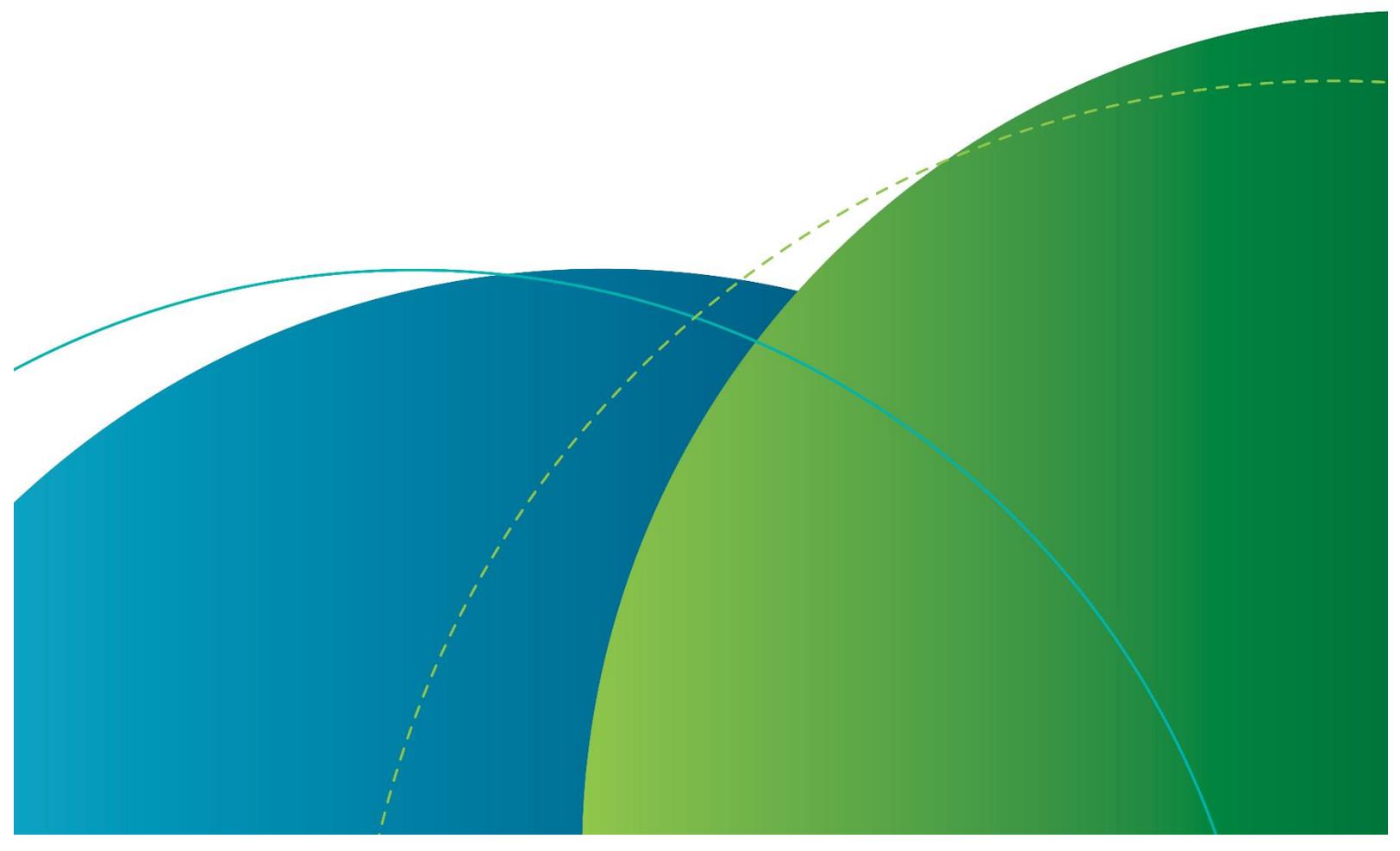




Financial Plan 2022-2026

April 22, 2022





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

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

For the Fiscal Year Beginning

January 01, 2021

Christopher P. Morill

Executive Director

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EXECUTIVE SUMMARY

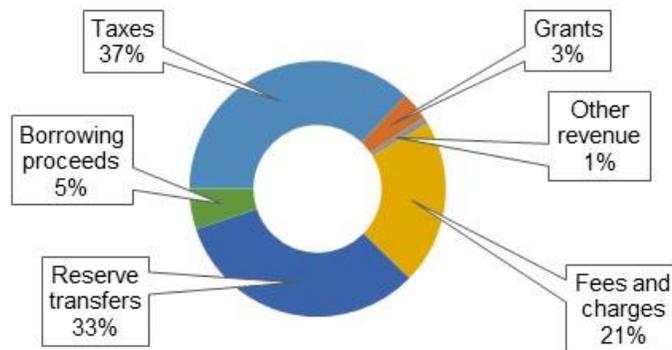
The Community Charter requires that the District of Saanich approve a Five Year Financial Plan bylaw each year prior to the adoption of the annual property tax bylaw. This document provides the supporting details to the 2022-2026 Draft Financial Plan Bylaw, which will be considered for adoption by Council before May 15, 2022.

1. Consolidated Financial Plan Summary

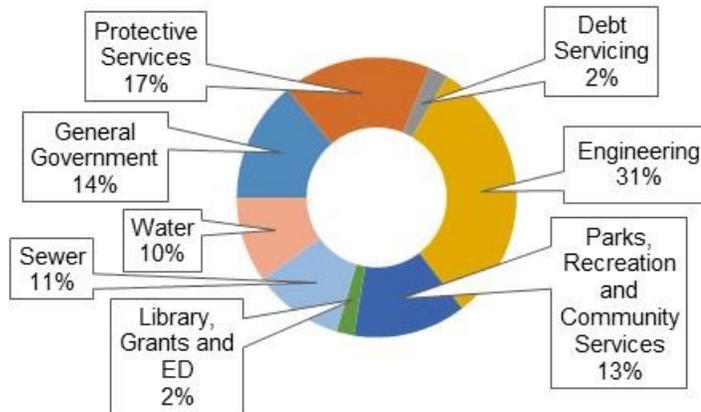
Local governments in British Columbia are required through provisions in the Community Charter to have balanced financial plans. Current revenue, including transfers from reserves, must be sufficient to support current expenditures for each of the three funds: general operating, sewer and water.

Saanich's consolidated financial plan for 2022 balances \$404,752,200 in revenues and transfers with \$404,752,200 in expenditures.

Consolidated Revenue



Consolidated Expenditure



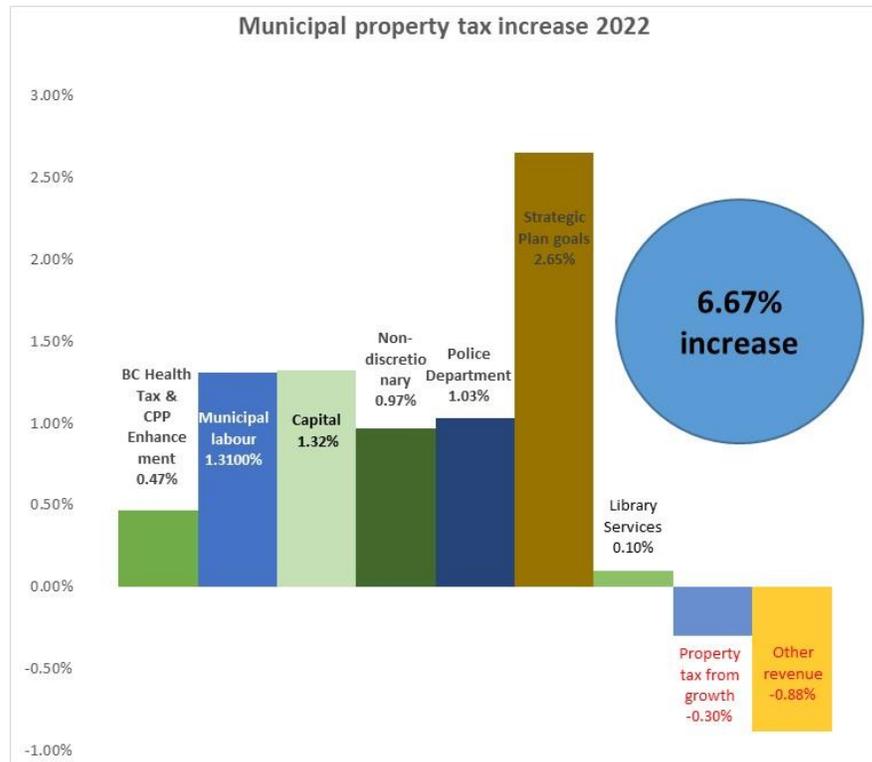
The budget is based on:

1. A municipal property tax increase of 4.22% (\$126.32) for core operations and non-discretionary costs including new resources approved in prior year to advance Strategic Plan Goals, 1.32% (\$39.51) for capital infrastructure replacement, 1.03% (\$30.83) for Police Board, and 0.10% (\$2.99) for the Greater Victoria Public Library. This totals 6.69% or \$199.65 to the average single family homeowner,
2. Sewer Utility rates approved in December 2021 of \$2.057 per cubic meter for the Capital Regional District Sewer Usage Charge and \$1.485 per cubic meter for the Saanich Sewer Usage Charge.
3. Water Utility rates approved in December 2021 of \$1.828 per cubic meter for Regular Retail rate.
4. Garbage Utility rates approved in December 2021 of \$142.74 for base fee, \$31.80 for 80 litre Organics Cart Fees, \$44.52 for 120 litre Organics Cart Fees, \$89.04 for 240 litre Organics Cart Fees, \$29.01 for 120 litre Garbage Cart Fees and \$42.75 for 180 litre Garbage Cart Fees.

Including all municipal taxes and utilities, an average homeowner is projected to pay about \$200 more in 2022:

	<u>2021</u>	<u>2022</u>	<u>Increase</u>
Property Taxes	\$ 2,992	\$ 3,192	\$200
Sewer	669	684	15
Water	498	520	22
Refuse Collection *	<u>208</u>	<u>216</u>	<u>8</u>
	\$ <u>4,367</u>	\$ <u>4,612</u>	\$ <u>245</u>

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



Summary of Consolidated Financial Plan Changes from 2021 To 2022

Additional revenues from taxation, reserves and user fees will be used to fund non-discretionary increases in 2022 operating programs, new infrastructure maintenance and increased capital replacement. Grants from senior levels of government and some reserves will also be used to fund large capital projects such as the Shelbourne Street Improvement project:

Consolidated Revenue					
Source	General Operating	General Capital	Sewer & Water Utility	2022 Budget Total	2021 Budget Total
Taxes	130,626,600	19,323,400	-	149,950,000	140,187,200
Grants	6,533,900	7,496,600	-	14,030,500	12,452,300
Other revenue	3,880,200	-	-	3,880,200	3,604,400
Fees and charges	30,074,900	-	54,187,000	84,261,900	78,786,900
Reserve transfers	15,410,400	90,456,200	26,058,400	131,925,000	126,199,400
Borrowing proceeds	-	17,504,600	3,200,000	20,704,600	12,670,500
Total	186,526,000	134,780,800	83,445,400	404,752,200	373,900,700

Consolidated Expenditure					
Function	General Operating	General Capital	Sewer & Water Utility	2022 Budget Total	2021 Budget Total
Administration	4,884,300	-	-	4,884,300	3,520,500
Corporate Services	10,333,000	12,964,500	-	23,297,500	21,600,500
Finance	3,285,900	-	-	3,285,900	5,411,400
Corporate Revenues and Expenses	9,077,600	-	-	9,077,600	9,338,500
Fiscal Services	8,120,000	-	1,034,700	9,154,700	10,326,300
Building, Bylaw, Licensing & Legal Services	7,884,600	-	-	7,884,600	7,200,400
Police Protection	43,107,900	1,816,500	-	44,924,400	44,556,900
Fire Protection	23,811,700	1,162,200	-	24,973,900	23,233,500
Emergency Program	599,700	15,000	-	614,700	722,600
Planning	7,208,600	-	-	7,208,600	5,432,000
Engineering	25,063,200	100,917,600	82,410,700	208,391,500	192,186,700
Parks, Recreation and Community Services	34,874,800	17,905,000	-	52,779,800	42,520,900
Library, Grants and Economic Development	8,274,700	-	-	8,274,700	7,850,500
Total	186,526,000	134,780,800	83,445,400	404,752,200	373,900,700

Note: The above total figure for General Operating is \$34,267,500 less than the total amount on page 26 due to the removal of the inter-departmental recoveries and the allocation of the capital expenditure funded by property taxes to the General Capital Fund.

4. Water Utility Fund Summary:

The Water Utility Budget provides for all operations and capital funding to support the water system. In December 2021 a 4.42% annual increase in water rates was approved to address contracted increases to labour costs, water utility's share of engineering and corporate support and capital infrastructure replacement funding. The rate increase also covers an increase in CRD bulk water purchase rates of 2.80%. Cost to the average homeowner increased by \$22 from \$498 to \$520 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 2021 a 2.26% increase in sewer rates was approved to support CRD operating costs of the Wastewater Treatment Plant which came online in 2021, contracted increases to the District's labour costs, sewer utility's share of engineering and corporate support and capital infrastructure replacement funding. Annual cost to the average homeowner increased by \$15 from \$669 to \$684 per year.

6. General Capital Fund Summary:

The 2022 General Capital Program provides for \$134.8 million program of infrastructure and equipment replacement funded from a mixture of property taxation, debt, reserves, grants and development cost charges. Significant new capital projects in 2022 include \$3.7 million for sidewalk installation program, \$1.1 million for cycling infrastructure program, \$4.9 million in sub-standard drain replacement, \$4.0 million in parks projects, \$5.8 million in facility upgrades and \$2.0 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. Total capital funding has risen from \$11 million in 2007 to an annual average of over \$39 million in the last three years demonstrating Council's commitment to infrastructure replacement.

7. Reserve Fund Summary:

Reserve Funds are projected to decrease from \$143,454,900 in 2021 to \$94,651,700 in 2022 as work progresses to complete capital projects planned in previous years and funding is provided for from the various reserves to fund those continuing and new projects.

8. Debt Summary:

Overall debt levels are projected to increase to \$64 million in 2022. This remains well below Council policy of \$113 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, \$1.69 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
3466	Long Term	147,564	51,889	199,453	167,071	2.25%	12.01.2022
3968	Long Term	821,145		821,145	271,898	3.00%	14.10.2024
3726	Long Term	569,019		569,019	154,365	3.35%	01.10.2025
3726	Long Term		374,594	374,594	76,454	1.28%	06.10.2025
4361	Long Term	560,781		560,781	140,544	0.91%	02.10.2025
3771	Long Term	3,314,101		3,314,101	737,133	3.65%	29.09.2026
3853	Long Term		353,613	353,613	59,206	2.90%	04.10.2027
3051	Long Term	615,836		615,836	65,179	2.25%	03.06.2028
4163	Long Term	543,810		543,810	101,494	3.41%	04.10.2028
3968	Long Term	1,574,431	1,286,795	2,861,226	377,722	3.00%	14.10.2029
4061	Long Term	3,827,076	1,996,290	5,823,366	627,628	2.60%	19.04.2031
4163	Long Term	2,170,170		2,170,170	228,946	2.80%	07.04.2032
4199	Long Term	1,701,878	1,162,591	2,864,469	315,128	3.15%	04.10.2032
4283	Long Term	3,986,571	115,811	4,102,382	370,088	2.66%	09.04.2034
4319	Long Term	404,554		404,554	136,276	1.97%	09.10.2024
4319	Long Term	3,554,507	1,710,439	5,264,946	450,145	2.24%	09.10.2034
4361	Long Term	1,538,735	894,066	2,432,801	175,722	0.91%	02.10.2035
4400	Long Term	5,700,000	1,500,000	7,200,000	582,398	2.41%	15.04.2036
4438	Long Term	3,200,000		3,200,000	245,083	1.98%	27.09.2036
9563	Temporary	3,965,400		3,965,400	38,464	0.97%	30.06.2024
Resolution	Short Term	25,875		25,875	25,875	0.97%	31.12.2022
Resolution	Short Term	68,364		68,364	36,845	0.97%	31.12.2023
Resolution	Short Term	35,795		35,795	12,775	0.97%	31.12.2024
Resolution	Short Term	12,915		12,915	3,321	0.97%	31.12.2025
Resolution	Short Term	205,150		205,150	42,120	0.97%	31.12.2026
		(122,899)	(42,466)	(165,365)		Accrued Actuarial Gains	
TOTAL		<u>38,420,778</u>	<u>9,403,622</u>	<u>47,824,400</u>	<u>5,441,880</u>		

* Temporary and Short Term loans interest are based on the daily CDOR rates. The above rate is as of December 31st, 2021.

Moving the Strategic Plan forward in 2022

The 2021 budget saw a renewed commitment to moving our community forward. In 2022 Council has continued to take strides towards implementing Saanich's Strategic Plan goals and initiatives.



Affordable Housing, Land Use and Infrastructure Management

Council approved an addition to the budget of \$227,400 to hire new staff to:

- work on affordable housing planning and policy issues; and
- work on tree protection and management.



Community Well-being

Council approved an addition to the budget of \$753,265 to support:

- funding a Human Resources Manager, People and Programs position to develop human resource strategies to improve service delivery to the community;
- increase hours for our Volunteer Service Coordinator to provide additional volunteer opportunities in local parks;
- implementation of the Older Adult Strategy; and
- funding ongoing Diversity, Equity and Arts Programs.



Climate Action and Environmental Leadership

Council approved an addition to the budget of \$223,400 to support:

- new positions to support acceleration of the Active Transportation Plan;
- new positions in Facility Sustainable Energy, Technical Engineering and Drainage Programs to undertake Climate Action Planning;
- increased funds for tree planting;
- increased hours for watershed and invasive species management.



Economic Diversification

Council approved an addition to the budget of \$609,894 to support:

- five positions to advance development review improvements and efficiencies.



Organizational Excellence

Council approved an addition to the budget of \$630,335 to support:

- new positions in Finance, Human Resources, Legislative Services, Communications and Recreation to support and maintain excellent service levels provided by key internal corporate functions;
- new positions in IT to increase the value realized from IT assets, investments and capabilities; and
- new positions in bylaw services to assist with bylaw enforcement functions and increase complaint driven investigation capabilities.

INTRODUCTION

COMMUNITY PROFILE

Population

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

Age Distribution

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

Age and Gender Distribution

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

History

The District of Saanich lies within the territories of the lək̓ʷəŋən (lay-kwung-gen) peoples represented by the Songhees and Esquimalt Nations and the W̱SÁNEĆ (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 Serviendo*" – which means serving the people. It is a message that all Councillors and staff take to heart in their respective roles.

Saanich Council

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

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

Senior Management Team

The Chief Administrative Officer (CAO) leads a senior management team responsible for providing recommendations to Council and 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:

Corporate structure



Saanich Vision

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



Mission and Values

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



STRATEGIC CONTEXT

1. Strategic Plan

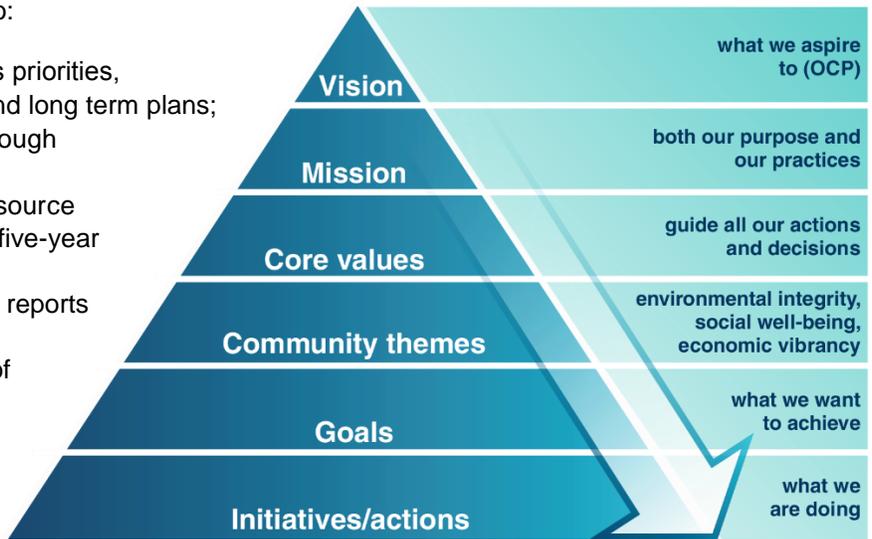
The Saanich Strategic Plan offers a framework to focus and measure progress towards the preferred future as a municipality. Specifically, moving towards and achieving the Saanich Vision. The development of the plan is based on public consultation involving council, citizens and staff. The plan identifies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

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

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

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



2. Financial Planning Process

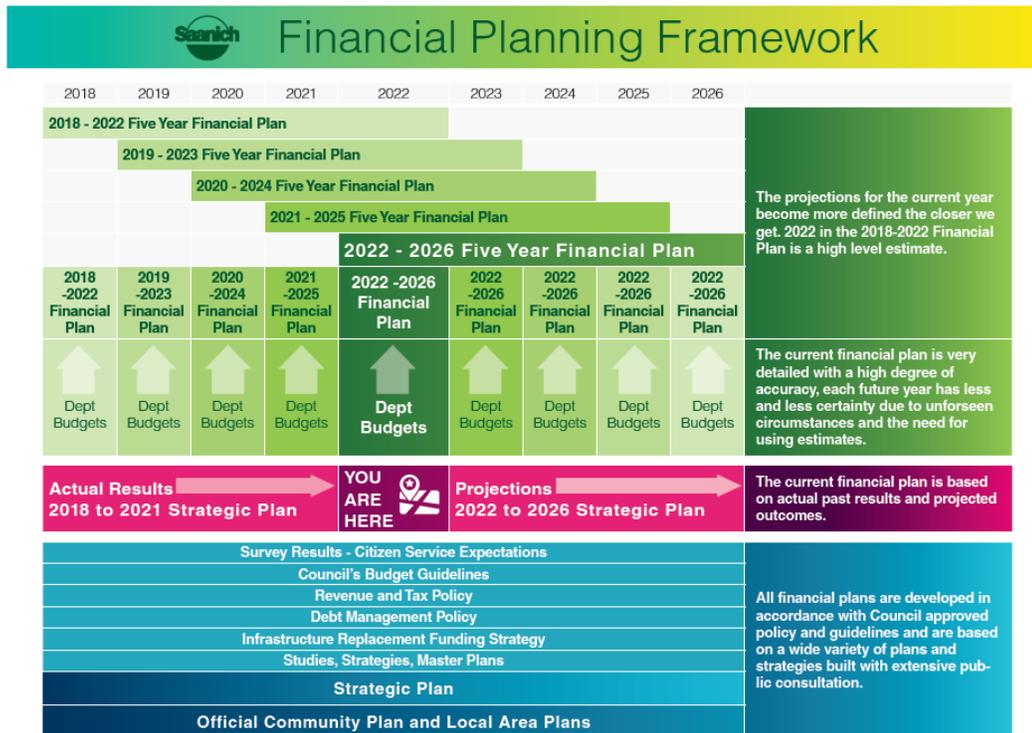
Financial planning is an on-going year round process. The cycle begins in June and continues until the following May when the plan is adopted by Council:

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

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

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

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



BUDGET GUIDELINES FOR 2022

Council Approved Budget Guidelines

At the August 16, 2021 meeting of Council, the following motion was passed:

Preliminary 2022 departmental net budget totals will be limited to a 0.0 percent increase over the 2021 adopted net budget totals, exclusive of existing personnel costs, phased in funding for positions approved by Council in the prior year, core capital increases, and non-discretionary increases;

Funding for salary and benefits costs arising from Job Evaluation (JE) changes must be provided within existing budgets with the exception of any impacts resulting from the Exempt Job Evaluation process which will be incorporated into the budget as a standalone item of approximately 33% each year in 2022, 2023 and 2024;

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

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

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

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

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

BUDGET POLICY AND PRINCIPLES

1. Financial Plan Policies and Assumptions

Balanced Financial Plan

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

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

Accounting

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

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

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

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

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

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

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

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

Basis of Budgeting

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

The operating component of the Five Year Financial Plan is focused on 2022 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. Selected recovery of recreation programs budgets to pre COVID-19 amounts.
4. Wage and benefit costs per collective agreement commitments or estimates if agreements not finalized.
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 and capital funding for facilities major repairs and Corporate IT.
6. All figures shown in current year (2022) dollars – no inflation allowance,

2. Revenue And Tax Policies

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

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

	Tax Rate <u>2021</u>	Tax Rate <u>2022</u>	% Property <u>Tax Levy</u>	Tax <u>Multiple</u>
Residential	3.1388	2.7177	76.21	1.0000
Utilities	26.2617	25.5837	0.35	9.4136
Supportive Housing	3.1388	2.7177	0.00	1.0000
Light Industry	7.1238	6.9216	0.16	2.5468
Business/Other	13.2653	13.0515	23.15	4.8023
Managed Forest	19.6296	19.5772	0.00	0.0000
Rec/Non Profit	8.2476	8.2518	0.13	3.0362
Farm	0.5000	0.5000	0.00	0.1840

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 2022, the legal debt limit is such that average annual servicing costs cannot exceed \$53.6 million or total debt of \$620 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 2022 this limits annual debt servicing costs to no more than \$9.8 million or total debt of \$113 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 2022

Between 2021 and 2022, total full-time equivalent (FTE) positions are expected to increase by 55.15 FTE or 4.89%. Temporary FTE's hired based on one time funding are not included. Details listed below:

Full time Equivalent (FTE) Employees				
Department	2020	2021	2022	FTE
Change				
Administration	16.23	17.16	18.10	0.94
Full year budgeting of Economic Development Officer approved 2021 and partial year funding of an Information and Privacy Analyst.				
Corporate Services	47.27	47.75	52.63	4.88
Full year budgeting of a Manager of HR - Strategic Business Solutions approved 2021. Full year budgeting for an Occupational First Aid Level 2 Attendant approved November 2021 and a reallocation of budget to fund a Systems Analyst in IT. In addition partial year funding of two Business Relationship Managers, an HR Manager of People and Programs, a Communications Specialist and a Communication Advisor.				
Finance	41.37	45.36	48.34	2.98
Full year budgeting of Budget Manager, ERP Specialist and Buyer approved 2021 and partial year funding for an Assistant Manager of Purchasing Services and a Financial Analyst.				
Building, Bylaw, Licensing and Legal	31.90	36.08	38.36	2.28
Full year budgeting of a Bylaw Manager, 3 Bylaw Enforcement Officers approved 2021, a part time Bylaw Clerk and partial year funding of a Bylaw Officer.				
Police Protection	237.78	239.86	243.27	3.41
Full year budgeting of a Disclosure Administrator position approved 2021. Partial year funding for a Sexual Assault Investigator, a Paralegal, a Strategic Communications Coordinator, a SharePoint Coordinator and a Recruit Constable.				
Fire Protection	128.95	132.77	137.80	5.03
Full year budgeting of Staff Development Officer approved 2021. Partial year budgeting for 10.5 Firefighters approved October 2021.				
Emergency Program	3.00	3.00	3.00	-
Planning	31.84	34.07	39.84	5.77
Full year budgeting of a Housing Manager, Senior Planning Technician, two sustainability positions and an ERP Specialist approved 2021. Partial year budgeting of 2 Senior Planners, a Planner and a Planning Analyst approved September 2021 and January 2022. In addition increased hours for Elk/Beaver Lake Watershed and Invasive Species Management.				
Engineering (includes utilities)	269.80	275.96	284.54	8.58
Full year budgeting of Manager of Asset Management, Manager of Infrastructure Design & Construction, five additional positions and increase in auxiliary hours for new inventory maintenance approved 2021. Partial year budgeting of a Development Specialist approved September 2021. In addition partial year funding for an Engineer Technician II, a Facilities Sustainable Energy Specialist, a Water Resources Project Engineer, a Drainage Project Engineer and an Engineer Technician V.				
Parks, Recreation & Community Services	323.19	295.42	316.70	21.28
Full year budgeting of Manager of Urban Forestry & Natural Areas, several park positions and additions to washroom cleaning approved 2021. Full year budgeting of an Arboriculture Inspector and a Development Reviewer approved September 2021. In addition a net increase of 14.63 FTE in recreation program staff accounting for COVID restart plans. In addition partial year funding of an Assistant Manager at SCP, an Arborist, a Diversity, Equity and Arts Programmer, continued implementation of Older Adult Strategy and increased hours of the Volunteer Services Coordinator.				
Total	1,131.33	1,127.43	1,182.58	55.15

6. Change in Carbon Footprint

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

The latest 2021 corporate greenhouse gas (GHG) emissions inventory shows a 12% reduction in Saanich’s GHG emissions since our 2007 baseline (Figure 1 and Table 1). Many District of Saanich facilities re-opened after closures in 2020 due to COVID, which meant that 2021 saw an increase in building energy use from greater operation hours and increased ventilation needs, resulting in higher heating demand. While vehicle fuel use remained steady, there was a 12% decrease in fleet emissions in 2021 due to the purchase of renewable diesel to replace a portion of our fossil fuel diesel use.

A change in the Province’s guidance on electricity emissions factors also had an impact on our corporate inventory. The electricity emissions factor is the information used to determine the GHG emissions for each unit of electricity used. The Province historically based this on BC Hydro’s production, which is by law 93% renewable and has averaged 97-98% renewable in recent years. However, the new electrical emissions factor also includes the emissions from electricity purchased by BC Hydro from the open market, which sometimes comes from fossil fuels. Each year of our corporate GHG inventory has been updated to reflect this change. While this makes us more accountable for the energy we consume, it has resulted in higher emissions in some years compared with previous reports.

It is important to note that despite this change, emissions from electricity are still vastly lower than those of fossil fuels such as natural gas, oil, propane, diesel and gasoline. Importantly, the Province and BC Hydro have committed to a 100% clean standard for electricity delivered to customers, with the goal of becoming the first jurisdiction in western North America to achieve this objective.

Figure 1: District of Saanich Corporate GHG Emissions

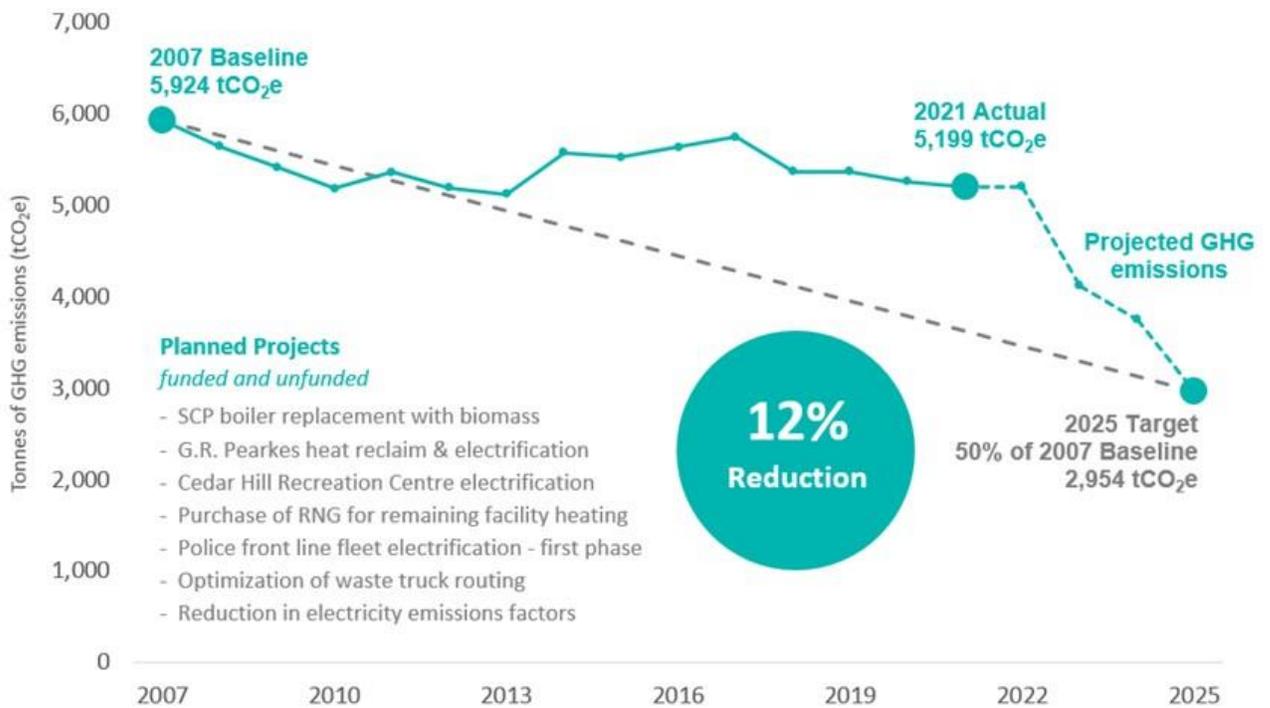


Table 1: District of Saanich Corporate GHG Emissions Inventory 2020 and 2021

Source	GHG Emissions (tCO ₂ e)			Description of change
	2020*	2021	Change 2020-21	
Stationary	2,259	2,564	+305	
Key Buildings				
Saanich Commonwealth Place	1,034	1,284	+250	Ageing mechanical systems and changing COVID measures, including increased heating demand due to increased ventilation
G.R. Pearkes	327	307	-20	Gold Arena ice slab replacement, requiring less energy for several months
Cedar Hill Recreation Centre	153	198	+45	Changing COVID measures, including increased heating demand due to increased ventilation
Public Safety Building	113	111	-2	No significant change
Public Works	149	152	+2	No significant change
Cedar Hill Golf Course	38	17	-21	Closures in 2021 due to flooding
Annex Building	53	51	-1	No significant change
Les Passmore	24	24	0	No significant change
Gordon Head Rec. Centre	54	56	+1	No significant change
Municipal Hall	27	25	-1	No significant change
Other buildings	40	101	+60	Changing COVID measures, including increased heating demand due to increased ventilation
Street Lighting	168	159	-9	Efficiencies from LED street lighting replacement project
Underground Services	79	79	0	No significant change
Mobile	2,989	2,635	-354	
Municipal Fleet	1,985	1,649	-336	Purchase of 20% Renewable Diesel, lowering emissions
Police Fleet	418	436	+18	Additional service requirements
Contractors*	299	299	0	No significant change
Fire Fleet	215	214	-1	No significant change
Reimbursed in-city travel	26	26	0	No significant change
Golf course equipment	46	11	-35	Closures in 2021 due to flooding
Total	5,248*	5,199	-49	

*The 2020 emissions data has been updated for new emissions factors and does not reflect data that was included in the 2021 Financial Plan or 2020 Climate Report Card. Biogenic emissions available upon request.

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). These include:

- Saanich Commonwealth Place biomass boiler upgrade;
- Cedar Hill Recreation Centre electrification;
- G. R. Pearkes Recreation Centre heat recovery and electrification;
- Phasing out remaining oil and propane use;
- Purchase of Renewable Natural Gas for remaining facility heating;
- Electrification of Police front line vehicles – first phase;
- Optimization for waste truck routing (IT dependent); and
- Continued purchase of 20% or greater Renewable Diesel.

BUDGET PLANNING ISSUES

1. 2022 Financial Planning Issues

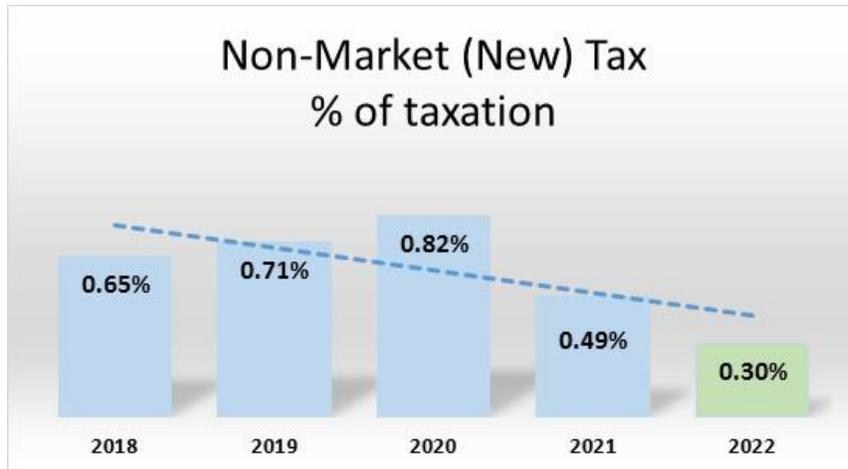
Preparation of the 2022 budget proposal has taken into account the following financial planning issues:

COVID-19 – On-going changes to the Public Health restrictions on non-essential businesses such as entertainment industries and recreation have had a significant impact on the District’s recreation operations 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 were used in 2020 and 2021 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 2022 and therefore the remaining COVID-19 Safe Restart Grant is budgeted for in 2022 and will be used as needed.

Infrastructure – Replacement of aging infrastructure continues to be a priority. An additional increase of 0.54% in property taxes is recommended to address funding deficits in Information Technology and major facility repair. The sustainability levels of all assets will be reviewed in the future to determine if any additional funding for capital is needed. Capital program funding for General capital has been increased by 2% in recognition of inflationary pressures however construction inflationary pressures have increased much higher than 2% in the last few years. Utility charges have also been increased for both Sewer and Water to provide appropriate annual funding to ensure timely replacement of aging infrastructure in light of increasing construction costs.

Wage and benefit costs – In January 2022 the IAFF (Fire) finalized their collective agreement with the District with the new agreement ending in December 2022. The Police Association contract also ends in December 2022. The CUPE contract ended December 2021 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 \$8,400 and the base rate itself was increased due to lower investment income earned by Worker’s Compensation and higher payments made for mental health claims. Extended health and dental benefits premiums have also increased with a range of increases per group over prior year. Other benefit costs increased marginally over last year with Pension costs decreasing due to changes to the Plan implemented by Pension BC.

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



Non-discretionary expenditures – For 2022, 0.97% of the proposed tax increase is for non-discretionary items as listed:

Cost driver	Budget Increase
Contracts and Leases	\$ 87,720
Equipment Parts and Supplies	\$ 14,100
Health and Safety	\$ 196,000
IT Licencing and Maintenance	\$ 350,000
New Asset Maintenance	\$ 146,350
Policy	\$ 17,660
Property Insurance	\$ 421,900
Service Level	\$ 52,640
Services and supplies	\$ 79,220
Total	\$ 1,365,590
Tax Impact	0.97%

Resource Requests – For 2022, a 0.90% tax increase was implemented to provide final funding for key positions to support implementation of adopted strategies in 2021. An additional 0.95% tax increase was implemented to continue the implementation of the Fire Services Review and start the implementation of the Development Process Review and the Housing Strategy. In April Council approved 0.79% in additional staffing and on-going program funding to support strategic initiatives from the 2019 - 2023 Strategic Plan and reduce critical capacity issues in operations. The list of those new approved resource requests are on page 29.

Water costs – A large proportion of water costs (39.6% for 2022) 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 2022 the CRD bulk water rate went up 2.58%.

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, Fire Services Review, Development Process Review and Housing Strategy. These plans and strategies identify the current and future needs of the District and what resources are needed to implement them. There are a number of resource requests that Council will be considering in this year's budget that will address this year's implementation costs.

2. 2023 – 2026 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 1.07% tax increase on property taxes or an equivalent reduction in programs or services that are funded by this grant.

Wage costs uncertainty – The CUPE collective agreement expired at the end of 2021. The extent of possible wage cost impact is uncertain for the future years.

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

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

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

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

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

The Climate Plan identifies a total of 31 actions to be implemented over the coming years. Seventy two of those actions were initiated in 2021 and are currently either ongoing, achieved or on track. The implementation of the remaining actions will require re-allocation of existing resources, new resources and funding, and increased capacity in the organization.

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

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

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

Water purchases – Water sale volumes in the municipality have started to decline again due to homeowner’s conservation of water use. The cost of bulk water purchases from the CRD is projected to increase as the CRD has projected an average increase to its rates of 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 – Continue to increase capital funding for Information Technology and major facility repairs to reach sustainable levels. In addition work is needed to determine the future replacement cost of minor facilities owned by the District. Future increases will be based on applying an inflationary increase to keep up with rising costs of construction and as replacement costs are updated.

General Operating Fund

The total tax levy for the General Operating Fund is proposed to increase by \$9,762,800 or 6.67%.

The increase in property tax revenue this year is made up of a 4.22% increase for core Municipal, prior year approved resource requests and non-discretionary costs, 1.32% in infrastructure replacement funding, 1.03% for Police Board and an increase of 0.10% for the Greater Victoria Public Library.

BUDGET SUMMARY	
2022 Tax Levy	\$ 149,930,000
2021 Tax Levy	\$ 140,167,200
Net Change	\$ 9,762,800
Average Single Family Homeowner Increase %	6.67%
2022 FTE	1104.53
2021 FTE	1049.69
FTE Change	54.84
FTE Change %	5.22%

2022 Financial Plan	Budget Increase \$	Tax Increase %
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Operating Increases

Core budget		
Existing personnel costs - municipal	3,767,262	2.69%
Resource Requests	2,444,334	1.74%
Non-discretionary increases	1,363,720	0.97%
Total Municipal Core Operating Increase	\$ 7,575,316	5.40%
Decrease in non-tax revenue	(1,250,999)	-0.88%
Revenue from new sources	(415,003)	-0.30%
Operating Increase to Existing Taxpayers	\$ 5,909,314	4.22%
Increase for Capital Infrastructure	1,846,950	1.32%
General Municipal Increase	\$ 7,756,264	5.54%
Police Board Budget Submission	\$ 1,448,080	1.03%
Greater Victoria Public Library	143,453	0.10%
Total Municipal, Police and Library	\$ 9,347,797	6.67%

BUDGET SUMMARY BY OBJECT

Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2020	2021	2021	2022	2022/2021
Personnel (1)	105,882,500	114,177,400	116,790,900	124,591,600	6.68%
Goods and Services (2)	37,743,100	45,140,300	42,403,000	48,514,200	14.41%
Debt Payment and Bank Charges (3)	4,762,800	4,811,100	4,893,500	5,187,000	6.00%
Grants, Overheads & Transfers (4)	16,832,300	16,419,100	24,466,800	23,177,300	(5.27%)
Capital (tax funded portion only) (5)	14,905,300	17,279,200	17,375,800	19,323,400	11.21%
TOTAL	180,126,000	197,827,100	205,930,000	220,793,500	7.22%
REVENUES AND RECOVERIES					
Property Taxation	(131,685,200)	(140,067,400)	(140,167,200)	(149,930,000)	6.97%
Parcel Tax	(20,000)	-	(20,000)	(20,000)	0.00%
Other Corporate Revenues (6)	(8,088,400)	(8,446,400)	(8,045,000)	(8,496,000)	5.61%
Other Departmental Revenues (7)	(26,071,100)	(30,514,300)	(25,745,400)	(30,074,900)	16.82%
Inter-Departmental Recoveries (8)	(12,982,300)	(13,230,600)	(13,993,900)	(14,944,100)	6.79%
Transfer from Reserves (9)	(2,253,900)	(5,958,700)	(14,932,400)	(15,410,400)	3.20%
COVID-19 Safe Restart Grant (10)	(2,555,000)	(1,652,800)	(2,695,300)	(1,509,400)	(44.00%)
Other Grants (10)	(524,800)	(435,900)	(330,800)	(408,700)	23.55%
TOTAL	(184,180,700)	(200,306,100)	(205,930,000)	(220,793,500)	7.22%
NET OPERATIONS	(4,054,700)	(2,479,000)	-	-	0.00%

- Personnel costs - increase in wage increment and addition of new positions.
- Goods and Services – increase in property insurance, IT licensing and maintenance and election costs as well as on going contracted projects carried forward from prior year.
- Debt Payment and Bank Charges – increase in borrowing.
- Grants, Overheads & Transfer – decreased debt servicing surplus transfer to capital reserves.
- Property tax based capital funding - increased to continue progress to sustainable funding levels as per Council budget guideline on page 14.
- Other Corporate Revenues –increase in Hotel Tax and Grants in Lieu from senior government.
- Other Departmental Revenues – COVID-19 restart planned increase in recreation programs provided.
- Inter-Departmental Recoveries – increase to recognize actual recovery levels of services.
- Transfer from Reserves – increase in projects funded from reserves.
- COVID-19 Safe Restart Grant and Other Grants – decrease in one-time provincial funding to offset losses and reimburse for additional costs related to the pandemic with slight increase in program related grants.

Budget Summary by Function:

Operating Budget	Actual	Actual	Budget	Budget	% Change
ALL DEPARTMENTS	2020	2021	2021	2022	2022/2021
Property Taxation	(131,685,200)	(140,067,400)	(140,167,200)	(149,930,000)	6.97%
Parcel Tax	(20,000)	-	(20,000)	(20,000)	0.00%
Utility and Hotel Tax	(1,624,600)	(1,733,800)	(1,648,300)	(1,755,000)	6.47%
Grants In Lieu	(2,753,000)	(3,034,900)	(2,886,500)	(3,115,800)	7.94%
Interest and Penalties	(1,809,400)	(1,841,600)	(1,624,200)	(1,783,700)	9.82%
Other Revenues	(360,700)	(336,100)	(331,900)	(341,500)	2.89%
COVID-19 Safe Restart Grant	(420,600)	(324,200)	(432,000)	(369,700)	(14.42%)
Capital Contribution	14,905,300	17,279,200	17,375,800	19,323,400	11.21%
Net Departmental Cost	119,713,500	127,579,800	129,734,300	137,992,300	6.37%
SURPLUS/DEFICIT	(4,054,700)	(2,479,000)	-	-	0.00%

Property Taxation - The largest single source of revenue for the Municipality is property taxes. Property taxes are levied on owners of property situated in Saanich based on the assessed value of their property. This core budget provides for a 6.67% increase in municipal property taxes to the average single family homeowner with an assessed value of \$1,174,500 and to average business properties. The remaining increase in property tax revenue is from new tax revenues on construction completed during the previous year.

Utility and Hotel Tax - This includes the 1% revenue tax from utilities such as Fortis, Shaw, BC Hydro and Telus and 2% hotel revenue tax on hotels that operate within Saanich. Utility Taxes are projected to continue to increase in the future as tax base grows and 1.40 percent rate increase approved by BC Utilities Commission. Hotel Tax is still negatively impacted due to travel restrictions. Revenue from this tax is expected to start recovering in 2022.

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 continued to underperform in 2021 but are expected to start recovering in 2022 as the Bank of Canada begins increasing interest rates to manage inflation arising from COVID-19 related disruption to the supply chain. Property owners who do not pay their property taxes by the deadline are assessed penalties and interest based on provincial legislation and the District's tax scheme bylaw. Property tax penalties and interest income are trending back to pre COVID-19 years.

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

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

Capital Contribution - A portion of the capital program is funded from property taxation. The capital budget is increased by 2% annually to keep up with increasing construction costs. An additional increase of 0.54% 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. This year a four year transition plan has been initiated to move \$500,000 annually in funding from borrowing to taxation for acceleration of the Active Transportation Plan. All the above transfers add up to an increase of 1.32% in property taxation in 2022.

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 \$8,258,000 or 6.37% in 2022.

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
	2020	2021	2021	2022	2022/2021	2022/2021
Administration	2,481,300	3,150,000	2,745,300	2,894,800	149,500	5.45%
Corporate Services	6,842,600	7,642,100	8,350,600	9,479,900	1,129,300	13.52%
Finance	3,478,700	3,699,100	4,101,200	4,593,200	492,000	12.00%
Corporate Revenues and Expenses	750,000	1,580,500	1,296,100	657,100	(639,000)	(49.30%)
Fiscal Services	7,514,800	7,795,900	8,052,200	8,054,800	2,600	0.03%
Building, Bylaw, Licensing and Legal Services	647,400	1,362,200	1,580,400	1,940,400	360,000	22.78%
Police Protection	35,840,700	37,832,000	37,357,900	38,806,000	1,448,100	3.88%
Fire Protection	19,176,700	20,674,500	20,751,500	22,315,700	1,564,200	7.54%
Emergency Program	443,500	382,200	451,800	459,500	7,700	1.70%
Planning	3,112,700	3,217,600	3,641,400	4,580,200	938,800	25.78%
Engineering	13,356,400	13,856,900	14,145,000	15,311,600	1,166,600	8.25%
Parks, Recreation and Community Services	18,472,500	18,800,400	19,766,400	21,146,800	1,380,400	6.98%
Library, Grants and Economic Development	7,596,200	7,586,400	7,494,500	7,752,300	257,800	3.44%
TOTAL	119,713,500	127,579,800	129,734,300	137,992,300	8,258,000	6.37%

Ongoing Resource Requests

Requests approved for 2022:

2022 APPROVED RESOURCES		
Department or Division	Resource	Full Time Equivalent
Approved prior to April 2022		
Corporate Services	Occupational First Aid Level 2 Attendant	1.00
Planning	Planner	1.00
Planning	Senior Planner	1.00
Planning	Planning Analyst	1.00
Planning	Senior Planner	1.00
Fire	Fire Fighters	10.50
Engineering	Development Specialist	1.00
PRCS	Arboriculture Inspector	1.00
PRCS	Development Reviewer	1.00
Approved April 2022		
Administration	Information and Privacy Analyst	0.47
BBLL	Bylaw Clerk - part time	0.28
BBLL	Bylaw Officer	0.48
Corporate Services	Communication Advisor	0.48
Corporate Services	Communication Specialist	0.48
Corporate Services	HR Manager - People and Programs	0.49
Corporate Services	Business Relationship Manager	0.51
Corporate Services	Business Relationship Manager	0.51
Finance	Assistant Manager Purchasing services	0.24
Finance	Financial Analyst	0.51
Planning	Elk/Beaver Lake Watershed Plan - increase hours	0.30
Planning	Invasive Species Management - increase hours	0.20
Engineering	Project Engineer - Water Resources (tax funded portion)	0.15
Engineering	Project Engineer - Drainage	0.56
Engineering	Engineer Technician II (tax funded portion)	0.12
Engineering	Engineer Technician V (Climate Action Plan)	0.50
Engineering	Facilities Sustainable Energy Specialist	0.11
PRCS	Assistant Manager - SCP	0.48
PRCS	Arborist	0.46
PRCS	Older Adult Strategy - Programmer I	0.76
PRCS	Diversity, Equity and Arts Program - Programmer I	0.24
PRCS	Volunteer Services Coordinator - increase hours	0.19
Total FTE		27.02
Total Budget Requirement for Positions and Program Budgets		\$ 2,444,334

One Time Resource Requests

Approved Allocation of 2021 Annual Surplus and Short Term Debt for One Time Resources	Funding Source	
	Annual Surplus	Short Term Debt
Operating:		
Housing Strategy Top 12 and Phase 1 Actions	195,000	
2022 Election	664,500	
Climate Action Plan - Climate Resiliency Infrastructure	475,000	
Road Safety Action Plan	150,000	
Centre, Corridors and Villages Plans	100,000	
BetterHomesBC Rebate top ups	100,000	
Resilient Saanich- Marine Shoreline Inventory and Mapping	80,000	
Development Process Review - Procedural Review and Public Engagemen	50,000	
Citizen and Business Surveys - 2022 post election	105,000	
Mural Program	50,000	
Planning support for King's Road Green space	25,000	
Pop-Up Dog Parks	30,000	
Bowker Creek Blueprint Update	15,000	
Decolonization of Strategic Plan	5,000	
Asset Management Program Start-up Support	50,000	
Resilient Saanich- Extension of Environmental GIS Analyst position	29,000	
2-year Extension of Part-time Agriculture and Food Security Planner	35,000	
IAP2 Training	50,000	
Survey Instrumentation Upgrade	12,000	
AED replacement (Occupational First Aid program)	25,000	
Development of musculoskeletal injury prevention program	50,000	
Mental Health Consultant	20,000	
Mental Health program and training	50,000	
Heat Dome PPE and Equipment for Summer Camps and SNPP	10,000	
Swan Lake Xmas Hill Nature Sanctuary - Martelli House, Nature House windows/siding, Paludarium and exhibit	90,000	
Subtotal - operating	\$ 2,465,500	\$ -
Capital:		
Municipal Hall- Additional Security Measures & Capacity Renovations		550,000
Engineering - Four pick-up trucks		134,000
Parks 4x4 pick up truck with storage, dump box, snowplow & salt spreader		150,000
CH Golf Course Irrigation System Satellite Box replacement		153,100
Subtotal - capital	\$ -	\$ 987,100
Total approved allocation of annual surplus and short term debt	\$ 2,465,500	\$ 987,100

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	
2022 Net Budget	\$ 2,894,800
2021 Net Budget	\$ 2,745,300
Net Change	\$ 149,500
Change by %	5.45%
2022 FTE	18.10
2021 FTE	17.16
FTE Change	0.94
FTE Change %	5.48%

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

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

The **Archives Section** 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.

2022 BUDGET CHALLENGES

- Conduct the 2022 General Local and School Board Elections.
- Support the Citizens Assembly process.
- Support for standing and ad hoc committees.
- Implementation of an Electronic Document Records Management System (EDRMS).
- Create strategy for Economic Development

2022 KEY PRIORITIES

Priority Strategic Initiatives include:

Organizational Excellence:

- Support the Citizens Assembly process.
- Increase online resources on Archives website (ongoing):
 - Digitize archival documents and finding aids to expand online access to holdings.
 - Create online history exhibits.
- Create online exhibits / Digitize archival documents and finding aids. Continue to expand online access to holdings.
- Continue to support relationship building with First Nations. Member of the Interdepartmental Working Group and Training Taskforce.
- Privacy Management Program – Assessment of program controls – Ongoing

- Advance the Information Management Program – electronic records LAN (Local Area Network) restructuring
- Continue to ensure citizen engagement in Council proceedings.
- Service excellence provided by front line staff.
- 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.
- 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 PowerPoint 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 (PII) Phase two.

CORE BUDGET

The Department's 2022 net core budget of \$3,021,000 represents a 10.04% increase over prior year.

Net Budget By Function	Actual 2020	Actual 2021	Budget 2021	Budget 2022	\$ Change 2022/2021	% Change 2022/2021
Council & Committees	596,100	602,000	662,100	675,500	13,400	2.02%
Administration	544,000	1,212,300	547,600	533,900	(13,700)	(2.50%)
Elections						
Revenue	-	-	-	(664,500)	(664,500)	(100.00%)
Expense	-	-	-	664,500	664,500	100.00%
Total	-	-	-	-	-	-
Economic Development	-	10,000	60,000	124,000	64,000	106.67%
Legislative	1,199,400	1,189,600	1,326,900	1,409,900	83,000	6.26%
Archives	141,800	136,100	148,700	151,500	2,800	1.88%
Total	2,481,300	3,150,000	2,745,300	2,894,800	149,500	5.45%

- Elections – total cost of elections are projected to be \$664,500 to be funded from surplus appropriation. Future funding for elections will be done annually over four years with the accumulated funding to be used in the year of the election.
- Economic Development – full year budgeting of an Economic Development Officer approved prior year.
- Legislative – partial year budgeting of an Information and Privacy Analyst.

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	
2022 Net Budget	\$ 9,479,900
2021 Net Budget	\$ 8,350,600
Net Change	\$ 1,129,300
Change by %	13.52%
2022 FTE	52.63
2021 FTE	47.75
FTE Change	4.88
FTE Change %	10.22%

2022 BUDGET CHALLENGES

- Meeting the increasing / changing legislative requirements for Human Resources and Safety.
- Fluctuating demands for Corporate Services support from other departments.
- Ongoing maintenance and upgrading of IT infrastructure to ensure that corporate needs and service levels can be met.
- Provision of technology solutions to support effective and efficient service delivery.
- 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.

2022 KEY PRIORITIES

Priority strategic initiatives include:

Organizational Excellence

- Implement metrics related to a high-performing workforce
- Consider the Strategic plan through a post-colonial lens

Priority departmental initiatives include:

Corporate Services

- Continue to support the organization through COVID-19
- Provide support for the municipal elections
- Develop long-term staffing plan
- Safety, Disability Management and Training software implementation

Communications

- Continue to build internal communications strategies
- Creation and implementation of communications strategy for corporate, capital and infrastructure projects and initiatives (social media, website, media relations, issues management, VIP and writing style, graphic design, printing, and P2)

Human Resources

- Negotiate new IAFF and CUPE collective agreements
- Support leadership in the implementation of action plans for the 2021 Employee Survey results

Information Technology

- Refresh desktop / laptop computers and update software throughout the organization
- Support digitization of Planning department processes

Occupational Health & Safety

- Develop a Corrective Action Plan (CAP) from the Certificate of Recognition (COR) 2021 audit
- Mental health training for leadership, managers, supervisors and employees

Strategic Planning

- Prepare the citizen and business surveys to help guide financial and strategic decision making for both Council and staff after the October 2022 election
- Coordinate Strategic plan check-ins with Council

CORE BUDGET

The Department's 2022 net core budget of \$9,479,900 represents a 13.52% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2020	2021	2021	2022	2022/2021	2022/2021
Corporate Services	1,034,100	922,200	969,700	1,113,300	143,600	14.81%
Human Resources	1,240,900	1,183,600	1,435,300	1,774,900	339,600	23.66%
Information Technology	4,699,900	5,631,100	5,945,600	6,591,700	646,100	10.87%
Occupational Health/Safety						
Revenue	(684,900)	(647,900)	(727,100)	(781,100)	(54,000)	7.43%
Expense	552,600	553,100	727,100	781,100	54,000	7.43%
Total	(132,300)	(94,800)	-	-	-	0.00%
Total	6,842,600	7,642,100	8,350,600	9,479,900	1,129,300	13.52%

- Corporate Services – partial year budgeting of a Communication Advisor and a Communication Specialist.
- Human Resources – full year budgeting of a Manager of HR – Strategic Business Solutions and full year addition of an Occupational First Aid Level 2 Attendant approved November 2021. In addition partial year budgeting of an HR Manager – People and Programs.
- Information Technology – non-discretionary costs for hardware and software licensing and maintenance and partial year budgeting for two Business Relationship Managers.

Finance

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

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

- **Accounting Services** provides accounting and audit services for approximately \$400 million in annual expenses and revenues; cash management of over \$267 million in investments to maximize the returns and provide additional income to both operating and reserve funds and accounts payable processing over 37,430 invoices annually. The division also performs financial policy development, as well as, the preparation of the financial statements which are audited by an independent accounting firm.
- **Payroll Services** coordinates the time sheet entries for the District, the production of five different payroll groups paid on a bi-weekly basis and maintains benefits records for over 1,590 staff.
- **Purchasing Services** centralizes the procurement of goods and services to all departments. 218 quotations, tenders and requests for proposals totalling over \$56 million dollars are managed and processed in a year.
- **Financial Planning** supports departments with their financial analysis and coordinates the annual budgeting process.

The **Revenue Collection Division** processes all revenues including property taxes, utility bills, dog licenses, business licenses and recreation programs. Over 131,000 utility bills and 44,540 tax notices are produced annually. This section also manages a pre-approved instalment tax payment system and a web based online payment system.

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

BUDGET SUMMARY	
2022 Net Budget	\$ 4,593,200
2021 Net Budget	\$ 4,101,200
Net Change	\$ 492,000
Change by %	12.00%
2022 FTE	48.34
2021 FTE	45.36
FTE Change	2.98
FTE Change %	6.57%

2022 BUDGET CHALLENGES

- Resources for budget development including support for departments and development of appropriate budget documents.
- Resources to support the organization with procurement services.

2022 KEY PRIORITIES

Priority Strategic Initiatives include:

Organizational Excellence

- Finalize 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.
- Implement budget software to replace current excel based budgeting.
- Overhaul procurement bylaws, policies, procedures and templates
- Support departments with financial analysis.
- Advance public engagement on budget.
- Business case and funding strategy for Saanich Operations Centre.

CORE BUDGET

The Department's 2022 net core budget of \$4,593,200 represents a 12% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2020	2021	2021	2022	2022/2021	2022/2021
Accounting & Payroll	1,692,400	1,690,100	1,922,400	1,999,300	76,900	4.00%
Financial Planning	164,700	196,100	237,700	384,100	146,400	61.59%
Revenue Collections						
Revenue	(627,300)	(652,900)	(634,300)	(672,500)	(38,200)	6.02%
Expense	<u>1,262,500</u>	<u>1,322,000</u>	<u>1,351,100</u>	<u>1,492,000</u>	<u>140,900</u>	<u>10.43%</u>
Total	635,200	669,100	716,800	819,500	102,700	14.33%
Stores	254,400	340,400	318,500	343,100	24,600	7.72%
Purchasing	732,000	803,400	905,800	1,047,200	141,400	15.61%
Total	3,478,700	3,699,100	4,101,200	4,593,200	492,000	12.00%

- Financial Planning – full year budgeting of a Budget Manager approved prior year and partial year budgeting of a Financial Analyst.
- Revenue Collections – full year budgeting of an ERP Systems Specialist – Tempest approved prior year and duty to accommodate.
- Stores – wage increment and transfer of budget from Revenue Collections.
- Purchasing – full year budgeting of a procurement position approved prior year and partial year budgeting of an Assistant Manager of Purchasing Services.

Corporate Revenues and Expenses

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

BUDGET SUMMARY	
2022 Net Budget	\$ 657,100
2021 Net Budget	\$ 1,296,100
Net Change	\$ (639,000)
Change by %	-49.30%
FTE	n/a

These include the following:

Corporate contingency –

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

Administrative recoveries –

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

Government Services –

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

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

2022 Budget Challenges

- Ensuring adequate contingency to react to unforeseen emergencies.

CORE BUDGET

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2020	2021	2021	2022	2022/2021	2022/2021
Corporate Contingency	154,200	218,900	412,900	(71,300)	(484,200)	(117.27%)
Administrative Recoveries	(1,876,500)	(1,859,900)	(1,837,200)	(2,012,100)	(174,900)	(9.52%)
Government Services	670,800	1,266,600	832,100	832,200	100	0.01%
Employer Health Tax	1,801,500	1,954,900	1,888,300	1,908,300	20,000	1.06%
COVID-19 Expenditure	898,300	630,200	500,000	300,000	(200,000)	(40.00%)
COVID-19 Safe Restart Grant	(898,300)	(630,200)	(500,000)	(300,000)	200,000	40.00%
Total	750,000	1,580,500	1,296,100	657,100	(639,000)	(49.30%)

- Corporate Contingency – increase in vacancy contingency and allocation of one time funding for GHRC closure.
- Administrative Recoveries – increase in costs recovered from the utility functions.
- 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 which has a triple A Standard & Poor's (S&P) rating. There are two debenture issues per year, spring and fall. To authorize the financing request, a Council resolution is required.

BUDGET SUMMARY	
2022 Net Budget	\$ 8,054,800
2021 Net Budget	\$ 8,052,200
Net Change	\$ 2,600
Change by %	0.03%
FTE	n/a

As of December 2021, the total outstanding debt in the general operating fund is approximately \$38.4 million. This is projected to increase by \$14 million during the year, bringing total outstanding general operating debt to about \$52.5 million (\$63 million including utilities) by December 2022. This remains well within Council policy of a maximum of 7% of property tax revenue.

\$7.9 million in annual debt servicing cost is 5.64% of prior year's property tax revenue and about \$91 million in total debt at current rates. The total legal borrowing limit for Saanich is \$620 million.

The average homeowner's share of servicing debt per capita is \$36 per year (\$35 in 2021).

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 2022, 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 lower to accommodate the increase in interest and principal payments for new borrowing. Funds that are not needed in 2022 for debt servicing are transferred to capital reserves to support current and future capital asset replacement.

Net Budget By Function	Actual 2020	Actual 2021	Budget 2021	Budget 2022	\$ Change 2022/2021	% Change 2022/2021
Interest	1,008,800	1,014,000	1,186,600	1,247,300	60,700	5.12%
Principal	2,694,100	2,750,600	2,771,300	2,887,800	116,500	4.20%
Transfer to Climate Action Reserve	-	125,000	188,000	190,500	2,500	1.33%
Transfer to Capital Reserves	3,811,900	3,906,300	3,906,300	3,729,200	(177,100)	(4.53%)
Total	7,514,800	7,795,900	8,052,200	8,054,800	2,600	0.03%

- Interest – interest payments for 2021 capital borrowing.
- Principal – principal payments for 2021 capital borrowing.
- Transfer to Capital Reserves – funding for information technology infrastructure and Fire equipment 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	
2022 Net Budget	\$ 1,940,400
2021 Net Budget	\$ 1,580,400
Net Change	\$ 360,000
Change by %	22.78%
2022 FTE	38.36
2021 FTE	36.08
FTE Change	2.28
FTE Change %	6.32%

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.

2022 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).

2022 KEY PRIORITIES

Priority Strategic Initiatives include:

Community well-being

- Reinforce and conduct ongoing reviews of bylaws and review Saanich bylaw enforcement approach

Affordable housing, land use and infrastructure management

- Explore modular housing options on municipal lands

Priority Departmental Initiatives include:

Risk Management

- Implementing enterprise risk management at the District

Bylaw/Licensing/Legal

- Reviewing short term rental regulations

Inspection Services and Inspection Administration

- Working interdepartmentally to develop electronic building plan review, submission and reporting processes.

CORE BUDGET

The Department's 2022 net core budget of \$1,940,400 represents a 22.78% increase over prior year. Gross expenditure increased by 13.63% over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2020	2021	2021	2022	2022/2021	2022/2021
Legal Services	858,700	1,162,500	925,800	977,600	51,800	5.60%
Risk Management	291,200	285,000	307,800	321,000	13,200	4.29%
Insurance and Claims	647,700	1,485,300	799,200	1,221,100	421,900	52.79%
Bylaw and Parking Enforcement	644,700	863,600	848,600	1,047,200	198,600	23.40%
Inspections						
Revenues	(3,242,500)	(3,740,700)	(2,852,600)	(3,152,600)	(300,000)	10.52%
Expenses	<u>1,868,700</u>	<u>1,749,500</u>	<u>1,886,900</u>	<u>1,928,400</u>	<u>41,500</u>	<u>2.20%</u>
Total	(1,373,800)	(1,991,200)	(965,700)	(1,224,200)	(258,500)	26.77%
Business License						
Revenue	(505,600)	(514,500)	(495,000)	(504,600)	(9,600)	1.94%
Expense	<u>172,400</u>	<u>173,700</u>	<u>171,800</u>	<u>177,700</u>	<u>5,900</u>	<u>3.43%</u>
Total	(333,200)	(340,800)	(323,200)	(326,900)	(3,700)	1.14%
Lands/Property Management						
Revenue	(580,200)	(661,500)	(583,700)	(665,300)	(81,600)	13.98%
Expense	<u>492,300</u>	<u>559,300</u>	<u>571,600</u>	<u>589,900</u>	<u>18,300</u>	<u>3.20%</u>
Total	(87,900)	(102,200)	(12,100)	(75,400)	(63,300)	523.14%
Total	647,400	1,362,200	1,580,400	1,940,400	360,000	22.78%

- Legal Services – wage increments.
- Insurance and Claims – non-discretionary increase to property and liability insurance costs.
- Bylaw and Parking Enforcement – full 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 and part time clerk. In addition partial budgeting of a Bylaw Officer and a part time Bylaw Clerk.

Fire Protection

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

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

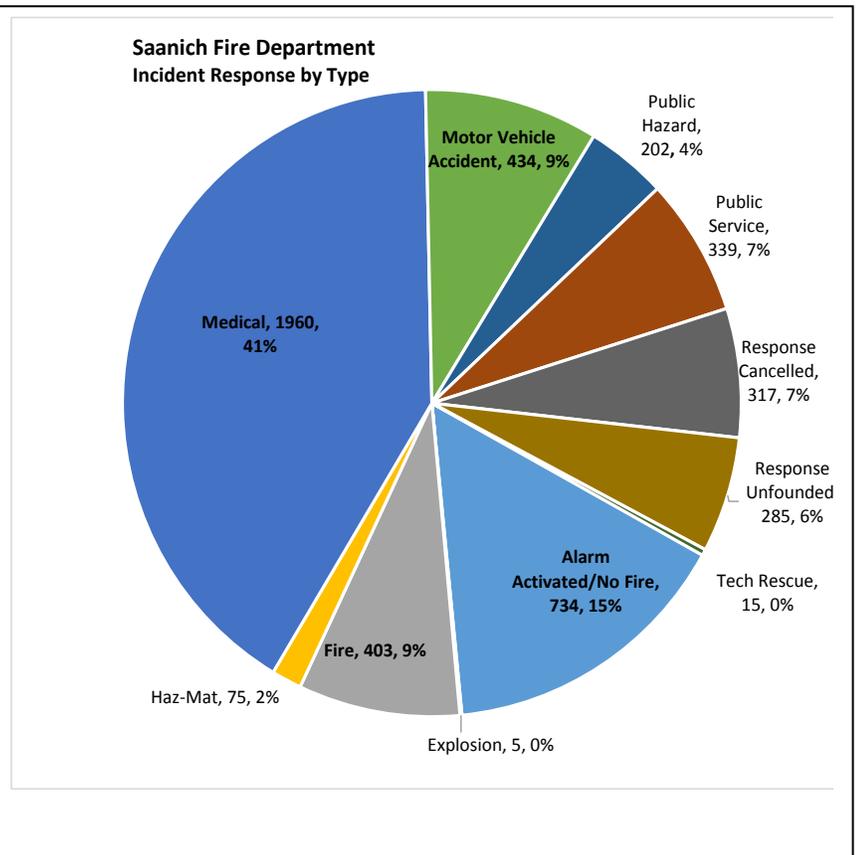
The Department also provides fire safety inspections, public education, fire apparatus, mechanical and high angle rescue services. Fire dispatch services, including emergency and non-emergency call receiving, processing and dispatching are provided to two client municipalities and the Capital Regional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

The Department employs 132 uniformed personnel and 6 support staff working out of 3 fire stations.

BUDGET SUMMARY	
2022 Net Budget	\$ 22,315,700
2021 Net Budget	\$ 20,751,500
Net Change	\$ 1,564,200
Change by %	7.54%
2022 FTE	137.80
2021 FTE	132.77
FTE Change	5.03
FTE Change %	3.79%

FIRE DEPARTMENT STATISTICAL SUMMARY¹

Population served	125,107 (est)
Protection area in square kilometres	103.43 (est)
Incident responses	4,775
Emergency incident responses	3,648
Number of fire related	Fatalities: 1 Injuries: 1
Estimated total dollar fire loss	\$1,750,000
Estimated value of property saved	\$99,000,000
Public building inspections	3,031
Incidents dispatched (Saanich and clients)	6,939



¹12 month period ending September 30, 2021

2022 BUDGET CHALLENGES

The Department's 2020 and 2021 work plan and strategic directions were significantly impacted by COVID-19 and resulted in projects and initiatives being deferred to 2022.

- **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:**
 - Department projects and strategic initiatives deferred or remain incomplete; pent up demand for resources, management and oversight.
 - Global supply chain shortages impacting cost and availability of supplies, goods and services.
- **Fire Stations and Facilities:** Deferral of fire station renovations and facility improvements increased costs to maintain aging facilities have further exacerbated impact on department operations, training and space requirements, notwithstanding Fire Station No. 2 replacement.

2022 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 and restart plan.
- **2020 Master Fire Plan:** Implement the recommendations of the Fire Services Review to ensure the department continues to deliver efficient, effective and fiscally responsible fire services to the District.

Priority Departmental Initiatives include:

- 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 to support homeowner fire insurance protection rates.
- Continue to work with industry partners and Saanich Sustainability in the greening and electrification of zero emission apparatus, vehicles, equipment and supplies.
- Provide oversight for replacement and construction of Fire Station No. 2 to be completed in 2024.
- Complete onboarding and transition of new fire dispatch client; continue to explore dispatch business opportunities outside the Capital Region.
- Ensure fire fighter training plans continue to meet new training standards established by the Office of the Fire Commissioner.
- Provide professional development opportunities and succession planning through Chief Fire Officer Development Program and continue to recruit and retain a skilled and diverse workforce.

CORE BUDGET

The Department's 2022 net core budget of \$22,315,700 represents a 7.54% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2020	2021	2021	2022	2022/2021	2022/2021
Administration	2,149,700	2,152,500	2,155,600	2,234,200	78,600	3.65%
Suppression and Rescue	13,242,500	14,387,900	14,307,700	15,499,700	1,192,000	8.33%
Dispatch						
Revenues	(235,800)	(241,500)	(239,200)	(435,500)	(196,300)	82.07%
Expenses	<u>1,550,200</u>	<u>1,889,700</u>	<u>1,743,000</u>	<u>2,067,400</u>	<u>324,400</u>	<u>18.61%</u>
Total	1,314,400	1,648,200	1,503,800	1,631,900	128,100	8.52%
Prevention	888,400	926,500	1,009,500	1,042,000	32,500	3.22%
Staff Development	435,100	346,100	515,000	636,300	121,300	23.55%
Equipment Maintenance	990,400	1,051,500	1,098,600	1,109,200	10,600	0.96%
Building Maintenance	156,200	161,800	161,300	162,400	1,100	0.68%
Total	19,176,700	20,674,500	20,751,500	22,315,700	1,564,200	7.54%

- Administration – wage increments and non-discretionary increase to equipment costs.
- Suppression and Rescue – wage increments and partial year addition of two 24/7 firefighter (10.50 FTE) approved by Council October 2021 as part of their overall commitment to fund the resources recommended in the Fire Services Review.
- Dispatch – new contract with the CRD offset by wage increments, non-discretionary increases to E-Comm services and the increase of a 0.40 part time Dispatcher due to implementation of new IAFF (Fire) contract.
- Staff Development – full year budgeting of a Staff Development Officer approved prior year.

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 157 municipal staff trained in Emergency Operations Center (EOC) response procedures and Incident Command System (ICS). There are also 83 dedicated Emergency Program volunteers who support the community through emergency support services (ESS), emergency radio communications (COMMS) and neighbourhood emergency preparedness programs (NEPP).

BUDGET SUMMARY	
2022 Net Budget	\$ 459,500
2021 Net Budget	\$ 451,800
Net Change	\$ 7,700
Change by %	1.70%
2022 FTE	3.00
2021 FTE	3.00
FTE Change	0.00
FTE Change %	0.00%

2022 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 2020-2021 work plan resulting in projects and initiatives being deferred and continuing to be deferred due to capacity, resources being available and supply chain issues..

2022 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 and restart plan.

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.
- Update the Emergency Program Strategic Plan.
- Complete a Saanich specific Hazard, Risk and Vulnerability Assessment to identify locations and areas of risk to inform an update of the District's Emergency Response and Recovery Plan.
- Facilitate joint emergency activation exercises with District departments and staff.
- Develop framework for disaster staging areas plan – Phase 1.
- Continue working with provincial government and stakeholders to implement the Regional Emergency Management Partnership to enhance emergency management across the 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 2022 net core budget of \$459,500 represents a 1.70% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2020	2021	2021	2022	2022/2021	2022/2021
Program Administration	430,900	376,700	430,300	436,800	6,500	1.51%
Training Programs	2,500	4,100	15,100	15,100	-	0.00%
Neighbour Helping Neighbour	10,100	1,400	6,400	7,600	1,200	18.75%
Total	443,500	382,200	451,800	459,500	7,700	1.70%

- Neighbour Helping Neighbour – budget transfer from program administration.

Planning

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

The **Community Planning Division** works with Council, residents and a range of stakeholder on plans and policies that guide growth and change in the community. The Division's work includes comprehensive plans such as Local Area Plans, the recently completed Douglas Corridor-Uptown Plan, and more focused projects such as looking at means to develop more affordable housing and ways to support agriculture and long-term food security. The Division also works with the regional community on cross border issues such as mobility, land use, economic matters, health issues and housing. The Division provides professional advice to Council, the public, staff, and a broad range of stakeholders on community planning matters and regulatory documents.

The **Current Planning Division** oversees a broad range of development related applications such as; Rezoning, Development Permits, Variances, Subdivision; building stratification, Agricultural Land Reserve; Liquor; and Antenna. Current Planning is also actively engaged in policy development and implementation initiatives with other Divisions of Planning as well as other Departments and external organizations. 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, the protection of streams and associated riparian areas through the Streamside Development Permit Areas and support of the work being undertaken by the Resilient Saanich Technical Committee. The Division also undertakes more focused work reviewing development proposals, community outreach and the provision of educational programs for both staff and the public. The Division provides professional advice to Council, the public, staff, and a broad range of stakeholders on environmental matters and regulatory documents.

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

BUDGET SUMMARY	
2022 Net Budget	\$ 4,580,200
2021 Net Budget	\$ 3,641,400
Net Change	\$ 938,800
Change by %	25.78%
2022 FTE	39.84
2021 FTE	34.07
FTE Change	5.77
FTE Change %	16.94%

2022 BUDGET CHALLENGES

- The alignment of Council and Community objectives and expectations with the resources required to meet those service levels.
- Access to current technology with ongoing support continues to be an issue for the Department.
- Recruitment and retention of professional staff, given competitive marketplace.

2022 KEY PRIORITIES

Priority Strategic Initiatives include:

Affordable Housing, Land Use and Infrastructure Management

- Implement priority actions from the Saanich Housing Strategy, including the capacity analysis and the development of a Missing Middle Housing program.
- Develop Terms of Reference for Council approval, and commence work on, the new Centres, Villages and Corridors Plans.
- Undertake a strategic and focused update of the Official Community Plan.
- 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.
- Finalize public engagement on the Draft Cadboro Bay Local Area Plan and bring the final document forward for review and consideration by Council.
- Adopt the updated Cordova Bay Local Area Plan and associated Village Design guidelines.

Climate Action and Environmental Leadership

- Respond to the recommendations of the Resilient Saanich Technical Committee regarding mapping and stewardship; support the consultant team preparing the State of Biodiversity Report and the Biodiversity Conservation Strategy; and facilitate the finalization of the Resilient Saanich Goals and Objectives.
- Complete 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 (Climate Plan action E1.2).
- Accelerate the number of multifamily buildings that incorporate EV-ready infrastructure by promoting Saanich's top-up incentives to the CleanBC Go Electric Program.
- Complete construction of 22 new Level 2 EV charging stations for Saanich fleet and secure grant funding and complete design for future DC Fast Chargers that support fleet electrification, in collaboration with Facility Operations, Fire and Police.
- Secure grant funding and commence project design for major climate focused retrofits at G.R. Pearkes and Cedar Hill Recreation Centre, to implement their Pathways to 100% Renewable Energy in collaboration with Facility Operations and Recreation.

Organizational Excellence

- Commence implementation of the Development Process Review recommendations.
- Update the Development Permit Area Design Guidelines and review and update the Zoning and Building bylaws to: better support the development of a well-designed community and public realm; identify and remove municipal barriers to high performance buildings; and promote sustainable development that protects communities, the natural environment and biodiversity.

Community Well-Being

- Develop a Community Amenity Contribution and Inclusionary Housing Program.
- Undertake a process to select First Nations public art for the Municipal Hall.
- Launch the Neighbour to Neighbour grant program to support connected communities that have the ability to prepare for, endure and recover from climate change and other challenges.

Priority Departmental Initiatives include:

- Update the Streamside Development Permit Area guidelines to be compliant with provincial legislation.
- Provide a one-year progress report to Council on Garden Suite regulations.
- Work with the CRD to update the Bowker Creek Blueprint for Council's review and consideration.

- Commence implementation of the Elk/Beaver Lake Watershed Management Plan with the community.
- Undertake update of off-street parking requirements in the Zoning Bylaw to support a mode shift towards active transportation.
- Work with the CRD towards launching a Regional Building Retrofit Service.
- Engage on and develop an approach for implementation of low carbon building requirements and the upper steps of the BC Energy Step Code for new buildings, in collaboration with regional partners.
- Update the residential oil tank inventory.
- Develop a communications campaign and other strategies on climate adaptation with a focus for 2022 on measures to reduce impacts from heat waves and poor air quality events.

CORE BUDGET

The Department's 2022 net core budget of \$4,580,200 represents a 25.78% increase over prior year.

Net Budget By Function	Actual 2020	Actual 2021	Budget 2021	Budget 2022	\$ Change 2022/2021	% Change 2022/2021
Planning Administration	742,600	763,300	915,000	1,109,600	194,600	21.27%
Environmental Services	489,600	483,200	460,400	530,900	70,500	15.31%
Community Planning	1,031,100	920,000	1,002,000	1,211,800	209,800	20.94%
Sustainability						
Revenues	(290,100)	(244,600)	(200,000)	(200,000)	-	0.00%
Expenses	481,300	534,100	592,600	740,400	147,800	24.94%
Total	191,200	289,500	392,600	540,400	147,800	37.65%
Current Planning						
Revenues	(155,300)	(196,700)	(155,000)	(168,000)	(13,000)	8.39%
Expenses	565,500	839,400	783,000	1,106,900	323,900	41.37%
Total	410,200	642,700	628,000	938,900	310,900	49.51%
Subdivision						
Revenues	(36,400)	(46,300)	(57,200)	(57,200)	-	0.00%
Expenses	284,400	165,200	300,600	305,800	5,200	1.73%
Total	248,000	118,900	243,400	248,600	5,200	2.14%
Total	3,112,700	3,217,600	3,641,400	4,580,200	938,800	25.78%

- Planning Administration – full year budgeting of a Manager of Housing, Planning and Development and an ERP Systems Specialist – Tempest position approved prior year.
- Environmental Services – increase hours budgeting for both Elk/Beaver Lake Watershed Plan and Invasive Species Management.
- Community Planning – addition (partial year) of a Senior Planner and a Planning Analyst to implement the Housing Strategy approved January 2022.
- Sustainability – full year budgeting of a Senior Sustainability Planner and a Senior Sustainability Project Manager approved prior year.
- Current Planning – full year budgeting of a Senior Planning Technician – Development approved prior year and addition of a Senior Planner and a Planner approved September 2021.

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, accepts and inspects of all works installed by private developers that become municipal assets.

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

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

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

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	
2022 Net Budget	\$ 15,311,600
2021 Net Budget	\$ 14,145,000
Net Change	\$ 1,166,600
Change by %	8.25%
2022 FTE	206.49
2021 FTE	198.22
FTE Change	8.27
FTE Change %	4.17%

2022 BUDGET CHALLENGES

- The department will have a strong reliance on contracted construction services and hired equipment in 2022 to deliver a number of strategic projects. Confirming contractor availability and achieving competitive pricing will be key in ensuring these projects are delivered as planned
- Human resource capacity (rolling vacancies and meeting the long term staffing plan). Employee recruitment and retention due to a tight labour market for qualified people.

- Increased cost and availability of supplies may impact the delivery of service and operations
- Backlog of Fleet vehicle replacement program is 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.
- Changes to the Professional Governance Act requiring additional oversight and documentation will be required

2022 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

Affordable housing, land use and infrastructure management

- Prepare a District-wide stormwater management master plan. The project scope has been extended to include integrated stormwater management plans (ISMP) for alignment with Council's Strategic Plan and Climate Plan initiatives. The first of five plans is the pilot for the Cordova Bay area which is expected to be completed in 2022.

Climate action and environmental leadership

- Support BC Transit by participating in the development of a Rapid Bus Implementation Strategy for the Region and by participating in discussions advancing the Uptown Multi-Modal Transit Hub. This includes a joint McKenzie Ave corridor study is underway and expected to be complete in 2023

Priority Departmental Initiatives include:

Transportation and Development Services:

- Begin work on updating the Active Transportation Plan
- Construct new walking and cycling infrastructure along with asset renewal on Gorge Road, Vanalman Ave, Sinclair Road and at the West Saanich Prospect Lake intersection
- Modernize our development services policy framework, starting with updating the Engineering Specifications of the Subdivision Bylaw

Water Resources:

- Complete Cordova Bay ISMP pilot study.
- Develop a plan to complete the rehabilitation of the remaining large diameter Wood Stave storm drains
- 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
- Enhance the material testing and quality control on internal projects
- Review the Yard and Garden Waste Drop-off service model
- Review Council's Inspections policy to be proactive in addressing potential hazards
- Undertake a succession planning review to forecast future staff resource needs

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 Q3 2022.
- 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 early Q2 2022.
- Start construction of the biomass boiler system at Saanich Commonwealth Place.
- Prepare pathway to 100% renewable plans for key facilities

CORE BUDGET

The Department's 2022 net core budget of \$15,311,600 represents an 8.25% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2020	2021	2021	2022	2022/2021	2022/2021
Engineering Administration	(795,700)	(829,300)	(630,600)	(692,000)	(61,400)	9.74%
Transportation & Development Services	1,730,200	1,661,000	1,930,400	2,343,300	412,900	21.39%
Water Resources	1,637,000	1,867,100	1,774,200	2,054,900	280,700	15.82%
Facility Operations	2,584,800	2,585,800	2,273,700	2,413,400	139,700	6.14%
Public Works	8,200,100	8,572,300	8,797,300	9,192,000	394,700	4.49%
Total	13,356,400	13,856,900	14,145,000	15,311,600	1,166,600	8.25%

Engineering Services

The Division's net core budget of \$3,706,200 represents a 20.57% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2020	2021	2021	2022	2022/2021	2022/2021
Engineering Administration						
Revenue	(1,795,100)	(1,970,300)	(1,730,200)	(1,905,300)	(175,100)	10.12%
Expense	999,400	1,141,000	1,099,600	1,213,300	113,700	10.34%
Total	(795,700)	(829,300)	(630,600)	(692,000)	(61,400)	9.74%
Transportation & Development Services	1,730,200	1,661,000	1,930,400	2,343,300	412,900	21.39%
Water Resources	1,637,000	1,867,100	1,774,200	2,054,900	280,700	15.82%
Total	2,571,500	2,698,800	3,074,000	3,706,200	632,200	20.57%

- Engineering Administration – increases in permit fees and cost recovery from utilities is offset by the full year budgeting of a Manager of Asset Management position approved prior year.
- Transportation & Development Services – full year budgeting of a Transportation Planner and two Engineering Tech positions approved prior year. Addition of a Development Specialist approved September 2021 and partial year budgeting of an Engineer Technician V related to the Climate Action Plan implementation.
- Water Resources – full year budgeting of a Manager of Infrastructure Design and Construction approved prior year. Partial year budgeting of an Engineer Technician II, a Project Engineer – Water Resources and a Project Engineer – Drainage.

Facility Operations

The Division's net core budget of \$2,413,400 represents a 6.14% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2020	2021	2021	2022	2022/2021	2022/2021
Administration	409,600	392,600	444,500	493,800	49,300	11.09%
Minor Facility Repair	557,400	546,200	473,000	514,300	41,300	8.73%
Les Passmore Building	177,700	191,400	177,100	181,300	4,200	2.37%
Municipal Hall Building	632,700	672,800	597,100	610,800	13,700	2.29%
Municipal Annex	152,400	164,200	139,800	143,600	3,800	2.72%
Other Buildings	259,800	206,500	132,400	133,900	1,500	1.13%
Public Safety Building						
Revenues	(588,500)	(600,200)	(600,200)	(604,700)	(4,500)	0.75%
Expenses	<u>927,800</u>	<u>974,700</u>	<u>910,000</u>	<u>936,800</u>	<u>26,800</u>	<u>2.95%</u>
Total	339,300	374,500	309,800	332,100	22,300	7.20%
Public Works and Parks						
Revenues	(316,200)	(323,800)	(323,800)	(327,900)	(4,100)	1.27%
Expenses	<u>372,100</u>	<u>361,400</u>	<u>323,800</u>	<u>331,500</u>	<u>7,700</u>	<u>2.38%</u>
Total	55,900	37,600	-	3,600	3,600	100.00%
Total	2,584,800	2,585,800	2,273,700	2,413,400	139,700	6.14%

- Administration – partial year budgeting of a Facilities Sustainable Energy Specialist.
- Minor Facility Repair – increase in one time funding for furniture and offices for new positions.

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 \$9,192,000 increased by 4.49% over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2020	2021	2021	2022	2022/2021	2022/2021
Administration	595,500	613,500	850,200	872,300	22,100	2.60%
Fleet						
Revenue	(5,849,500)	(6,004,800)	(5,734,700)	(6,184,800)	(450,100)	7.85%
Expense	<u>5,841,800</u>	<u>6,013,900</u>	<u>5,865,400</u>	<u>6,184,800</u>	<u>319,400</u>	<u>5.45%</u>
Total	(7,700)	9,100	130,700	-	(130,700)	100.00%
Solid Waste Services						
Revenue	(6,941,800)	(7,304,200)	(7,331,500)	(7,761,500)	(430,000)	5.87%
Expense	<u>7,151,400</u>	<u>7,652,000</u>	<u>7,708,700</u>	<u>8,182,500</u>	<u>473,800</u>	<u>6.15%</u>
Total	209,600	347,800	377,200	421,000	43,800	11.61%
Storm Drains	2,078,200	2,080,900	1,998,900	2,069,400	70,500	3.53%
Street Operations	5,324,500	5,521,000	5,440,300	5,829,300	389,000	7.15%
Total	8,200,100	8,572,300	8,797,300	9,192,000	394,700	4.49%

- Fleet – full year budgeting of a Project Coordinator approved prior year.
- Solid Waste Services – non-discretionary increases in costs due to increase in tonnage for both compost and garbage pickup and increase to compost hauling and processing fees.
- Street Operations – non-discretionary increase to the Winter Program budget and maintenance costs of new road and bike assets.

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), SÁAUTW (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 to Saanich's underserved and / or most vulnerable populations including municipal and community special events, community development, volunteerism, financial accessibility services for low income citizens, inclusion services, youth services and teen centres, summer playground programs, seniors and active aging initiatives, parks programming, multicultural and social programs, and mental health initiatives.

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

BUDGET SUMMARY	
2022 Net Budget	\$ 21,146,800
2021 Net Budget	\$ 19,766,400
Net Change	\$ 1,380,400
Change by %	6.98%
2022 FTE	316.70
2021 FTE	295.42
FTE Change	21.28
FTE Change %	7.20%

2022 BUDGET CHALLENGES

- Ongoing recruitment challenges at multiple levels; including aquatics, program services, technical staff and specialized management
- Supply chain delays, reduced contractor capacity and increased costs for capital projects negatively impacting timelines and established budgets
- Continued uncertainty around pandemic-related restrictions
- Community demand and expectations have outgrown staff capacity and physical spaces to deliver services and empower community connection
- Aligning import physical, mental, social and health-related programs with changing community demographics
- Inadequate work conditions at the Saanich Operations Centre to deliver current and growing programs and services

2022 KEY PRIORITIES

Priority Strategic initiatives include:

Community well-being

- Hosting events for the BC 55+ Games
- Developing the terms of reference and call for proposals to update the Parks, Recreation and Community Services Master Plan
- Creation of a District-wide Diversity, Equity and Inclusion Strategy and Implementation plan including the development of a Council policy on racism
- Undertaking the People, Pets and Parks District-wide strategy process
- Implementing the 2017-2024 Older Adults Strategy

Organizational excellence

- Undertaking Third Rink Demand Analysis
- Implementing initiatives from the Memorandum of Understanding ÁTOL,NEUEL (“Respecting One Another”) between the W̱SÁNEĆ Leadership Council and District of Saanich
- Providing Indigenous Cultural Awareness training to Saanich Council, council committees and staff
- Implementing initiatives that create positive change in areas identified by the employee YES survey

Climate action and environmental leadership

- Expanded tree planting to action Saanich’s Climate Adaptation Plan
- Continue to support the Resilient Saanich Technical Committee and the development of a Biodiversity Framework
- Review and update the Urban Forest Strategy

Priority Departmental Initiatives include:

Community well-being

- Increased focus on inclusivity such as LGBTQ2S+ swims
- Development of evaluative tool to assess Recreation program impacts
- Initiation of the Gordon Head and Bert Richman Feasibility Study
- Hosting and/or supporting new and/or expanded cultural celebrations

Organizational excellence

- Stage one development of departmental allocations policy
- Initiation of contract with new Golf Course Operator at Cedar Hill Golf Course
- Continued modernization of agreements with community partners and user groups
- Review and refinement of financial assistance program for Recreation and Community Services

Climate action and environmental leadership

- SCP Biomass project continuation
- Continue to build Natural Intelligence program
- Continue to support and enhance Pulling Together volunteer program to implement the existing Invasive Species Management Strategy
- Expand Parks Ambassador Program into Cuthbert Holmes Park
- Continue to support child and youth environmental programs and older adult arts-based nature programs

CORE BUDGET

The Department's 2022 net core budget of \$21,146,800 represents a 6.98% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL FUNCTIONS	2020	2021	2021	2022	2022/2021	2022/2021
Parks & Rec. Administration	932,300	874,800	878,000	916,500	38,500	4.38%
Parks Division	7,620,300	8,196,100	8,552,300	9,257,700	705,400	8.25%
Community Services Division	1,318,000	1,431,800	1,667,300	1,852,100	184,800	11.08%
Cedar Hill Recreation Centre	1,243,100	1,271,900	1,268,900	1,325,800	56,900	4.48%
Gordon Head Recreation Centre	2,163,300	2,149,300	2,202,000	2,338,800	136,800	6.21%
G R Pearkes Recreation Centre	1,494,300	1,466,300	1,506,400	1,586,900	80,500	5.34%
Saanich Commonwealth Place	3,617,500	3,698,200	3,681,400	3,919,100	237,700	6.46%
Cedar Hill Golf Course	83,700	(288,000)	10,100	(50,100)	(60,200)	(596.04%)
Total net cost	18,472,500	18,800,400	19,766,400	21,146,800	1,380,400	6.98%

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
	2020	2021	2021	2022	2022/2021	2022/2021
Administration	764,900	693,400	696,700	730,000	33,300	4.78%
Marketing						
Revenues	(79,800)	(112,400)	(129,000)	(197,000)	(68,000)	52.71%
Expenses	301,700	344,300	375,300	383,500	8,200	2.18%
Total	221,900	231,900	246,300	186,500	(59,800)	(24.28%)
COVID-19 Safe Restart Grant	(54,500)	(50,500)	(65,000)	-	65,000	(100.00%)
Total	932,300	874,800	878,000	916,500	38,500	4.38%

- Administration – wage increments.
- Marketing – revenue dependent on increase in 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 \$9,257,700 represents an 8.25% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	%Change
	2020	2021	2021	2022	2022/2021	2022/2021
Administration	630,700	640,700	798,100	798,800	700	0.09%
Parks Operations	5,069,900	5,567,300	5,612,200	5,920,000	307,800	5.48%
Design and Development	1,222,900	1,183,600	1,232,900	1,281,400	48,500	3.93%
Community Development & Business Systems	696,800	804,500	909,100	1,257,500	348,400	38.32%
Total	7,620,300	8,196,100	8,552,300	9,257,700	705,400	8.25%

- Parks Operations – full year budgeting of a Manager of Urban Forestry and Natural Areas approved prior year. Partial year budgeting of an Arborist.
- Community Development & Business Systems – full year budgeting of a GIS Tech and a Tree Mapping Assistant positions approved prior year. Addition of an Arboriculture Inspector and a Development Reviewer approved September 2021.

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
	2020	2021	2021	2022	2022/2021	2022/2021
Programming	774,800	825,500	831,200	878,100	46,900	5.64%
Programs						
Revenues	(380,400)	(268,400)	(110,500)	(195,900)	(85,400)	77.29%
Expenses	<u>923,600</u>	<u>874,700</u>	<u>946,600</u>	<u>1,169,900</u>	<u>223,300</u>	<u>23.59%</u>
Total	543,200	606,300	836,100	974,000	137,900	16.49%
Total	1,318,000	1,431,800	1,667,300	1,852,100	184,800	11.08%

- Programming – increase the position of Volunteer Services Coordinator to full time.
- Programs – COVID-19 restart plan related programming increases in both budgeted expenditure and revenues. Partial year budgeting of a Diversity, Equity and Arts Programmer and increase to that programs budgeted expenditure. Continued implementation of the Older Adult Strategy which include partial year funding of three part time programmers.

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
	2020	2021	2021	2022	2022/2021	2022/2021
Programming & Reception						
Revenues	(42,500)	(16,000)	(26,500)	(29,300)	(2,800)	10.57%
Expenses	<u>1,210,600</u>	<u>1,194,100</u>	<u>1,132,500</u>	<u>1,161,200</u>	<u>28,700</u>	<u>2.53%</u>
Total	1,168,100	1,178,100	1,106,000	1,131,900	25,900	2.34%
Programs						
Revenues	(867,500)	(1,121,500)	(1,104,300)	(1,292,800)	(188,500)	17.07%
Expenses	<u>576,100</u>	<u>669,000</u>	<u>661,600</u>	<u>760,300</u>	<u>98,700</u>	<u>14.92%</u>
Total	(291,400)	(452,500)	(442,700)	(532,500)	(89,800)	20.28%
Maintenance	758,600	765,600	787,500	801,500	14,000	1.78%
COVID-19 Safe Restart Grant	(392,200)	(219,300)	(181,900)	(75,100)	106,800	(58.71%)
Total	1,243,100	1,271,900	1,268,900	1,325,800	56,900	4.48%

- Programs – COVID-19 restart plan related programming increases 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. The course has been operating for over 100 years and has repeatedly been named as the best course in Victoria by the Times Colonist Reader Awards.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2020	2021	2021	2022	2022/2021	2022/2021
Golf Revenues	(1,658,000)	(1,945,800)	(1,659,000)	(1,881,200)	(222,200)	13.39%
Administration	137,000	91,300	218,300	366,300	148,000	67.80%
Pro Shop	73,400	74,700	76,000	131,300	55,300	72.76%
Food and Beverage						
Revenues	(61,400)	-	(229,500)	-	229,500	(100.00%)
Expenses	<u>154,100</u>	<u>84,100</u>	<u>319,200</u>	<u>-</u>	<u>(319,200)</u>	<u>100.00%</u>
Total	92,700	84,100	89,700	-	(89,700)	(100.00%)
Facility Maintenance	289,800	259,100	263,000	270,400	7,400	2.81%
Grounds Maintenance	1,029,700	1,148,600	1,022,100	1,063,100	41,000	4.01%
Contingency for One Time Savings due to Shutdown	119,100	-	-	-	-	0.00%
Total	83,700	(288,000)	10,100	(50,100)	(60,200)	(596.04%)

- Golf Revenues – more rounds and higher green fees anticipated.
- Administration – elimination of the Food and Beverage operation and transfer of Assistant Manager position to Administration.
- Facility Maintenance – non-discretionary increase of ground supplies.

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. 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 2020	Actual 2021	Budget 2021	Budget 2022	\$ Change 2022/2021	% Change 2022/2021
Programming & Reception						
Revenues	(29,400)	(87,900)	(17,200)	(53,000)	(35,800)	208.14%
Expenses	<u>1,211,200</u>	<u>1,216,200</u>	<u>1,311,900</u>	<u>1,402,500</u>	<u>90,600</u>	<u>6.91%</u>
Total	1,181,800	1,128,300	1,294,700	1,349,500	54,800	4.23%
Programs						
Revenues	(1,046,500)	(1,337,700)	(1,162,700)	(1,698,500)	(535,800)	46.08%
Expenses	<u>998,600</u>	<u>1,089,600</u>	<u>974,400</u>	<u>1,495,600</u>	<u>521,200</u>	<u>53.49%</u>
Total	(47,900)	(248,100)	(188,300)	(202,900)	(14,600)	7.75%
Maintenance	1,287,100	1,269,100	1,336,300	1,399,400	63,100	4.72%
One Time Funding for Shutdown	-	-	-	(143,600)	-	100.00%
COVID-19 Safe Restart Grant	(257,700)	-	(240,700)	(63,600)	177,100	(73.58%)
Total	2,163,300	2,149,300	2,202,000	2,338,800	280,400	6.21%

- Programs – COVID-19 restart plan related programming increases in both budgeted expenditure and revenues.
- Maintenance – non-discretionary increase to maintenance of the Bert Richman and Lambrick House buildings.
- One Time Funding for Shutdown – appropriation of funds to offset any impact due to pool operations for part of the year.

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
	2020	2021	2021	2022	2022/2021	2022/2021
Programming & Reception						
Revenues	(579,000)	(728,000)	(541,500)	(1,035,000)	(493,500)	91.14%
Expenses	<u>1,141,200</u>	<u>1,174,700</u>	<u>1,221,100</u>	<u>1,305,400</u>	<u>84,300</u>	<u>6.90%</u>
Total	562,200	446,700	679,600	270,400	(409,200)	(60.21%)
Programs						
Revenues	(431,800)	(595,400)	(428,400)	(848,000)	(419,600)	97.95%
Expenses	<u>367,400</u>	<u>455,100</u>	<u>340,900</u>	<u>477,800</u>	<u>136,900</u>	<u>40.16%</u>
Total	(64,400)	(140,300)	(87,500)	(370,200)	(282,700)	323.09%
Maintenance	1,457,100	1,499,900	1,740,100	1,866,700	126,600	7.28%
One Time Funding for Shutdown	(246,500)	(340,000)	(340,000)	-	340,000	(100.00%)
COVID-19 Safe Restart Grant	(214,100)	-	(485,800)	(180,000)	305,800	(62.95%)
Total	1,494,300	1,466,300	1,506,400	1,586,900	80,500	5.34%

- Programming & Reception – COVID-19 restart plan related increases facility rentals in both budgeted expenditure and revenues and full resumption of Gold Arena operations after ice resurfacing work.
- Programs – COVID-19 restart plan related programming increases in both budgeted expenditure and revenues.
- Maintenance – resumption of operations post Gold Arena closure.

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
	2020	2021	2021	2022	2022/2021	2022/2021
Programming & Reception						
Revenues	(343,000)	(216,600)	(138,500)	(340,900)	(202,400)	146.14%
Expenses	<u>1,821,800</u>	<u>1,872,800</u>	<u>1,859,300</u>	<u>2,209,500</u>	<u>350,200</u>	<u>18.84%</u>
Total	1,478,800	1,656,200	1,720,800	1,868,600	147,800	8.59%
Programs						
Revenues	(1,628,600)	(2,507,900)	(2,021,700)	(3,666,600)	(1,644,900)	81.36%
Expenses	<u>1,999,600</u>	<u>2,681,800</u>	<u>2,273,700</u>	<u>3,508,400</u>	<u>1,234,700</u>	<u>54.30%</u>
Total	371,000	173,900	252,000	(158,200)	(410,200)	(162.78%)
Maintenance	2,085,300	2,296,700	2,498,500	2,729,700	231,200	9.25%
COVID-19 Safe Restart Grant	(317,600)	(428,600)	(789,900)	(521,000)	268,900	(34.04%)
Total	3,617,500	3,698,200	3,681,400	3,919,100	237,700	6.46%

- Programming & Reception – partial year budgeting of an Assistant Manager.
- Programs – COVID-19 restart plan related programming increases in both budgeted expenditure and revenues.
- Maintenance – COVID-19 restart plan related resumption of operations.

Police Services

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

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

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

BUDGET SUMMARY	
2022 Net Budget	\$ 38,806,000
2021 Net Budget	\$ 37,357,900
Net Change	\$ 1,448,100
Change by %	3.88%
2022 FTE	243.27
2021 FTE	239.86
FTE Change	3.41
FTE Change %	1.42%

CORE BUDGET

The Saanich Police Board 2022 net core budget is \$38,806,000 which represents a 3.88% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2020	2021	2021	2022	2022/2021	2022/2021
Executive Administration						
Revenues	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	-	0.00%
Expenses	5,110,700	5,656,000	5,554,300	5,838,100	283,800	5.11%
Total	3,610,700	4,156,000	4,054,300	4,338,100	283,800	7.00%
Staff Development	941,900	1,271,000	1,291,900	1,399,400	107,500	8.32%
General Administration	7,213,000	7,301,200	6,809,800	7,176,300	366,500	5.38%
Uniform Division	14,515,100	14,974,300	14,676,300	15,141,500	465,200	3.17%
Community Liaison	1,901,800	2,363,200	2,540,100	2,607,800	67,700	2.67%
Detectives	7,658,200	7,766,300	7,985,500	8,142,900	157,400	1.97%
Total	35,840,700	37,832,000	37,357,900	38,806,000	1,448,100	3.88%

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

The complete [Saanich Police Board 2022 Budget](#) is available on the Saanich website. The budget reflects a 3.88% increase and explains the changes between the two budget years.

Library, Grants and Economic Development

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

BUDGET SUMMARY	
2022 Net Budget	\$ 7,752,300
2021 Net Budget	\$ 7,494,500
Net Change	\$ 257,800
Change by %	3.44%
FTE	n/a

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.

2022 Budget Challenges

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

CORE BUDGET

Net Budget By Function	Actual 2020	Actual 2021	Budget 2021	Budget 2022	\$ Change 2022/2021	% Change 2022/2021
Library						
Greater Victoria Public Library	6,026,800	5,876,000	5,876,000	6,019,500	143,500	2.44%
Branch Libraries Lease and Maintenance	281,300	298,400	286,400	297,100	10,700	3.74%
Total	6,308,100	6,174,400	6,162,400	6,316,600	154,200	2.50%
Grants & Agreements						
Grants	530,800	558,200	563,700	565,200	1,500	0.27%
Swan Lake Christmas Hill Nature House	387,600	387,600	387,600	387,600	-	0.00%
Total	918,400	945,800	951,300	952,800	1,500	0.16%
Economic Development						
MRD Tax (Tourism)	185,200	285,400	200,000	300,000	100,000	50.00%
South Island Prosperity Partnership	184,500	180,800	180,800	182,900	2,100	1.16%
Total	369,700	466,200	380,800	482,900	102,100	26.81%
Total	7,596,200	7,586,400	7,494,500	7,752,300	257,800	3.44%

- Greater Victoria Public Library – increased expenses in 2022 that reflect post COVID-19 service level increases.
- MRD Tax (Tourism) – All hotel tax revenues from both online accommodation platforms and regular hotels are transferred on to Destination Greater Victoria as per agreement to promote more tourism.

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

General Capital Program

The Capital Plan matches the District's needs for investment in capital with its available financial resources. Replacement of ageing infrastructure is the primary factor in determining capital requirements in Saanich. Saanich infrastructure spending is gradually addressing this need, increasing from \$11.0 million in the year 2007 to an annual average of over \$39 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 2021 budget
2. A 0.54% property tax allocation to IT and Facility infrastructure replacement
3. A 0.23% property tax allocation to the Facilities Major Repair & Replacement Reserve
4. A 0.36% property tax allocation to fund accelerated Active Transportation Plan.
5. Council debt management policy
6. All figures shown in 2022 dollars – no inflation allowance

Budgeted Expenditures			Budget	Budget
	2021 Projects In Progress	2022 Capital Projects	Total 2022	2021
Vehicles, Equipment & Technology	13,415,000	11,297,800	24,712,800	22,050,000
Land Acquisition	-	7,810,000	7,810,000	4,150,000
Transportation	20,913,300	20,286,100	41,199,400	30,658,700
Drainage	17,004,300	7,701,000	24,705,300	21,483,900
Parks	6,046,700	4,042,600	10,089,300	8,203,200
Recreation & Community Facilities	16,527,400	9,736,600	26,264,000	29,694,000
	73,906,700	60,874,100	134,780,800	116,239,800
Source of Funding			Budget	Budget
	2021 Projects In Progress	2022 Capital Projects	Total 2022	2021
General Operating (Core Capital)	-	19,323,400	19,323,400	17,325,800
General Capital Reserves	17,431,400	10,489,300	27,920,700	33,355,600
Gas Tax Reserve	11,943,400	9,222,200	21,165,600	12,492,200
Capital Carryforward Reserve	21,559,900	1,900,000	23,459,900	25,496,400
Lands Sale Reserve	-	3,110,000	3,110,000	650,000
Development Cost Charges	2,481,300	4,670,000	7,151,300	4,773,600
Equipment Replacement Reserve	6,001,800	1,646,900	7,648,700	6,410,100
Grants & Contributions	4,471,400	3,025,200	7,496,600	4,165,600
Borrowing	10,017,500	7,487,100	17,504,600	11,570,500
	73,906,700	60,874,100	134,780,800	116,239,800

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 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Notes:
Vehicles, Equipment & Technology						
Police	1,317,000	1,333,500	1,344,200	1,355,100	1,366,200	1
Fire	-	3,742,000	1,265,000	80,000	150,000	
Emergency Program	15,000	-	-	45,000	-	
Fleet Replacement	1,818,500	1,837,500	1,069,000	3,824,500	3,705,700	
Engineering	250,000	-	-	-	-	
Parks & Recreation	501,800	289,500	360,900	214,300	217,600	
Information Technology	7,395,500	6,610,400	6,541,600	7,234,100	5,426,600	
	11,297,800	13,812,900	10,580,700	12,753,000	10,866,100	
Park & Land Acquisition	7,810,000	2,000,000	2,000,000	2,000,000	2,000,000	3
Transportation						
Complete Streets	6,450,000	13,750,000	7,150,000	5,600,000	4,200,000	1
Roads Improvement (includes sidewalk and bikeways components)	11,081,100	8,025,000	8,025,000	8,025,000	8,025,000	
Bus Stops Improvement	205,000	205,000	205,000	205,000	205,000	5
Street Lights/Traffic Signals Improvement	950,000	950,000	950,000	350,000	350,000	
Bridges Repair / Replacement	1,400,000	120,000	120,000	120,000	120,000	1
Studies, Design & Other	200,000	496,400	511,400	463,400	477,400	6
	20,286,100	23,546,400	16,961,400	14,763,400	13,377,400	
Drainage						
Wood Stave Replacement	360,000	4,969,000	300,000	286,000	839,000	5
Sub-standard Drain Replacement	4,959,000	6,607,000	4,778,000	5,738,000	3,927,000	
Service Connection Replacement	-	75,000	75,000	75,000	75,000	
Other	795,500	1,046,000	1,749,000	1,516,000	1,565,000	
Transfer to Capital Reserve	1,586,500	-	723,000	-	1,200,000	
	7,701,000	12,697,000	7,625,000	7,615,000	7,606,000	
Sub Total	47,094,900	52,056,300	37,167,100	37,131,400	33,849,500	

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 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Notes:
Parks						
Playground Replacement	75,000	75,000	374,000	749,000	874,000	
Sports Field & Hard Court Replacement	590,000	450,000	450,000	450,000	250,000	
Parking Replacement	-	100,000	474,300	-	-	
Irrigation Replacement	40,000	72,400	30,000	30,000	30,000	
Bridges & Structures Replacement	290,000	281,000	298,000	308,000	291,000	
Trails Replacement	429,800	219,800	359,800	234,800	234,800	1
Buildings & Washroom Replacement and Addition	265,000	337,500	265,000	265,000	265,000	
Park Infrastructure Replacement	690,200	1,185,000	564,000	649,500	599,500	
Natural Areas and Urban Forestry	995,900	725,600	735,600	735,600	735,600	
Other	666,700	1,027,700	879,100	1,009,100	1,016,700	
	4,042,600	4,474,000	4,429,800	4,431,000	4,296,600	
Recreation & Community Facilities						
Electrical	-	455,700	-	-	-	
Mechanical	49,000	260,000	702,500	20,000	62,800	
HVAC	3,613,400	3,236,700	-	-	-	
Building Envelope	920,700	743,400	1,647,000	2,828,000	2,168,000	
Building Interior	1,036,600	897,000	825,300	543,300	1,658,900	
Parking, Signage & Grounds	74,000	150,000	77,000	145,000	20,000	1
Building Replacement	-	25,500,000	4,500,000	5,000,000	51,000,000	
Transfer to Major Facilities Repair & Future Replacement Reserve	1,819,000	2,146,000	2,473,000	2,800,000	2,800,000	
Planning & Other	2,223,900	625,500	519,800	560,700	269,300	
	9,736,600	34,014,300	10,744,600	11,897,000	57,979,000	
Grand Total	60,874,100	90,544,600	52,341,500	53,459,400	96,125,100	

Notes:

1 – Based on age and condition assessment

Vehicles, Equipment and Technology

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

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

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

Police Vehicles, Equipment and Technology

Police Services	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Grants & Other	2022
REPLACEMENTS					
Vehicles	281,500		269,000		550,500
Computer Hardware and Software	25,000		686,600		711,600
Office Equipment	24,900	19,100			44,000
Investigative Equipment	69,100				69,100
Officer & Public Safety Equipment	122,500		109,900		232,400
Subtotal	523,000	19,100	1,065,500	-	1,607,600
NEW INITIATIVES					
Security Fencing			208,900		208,900
Subtotal	-	-	208,900	-	208,900
Total	523,000	19,100	1,274,400	-	1,816,500

Fire Vehicles, Equipment and Technology

Fire Protection	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2022
REPLACEMENTS					
Shop Fume Hood			12,200		12,200
Pickups Replacement			90,000		90,000
Mini Van Replacement			35,000		35,000
Drone			65,000		65,000
Medic Unit				160,000	160,000
Engine 2 Refurbishment			50,000		50,000
Water Tanker			750,000		750,000
Total	-	-	1,002,200	160,000	1,162,200

Emergency Program

Emergency Program	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2022
REPLACEMENTS					
Comms Trailer			15,000		15,000
Total	-	-	15,000	-	15,000

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 \$1,295,500 from the Fleet Division.

Vehicle Equipment Replacement Program	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2022
REPLACEMENTS					
Fleet Vehicle Replacements			6,136,100		6,136,100
Subtotal	-	-	6,136,100	-	6,136,100
NEW INITIATIVES					
Trailer for Street Operations			77,000		77,000
Two 4X4 Trucks				280,000	280,000
Garbage Truck				223,600	223,600
4X4 Extended Cab Truck				60,000	60,000
4X2 Long Bed Truck				55,000	55,000
Four Pick Up Trucks				134,000	134,000
4X4 Pick Up with Storage, Dump Box, Snowplow & Salt Spreader				150,000	150,000
Subtotal	-	-	77,000	902,600	979,600
Total	-	-	6,213,100	902,600	7,115,700

2021 and prior vehicles yet to be received include four ¾ ton pickups, five ½ ton pickups, one 10 yard refuse packer, eight 1 ton flatdecks, six 2-3 ton flatdecks two custom vehicles, one tractor, one backhoe, two sewer flush vehicles and five trailers.

Vehicles to be purchased in 2022 include five 10 yard refuse packers, two ¾ ton pickups, one 1 ton flatdeck and two 2-3 ton flatdeck.

Printroom

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2022
REPLACEMENTS					
Municipal Hall Equipment		38,000			38,000
Total	-	38,000	-	-	38,000

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	2022
REPLACEMENTS					
Golf Course Equipment Replacement	96,500			59,500	156,000
Golf Course Irrigation System Satellite Box Replacement				153,100	153,100
Recreation Equipment Replacement			252,600		252,600
Parks Equipment Replacement	154,800	247,400			402,200
Total	251,300	247,400	252,600	212,600	963,900

Engineering Equipment

Replacement of equipment for Engineering Services.

Equipment Replacement	Source of Funds				Budget
	Core	Capital Carryover	Reserves	Borrowing	2022
REPLACEMENTS					
Slide in Hot Box			80,000		80,000
Garbage Totes			65,000		65,000
Salt Shed Roofing			60,000		60,000
Subtotal	-	-	205,000	-	205,000
NEW INITIATIVES					
Sweeper (Roads)	250,000				250,000
Sweeper (Bicycle Lanes)		220,000			220,000
Subtotal	250,000	220,000	-	-	470,000
Total	250,000	220,000	205,000	-	675,000

Park & Land Acquisition & Funding

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

Park & Land Acquisition & Funding	Source of Funds				Budget
	Core	DCC	Reserves	Borrowing	2022
NEW INITIATIVES					
Land Acquisition Contingency		2,500,000	4,110,000		6,610,000
Transfer to Park DCC Assist Reserve	600,000		600,000		1,200,000
Total	600,000	2,500,000	4,710,000	-	7,810,000

Information Technology

Hardware and software replacement including project implementation costs.

Information Technology	Source of Funds			Budget
	Core	Capital Carryover	Reserves	2022
REPLACEMENTS				
Business Systems:				
Tempest Ongoing Upgrade			305,000	305,000
JDE Ongoing Upgrade			530,600	530,600
GIS Upgrade			316,100	316,100
Minor Projects		7,500	642,800	650,300
IT Infrastructure:				
Desktop Environment Refresh			330,600	330,600
Directory Services Upgrade			811,500	811,500
Servers Refresh			524,700	524,700
Network - Phone			120,000	120,000
Printers Implementation			537,300	537,300
Audio Visual Equipment Replacement			265,000	265,000
Transfer to Computer Hardware and Software Reserve	2,122,600			2,122,600
Minor Projects	111,300		306,200	417,500
Subtotal	2,233,900	7,500	4,689,800	6,931,200
New Initiatives				
Business Systems:				
Tempest Enhancements			902,700	902,700
JDE Enhancements			225,700	225,700
911 Next Generation			320,000	320,000
Budgeting Software (Continuing)			310,500	310,500
Electronic Records Management			200,000	200,000
Public Participation Software			210,000	210,000
Council Agenda Management		185,900	464,100	650,000
Digital Review and Markup Tool			241,200	241,200
Council Technology Refresh			244,700	244,700
Teams Technology Expansion			400,000	400,000
IT Discoveries		57,000	200,000	257,000
HR/OHS Implementation			663,800	663,800
Minor Projects		50,000	345,300	395,300
Emerging Priorities			216,500	216,500
IT Infrastructure:				
Servers (Disaster Recovery, Storage Security)			400,000	400,000
Minor Projects			357,900	357,900
Subtotal	-	292,900	5,702,400	5,995,300
Total	2,233,900	300,400	10,392,200	12,926,500

Transportation

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

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

Transportation	Source of Funds							Budget
	Core	DCC	Gas Tax	Capital Carryover	Reserves	Grants & Other	Borrowing	2022
REPLACEMENTS								
Roads:								
Minor Projects	38,700	36,300		407,600				482,600
Pavement Renewal Program			2,271,300		514,600		900,000	3,685,900
Sidewalks:								
Corner Ramp Program	56,900	36,200		155,300				248,400
Sidewalk Condition Assessment	65,000							65,000
Sidewalk Rehabilitation Program	300,000			278,600			300,000	878,600
Bridges								
Bridge Repair & Replacement	300,000		1,100,000	177,200				1,577,200
Bridge Condition Assessment			147,600	20,200				167,800
Design Durrance Rd Bridge			47,400	100,000				147,400
Durrance Road Bridge Replacement			816,800					816,800
Bus Stops, Signals, Street Lights:								
Traffic Signal Assessment and Timing Updates			200,000	49,900				249,900
Street Light Program (LED Upgrade)	300,000			78,700			300,000	678,700
Subtotal	1,060,600	72,500	4,583,100	1,267,500	514,600	-	1,500,000	8,998,300
MIX OF REPLACEMENT AND CAPACITY BUILDING								
Complete Streets:								
Shelbourne Street Improvement Project	150,000	564,200	2,862,200	506,100		1,000,000	300,000	5,382,500
Design & Investigation of West Saanich/Propsect Lake/Sparton Intersection		317,000	3,431,300	642,400				4,390,700
Wilkinson Interurban Intersection Review		135,100	423,900					559,000
McKenzie Ave Corridor Planning Study				150,000				150,000
Gorge (Admirals to Tillicum)				109,500			700,000	809,500
Wilkinson Road (Greenlea to Quick's Bottom Pk Trail)					1,646,300			1,646,300
Cordova Bay/Wilkinson/Richmond Design				127,300			220,000	347,300
Cordova Bay Road - Walema to Rambler		725,300	774,700					1,500,000
Gorge Rd (Tillicum Rd to Harriet Rd)	25,000		275,000					300,000
Sinclair Road Improvements Design			70,000	75,900	125,000			270,900
Sinclair Road Transportation Improvements Part 1	25,000	604,400	1,870,600					2,500,000
Roads:								
Minor Projects	38,700	84,700	51,600	461,700				636,700
Crosswalk Installation Program	350,000			338,600			200,000	888,600
Active and Safe Route to School Plans Implementation	170,000			85,400				255,400
Transportation Design					500,000			500,000
Transportation Emerging Priorities	171,100			150,900	100,000			422,000
Sidewalks:								
Arrow Rd (1550 to CH Rd) 215m				235,200	50,000			285,200
Wilkinson (Mann to Glynn)							365,000	365,000
Sidewalk Installation Program	800,000		1,300,000	311,900	300,000		2,335,000	5,046,900
Bikeways Improvements:								
Cycling Infrastructure Program	600,000			50,900			1,629,400	2,280,300
Bus Stops, Signals, Street Lights:								
Minor Projects	100,000	73,300		264,200	72,100			509,600
McKenzie / Saanich Traffic Signal Replacement				211,800		50,000	180,000	441,800
Transit Infrastructure Improvement Program	98,100	160,000		390,300	15,000			663,400
Other:								
Short Term Solutions to Advance Active Transportation				1,900,000				1,900,000
Active Transportation Plan Update	77,500	72,500						150,000
Subtotal	2,605,400	2,736,500	11,059,300	6,012,100	2,808,400	1,050,000	5,929,400	32,201,100
Total	3,666,000	2,809,000	15,642,400	7,279,600	3,323,000	1,050,000	7,429,400	41,199,400

Drainage

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

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

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

Drainage	Source of Funds						Budget
	Core	DCC	Gas Tax	Capital Carryover	Reserves	Borrowing	2022
REPLACEMENTS							
Wood Stave Replacement:							
Minor Projects	50,000			149,500			199,500
Ardersier Rd, Burns Ave to Douglas St	360,000						360,000
Braefoot Rd - Braefoot Pl to Wende Rd				535,200			535,200
Sub-standard Drain Replacement:							
Minor Projects	551,000			186,700		50,000	787,700
Shelbourne Street Improvement Project	82,500	1,166,800	1,333,800	342,900		1,850,000	4,776,000
Vanalman (Commerce Circle to Mann)	210,000		1,232,000	358,000			1,800,000
Inlet (2833 to Admirals)				377,600			377,600
Gorge Drainage Improvements		446,700	2,200,000	94,200	130,800	650,000	3,521,700
Obed - Hariett to Wascana				140,000	200,000		340,000
Walter - Bodega to Tillicum (& 2 SRW's)				240,000			240,000
Adelaide Ave - 2823 Adelaide to Cowper				253,000			253,000
Battleford Ave, 85 to 171 Battleford Ave				20,000		349,000	369,000
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			478,000	152,000			630,000
Tattersall Dr, 1149 Tattersall Dr to Salisbury Way				95,000		500,000	595,000
Taylor St, Dean Ave to Foul Bay Rd				30,800		351,000	381,800
Wascana St-Burnside Rd to Hampton Rd				490,000			490,000
Austin Ave, 2888 Austin to Middleton St	142,000					200,000	342,000
Carey Rd, 4053 - 4073 Carey Rd	97,000					458,000	555,000
Colquitz Avenue - Gorge Rd to 2875 Colquitz	120,000					600,000	720,000
Marigold Rd, Side Yard SRW 901 Marigold Rd	189,000					100,000	289,000
Reynolds Rd - Lasalle St,)1248 Reynolds to Cedar Hill X Rd)						324,000	324,000
Trent St, Haultain St to Bowker Creek						368,000	368,000
Wray Creek	300,000						300,000
Emerging Priorities	90,000			606,500	100,000		796,500
Other Programs:							
Drain House Connection Replacement				236,400			236,400
Waterway Restoration Projects	175,000			56,000			231,000
Storm Drainage Model Development	50,000		279,400	395,000			724,400
CCTV Inspection & Assessment	50,000			247,700			297,700
Infrastructure Assessment & Testing				100,000			100,000
Drainage Planning & Asset Mgmt Initiatives				532,900			532,900
Detailed Design Capital Projects	248,000			520,400			768,400
Total	2,714,500	1,613,500	5,523,200	6,436,800	430,800	6,400,000	23,118,800
RESERVE TRANSFERS							
Transfer to Capital Reserve Fund	1,586,500						1,586,500
Total	1,586,500	-	-	-	-	-	1,586,500

Park and Trail Structures

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

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

Parks	Source of Funds						Budget
	Core	DCC	Capital Carryover	Reserves	Grants & Other	Borrowing	2022
REPLACEMENTS							
Minor Projects & Emerging Priorities	414,100		689,500	50,900			1,154,500
Playground Safety/Accessibility Improvements			191,400				191,400
Playground Program Minor Projects	75,000		68,000				143,000
Lochside Tennis Rehab/Relocation	250,000						250,000
Wedgewood Tennis Court			171,000				171,000
Allenby Playground			92,200			250,000	342,200
Irrigation - Valve Replacement Program			314,300				314,300
Irrigation and Landscaping Program	40,000						40,000
Buildings and Washrooms	40,000		132,200				172,200
Bridges, Structures and Furnishings Program	90,000		177,500			350,000	617,500
Signage Program	99,900	27,900	133,800				261,600
Trails Program	133,400	31,400	117,700				282,500
Landsdowne Trails	100,000					200,000	300,000
Mount Douglas - Creek, Trail Rebuilding & Stairs				345,000	10,000		355,000
McMinn Park - Complete Park Project Phase II			197,000				197,000
Rutledge Playground Replacement & Splash Pad			50,000	14,000	905,900	150,000	1,119,900
Field Renovations - Copley Football	100,000					150,000	250,000
Lochside/Fowler Park Renewal Phase 1	100,000					350,000	450,000
Lambrick Park Renewal Phase 1	106,300	33,900					140,200
Cedar Hill Park Renewal	100,000		173,500			100,000	373,500
Playfair Park Washroom Replacement		48,400	76,100			125,000	249,500
Cuthbert Homes Management Plan				252,200			252,200
Horticulture Islands & Streetscapes	76,300	24,300	65,400				166,000
Natural Areas	285,000		346,800				631,800
Urban Forestry	400,900			75,000			475,900
MOTI Garry Oak & Aspen Restoration				332,700			332,700
Parks Master Plan			100,000				100,000
Subtotal	2,410,900	165,900	3,096,400	1,069,800	915,900	1,675,000	9,333,900
NEW INITIATIVES							
Youth Park		62,900	205,500				268,400
Rutledge Park Washroom Addition			87,000			175,000	262,000
Single Vault Washroom Addition (2 at Mt Doug; 1 at Outerbridge)	225,000						225,000
Subtotal	225,000	62,900	292,500	-	-	175,000	755,400
Total	2,635,900	228,800	3,388,900	1,069,800	915,900	1,850,000	10,089,300

Community and Recreation Facilities

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

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

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

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

Community Facilities	Source of Funds					Budget
	Core	Capital Carryover	Reserves	Grants & Other	Borrowing	2022
REPLACEMENTS						
Pearkes - RTU Replacement	525,000					525,000
Blanshard Interior Renovation & Hall/Annex Retrofit		200,900				200,900
Facilities Roof Replacement	579,400	413,000				992,400
Municipal Hall - Envelope Remediation	341,300					341,300
Goward House Roof Replacement		369,000				369,000
SCP - Replace Mechanical Systems - Phases 1A & 1B		49,900	2,554,300	2,356,800		4,961,000
Fire Hall #1 - Kitchen/Barracks Upgrade		356,200				356,200
Fire Hall #1 - HVAC		204,600				204,600
Saanich Operation Centre Redevelopment			1,860,700			1,860,700
Fire Hall #3 - Renovation		440,100				440,100
CHRC - Furnace Replacement	648,900			2,394,500		3,043,400
All Facilities - Energy Management	150,000	131,500				281,500
CHGC - Clubhouse Remediation		117,000				117,000
Public Safety Lighting Replacement		132,200				132,200
GHRC - Concrete Slab Remediation/Chemical Storage		562,000	22,000	97,900		681,900
Fire Hall #2 - Redevelopment			3,500,000			3,500,000
Minor Projects & Emerging Priorities	124,000	500,400	8,700			633,100
Les Passmore - Wheelchair Accessibility		96,500		50,800		147,300
Customer Service Counters/Security Measures and Capacity Renovations			162,100		550,000	712,100
Parks Office Trailer			250,000			250,000
Sustainability Related Projects			1,117,800	630,700		1,748,500
Total	2,368,600	3,573,300	9,475,600	5,530,700	550,000	21,498,200
RESERVE TRANSFERS						
Major Facilities Repair & Future Replacement Reserve	1,819,000					1,819,000
Total	1,819,000	-	-	-	-	1,819,000

Recreation Facilities

Recreation	Source of Funds			Budget
	Core	Capital Carryover	Reserves	2022
REPLACEMENTS				
CHRC - Minor Facility Renovations	90,000	138,400		228,400
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	30,000	83,600		113,600
SCP - Construction of Mezzanine Fitness	218,600			218,600
SCP - Air Conditioning for Boiler Project		483,000		483,000
GHRC - Minor Facility Renovations	72,000			72,000
GHRC - Feltham Room Renovation	49,500	75,500		125,000
GHRC - Pool "Pod" Elevator into Main Tank			60,000	60,000
Pearkes - Minor Facility Renovations	125,000	104,400	35,000	264,400
Pearkes - Electrical Upgrade		135,000		135,000
Pearkes - Field House Curtain System Replacement			125,000	125,000
Pearkes - Ice Rink Improvements		37,800		37,800
Pearkes - Score Clock Replacements		19,400		19,400
Pearkes - Parking Lot / Courtyard Redesign		58,300		58,300
CHGC - Minor Facility Renovations	4,500			4,500
CHGC - Building and Grounds	20,000	105,600		125,600
CHGC - Parking Lot Resurfacing		38,400		38,400
CHGC - Maintenance Building Renovations		42,700		42,700
Emerging Priorities	15,100	66,700		81,800
Subtotal	624,700	1,632,100	277,700	2,534,500
NEW INITIATIVES				
Exterior Digital Signs		270,000		270,000
Recreation - Accessibility Project	50,000			50,000
Recreation - Project Management		92,300		92,300
Subtotal	50,000	362,300	-	412,300
Total	674,700	1,994,400	277,700	2,946,800

Water Utility Fund

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

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

BUDGET SUMMARY	
2022 Utility Charges	\$ 25,319,600
2021 Utility Charges	\$ 23,474,000
Net Change	\$ 1,845,600
Change by %	7.86%
2022 FTE	52.27
2021 FTE	51.96
FTE Change	0.31
FTE Change %	0.60%

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.

2022 BUDGET CHALLENGES

- Continue to adjust available staff resources to complete key maintenance and operational programs.
- Human resource capacity and lack of skilled applicants to fill vacancies (rolling vacancies and meeting the long term staffing plan)
- Material procurement and supply chain logistics creating uncertainty for project implementation

2022 KEY PRIORITIES

Priority Strategic Initiatives include:

Climate action and environmental leadership

- Develop a strategy to implement bulk meter installations identified in the 2021 Water Supply Master Plan update. Deploying bulk meters throughout the distribution system will support an increased understanding of areas where water conservation can be enhanced through system repairs.

Priority Departmental Initiatives include:

- Continue replacement of assets to maintain service
- Implement the updated Unidirectional Flushing Program (UDF)
- Pilot water meter product(s) in preparation for product selection for new meter replacement program.

CORE BUDGET

The 2022 gross budget of \$40,163,500 represents a 3.77% increase in gross expenditures over prior year, including a net capital program of \$8,835,000. Water revenues are projected to increase to \$25,319,600 or 7.86%.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2020	2021	2021	2022	2022/2021
Personnel	2,891,700	2,904,100	3,044,800	3,027,100	(0.58%)
Goods and Services (1)	10,488,800	11,588,100	10,931,700	11,614,100	6.24%
Overheads and Transfers (2)	1,936,100	6,445,100	7,248,500	2,584,100	(64.35%)
Gross Capital Program (3)	19,672,200	12,032,600	17,477,600	22,938,200	31.24%
Total	34,988,800	32,969,900	38,702,600	40,163,500	3.77%
REVENUES AND RECOVERIES					
Utility Charges	(21,943,500)	(23,868,000)	(23,474,000)	(25,319,600)	7.86%
Non-Rate Revenues	(407,700)	(325,300)	(412,700)	(410,500)	(0.53%)
COVID-19 Safe Restart Grant (4)	(883,700)	(720,000)	(720,000)	-	(100.00%)
Surplus Appropriation	(250,000)	(250,000)	(250,000)	(250,000)	0.00%
Developer Contribution	(860,400)	-	-	-	0.00%
DCC Contribution (3)	(43,700)	(154,100)	(537,700)	(1,445,500)	168.83%
Transfer from Reserves (3)	(10,599,800)	(7,707,600)	(13,308,200)	(12,737,900)	(4.29%)
Total	(34,988,800)	(33,025,000)	(38,702,600)	(40,163,500)	3.77%
NET OPERATIONS	-	(55,100)	-	-	0.00%

1. Goods and Services – increase in water purchase from the CRD.
2. Overheads and Transfers – decrease in transfer to Water Capital Reserve fund.
3. Gross Capital Program/DCC Contribution/Transfers from Reserves- unfinished 2021 projects funded from Transfers from Reserves and an increase in capital funding in line with inflation in construction costs.
4. COVID-19 Safe Restart Grant – one-time provincial funding not needed for 2022.

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
	2020	2021	2021	2022	2022/2021	2022/2021
General Administration	1,890,200	1,965,000	1,965,000	2,114,600	149,600	7.61%
Operations	3,810,800	4,113,700	4,034,000	4,080,100	46,100	1.14%
Water Purchases	9,458,400	10,386,700	9,750,000	10,340,000	590,000	6.05%
Contingency	-	-	400,000	400,000	-	0.00%
Net Capital Program	8,168,300	8,474,900	8,495,000	8,835,000	340,000	4.00%
Total	23,327,700	24,940,300	24,644,000	25,769,700	1,125,700	4.57%

- General Administration – Water Utility share of Engineering and corporate support.
- Water Purchases – increase in volume and cost of water purchase from the CRD. CRD rates increased by 2.57% over prior year.
- 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 a meet fire flow demand based on the results of our updated Water Master Plan analysis. 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. A pilot project to test out new technology will be undertaken in 2022.

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

Description of Program	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Notes:
Water Capital						
Asbestos Cement & Cast Iron Main Replacement	9,459,000	8,672,000	5,690,000	5,297,000	4,730,000	1
Valves	-	500,000	1,000,000	500,000	-	2
Pump Station Replacement	-	1,500,000	-	-	1,500,000	3
Meter Replacement	1,050,000	1,550,000	1,450,000	2,000,000	1,750,000	
Service Connection Replacement	50,000	100,000	100,000	100,000	100,000	
Hydrant Replacement	60,000	30,000	30,000	30,000	30,000	
Other	1,689,200	1,261,000	1,316,000	1,291,000	1,495,000	
Transfer to Capital Reserve	-	-	-	750,000	761,000	
	12,308,200	13,613,000	9,586,000	9,968,000	10,366,000	

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	2022
REPLACEMENTS					
Asbestos Cement & Cast Iron Main					
Minor Projects		45,800	317,200		363,000
Inlet Ave (Gorge Rd W to Admirals Rd)			556,600		556,600
Mann Ave, Vanalman Ave, and Parkridge St			1,349,800	160,700	1,510,500
Shelbourne Street Improvement Phase 1 Construction			254,700		254,700
Shelbourne Street Improvement Phase 2 Construction	1,289,500	1,120,800	20,500	1,091,700	3,522,500
Clovelly Terr, Cook St to Clovelly Crt			437,400		437,400
Forrester St, Richmond Rd to 1924 Forrester St			370,000		370,000
Majestic Dr, Hawthorne St to Ash Rd			770,000		770,000
Quadra St - Cook to Holmes			484,000		484,000
Sinclair Rd, Finnerty Rd to Cadboro Bay			1,768,000		1,768,000
Torquay Dr, San Juan Ave to Ash Rd			1,106,000		1,106,000
Burnside Rd E, Harriet Rd to Duplin Rd	644,000				644,000
Carman St, McRae Ave to Landsdowne Rd	624,000				624,000
Cedar Hill X, Borden St to McKenzie Ave	390,000				390,000
Londonderry Rd, Cedar Hill X Rd to Borden St	260,000				260,000
Reynolds Rd, Cumberland Rd to Cedar Hill X Rd	532,000				532,000
Patricia Bay Highway Watermain lining	284,000		156,000		440,000
St Michael's University Fire Flow Deficiency (previously called McRae Ave, Richmond Rd, and Knight Ave)		193,800	589,200		783,000
Tulip Ave, 3944 Interurban Rd to Marigold Rd	221,000				221,000
Tulip Ave, Grange Rd to Marigold Rd	598,000				598,000
Tyndall Ave, El Sereno Dr to Ash Rd and Hillcrest Ave to Serenity Pl	588,000				588,000
Tattersal (Quadra to Salsbury)	585,000				585,000
Emerging Priorities	349,700		555,300		905,000
Pump Stations:					
Large Meter & Pump Motor Replacment	50,000		208,600		258,600
Pump Station / PRV Replacement			750,000		750,000
Other Programs:					
Minor Projects	512,800	85,100	108,500		706,400
Meter Replacements	1,000,000		735,000		1,735,000
Shelbourne Street Improvement Phase 2 Design			38,400		38,400
Detailed Design Capital Projects	857,000		466,000		1,323,000
Water System Planning & Asset Management Initiatives	50,000		213,000		263,000
Zone Metering & Meter Replacement Study			151,100		151,100
Total	8,835,000	1,445,500	11,405,300	1,252,400	22,938,200

Sewer Utility Fund

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

The system is comprised of over 570 kms of sewer mains and 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	
2022 Utility Charges	\$ 27,861,500
2021 Utility Charges	\$ 27,311,700
Net Change	\$ 549,800
Change by %	2.01%
2022 FTE	25.78
2021 FTE	25.78
FTE Change	0.00
FTE Change %	0.00%

2022 BUDGET CHALLENGE

- Continue to adjust available staff resources to complete key maintenance and operational programs.
- Human resource capacity and lack of skilled applicants to fill vacancies (rolling vacancies and meeting the long term staffing plan)
- Material procurement and supply chain logistics creating uncertainty for project implementation

2022 KEY PRIORITIES

Priority Strategic Initiatives include:

Climate action and environmental leadership

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

Priority Departmental Initiatives include:

- Continue replacement of assets to maintain service
- Complete detailed engineering designs for final rehabilitation of Albina Street sewer in 2023
- Complete Arc Flash electrical study of all sewer lift stations and embed results in priority maintenance activities
- Evaluate impact of "Atmospheric Rivers" on lift station operation
- Develop a plan to protect or relocate the Cordova Bay sewer trunk main

CORE BUDGET

The 2022 gross budget of \$43,281,900 represents a 2.30% decrease in gross expenditures over prior year, including a net capital program of \$6,351,000. Sewer revenues are projected to increase to \$27,861,500 or 2.01%.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2020	2021	2021	2022	2022/2021
Personnel	1,584,900	1,561,400	1,686,900	1,733,700	2.77%
Goods and Services	15,030,200	15,631,000	16,487,100	16,612,500	0.76%
Fiscal Services (1)	868,100	939,000	956,000	1,034,700	8.23%
Overheads and Transfers (2)	2,824,900	8,734,000	8,999,300	3,148,400	(65.02%)
Gross Capital Program (3)	20,086,600	6,858,400	16,173,200	20,752,600	28.31%
Total	40,394,700	33,723,800	44,302,500	43,281,900	(2.30%)
REVENUES AND RECOVERIES					
Utility Charges	(25,151,500)	(27,196,400)	(27,311,700)	(27,861,500)	2.01%
Non-Rate Revenues (4)	(352,500)	(1,213,000)	(1,443,100)	(195,400)	(86.46%)
Surplus Appropriation	-	-	(150,000)	(150,000)	0.00%
Developer Contribution	(477,700)	-	-	-	0.00%
DCC Contribution (3)	(660,900)	(164,500)	(399,400)	(265,900)	(33.43%)
Transfer from Reserves (3)	(11,739,400)	(4,790,500)	(13,898,300)	(11,609,100)	(16.47%)
Borrowing (3)	(2,300,000)	(1,100,000)	(1,100,000)	(3,200,000)	190.91%
Total	(40,682,000)	(34,464,400)	(44,302,500)	(43,281,900)	(2.30%)
NET OPERATIONS	(287,300)	(740,600)	-	-	0.00%

1. Fiscal Services – debt servicing payments for new borrowing for capital in 2021.
2. Overheads and Transfers – decrease in transfer to Sewer Capital Reserve fund.
3. Gross Capital Program/DCC Contribution, Transfers from Reserves and Borrowing – combination of carrying forward unfinished 2021 projects funded from Transfers from Reserves and Borrowing and the annual capital funding increase in line with inflation in construction costs.
4. Non-Rate Revenues – in prior year a one-time payment of over \$1 million was made by CRD for Saanich's share of unused capital debt reserves.

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
	2020	2021	2021	2022	2022/2021	2022/2021
General Administration	1,863,200	2,012,200	1,981,200	2,158,400	177,200	8.94%
Operations	2,200,300	1,975,300	2,324,500	2,359,100	34,600	1.49%
CRD Services	13,935,900	15,124,300	15,636,400	15,636,400	-	0.00%
Debt Charges & Reserve Transfer	1,437,100	1,452,000	1,452,000	1,452,000	-	0.00%
Contingency	-	-	250,000	250,000	-	0.00%
Net Capital Program	5,780,200	6,014,400	6,011,000	6,351,000	340,000	5.66%
Total	25,216,700	26,578,200	27,655,100	28,206,900	551,800	2.00%

- General Administration – Sewer Utility share of Engineering and corporate support.
- 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. 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 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Notes:
Sewer Capital						
Asbestos Cement Main Replacement	4,382,000	5,309,500	3,194,000	4,072,000	4,352,000	1
Pressure Mains	-	1,651,500	-	576,000	-	
Pump Station Replacement	1,230,000	1,900,000	1,900,000	1,500,000	1,500,000	
Manhole Replacement	-	50,000	50,000	50,000	50,000	2
Other	1,033,700	1,129,000	1,347,000	1,376,000	1,440,000	
Transfer to Capital Reserve	535,000	417,000	808,000	-	118,000	
	7,180,700	10,457,000	7,299,000	7,574,000	7,460,000	

Notes:

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

SEWER CAPITAL

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

Sewer Utility	Source of Funds					Budget
	Core	DCC	Capital Carryover	Reserves	Borrowing	2022
REPLACEMENTS						
Asbestos Cement Main Replacement:						
Minor Projects	413,000		50,900			463,900
Inlet Ave (2865 to Gorge)			341,700			341,700
CIPP Lining Program			617,900			617,900
Obed - Harriet to Qu'Appelle		115,700	265,800			381,500
Colquitz (Gorge Rd to 7825 Colquitz)	213,000					213,000
Vanalman - 636 to 648 (& SRW to Ridgewood); 4268 Springridge to 676 Vanalman	220,000		722,400		700,000	1,642,400
Shelbourne Street Improvement Phase 1 Construction		90,800	415,600			506,400
Shelbourne Street Improvement Phase 2 Construction	548,000		35,200	1,050,000	1,300,000	2,933,200
Albina - Gorge to Obed (Emerg Works)			405,200			405,200
Arena Rd, 340 Ker Ave to Dysart Rd			637,000		400,000	1,037,000
Battleford Ave, 85 to 181 Battleford Ave			402,000			402,000
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			652,000			652,000
Taylor St, Dean Ave to Foul Bay Rd			271,200			271,200
Austin Ave, 2888 Austin to Middleton St	340,000					340,000
Beckwith Pl, 4173 Beckwith Pl ROW to 805 Hartford R	306,000					306,000
Madock Ave, Wascanna St to Harriet Rd, Qu'Appelle St to 3126 Qu'Appelle and Davin St to 3126 Davin St	305,000				800,000	1,105,000
Saanich Rd, Blanshard St to Short St and Short St, Saanich Rd to Blandshard St	693,000					693,000
Tattersall Dr, 1149 Tattersall Dr to Salisbury Way	544,000					544,000
Emerging Priorities	229,700		807,000			1,036,700
Pump & Motor Replacements			351,800			351,800
Pump Station Construction	1,170,000		866,400			2,036,400
Arc Flash Electrical Lift Station Study	320,000		346,500			666,500
Other Programs:						
Minor Projects	199,300	59,400	188,900			447,600
Detailed Design Capital Projects			781,800			781,800
Video Inspection & Assessment			411,500			411,500
Manhole Improvements			424,200			424,200
Sanitary Master Plan Update			200,000			200,000
Sanitary Planning & Asset Management Initiatives	125,000		221,600			346,600
Total	5,816,000	265,900	10,420,700	1,050,000	3,200,000	20,752,600
RESERVE TRANSFERS						
Transfer to Sewer Capital Reserve	535,000					535,000
Total	535,000	-	-	-	-	535,000

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 2022 we project a decrease in reserves to \$117,981,000 while funding a variety of initiatives.

	January 1 2022 Estimate	2022 Contributions	2022 Appropriations	December 31 2022 Estimate
Land Sales	2,716,700	-	3,110,000	-393,300
Public Safety and Security	3,237,700	804,500	1,065,500	2,976,700
Carbon Neutral	667,200	-	57,800	609,400
Sub Regional Parks	1,107,700	-	1,000,000	107,700
Equipment Replacement	8,278,700	4,144,500	7,648,700	4,774,500
Capital Works	59,317,400	5,544,400	23,814,200	41,047,600
Commonwealth Pool Operations	5,300	-	5,300	-
Commonwealth Pool HP Repair	292,700	10,000	86,500	216,200
Sayward Gravel Pit	858,500	-	471,300	387,200
Development Cost Charges	15,926,200	2,000,000	8,862,700	9,063,500
DCC Program Municipal Responsibility	-	1,200,000	-	1,200,000
Specific Area Capital Projects	2,509,900	-	2,191,300	318,600
Facilities Major Repair & Replacement	16,312,200	1,819,000	7,937,000	10,194,200
Computer Hardware & Software	10,466,100	3,851,800	10,359,400	3,958,500
Urban Forest	314,200	70,000	120,000	264,200
Climate Action	253,500	249,200	416,800	85,900
Water Capital	8,719,400	-	1,252,400	7,467,000
Sewer Capital	12,471,500	952,300	1,050,000	12,373,800
Capital Reserves for Future Expenditure	28,862,100	22,000,000	28,862,100	22,000,000
Insurance	2,315,300	-	1,000,000	1,315,300
Total	174,632,300	42,645,700	99,311,000	117,967,000

Land Sales:

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

Public Safety and Security:

This reserve is funded mainly from taxation. The main projects being funded from this reserve in 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. This fund will be drawn down in favour of the Climate Action Fund.

Sub Regional Parks:

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

Equipment Replacement:

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

Capital Works:

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

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

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

Sayward Gravel Pit:

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

Development Cost Charges (DCC):

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

DCC Program Municipal Responsibility:

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

Specific Area Capital Projects:

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

Facilities Major Repairs and Replacement:

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

Computer Hardware and Software:

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

Urban Forest:

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

Climate Action:

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

Water Capital:

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

Sewer Capital:

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

Capital Reserves for Future Expenditure:

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

Insurance:

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

General Operating Fund Estimates 2023 - 2026

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 \$149,930,000 to \$178,418,200 in 2026 or an average 3.70% annual increase to the average homeowner.

GENERAL OPERATING FUND BUDGET ESTIMATE SUMMARY	
2022 Tax Levy	\$ 149,930,000
2023 Tax Levy	\$ 157,908,700
2024 Tax Levy	\$ 164,757,000
2025 Tax Levy	\$ 172,123,000
2026 Tax Levy	\$ 178,418,200
Annual Increase to Average Homeowner	3.70%

The 2023 - 2026 operating estimates have been prepared using the following criteria:

1. 0% increase per year in operating costs
2. Wage and benefit costs per collective agreement commitments or estimates where contracts are pending including estimated payroll tax increases
3. Increase in staffing as per the approved implementation of the Fire Services Review
4. 2.0% percent funding increase to infrastructure replacement per year for inflation in construction costs
5. 1.0% tax allocation per year for non-discretionary operating costs
6. \$1,000,000 annual increase to capital to reach sustainable infrastructure funding for information technology and major facility repairs
7. \$327,000 annual increase to the Facilities Major Repair & Replacement Reserve to get to the \$2,800,000 annual transfer
8. Annual \$500,000 increase from 2023 to 2025 in Transportation Capital funding for Active Transportation Plan projects to shift from debt to tax funding as per Council direction
9. Average increase in property taxation revenues of 0.75% per year from new construction

Water Utility Fund Estimates 2023 - 2026

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	
2022 Fees & Charges	\$ 25,319,600
2023 Fees & Charges	\$ 26,161,700
2024 Fees & Charges	\$ 26,798,100
2025 Fees & Charges	\$ 27,537,400
2026 Fees & Charges	\$ 28,316,500
Annual Increase to Average Homeowner	2.84%

The projected net budget funded from water user charges is projected to increase from \$25,319,600 to \$28,316,500 in 2026 or by an average 2.84% increase per year to the average homeowner.

The 2023 - 2026 operating estimates have been prepared using the following criteria:

1. 0% increase per year in operating costs
2. Wage and benefit costs per collective agreement commitments or estimates where contracts are pending
3. A 4.0% increase for core capital funding per year for inflation in construction costs
4. An average increase in CRD water rates of 2.66% per year

Sewer Utility Fund Estimates 2023 - 2026

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 \$27,861,500 to \$31,059,000 in 2026 or by an average of 2.75% annual increase to the average homeowner.

SEWER UTILITY BUDGET ESTIMATE SUMMARY	
2022 Fees & Charges	\$ 27,861,500
2023 Fees & Charges	\$ 28,819,900
2024 Fees & Charges	\$ 29,439,700
2025 Fees & Charges	\$ 30,217,700
2026 Fees & Charges	\$ 31,059,000
Annual Increase to Average Homeowner	2.75%

The 2023 – 2026 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 2.67% per year.

Glossary

A	Accrual	An accounting method which measures the financial performance and position of an organization by recognizing economic events when they happen, regardless of when the related cash actually changes hands.
	Appropriated	When a fund is appropriated, it is subject to certain restrictions on what its assets can be used for.
	Asset	Anything you own that has monetary value plus any money you are owed.
B	Balanced budget	A financial plan where current revenue, including transfers from operating reserves, equals current operating expenditures.
C	Capital asset	General capital assets are those in excess of \$10,000 with a useful life of two or more years (e.g. land, buildings).
	Capital budget	A financial plan outlining projected expenditures on capital assets during a given fiscal period.
	Capital project	Creation or improvement of infrastructure assets.
	Carbon footprint	Amount of carbon dioxide (CO₂e) that is emitted by the municipality.
	CARIP	The Climate Action Revenue Incentive Program (CARIP) is a conditional grant program that typically provides funding to local governments that have signed the B.C. Climate Action Charter equal to 100 percent of the carbon taxes they pay directly to support local government operations. The program encourages investments in climate action.
	CDOR rates	CDOR is the recognized financial benchmark in Canada for banker's acceptances (Bas) with a term of maturity of one year or less. It is the rate at which banks are willing to lend to companies.
	Community charter	The provincial legislation governing local governments. This legislation replaced the Local Government Act in 2003.
	COR	Certificate of Recognition is given to organizations that meet and exceed the legal requirements for an occupational health and safety program and an occupational injury management / return to work program.
	Council	The eight councillors elected at large that represent the municipality as a whole and the Mayor.
	CUPE	Canadian Union of Public Employees.

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

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

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 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](#)

As part of the 2022 budget process, Saanich will launch the 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 February 24 to March 15, 2022.

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

