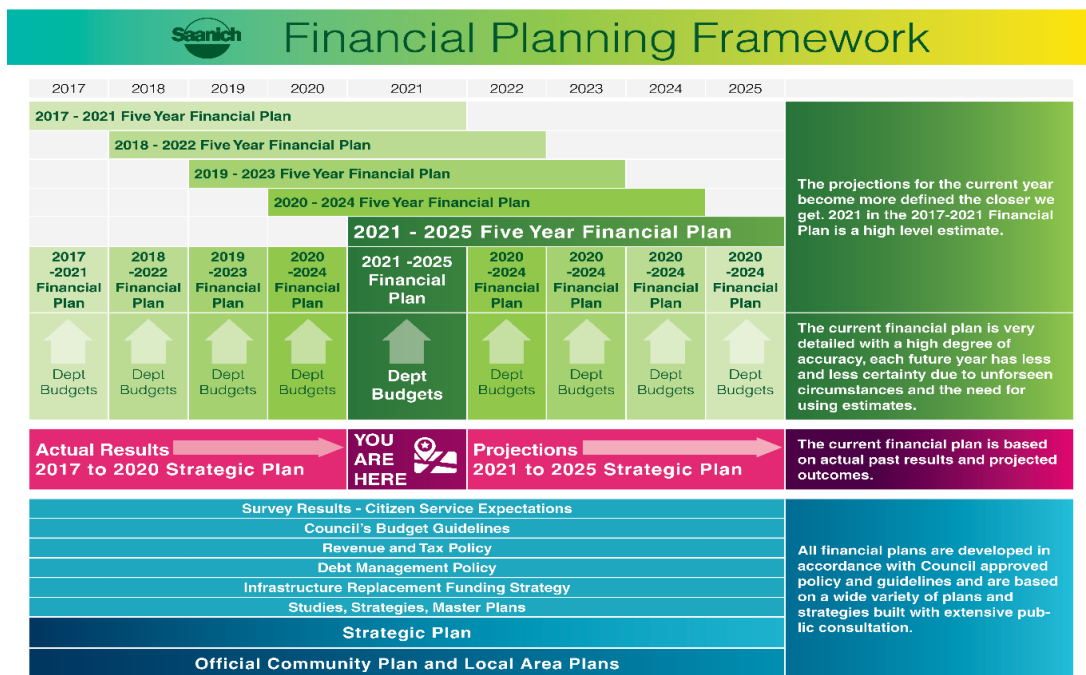
June - July	Council develops Budget Guidelines
August – October	Departmental Financial Plans
October – January	Draft Financial Plan is prepared
January - February	Senior Management Review
March – April	Public Budget Meetings
May	Final Financial Plan and bylaws adopted

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

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

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

### Financial Planning Framework





## **BUDGET GUIDELINES FOR 2021**

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### **Council Approved Budget Guidelines**

At the August 17, 2020 meeting of Council, the following motion was passed:

Preliminary 2021 departmental net budget totals will be limited to a 0.0 percent increase over the 2020 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;

Capital expenditures funded from current taxation revenue (Core Capital) be increased by 2%;

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

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

Provision will be made commencing in 2021 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 for critical capacity issues or where upfront investment will result in longer term savings;

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

A long term staffing plan be developed and considered as part of the 2021 budget and financial plan process; and

Council will consider resourcing needs to implement the Climate Action Plan including acceleration of the Active Transportation Plan.



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## BUDGET POLICY AND PRINCIPLES

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### 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 2021 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. Recovery of recreation programs budgets to pre COVID-19 amounts.
4. Wage and benefit costs per collective agreement commitments.
5. 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.
5. Continued annual funding increases to Facilities Reserve Fund, capital funding for facilities major repairs and Corporate IT and municipal portion of the Development Cost Charge (DCC) program.
6. All figures shown in current year (2021) 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>2020</u>	<u>2021</u>	<u>% Property Tax Levy</u>	<u>Tax Multiple</u>
Residential	3.0810			
Utilities	27.6325			
Supportive Housing	3.0810			
Light Industry	7.2143			
Business/Other	12.2234			
Managed Forest	18.3757			
Rec/Non Profit	8.0172			
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 2020, the legal debt limit is such that average annual servicing costs cannot exceed \$53.5 million or total debt of \$671 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 \$9.2 million or total debt of \$116 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>
Council, Administration and Legislative Services	✓						
Corporate Services	✓			✓			✓
Finance	✓						
Building, Bylaw, Licensing and Legal Services	✓						
Police Protection	✓			✓			✓
Fire Protection	✓			✓			✓
Emergency Program	✓			✓			✓
Planning	✓						
Engineering	✓	✓	✓	✓	✓	✓	✓
Parks, Recreation and Community Services	✓			✓			✓
Library, Grants and Economic Development	✓						

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

## 5. Staffing Level In 2021

Between 2020 and 2021, total full-time equivalent (FTE) positions are expected to decrease by 19.79 FTE or 1.75%. Temporary FTE's hired based on one time funding are not included. Details listed below:

Full time Equivalent (FTE) Employees						
Department		2019	2020	2021	FTE Change	Description of Change
Administration		16.24	16.23	16.23	-	
Corporate Services		46.08	47.27	47.27	-	
Finance		39.81	41.37	43.37	2.00	Full year budgeting of purchasing positions approved last September.
Building, Bylaw, Licensing and Legal		30.84	31.90	36.08	4.18	Full year budgeting of Assistant Solicitor position approved last September and partial budgeting of a Bylaw Manager, 3 Bylaw Enforcement Officers and half a Bylaw Clerk approved February of 2021.
Police Protection		233.94	237.78	239.86	2.08	Full year budgeting of 3 civilian positions and 2 sworn positions approved last year and the partial year budgeting of the new Disclosure Administrator position.
Fire Protection		126.85	127.85	132.40	4.55	Full year budgeting of 5.25 fire fighter positions approved last September less a partial FTE related to a duty to accommodate position from prior year.
Emergency Program		3.00	3.00	3.00	-	
Planning		30.26	31.84	31.84	-	
Engineering (includes utilities)		265.13	269.80	270.84	1.04	Full year budgeting of Building Service Worker for the Blanshard building and increase in auxiliary hours for new inventory maintenance.
Parks & Recreation		320.61	323.19	289.55	(33.64)	Full year budgeting of the Development Review Coordinator, Bylaw Clerk and Urban Forest Technician positions approved last September and additions to washroom cleaning less reductions in recreation due to COVID-19 impact on operations.
<b>Total</b>		<b>1,112.76</b>	<b>1,130.23</b>	<b>1,110.44</b>	<b>(19.79)</b>	

## 6. Change in Carbon Footprint

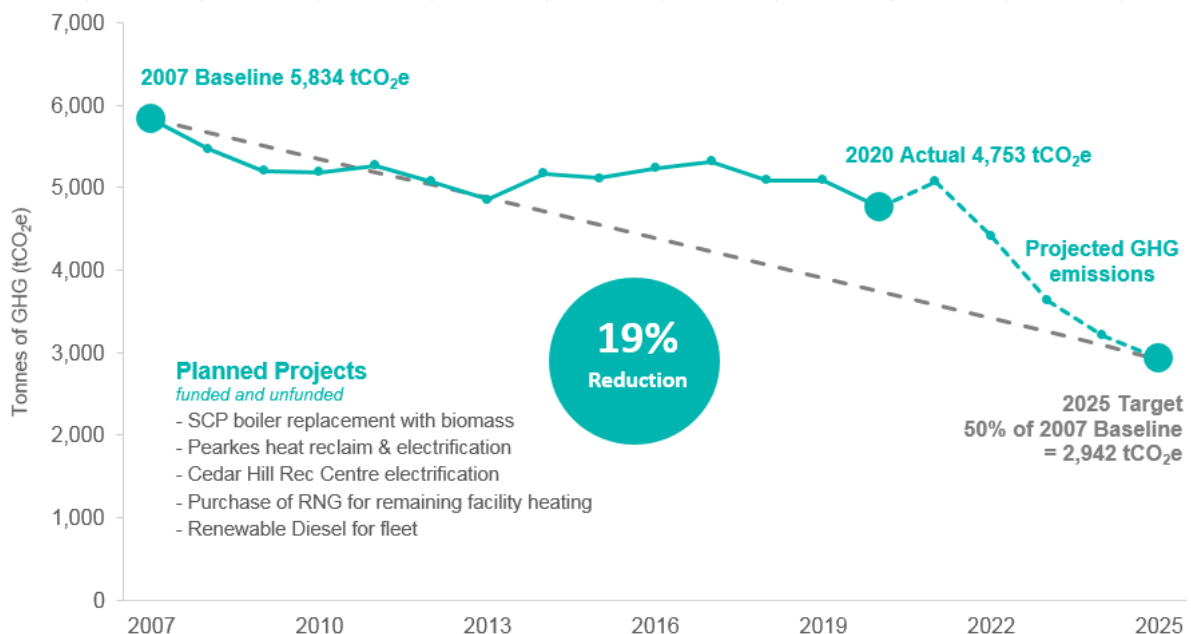
In January 2020, Council approved the Climate Plan, which commits to reducing greenhouse gas (GHG) emissions from municipal operations to 50% of 2007 levels by 2025 and net-zero by 2040.

2020 presented an unusual year for energy use and conservation given the impacts of COVID-19. Many District of Saanich facilities were closed to the public for several weeks and, once re-opened, some were running at lower capacity. This resulted in a lower energy demand at certain facilities in comparison to regular years. At the same time, increased energy demands were placed on other facilities through such measures as increased ventilation. Additional energy conservation opportunities associated with COVID-19 were identified throughout the year to supplement those climate action projects that were already planned for 2020.

In 2020, we have shifted from reporting GHG emissions by Departments to reporting by emissions source categories such as buildings, equipment, and fleet as shown in Table 1. This increases reporting transparency by more clearly identifying specific climate projects and decision makers, which are usually at the emissions source category level rather than by department.

Overall, Saanich saw a decrease of 406 tCO<sub>2</sub>e (tonnes of carbon dioxide equivalent) in our 2020 corporate GHG inventory compared to 2019. This is an 8% reduction from the previous year, and a 19% reduction from our 2007 baseline, despite increasing services to a growing population (Figure 1).

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



These emissions savings were mostly associated with building energy projects and reduced demand due to COVID-19. Given this, stationary energy (buildings, street lighting and underground services) only account for 36% of our corporate emissions inventory compared with mobile emissions that account for 64%. While, 2020 marked a climate milestone for the municipal fleet, with all light duty cars now fully electric, our heavy duty vehicles and trucks continue to be the main contributor to our corporate GHG emissions.

## District of Saanich Corporate GHG Emissions Inventory 2019 and 2020

Source	GHG Emissions (tCO <sub>2</sub> e)			Description of change
	2019	2020	Change 2019-20	
<b>Stationary</b>	<b>2,114</b>	<b>1,704</b>	<b>-410</b>	
<b>Key Buildings</b>				
Saanich Commonwealth Place	1,163	887	-276	COVID – reduced energy consumption, reduced pool temperature
G.R. Pearkes	352	262	-90	REALice, switch to electric zamboni, and COVID
Cedar Hill Recreation Centre	98	125	+26	COVID testing centre, higher ventilation rates → increased heating natural gas use.
Public Safety Building	119	114	-5	No significant change
Public Works	87	90	+3	No significant change
Cedar Hill Golf Course	69	29	-40	COVID - reduced energy consumption.
Annex Building	24	26	+2	No significant change
Les Passmore	25	22	-3	No significant change
Gordon Head Recreation Centre	29	19	-10	COVID – reduced energy consumption, pool unheated for part year, other energy efficiency measures
Other buildings	80	67	-13	COVID – reduced energy consumption
<b>Street Lighting</b>	46	44	-2	LED street lighting replacement project.
<b>Underground Services</b>	22	19	-2	No significant change
<b>Mobile</b>	<b>2,969</b>	<b>2,973</b>	<b>+4</b>	
Municipal Fleet	2,022	1,991	-31	Includes vehicles (e.g. garbage trucks) & equipment.
Police Fleet	402	418	+16	COVID – increased single use police vehicles
Contractors*	299	299	0	Includes roads, composting, parks etc.
Fire Fleet	156	173	+16	COVID – increased use of ladder truck & fuel Use of Engine 2 & 3 increased for inspections & training
Reimbursed in-city travel	47	47	0	No significant change
Golf course equipment	43	46	+3	No significant change
<b>Total</b>	<b>5,083**</b>	<b>4,677</b>	<b>-406</b>	

\*Figure from 2018

\*\*Updated figure based upon final utility data (4,999 tCO<sub>2</sub>e were reported in the 2019 Financial Plan)

There are multiple climate action projects; some funded and others currently seeking funding that are projected to take us close to our 2025 target (see Figure 1). Design work progressed in 2020 for the boiler upgrades at Saanich Commonwealth Place that will reduce the centre's GHG emissions by 90% once complete. Grant applications were also submitted for heat reclaim and electrification projects at G.R. Pearkes and Cedar Hill Recreation Centre. However, Renewable Natural Gas for our remaining facility natural gas use and Renewable Diesel as an interim strategy to reduce our fleet emissions while the heavy duty electric vehicle market progresses will also be needed if we are to reach our 2025 target. A slight increase in emissions may be seen in 2021 while some of these projects come online.

The District of Saanich has also committed to becoming a 100% renewable energy corporation by 2040. As of 2020, 44% of corporate energy use was renewable, with 56% being non-renewable.

## BUDGET PLANNING ISSUES

### 1. 2021 Financial Planning Issues

Preparation of the 2021 budget proposal has taken into account the following financial planning issues:

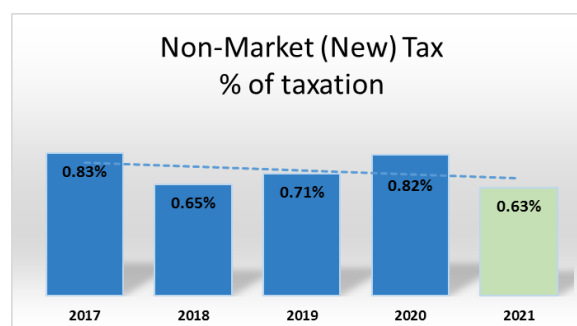
**COVID-19** – On March 11, 2020 the World Health Organization (WHO) declared the COVID-19 pandemic. By mid-March various senior levels of governments through the recommendations of their Public Health bodies began implementing restrictions on travel, closures of schools, daycare, non-essential businesses such as entertainment industries and recreation. These closures have had a significant impact on the District's recreation operations, water consumption revenues and expenditures related to measures throughout District operations based on Worksafe requirements that keep staff and the public distanced and safe. In November of 2020 the Province provided the District a one-time COVID-19 Safe Restart Grant in the amount of \$7,453,000. These funds will be used to address revenue shortfalls, facility reopening and additional operating costs associated directly with the pandemic. The economic challenges and ongoing uncertainty for recovery in the community are expected to remain an issue through and potentially beyond 2021.

**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 with the exception of Information Technology and major facility repair. An additional increase of 0.76% in property taxes is recommended to address those funding deficits. The sustainability levels of all assets will be reviewed in the future to determine if any additional funding for capital is needed. Capital program funding for General capital has been increased by 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** – In 2020 the Police Association and CUPE have renegotiated their collective agreements with the District. The IAFF (Fire) contract ended December 2019 and negotiations have yet to be concluded. Contingency estimates have been included for any increases that will arise from upcoming negotiations. CPP costs continue to increase for all employees due to the Federal CPP Enhancement program. WCB rates have increased for all employees as the maximum earning amount at which the base rate is applied has gone up by \$15,000 and the base rate itself was increased due to lower investment income earned by Worker's Compensation and higher payments made for mental health claims. Other benefit costs increased marginally over last year.

**Employer Health Tax (EHT)** – The province completed full implementation of the EHT in 2020. This tax replaced the Medical Services Plan which, depending on the employee group, was either cost shared with the District or fully paid by the employer. The impact of the EHT increase on this year's budget is a 0.03% increase to property taxes. Annual increases will now reflect the overall increase to gross pay of employees.

**Growth** – The District continues to experience low growth and while 2020 is marginally below the 5 year historical average for new taxable properties the trend is becoming established with growth well below 1% of taxation.



Non-discretionary expenditures – For 2021, 0.30% of the proposed tax increase is for non-discretionary items as listed:

Cost driver	Budget Increase
Service Contracts	\$ 53,121
Management of new assets	\$ 215,222
Building Maintenance	\$ 45,000
Statutory Advertising	\$ 43,000
Safety Measures	\$ 19,960
Services	\$ 28,815
<b>Total</b>	<b>\$ 405,118</b>
<b>Tax Impact</b>	<b>0.30%</b>

Resource Requests – For 2021, an additional 0.98% tax increase was implemented to provide funding for positions approved by Council in August 2020 and the implementation of the new service delivery model for Bylaw and Parking Enforcement approved by Council February 2021. Additional resource requests will be considered during the 2021 budget deliberation as per Council budget guideline.

Water costs – A large proportion of water costs (39.6% for 2021) 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 2021 the CRD bulk water rate went up 2.58%. In 2021 \$720,000 of the COVID Grant Revenue received from the Province is being to supplement the loss in water usage and therefore revenue loss due to expected extension of public health orders requiring certain businesses and institutions to remain closed or curtail their operation in 2021.

Sewer costs – A significant proportion of overall sewer costs are from CRD regional Sewage Treatment (56.5% for 2021). CRD sewer charges increased by 9.80% over last year due to operational cost of the new regional sewer treatment plant which commenced operations in 2021.

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



## 2. 2022 – 2025 Financial Planning Issues

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

Economic uncertainty – Economic impact on the local community due to continued restrictions on economic activity required by the Public Health Officer to combat the spread of COVID-19 and related trade and regulation uncertainty and its impact on commodity costs.

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 1.09% tax increase on property taxes or an equivalent reduction in programs or services that are funded by this grant.

Wage costs uncertainty – The IAFF collective agreement expired at the end of 2019. While the extent of possible wage cost impact is uncertain for the future years, public safety settlements continue to trend higher than 2.0%.

Benefit costs increases – Based on historical trends and future outlook from benefit providers, all benefits will be experiencing increases in the long term due to aging workforce, longer life spans and rising health care costs. CPP costs will continue to increase for majority of employees as the Federal enhancement continues to 2025. WCB's base rate for municipalities and law enforcement are also expected to increase over 2.5% annually for the next two years.

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

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

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

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

A total of 131 actions are identified in the Climate Plan, and about 40% of those are already underway or could be delivered with existing staff and financial resources. The implementation of the remaining actions will require re-allocation of existing resources, new resources and funding, and increased capacity in the organization.

Fire Services Review – The Fire Department conducted this review through 2019 and the recommendations were presented to Council in 2020. The Saanich Fire Department (SFD) initiated this review to determine its future requirements as the last review was done in 2007. Since that time the population of the District has continued to grow, the number of incidents has increased, and the regulatory framework is in flux. The review has identified operational needs that require additional staffing in suppression, training and other positions over the next ten years.

Water purchases – Water sale volumes in the municipality have started to decline again due to homeowner's conservation of water use. The cost of bulk water purchases from the CRD is projected to increase as the CRD has projected an average increase to its rates of 3.12% for the next four years, fluctuating between 2.02% to 3.83% in any given year.

Sewer costs – With the provincially mandated regional sewer treatment system starting operations this year the future increases to the CRD's requisition from its participating municipalities is projected to keep up with inflationary costs of operations which are estimated at less than 2% annually.

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 \$6,811,000 or 4.53%.

The increase in property tax revenue this year is made up of a 1.80% increase for core Municipal and non-discretionary costs, 1.83% in infrastructure replacement funding, 1.02% for Police Board and a decrease of 0.12% for the Greater Victoria Public Library.

BUDGET SUMMARY	
<b>2021 Tax Levy</b>	<b>\$ 138,740,200</b>
<b>2020 Tax Levy</b>	<b>\$ 131,929,200</b>
<b>Net Change</b>	<b>\$ 6,811,000</b>
<b>Average Single Family Homeowner Increase %</b>	<b>4.53%</b>
<b>2021 FTE</b>	<b>1032.92</b>
<b>2020 FTE</b>	<b>1052.73</b>
<b>FTE Change</b>	<b>(19.81)</b>
<b>FTE Change %</b>	<b>(1.88%)</b>

Saanich 2021 Financial Plan	Budget Increase \$	Tax Increase %
<b>Operating Increases</b>		
Core budget		
Existing personnel costs - municipal	3,159,242	2.39%
Non-discretionary increases	405,118	0.30%
General Municipal Core Operating Increase	\$ 3,564,360	2.69%
Increase in non-tax revenue	(359,814)	-0.27%
Tax revenue from new sources (preliminary)	(832,089)	-0.63%
<b>Core Operating Increase to Existing Taxpayers</b>	<b>\$ 2,372,457</b>	<b>1.80%</b>
Increase for Capital Infrastructure	2,409,410	1.83%
<b>Total General Municipal Increase</b>	<b>\$ 4,781,867</b>	<b>3.63%</b>
Police Board Budget Submission	\$ 1,347,700	1.02%
Greater Victoria Public Library	(150,800)	-0.12%
<b>General Municipal, Police and Library</b>	<b>\$ 5,978,767</b>	<b>4.53%</b>

**BUDGET SUMMARY BY OBJECT**

Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2019	2020	2020	2021	2021/2020
Personnel (1)	102,925,300	105,882,500	110,433,700	115,995,300	5.04%
Goods and Services (2)	42,170,600	38,202,200	42,625,800	39,678,800	(6.91%)
Debt Payment and Bank Charges (3)	4,124,300	4,762,800	4,993,700	4,893,500	(2.01%)
Grants, Overheads & Transfers	15,895,400	16,832,300	21,084,800	20,003,400	(5.13%)
Capital (tax funded portion only) (4)	15,259,300	14,909,600	14,878,800	17,288,200	16.19%
<b>TOTAL</b>	<b>180,374,900</b>	<b>180,589,400</b>	<b>194,016,800</b>	<b>197,859,200</b>	<b>1.98%</b>
<b>REVENUES AND RECOVERIES</b>					
Property Taxation	(125,099,800)	(131,685,200)	(131,929,200)	(138,740,200)	5.16%
Parcel Tax	(20,000)	(20,000)	(20,000)	(20,000)	0.00%
Other Corporate Revenues (5)	(9,754,200)	(8,053,500)	(8,662,900)	(7,820,400)	(9.73%)
Other Departmental Revenues	(32,958,600)	(26,071,100)	(29,872,600)	(25,423,000)	(14.90%)
Inter-Departmental Recoveries (6)	(11,836,800)	(12,982,300)	(13,546,300)	(13,992,000)	3.29%
Transfer from Reserves (7)	(2,372,900)	(2,253,900)	(9,596,000)	(8,838,200)	(7.90%)
COVID-19 Safe Restart Grant (8)	-	(2,737,300)	-	(2,695,300)	100.00%
Other Grants	(471,700)	(524,800)	(389,800)	(330,100)	(15.32%)
<b>TOTAL</b>	<b>(182,514,000)</b>	<b>(184,328,100)</b>	<b>(194,016,800)</b>	<b>(197,859,200)</b>	<b>1.98%</b>
<b>NET OPERATIONS</b>	<b>(2,139,100)</b>	<b>(3,738,700)</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

1. Personnel costs - increase in wage increment and addition of new positions.
2. Goods and Services – decrease in one time projects funded from reserves.
3. Debt Payment and Bank Charges – lower borrowing costs.
4. Property tax based capital funding - increased to continue progress to sustainable funding levels.
5. Other Corporate Revenues – COVID-19 related decrease in recreation programs provided.
6. Inter-Departmental Recoveries – increase to recognize actual recovery levels of services.
7. Transfer from Reserves – decrease in projects funded from reserves.
8. COVID-19 Safe Restart Grant – one-time provincial funding to offset losses and reimburse for additional costs related to the pandemic.

**Budget Summary by Function:**

Operating Budget	Actual	Actual	Budget	Budget	% Change
ALL DEPARTMENTS	2019	2020	2020	2021	2021/2020
Property Taxation	(125,099,800)	(131,685,200)	(131,929,200)	(138,740,200)	5.16%
Parcel Tax	(20,000)	(20,000)	(20,000)	(20,000)	0.00%
Utility and Hotel Tax	(1,918,800)	(1,604,900)	(1,869,400)	(1,654,600)	(11.49%)
Grants In Lieu	(2,747,200)	(2,753,000)	(2,693,300)	(2,655,600)	(1.40%)
Interest and Penalties	(3,076,600)	(1,806,100)	(2,230,000)	(1,624,200)	(27.17%)
Other Revenues	(470,900)	(348,800)	(316,100)	(331,900)	5.00%
COVID-19 Safe Restart Grant	-	(423,900)	-	(432,000)	100.00%
Capital Contribution	15,624,400	14,909,600	14,878,800	17,288,200	16.19%
Net Departmental Cost	115,569,800	119,993,600	124,179,200	128,170,300	3.21%
<b>SURPLUS/DEFICIT</b>	<b>(2,139,100)</b>	<b>(3,738,700)</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

**Property Taxation** - The largest single source of revenue for the Municipality is property taxes. Property taxes are levied on owners of property situated in Saanich based on the assessed value of their property. This core budget provides for a 4.53% increase in municipal property taxes to the average single family homeowner with an assessed value of \$940,300 and to average business properties. The remaining increase in property tax revenue is from new tax revenues on construction completed during the previous year.

**Utility and Hotel Tax** - This includes the 1% revenue tax from utilities such as Fortis, Shaw, BC Hydro and Telus and 2% hotel revenue tax on hotels that operate within Saanich. Utility Taxes are projected to continue to increase moderately in the future. Hotel Tax was negatively impacted in 2020 due to travel restrictions. Revenue from this tax is not expected to fully recover until 2022 or later.

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

**Interest and Penalties** - The majority of revenues are collected in July whereas expenses are paid throughout the year. Until expenses are incurred, funds are available to invest. Revenue from these investments is an important source of operating funds and reduces the amount needed from property taxes. Investment returns came in at budget in 2020 but are expected to decrease in 2021 and remain low in 2022 as the Bank of Canada continues to keep interest rates low to stimulate the economy during and post COVID-19. Property owners who do not pay their property taxes by the deadline are assessed penalties and interest based on provincial legislation and the District's tax scheme bylaw.

**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.

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

**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 0.76% of property taxes is being implemented to address capital funding deficits in information technology and major facility repair. An addition of \$327,000 each year for five years is required to reinstate the Facilities Reserve Fund transfer that was reduced in the 2020 budget. A reserve fund transfer of \$600,000 is required to establish funding for the municipal portion of the updated Development Cost Charge program. Council also approved \$262,000 in annual funding for the Park Washroom Capital Plan which will support the addition and enhancement of washrooms at various parks. All the above transfers add up to an increase of 1.83% in property taxation in 2021.

### Net Departmental Cost

Net departmental operating costs include total expenditure less revenues or recoveries generated by the departments. The net departmental costs are projected to rise by \$3,991,100 or 3.21% in 2021.

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
	2019	2020	2020	2021	2021/2020	2021/2020
Administration	2,459,000	2,477,700	2,552,600	2,645,000	92,400	3.62%
Corporate Services	5,860,800	6,843,100	8,051,500	8,236,500	185,000	2.30%
Finance	3,070,000	3,473,200	3,698,200	3,920,300	222,100	6.01%
Corporate Revenues and Expenses	1,205,500	741,200	1,178,300	1,737,700	559,400	47.48%
Fiscal Services	7,734,500	7,521,300	7,864,200	7,864,200	-	0.00%
Building, Bylaw, Licensing and Legal Services	1,018,000	763,200	1,333,200	1,697,300	364,100	27.31%
Police Protection	34,118,100	36,003,200	36,010,200	37,357,900	1,347,700	3.74%
Fire Protection	18,898,200	19,257,500	19,761,700	20,616,200	854,500	4.32%
Emergency Program	408,400	443,500	447,100	450,700	3,600	0.81%
Planning	2,824,900	3,073,800	3,105,600	3,130,500	24,900	0.80%
Engineering	13,001,100	13,351,400	13,386,900	13,538,500	151,600	1.13%
Parks, Recreation and Community Services	17,162,600	18,467,900	18,915,600	19,481,000	565,400	2.99%
Library, Grants and Economic Development	7,808,700	7,576,600	7,874,100	7,494,500	(379,600)	(4.82%)
<b>TOTAL</b>	<b>115,569,800</b>	<b>119,993,600</b>	<b>124,179,200</b>	<b>128,170,300</b>	<b>3,991,100</b>	<b>3.21%</b>

## Ongoing Resource Requests

Requests approved August 2020 and February 2021:

2021 APPROVED RESOURCES						
Department	Resource	2021 Budget	2022 Estimate	2023 Estimate	2024 Estimate	2025 Estimate
Finance	Buyer	\$ 79,523	\$ 81,113	\$ 82,736	\$ 84,390	\$ 86,078
Finance	Procurement Specialist	\$ 98,613	\$ 100,585	\$ 102,597	\$ 104,649	\$ 106,742
Building, Bylaw, Licensing & Legal Services	Associate Municipal Solicitor	\$ 143,144	\$ 146,007	\$ 148,927	\$ 151,906	\$ 154,944
Fire	Firefighters	\$ 498,432	\$ 510,893	\$ 523,665	\$ 536,757	\$ 550,176
Parks, Recreation & Community Services	Development Review Coordinator	\$ 118,640	\$ 121,013	\$ 123,433	\$ 125,902	\$ 128,420
Parks, Recreation & Community Services	Bylaw Clerk	\$ 80,235	\$ 81,840	\$ 83,476	\$ 85,146	\$ 86,849
Parks, Recreation & Community Services	Urban Forest Technician	\$ 100,590	\$ 102,602	\$ 104,654	\$ 106,747	\$ 108,882
Building, Bylaw, Licensing & Legal Services	Bylaw and Parking - New Service Delivery Model	\$ 253,500	\$ 258,570	\$ 263,741	\$ 269,016	\$ 274,397
Parks, Recreation & Community Services	Cleaning & Maintenance of New Washrooms	\$ 100,520	\$ 158,520	\$ 225,520	\$ 272,520	\$ 323,520
<b>Total Budget Requirement</b>		<b>\$ 1,473,197</b>	<b>\$ 1,561,143</b>	<b>\$ 1,658,750</b>	<b>\$ 1,737,033</b>	<b>\$ 1,820,007</b>

Requests approved April 2021:

To be added after Council deliberation on 2021 Resource Requests

## Council, Administration and Legislative Services

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

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

BUDGET SUMMARY	
2021 Net Budget	\$ 2,645,000
2020 Net Budget	\$ 2,552,600
Net Change	\$ 92,400
Change by %	3.62%
2021 FTE	16.23
2020 FTE	16.23
FTE Change	0.00
FTE Change %	0.00%

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 Services collects and preserves the documentary heritage of Saanich and makes this information available through public reference room services, website resources, and public outreach.

### 2021 BUDGET CHALLENGES

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

### 2021 KEY PRIORITIES

#### Priority Strategic Initiatives include:

##### Organizational Excellence:

- Support the Citizens Assembly process.
- Increase online resources on Archives website.
- Create online exhibits / digitize archival documents and finding aids. Continue to expand online access to holdings.
- Finalize the new Council Procedure Bylaw.
- Continue to support relationship building with First Nations as a member of the Interdepartmental Working Group and Training Taskforce.
- Privacy Management Program – assessment of program controls
- Advance the Records Management Program – electronic records LAN restructuring



- Support the Emergency Operations Centre (EOC).
- Continue to ensure citizen engagement in Council proceedings.
- Service excellence provided by front line staff.
- Review agenda preparation process and future use of technology for agenda management.
- Review options for an electronic bylaw index for all Saanich bylaws.

### Priority Departmental Initiatives include:

#### Legislative

- Review the organization, access and storage needs for agreements
- Implement changes for storage and improved access to bylaws.
- Review options for electronic agenda and meeting management.
- Continue to provide additional online resources on Archives website.

#### Records Management

- Document and Information Management Strategy and Local Area Network Restructuring.
- Review the organization, access and offsite storage needs.
- Digitization of District Records.

#### Freedom of Information and Protection of Privacy

- Develop a self-study power point presentation for new employees/advanced on FIPPA w/Q&A.
- Policy and procedures on the use of the corporate cell phone.
- Focused access and privacy training on Recreation Centers, Bylaw Enforcement and Permits and Inspections. Training on Privacy Impact Assessments (PIA).
- Personal Information Inventory (PID) Phase two.

## CORE BUDGET

The Department's 2021 Budget of \$2,645,000 represents a 3.62% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Council & Committees	636,700	596,100	654,000	652,100	(1,900)	(0.29%)
Administration	501,400	544,000	551,700	548,400	(3,300)	(0.60%)
Legislative	1,141,200	1,195,800	1,198,900	1,295,600	96,700	8.07%
Archives	179,700	141,800	148,000	148,900	900	0.61%
<b>Total</b>	<b>2,459,000</b>	<b>2,477,700</b>	<b>2,552,600</b>	<b>2,645,000</b>	<b>92,400</b>	<b>3.62%</b>

- Council & Committees and Administration – transfer of cell phone and data budgets to IT.
- Legislative/Archives – non-discretionary increases to printing and advertising costs and wage increment.

## Corporate Services

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

**Communications** provides support for internal and external communications across the organization. Communications oversees the Saanich website, intranet, social media, media relations, brand management, graphic design for print and digital publications and promotion of public participation activities. The division also provides print and mail services for the organization.

**Human Resources** Serving approximately 1,700 employees from initial hire to the end of their employment life cycle, HR provides with a full range of services and programs. Support and strategic advice are offered on matters including recruitment and selection, employee and labour relations, collective bargaining, Human Rights, workforce planning, job evaluation, compensation and benefits, wellness and disability management, personnel records management, training, employee recognition and workplace culture

**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.

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

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

BUDGET SUMMARY	
2021 Net Budget	\$ 8,236,500
2020 Net Budget	\$ 8,051,500
Net Change	\$ 185,000
Change by %	2.30%
2021 FTE	47.27
2020 FTE	47.27
FTE Change	0.00
FTE Change %	0.00%

### 2021 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.

## **2021 KEY PRIORITIES**

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

#### Organizational Excellence

- Implement metrics related to a high-performing workforce

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

#### Communications

- Enhance the public's understanding of Saanich's programs and services through proactive communications
- Continue to share important information about COVID-19 impacts with the public and staff
- Continue to support communications for large-scale corporate, capital and infrastructure projects

#### Human Resources

- Business service reviews and optimization
- Leadership development and effectiveness
- Conduct Employee Survey
- Implement the new exempt job evaluation program
- Increasing employee well-being and organizational resiliency

#### Information Technology

- Implementation of staff scheduling for Fire department
- Refresh desktop / laptop computers and update software
- Update the District's wide area computer network

#### Occupational Health & Safety

- Continued support to our organizational response to COVID-19
- Adjusting Saanich's OHS and WIM programs in consideration of WorkSafeBC changes to the Certificate of Recognition Program
- Development of a new OHS program focused on employee psychological safety.

#### Strategic Planning

- Implement the annual statistically valid online citizen survey.
- Coordinate Council Strategic Plan check-ins

## CORE BUDGET

The core budget for 2021 of \$8,236,500 represents a 2.30% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Corporate Services	789,800	1,034,100	947,200	952,200	5,000	0.53%
Human Resources	1,171,600	1,241,500	1,365,600	1,375,900	10,300	0.75%
Information Technology	3,947,500	4,700,200	5,738,700	5,908,400	169,700	2.96%
Occupational Health/Safety						
Revenue	(584,700)	(684,900)	(718,500)	(727,100)	(8,600)	1.20%
Expense	<u>536,600</u>	<u>552,200</u>	<u>718,500</u>	<u>727,100</u>	<u>8,600</u>	<u>1.20%</u>
Total	(48,100)	(132,700)	-	-	-	0.00%
<b>Total</b>	<b>5,860,800</b>	<b>6,843,100</b>	<b>8,051,500</b>	<b>8,236,500</b>	<b>185,000</b>	<b>2.30%</b>

- Information Technology – centralization of the District's cell phone budget in IT.

# 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 \$342 million in annual expenses and revenues; cash management of over \$285 million in investments to maximize the returns and provide additional income to both operating and reserve funds; accounts payable processing over 29,650 invoices annually; coordination of the production of five different payroll groups paid on a bi-weekly basis and benefits records maintenance for over 1,774 staff.

BUDGET SUMMARY	
<b>2021 Net Budget</b>	<b>\$ 3,920,300</b>
<b>2020 Net Budget</b>	<b>\$ 3,698,200</b>
<b>Net Change</b>	<b>\$ 222,100</b>
<b>Change by %</b>	<b>6.01%</b>
<b>2021 FTE</b>	<b>43.37</b>
<b>2020 FTE</b>	<b>41.37</b>
<b>FTE Change</b>	<b>2.00</b>
<b>FTE Change %</b>	<b>4.83%</b>

The **Revenue Collection Division** processes all revenues including property taxes, utility bills, dog licenses, business licenses and recreation programs. Over 103,600 utility bills and 44,200 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. 167 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.

## 2021 BUDGET CHALLENGES

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

## 2021 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.
- Overhaul procurement bylaws, policies, procedures and templates
- Support departments with financial analysis.
- Implement tracking process for new DCC program.
- Advance public engagement on budget.
- Develop a Permissive Tax Exemption Policy for Council

**CORE BUDGET**

The Department's total 2021 net core budget is \$3,920,300 and it represents a 6.01% increase over prior year.

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
	<b>2019</b>	<b>2020</b>	<b>2020</b>	<b>2021</b>	<b>2021/2020</b>	<b>2021/2020</b>
Accounting and Payroll	1,780,100	1,858,300	2,061,800	2,080,300	18,500	0.90%
Revenue Collections						
Revenue	(536,100)	(627,300)	(570,000)	(634,300)	(64,300)	11.28%
Expense	<u>1,165,800</u>	<u>1,257,200</u>	<u>1,233,700</u>	<u>1,301,500</u>	<u>67,800</u>	<u>5.50%</u>
Total	629,700	629,900	663,700	667,200	3,500	0.53%
Stores	103,100	252,400	308,000	315,400	7,400	2.40%
Purchasing	557,100	732,600	664,700	857,400	192,700	28.99%
<b>Total</b>	<b>3,070,000</b>	<b>3,473,200</b>	<b>3,698,200</b>	<b>3,920,300</b>	<b>222,100</b>	<b>6.01%</b>

- Stores – wage increment and fleet rental.
- Purchasing – funding for two new positions approved by Council August 2020.

# Corporate Revenues and Expenses

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

BUDGET SUMMARY	
<b>2021 Net Budget</b>	<b>\$ 1,737,700</b>
<b>2020 Net Budget</b>	<b>\$ 1,178,300</b>
<b>Net Change</b>	<b>\$ 559,400</b>
<b>Change by %</b>	<b>47.48%</b>
<b>FTE</b>	<b>n/a</b>

These include the following:

Corporate contingency –

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

Administrative recoveries –

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

Government Services –

- provision for retirement severance pay
- municipal dues to other organizations

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

## 2021 Budget Challenges

- Ensuring adequate contingency to react to unforeseen emergencies.

## CORE BUDGET

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	%Change
	2019	2020	2020	2021	2021/2020	2021/2020
Corporate Contingency	289,100	152,500	365,600	854,500	488,900	133.73%
Administrative Recoveries	(1,708,700)	(1,876,500)	(1,889,400)	(1,837,200)	52,200	2.76%
Government Services	816,900	657,100	851,100	832,100	(19,000)	(2.23%)
Employer Health Tax	1,808,200	1,808,100	1,851,000	1,888,300	37,300	2.02%
COVID-19 Expenditure	-	1,087,400	-	500,000	500,000	0.00%
COVID-19 Safe Restart Grant	-	(1,087,400)	-	(500,000)	(500,000)	0.00%
<b>Total</b>	<b>1,205,500</b>	<b>741,200</b>	<b>1,178,300</b>	<b>1,737,700</b>	<b>559,400</b>	<b>47.48%</b>

- Corporate Contingency – unallocated CPP and WCB corporate budget increases.
- COVID-19 Expenditure – estimated costs not reimbursed by Emergency Management BC (EMBC).
- COVID-19 Safe Restart Grant – offset for estimated COVID-19 expenditure.

## 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	
<b>2021 Net Budget</b>	<b>\$ 7,864,200</b>
<b>2020 Net Budget</b>	<b>\$ 7,864,200</b>
<b>Net Change</b>	<b>\$ -</b>
<b>Change by %</b>	<b>0.00%</b>
<b>FTE</b>	<b>n/a</b>

As of December 2020, the total outstanding debt in the general operating fund is approximately \$40.1 million. This is projected to increase by \$5.6 million during the year, bringing total outstanding general operating debt to about \$45.7 million (\$58.3 million including utilities) by December 2021. This remains well within Council policy of a maximum of 7% of property tax revenue.

\$7.9 million in annual debt servicing cost is 5.96% of prior year's property tax revenue and about \$99 million in total debt at current rates. The total legal borrowing limit for Saanich is \$672 million.

The average homeowner's share of servicing debt per capita is \$36 per year (\$35 in 2020).

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 2021, transfers will support technology infrastructure and facility replacement.

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

### CORE BUDGET

Core budget remains the same as last year to allow Council to determine future debt servicing strategy. The transfer to capital reserves is budgeted higher to accommodate the decrease in interest and principal payments. Funds that are not needed in 2021 for debt servicing are transferred to capital reserves to support current and future capital asset replacement.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Interest	945,500	977,500	1,347,900	1,186,600	(161,300)	(11.97%)
Principal	2,055,600	2,731,900	2,704,500	2,771,300	66,800	2.47%
Transfer to Capital Reserves	4,733,400	3,811,900	3,811,800	3,906,300	94,500	2.48%
<b>Total</b>	<b>7,734,500</b>	<b>7,521,300</b>	<b>7,864,200</b>	<b>7,864,200</b>	<b>-</b>	<b>0.00%</b>

- Interest – interest payments for new borrowing is at a lower percentage than existing debt. In addition debt payments of borrowing facilitated through FCM and CMHC have the interest portion of their payment reduce annually as the principal portion goes up.
- Principal – principal payments for new borrowing for capital in 2020 & 2021.
- Transfer to Capital Reserves – funding for information technology infrastructure and facility replacement.



## 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	
2021 Net Budget	\$ 1,697,300
2020 Net Budget	\$ 1,333,200
Net Change	\$ 364,100
Change by %	27.31%
2021 FTE	36.08
2020 FTE	31.90
FTE Change	4.18
FTE Change %	13.10%

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

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

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

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

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

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

## **2021 BUDGET CHALLENGES**

- Increasing claims and insurance costs driven by external market factors;
- 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).

## **2021 KEY PRIORITIES**

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

#### Community well-being

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

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

- Explore modular housing options on municipal lands.
- Move Panama Flats into active agricultural use.

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

#### Risk Management

- Developing an enterprise risk management framework.

#### Bylaw/Licensing/Legal

- Reviewing short term rental regulations.
- Reviewing purchasing policy and related legal procurement documents.

**CORE BUDGET**

The Department's 2021 net core budget of \$1,697,300 represents a 27.31% increase over prior year. Gross expenditure increased by 7.12% over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Legal Services	785,100	858,700	777,800	922,400	144,600	18.59%
Risk Management	291,700	291,000	300,500	304,800	4,300	1.43%
Insurance and Claims	947,600	764,800	799,200	799,200	-	0.00%
Bylaw and Parking Enforcement	531,300	644,700	605,400	842,400	237,000	39.15%
Inspections						
Revenues	(2,944,400)	(3,242,500)	(2,702,600)	(2,702,600)	-	0.00%
Expenses	<u>1,801,400</u>	<u>1,868,700</u>	<u>1,887,400</u>	<u>1,869,800</u>	<u>(17,600)</u>	<u>(0.93%)</u>
Total	(1,143,000)	(1,373,800)	(815,200)	(832,800)	(17,600)	2.16%
Business License						
Revenue	(502,900)	(505,600)	(495,000)	(495,000)	-	0.00%
Expense	<u>174,100</u>	<u>172,000</u>	<u>167,900</u>	<u>169,900</u>	<u>2,000</u>	<u>1.19%</u>
Total	(328,800)	(333,600)	(327,100)	(325,100)	2,000	(0.61%)
Lands/Property Management						
Revenue	(599,700)	(580,200)	(583,700)	(583,700)	-	0.00%
Expense	<u>533,800</u>	<u>491,600</u>	<u>576,300</u>	<u>570,100</u>	<u>(6,200)</u>	<u>(1.08%)</u>
Total	(65,900)	(88,600)	(7,400)	(13,600)	(6,200)	83.78%
<b>Total</b>	<b>1,018,000</b>	<b>763,200</b>	<b>1,333,200</b>	<b>1,697,300</b>	<b>364,100</b>	<b>27.31%</b>

- Legal Services – addition of Associate Municipal Solicitor approved by Council August 2020.
- Bylaw Enforcement – partial year funding for the new bylaw and parking enforcement service delivery model approved by Council February 2021, which includes a dedicated manager, three bylaw enforcement officers, part time clerk and other associated operating costs.

## 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.

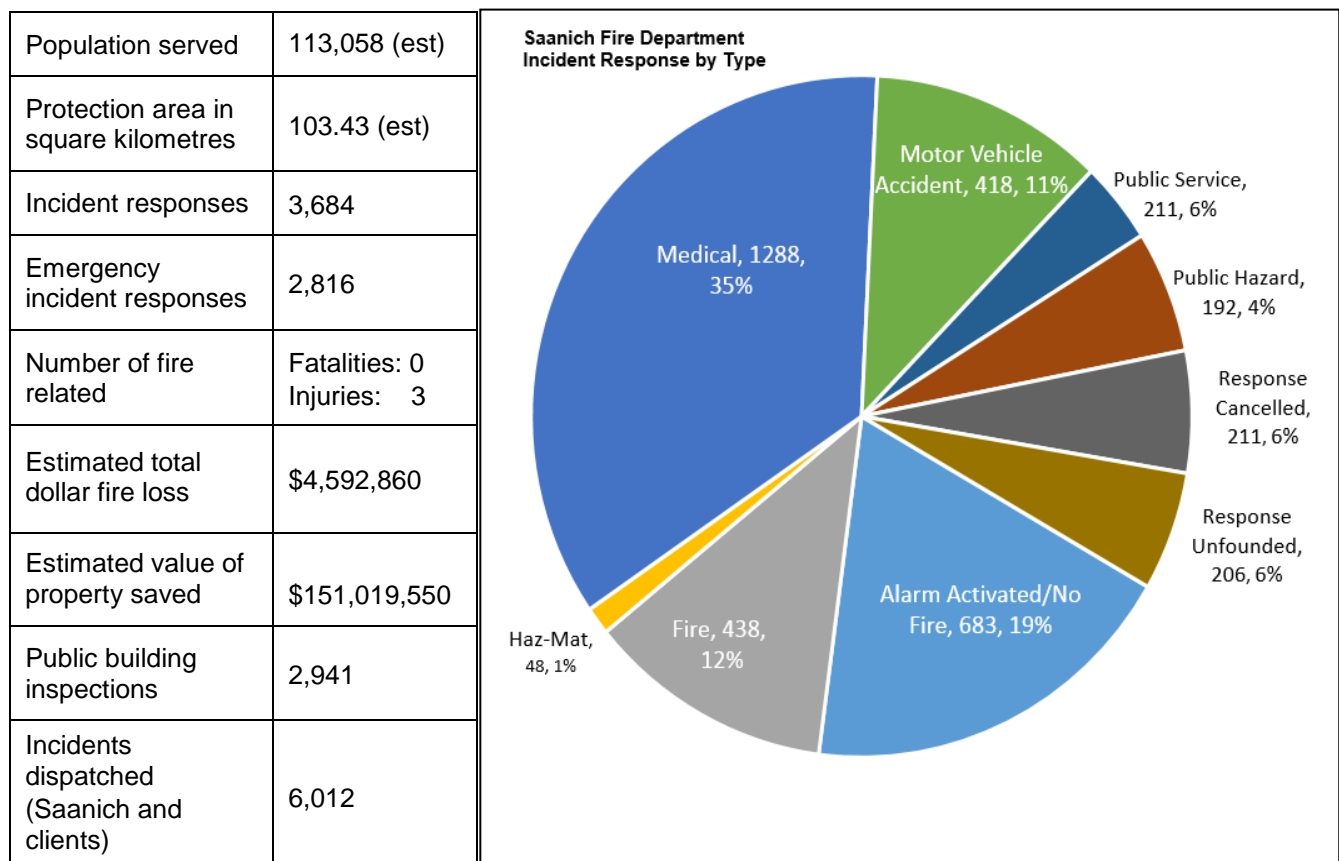
Saanich Fire responds to a range of emergency incidents including fire suppression, medical response, vehicle extrication, land and marine rescue, mutual aid requests, hazardous materials incidents and requests for public service.

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 126 uniformed personnel and 6 support staff working out of 4 fire stations in 2021.

BUDGET SUMMARY	
<b>2021 Net Budget</b>	<b>\$ 20,616,200</b>
<b>2020 Net Budget</b>	<b>\$ 19,761,700</b>
<b>Net Change</b>	<b>\$ 854,500</b>
<b>Change by %</b>	<b>4.32%</b>
<b>2021 FTE</b>	<b>132.40</b>
<b>2020 FTE</b>	<b>127.85</b>
<b>FTE Change</b>	<b>4.55</b>
<b>FTE Change %</b>	<b>3.56%</b>

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



<sup>1</sup>12 month period ending September 30, 2020

## 2021 BUDGET CHALLENGES

The Department's 2020 work plan and strategic directions were significantly impacted by COVID-19 and resulted in projects and initiatives being deferred to 2021.

- **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.
- **COVID-19 Pandemic:**
  - Funding requests and projects deferred to 2021 and associated impact on funding and department pent-up demand to complete.
  - Procurement and funding to meet occupational health and safety and personal protective equipment requirements as directed by the Provincial Health Officer.
  - Ongoing resources required to support Municipal Emergency Operations Centre, municipal response and planning functions.
  - Maintain and support an additional temporary fire station at G.R. Pearkes Recreation Centre.
- **Fire Stations and Facilities:**
  - Ongoing funding required to maintain aging stations and address department operations, training and space requirements notwithstanding the replacement of Fire Station No. 2 in 2023.
  - Deferral of fire station renovations and facility improvements and impact of COVID-19 have resulted in additional / increased costs to maintain aging facilities and have further exacerbated the impact on department operations, training and space requirements.

## 2021 KEY PRIORITIES

### Priority Strategic Initiatives include:

#### Community well-being

- **Municipal Response to COVID-19:** Given the Fire Department's overall responsibility for the District's Emergency Plan and operation of the Emergency Operations Centre, continue to support the District's pandemic response.
- **2020 Master Fire Plan:** Implement 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.

### Priority Departmental Initiatives include:

- Provide ongoing support for the Municipal response to COVID-19.
- Implement 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.
- Complete Fire Underwriters Survey Accreditation and update fire insurance gradings which may result in reduced insurance costs for property owners.
- Complete Community Wildfire Protection Plan to improve wildfire preparedness and readiness capabilities and enhance our programs, partnerships and community education to make the District as fire safe as possible.
- Provide oversight for replacement and construction of Fire Station No. 2 to be completed in 2023.
- Explore dispatch business opportunities for delivery of fire dispatch services outside of the Capital Region.

- Update fire fighter training plans to meet new training standards established by the Office of the Fire Commissioner.

### CORE BUDGET

The Department's 2021 net core budget of \$20,616,200 represents a 4.32% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Administration	2,064,600	2,149,700	2,149,700	2,153,900	4,200	0.20%
Suppression and Rescue	12,892,100	13,325,000	13,495,700	14,244,000	748,300	5.54%
Dispatch						
Revenues	(235,900)	(235,800)	(231,200)	(239,200)	(8,000)	3.46%
Expenses	<u>1,590,900</u>	<u>1,550,200</u>	<u>1,667,100</u>	<u>1,736,900</u>	<u>69,800</u>	<u>4.19%</u>
Total	1,355,000	1,314,400	1,435,900	1,497,700	61,800	4.30%
Prevention	976,900	888,400	985,700	1,004,800	19,100	1.94%
Staff Development	429,200	435,100	448,800	457,200	8,400	1.87%
Equipment Maintenance	1,005,200	990,400	1,087,300	1,097,300	10,000	0.92%
Building Maintenance	175,200	154,500	158,600	161,300	2,700	1.70%
<b>Total</b>	<b>18,898,200</b>	<b>19,257,500</b>	<b>19,761,700</b>	<b>20,616,200</b>	<b>854,500</b>	<b>4.32%</b>

- Suppression and Rescue – addition of one 24/7 firefighter (5.25 FTE) approved by Council August 2020, wage increments and duty to accommodate.

# Emergency Program

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

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

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

BUDGET SUMMARY	
2021 Net Budget	\$ 450,700
2020 Net Budget	\$ 447,100
Net Change	\$ 3,600
Change by %	0.81%
2021 FTE	3.00
2020 FTE	3.00
FTE Change	0.00
FTE Change %	0.00%

## 2021 BUDGET CHALLENGES

- With the ongoing EOC activation in support of the municipal response to the COVID-19 pandemic, priorities for the Emergency Program have shifted significantly from the 2020 work plan.
- Implementing the recommendations of the Business Area Analysis of the EOC to ensure effective operational use of the facility as Resource Request for 2020 not approved.

## 2021 KEY PRIORITIES

### Priority Strategic Initiatives include:

#### Community well-being

- **Municipal Response to COVID-19:** Given the Fire Department's overall responsibility for the District's Emergency Plan and operation of the Emergency Operations Centre, continue to support the District's pandemic response.

### Priority Departmental Initiatives include:

- Provide ongoing support for the Municipal response to COVID-19.
- Implement recommendations to improve the usability of the EOC and supporting technology.
- Undertake 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 2021 net core budget of \$450,700 represents a 0.81% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Program Administration	398,500	430,900	425,600	429,200	3,600	0.85%
Training Programs	2,200	2,500	15,100	15,100	-	0.00%
Neighbour Helping Neighbour	7,700	10,100	6,400	6,400	-	0.00%
<b>Total</b>	<b>408,400</b>	<b>443,500</b>	<b>447,100</b>	<b>450,700</b>	<b>3,600</b>	<b>0.81%</b>



# 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 also works with the regional community on cross border issues such as mobility, land use, economic matters, health issues and housing.

BUDGET SUMMARY	
<b>2021 Net Budget</b>	<b>\$ 3,130,500</b>
<b>2020 Net Budget</b>	<b>\$ 3,105,600</b>
<b>Net Change</b>	<b>\$ 24,900</b>
<b>Change by %</b>	<b>0.80%</b>
<b>2021 FTE</b>	<b>31.84</b>
<b>2020 FTE</b>	<b>31.84</b>
<b>FTE Change</b>	<b>0.00</b>
<b>FTE Change %</b>	<b>0.00%</b>

The **Current Planning Division** oversees a broad range of development related applications such as; Rezoning, Development Permits, Variances, Subdivision; building stratification, Agricultural Land Reserve; Liquor; and 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.

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 **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.

## 2021 BUDGET CHALLENGES

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

## 2021 KEY PRIORITIES

### Priority Strategic Initiatives include:

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

- Complete the Saanich Housing Strategy and initiate implementation of priority items.
- Formally adopt the Uptown-Douglas Plan and undertake priority implementation actions, including developing design guidelines, reviewing parking standards, exploring pre-zoning and updating community amenity contribution approaches.
- Adopt the updated Cordova Bay Local Area Plan and associated Village Design guidelines.

- Undertake public engagement on the Draft Cadboro Bay Local Area Plan and bring forward for consideration for adoption by Council.

#### Climate Action and Environmental Leadership

- Establish the terms of reference and select a consultant to deliver a Biodiversity Conservation Strategy. Staff will also need to prepare a significant amount of environmental data for the successful consultant.
- Construct and commission 20 new public Level 2 EV Charging stations at Saanich facilities.
- Begin construction of 20 new Level 2 EV charging stations for Saanich fleet.

#### Organizational Excellence

- Complete the Development Review Process and commence implementation of recommended action items.
- Update the Development Permit Area Design Guidelines and review and update the Zoning and Building bylaws to: better support the development of a well-design community and public realm; and identify and remove municipal barriers to high performance buildings and sustainable development.

#### Community Well-Being

- Establish an Interim Community Amenity Contribution Policy and initiate a process to develop a comprehensive Community Amenity Contribution and Inclusionary Housing Process.

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

- Provide a one-year progress report to Council on Garden Suite regulations.
- Update the Streamside Development Permit Area guidelines to be compliant with new provincial legislation.
- Begin implementing the Bowker Creek Daylighting Feasibility Study and the Elk/Beaver Lake Watershed Management Plan.
- Publish a set of guides to help people enjoy and enhance the natural environment as well as enhance the Native Plant Salvage Program to encourage the propagation and sharing of native plants.
- Accelerate implementation of RapidBus Saanich projects in collaboration with Engineering and external partners (BCT, MOTI etc.).
- Review and update the off-street parking requirements in the Zoning Bylaw to support a mode shift towards active transportation.
- Secure funding and launch the E-Bike Incentive Program.
- Develop a comprehensive Building Retrofit Strategy.
- Engage on implementation of upper steps of the BC Energy Step Code in collaboration with regional partners.

**CORE BUDGET**

The Department's 2021 net core budget of \$3,130,500 represents a 0.80% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Planning Administration	666,800	742,600	721,600	724,100	2,500	0.35%
Environmental Services	447,800	489,800	452,500	455,400	2,900	0.64%
Community Planning	924,000	1,044,200	979,700	993,000	13,300	1.36%
Sustainability						
Revenues	(382,100)	(290,100)	(229,200)	(329,200)	(100,000)	43.63%
Expenses	568,500	429,100	<u>359,900</u>	<u>474,100</u>	<u>114,200</u>	<u>31.73%</u>
Total	186,400	139,000	130,700	144,900	14,200	10.86%
Current Planning						
Revenues	(209,600)	(155,300)	(125,000)	(155,000)	(30,000)	24.00%
Expenses	<u>582,200</u>	<u>565,500</u>	<u>717,600</u>	<u>728,200</u>	<u>10,600</u>	<u>1.48%</u>
Total	372,600	410,200	592,600	573,200	(19,400)	(3.27%)
Subdivision						
Revenues	(50,700)	(36,400)	(65,200)	(57,200)	8,000	(12.27%)
Expenses	<u>278,000</u>	<u>284,400</u>	<u>293,700</u>	<u>297,100</u>	<u>3,400</u>	<u>1.16%</u>
Total	227,300	248,000	228,500	239,900	11,400	4.99%
<b>Total</b>	<b>2,824,900</b>	<b>3,073,800</b>	<b>3,105,600</b>	<b>3,130,500</b>	<b>24,900</b>	<b>0.80%</b>

- All Sections - wage increments offset by transfer of cell phone and data budgets to IT
- Sustainability – wage increments and project costs.

## 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.

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

The **Public Works Division** is responsible for the 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 water reservoirs and pressure regulating stations. Management of fleet services and administration round out the Public Works functional responsibilities.

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

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.

BUDGET SUMMARY	
<b>2021 Net Budget</b>	<b>\$ 13,538,500</b>
<b>2020 Net Budget</b>	<b>\$ 13,386,900</b>
<b>Net Change</b>	<b>\$ 151,600</b>
<b>Change by %</b>	<b>1.13%</b>
<b>2021 FTE</b>	<b>193.32</b>
<b>2020 FTE</b>	<b>192.30</b>
<b>FTE Change</b>	<b>1.02</b>
<b>FTE Change %</b>	<b>0.53%</b>

## 2021 BUDGET CHALLENGES

- Human resource capacity (rolling vacancies and outstanding 2020 resource requests). Employee recruitment and retention.
- Back log of Fleet vehicles placing an ongoing strain on operational programs (crew trailers, winter program, asphalt patching program, etc.) and increased operating costs to keep older fleet units running beyond optimized life cycle.
- Current and potential future service delivery model changes to ensure staff safety as a result of COVID-19 may reduce productivity and increase overall project costs

## 2021 KEY PRIORITIES

### Priority Strategic initiatives include:

#### Community well-being

- Strengthen transportation safety for all road users by implementing initiatives from the Active Transportation Plan that improve transportation safety through infrastructure improvements, policy development, and education and public outreach programs. Staff continue to implement initiatives from the Active Transportation Plan (ATP) that improve transportation safety.
- Collaborate with the Ministry of Transportation and Infrastructure to identify and undertake safety improvements and advance active transportation initiatives. Staff have begun early conversations with the Ministry of Transportation and Infrastructure on planning work for the Uptown Mobility Hub.

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

- Prepare a District-wide stormwater management master plan. The project scope has been extended to include integrated stormwater management plans (ISMP) for alignment with Council's Strategic Plan and Climate Plan initiatives. Consultant work plans have been approved for an asset management investment plan (AMIP) for the drainage system, environmental monitoring framework, flow monitoring framework and technology review.
- Develop an asset management road map. This initiative remains unfunded but a dedicated resource request will be submitted in the 2021 budget process.

#### Climate action and environmental leadership

- The Shelbourne Street Improvement Project (SSIP) is in progress. Phase I (Garnet to Torquay) construction is expected to be completed by the 3<sup>rd</sup> quarter of 2020. Phase II (North Dairy to Pear) design work is underway with construction anticipated to start in 1<sup>st</sup> quarter of 2022.
- Support BC Transit by participating in the development of a Rapid Bus Implementation Strategy for the Region and by participating in discussions advancing the Uptown Multi-Modal Transit Hub. As part of the Rapid Bus Implementation Plan a joint McKenzie Ave corridor study is expected to start in 2021.
- Encourage and support residents, institutions and businesses to generate less waste and increase recycling and composting of waste. Saanich is part of the CRD's solid waste advisory committee. The mandate of this committee is to update the solid waste management plan for the region. This plan will outline initiatives for all sectors to reduce waste and increase diversion.

**Priority Departmental Initiatives include:**Transportation and Development Services:

- Lead a regional pilot project to reduce the default speed limit on streets without a continuous yellow dividing line.
- Update the engineering specifications of the Subdivision Bylaw
- Continue to support safe and active routes to school planning in collaboration with the CRD.
- Construct intersection improvements at West Saanich / Prospect Lake / Sparton

Water Resources:

- Complete water network and sanitary sewer network Master Plan updates
- Develop a plan to protect or relocate the Cordova Bay sewer trunk main
- Support project to update Schedule H engineering specifications
- Pilot residential water meter replacement product(s) and reading technology

Public Works:

- Continue to foster and promote a healthy respectful workplace and culture of safety
- Review the Yard and Garden Waste Drop-off service model
- Develop an Emergency Response Protocol with BC Hydro and Fortis
- Review Council's sidewalk repair policy to be proactive in addressing potential hazards

Facilities:

- Continue to advance the Redevelopment project for Fire Station #2 through permitting (Development and Building) and construction documentation processes. Construction is tentatively scheduled to start approximately on or after 3<sup>rd</sup> quarter 2021.
- Continue to advance the conceptual and site master plan design and business case documentation for the Redevelopment project for the Saanich Operations Centre. The business case is tentatively scheduled to be submitted for approval approximately end of 3<sup>rd</sup> quarter 2021.
- Start construction of the mechanical upgrades and biomass boiler system at Saanich Commonwealth Place.
- Replace the Gold Arena slab and ice melt pit.

**CORE BUDGET**

The Department's 2021 net core budget of \$13,538,500 represents a 1.13% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2019	2020	2020	2021	2021/2020	2021/2020
Engineering Administration	(312,000)	(795,800)	(571,500)	(714,400)	(142,900)	25.00%
Transportation & Development Services	1,572,900	1,689,600	1,729,800	1,767,700	37,900	2.19%
Water Resources	1,426,000	1,632,100	1,702,200	1,739,000	36,800	2.16%
Facility Operations	1,909,800	2,577,900	2,014,800	2,092,800	78,000	3.87%
Public Works	8,404,400	8,247,600	8,511,600	8,653,400	141,800	1.67%
<b>Total</b>	<b>13,001,100</b>	<b>13,351,400</b>	<b>13,386,900</b>	<b>13,538,500</b>	<b>151,600</b>	<b>1.13%</b>

## Engineering Services

The Division's net core budget of \$2,792,300 represents a 2.38% decrease over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2019	2020	2020	2021	2021/2020	2021/2020
Engineering Administration						
Revenue	(1,375,300)	(1,795,100)	(1,591,300)	(1,728,400)	(137,100)	8.62%
Expense	<u>1,063,300</u>	<u>999,300</u>	<u>1,019,800</u>	<u>1,014,000</u>	<u>(5,800)</u>	<u>(0.57%)</u>
Total	(312,000)	(795,800)	(571,500)	(714,400)	(142,900)	25.00%
Transportation & Development Services	1,572,900	1,689,600	1,729,800	1,767,700	37,900	2.19%
Water Resources	1,426,000	1,632,100	1,702,200	1,739,000	36,800	2.16%
<b>Total</b>	<b>2,686,900</b>	<b>2,525,900</b>	<b>2,860,500</b>	<b>2,792,300</b>	<b>(68,200)</b>	<b>(2.38%)</b>

- Engineering Administration – wage increment offset by increases in permit fees and cost recovery from utilities and centralizing cell phone and data budgets in IT.

## Facility Operations

The Division's net core budget of \$2,092,800 represents a 3.87% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Administration	175,000	409,700	315,200	332,900	17,700	5.62%
Minor Facility Repair	408,000	557,400	402,100	403,300	1,200	0.30%
Les Passmore Building	165,000	177,100	175,200	177,500	2,300	1.31%
Municipal Hall Building	600,200	631,900	589,700	597,100	7,400	1.25%
Municipal Annex	178,800	152,000	138,100	139,800	1,700	1.23%
Other Buildings	45,500	258,200	85,800	132,400	46,600	54.31%
Public Safety Building						
Revenues	(573,300)	(588,500)	(588,500)	(600,200)	(11,700)	1.99%
Expenses	<u>884,900</u>	<u>925,800</u>	<u>897,200</u>	<u>910,000</u>	<u>12,800</u>	<u>1.43%</u>
Total	311,600	337,300	308,700	309,800	1,100	100.00%
Public Works and Parks						
Revenues	(324,000)	(316,200)	(316,200)	(323,800)	(7,600)	2.40%
Expenses	<u>349,700</u>	<u>370,500</u>	<u>316,200</u>	<u>323,800</u>	<u>7,600</u>	<u>2.40%</u>
Total	25,700	54,300	-	-	-	0.00%
<b>Total</b>	<b>1,909,800</b>	<b>2,577,900</b>	<b>2,014,800</b>	<b>2,092,800</b>	<b>78,000</b>	<b>3.87%</b>

- Administration – wage increment.
- Other Buildings – full year budgeting of Blanshard building operating costs increase approved prior year.

## 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 \$8,653,400 increased by 1.67% over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Administration	625,900	594,600	844,300	841,400	(2,900)	(0.34%)
Fleet						
Revenue	(4,838,500)	(5,849,500)	(5,441,200)	(5,734,700)	(293,500)	5.39%
Expense	<u>4,970,600</u>	<u>5,857,000</u>	<u>5,441,200</u>	<u>5,734,700</u>	<u>293,500</u>	<u>5.39%</u>
Total	132,100	7,500	-	-	-	0.00%
Solid Waste Services						
Revenue	(6,673,300)	(6,941,800)	(6,949,300)	(7,331,600)	(382,300)	5.50%
Expense	<u>6,883,500</u>	<u>7,129,700</u>	<u>7,291,900</u>	<u>7,708,800</u>	<u>416,900</u>	<u>5.72%</u>
Total	210,200	187,900	342,600	377,200	34,600	10.10%
Storm Drains	1,905,500	2,084,300	1,968,200	1,996,900	28,700	1.46%
Street Operations	5,530,700	5,373,300	5,356,500	5,437,900	81,400	1.52%
<b>Total</b>	<b>8,404,400</b>	<b>8,247,600</b>	<b>8,511,600</b>	<b>8,653,400</b>	<b>141,800</b>	<b>1.67%</b>

- Fleet – non-discretionary supplies and reserve transfer.
- Solid Waste Services – non-discretionary increases to garbage hauling, 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 nature, themselves, their neighbours and with others throughout the region, including the Lkwungen peoples, represented by the Songhees and SXIMELEL (Esquimalt) Nations and the WSÁNEĆ peoples known today as WJOLELP (Tsartlip), BOKEĆEN (Pauquachin), S7ÁUTW (Tsawout), WSIKEM (Tseycum) and MÁLEXEL (Malahat) Nations, in whose territories Saanich resides.

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. The Division's lands are biologically diverse, offering residents a spectrum of active living experiences and opportunities to connect with nature.

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 **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.

BUDGET SUMMARY	
2021 Net Budget	\$ 19,481,000
2020 Net Budget	\$ 18,915,600
Net Change	\$ 565,400
Change by %	2.99%
2021 FTE	289.55
2020 FTE	323.19
FTE Change	(33.64)
FTE Change %	(10.41%)

**2021 BUDGET CHALLENGES**

- Recreation will continue to be challenged by uncertainty stemming from the pandemic for most of 2021. While programs have been expanded and contracted in a phased manner, those expansions and retractions rely heavily on Orders and guidance that come from the Province and various other bodies (BCRPA, ViaSport).
- Demand continues to outstrip capacity in both indoor and outdoor facilities. Without new or expanded facilities, it will be difficult for the department to achieve revenue expectations or expand program offerings. This was underscored through the Department's response to Covid-19 guidelines and restrictions relative to public program and services.
- Facility maintenance costs continue to escalate. Ongoing operational costs increase with aging facilities, in addition to the need for large-component replacement. The Recreation Division has a number of large scale remediation and upgrade projects in 2021 including the Gold Arena slab replacement and Saanich Commonwealth Place Biomass project followed by slab remediation at Gordon Head in 2022. These large projects impact program and service delivery and revenue generation due to the lengthy shut down time required.
- Given the ongoing increase in both numbers of parks and park usage, the amount of park refuse continues to increase resulting in the need for solutions to ensure that service levels are maintained.

**2021 KEY PRIORITIES****Priority Strategic initiatives include:**Community well-being

- Hosting events in September for the BC 55+ Games
- Undertaking an updated PRCS Master Plan
- Creating a Diversity, Equity and Inclusion Strategy
- Developing Council Policy on Racism
- Implementing the now 2017-2024 (previous target was 2017-2022) Older Adult Strategy

Organizational excellence

- Undertaking the third Arena Feasibility Study
- Providing Indigenous Cultural Awareness training to Saanich Staff

Climate action and environmental leadership

- Expanded tree planting to action Saanich's Climate Plan
- Continue to support the Resilient Saanich Technical Committee
- New EV charging stations in four parks enhance electric vehicle infrastructure in an effort to reduce greenhouse gas emissions
- Continue to support and enhance the Pulling Together volunteer program to implement the existing Invasive Species Management Strategy
- Plan and initiate review of the Urban Forest Strategy

**Priority Departmental Initiatives include:**Community well-being

- The Gold Arena slab is slated for completion in Q3 2021 in time for the fall ice sports season.
- Completing the High Performance Sport Allocation Policy at Saanich Commonwealth Place
- Expanding BIPOC & LGBTQ2+ programming
- Completing new trail, bridge and creek viewing area at Douglas Creek in Mount Douglas Park
- Constructing the new youth park at George Tripp
- Replacing parks infrastructure as per capital plan including playgrounds in Normandy and Allenby Parks
- Ongoing modernization of agreements with major park users such as sports organizations

Organizational excellence

- Implementing initiatives and recommendations stemming from the Golf Services Review.
- Continuing to develop strategies to streamline recruitment for critical positions (lifeguards, BSW IIs).
- Completing the Ammonia Risk Assessed Status

Climate action and environmental leadership

- Continue ecosystem restoration projects with staff and Pulling Together volunteers to replant site including new works in Cuthbert Holmes Park, Layritz Park and Colquitz River
- Celebrating Tree Appreciation day with the community
- Expanding of Parks volunteer and education programs

**CORE BUDGET**

The Department's 2021 net core budget of \$19,481,000 represents a 2.99% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL FUNCTIONS	2019	2020	2020	2021	2021/2020	2021/2020
Parks & Rec. Administration	719,400	918,900	832,700	871,400	38,700	4.65%
Parks Division	7,482,800	7,616,500	7,793,600	8,333,900	540,300	6.93%
Community Services Division	1,406,300	1,345,700	1,624,300	1,656,800	32,500	2.00%
Cedar Hill Recreation Centre	1,059,100	1,243,100	1,243,100	1,256,100	13,000	1.05%
Gordon Head Recreation Centre	1,965,500	2,163,300	2,163,300	2,198,700	35,400	1.64%
G R Pearkes Recreation Centre	1,455,200	1,494,300	1,494,300	1,496,400	2,100	0.14%
Saanich Commonwealth Place	3,030,300	3,617,500	3,617,500	3,662,300	44,800	1.24%
Cedar Hill Golf Course	44,000	68,600	146,800	5,400	(141,400)	(96.32%)
<b>Total net cost</b>	<b>17,162,600</b>	<b>18,467,900</b>	<b>18,915,600</b>	<b>19,481,000</b>	<b>565,400</b>	<b>2.99%</b>

**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
	2019	2020	2020	2021	2021/2020	2021/2020
Administration	588,200	751,500	665,300	691,800	26,500	3.98%
Marketing						
Revenues	(245,600)	(79,700)	(203,600)	(129,000)	74,600	(36.64%)
Expenses	<u>376,800</u>	<u>301,700</u>	<u>371,000</u>	<u>373,600</u>	<u>2,600</u>	<u>0.70%</u>
Total	131,200	222,000	167,400	244,600	77,200	46.12%
COVID-19 Safe Restart Grant	-	(54,600)	-	(65,000)	(65,000)	100.00%
<b>Total</b>	<b>719,400</b>	<b>918,900</b>	<b>832,700</b>	<b>871,400</b>	<b>38,700</b>	<b>4.65%</b>

- Administration – wage increments.
- Marketing – revenue dependent of drop in fees at recreation centres.

## 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 \$8,333,900 represents a 6.93% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Administration	637,600	630,000	683,100	770,100	87,000	12.74%
Parks Operations	5,248,600	5,066,800	5,194,900	5,487,200	292,300	5.63%
Design and Development	1,152,400	1,222,900	1,208,500	1,226,700	18,200	1.51%
Community Development & Business Systems	444,200	696,800	707,100	849,900	142,800	20.20%
<b>Total</b>	<b>7,482,800</b>	<b>7,616,500</b>	<b>7,793,600</b>	<b>8,333,900</b>	<b>540,300</b>	<b>6.93%</b>

- Parks Operations – non-discretionary maintenance of new assets.
- 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 Division

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

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

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Programming	734,600	774,800	801,700	823,900	22,200	2.77%
Programs						
Revenues	(201,800)	(352,600)	(357,900)	(110,500)	247,400	(69.13%)
Expenses	<u>873,500</u>	<u>923,500</u>	<u>1,180,500</u>	<u>943,400</u>	<u>(237,100)</u>	<u>(20.08%)</u>
Total	671,700	570,900	822,600	832,900	10,300	1.25%
<b>Total</b>	<b>1,406,300</b>	<b>1,345,700</b>	<b>1,624,300</b>	<b>1,656,800</b>	<b>32,500</b>	<b>2.00%</b>

- Programming – wage increments.
- Programs – COVID-19 related reductions in both budgeted expenditure and revenues.

### 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
	2019	2020	2020	2021	2021/2020	2021/2020
Programming & Reception						
Revenues	(139,100)	(42,800)	(132,600)	(26,500)	106,100	(80.02%)
Expenses	<u>1,271,800</u>	<u>1,210,500</u>	<u>1,334,200</u>	<u>1,125,900</u>	<u>(208,300)</u>	<u>(15.61%)</u>
Total	1,132,700	1,167,700	1,201,600	1,099,400	(102,200)	(8.51%)
Programs						
Revenues	(1,703,100)	(871,600)	(1,575,700)	(1,104,300)	471,400	(29.92%)
Expenses	<u>860,100</u>	<u>575,700</u>	<u>846,300</u>	<u>660,600</u>	<u>(185,700)</u>	<u>(21.94%)</u>
Total	(843,000)	(295,900)	(729,400)	(443,700)	285,700	(39.17%)
Maintenance	769,400	756,800	770,900	782,300	11,400	1.48%
COVID-19 Safe Restart Grant	-	(385,500)	-	(181,900)	(181,900)	100.00%
<b>Total</b>	<b>1,059,100</b>	<b>1,243,100</b>	<b>1,243,100</b>	<b>1,256,100</b>	<b>13,000</b>	<b>1.05%</b>

- COVID-19 related reductions in both budgeted expenditure and revenues.

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
	2019	2020	2020	2021	2021/2020	2021/2020
Golf Revenues	(1,577,600)	(1,658,000)	(1,549,900)	(1,659,000)	(109,100)	7.04%
Administration	246,400	137,000	238,400	218,300	(20,100)	(8.43%)
Pro Shop	73,500	73,400	74,000	76,000	2,000	2.70%
Food and Beverage						
Revenues	(662,800)	(61,400)	(451,200)	(229,500)	221,700	(49.14%)
Expenses	<u>704,100</u>	<u>154,000</u>	<u>478,700</u>	<u>318,300</u>	<u>(160,400)</u>	<u>(33.51%)</u>
Total	41,300	92,600	27,500	88,800	61,300	222.91%
Facility Maintenance	282,800	275,200	228,900	262,200	33,300	14.55%
Grounds Maintenance	977,600	1,029,300	1,008,800	1,019,100	10,300	1.02%
Contingency for One Time Savings due to Shutdown	-	119,100	119,100	-	(119,100)	100.00%
<b>Total</b>	<b>44,000</b>	<b>68,600</b>	<b>146,800</b>	<b>5,400</b>	<b>(141,400)</b>	<b>(96.32%)</b>

- Golf Revenues – more green free rounds played due to suspension of tournaments and other activities.
- Administration / Food and Beverage - COVID-19 related reductions in both budgeted expenditure and revenues.
- Facility Maintenance – resumption of operations post flood closure.

### 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
	2019	2020	2020	2021	2021/2020	2021/2020
Programming & Reception						
Revenues	(103,900)	(29,400)	(80,500)	(17,200)	63,300	(78.63%)
Expenses	<u>1,378,100</u>	<u>1,211,200</u>	<u>1,394,100</u>	<u>1,315,100</u>	<u>(79,000)</u>	<u>(5.67%)</u>
Total	1,274,200	1,181,800	1,313,600	1,297,900	(15,700)	(1.20%)
Programs						
Revenues	(2,522,200)	(1,043,100)	(2,382,700)	(1,162,700)	1,220,000	(51.20%)
Expenses	<u>1,867,300</u>	<u>997,800</u>	<u>1,887,600</u>	<u>973,000</u>	<u>(914,600)</u>	<u>(48.45%)</u>
Total	(654,900)	(45,300)	(495,100)	(189,700)	305,400	(61.68%)
Maintenance	1,346,200	1,280,000	1,344,800	1,331,200	(13,600)	(1.01%)
COVID-19 Safe Restart Grant	-	(253,200)	-	(240,700)	(240,700)	100.00%
<b>Total</b>	<b>1,965,500</b>	<b>2,163,300</b>	<b>2,163,300</b>	<b>2,198,700</b>	<b>35,400</b>	<b>1.64%</b>

- COVID-19 related reductions in both budgeted expenditure and revenues.



## 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
	2019	2020	2020	2021	2021/2020	2021/2020
Programming & Reception						
Revenues	(1,095,300)	(579,000)	(848,600)	(541,500)	307,100	(36.19%)
Expenses	<u>1,199,500</u>	<u>1,138,900</u>	<u>1,181,600</u>	<u>1,218,900</u>	<u>37,300</u>	<u>3.16%</u>
Total	104,200	559,900	333,000	677,400	344,400	103.42%
Programs						
Revenues	(920,400)	(429,300)	(709,700)	(428,400)	281,300	(39.64%)
Expenses	<u>636,700</u>	<u>367,400</u>	<u>487,800</u>	<u>340,900</u>	<u>(146,900)</u>	<u>(30.11%)</u>
Total	(283,700)	(61,900)	(221,900)	(87,500)	134,400	(60.57%)
Maintenance	1,634,700	1,452,500	1,629,700	1,732,300	102,600	6.30%
One Time Funding for Shutdown	-	(246,500)	(246,500)	(340,000)	(93,500)	100.00%
COVID-19 Safe Restart Grant	-	(209,700)	-	(485,800)	(485,800)	100.00%
<b>Total</b>	<b>1,455,200</b>	<b>1,494,300</b>	<b>1,494,300</b>	<b>1,496,400</b>	<b>2,100</b>	<b>0.14%</b>

- Programming & Reception – COVID-19 related reductions in both budgeted expenditure and revenues offset by resumption of Gold Arena operations for part of the year.
- Programs – COVID-19 related reductions in both budgeted expenditure and revenues.
- Maintenance – resumption of operations post Gold Arena closure and additional cleaning due to COVID-19.
- One Time Funding for Shutdown – appropriation of funds to offset any impact due to Gold Arena closure for part of 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
	2019	2020	2020	2021	2021/2020	2021/2020
Programming & Reception						
Revenues	(435,300)	(343,000)	(382,800)	(138,500)	244,300	(63.82%)
Expenses	<u>2,085,500</u>	<u>1,783,600</u>	<u>2,093,200</u>	<u>1,867,500</u>	<u>(225,700)</u>	<u>(10.78%)</u>
Total	1,650,200	1,440,600	1,710,400	1,729,000	18,600	1.09%
Programs						
Revenues	(4,783,700)	(1,622,400)	(4,536,900)	(2,021,700)	2,515,200	(55.44%)
Expenses	<u>3,876,300</u>	<u>2,037,000</u>	<u>3,976,400</u>	<u>2,264,300</u>	<u>(1,712,100)</u>	<u>(43.06%)</u>
Total	(907,400)	414,600	(560,500)	242,600	803,100	(143.28%)
Maintenance	2,287,500	2,085,300	2,467,600	2,480,600	13,000	0.53%
COVID-19 Safe Restart Grant	-	(323,000)	-	(789,900)	(789,900)	100.00%
<b>Total</b>	<b>3,030,300</b>	<b>3,617,500</b>	<b>3,617,500</b>	<b>3,662,300</b>	<b>44,800</b>	<b>1.24%</b>

- COVID-19 related reductions in both budgeted expenditure and revenues.

## Police Services

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

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

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

BUDGET SUMMARY	
<b>2021 Net Budget</b>	<b>\$ 37,357,900</b>
<b>2020 Net Budget</b>	<b>\$ 36,010,200</b>
<b>Net Change</b>	<b>\$ 1,347,700</b>
<b>Change by %</b>	<b>3.74%</b>
<b>2021 FTE</b>	<b>239.86</b>
<b>2020 FTE</b>	<b>237.78</b>
<b>FTE Change</b>	<b>2.08</b>
<b>FTE Change %</b>	<b>0.87%</b>

### CORE BUDGET

The Saanich Police Board 2021 net core budget is \$37,357,900 which represents a 3.74% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Executive Administration						
Revenues	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	-	0.00%
Expenses	5,071,000	5,110,400	5,268,600	5,554,300	285,700	5.42%
Total	3,571,000	3,610,400	3,768,600	4,054,300	285,700	7.58%
Staff Development	889,300	941,900	1,177,300	1,291,900	114,600	9.73%
General Administration	6,924,000	7,196,500	6,568,000	6,809,800	241,800	3.68%
Uniform Division	13,825,900	14,723,200	14,365,000	14,676,300	311,300	2.17%
Community Liaison	1,856,000	1,873,000	2,482,000	2,540,100	58,100	2.34%
Detectives	7,051,900	7,658,200	7,649,300	7,985,500	336,200	4.40%
<b>Total</b>	<b>34,118,100</b>	<b>36,003,200</b>	<b>36,010,200</b>	<b>37,357,900</b>	<b>1,347,700</b>	<b>3.74%</b>

- Traffic Fine revenues are received as an unconditional grant to defray the cost of police services
- Police budget was reduced by \$18,200 after Police Board submission to reflect Council's decision to move parking enforcement function from Police to Bylaw Enforcement under BBLL.

The complete [Saanich Police Board 2021 Provisional Budget](#) is available in appendix A and on the Saanich website. The provisional budget reflects a 3.82% increase and explains the changes between the two budget years prior to the decision to move parking enforcement to the Bylaw Enforcement section.

## Library, Grants and Economic Development

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

BUDGET SUMMARY	
<b>2021 Net Budget</b>	<b>\$ 7,494,500</b>
<b>2020 Net Budget</b>	<b>\$ 7,874,100</b>
<b>Net Change</b>	<b>\$ (379,600)</b>
<b>Change by %</b>	<b>-4.82%</b>
<b>FTE</b>	<b>n/a</b>

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

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

### 2021 Budget Challenges

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

### CORE BUDGET

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2019	2020	2020	2021	2021/2020	2021/2020
Library						
Greater Victoria Public Library	5,890,300	6,026,800	6,026,800	5,876,000	(150,800)	(2.50%)
Branch Libraries Lease and Maintenance	<u>328,700</u>	<u>281,300</u>	<u>285,300</u>	<u>286,500</u>	1,200	0.42%
Total	6,219,000	6,308,100	6,312,100	6,162,500	(149,600)	(2.37%)
Grants & Agreements						
Grants	559,800	530,900	559,900	559,900	-	0.00%
Swan Lake Christmas Hill Nature House	<u>387,600</u>	<u>387,600</u>	<u>387,600</u>	<u>387,600</u>	-	0.00%
Total	947,400	918,500	947,500	947,500	-	0.00%
Economic Development						
MRD Tax (Tourism)	457,800	165,500	430,000	200,000	(230,000)	(53.49%)
South Island Prosperity Partnership	<u>184,500</u>	<u>184,500</u>	<u>184,500</u>	<u>184,500</u>	-	0.00%
Total	642,300	350,000	614,500	384,500	(230,000)	(37.43%)
<b>Total</b>	<b>7,808,700</b>	<b>7,576,600</b>	<b>7,874,100</b>	<b>7,494,500</b>	<b>(379,600)</b>	<b>(4.82%)</b>

- Greater Victoria Public Library – reduced expenses in 2021 that reflect COVID-19 service levels.
- MRD Tax (Tourism) – All hotel tax revenues from both online accommodation platforms and regular hotels are transferred on to Destination Greater Victoria as per agreement to promote more tourism.

The complete [Greater Victoria Public Library Budget](#) is available 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 \$36 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 2020 budget
2. A maximum 0.76% property tax allocation to IT and Facility infrastructure replacement
3. A 0.24% property tax allocation to the Facilities Major Repair & Replacement Reserve
4. A 0.46% property tax allocation to fund municipal portion of the DCC program.
5. A 0.20% property tax allocation to fund new Parks Washroom Capital Plan.
6. Council debt management policy
7. All figures shown in 2021 dollars – no inflation allowance

Budgeted Expenditures			Budget	Budget
	2020 Projects In Progress	2021 Capital Projects	Total 2021	2020
Vehicles, Equipment & Technology	9,120,500	11,791,400	20,911,900	18,945,200
Land Acquisition	-	4,150,000	4,150,000	2,500,000
Transportation	17,875,500	11,014,400	28,889,900	26,822,700
Drainage	11,328,400	9,295,400	20,623,800	24,695,900
Parks	3,549,100	4,500,500	8,049,600	5,653,000
Recreation & Community Services	11,729,000	16,937,500	28,666,500	18,195,600
	<b>53,602,500</b>	<b>57,689,200</b>	<b>111,291,700</b>	<b>96,812,400</b>
Source of Funding			Budget	Budget
	2020 Projects In Progress	2021 Capital Projects	Total 2021	2020
General Operating (Core Capital)	-	17,288,200	17,288,200	14,058,700
General Capital Reserves	11,593,600	20,648,000	32,241,600	23,802,600
Gas Tax Reserve	7,899,300	4,930,000	12,829,300	12,985,700
Capital Carryforward Reserve	22,773,000	1,350,000	24,123,000	20,236,400
Lands Sale Reserve	-	650,000	650,000	1,000,000
Development Cost Charges	1,914,400	2,870,800	4,785,200	4,946,900
Equipment Replacement Reserve	2,936,800	3,422,700	6,359,500	4,164,700
Grants & Contributions	2,940,400	1,320,000	4,260,400	3,471,300
Borrowing	3,545,000	5,209,500	8,754,500	12,146,100
	<b>53,602,500</b>	<b>57,689,200</b>	<b>111,291,700</b>	<b>96,812,400</b>

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

## Five Year General Capital Projection

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

Description of Program	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Notes:
<b>Vehicles, Equipment &amp; Technology</b>						
Police	1,114,700	1,125,200	1,135,700	1,146,400	1,157,300	1
Fire	865,000	2,180,000	1,830,000	345,000	1,180,000	
Emergency Program	120,000	15,000	35,000	-	-	
Fleet Replacement	2,447,600	1,536,400	1,430,200	1,032,000	5,802,200	
Engineering	67,400	-	17,300	-	-	
Parks & Recreation	346,000	238,700	389,500	374,900	214,300	2
Information Technology	6,830,700	5,699,600	7,206,300	7,170,500	4,762,900	
	<b>11,791,400</b>	<b>10,794,900</b>	<b>12,044,000</b>	<b>10,068,800</b>	<b>13,116,700</b>	
<b>Land Acquisition</b>	<b>4,150,000</b>	<b>700,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	3
<b>Transportation</b>						
Complete Streets	2,059,000	6,650,000	9,941,000	7,350,000	5,600,000	1
Roads Improvement (includes sidewalk and bikeways components)	7,380,400	6,296,300	6,296,300	6,696,200	6,296,200	
Bus Stops Improvement	205,000	205,000	205,000	205,000	205,000	5
Street Lights/Traffic Signals Improvement	900,000	900,000	900,000	900,000	900,000	
Bridges Repair / Replacement	320,000	120,000	120,000	120,000	120,000	1
Studies, Design & Other	150,000	656,400	624,400	794,500	715,500	6
	<b>11,014,400</b>	<b>14,827,700</b>	<b>18,086,700</b>	<b>16,065,700</b>	<b>13,836,700</b>	
<b>Drainage</b>						
Wood Stave Replacement	-	3,720,000	1,002,000	619,000	247,000	5
Sub-standard Drain Replacement	5,033,000	6,936,000	8,100,000	5,003,000	5,738,000	
Service Connection Replacement	75,000	75,000	75,000	75,000	75,000	
Other	1,005,400	785,000	1,310,000	1,528,000	1,555,000	
Transfer to Capital Reserve	3,182,000	-	-	400,000	-	
	<b>9,295,400</b>	<b>11,516,000</b>	<b>10,487,000</b>	<b>7,625,000</b>	<b>7,615,000</b>	
<b>Sub Total</b>	<b>36,251,200</b>	<b>37,838,600</b>	<b>41,117,700</b>	<b>34,259,500</b>	<b>35,068,400</b>	

Notes:

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

## Five Year General Capital Projection (Continued)

Description of Program	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Notes:
<b>Parks</b>						
Playground Replacement	743,000	75,000	74,000	374,000	749,000	1
Sports Field & Hard Court Replacement	170,000	320,000	360,000	310,000	350,000	
Parking Replacement	-	374,300	100,000	-	-	
Irrigation Replacement	150,000	75,000	82,400	30,000	30,000	
Bridges & Structures Replacement	269,000	249,000	234,000	234,000	234,000	
Trails Replacement	284,700	249,800	209,800	349,800	194,800	
Buildings & Washroom Replacement and Addition	551,500	55,000	265,000	250,000	300,000	
Park Infrastructure Replacement	220,000	1,150,000	1,185,000	564,000	649,500	
Natural Areas and Urban Forestry	620,200	570,600	605,600	615,600	565,600	
Other	1,492,100	1,116,000	1,152,200	1,491,900	1,319,000	
	<b>4,500,500</b>	<b>4,234,700</b>	<b>4,268,000</b>	<b>4,219,300</b>	<b>4,391,900</b>	
<b>Recreation &amp; Community Facilities</b>						
Electrical	463,000	-	455,700	-	-	1
Mechanical	4,593,800	20,000	260,000	702,500	20,000	
HVAC	120,000	1,171,900	351,000	-	-	
Building Envelope	387,100	904,400	843,200	1,535,000	2,628,000	
Building Interior	1,058,000	249,000	895,000	607,000	357,000	
Parking, Signage & Grounds	55,000	20,000	95,000	20,000	145,000	
Building Replacement	8,112,800	16,282,900	9,045,700	32,063,500	36,386,700	
Transfer to Major Facilities Repair & Future Replacement Reserve	1,492,000	1,819,000	2,146,000	2,473,000	2,800,000	
Planning & Other	655,800	1,168,000	661,500	765,000	745,600	
	<b>16,937,500</b>	<b>21,635,200</b>	<b>14,753,100</b>	<b>38,166,000</b>	<b>43,082,300</b>	
<b>Grand Total</b>	<b>57,689,200</b>	<b>63,708,500</b>	<b>60,138,800</b>	<b>76,644,800</b>	<b>82,542,600</b>	

Notes:

1 – Based on age and condition assessment

## Vehicles, Equipment and Technology

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

Ensuring that there are sufficient funds to replace these items as they complete their useful life is of primary concern. We will need to investigate if existing equipment are required to be replaced in the future and ensure that all major equipment and technology purchased have adequate funds set aside in a reserve for future replacement.

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

## Police Vehicles, Equipment and Technology

Police Services	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Grants & Other	2021
<b>REPLACEMENTS</b>					
Vehicles	276,000	79,400	132,000		487,400
Computer Hardware and Software	23,600		350,000		373,600
Office Equipment	40,000				40,000
Investigative Equipment	96,600				96,600
Officer & Public Safety Equipment	76,500		120,000		196,500
<b>Subtotal</b>	<b>512,700</b>	<b>79,400</b>	<b>602,000</b>	<b>-</b>	<b>1,194,100</b>
<b>NEW INITIATIVES</b>					
Security Fencing			218,000		218,000
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>218,000</b>	<b>-</b>	<b>218,000</b>
<b>Total</b>	<b>512,700</b>	<b>79,400</b>	<b>820,000</b>	<b>-</b>	<b>1,412,100</b>

## Fire Vehicles, Equipment and Technology

Fire Protection	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2021
<b>REPLACEMENTS</b>					
Shop Fume Hood			12,200		12,200
Pickups Replacement			78,000		78,000
Mini Van Replacement			35,000		35,000
Ladder 1 Refurbishment			17,800		17,800
Ladder 3 Refurbishment			15,800		15,800
Drone			65,000		65,000
Engine 2 Refurbishment			50,000		50,000
Water Tanker			750,000		750,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,023,800</b>	<b>-</b>	<b>1,023,800</b>



## Emergency Program

Emergency Program	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2021
<b>REPLACEMENTS</b>					
EOC Improvements			120,000		120,000
<b>Total</b>	-	-	120,000	-	120,000

## Fleet Vehicles

The Fleet division has developed a long term vehicle replacement program for over 250 vehicles to stabilize the costs of replacement from year to year. An equipment replacement reserve is funded by annual contributions of approximately \$1,195,000 from the Fleet Division.

Vehicle Equipment Replacement Program	Source of Funds			Budget
	Core	Capital Carryover	Reserves	2021
<b>REPLACEMENTS</b>				
Fleet Vehicle Replacements			4,686,100	4,686,100
Refuse Truck Arm Replacement			230,000	230,000
<b>Subtotal</b>	-	-	4,916,100	4,916,100
<b>NEW INITIATIVES</b>				
Trailer for Street Operations			77,000	77,000
Electric Vehicles (3)			150,000	150,000
<b>Subtotal</b>	-	-	227,000	227,000
<b>Total</b>	-	-	5,143,100	5,143,100

2020 and prior vehicles yet to be received include nine  $\frac{3}{4}$  ton pickups, seven  $\frac{1}{2}$  ton pickups, one 10 yard refuse packer, seven 1 ton flatdecks, two custom vehicles, one flail mower, and five trailers.

Vehicles to be purchased in 2021 include three electric, six  $\frac{1}{2}$ ton pickups, three  $\frac{3}{4}$  ton pickups, one 1 ton flatdeck, six 2 to 3 ton flatdeck, one tractor, one backhoe and two sewer flush vehicles.

## Printroom

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2021
<b>REPLACEMENTS</b>					
Municipal Hall Equipment		48,000			48,000
<b>Total</b>	-	48,000	-	-	48,000

Multifunction printer and an Insert Folder.

## 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	2021
<b>REPLACEMENTS</b>					
Golf Course Equipment Replacement				59,500	59,500
Recreation Equipment Replacement			215,100		215,100
Parks Equipment Replacement	151,800	133,600			285,400
<b>Total</b>	<b>151,800</b>	<b>133,600</b>	<b>215,100</b>	<b>59,500</b>	<b>560,000</b>

Golf Course equipment to be replaced includes one blower, one tractor, one irrigation cart and furnishings for the Clubhouse.

Recreation equipment to be replaced include seven cross trainers, six stair climbers, fourteen spin bikes, one rower, six treadmills, four motion trainers, two elliptical trainers and one arc trainer.

## Engineering Equipment

Replacement of equipment for Engineering Services.

Equipment Replacement	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2021
<b>REPLACEMENTS</b>					
Slide in Hot Box			80,000		80,000
Drum Roller			67,400		67,400
<b>Total</b>	<b>-</b>	<b>-</b>	<b>147,400</b>	<b>-</b>	<b>147,400</b>

## Land Acquisition

The District acquires land mainly for parkland and open space use but also for corporate use. Majority of land to be purchased are already predetermined in the adopted OCP for local parks and in the DCC program for future park and open space expansion.

Land Acquisition	Source of Funds				Budget
	Core	DCC	Reserves	Borrowing	2021
<b>NEW INITIATIVES</b>					
Land Acquisition Contingency		1,500,000	2,650,000		4,150,000
<b>Total</b>	<b>-</b>	<b>1,500,000</b>	<b>2,650,000</b>	<b>-</b>	<b>4,150,000</b>

## Information Technology

Hardware and software replacement including project implementation costs.

Information Technology	Source of Funds			Budget
	Core	Capital Carryover	Reserves	2021
<b>REPLACEMENTS</b>				
<b>Business Systems:</b>				
Tempest Ongoing Upgrade			218,500	218,500
JDE Ongoing Upgrade			954,300	954,300
Fire Dispatch Upgrade			182,200	182,200
911 Next Generation			200,000	200,000
Traffic Signal System			146,300	146,300
Ortho Photo Update		27,900	22,100	50,000
GIS Upgrade			234,000	234,000
Webcasting			50,000	50,000
Emerging Priorities			139,100	139,100
<b>IT Infrastructure:</b>				
Desktop Environment Refresh			1,695,500	1,695,500
Directory Services Upgrade			786,900	786,900
Servers Upgrade			424,700	424,700
Infrastructure Upgrade			328,000	328,000
Network Upgrade			72,700	72,700
Phone Enhancement			692,700	692,700
Printers Implementation			583,400	583,400
Audio Visual Equipment Replacement			265,000	265,000
Divisional Capital	54,000			54,000
Transfer to Computer Hardware and Software Reserve	1,622,600			1,622,600
Emerging Priorities			192,600	192,600
<b>Subtotal</b>	<b>1,676,600</b>	<b>27,900</b>	<b>7,188,000</b>	<b>8,892,500</b>
<b>New Initiatives</b>				
<b>Business Systems:</b>				
Tempest - My City			133,300	133,300
Parking Ticket Module Implementation			50,000	50,000
Fire Staffing Software (Continuing)		151,400		151,400
Budgeting Software (Continuing)			342,800	342,800
Council Agenda Management		50,000	600,000	650,000
Council Technology Refresh			100,000	100,000
Council Chamber Teams Technology Upgrade			75,000	75,000
Teams Technology Expansion			400,000	400,000
HR/OHS Implementation			692,200	692,200
Minor Projects		168,600	210,400	379,000
Emerging Priorities			112,100	112,100
<b>IT Infrastructure:</b>				
Servers (Disaster Recovery, Storage Security)			200,000	200,000
Privacy Policy Project (Continuing)			78,100	78,100
Cell Phone Contract			301,500	301,500
Minor Projects			49,600	49,600
<b>Subtotal</b>	<b>-</b>	<b>370,000</b>	<b>3,345,000</b>	<b>3,715,000</b>
<b>Total</b>	<b>1,676,600</b>	<b>397,900</b>	<b>10,533,000</b>	<b>12,607,500</b>

## Transportation

Saanich transportation infrastructure includes 178 km of major or collector roads, 370 km of residential roads, 151 km of bike lanes, 286 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	2021
<b>REPLACEMENTS</b>								
<b>Roads:</b>								
Minor Projects	38,700	36,300		333,400				408,400
Pavement Renewal Program			1,627,400	245,000	372,600		500,000	2,745,000
<b>Sidewalks:</b>								
Minor Projects	56,900	18,100		118,400	50,000			243,400
Sidewalk Rehabilitation Program	300,000			238,400				538,400
<b>Bridges</b>								
Bridge Repair & Replacement	120,000			185,300				305,300
Bridge Condition Assessment			200,000					200,000
Design Durrance Rd Bridge			100,000	100,000				200,000
Durrance Road Bridge Replacement			900,000					900,000
<b>Bus Stops, Signals, Street Lights:</b>								
Traffic Signal Assessment and Timing Updates			200,000	49,900				249,900
Street Light Program (LED Upgrade)	250,000						300,000	550,000
<b>Subtotal</b>	<b>765,600</b>	<b>54,400</b>	<b>3,027,400</b>	<b>1,270,400</b>	<b>422,600</b>	<b>-</b>	<b>800,000</b>	<b>6,340,400</b>
<b>MIX OF REPLACEMENT AND CAPACITY BUILDING</b>								
<b>Complete Streets:</b>								
Shelbourne Street Improvement Project	150,000	1,242,000	3,419,600	909,900		1,091,500		6,813,000
Design & Investigation of West Saanich/Propsect Lake/Sparton Intersection			2,537,200	49,700				2,586,900
Wilkinson Interurban Intersection Review		135,500	423,500					559,000
McKenzie Ave Corridor Planning Study	150,000							150,000
Gorge (Admirals to Tillicum)			700,000					700,000
Wilkinson Road (Greenlea to Quick's Bottom Pk Trail)					450,000			450,000
Sinclair Road Improvements Design			70,000	100,000	130,300			300,300
<b>Roads:</b>								
Minor Projects	38,700	84,700	51,600	168,000				343,000
Crosswalk Installation Program	250,000			299,800		6,000		555,800
Active and Safe Route to School Plans Implementation	150,000			197,000				347,000
Transportation Emerging Priorities	139,400			274,100	100,000			513,500
Mount Doug Shoreline				225,000				225,000
<b>Sidewalks:</b>								
Lucas Ave Sidewalk Upgrade				100,000				100,000
Gordon Head Road (3912 to Cedar Hill X)				369,000				369,000
Sidewalk Installation Program	694,700	371,300	1,000,000	770,700	405,200		2,700,000	5,941,900
<b>Bikeways Improvements:</b>								
Cycling Infrastructure Program	650,000			141,300				791,300
Larchwood Bike Lane				103,300				103,300
<b>Bus Stops, Signals, Street Lights:</b>								
Minor Projects	50,000			120,300	128,100			298,400
Intersections and Traffic Signal Program	214,600	230,600		263,000				708,200
Transit Infrastructure Improvement Program	96,000	94,000		388,900	15,000			593,900
<b>Other:</b>								
Transfer to Transportation DCC Assist Reserve	100,000							100,000
<b>Subtotal</b>	<b>2,683,400</b>	<b>2,158,100</b>	<b>8,201,900</b>	<b>4,480,000</b>	<b>1,228,600</b>	<b>1,097,500</b>	<b>2,700,000</b>	<b>22,549,500</b>
<b>Total</b>	<b>3,449,000</b>	<b>2,212,500</b>	<b>11,229,300</b>	<b>5,750,400</b>	<b>1,651,200</b>	<b>1,097,500</b>	<b>3,500,000</b>	<b>28,889,900</b>

## Drainage

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

Engineering's asset replacement strategy remains focussed on the remaining two kilometres of large diameter wood stave pipe, with 500 metres set for replacement in 2021 and a kilometer section upstream of Douglas Creek planned for 2022/2023 budget year. Our second priority is addressing substandard drains, many of which are pipes in our inventory as a result of historical, unregulated ditch enclosures.

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

Drainage	Source of Funds						Budget
	Core	DCC	Gas Tax	Capital Carryover	Reserves	Borrowing	2021
<b>REPLACEMENTS</b>							
<b>Wood Stave Replacement:</b>							
Culduthel / Boleskine				416,100			416,100
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				660,000			660,000
<b>Sub-standard Drain Replacement:</b>							
Minor Projects	158,000			120,100			278,100
Shelbourne Street Improvement Project	82,000	133,700		971,900			1,187,600
Vanalman (Commerce Circle to Mann)				358,100			358,100
Inlet (2833 to Admirals)			400,000	50,000	390,000		840,000
Gorge Drainage Improvements		446,700		363,400	130,800	1,250,000	2,190,900
Gorgeview - Gorge to Vincent				287,500			287,500
Orillia - Hampton to Burnside				210,000			210,000
Obed - Harriett to Wascana				140,000	185,000		325,000
Regina - Tillicum to Wascana				198,400			198,400
Walter - Bodega to Tillicum (& 2 SRWs)				240,000			240,000
Adelaide Ave - 2823 Adelaide to Cowper				258,000		300,000	558,000
Battleford Ave, 85 to 171 Battleford Ave	20,000					400,000	420,000
Crease Ave, 165 to 230 Crease Ave, and 236 to 270 Crease Ave including branch (DGM001316) in Seaton St	225,000					400,000	625,000
Dumeresq St, 505 Dumeresq St to Raymond St S	52,000					200,000	252,000
Sinclair Rd, Haro Rd to Hobbs St			328,000	302,000			630,000
Tattersall Dr, 1149 Tattersall Dr to Salisbury Way	95,000					500,000	595,000
Taylor St, Dean Ave to Foul Bay Rd	33,000					300,000	333,000
Vanalman Ave; 636 to 648 Vanalman Ave including SRW to Ridgewood Cres, 619 to 629 Vanalman Ave including SRW to Ridgewood Cres, and 652 Vanalman Ave to Colquitz Creek			872,000				872,000
Wascana St-Burnside Rd to Hampton Rd				490,000			490,000
Emerging Priorities				618,600	100,000		718,600
<b>Other Programs:</b>							
Drain House Connection Replacement	75,000			161,400			236,400
Waterway Restoration Projects	95,000			72,400			167,400
Storm Drainage Model Development	-	328,400		442,300			770,700
CCTV Inspection & Assessment	100,000			241,100			341,100
Infrastructure Assessment & Testing	100,000						100,000
Drainage Planning & Asset Mgmt Initiatives	-			550,000			550,000
Detailed Design Capital Projects	-			850,900			850,900
<b>Total</b>	<b>1,035,000</b>	<b>908,800</b>	<b>1,600,000</b>	<b>8,842,200</b>	<b>805,800</b>	<b>3,350,000</b>	<b>16,541,800</b>
<b>RESERVE TRANSFERS</b>							
Transfer to Capital Reserve Fund	3,182,000			900,000			4,082,000
<b>Total</b>	<b>3,182,000</b>	<b>-</b>	<b>-</b>	<b>900,000</b>	<b>-</b>	<b>-</b>	<b>4,082,000</b>

## Park and Trail Structures

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

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

Parks	Source of Funds						Budget
	Core	DCC	Capital Carryover	Reserves	Grants & Other	Borrowing	2021
<b>REPLACEMENTS</b>							
Minor Projects & Emerging Priorities	638,500		505,100	55,000		70,000	1,268,600
Playground Safety/Accessibility Improvements			244,400			100,000	344,400
Playground Program Minor Projects	68,000						68,000
Wedgewood Tennis Court			82,300			100,000	182,300
Allenby Playground	50,000					250,000	300,000
Hampton Park (parking and pathway)			50,000			325,000	375,000
Various Irrigation Projects			243,500				243,500
Irrigation and Landscaping Program	150,000						150,000
Bridges, Structures and Furnishings Program	269,000		173,500				442,500
Signage Program	82,300	26,300	84,500				193,100
Trails Program	125,000	9,700	65,300			175,000	375,000
Buildings			60,600			75,000	135,600
Mount Douglas - Creek, Trail Rebuilding & Bridge				250,000	25,000		275,000
McMinn Park - Complete Park Project Phase II			120,900			200,000	320,900
Normandy Playground Replacement						175,000	175,000
Rutledge Playground Replacement	50,000					150,000	200,000
Field Renovations	25,000					75,000	100,000
Playfair Park Washroom Replacement	151,100	48,400				50,000	249,500
Cedar Hill Park Derby Rd Connector	50,000					100,000	150,000
Park Renewal Program (CH Park)			123,500				123,500
Cuthbert Homes Management Plan				414,500			414,500
Horticulture Islands & Streetscapes	90,000	10,200	20,800				121,000
Natural Areas	185,000		165,500				350,500
Urban Forestry	260,000			75,000			335,000
Parks Master Plan			100,000				100,000
<b>Subtotal</b>	<b>2,193,900</b>	<b>94,600</b>	<b>2,039,900</b>	<b>794,500</b>	<b>25,000</b>	<b>1,845,000</b>	<b>6,992,900</b>
<b>NEW INITIATIVES</b>							
Youth Park		69,300	225,400				294,700
Rutledge Park Washroom Addition	262,000						262,000
Transfer to Park DCC Assist Reserve	500,000						500,000
<b>Subtotal</b>	<b>762,000</b>	<b>69,300</b>	<b>225,400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,056,700</b>
<b>Total</b>	<b>2,955,900</b>	<b>163,900</b>	<b>2,265,300</b>	<b>794,500</b>	<b>25,000</b>	<b>1,845,000</b>	<b>8,049,600</b>

## Community and Recreation Facilities

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

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

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

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

Community Facilities	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Grants & Other	2021
<b>REPLACEMENTS</b>					
Pearkes - Ice Slab Remediation	650,000		1,968,700		2,618,700
Blanshard Interior Renovation & Hall/Annex Retrofit		276,100	293,000		569,100
Facilities Roof Replacement	284,100	638,700			922,800
SCP - Replace Mechanical Systems - Phases 1A & 1B		49,800	2,697,500	3,071,600	5,818,900
Fire Hall #1 - Kitchen/Barracks Upgrade		359,200			359,200
Public Safety - RTU Replacement		506,000			506,000
Saanich Operation Centre Redevelopment			1,976,100		1,976,100
Fire Hall #3 - Renovation		446,300			446,300
GHRC - North Envelope Rehabilitation & Expansion		636,500	466,200		1,102,700
All Facilities - Energy Management	150,000				150,000
CHGC - Clubhouse Remediation	103,000	9,800			112,800
SCP - Electrical Main Distribution Replacement	463,000	152,600			615,600
Public Safety Lighting Replacement		127,200			127,200
Pearkes - Elevator Replacement	352,000	510,000		50,000	912,000
Fire Hall #2 - Redevelopment			7,499,800		7,499,800
Minor Projects & Emerging Priorities	75,000	313,500	293,200	16,300	698,000
<b>Total</b>	<b>2,077,100</b>	<b>4,025,700</b>	<b>15,194,500</b>	<b>3,137,900</b>	<b>24,435,200</b>
<b>RESERVE TRANSFERS</b>					
Major Facilities Repair & Future Replacement Reserve	1,492,000				1,492,000
<b>Total</b>	<b>1,492,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,492,000</b>

## Recreation Facilities

Recreation	Source of Funds			Budget
	Core	Capital Carryover	Reserves	2021
<b>REPLACEMENTS</b>				
CHRC - Minor Facility Renovations	90,000	54,100		144,100
CHRC - Ceramics Studio Storage		40,200	57,700	97,900
CHRC - Ceramics Ventilation		128,100		128,100
CHRC - Blaauw Kiln		75,000		75,000
SCP - Minor Facility Renovations	57,000	59,100		116,100
SCP - Air Conditioning for Boiler Project	154,300	328,700		483,000
GHRC - Minor Facility Renovations	30,000		12,000	42,000
GHRC - Minor Facility Renovations		56,800		56,800
GHRC - Pool Acoustic Tiles (Main Pool)		87,200		87,200
GHRC - Pool "Pod" Elevator into Main Tank			60,000	60,000
GHRC - Feltham Room Renovation	100,000			100,000
Pearkes - Minor Facility Renovations	125,000	64,900		189,900
Pearkes - Electrical Upgrade		135,000		135,000
Pearkes - Field House Curtain System Replacement			125,000	125,000
Pearkes - Ice Rink Improvements		71,700		71,700
Pearkes - Score Clock Replacements		55,000		55,000
Pearkes - Parking Lot / Courtyard Redesign		75,000		75,000
CHGC - Building and Grounds	10,000	45,900		55,900
CHGC - Parking Lot Resurfacing		54,400		54,400
CHGC - Maintenance Building Renovations		61,900		61,900
CHGC - Clubhouse Building Improvements	89,400			89,400
CHGC - Clubhouse Office Renovation	21,600			21,600
Emerging Priorities		52,000		52,000
<b>Subtotal</b>	<b>677,300</b>	<b>1,445,000</b>	<b>254,700</b>	<b>2,377,000</b>
<b>NEW INITIATIVES</b>				
Exterior Digital Signs	45,000	225,000		270,000
Recreation - Project Management	33,800	58,500		92,300
<b>Subtotal</b>	<b>78,800</b>	<b>283,500</b>	<b>-</b>	<b>362,300</b>
<b>Total</b>	<b>756,100</b>	<b>1,728,500</b>	<b>254,700</b>	<b>2,739,300</b>



## Water Utility Fund

The Water Utility system is comprised of over 550 km of water mains and four (4) reservoirs. Bulk water is purchased from the Capital Regional District and then 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	
<b>2021 Utility Charges</b>	<b>\$ 23,474,000</b>
<b>2020 Utility Charges</b>	<b>\$ 23,525,500</b>
<b>Net Change</b>	<b>\$ (51,500)</b>
<b>Change by %</b>	<b>-0.22%</b>
<b>2021 FTE</b>	<b>51.96</b>
<b>2020 FTE</b>	<b>51.94</b>
<b>FTE Change</b>	<b>0.02</b>
<b>FTE Change %</b>	<b>0.04%</b>

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

### 2021 BUDGET CHALLENGES

- Continue to adjust available staff resources to complete key maintenance and operational programs during the Covid-19 pandemic.
- Human resource capacity (rolling vacancies and outstanding 2020 resource requests)
- Procurement capacity challenges continue to limit access to the open market to procure construction services, professional services and custom manufactured materials. This contributes to the delay in project implementation and the capital budget carry forward amounts represented in the Financial Plan.

### 2021 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. Transfer operating of new water reservoir at Hartland into Saanich water system network.

#### Priority Departmental Initiatives include:

- Continue replacement of assets to maintain service
- Complete water supply Master Plan update
- Pilot water meter product(s) in preparation for product selection for new meter replacement program. Begin implementation of meter replacement program.

**CORE BUDGET**

The 2021 gross budget of \$39,097,500 represents a 5.40% increase in gross expenditures over prior year, including a net capital program of \$8,495,000. Water revenues are projected to decrease to \$23,474,000 or 0.22%.

<b>Net Budget By Object</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>% Change</b>
<b>EXPENDITURES</b>	<b>2019</b>	<b>2020</b>	<b>2020</b>	<b>2021</b>	<b>2021/2020</b>
Personnel	3,058,700	2,891,700	2,938,500	3,044,800	3.62%
Goods and Services	10,955,700	10,534,600	10,558,800	10,931,700	3.53%
Overheads and Transfers	1,663,800	1,936,100	2,603,000	7,815,500	200.25%
Gross Capital Program	18,058,600	19,672,200	20,992,700	17,305,500	(17.56%)
<b>Total</b>	<b>33,736,800</b>	<b>35,034,600</b>	<b>37,093,000</b>	<b>39,097,500</b>	<b>5.40%</b>
<b>REVENUES AND RECOVERIES</b>					
Utility Charges	(21,814,800)	(22,084,500)	(23,525,500)	(23,474,000)	(0.22%)
Non-Tax Revenues	(154,600)	(407,700)	(493,100)	(412,700)	(16.31%)
COVID-19 Safe Restart Grant	-	(788,500)	-	(720,000)	100.00%
Surplus Appropriation	(250,000)	(250,000)	(250,000)	(250,000)	0.00%
DCC Contribution	-	-	(1,271,200)	(537,700)	(57.70%)
Transfer from Reserves	(10,169,300)	(11,503,900)	(11,553,200)	(13,703,100)	18.61%
<b>Total</b>	<b>(32,388,700)</b>	<b>(35,034,600)</b>	<b>(37,093,000)</b>	<b>(39,097,500)</b>	<b>5.40%</b>
<b>NET OPERATIONS</b>	<b>1,348,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

- Personnel – wage increment and new asset maintenance.
- 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 2020 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
	2019	2020	2020	2021	2021/2020	2021/2020
General Administration	1,663,800	1,890,200	1,864,700	1,965,000	100,300	5.38%
Field Operations	1,001,500	975,700	923,300	977,500	54,200	5.87%
Water Purchases	9,788,300	9,458,400	9,440,000	9,750,000	310,000	3.28%
Waterline Repairs	1,023,800	1,020,300	906,200	960,100	53,900	5.95%
Pump Station Maintenance	750,500	747,400	806,000	808,200	2,200	0.27%
Hydrant Maintenance	127,500	136,100	200,900	204,500	3,600	1.79%
Valve Maintenance	284,700	279,600	337,700	342,600	4,900	1.45%
Meter Repairs/Replacements	358,100	322,500	352,400	357,100	4,700	1.33%
Water Quality & Other Program	525,400	375,000	375,900	384,000	8,100	2.15%
Contingency	-	-	400,000	400,000	-	0.00%
Net Capital Program	7,889,300	8,168,300	8,168,300	8,495,000	326,700	4.00%
<b>Total</b>	<b>23,412,900</b>	<b>23,373,500</b>	<b>23,775,400</b>	<b>24,644,000</b>	<b>868,600</b>	<b>3.65%</b>

- General Administration – Water Utility share of credit card collection fees.
- Field Operations - non-discretionary materials costs.
- Water Purchases – increase in cost of water purchase from the CRD. CRD rates increased by 2.58% over prior year.
- Waterline Repairs – non-discretionary materials costs.
- Net Capital Program – construction inflation increase.

## Five Year Water Capital Projection

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

Engineering's asset replacement strategy remains focussed on renewal of the oldest mains and those mains made of asbestos cement or cast iron where condition is driving replacement need. The capital program also continues to build a robust system to meet fire flow demands. In the coming year, staff are continuing to plan for a water meter replacement program across the municipality. Much of the meter inventory components are obsolete and an updated system is needed to replace it in the near term. An updated Water System Master Plan is underway in 2021.

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

Description of Program	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Notes:
<b>Water Capital</b>						
Asbestos Cement & Cast Iron Main Replacement	7,153,000	7,563,000	7,548,000	5,456,000	5,297,000	1
Valves	-	-	250,000	1,000,000	500,000	2
Pump Station Replacement	-	-	-	1,500,000	-	3
Meter Replacement	1,050,000	1,100,000	1,550,000	1,700,000	2,000,000	
Service Connection Replacement	75,000	75,000	100,000	100,000	100,000	
Hydrant Replacement	60,000	60,000	30,000	30,000	30,000	
Other	404,700	1,485,000	1,440,000	1,300,000	1,291,000	
Transfer to Capital Reserve	2,544,000	1,222,000	650,000	-	750,000	
	<b>11,286,700</b>	<b>11,505,000</b>	<b>11,568,000</b>	<b>11,086,000</b>	<b>9,968,000</b>	

Notes:

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

## WATER CAPITAL

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

Water Utility	Source of Funds				Budget
	Core	DCC	Capital Carryover	Reserves	2021
<b>REPLACEMENTS</b>					
<b>Asbestos Cement &amp; Cast Iron Main</b>					
Minor Projects		45,800	263,100		308,900
Inlet Ave (Gorge Rd W to Admirals Rd)			650,000		650,000
Gorgeview Dr, Gorge Rd W to Vincent Ave			254,300		254,300
Orillia St, Burnside Rd W to Hampton Rd			212,500		212,500
Vernon (Nigel Avenue to 894 Vernon)			210,000		210,000
Regina Ave, 240 Regina Ave to Wascana St			232,800		232,800
Mann Ave, Vanalman Ave, and Parkridge St			878,800	160,700	1,039,500
Falmouth Rd - Phase 2			501,100		501,100
Shelbourne Street Improvement Phase 1 Construction		81,200	1,495,200		1,576,400
Browning St, Derby Rd to Knight Ave	332,000				332,000
Clovelly Terr, Cook St to Clovelly Crt	448,000				448,000
Earlston Ave, Cedar Hill Rd to End	234,000				234,000
Elliston Ave, Tattersall Dr to 3548 Elliston	325,000				325,000
Forrester St, Richmond Rd to 1924 Forrester St	308,000				308,000
Majestic Dr, Hawthorne St to Ash Rd	770,000				770,000
Palo Alto St, Cedar Hill X Rd to Kisber Ave	247,000				247,000
Quadra St - Cook to Holmes	496,000				496,000
Sinclair Rd, Finnerty Rd to Cadboro Bay	268,000		1,500,000		1,768,000
Torquay Dr, San Juan Ave to Ash Rd	106,000		1,000,000		1,106,000
Vanalman Ave; 636 to 648 Vanalman Ave	241,000				241,000
Vernon Ave, Nigel Ave to Saanich Rd	136,000	264,000			400,000
Walema Ave, Cordova Bay Rd to Beryl Rd	231,000				231,000
Winston Cres, Falmouth Rd to Leslie Dr	247,000				247,000
Emerging Priorities			778,100		778,100
<b>Pump Stations:</b>					
Large Meter & Pump Motor Replacment	50,000		173,500		223,500
Pump Station / PRV Replacement			750,000		750,000
<b>Other Programs:</b>					
Minor Projects	312,000	55,400	158,800		526,200
Meter Replacements	1,000,000				1,000,000
Shelbourne Street Improvement Phase 2 Design		91,300	195,200		286,500
Unidirectional Flushing Program Development			175,400		175,400
Detailed Design Capital Projects			768,500		768,500
Water System Planning & Asset Management Initiatives	200,000		295,000		495,000
Zone Metering & Meter Replacement Study			163,800		163,800
<b>Total</b>	<b>5,951,000</b>	<b>537,700</b>	<b>10,656,100</b>	<b>160,700</b>	<b>17,305,500</b>
<b>RESERVE TRANSFERS</b>					
Transfer to Water Capital Reserve	2,544,000		2,837,000		5,381,000
<b>Total</b>	<b>2,544,000</b>	<b>-</b>	<b>2,837,000</b>	<b>-</b>	<b>5,381,000</b>

## 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	
<b>2021 Utility Charges</b>	<b>\$ 27,311,700</b>
<b>2020 Utility Charges</b>	<b>\$ 25,460,500</b>
<b>Net Change</b>	<b>\$ 1,851,200</b>
<b>Change by %</b>	<b>7.27%</b>
<b>2021 FTE</b>	<b>25.56</b>
<b>2020 FTE</b>	<b>25.56</b>
<b>FTE Change</b>	<b>0.00</b>
<b>FTE Change %</b>	<b>0.00%</b>

### 2021 BUDGET CHALLENGE

- Continue to adjust available staff resources to complete key maintenance and operational programs during the COVID -19 pandemic.
- Human resource capacity (rolling vacancies and outstanding 2020 resource requests)
- Purchasing deficiency in resources continue to limit access to the open market to procure construction services, professional services and custom manufactured materials. This contributes to the delay in project implementation and the capital budget carry forward amounts represented in the Financial Plan.

### 2021 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 to deliver on the Saanich roadworks improvements expected to advance in 2021 after being delayed to focus on the greater treatment plant project.

#### Priority Departmental Initiatives include:

- Continue replacement of assets to maintain service
- Complete sanitary sewer network Master Plan update
- Develop a plan to address unexplained operating conditions at the Brett Pump Station
- Develop a plan to protect or relocate the Cordova Bay sewer trunk main

**CORE BUDGET**

The 2021 gross budget of \$42,813,100 represents a 1.31% increase in gross expenditures over prior year, including a net capital program of \$6,011,000. Sewer revenues are projected to increase to \$27,311,700 or 7.27%.

<b>Net Budget By Object</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>% Change</b>
<b>EXPENDITURES</b>	<b>2019</b>	<b>2020</b>	<b>2020</b>	<b>2021</b>	<b>2021/2020</b>
Personnel	1,685,900	1,584,900	1,636,900	1,686,900	3.05%
Goods and Services	12,865,400	14,384,700	14,912,200	16,487,100	10.56%
Fiscal Services	780,000	872,600	952,700	956,000	0.35%
Overheads and Transfers	2,429,800	2,824,900	2,774,300	7,908,700	185.07%
Gross Capital Program	15,655,000	20,086,600	21,985,300	15,774,400	(28.25%)
<b>Total</b>	<b>33,416,100</b>	<b>39,753,700</b>	<b>42,261,400</b>	<b>42,813,100</b>	<b>1.31%</b>
<b>REVENUES AND RECOVERIES</b>					
Utility Charges	(23,942,000)	(25,233,500)	(25,460,500)	(27,311,700)	7.27%
Non-Tax Revenues	(116,500)	(349,900)	(445,800)	(193,500)	(56.59%)
Surplus Appropriation	-	-	(150,000)	(150,000)	0.00%
Grants	-	-	-	-	100.00%
DCC Contribution	-	(267,000)	(841,200)	(377,300)	(55.15%)
Transfer from Reserves	(7,945,000)	(11,739,400)	(11,763,900)	(13,680,600)	16.29%
Borrowing	(2,200,000)	(2,300,000)	(3,600,000)	(1,100,000)	(69.44%)
<b>Total</b>	<b>(34,203,500)</b>	<b>(39,889,800)</b>	<b>(42,261,400)</b>	<b>(42,813,100)</b>	<b>1.31%</b>
<b>NET OPERATIONS</b>	<b>(787,400)</b>	<b>(136,100)</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

- Goods and Services - CRD services costs.
- Overheads and Transfers – increase in transfer to Sewer Capital Reserve fund.
- Gross Capital Program/DCC Contribution, Transfers from Reserves and Borrowing – combination of carrying forward unfinished 2020 projects funded from Transfers from Reserves and Borrowing and the annual capital funding increase in line with inflation in construction costs.
- Non-Tax Revenues – lower investment income.
- 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
	2019	2020	2020	2021	2021/2020	2021/2020
General Administration	1,768,900	1,863,200	1,867,200	1,981,200	114,000	6.11%
Field Operations	241,300	161,200	149,600	185,100	35,500	23.73%
Cleaning and Repairs	383,800	431,400	482,300	526,300	44,000	9.12%
Pump Station Maintenance	1,057,700	1,154,900	1,155,900	1,203,300	47,400	4.10%
Man Hole Maintenance	84,000	68,200	76,600	91,500	14,900	19.45%
Sewer Service Maintenance	314,900	366,500	271,000	318,300	47,300	17.45%
CRD Services	12,469,600	13,935,900	14,241,200	15,636,400	1,395,200	9.80%
Debt Charges & Reserve Transfer	1,440,900	1,441,600	1,452,000	1,452,000	-	0.00%
Contingency	-	-	250,000	250,000	-	0.00%
Net Capital Program	5,510,000	5,780,200	5,780,200	6,011,000	230,800	3.99%
<b>Total</b>	<b>23,271,100</b>	<b>25,203,100</b>	<b>25,726,000</b>	<b>27,655,100</b>	<b>1,929,100</b>	<b>7.50%</b>

- General Administration – Sewer Utility share of credit card collection fees.
- All Functions – non-discretionary materials, equipment and utility costs
- CRD - operating costs for the Regional Sewer Treatment Program.
- Net Capital Program – construction inflation increase.



## Five Year Sewer Capital Projection

Saanich sanitary sewer infrastructure dates back to the 1950's and includes 570 km of pipe, over 29,000 sewer services and 40 pumping stations.

Engineering's asset replacement strategy remains focussed on renewal of the oldest mains and those mains made of asbestos cement where condition is driving replacement need. With the completion of the Lift Station Condition Assessment study in 2020, we are moving forward with planning priority maintenance, upgrades and renewal of the critical pump station infrastructure. An updated Sanitary Sewer Master Plan is underway in 2021. All of these efforts contribute to our pursuit of the regional Liquid Waste Management Plan objectives for system wide Inflow and infiltration reduction by 2030.

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

Description of Program	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Notes:
<b>Sewer Capital</b>						
Asbestos Cement Main Replacement	4,363,000	5,657,000	7,087,000	3,736,000	3,922,000	1
Pressure Mains	-	798,000	-	-	576,000	
Pump Station Replacement	270,000	1,790,000	3,170,000	1,670,000	1,550,000	
Manhole Replacement	50,000	50,000	50,000	50,000	50,000	2
Other	602,000	903,000	1,224,000	1,235,000	1,374,000	
Transfer to Capital Reserve	3,531,000	1,192,000	-	600,000	-	
	<b>8,816,000</b>	<b>10,390,000</b>	<b>11,531,000</b>	<b>7,291,000</b>	<b>7,472,000</b>	

Notes:

1 – Based on condition assessment

2 – Annual program

## SEWER CAPITAL

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

Sewer Utility	Source of Funds				Budget
	Core	DCC	Capital Carryover	Borrowing	2021
<b>REPLACEMENTS</b>					
<b>Asbestos Cement Main Replacement:</b>					
Culduthel			317,500		317,500
Inlet Ave (2865 to Gorge)			733,000		733,000
Sims Ave (Tillicum to Wascana)			79,200		79,200
CIPP Lining Program			1,293,100		1,293,100
Gorgeview - Gorge to end		92,400	234,600		327,000
Obed - Harriet to Qu'Appelle		105,600	270,000		375,600
Vanalman - 636 to 648 (& SRW to Ridgewood); 4268 Springridge to 676 Vanalman	110,000		618,100	700,000	1,428,100
Shelbourne Street Improvement Phase 1 Construction		149,300	603,400		752,700
Regina - Tillicum to Wascana			90,800		90,800
Albina - Gorge to Obed (Emerg Works)			415,500		415,500
Arena Rd, 340 Ker Ave to Dysart Rd	637,000			400,000	1,037,000
Battleford Ave, 85 to 181 Battleford Ave	459,000				459,000
Crease Ave, 165 to 283 Crease including SRW to Cadillac Ave and Galloping Goose			765,000		765,000
Sinclair Rd, Haro Rd to Hobbs St	45,000		550,000		595,000
Taylor St, Dean Ave to Foul Bay Rd	272,000				272,000
Winston Cres, Falmouth Rd to Leslie Dr	65,000		360,000		425,000
Emerging Priorities			700,400		700,400
<b>Pump Stations:</b>					
Minor Projects	220,000		113,300		333,300
Pump & Motor Replacements	50,000		301,800		351,800
Pump Station Construction			1,486,600		1,486,600
Arc Flash Electrical Lift Station Study			346,500		346,500
<b>Other Programs:</b>					
Minor Projects	152,000	30,000			182,000
Shelbourne Street Improvement Phase 2 Design			237,400		237,400
Detailed Design Capital Projects			890,800		890,800
Video Inspection & Assessment	100,000		466,000		566,000
Manhole Improvements	50,000		377,500		427,500
No-Corrode & AC SHC Replacements	120,000		146,600		266,600
Sanitary Master Plan Update			200,000		200,000
Sanitary Planning & Asset Management Initiatives	200,000		220,000		420,000
<b>Total</b>	<b>2,480,000</b>	<b>377,300</b>	<b>11,817,100</b>	<b>1,100,000</b>	<b>15,774,400</b>
<b>RESERVE TRANSFERS</b>					
Transfer to Sewer Capital Reserve	3,531,000		1,839,000		5,370,000
<b>Total</b>	<b>3,531,000</b>	<b>-</b>	<b>1,839,000</b>	<b>-</b>	<b>5,370,000</b>

## Reserve Funds

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

A work in progress reserve is used to bring funding forward for projects that take more than one year to complete. In addition we identify a contingency allocation from the insurance reserve of \$1,000,000 in each year for use in the event claims are made. In 2020 we project a decrease in reserves to \$118,349,100 while funding a variety of initiatives.

	January 1 2021 Estimate	2021 Contributions	2021 Appropriations	December 31 2021 Estimate
Land Sales	1,168,600	-	650,000	518,600
Public Safety and Security	3,077,100	842,600	602,000	3,317,700
Carbon Neutral	786,600	-	181,000	605,600
Sub Regional Parks	2,012,000	-	2,000,000	12,000
Equipment Replacement	7,133,100	2,028,300	6,359,500	2,801,900
Capital Works	46,521,000	9,484,400	15,315,100	40,690,300
Commonwealth Pool Operations	12,000	-	12,000	-
Commonwealth Pool HP Repair	263,400	10,000	20,600	252,800
Sayward Gravel Pit	1,028,400	-	471,300	557,100
Development Cost Charges	16,260,900	2,000,000	5,700,200	12,560,700
Specific Area Capital Projects	2,568,400	-	978,400	1,590,000
Facilities Major Repair & Replacement	16,365,200	1,492,000	14,636,500	3,220,700
Computer Hardware & Software	9,063,900	5,529,000	10,483,000	4,109,900
Urban Forest	319,900	50,000	120,000	249,900
Climate Action	-	115,100	84,000	31,100
Water Capital	4,417,300	5,381,000	160,700	9,637,600
Sewer Capital	5,508,600	5,869,300	-	11,377,900
Capital Reserves for Future Expenditure	29,470,500	25,500,000	29,470,500	25,500,000
Insurance	2,315,300	-	1,000,000	1,315,300
<b>Total</b>	<b>148,292,200</b>	<b>58,301,700</b>	<b>88,244,800</b>	<b>118,349,100</b>

### Land Sales:

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

### Public Safety and Security:

This reserve is funded from a portion of annual Provincial Traffic Fine revenue grants and other revenues. The main projects being funded from this reserve in 2021 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 fund projects that support the goals and objectives of the Urban Forest Strategy.

**Climate Action:**

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

**Water Capital:**

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

**Sewer Capital:**

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

**Capital Reserves for Future Expenditure:**

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

**Insurance:**

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

## General Operating Fund Estimates 2022 - 2025

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 \$138,740,200 to \$166,147,200 in 2025 or an average 3.87% annual increase to the average homeowner.

GENERAL OPERATING FUND BUDGET ESTIMATE SUMMARY	
2021 Tax Levy	\$ 138,740,200
2022 Tax Levy	\$ 147,118,300
2023 Tax Levy	\$ 154,382,454
2024 Tax Levy	\$ 161,239,600
2025 Tax Levy	\$ 166,147,200
Annual Increase to Average Homeowner	3.87%

The 2022 - 2025 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. \$1,000,000 annual increase to capital to reach sustainable infrastructure funding for information technology and major facility repairs
6. \$327,000 annual increase to the Facilities Major Repair & Replacement Reserve to get to the \$2,800,000 annual transfer
7. Average increase in property taxation revenues of 0.75% per year from new construction

## Water Utility Fund Estimates 2022 - 2025

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

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

WATER UTILITY BUDGET ESTIMATE SUMMARY	
<b>2021 Fees &amp; Charges</b>	<b>\$ 23,474,000</b>
<b>2022 Fees &amp; Charges</b>	<b>\$ 24,841,100</b>
<b>2023 Fees &amp; Charges</b>	<b>\$ 25,628,400</b>
<b>2024 Fees &amp; Charges</b>	<b>\$ 26,344,900</b>
<b>2025 Fees &amp; Charges</b>	<b>\$ 27,144,600</b>
<b>Annual Increase to Average Homeowner</b>	<b>3.71%</b>

The projected net budget funded from water user charges is projected to increase from \$23,474,000 to \$27,144,600 in 2025 or by an average 3.71% increase per year to the average homeowner.

The 2022 - 2025 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 3.12% per year

## Sewer Utility Fund Estimates 2022 - 2025

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

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

The projected net budget funded from sewer user charges is projected to increase from \$27,311,700 to \$30,597,000 in 2025 or by an average of 2.88% annual increase to the average homeowner.

SEWER UTILITY BUDGET ESTIMATE SUMMARY	
<b>2021 Fees &amp; Charges</b>	<b>\$ 27,311,700</b>
<b>2022 Fees &amp; Charges</b>	<b>\$ 28,025,900</b>
<b>2023 Fees &amp; Charges</b>	<b>\$ 28,656,700</b>
<b>2024 Fees &amp; Charges</b>	<b>\$ 29,456,100</b>
<b>2025 Fees &amp; Charges</b>	<b>\$ 30,597,000</b>
<b>Annual Increase to Average Homeowner</b>	<b>2.88%</b>

The 2022 – 2025 operating estimates have been prepared using the following criteria:

1. 0% increase per year in operating costs
2. Wage and benefit costs per collective agreement commitments or estimates where contracts are pending
3. 4.0% percent funding increase for core capital funding per year for inflation in construction costs
4. An average increase in CRD regional treatment plant operating costs of 2.95% per year.

## Glossary

<b>A</b>	Accrual	An accounting method which measures the financial performance and position of an organization by recognizing economic events when they happen, regardless of when the related cash actually changes hands.
	Appropriated	When a fund is appropriated, it is subject to certain restrictions on what its assets can be used for.
	Asset	Anything you own that has monetary value plus any money you are owed.
<b>B</b>	Balanced budget	A financial plan where current revenue, including transfers from operating reserves, equals current operating expenditures.
<b>C</b>	Capital asset	General capital assets are those in excess of \$10,000 with a useful life of two or more years (e.g. land, buildings).
	Capital budget	A financial plan outlining projected expenditures on capital assets during a given fiscal period.
	Capital project	Creation or improvement of infrastructure assets.
	Carbon footprint	Amount of carbon dioxide ( <b>CO<sub>2</sub>e</b> ) that is emitted by the municipality.
	CDOR rates	CDOR is the recognized financial benchmark in Canada for banker's acceptances (Bas) with a term of maturity of one year or less. It is the rate at which banks are willing to lend to companies.
	Community charter	The provincial legislation governing local governments. This legislation replaced the Local Government Act in 2003.
	COR	Certificate of Recognition is given to organizations that meet and exceed the legal requirements for an occupational health and safety program and an occupational injury management / return to work program.
	Council	The eight councillors elected at large that represent the municipality as a whole and the Mayor.
	CUPE	Canadian Union of Public Employees.
<b>D</b>	Development cost charge (DCC)	A fee paid by a developer to help fund cost related to developing a property. Often these fees are used for parks and streets, and for infrastructure used to provide water, sanitary sewer and storm drainage services.
	Development permit	A permit that allows development of a property subject to certain conditions such as the timing or sequence of construction, density of development, alteration of specific requirements of the zoning of the property etc.



<b>E</b>	EMBC	Emergency Management BC is the province's lead coordinating agency for all emergency management activities, including response, planning, training, testing and exercising. This work is done in collaboration with local governments and other government and non-government entities.
<b>F</b>	Fee	A fee is a charge to recover the cost of providing a service.
	Financial plan	This term is used interchangeably with "budget".
	Full-time equivalent (FTE) staff	A statistic used to compare staffing levels between departments or organizations, and is calculated by dividing the total number of hours one full-time staff member is scheduled to work in a year.
	Fund	A pool of money normally set apart for a specific purpose.
	Fund balance	The excess of assets over liabilities in a fund.
<b>G</b>	GHG	Green House Gases are gasses generated from fossil fuel burning, released into the atmosphere and linked to climate change.
	Grant	Funds given to an organization from another organization (senior government to local government) which may have conditions attached to it and require specific spending to occur or goal to be accomplished in order to retain the funds.
	GVDA	Greater Victoria Development Agency facilitates and promotes the development of a strong economic base in Greater Victoria.
<b>H</b>	Hotel tax	A compulsory financial levy imposed on hotel room rentals. Funds collected are utilized on tourism initiatives.
<b>I</b>	Infrastructure	Physical structures that form the foundation for development. Infrastructure includes: wastewater and waterworks, electric power, communications, transit and transportation facilities and oil and gas pipelines and associated facilities.
	IAFF	International Association of Fire Fighters.
<b>L</b>	Liability	A loan, expense, or any other form of claim on the assets of an entity that must be paid or otherwise honoured by that entity.
<b>M</b>	MRDT	The Municipal and Regional District Tax is a tax imposed by the province on the purchase of accommodation imposed in specific geographical areas of the province of behalf of municipalities and regional districts.
<b>O</b>	OH&S	Occupational Health and Safety is a program that is run by the District to meet the requirements of the Workers Compensation Act.
	Operating budget	A financial plan outlining projected revenue and expenditures for the on-going, day-to-day activities of an organization during a given fiscal period.

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

## Bylaws

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

The following bylaws are attached for reference purposes:

Financial Plan Bylaw #####

Tax Rate Bylaw #####

# 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 2021 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 2 to March 28, 2021.

Watch the video, read the factsheets, and explore the budget education tool at [saanich.ca/budget](https://saanich.ca/budget).

