



**2011—2015  
FINANCIAL PLAN**

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***May 2<sup>nd</sup> 2011***

***Approved Final Version***

***“Serving the People”***



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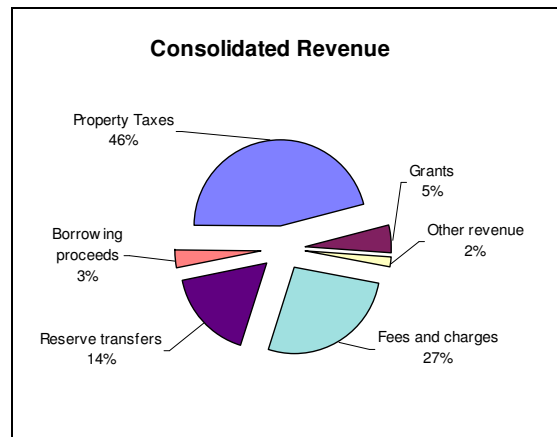
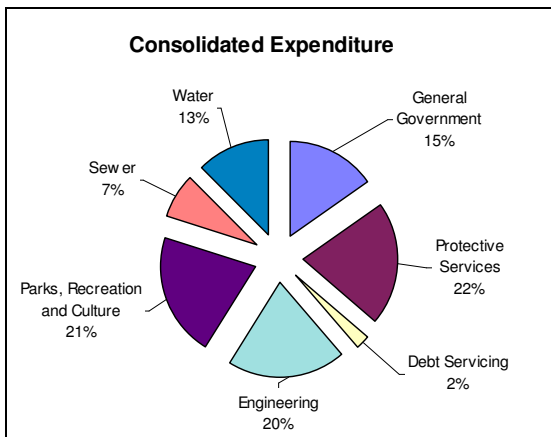
# EXECUTIVE SUMMARY

The Community Charter Act Requires that The District of Saanich approve a Five Year Financial Plan bylaw each year prior to the adoption of the annual property tax bylaw. This document provides the supporting details to the 2011-2015 Financial Plan Bylaw, which will be considered for adoption by Council on or before May 9, 2011.

## 1. Consolidated Financial Plan Summary

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

Saanich's consolidated financial plan for 2011 balances \$195,276,600 in revenues and transfers with \$195,276,600 in expenditures.



The budget is based on:

1. A municipal property tax increase of 2.75% (\$53.24) for operations, 0.75% (\$14.52) for additional infrastructure replacement and 0.10% (\$1.93) for new infrastructure operating costs. This totals 3.60% or \$69.69 to the average homeowner,
2. Utility rates approved in December 2010, and
3. A refuse collection fee of \$149.60 per household.

Including all municipal taxes and utilities, an average home is projected to pay about \$134 more in 2011:

	<u>2010</u>	<u>2011</u>
Property Taxes	\$ 1,935	\$ 2,006
Sewer	237	269
Water	375	396
Refuse Collection	140	150
	<u>\$ 2,687</u>	<u>\$ 2,821</u>

## 2. Summary of Consolidated Financial Plan Changes From 2010 To 2011

More revenues from taxation, reserves and user fees will be required to fund inflationary increases in 2011 operating programs and more grants will be used to fund capital projects:

### Consolidated Revenue

Source	General Operating	General Capital	Sewer Utility	Water Utility	2011 Budget Total	2010 Budget Total	2010 Actuals Total
Property Taxes	81,627,900	8,178,000	-	-	89,805,900	84,950,800	84,876,800
Grants	3,596,800	6,887,200	-	-	10,484,000	9,876,900	7,391,200
Other revenue	3,446,300	-	-	-	3,446,300	2,842,900	3,364,200
Fees and charges	23,441,100	-	10,183,600	18,446,000	52,070,700	50,123,300	52,302,300
Reserve transfers	5,521,900	17,737,600	3,744,900	6,052,700	33,057,100	27,128,700	24,061,600
Borrowing proceeds	-	4,289,000	2,123,600	-	6,412,600	5,639,000	2,947,000
<b>Total</b>	<b>117,634,000</b>	<b>37,091,800</b>	<b>16,052,100</b>	<b>24,498,700</b>	<b>195,276,600</b>	<b>180,561,600</b>	<b>174,943,100</b>

### Consolidated Expenditure

Function	General Operating	General Capital	Sewer Utility	Water Utility	2011 Budget Total	2010 Budget Total	2010 Actuals Total
Administration	1,603,800	-	-	-	1,603,800	1,860,200	1,589,900
Corporate Services	1,759,100	-	-	-	1,759,100	1,452,300	1,381,600
Finance	15,933,700	1,855,000	-	-	17,788,700	13,394,400	9,257,900
Debt Servicing	2,696,700	-	1,452,000	-	4,148,700	3,975,400	3,328,300
Legislative Services	4,080,600	-	-	-	4,080,600	3,914,600	2,555,800
Police Protection	26,434,800	1,248,200	-	-	27,683,000	27,214,000	28,181,600
Fire Protection	13,263,700	152,000	-	-	13,415,700	14,121,900	14,746,400
Emergency Program	347,700	-	-	-	347,700	343,500	349,000
Planning	4,516,400	-	-	-	4,516,400	4,494,200	4,493,500
Engineering & PW	17,328,700	22,575,900	14,600,100	24,498,700	79,003,400	68,117,800	67,412,900
Parks and Recreation	24,738,400	11,260,700	-	-	35,999,100	36,937,500	36,429,900
Cultural	4,930,400	-	-	-	4,930,400	4,735,800	4,716,500
<b>Total</b>	<b>117,634,000</b>	<b>37,091,800</b>	<b>16,052,100</b>	<b>24,498,700</b>	<b>195,276,600</b>	<b>180,561,600</b>	<b>174,443,300</b>

Note: The above total figure for General Operating is \$16,354,400 less than the total amount on page 18 due to the removal of the inter-departmental recoveries and the allocation of the capital expenditure funded by property taxes to the General Capital Fund.

<b>Consolidated Revenue level in 2010</b>	<b>\$ 180,561,600</b>
Revenues were increased because:	
General Taxes were increased by 3.60% to average homeowner	4,855,100
More grants received for infrastructure spending	607,100
More 1% utility taxes received	603,400
Fees and charges from recreation, permits and refuse collection increased	752,400
Fees and charges from water and sewer programs increased	1,195,000
Borrowing for infrastructure will increase	773,600
Reserve funds use has increased	5,928,400
<b>New Consolidated Revenue Level for 2011</b>	<b>\$ 195,276,600</b>
<b>Consolidated Expenditures level in 2010</b>	<b>\$ 180,561,600</b>
Expenses were increased because:	
General Operating costs increased	5,424,100
General Capital costs increased	7,234,500
Water System operating and capital costs increased	887,800
Sewer System operating and capital costs increased	1,168,600
<b>New Consolidated Expenditure Level in 2011</b>	<b>\$ 195,276,600</b>

### 3. 2011 Consolidated Fund Balance Summary

Municipal activities are accounted for on a fund basis. Total fund balances are expected to remain approximately at 2010 levels, including a moderate reduction in reserves.

#### Fund Balances

	<u>General Operating</u>	<u>General Capital</u>	<u>Sewer Utility</u>	<u>Water Utility</u>	<u>Reserve Fund</u>
Fund Balance, January 1	13,072,155	11,189,579	7,806,528	8,910,973	61,024,800
Total Revenues	(117,634,000)	(37,091,800)	(16,052,100)	(24,498,700)	(16,902,300)
Total Expenditures	117,634,000	37,091,800	16,052,100	24,498,700	23,981,000
Fund Balance, December 31	13,072,155	11,189,579	7,806,528	8,910,973	53,946,100

### 4. General Operating Fund Summary:

The operating budget provides for the annual operation of the municipality in 2011 based on a 2.75% increase for operations, 0.10% increase for new inventory operating cost and an additional policy increase in infrastructure spending of 0.75% in municipal property taxes. A separate refuse collection fee of \$149.60 per household is added to the tax bill to fund refuse collection and disposal (\$140 in 2010).

This revenue funds the net cost to maintain services at 2010 levels, continues Council's policy of gradually increasing tax funded capital programs to sustainable levels and reflects the economic circumstances that will limit municipal revenue increases for 2011. No additional resource requests have been submitted.

### 5. Water Utility Fund Summary:

The Water Utility Budget provides for all operations and capital funding to support the water system. In December 2010 a 5.8% annual increase in water rates was approved to support increased infrastructure replacement spending. Cost to the average homeowner increased by \$21 from \$375 to \$396 per year.

### 6. Sewer Utility Fund Summary:

The Sewer Utility Budget provides for all operations and capital to support the sewage disposal system. In December 2010 a 13.5% increase in sewer rates was approved to support CRD debt financing of the regional sewer treatment system and higher Saanich infrastructure replacement spending. Annual cost to the average homeowner increased by \$32 from \$237 to \$269 per year.

### 7. General Capital Fund Summary:

The 2011 General Capital Program provides for a \$37.1 million program of infrastructure and equipment replacement funded from a mixture of property taxation, debt, reserves, grants and development cost charges.

The Capital Plan matches the District's needs for investment in capital with available financial resources. Replacement of ageing infrastructure is given priority in balancing capital requirements with funding. Replacement infrastructure spending is being gradually increased to reach sustainable levels, rising from \$7 million in 2001 to an annual average of over \$25 million in the last three years.

## 8. Reserve Fund Summary:

Reserve Funds are projected to slightly decrease from \$61,024,800 in 2010 to \$53,946,100 in 2011 from an increase in funding for infrastructure replacement.

## 9. Debt Summary:

Debt levels are projected to increase during the year from \$18.4 million to \$28.3 million. This remains well below policy guideline of \$54 million in general debt. Current outstanding debt, interest rate and maturity dates are listed below:

BY-LAW NUMBER	GENERAL	SEWER	TOTAL	INTEREST RATE	MATURITY DATE
	\$	\$	\$		Year
7864	655,910		655,910	4.25%	2013
7973	7,841	204,546	212,387	3.15%	2014
8073		395,392	395,392	3.15%	2015
8132	12,486	478,632	491,118	3.15%	2015
8181		391,203	391,203	5.93%	2016
8293	149,960	222,989	372,949	6.06%	2017
8344		334,484	334,484	5.37%	2017
8409	1,244,107		1,244,107	5.49%	2028
3197	939,523	547,827	1,487,350	4.98%	2014
3257	2,437,269		2,437,269	4.55%	2020
3292	2,049,212		2,049,212	4.17%	2020
3363	3,549,611		3,549,611	4.43%	2021
3466	1,440,294	506,462	1,946,756	4.82%	2022
3726	1,797,000		1,797,000	3.35%	2025
3726		1,150,000	1,150,000	3.73%	2025
	(80,596)	(37,940)	(118,536)	Accrued Actuarial Gains	
<b>TOTAL</b>	<b>14,202,617</b>	<b>4,193,595</b>	<b>18,396,212</b>		

## 10. Consolidated 2011 Budget Highlights by Strategic Plan Theme Area

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

### Safe Community:

- Five new Firefighters,
- \$485,000 in additional police funding to cover new positions and operational costs,
- \$168,000 for redevelopment of the police cell block and interrogation room,
- \$185,000 for in car video and automated license plate recognition,
- \$450,000 for Emergency Response Mobile Command Vehicle.

### Healthy Community:

- Completion of the two year \$3 million replacement of 10 playgrounds, 5 sport courts, 3 sport fields and 9 tennis courts at various parks,
- Completion of the \$5 million new arts centre at Cedar Hill,
- Completion of the \$2 million roof replacement at Saanich Commonwealth Place.

### Sustainable Environment:

- A further \$500,000 to continue accelerating wood stave drain replacement,
- \$2,600,000 to complete Colquitz and Gorge view Sewer Pump Station upgrades,
- \$3,900,000 to start seismic upgrading of the Rithet Reservoir.
- \$2,900,000 to continue replacing asbestos cement sewer and water mains.

### Balanced Transportation:

- A minimum of \$2,000,000 of sidewalk additions and improvements in areas such as:
  - Dysart Avenue
  - Kenmore Drive
  - Santa Anita
  - Cordova Bay Road (Haliburton to 5110)
  - Cedar Hill Road (Harvest to Shelbourne)
  - Derby Road (Shelbourne to Cedar Hill)
- \$300,000 for bikeways on Cedar Hill and Cedar Hill Cross Roads,
- Over \$6,000,000 in various road improvements including:
  - Tattersal Drive
  - Admirals Road Phase 3 (Arundel to Cowper)
  - Burnside Road West Phase 2 & 3 (Mckenzie to Grange)
  - Craigflower Bridge

### Service Excellence:

- \$800,000 for PC Replacement,
- \$150,000 for web/social media/collaboration upgrades,



# INTRODUCTION

## COMMUNITY PROFILE

### Population

Saanich’s population was reported to be 108,265 in the 2006 census. The 2010 estimate from BC Stats is 114,140, making Saanich the eighth largest municipality in British Columbia.

### Age Distribution

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

#### Age and Gender Distribution

Ages	Male	Female	Total	Percent	BC
0 to 14	8,210	7,810	16,020	14.8%	16.5%
15 to 24	7,850	7,640	15,490	14.3%	13.1%
25 to 44	12,565	13,520	26,085	24.1%	27.4%
45 to 64	14,835	16,705	31,540	29.1%	28.4%
65+	8,425	10,705	19,130	17.7%	14.6%
Total	51,885	56,380	108,265	100.0%	100.0%

### History

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

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

Today, Saanich is the largest of the municipalities in Greater Victoria, with an area of 11,179 hectares and a population of approximately 114,000. Located in a core position within the metropolitan area – the Trans Canada Highway enters from the west and the Pat Bay Highway enters from the north, converging within the Municipality and running parallel into the City of Victoria. Traditionally, Saanich has been the bedroom community or “gateway” to the downtown core of Victoria, by virtue of its location and strong historical rural roots.

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

## 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 three-year terms. Saanich Council is comprised of the following members:

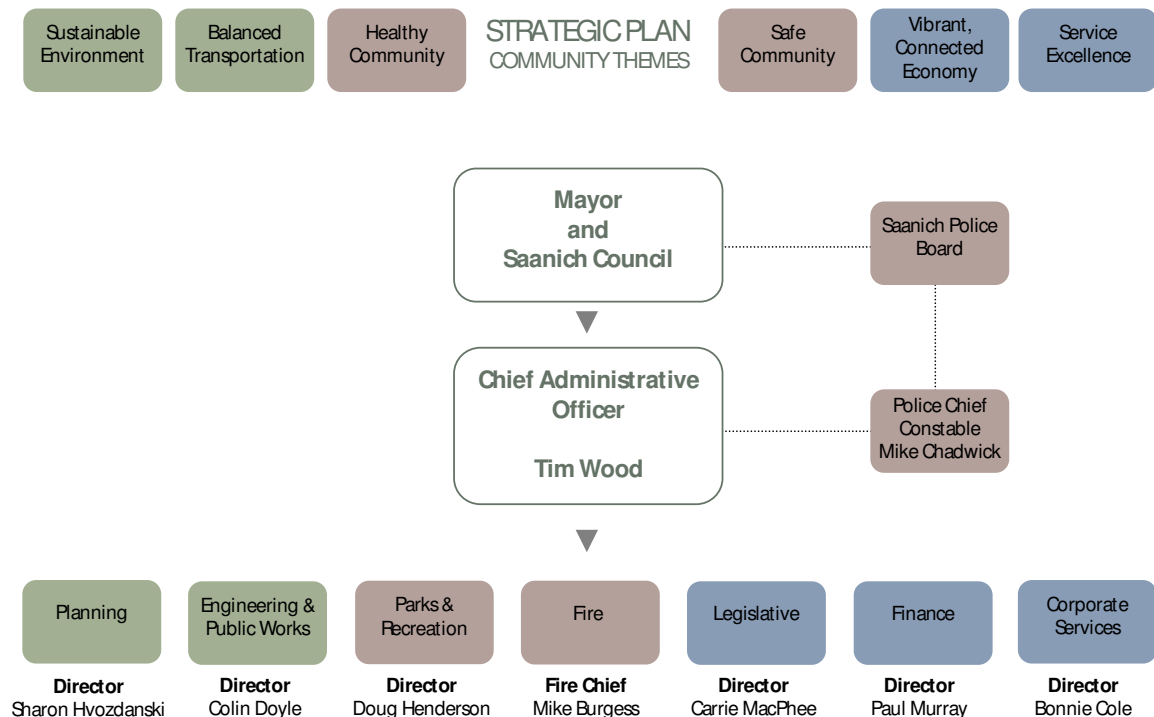
**Mayor:** Frank Leonard

**Councillors:** Susan Brice                      Wayne Hunter  
                          Judy Brownoff                      Dean Murdock  
                          Vic Derman                                      Vicki Sanders  
                          Paul Gerrard                                      Leif Wergeland



### Senior Management Team

The Chief Administrative Officer (CAO) leads a senior management team responsible for providing recommendations to Council and coordinating the day-to-day operations of municipal staff. The senior management team also provides vision and leadership in the annual development and implementation of Strategic Plan initiatives. As illustrated in the following diagram, the senior management team consists of the CAO, Directors and Managers of the departments, the Fire Chief and the Chief Constable:



## STRATEGIC CONTEXT

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### 1. Strategic Plan

The 2011 - 2015 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 was based on public consultation involving council, citizens and staff. Using the Balanced Scorecard planning approach, the plan identifies priority initiatives within six key community themes:

- **Sustainable Environment**
- **Balanced Transportation**
- **Healthy Community**
- **Safe Community**
- **Vibrant, Connected Economy**
- **Service Excellence**

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

### 2. Financial Planning Process

Financial planning is an on-going process. Planning activities begin as early as June and continue until the following May when the plan is adopted by Council:

June – August	Departmental Strategic Plans
August – October	Departmental Financial Plans
October – December	Draft Financial Plan
February – April	Public Budget Meetings
May	Final Financial Plan and bylaws adopted

Departmental Strategic Plans - Using the six key community themes, each department lists all the major activities to accomplish in the coming year. The plans specify what needs to be done, who is responsible and when the action will be completed.

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

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

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

Final Financial Plan - As input is received from the public and Council discusses financial plan priorities, the proposed financial plan is revised until a final version is reached. This becomes the document the District is required to adopt by bylaw. This bylaw then becomes the basis for adoption of the annual property tax bylaw. The financial plan may be amended by bylaw at any time during the five-year period.

## BUDGET POLICY AND PRINCIPLES

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### 1. Financial Plan Policies and Assumptions

#### Balanced Financial Plan

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

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

#### Accounting

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

Operating and capital expenditures are recognized on the accrual basis in the period incurred.

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.

#### Budgets

Each Department prepared core 2011 budget submissions within a zero increase in controllable operating expenses, a 2% increase in core capital expenditures, salary and benefit costs within approved wage and benefit plans and an additional property tax contribution per year for infrastructure replacement. Each department (excluding fire and police) was also asked for a 2% reduction scenario which was then used to reduce the annual tax levy to an acceptable level.

The operating component of the Five Year Financial Plan is focussed on 2011 but includes a general forecast for the balance of the five year horizon based on the following general assumptions for years 2012 to 2015:

1. 2 - 3% annual inflation factor applied to most expenditures, fees and charges.
2. Wage and benefit costs per collective agreement commitments.
3. General surplus of \$500,000 brought into revenue being reduced \$250,000 annually and eliminated in two years.
4. Water rates increased a minimum 3% annually for replacement infrastructure.
5. Sewer rates increased a minimum 3% annually for replacement infrastructure.

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

1. 2% annual increase in core capital funding from taxation.
2. Property taxation increased 0.75% annually for infrastructure replacement.
3. Debt levels maintained at guideline.
4. Federal gas tax funding allocated to transportation.
5. New infrastructure funding mainly relies on modest debt room, government grants, community contributions and operating budgets, and
6. All figures shown in current year (2011) 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, lowering the cost of municipal services and shifting the burden to user fees and charges where feasible.

Distribution of Property Taxes: The Municipality will continue to set tax rates to ensure tax stability by maintaining a consistent proportionate relationship between classes and uniform annual tax increases. The 2011 Saanich Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 19%, consistent with prior years.

In order to maintain the current share of taxation between property classes and have a uniform tax increase, minor adjustments are made to the tax multiples to account for market based assessment variation between the classes.

The adjusted rates are reflected in the table below and provide for a balanced tax impact among property classes. Properties in Supportive Housing Class 3 will remain tax exempt per Provincial regulation.

	<u>2010</u>	<u>2011</u>	<u>% Property Tax Levy</u>	<u>Tax Multiple</u>
Residential	3.2697	3.2034	79.92%	1.0000
Utilities	25.8680	27.1147	0.37	8.4643
Supportive Housing	3.2697	3.2034	0.00	1.0000
Light Industry	11.5914	11.7732	0.08	3.6752
Business/Other	11.6980	12.1162	19.50	3.7823
Managed Forest	14.7945	16.7545	0.00	5.2302
Rec/Non Profit	5.4759	6.5391	0.13	2.0413
Farm	0.4924	0.5000	0.00	0.1561

Permissive Tax Exemptions: The Municipality will continue to support local organizations through permissive tax exemptions. The objective is to consider annual exemptions individually on their merits, in context with the Saanich Strategic Plan.

### 3. Expenditure Policies

#### Debt Limit Policy

The District of Saanich adheres to the Community Charter which sets a limit on the amount of debt a Local Government may have. The limit states that no additional debt may be issued if it would result in the total annual debt servicing costs to exceed 25% of the revenue collected in the previous year. At the end of 2010, the legal debt limit is such that average annual servicing costs cannot exceed \$32.8 million.

The municipality limits debt internally to a maximum of 7% of the revenue collected in the previous year. At the end of 2010 this limits annual debt servicing costs to no more than \$5.4 million.

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

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

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

<i>Use of Funds by Departments</i>							
<i>Department</i>	<i>Operating Fund</i>			<i>Capital Fund</i>			<i>Reserve Fund</i>
	<i>G</i>	<i>W</i>	<i>S</i>	<i>GC</i>	<i>WC</i>	<i>SC</i>	<i>R</i>
Administration	✓						
Corporate Services	✓						
Finance	✓			✓			✓
Legislative Services	✓						
Police Protection	✓			✓			✓
Fire Protection	✓			✓			✓
Emergency Program	✓			✓			
Planning & Development	✓						
Engineering & Public Works	✓	✓	✓	✓	✓	✓	✓
Parks & Recreation	✓			✓			✓
Cultural	✓						

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

## 5. Staffing Level In 2011

Between 2010 and 2011, total full-time equivalent (FTE) positions decreased by a net of 6.1 FTE or 0.58% as follows:

Full-Time Equivalent (FTE) Employees			
Department	2009	2010	2011
Administration	12.1	12.1	12.1
Corporate Services	15.9	16.9	16.8
Finance	54.0	54.9	55.6
Legislative	17.3	18.8	17.4
Police Protection	226.7	229.4	230.0
Fire Protection	115.8	114.0	115.6
Emergency Program	2.5	2.5	2.5
Planning and Development	43.5	43.2	42.7
Engineering and Public Works (includes utilities)	264.0	261.9	258.9
Parks and Recreation	297.8	293.3	289.3
<b>Total</b>	<b>1,049.6</b>	<b>1,047.0</b>	<b>1,040.9</b>

Increases/decreases in FTE count for 2011 include:

- Finance – 1.0 Network specialist increase mitigated by a 0.3 reduction in collections staffing.
- Police – 0.6 partial year increase of a staff sergeant to coordinate force control tactics and training.
- Fire – 1.6 partial year increase in suppression rescue.
- Engineering and Public Works – hours reduced equivalent to 3 FTE due to adjustments to operations.
- Parks and Recreation – hours reduced equivalent to 4 FTE due to reductions in programs.
- Others – 2.0 FTE decrease in other departments due to adjustment in operations.

## 6. Change In Carbon Footprint

Carbon Footprint (CO <sub>2</sub> e)			
Department	2008	2009	2010
Administration	8	8	8
Corporate Services	13	13	14
Finance	63	65	68
Legislative Services	39	95	87
Police Protection	610	633	644
Fire Protection	379	311	315
Planning and Development	55	60	66
Engineering and Public Works (includes utilities)	1,702	1,600	1,554
Parks and Recreation	1,946	2,029	2,036
<b>Total (Baseline 2007 = 5,223)</b>	<b>4,815</b>	<b>4,814</b>	<b>4,792</b>

The municipality has made a Climate Action Plan commitment to reduce carbon footprint by 50% of 2007 levels by the year 2020.

While all major departments have reduced their fuel and gas usage the summary carbon footprint data has remained relatively consistent for 2010 as a result of a revision of the emission factors for hydro operations.

Legislative Services carbon footprint decreased by 8 GHG due to a reduction in heating oil used in the rented dwellings managed by the lands division.

The Engineering and Public Works footprint decreased due to increased efficiencies in fleet vehicle operations.

## BUDGET PLANNING ISSUES

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### 1. 2011 Financial Planning Issues

Preparation of the 2011 budget proposal has taken into account the following significant financial planning issues:

Infrastructure – Replacement of ageing infrastructure is a priority. An overall plan to increase capital spending to reach sustainable levels in approximately nine years is in place. This increased spending is estimated at a minimum of 0.75% property tax increase per year in addition to the inflationary cost of operations. This target is reviewed each year and may need to be increased in future should inflation rise. Capital program funding from utility charges have also been increased at a minimum of 3% per year in both Water and Sewer.

Wage and benefit costs – This is the final year of the five year CUPE contract which includes a 4.0% wage increase over 2010. The IAFF Fire contract ended in December 2009 and the Police Association contract in March of 2010. Pension, Employment Insurance and WorkSafe BC costs are expected to also increase. Contingency estimates have been included in the financial plan for these items.

Economic Impact - Given the continued economic uncertainty which began in 2008 and is still affecting the municipality, all departments, with the exception of Fire and Police reduced operating budgets by 2% for 2011. This reduced the overall budget by \$789,000 or .90% of a tax increase. An additional .10% tax increase was also avoided through user charges. This allowed for a total reduction of 1%.

New Infrastructure Operating Costs - An additional .10% tax increase was allocated for new infrastructure operating costs at the new Arts Centre at Cedar Hill.

Water purchases – A significant proportion of water costs are bulk water purchases from the CRD. These costs are subject to change each year dependant on CRD regional infrastructure work and operating costs.

Sewer costs – A significant proportion of sewer costs are from CRD regional Sewage Treatment. CRD sewer charges increased by over 13% over last year to fund new Liquid Waste Management Plan mandated regional sewer treatment.

### 2. 2012 – 2015 Financial Planning Issues

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

Economic uncertainty - The provincial and federal governments have begun cost cutting measures to cope with increasing deficits due to declining revenues. The District of Saanich has also for the last three budget years implemented 1% to 2% expense reductions for most departments to reduce the impact on property taxes. The expectation is that for the near future this practice will likely continue.

Provincial grants – Unconditional operating grants of \$1.6 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 1.8% tax increase on property taxes or an equivalent reduction in police service programs that are funded by this grant.

Wage costs uncertainty – The extent of possible wage increases for CUPE, IAFF and Police Association employees is uncertain at this time as contract negotiations have not commenced.



Solid Waste Services – The CRD is implementing a landfill ban of all garden and kitchen waste in 2013. In anticipation of this ban the municipality is undertaking a pilot program in 2011 to collect curbside garbage and kitchen scraps from a selected area in the municipality.

Water purchases – Water sale volumes in the municipality have been declining as homeowners continue to conserve water use. The cost of bulk water purchases from the CRD may increase above inflation to offset reductions in volume as most of regional water costs are fixed in nature.

Sewer costs – Regional sewer charges are expected to continue to increase dramatically in the next four years as the provincially mandated regional sewer treatment system is built and operated.

Infrastructure Replacement - Council has committed to an overall plan to increase capital spending to sustainable levels in approximately nine years. The following is a snapshot of the plan to reach sustainability:

**Current Capital Sustainable Funding Levels**

Capital Program	Average Annual Replacement Needed	Total Current Funding Levels	Core Funding (Taxes/Utility)	Reserves	Borrowing	Grants	Year Program is Sustainable
Water	6,973,000	4,953,400	4,953,400				2016
Sewer	6,792,000	3,845,000	2,345,000		1,500,000		2018
Transportation	8,170,000	5,640,000	2,640,000			3,000,000	2018
Drainage	7,292,000	3,500,000	700,000		2,800,000		2019
Facility	2,661,000	1,921,000	521,000		1,400,000		2019
Parks	2,993,000	1,335,300	635,300		700,000		2019
	34,881,000	21,194,700	11,794,700	-	6,400,000	3,000,000	

## General Operating Fund

Total General Operating Fund expenditures are expected to increase by \$6,732,400 or 5.29% in 2011. Revenues will also increase by 5.29% as summarized in the table below.

The primary source of revenue is Property Taxation.

The increase in property tax revenue this year is made up of a 2.75% increase for current operations, 0.1% increase in operating cost of new infrastructure inventory approved in the previous year, and a policy increase of 0.75% in infrastructure replacement spending. Overall property tax revenues are set to rise by 3.60% (\$69.69) to the average residential homeowner.

Given the current economic circumstances, no operating resource requests have been submitted.

BUDGET SUMMARY	
2010 Tax Levy	\$89,805,900
2009 Tax Levy	\$84,950,800
Budget Change	4,855,100
Average Homeowner Increase %	3.60%
2010 FTE	942.08
2009 FTE	947.00
FTE Change	(4.92)
FTE Change %	(0.52%)
2010 Carbon Footprint (CO <sub>2</sub> e)	4630 Tonnes
2009 Carbon Footprint (CO <sub>2</sub> e)	4675 Tonnes
Carbon Footprint Change	(45) Tonnes

### BUDGET SUMMARY BY OBJECT

Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2009	2010	2010	2011	2011/2010
Personnel	73,187,700	75,458,600	76,210,900	78,265,800	2.70%
Goods and Services	28,613,500	29,057,300	27,845,500	28,450,800	2.17%
Fiscal Services	2,055,600	1,860,300	2,678,200	2,857,500	6.69%
Grants, Overheads & Transfers	15,225,800	10,539,800	13,222,900	16,236,300	22.79%
Capital (tax funded portion only)	6,819,100	9,872,200	7,298,500	8,178,000	12.05%
<b>TOTAL</b>	<b>125,901,700</b>	<b>126,788,200</b>	<b>127,256,000</b>	<b>133,988,400</b>	<b>5.29%</b>
REVENUES AND RECOVERIES					
Property Taxation	(81,058,500)	(84,876,800)	(84,950,800)	(89,805,900)	5.72%
Other Corporate Revenues	(7,196,700)	(6,870,900)	(6,989,900)	(6,973,300)	(0.24%)
Other Departmental Revenues	(27,869,835)	(26,923,400)	(22,692,700)	(23,441,100)	3.30%
Inter-Departmental Recoveries	(7,430,800)	(6,988,200)	(7,684,800)	(8,176,400)	6.40%
Reserves And Others	(3,263,400)	(2,001,000)	(4,773,900)	(5,521,900)	15.67%
Other Grants	(328,965)	(234,900)	(163,900)	(69,800)	(57.41%)
<b>TOTAL</b>	<b>(127,148,200)</b>	<b>(127,895,200)</b>	<b>(127,256,000)</b>	<b>(133,988,400)</b>	<b>5.29%</b>
NET OPERATIONS					
	(1,246,500)	(1,107,000)	-	-	0.00%

- Fiscal Services increased by 6.69% to fund new debt charges for wood stove drainage work.
- Grants, overheads and transfers increased by 22.79% to establish contingencies for protective service wage contract settlements, benefits and utility costs.
- Property tax based capital funding increased 12.05% per infrastructure spending policy.
- Revenue from Reserves and Others increased by 15.67% due to increase in projects funded from reserves.
- Revenue from Other Grants decreased 57.41% due to fewer operating grants received from FCM and UBCM.

### Budget Summary By Function:

Operating Budget	Actual	Actual	Budget	Budget	% Change
ALL DEPARTMENTS	2009	2010	2010	2011	2011/2010
Property Taxation	(81,058,500)	(84,876,800)	(84,950,800)	(89,805,900)	5.72%
Utility and Hotel Tax	(1,343,800)	(1,403,800)	(1,388,900)	(1,443,500)	3.93%
Grants In Lieu	(1,923,700)	(1,897,700)	(1,908,000)	(1,918,000)	0.52%
Provincial Grants	(1,609,000)	(1,609,000)	(1,609,000)	(1,609,000)	0.00%
Interest and Penalties	(1,151,600)	(1,039,200)	(1,190,000)	(1,196,000)	0.50%
Surplus Appropriations	(1,000,000)	(750,000)	(750,000)	(660,100)	(11.99%)
Other Revenues	(168,600)	(171,200)	(144,000)	(146,700)	1.88%
Capital Contribution	6,819,100	9,872,200	7,390,600	8,178,000	10.65%
Net Departmental Cost	80,189,600	80,768,500	84,550,100	88,601,200	4.79%
<b>SURPLUS/DEFICIT</b>	<b>(1,246,500)</b>	<b>(1,107,000)</b>	-	-	<b>0.00%</b>

**Property Taxation** - The largest single source of revenue for the Municipality is property taxes. Property taxes are levied on owners of property situated in Saanich based on the assessed value of their property. This core budget provides for a 3.60% increase in municipal property taxes to the average homeowner with an assessed value of \$626,240. The remaining 2.12% increase in property taxes is from new tax revenues on new construction completed during the previous year.

**Utility and Hotel Tax** - This includes the 1% revenue tax from utilities such as Terasen, Shaw, BC Hydro and Telus and 2% hotel revenue tax on hotels that operate within Saanich.

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

**Provincial Grants** - The Province continues to provide a single unconditional grant program to share traffic fine revenues. These funds are used to offset on-going public safety programs in both Police and Fire. A portion of the funds is transferred to the Police Equipment Replacement Reserve and used from year to year to fund police capital costs approved by Council. This grant is projected to remain for the next couple of years.

**Interest and Penalties** - The majority of revenues are collected in July whereas expenses are paid throughout the year. Until expenses are incurred, funds are available to invest. Revenue from these investments is an important source of operating funds and reduces the amount needed from property taxes. Property Owners who do not pay their property taxes by deadline are assessed penalties and interest based on provincial guidelines. Investment returns remained low in 2010 and are projected to remain the same in 2011.

**Surplus Appropriation** - A minimum of \$500,000 in prior year operating surplus is used to fund a portion of annual operating costs. Surplus in excess of the minimum requirement is available to be allocated during the course of the year. The surplus appropriation budget has been reduced as per the five year plan to eliminate dependence on prior year surpluses. An additional \$160,100 in surplus appropriation has been budgeted to fund 2011 election costs.

**Other Revenues** - This includes a mixture of sundry revenues such as early payment discounts and school tax collection commissions.

**Capital Contribution** - The Municipality funds a portion of the core capital program from property taxation. The budget allocation from taxation for 2011 is \$8,178,000. This continues the practice of increasing capital funding from property taxation by 0.75% or \$660,000 each year. This appears as a core capital funding source in the capital program shown later in this document and

is supplemented on an annual basis by other funding sources such as reserves, grants and long term debt (if available).

### 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 \$4,051,100 or 4.79% in 2011. The majority of this increase is attributable to wage and benefit costs, a reduction in some departmental revenues such as permits, an increase in library operating costs of 4.17% and increases in general and debt service contingencies.

More specific details relative to each Department have been provided in each Departmental budget section later in this document.

Net Department Budget	Actual	Actual	Budget	Budget	% Change
	2009	2010	2010	2011	2011/2010
Administration	1,477,100	1,517,300	1,524,300	1,538,800	0.95%
Corporate Services	1,081,300	1,138,700	1,224,500	1,233,500	0.73%
Finance	8,764,800	7,181,200	10,111,300	12,756,200	26.16%
Debt Servicing	1,885,700	1,679,700	1,939,000	2,112,300	8.94%
Legislative Services	2,449,100	2,096,900	2,162,200	2,267,700	4.88%
Police Protection	23,100,100	23,608,900	23,734,000	24,292,700	2.35%
Fire Protection	12,252,600	12,656,800	12,657,100	12,744,200	0.69%
Emergency Program	303,600	339,400	339,500	344,200	1.38%
Planning and Development	1,090,400	1,624,000	2,182,100	2,080,500	(4.66%)
Engineering & Public Works	11,102,700	11,577,200	11,724,600	11,766,300	0.36%
Parks and Recreation	12,216,200	12,631,900	12,215,700	12,534,400	2.61%
Cultural	4,466,000	4,716,500	4,735,800	4,930,400	4.11%
<b>TOTAL</b>	<b>80,189,600</b>	<b>80,768,500</b>	<b>84,550,100</b>	<b>88,601,200</b>	<b>4.79%</b>

- Finance increased 26.16% due to higher general and debt management contingencies.
- Debt servicing increased by 8.94% to fund wood stave drainage replacement.
- Legislative services increased by 4.88% due to budgeted election costs of \$160,100 which will be funded by surplus appropriation.
- Cultural increased 4.11% due to a 4.17% increase in GVPL requested funding to cover 2011 operating costs.

# Council, Administration and Grants

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

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

The **Council and Committees** section provides for the direct costs of operating Council and a variety of committees. This also includes the **Municipal Grants** section where Council provides a mixture of community, social, environmental and other grants to organizations in the Greater Victoria Area. In 2010 over \$630,000 was disbursed.

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>1,538,800</b>
<b>2010 Net Budget</b>	<b>1,524,300</b>
<b>Budget Change</b>	<b>14,500</b>
<b>Change by %</b>	<b>0.95%</b>
<b>2011 FTE</b>	<b>12.07</b>
<b>2010 FTE</b>	<b>12.07</b>
<b>FTE Change</b>	<b>0</b>
<b>FTE Change %</b>	<b>0%</b>
<b>2010 Carbon Footprint ( CO<sub>2</sub>e)</b>	<b>8 Tonnes</b>
<b>2009 Carbon Footprint ( CO<sub>2</sub>e)</b>	<b>8 Tonnes</b>
<b>Carbon Footprint Change</b>	<b>0 Tonnes</b>

The **Administration** section is responsible for municipal operations, developing policies and programs, liaising with other levels of government and coordinating the budget process.

## CORE BUDGET

The Department's 2011 Budget of \$ 1,538,800 represents a 0.95% increase over 2010.

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
	2009	2010	2010	2011	2011/2010
Council & Committees	404,400	437,800	448,100	463,700	3.48%
Administration	415,500	426,800	424,300	424,700	0.09%
Grants	657,200	652,700	651,900	650,400	(0.23%)
<b>Total</b>	<b>1,477,100</b>	<b>1,517,300</b>	<b>1,524,300</b>	<b>1,538,800</b>	<b>0.95%</b>

# Corporate Services

The Corporate Services Department is comprised of three distinct areas: Corporate Projects, Human Resources and Occupational Health and Safety.

**Corporate Projects** provides support for the Strategic Plan, Vibrant Economy Theme Group and other corporate initiatives such as citizen and business surveys, service delivery assessment and the employee benchmark survey. Other special projects are coordinated as assigned.

The **Human Resources** Division provides support to a work force of approximately 1600 employees. The Division provides a full range of Human Resources services to managers, employees and the public.

These include; Recruitment and Selection, Job Evaluation, Training, Management Development, Employee Recognition, Leave Management, Pension Counselling and Labour Relations. The Division supports managers and employees in meeting operational demands and achieving their strategic goals.

The **Occupational Health and Safety Section** provides a comprehensive corporate safety program for the municipality.

## 2011 BUDGET CHALLENGES

- Maintaining current service levels with reduced staff resources.

## KEY 2010 ACCOMPLISHMENTS

**Corporate Projects (reported under Finance where it resided in 2010)**

**Occupational Health and Safety (reported under Finance where it resided in 2010)**

### Human Resources Division

- Supported key Department Head and Manager selection processes
- Completed implementation of the Employee Survey action plan
- Implemented a corporate customer service standard

## 2011 KEY PRIORITIES

### Service Excellence

- Engage citizens to determine what they need in a Municipal website
- Review and update the new employee orientation program in a web based environment
- Implement the Citizen Survey customer service action plan
- Support the Service Delivery Assessment process
- Support Managers in the completion of Workforce planning
- Maintain COR certifications for safety and return to work

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>1,233,500</b>
<b>2010 Net Budget</b>	<b>1,224,500</b>
<b>Budget Change</b>	<b>9,000</b>
<b>Change by %</b>	<b>0.73%</b>
<b>2011 FTE</b>	<b>16.76</b>
<b>2010 FTE</b>	<b>16.91</b>
<b>FTE Change</b>	<b>(0.15)</b>
<b>FTE Change %</b>	<b>(0.89%)</b>
<b>2010 Carbon Footprint ( CO<sub>2</sub>e)</b>	<b>14 Tonnes</b>
<b>2009 Carbon Footprint ( CO<sub>2</sub>e)</b>	<b>13 Tonnes</b>
<b>Carbon Footprint Change</b>	<b>1 Tonnes</b>

**Priority Departmental Initiatives include:**

Item	Description	Supports Strategic Plan
1. Community engagement	<ul style="list-style-type: none"> <li>Conduct a citizen's focus group to gather viewpoints and links to content to determine what citizen's want from the website</li> </ul>	P1 Service Excellence
2. Customer Service action plan	<ul style="list-style-type: none"> <li>Implement the Citizen survey customer service action plan</li> </ul>	L3 Service Excellence
3. New Employee orientation program	<ul style="list-style-type: none"> <li>Review and update the new employee orientation program in a web based environment</li> </ul>	L1 Service Excellence

**CORE BUDGET**

The Department's 2011 Budget of \$ 1,233,500 represents a 0.73% increase over 2010. The increase is due to higher labour costs offset by a 2.0% decrease in various expenses.

Net Budget By Function	Actual 2009	Actual 2010	Budget 2010	Budget 2011	% Change 2011/2010
Corporate Services	313,800	322,700	385,400	390,100	1.22%
Human Resources	769,200	889,400	914,100	911,400	(0.30%)
Occupational Health & Safety					
Revenue	(414,800)	(572,300)	(594,300)	(563,800)	(5.13%)
Expense	<u>413,100</u>	<u>498,900</u>	<u>519,300</u>	<u>495,800</u>	<u>(4.53%)</u>
Total	(1,700)	(73,400)	(75,000)	(68,000)	(9.33%)
<b>Total</b>	<b>1,081,300</b>	<b>1,138,700</b>	<b>1,224,500</b>	<b>1,233,500</b>	<b>0.73%</b>

## Finance

The Finance Department is responsible for the overall management of the financial affairs of the municipality, purchasing, and information technology.

The **Accounting/Payroll Section** provides the following: accounting, audit and budgeting of \$190 million in annual expenses and revenues; cash management of up to \$165 million in investments is provided on a daily basis to maximize the returns and provide additional income to both operating and reserve funds; accounts payable processing over 11,400 cheque payments and 17,500 purchasing transactions per year; payroll coordinates the production of five different payroll groups paid on a bi-weekly basis and maintains benefits records for over 1,800 staff.

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>12,756,200</b>
<b>2010 Net Budget</b>	<b>10,111,300</b>
<b>Budget Change</b>	<b>2,644,900</b>
<b>Change by %</b>	<b>26.16%</b>
<b>2011 FTE</b>	<b>55.55</b>
<b>2010 FTE</b>	<b>54.91</b>
<b>FTE Change</b>	<b>0.64</b>
<b>FTE Change %</b>	<b>1.17%</b>
<b>2010 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>68 Tonnes</b>
<b>2009 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>65 Tonnes</b>
<b>Carbon Footprint Change</b>	<b>3 Tonnes</b>

The **Revenue Collection Section** manages the daily billing and collection process of all revenues including property taxes, utility bills, dog licenses, business licenses and recreation programs. Over 100,000 utility bills, 41,000 tax notices and 4,500 business licenses are produced annually. A pre-approved instalment tax payment system and web based online payment system is managed.

The **Purchasing Division** provides a complete range of purchasing, printing and account payable services to all departments.

The **Information Technology Division** provides computer and telephone 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 geographically dispersed integrated data and voice network with secure access to the internet. The Saanich website is maintained in conjunction with a group of departmental web authors throughout the organization.

The Department continued to focus in 2010 on development and transition of staff while working on significant multi year initiatives such as Tangible Capital Assets, maintaining COR certification, establishing a sustainable purchasing practice and upgrading technology infrastructure.

### 2011 BUDGET CHALLENGES

- Budgeting for various contingencies such as wage and benefit increases for protective services contract wage settlement for the upcoming year and Pension, Employment Insurance and WorkSafe BC costs which are also expected to increase.



## KEY 2010 ACCOMPLISHMENTS

- Supported changes to the Strategic Planning process to provide direct linkages to the Official Community Plan
- Maintained WorkSafe BC Certificate of Recognition designation
- Over 10% reduction of days lost due to occupational illness or injury
- Implemented tracking systems for safety orientation, accident investigations and first aid incidents
- GFOA Financial Reporting Award received.
- GFOA Distinguished Budget Presentation Award received.
- Completed an organizational restructure of the Information Technology Division.

## 2010 KEY PRIORITIES

### Priority Strategic Initiatives include:

#### Vibrant, Connected Economy

- Maintaining comparable taxes and fees within the Victoria Region.
- Maintaining infrastructure replacement capital spending.
- Support the establishment of a GVDA Regional Economic Data and Information Portal.

#### Service Excellence

- Implement Information technology upgrades to PCs, networks and internet/intranet.

### Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Banking Services Update	<ul style="list-style-type: none"> <li>• Issue an RFP for banking services to ensure best service for best price.</li> </ul>	F4 Service Excellence
2. Internal Audit Program	<ul style="list-style-type: none"> <li>• Implement internal audit program for asset safeguards.</li> </ul>	F4 Service Excellence
3. Printer Use Plan	<ul style="list-style-type: none"> <li>• Review printer requirements to reduce number of printers but improve usage efficiency.</li> </ul>	P2 Sustainable Environment
4. Print and Mail Services	<ul style="list-style-type: none"> <li>• Review services to provide enhanced service at lower cost</li> </ul>	P3 Service Excellence
5. Purchasing Policy Update	<ul style="list-style-type: none"> <li>• Update policy to ensure best practice</li> </ul>	P3 Service Excellence
6. Outlook E-mail	<ul style="list-style-type: none"> <li>• Transition from GroupWise to Outlook E-mail.</li> </ul>	P3 Service Excellence
7. Network Infrastructure	<ul style="list-style-type: none"> <li>• Complete analysis of entire infrastructure.</li> </ul>	P3 Service Excellence

## CORE BUDGET

The Department's 2011 net core budget of \$ 12,756,200 represents a 26.16% increase over prior year. Excluding contingencies the 2011 net core budget would have increased 0.76% over 2010.

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
	2009	2010	2010	2011	2011/2010
Accounting and Payroll	1,226,900	1,453,300	1,427,500	1,421,500	(0.42%)
Revenue Collections					
Revenue	(627,600)	(641,000)	(636,200)	(644,000)	1.23%
Expense	<u>730,500</u>	<u>757,500</u>	<u>778,800</u>	<u>770,900</u>	(1.01%)
Total	102,900	116,500	142,600	126,900	(11.01%)
Purchasing	442,900	303,700	327,100	339,500	3.79%
Print Shop & Photocopy Service	48,900	71,900	63,700	65,800	3.30%
Information Technology	2,539,600	2,593,400	2,819,500	2,871,100	1.83%
Sundry Costs & Recoveries	3,331,500	1,570,000	4,267,800	6,868,200	60.93%
Government Services	1,072,100	1,072,400	1,063,100	1,063,200	0.01%
<b>Total</b>	<b>8,764,800</b>	<b>7,181,200</b>	<b>10,111,300</b>	<b>12,756,200</b>	<b>26.16%</b>

- Revenue collections net expenditure decreased 11.01% due to restructuring of operations and reduction of a clerk cashier position.
- Sundry Costs increased 60.34% to establish wage and debt management contingencies.

## Debt Management

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

As of December 2010, the total general outstanding debt is approximately \$14.3 million. This is projected to rise by \$7.2 million during the year, bringing total outstanding to about \$21.5 million by December 2011.

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>2,112,300</b>
<b>2010 Net Budget</b>	<b>1,939,000</b>
<b>Budget Change</b>	<b>173,300</b>
<b>Change by %</b>	<b>8.94%</b>
<b>2010 FTE</b>	<b>n/a</b>
<b>2009 FTE</b>	<b>n/a</b>
<b>Carbon Footprint (CO<sub>2</sub>e)</b>	<b>n/a</b>

This remains well within guideline of a maximum of 7% of property tax revenue. This is \$6.0 million in annual debt servicing cost or about \$54 million in total debt at current rates.

The average homeowner's share of total outstanding debt would be about \$463 (\$410 in 2010).

The debt servicing budget is maintained each year at borrowing guideline levels and the balance held in a finance debt management contingency. This debt service room is used each year for other projects until such time as it is needed.

Interest charges are projected to increase 14.36% as new debt is serviced. Interest charges for new debt borrowed in 2011 will begin in 2012.

Royal Oak Burial Park debt servicing costs of \$113,000 per year are 100 % recovered.

### CORE BUDGET

Core budget increase of 8.94% reflects the net increase in debt due to new borrowing for drainage projects.

Net Budget By Function	Actual 2009	Actual 2010	Budget 2010	Budget 2011	% Change 2011/2010
Interest	835,600	742,400	1,001,000	1,144,700	14.36%
Principal	1,050,100	937,300	938,000	967,600	3.16%
<b>Total</b>	<b>1,885,700</b>	<b>1,679,700</b>	<b>1,939,000</b>	<b>2,112,300</b>	<b>8.94%</b>

## Legislative Services

The **Legislative Services Department** includes the **Archives Section**, and the **Lands, Legal, Legislative, and Risk Management Divisions**. The Department provides a diverse variety of external and internal customer services.

The **Archives Section** as part of the **Legislative Division** collects, preserves, and makes available to the public a variety of archival material relating to Saanich. The Archives staff manages an extensive and expanding collection that includes photographs, municipal correspondence, private family records, plans, and oral histories.

The **Lands Division** acquires, develops and disposes of real property on behalf of the Municipality. The Lands Staff negotiates, prepares and registers Municipal Rights-of-Way as well as manages the rental housing stock and the Mt. Douglas and Mt. Tolmie Communication Facilities.

The **Legal Division** provides legal services to the Municipality and is responsible for drafting legal documents, negotiating contracts, working with the Risk Management division to deal with claims, and managing legal proceedings involving the Municipality.

The **Legislative Division**, as the official secretariat for Council and its committees, provides a wide range of support. The Division is responsible for corporate administration; processing, coordinating, and managing Council and Committee business; conducting elections and referenda; managing the information and privacy program; and managing the corporate records program.

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

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>2,267,700</b>
<b>2010 Net Budget</b>	<b>2,162,200</b>
<b>Budget Change</b>	<b>105,500</b>
<b>Change by %</b>	<b>4.88%</b>
<b>2011 FTE</b>	<b>17.37</b>
<b>2010 FTE</b>	<b>18.75</b>
<b>FTE Change</b>	<b>(1.38)</b>
<b>FTE Change %</b>	<b>(7.36%)</b>
<b>2010 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>87 Tonnes</b>
<b>2009 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>95 Tonnes</b>
<b>Carbon Footprint Change</b>	<b>(8) Tonnes</b>

### 2011 BUDGET CHALLENGES

- Establishing a corporate records office as an integral part of implementing the Document and Information Management Strategy

## KEY 2010 ACCOMPLISHMENTS

### Archives Section

- Improved public access and awareness to archival resources which increased research enquiries by more than 50%
- Implemented a project to re-house the Public Works collection in order to ensure appropriate preservation and public access

### Lands Division

- Negotiated the acquisition of key properties on Cordova Bay and Blenkinsop Roads for parkland use
- Completed the Mt. Tolmie Communications facility

### Legislative Division

- Increased the availability of information to internal and external clients while reducing operating costs
- As part of the Document and Information Management Strategy, developed a new corporate records classification and retention system

### Risk Management Division

- Negotiated reduced insurance premiums for property insurance while increasing risk management capabilities
- Settled significant damage claims in a cost effective manner

## 2011 KEY PRIORITIES

### Priority Strategic Initiatives include:

#### Healthy Community

- Conduct the 2011 Local Government Elections
- Continue to re-house the Public Works archival collection to ensure public access

#### Service Excellence

- Review the management and administration of the Municipality's rental housing units
- Review and standardize indemnity and insurance provisions in contracts and agreement to minimize risk transfer
- Implement key components of the Document and Information Management Strategy

### Priority Departmental Initiatives in 2011-2015 Strategic Plan include:

Item	Description	Supports Strategic Plan
Implement a Corporate Document and Information Management Strategy	Continue to develop and/or complete key components of the Strategy including the establishment of a corporate records office; the implementation of a standard records classification/retention system; the implementation of vital records and audit programs; and the Local Area Network restructuring.	L2 Service Excellence



## CORE BUDGET

The Department's 2011 net core budget of \$ 2,267,700 represents a 4.88% increase over 2010. Excluding the one time election costs the 2011 net core budget would have decreased 2.53% over 2010.

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
	2009	2010	2010	2011	2011/2010
Legal Services	305,100	429,300	376,000	372,200	(1.01%)
Legislative	731,300	711,600	755,300	715,100	(5.32%)
Elections	-	-	-	160,100	100.00%
Archives	140,600	152,300	141,500	146,900	3.82%
Risk Management	212,000	228,200	244,900	252,400	3.06%
Insurance & Claims	969,800	552,500	602,500	586,300	(2.69%)
Lands Division	189,500	113,300	115,900	108,100	(6.73%)
Property Management					
Revenue	(317,700)	(321,200)	(312,700)	(315,100)	0.77%
Expense	<u>218,500</u>	<u>230,900</u>	<u>238,800</u>	<u>241,700</u>	1.21%
Total	(99,200)	(90,300)	(73,900)	(73,400)	(0.68%)
<b>Total</b>	<b>2,449,100</b>	<b>2,096,900</b>	<b>2,162,200</b>	<b>2,267,700</b>	<b>4.88%</b>

- Legislative division decreased 5.32 % due to personnel restructuring.
- Lands division decreased 6.73% due to personnel restructuring.

## Police Services

The Mission of the Saanich Police Department is to provide quality police service by working with partners to ensure the safety and security of the community.

The Saanich Police Strategic Plan provides direction and assists in decision-making processes, as well as resource acquisition and allocation. It reinforces the strong community-focused traditions of the Saanich Police Department.

Increased staff, the introduction of advanced technology, improved facilities, department restructuring, and the introduction of activities that have balanced pro-active and reactive policing strategies, have made a positive impact on community safety and policing effectiveness.

Continued, planned and incremental improvements in these areas will allow the

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>24,292,700</b>
<b>2010 Net Budget</b>	<b>23,734,000</b>
<b>Budget Change</b>	<b>558,700</b>
<b>Change by %</b>	<b>2.35%</b>
<b>2011 FTE</b>	<b>230.03</b>
<b>2010 FTE</b>	<b>229.42</b>
<b>FTE Change</b>	<b>0.61</b>
<b>FTE Change %</b>	<b>0.27%</b>
<b>2010 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>644 Tonnes</b>
<b>2009 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>633 Tonnes</b>
<b>Carbon Footprint Change</b>	<b>11 Tonnes</b>

Department to sustain and enhance the level of service the community currently enjoys in the face of increased demands and societal changes.

### 2011 BUDGET CHALLENGES

- **Staffing:** The 2011-2015 Saanich Police Strategic Plan proposes direction for increased staffing that will require additional funding.
- **Technology:** Increasing reliance on technology poses many ongoing budgetary challenges such as increasing the number of Mobile Data Terminals and managing the capture, storage and retrieval of digital evidence arising from various sources. This is a multi-year ongoing commitment.
- **Post Disaster Emergency Preparedness:** Resources will be required to meet obligations to increase police response and recovery capacity in the context of a post disaster environment with the acquisition of a Mobile Incident Command Vehicle and the development of operational response and recovery plans.
- **Police Safety Building;** Resources will be required to move forward with plans for a public safety building remediation project, which will ensure police accommodations will survive in a post disaster environment and that facilities will meet the needs of police and Fire Departments.

### KEY 2010 ACCOMPLISHMENTS

- **2011 – 2015 Saanich Police Strategic Plan:** The input process has been completed for the 2011-2015 Saanich Police Strategic Plan. The plan is being written and will be published in early 2011.
- **Technology:** The Real Time Identification pilot project has been completed and is now awaiting RCMP implementation. Much work has also been done to meet the demands placed on police regarding Closed Circuit Television (CCTV).
- **Building:** Renovations were completed to the old telecommunication centre area of the building for use by the Regional Domestic Violence Unit.

- **Accountability:** The ability to meet the demands placed on police arising from the new Police Act and recent court decisions has been addressed with the addition of a staff sergeant position in the Professional Standards, Audits and Plans Division.
- **Traffic Safety:** New strategies have resulted in more focused enforcement in high crash locations, as well as the implementation of an enhanced speed reader board program.
- **Family Violence Strategies:** A new Saanich Police Family Protection Unit was established. Officers have also completed online relationship violence training to enhance service to the community.

## DEPARTMENTAL

- **Regional Crime Unit:** In 2010 Victoria Police withdrew their support of the RCU. Saanich has worked closely with the remaining partners to ensure the success of this unit.
- **Olympics:** Through collaborative partnerships, including 85 staff, Saanich Police ensured the safe celebration of the Olympic Torch Run throughout Greater Victoria, and by seconding 10% of our sworn officers to work at the Olympic venues; police contributed to ensuring a safe and secure Games.
- **Personnel:** The ability to respond to the ever increasing demands of PRIME and other technologies placed on the Records Section have been addressed with the addition of an Assistant Records Manager position.
- **Crime Analysis:** Solutions have been identified and implemented to allow for Saanich to access the Data Warehouse project through PRIME BC.
- **Graffiti Reduction:** Through a concentrated effort by the Bike Squad and Patrol there has been a significant increase in the number of offenders identified and processed by police.
- **Financial Crimes:** The Financial Crimes Section in partnership with the Crime Prevention Office have conducted several presentations to financial institutions, and seniors and participated in media interviews to educate the community in an effort to reduce the likelihood of victimization arising from counterfeiting and internet fraud.
- **Increase Community Engagement:** Block Watch has undergone a review which has resulted in 39 new blocks are in the process of being activated. The Crime Free Multi Housing (CFMH) program has also been implemented.
- **Enhanced Presence at the University of Victoria:** While Patrol continues to target an increase in “routine patrols” of the University, it has been difficult to accomplish due to the lack of unencumbered time. The Traffic Safety Unit has been able to increase visibility on the campus through dedicated traffic enforcement projects.
- **Telecommunications:** Enhancements to regional emergency service interoperability was achieved by collaborating on how to best manage shared events. The implementation of the Phase II wireless technology to the 9-1-1 and Computer Automated Dispatch systems has allowed for the identification of cellular call location based on GPS, which further enhances regional response and interoperability.
- **2010 Community Report:** The 2010 Community Report in the form of a Community Calendar for 2011 has been completed and will be available in December 2010.
- **Digitization of the Recruiting Process:** Transition of the recruiting process from paper based to digital has been accomplished resulting in improved access to the process and information gathered, efficiencies in time and processes, and reducing the impact on the environment.
- **Enhanced Succession Planning:** To further efforts to prepare staff to take on leadership roles within the Saanich Police, and to help ensure the ongoing sustainability of the programs and services, competency frameworks have been developed for ranks of sergeant and above, and leadership development courses have been delivered through the JIBC and Royal Roads University.
- **Environment:** Saanich Police are working toward reducing their carbon footprint and impact on the environment. Solid waste is being streamed away from the landfill to other more sustainable options, the recruiting and promotional processes have become digital which has significantly reduced paper waste, and the department acquired two additional hybrid vehicles to replace traditional gas powered vehicles.



**2011 KEY PRIORITIES**

**Priority Strategic Initiatives for 2011 include:**

<b>Item</b>	<b>Description</b>	<b>Supports Strategic Plan</b>
1. Community Engagement	Restructuring of the Uniform Division will result in a greater capacity to develop strategies and initiatives to maximize community engagement and partnerships.	<i>C1 Strengthen participation of citizens C6 Safe Community</i>
2. Investigative Capacity	Backfill the vacancy in the Detective Division resulting from a continuous draw on resources required to meet obligations to staff the Regional Domestic Violence Unit.	<i>C6 Safe Community</i>
3. Training and Accountability	Add one position to the Staff Development Division in order to implement and coordinate activities required to meet the requirements of the Braidwood Inquiry.	<i>C6 Safe Community L1 Develop a Skilled workforce L3 Foster corporate excellence</i>
4. Public Safety Building Remediation Project	Secure the commitment and resources required to start planning for improvements to the public safety building	<i>C6 Safe Community</i>
5. Post Disaster Response	Acquisition of a Mobile Incident Command Communications Vehicle and development of response and recovery plans.	<i>C6 Safe Community</i>
6. Strategic Plan Implementation	Implement the new strategic plan strategies, approach and philosophy throughout the organization.	<i>C6 Safe Community</i>
7. Focus on Staff	To maximize ability of staff to serve the community there will be renewed focus on staff engagement and employee fulfillment.	<i>C6 Safe Community L1 Develop a Skilled workforce</i>
8. Technology	Continue to plan for and implement new technology and digital evidence management systems	<i>C6 Safe Community L2 Enhance use of information technology</i>
9. Business Process Analysis	To ensure that limited resources are deployed effectively and efficiently, new strategies and existing programs will be analyzed in the context of a systems perspective.	<i>C6 Safe Community L3 Foster corporate excellence</i>

**Departmental Priority initiatives include:**

**Safe Community**

The goals of the Saanich Police are to provide:

*The highest quality of police service;  
Effective leadership to staff and the community;  
A culture of learning that supports innovation and problem solving;  
An environment that enables staff and the community to take action; and,  
A foundation to build and maintain effective partnerships with the community*

In order to achieve these goals and to keep Saanich safe, the new Police Strategic Plan has identified the following 15 *Key Strategic Priorities* which have been selected to improve service delivery in order to meet the needs of staff and the community.

***Saanich Police Key Strategic Priorities***

- ***Building Improvements***
- ***Business Process Analysis***
- ***Community Engagement / Partnerships***
- ***Competency Development***
- ***Crime Analysis***
- ***Diversity***
- ***Drug Enforcement***
- ***Investigative Capacity***
- ***Post Disaster Capacity***
- ***Research***
- ***Road Safety***
- ***Seniors Programs***
- ***Staff***
- ***Technology***
- ***Working with Youth***

Each year specific initiatives will be identified, implemented, measured and evaluated, and then reported to the community, through the police board and the Mayor and Council.

## CORE BUDGET

The Saanich Police Board 2011 net core budget is \$ 24,292,700 which represents a 2.35% increase over 2010. Increases are the result of previously approved Police, CUPE and Exempt contract salary increases.

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
	2009	2010	2010	2011	2011/2010
Executive Administration	2,460,800	2,330,400	2,335,800	2,381,800	1.97%
Staff Development	589,100	578,300	558,500	621,300	11.24%
General Administration	1,721,100	1,813,900	1,806,400	1,846,700	2.23%
Communication Systems	1,305,300	1,378,400	1,272,900	1,278,200	0.42%
Records	1,153,300	1,115,400	1,154,800	1,206,500	4.48%
Pound Services	37,800	80,100	82,800	84,600	2.17%
Uniform Division	1,153,600	1,171,600	1,272,500	1,278,800	0.50%
Parking Enforcement	19,100	18,000	18,600	19,000	2.15%
Crime Prevention	511,800	619,800	614,800	637,700	3.72%
Reserve Police Program	9,100	7,300	7,300	7,300	0.00%
Platoons	6,327,800	6,290,800	6,367,900	6,579,200	3.32%
School Liaison	484,800	499,200	504,800	516,400	2.30%
Canine	405,300	431,900	423,700	423,700	0.00%
Bike Squad	327,800	391,400	394,800	396,900	0.53%
Traffic	1,512,900	1,619,600	1,561,300	1,573,600	0.79%
Detectives	4,438,400	4,617,900	4,679,600	4,762,700	1.78%
Regional Crime Unit	494,400	578,600	492,300	493,100	0.16%
IT Operating	147,700	66,300	185,200	185,200	0.00%
<b>Total</b>	<b>23,100,100</b>	<b>23,608,900</b>	<b>23,734,000</b>	<b>24,292,700</b>	<b>2.35%</b>

- Staff development increased 11.24% due to partial year addition of one sergeant to coordinate training and force control tactics to implement the Braidwood Inquiry recommendations.
- Records increased 4.48% due to increase in CUPE and Exempt wages and increase in the relief hours.
- Police labour contract ended March 31, 2010. Neither budget columns reflect any labour contract increases beyond that date.

## Fire Protection

The Saanich Fire Department's mandate is to protect citizens and property by providing proper measures to prevent, control and extinguish fires. The Department also responds to medical emergencies, land and marine rescue operations, requests from other fire services, hazardous materials incidents and requests for public service.

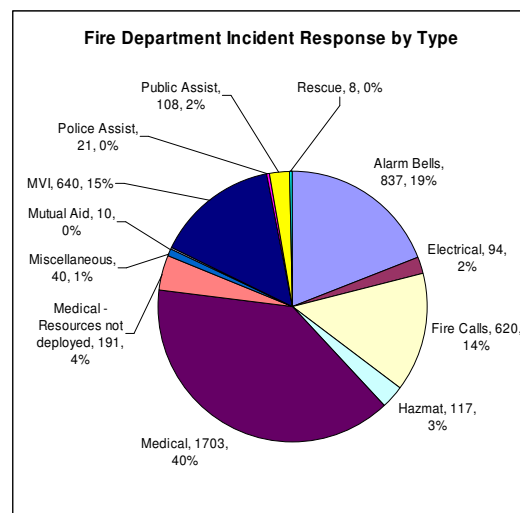
The Saanich Fire Department has been providing fire fighting and rescue services to residents since it was established in 1919.

Over time, programs and service delivery has expanded to include contracts for delivery of Fire Dispatch, Fire Apparatus Mechanical services and High Angle Rescue services for a number of neighbouring municipalities. Currently the Department employs 110 uniformed personnel and 6 support staff<sup>1</sup>.

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>12,744,200</b>
<b>2010 Net Budget</b>	<b>12,657,100</b>
<b>Budget Change</b>	<b>87,100</b>
<b>Change by %</b>	<b>0.69%</b>
<b>2011 FTE</b>	<b>115.60</b>
<b>2010 FTE</b>	<b>114.02</b>
<b>FTE Change</b>	<b>1.58</b>
<b>FTE Change %</b>	<b>1.39%</b>
<b>2010 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>315 Tonnes</b>
<b>2009 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>311 Tonnes</b>
<b>Carbon Footprint Change</b>	<b>4 Tonnes</b>

### FIRE DEPARTMENT STATISTICAL SUMMARY<sup>2</sup>

Population served	114,000 (est)
Protection area in square kilometers	103.43 (est)
Incident responses	4,238
Emergency incident responses	3,368
Number of fire related	Fatalities: 1 Injuries: 3
Total dollar fire loss (est)	\$2,746,360
Public building inspections	3,139
Incidents dispatched (Saanich and clients)	8,678



<sup>1</sup> Staffing total includes 1 uniformed and 1.5 support staff from Emergency Program.

<sup>2</sup> Twelve month period ending September 30, 2010.

## 2011 BUDGET CHALLENGES

- Maintaining effective management of programs and services with reduced funding,
- Improving design and configuration of Saanich Fire Stations to accommodate expanding services, gender access and to support post disaster operations for staff and equipment,
- Maintaining staffing levels to meet industry coverage and response standards within existing overtime funding,
- Working to implement remaining cost-related recommendations from the 2007 Fire Services Review with scarce resources

## KEY 2010 ACCOMPLISHMENTS

- Appointed new Fire Chief
- Developed and implemented rural fire smart / wildfire public education campaign
- Completed beach fire review and community consultation process
- Completed Fire Department Community Open House / Opening Ceremony for training facility at No. 2 Fire Station
- Completed design options for improvements to Station No. 1 to accommodate increased staffing and future growth needs
- Completed fleet replacement and implementation of new apparatus.
- Developed inventory of pre-recorded seasonal messaging PSA's and established relationship with community media organizations
- Attracted 2 new apparatus mechanical repair clients

## 2011 KEY PRIORITIES

### Priority Strategic Initiatives include:

#### Safe Community

- Develop seniors fire safety public education program campaign
- Research and develop High Rise fire fighting requirements and best practices

### Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Fire and Life Safety Education	Develop seniors fire safety public education campaign	C6 Enhance public safety P1 Continue community engagement L3 Foster corporate excellence
2. High Rise Operations	Research and develop High Rise fire fighting requirements and best practices	C6 Enhance public safety F4 Sustain community infrastructure L1 Develop and retain a skilled municipal workforce
3. Organizational Development	Engage with staff and other stakeholders in assessing and developing formal organizational mission, vision, and values	F4 Sustain community infrastructure L1 Develop and retain a skilled municipal workforce L3 Foster corporate excellence
4. Emergency Management Development	Develop Fire Department capacity to support extended emergency operations and response to major incidents	C6 Enhance public safety P3 Provide best value for money L1 Develop and retain a skilled municipal workforce
5. By-Law Research	Research radio communications by-law requirement for public buildings	C6 Enhance public safety F4 Sustain community infrastructure L2 Enhance use of information technology
6. Fire Dispatch Services	Promote regional use of Computer Aided Dispatch (CAD) and Records Management (RMS) technologies	F2 Diversify revenue sources F3 Build new partnerships for funding and services F4 Sustain community infrastructure P4 Monitor and report progress L2 Enhance use of information technology

## CORE BUDGET

The Department's 2011 net core budget of \$ 12,744,200 represents a 0.69% increase over 2010.

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
	2009	2010	2010	2011	2011/2010
Administration	979,100	913,100	946,000	941,100	(0.52%)
Suppression and Rescue	8,976,600	9,144,800	9,070,100	9,154,200	0.93%
Dispatch					
Revenues	(320,200)	(318,200)	(308,300)	(351,800)	14.11%
Expenses	<u>923,100</u>	<u>1,104,400</u>	<u>1,122,400</u>	<u>1,147,700</u>	<u>2.25%</u>
Total	602,900	786,200	814,100	795,900	(2.24%)
Prevention	723,900	757,400	781,300	776,300	(0.64%)
Staff Development	224,200	244,700	249,200	250,600	0.56%
Equipment Maintenance	670,000	727,500	732,800	752,800	2.73%
Building Maintenance	75,900	83,100	63,600	73,300	15.25%
<b>Total</b>	<b>12,252,600</b>	<b>12,656,800</b>	<b>12,657,100</b>	<b>12,744,200</b>	<b>0.69%</b>

- Building maintenance increased \$10,000 or 15.25% for fire stations #2 & #3 to ensure that maintenance expenditure is at sustainable levels. Funding was reallocated from other areas within the budget.
- Fire labour contract ended December 31, 2009. Neither budget columns reflect any labour contract increases beyond that date.

## Emergency Program

The Saanich Fire Department is responsible for the administration of the Saanich Emergency Program. The mandate of the Program is to provide for continuity in government and the preservation of life and property through a coordinated response by elected officials, municipal departments, volunteer services, and such outside agencies as may be able to assist during a major emergency or disaster.

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

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>344,200</b>
<b>2010 Net Budget</b>	<b>339,500</b>
<b>Budget Change</b>	<b>4,700</b>
<b>Change by %</b>	<b>1.38%</b>
<b>2011 FTE</b>	<b>2.50</b>
<b>2010 FTE</b>	<b>2.50</b>
<b>FTE Change</b>	<b>0</b>
<b>FTE Change %</b>	<b>0%</b>
<b>Carbon Footprint (CO<sub>2</sub>e)</b>	<b>n/a</b>

Complementing the Emergency Program and Saanich's emergency response and recovery capacity are more than 100 Municipal staff trained in Emergency Operations Centre (EOC) response procedures. There are also 135 Emergency Program volunteers in 3 emergency response divisions. Services provided to the community by Emergency Program volunteers include emergency social services, search & rescue, emergency communications, and neighbourhood emergency preparedness.

### 2011 BUDGET CHALLENGES

- Replacement of aging Emergency Program response vehicles
- Limited ability to develop services such as Urban Search and Rescue.

### KEY 2010 ACCOMPLISHMENTS

- Net recruiting increase to Emergency Program by approximately 40 volunteers
- Developed volunteer performance measures/indicators for Emergency Program
- Emergency Program volunteers contributed over 7500 hours to response activities, training, community events, public presentations and regular meetings, etc
- Established relationship with recreation services to support development and use of social media for emergency public information purposes
- Established process with IT Division to obtain non business hours access to post/update Emergency Program and Municipal Websites relating to public safety.
- Delivered over 40 presentations as part of the Neighbourhood Emergency Preparedness Program (NEPP) to approximately 850 residents
- Delivered Grade 4 emergency preparedness presentations to 21 schools and 953 students
- Completed 2 EOC set-up exercises involving approximately 45 staff
- Sponsored Emergency Program Officer to attend Christchurch New Zealand to review earthquake damage and emergency planning and response lessons learned

## 2011 KEY PRIORITIES

### Priority Strategic Initiatives include:

#### Safe Community

- Develop long term strategic plan for the emergency program
- Develop Neighbourhood Emergency Preparedness Program partnerships
- Coordinate and support emergency preparedness training for staff
- Conduct a community emergency preparedness survey

### Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Emergency Program Development	Conduct Community Emergency Preparedness survey to gauge citizen preparedness levels.	C6 Enhance public safety P1 Continue community engagement
2. Neighbourhood Emergency Preparedness Program	Establish partnerships with community organizations, schools, businesses and governments for delivery of neighbourhood emergency preparedness programs (NEPP)	C6 Enhance public safety F4 Sustain community infrastructure P1 Continue community engagement
3. Staff training	Coordinate and support emergency preparedness training for staff assigned to our EOC and working at key municipal facilities	C6 Enhance public safety L1 Develop and retain a skilled municipal workforce

## CORE BUDGET

The Department's 2011 net core budget of \$ 344,200 represents a 1.38% increase over 2010.

Net Budget By Function	Actual 2009	Actual 2010	Budget 2010	Budget 2011	% Change 2011/2010
Program Administration	277,700	299,400	299,400	303,600	1.40%
Training Programs	18,800	32,000	32,000	32,000	0.00%
Neighbour Helping Neighbour	7,100	8,000	8,100	8,600	6.17%
<b>Total</b>	<b>303,600</b>	<b>339,400</b>	<b>339,500</b>	<b>344,200</b>	<b>1.38%</b>

- Neighbour helping neighbour program increased 6.17% due to a slight decrease in revenue recovery.



## Planning and Inspections

The Planning Department is comprised of five Divisions: Community Planning; Environmental Services; Special Projects; Subdivision; and Inspections (which includes Bylaw Enforcement). These Divisions manage all activities and applications relating to long range and current planning, subdivision review, building construction, environmental protection, and climate change mitigation & adaptation. The Bylaw Enforcement Section responds to customer complaints and enquiries, and conducts investigations regarding alleged bylaw violations.

The Department continued to experience staff departures in 2010, as a result of people seeking new career opportunities and retirements. Retention and recruitment of a qualified core of staff remains a priority for the Department.

Following a year of work, the Climate Change Adaption Plan has been completed. The purpose of the Climate Change Adaptation Plan is to identify priority adaptation impacts and actions the municipality should focus on in the short and long-term. Implementation of key initiatives from the Climate Action plan were also undertaken in 2010

Long range planning work and community outreach continued on a variety of issues during 2010, including land use, the environment, mobility, agriculture, heritage and affordable housing. The demand for long range planning and policy development on a range of issues continues to increase.

In 2010, there was a steady level of application activity, which included major projects such as the ongoing development activity associated with *Uptown*, and a range of smaller commercial and multiple family developments across the District. The number of commercial Building Permits issued showed a modest increase over 2009, while overall, residential Building Permits showed a modest decrease. 2010 construction values and building permit revenue are consistent with figures over the last 5 years (excluding increases related to *Uptown*).

It is anticipated that with the exception of *Uptown*, there will be no large scale projects in 2011, but a continued and steady level of mid-size and smaller project activity. Five multi-family building permits were issued in 2010, which is a change from 2009, when no multi-family building permits were issued. It is anticipated that a modest increase in multi-family residential development will occur in 2011.

Subdivision activity was similar between 2009 and 2010. There were 29 applications received in 2010 representing 55 potential new lots. At the present time, there are 66 active subdivision applications in total under review representing 106 potential new lots. It is expected that the trend towards a greater number of small 2-lot style applications will continue.

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>2,080,500</b>
<b>2010 Net Budget</b>	<b>2,182,100</b>
<b>Budget Change</b>	<b>(101,600)</b>
<b>Change by %</b>	<b>(4.66%)</b>
<b>2011 FTE</b>	<b>42.67</b>
<b>2010 FTE</b>	<b>43.24</b>
<b>FTE Change</b>	<b>(0.57)</b>
<b>FTE Change %</b>	<b>(1.32%)</b>
<b>2010 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>66 Tonnes</b>
<b>2009 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>60 Tonnes</b>
<b>Carbon Footprint Change</b>	<b>6 Tonnes</b>

In 2011 subdivision applications are expected to be consistent with 2010 figures. Rezoning and major project applications in 2011 are expected to be similar to the volume experienced in during 2010.

### 2011 BUDGET CHALLENGES

- General economic slowdown may continue to result in reduced application revenue.

### KEY 2010 ACCOMPLISHMENTS

- Implementation of key initiatives from the Climate Action Plan.
- Completion of the Climate Change Adaptation Plan.
- Updated the Environmentally Significant Areas and Streamside Development Permit Atlases.
- Implemented a Sustainable Businesses Program to help our business community connect with energy saving opportunities.
- Resolved the majority of bylaw complaints through voluntary compliance
- Reduced the level of secondary suite complaints through implementation of “two complaint” policy

### 2011 KEY PRIORITIES

In 2011, the Department will focus on: implementing key initiatives from the Climate Action Plan and the new Climate Change Adaptation Plan; completing the Shelbourne and Uptown Corridor Studies; installing interpretive signs to promote and demonstrate stewardship; improving the mapping and inventory of sensitive ecosystems in Saanich; working with BC Transit on regional and corridor planning; along with working in the areas of affordable housing and agriculture.

### Priority Strategic Initiatives include:

#### Sustainable Environment

- Encourage energy efficient new construction and the retrofitting of existing buildings.
- Design and install interpretive signs to promote and demonstrate stewardship.
- Expand the Inventory and mapping of sensitive ecosystems in Saanich.
- Implement key initiatives from the Climate Action Plan.
- Implement high priority items from the Climate Change Adaptation Plan.

#### Balanced Transportation

- Complete a planning study of the Shelbourne corridor.
- Emphasizing Saanich’s preference for light rail, work with BC Transit on the Victoria Regional Rapid Transit project.
- Advocate for Saanich residents as BC Transit develops their “Transit Network Plan”

#### Healthy Community

- Implement an Agricultural Work Plan in 2011 to support backyard residential farming and local food security.
- Investigate with the CRD and other housing organizations, the development of a standardize process for securing affordable housing units within market housing developments.
- Implement key initiatives from the Heritage Resources Management Plan and Heritage Action Plan.

#### Vibrant, Connected Economy

- Complete the Douglas Corridor and the Uptown Centre Planning Study.

**Priority Departmental Initiatives include:**

Item	Description	Supports Strategic Plan
1. Climate Action Plan	Implement initiatives	P2 Implement sustainability principles
2. Climate Change Adaptation Plan	Implement initiatives	P2 Implement sustainability principles
3. Shelbourne & Uptown Corridor Studies	Prepare & Adopt	C7 Enhance transportation alternatives C3 Manage growth
4. Agricultural Work Plan	Prepare & Adopt	C2 foster livable neighbourhoods
5. Affordable Housing Initiative	Prepare & Adopt	C2 foster livable neighbourhoods
6. Work with BC Transit on network plan & light rail rapid transit corridor	Complete project	C7 Enhance transportation alternatives

**CORE BUDGET**

The Department's 2011 net core budget of \$ 2,080,500 represents a 4.66% decrease over 2010.

Net Expenditure By Function	Actual 2009	Actual 2010	Budget 2010	Budget 2011	% Change 2011/2010
Planning Administration	430,300	494,200	504,100	518,200	2.80%
Environmental Services	401,000	354,100	343,600	352,000	2.44%
Community Planning					
Revenues	(263,800)	(242,100)	(222,400)	(78,500)	(64.70%)
Expenses	<u>1,110,500</u>	<u>1,109,700</u>	<u>1,223,700</u>	<u>1,044,100</u>	<u>(14.68%)</u>
Total	846,700	867,600	1,001,300	965,600	(3.57%)
Subdivision					
Revenues	(65,200)	(65,900)	(44,100)	(64,100)	45.35%
Expenses	<u>148,600</u>	<u>154,000</u>	<u>152,000</u>	<u>158,000</u>	<u>3.95%</u>
Total	83,400	88,100	107,900	93,900	(12.97%)
Inspections					
Revenues	(2,714,400)	(2,091,300)	(1,555,400)	(1,752,600)	12.68%
Expenses	<u>1,732,100</u>	<u>1,554,600</u>	<u>1,422,100</u>	<u>1,550,600</u>	<u>9.04%</u>
Total	(982,300)	(536,700)	(133,300)	(202,000)	51.54%
Bylaw Enforcement	311,300	356,700	358,500	352,800	(1.59%)
<b>Total</b>	<b>1,090,400</b>	<b>1,624,000</b>	<b>2,182,100</b>	<b>2,080,500</b>	<b>(4.66%)</b>

- Community planning net expenditures decreased 3.57% due to a reduction in half a supervisory position.
- Subdivision net expenditures decreased 12.97% due to an increased revenue budget reflecting actual experience.
- Inspections net revenues increased 51.54% due to higher expected volumes of permits to be processed.

## Engineering and Public Works

The Engineering Department is responsible for all municipal infrastructures, which includes roads, water, sewers, drains, street and traffic lights and municipal facilities.

The Department is comprised of three divisions: Engineering Services, Development and Facility Operations and Public Works.

The **Engineering Division** is responsible for coordinating the design, rehabilitation, improvement and reconstruction of all municipal infrastructure and facilities. The division also co-ordinates open houses for major construction projects, which are an important part of the public consultation process that occurs during the development of a project to help build community awareness and understanding.

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>11,766,300</b>
<b>2010 Net Budget</b>	<b>11,724,600</b>
<b>Budget Change</b>	<b>41,700</b>
<b>Change by %</b>	<b>0.36%</b>
<b>2011 FTE</b>	<b>190.92</b>
<b>2010 FTE</b>	<b>193.24</b>
<b>FTE Change</b>	<b>(2.32)</b>
<b>FTE Change %</b>	<b>(1.20%)</b>
<b>2010 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>1392 Tonnes</b>
<b>2009 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>1463 Tonnes</b>
<b>Carbon Footprint Change</b>	<b>(71) Tonnes</b>

The **Development and Facilities Division** are responsible for two main areas: 1) processing, approving and inspecting all works installed by private developers that become municipal property, and 2) the safe and efficient operation of a number of municipal facilities.

The **Public Works Division** is responsible for the maintenance and repair of roads, bridges, traffic signals, streetlights, street signs, sidewalks, bus shelter maintenance, residential refuse collection, leaf pick up, roadside litter control, garden waste drop off and disposal, storm drainage, sanitary sewer collection, water main and service repair and replacement, hydrant, valve and meter maintenance, water system sampling and testing, as well as the maintenance of six finished water reservoirs and over 30 pressure regulating stations.

### 2011 BUDGET CHALLENGES

#### Engineering:

- Continuing to respond in a timely manner to traffic issues
- Performing long range planning and asset management on municipal facilities.
- Replacing the accelerated 2011 and 2012 wood stave drain replacement to meet the CMHC loan deadline of March 31, 2012.

#### Public Works:

- Providing sufficient capacity to manage increased capital works programs.
- Meeting increased demands for road sweeping, litter control and graffiti removal.

## KEY 2010 ACCOMPLISHMENTS

### Engineering and Public Works

- All significant bridges have been inspected and remedial work identified or completed
- Phase 1 of sidewalks, bike lanes and storm water management completed on Shelbourne Street
- New sidewalks constructed on Santa Anita, Derby Road, Chatterton Way, Wilkinson Road at Loenholm, and Helmcken
- Intersections were upgraded at Cadboro and Maynard, Helmcken and Knockan, Interurban and Marigold, and Cedar Hill and North Dairy
- Phase three of the Tillicum Gorge Traffic Management Plan was implemented
- New pedestrian traffic signals installed at Quadra and Saanich, and at McKenzie and Braefoot
- New pedestrian crosswalks installed at Tyndall and Ash, Interurban and Dumeresq, Interurban and Columbine, and San Juan and Chartwell

### Engineering – Development/Drafting

- Provided inspection services for Uptown Centre and other developments
- Continued ongoing updating of digital record drawings of Municipal utilities

### Engineering – Facility Operations

- Worked with Recreation to construct an expansion and renovation to the Gordon Head Recreation Centre
- Worked with Recreation to design and start construction of an addition to the Cedar Hill Recreation Centre
- Worked with Recreation to design and tender a replacement for the roof and skylight at Saanich Commonwealth Place
- Contracted the design and installation of cross connection controls for the water systems at Cedar Hill Recreation Centre and G.R. Pearkes Community Centre to comply with a CRD Bylaw

### Engineering Services

- Design completed for Tattersal, Admirals and Burnside West Safety Improvements and Streetscape
- Safety analysis and action completed for Burnside – Tillicum; Richmond - Cedar Hill Cross – Pear; Interurban crossing locations
- Top ten crash locations identified with results reflected in budget
- Engineering Specifications updated with enhanced standards for the pedestrian environment
- Collaborated with the CRD on the Pedestrian and Cycling Master Plan
- Participated in the CRD Integrated Regional Corridor Study
- Revised Schedule H to reflect higher standards for pedestrian areas
- Tender awarded for Craigflower Bridge rehabilitation design
- Capital budget reflects prioritization for *Major Centres*

### Public Works

- Implementation of wireless traffic signal technology
- Updated Snow & Ice Manual
- Joined BC 1 Call as full member
- Captured street lighting data into GIS
- Rithet Reservoir design

**Priority Departmental Initiatives include:**

Item	Description	Supports Strategic Plan
<b>Engineering</b>		
1.	Undertake Tattersal Street Safety construction project	C7 Safe Community
2.	Undertake Craigflower Bridge rehabilitation project	C7 Safe Community
3.	Complete design of McKenzie Streetscape Safety project in conjunction with UVic's Athletics and Recreation Complex	C7 Healthy Community
4.	Complete the 2011-2012 wood stave replacement projects by March 31/12	F4 Service Excellence
5.	Complete upgrading of Cherry Tree Bend pump station	F4 Service Excellence
6.	Replacement/rehabilitation of Gorgeview and Colquitz sewage lift stations	F4 Service Excellence
<b>Development and Facility Operations</b>		
1.	Continue to identify major improvements required to facilities for seismic, code compliance, building envelope and operational requirements and continue to request budget approvals.	C7 Safe Community
<b>Public Works</b>		
1.	Upgrade transit shelters in various priority locations	C7 Balanced Transportation
2.	Replacement of high priority non-galvanized street lights	C7 Safe Community
3.	Implement an asset management process to sustain existing service levels	F4 Service Excellence

**CORE BUDGET**

The budget summary indicates an overall 0.36% increase over 2010.

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
ALL DIVISIONS	2009	2010	2010	2011	2011/2010
Engineering Services					
Revenue	(724,900)	(1,045,000)	(757,500)	(942,200)	24.38%
Expense	<u>3,047,100</u>	<u>3,200,200</u>	<u>3,286,000</u>	<u>3,444,000</u>	<u>4.81%</u>
Total	2,322,200	2,155,200	2,528,500	2,501,800	(1.06%)
Facility Operations	1,238,600	1,267,300	1,155,300	1,159,000	0.32%
Public Works	7,541,900	8,154,700	8,040,800	8,105,500	0.80%
<b>Total</b>	<b>11,102,700</b>	<b>11,577,200</b>	<b>11,724,600</b>	<b>11,766,300</b>	<b>0.36%</b>

**Engineering Services**

Net Engineering Services Division costs noted above are projected to decrease 1.06% primarily from cost reductions and an increase in recovery of engineering services from utilities for planning, designing and managing capital infrastructure projects.

## Facility Operations

The Division's net core budget of \$1,159,000 represents a 0.32% increase over 2010. The 15.58% reduction in administration budget reflects personnel restructuring.

Net Budget By Function	Actual 2009	Actual 2010	Budget 2010	Budget 2011	% Change 2011/2010
Administration	163,500	140,400	142,500	120,300	(15.58%)
Minor Facility Repair	252,300	238,100	335,300	342,000	2.00%
Les Passmore Building	131,600	136,700	140,500	144,100	2.56%
Municipal Hall Building	474,200	555,000	431,900	444,600	2.94%
Municipal Annex	140,400	123,800	105,100	108,000	2.76%
Public Safety Building	54,700	53,600	-	-	
Public Works and Parks	21,900	19,700	-	-	
<b>Total</b>	<b>1,238,600</b>	<b>1,267,300</b>	<b>1,155,300</b>	<b>1,159,000</b>	<b>0.32%</b>

## 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 increased 0.80% over 2010. Solid waste revenue and expenses increased 6% from \$140 to \$149.60 per household due to wages, tipping fees, Work Safe premiums and other corresponding fee increases. The proposed curb side kitchen scraps and garbage pilot project is included with funding from prior years surplus.

Net Budget By Function	Actual 2009	Actual 2010	Budget 2010	Budget 2011	% Change 2011/2010
Administration	705,800	669,100	579,300	584,200	0.85%
Stores	206,800	157,200	151,800	157,300	3.62%
Fleet					
Revenue	(4,090,000)	(4,085,100)	(3,912,700)	(4,011,200)	2.52%
Expense	<u>4,113,800</u>	<u>4,073,400</u>	<u>3,912,700</u>	<u>4,011,200</u>	<u>2.52%</u>
Total	23,800	(11,700)	-	-	0.00%
Solid Waste Services					
Revenue	(4,230,500)	(4,471,300)	(4,501,900)	(5,004,300)	11.16%
Expense	<u>4,468,800</u>	<u>4,934,400</u>	<u>4,989,400</u>	<u>5,491,900</u>	<u>10.07%</u>
Total	238,300	463,100	487,500	487,600	0.02%
Storm Drains	1,467,200	1,621,800	1,536,300	1,550,300	0.91%
Manufacturing	754,700	741,900	730,400	757,000	3.64%
Electrical	1,066,100	1,253,600	1,212,400	1,236,800	2.01%
Roads	3,079,200	3,259,700	3,343,100	3,332,300	(0.32%)
<b>Total</b>	<b>7,541,900</b>	<b>8,154,700</b>	<b>8,040,800</b>	<b>8,105,500</b>	<b>0.80%</b>

# Parks and Recreation

The Parks and Recreation Department promotes active, healthy living through the effective provision of a wide range of programs, services and facilities. It also promotes the engagement of community members in a variety of arts, special events, cultural and social activities to encourage strong community connections.

The Department is comprised of three Divisions that plan and manage a number of municipal services. Our mission is to work in partnership with the community to create a quality of life that fosters and supports healthy citizens and community environments.

## Parks

Saanich Parks has something for everyone – oceans, beaches, creeks, lakes, meadows, forests, playgrounds, multi-use trails and sports fields. With over 165 parks covering more than 770 hectares, Saanich Parks are unique for their ecological diversity and leisure opportunities. The Parks Division encompasses park planning and design, construction, maintenance, horticulture, natural areas management and urban forestry.

## Cedar Hill Golf Course

The Cedar Hill Golf Course is one of the most popular golf courses in Canada with over 60,000 rounds played per year. The course is a 5,000 yard Par 67 public golf course, a full facility 18 hole course offering PGA lessons. The Golf Course encompasses aspects of both Parks and Recreation. This includes all aspects of turf management, horticulture, arboriculture, environmental conservation and maintenance of the well used public trail around the course. Programs include community golf, food & beverage services and special events management.

## Recreation

The Recreation Division is comprised of four Community Recreation Centres and a Community Services section. The busy Community Centres house aquatic facilities, arenas, fitness studios, gymnasiums, youth activity centre's, art studios, indoor tennis courts, food services and a variety of multipurpose program space. The Community Services section provides many arts, cultural and community special events as well as programming specifically designed for youth and seniors. Thousands of affordable community programs are enjoyed by people of all ages.

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>12,534,400</b>
<b>2010 Net Budget</b>	<b>12,215,700</b>
<b>Budget Change</b>	<b>318,700</b>
<b>Change by %</b>	<b>2.61%</b>
<b>2011 FTE</b>	<b>289.26</b>
<b>2010 FTE</b>	<b>293.31</b>
<b>FTE Change</b>	<b>(4.05)</b>
<b>FTE Change %</b>	<b>(1.38%)</b>
<b>2010 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>2036 Tonnes</b>
<b>2009 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>2029 Tonnes</b>
<b>Carbon Footprint Change</b>	<b>7 Tonnes</b>

## 2011 BUDGET CHALLENGES

- Maintaining acceptable service levels in light of resource reductions
- Managing additional inventory of parks and facilities within constraints of annual budgets
- Maintaining participation rates at recreation centres despite fee increases
- Ensuring that the Cedar Hill Golf Course is self funded and sustainable



## KEY 2010 ACCOMPLISHMENTS

### Recreation

- Construction started on Arts Centre at Cedar Hill
- Early Childhood Strategy process started
- Comprehensive Departmental Master Plan process started
- Implemented the “Welcoming and Inclusive Communities” initiative in conjunction with the Intercultural Association and partners.
- Initiation of opportunities to increase civic participation among older adults and seniors
- Implemented recommendations from ‘Measuring Up Disability Access Information and Facility Audit.’ (e.g., consistent signage in recreation centres)
- Implemented recommendations from LIFE (Leisure Involvement for Everyone) evaluation (Market more widely, additional low cost programs)
- Developed a Campership program to assist those financially-challenged to access summer camps
- Youth Council created and monthly meetings initiated
- Gordon Head Recreation Centre renovations completed

### Parks

- Implemented priority park, playground, sport court and sport field upgrades in 21 parks through Recreational Infrastructure Canada (RIInC) program
- Urban Forest Strategy completed and adopted
- Concept plans for Whitehead and Fairburn parks adopted
- Initiation of concept plan for Cuthbert Holmes Park and Cadboro Gyro Park
- Douglas Creek enhancements completed in conjunction with Friends of Mount Douglas
- Salmon lifecycle interpretive sign installed in Mount Douglas Park in conjunction with Friends of Mount Douglas
- Phase 1 of Bowker Creek Greenway (Browning Park) completed
- Completion of construction of Lake Hill Lawn Bowling Clubhouse
- Saanich Park Property Inventory completed
- Colquitz Boardwalk Replacement - Phase 2 completed
- Outerbridge Park Phase 2 - trail and parking lot improvements completed and transition to Glendale Gardens & Woodlands Operating Agreement completed.
- Agnes St Allotment Gardens expansion completed
- Pulling Together – GORP & Saanich Parks natural area stewardship consolidated with over 375 weed pull events supported
- Mt Tolmie Summit improvements completed

### Golf Course

- Implementation of on-line tee time system
- Acquisition of two quality used turf maintenance units to replace existing

## 2011 KEY PRIORITIES

### Priority Strategic initiatives include:

#### Sustainable Environment

- Create a program to respond to invasive species and noxious weeds
- Review and implement strategies contained in the Urban Forest Strategy
- Develop best management practices (BMPs) for maintenance activities within natural area parks

Healthy Community

- Develop training opportunities to increase civic participation among older adults and seniors
- Conduct a strategic analysis of early childhood programs and child care options
- Conduct a consultation and analysis process with School District 63 to identify opportunities to improve healthy options for children
- Update the Parks and Recreation Master Plan
- Complete final components of Recreational Infrastructure Canada (RInC) parks upgrades
- Complete the construction of the Arts Centre at Cedar Hill Recreation Centre
- Review and install interpretive and directional signs for Saanich Parks and Trails
- Facilitate community arts celebrations and projects

**Priority Departmental Initiatives include:**

Item	Description	Supports Strategic Plan
1.	Completion of Parks & Recreation Master Plan	Healthy Community
2.	Complete Arts Centre at Cedar Hill Recreation Centre	Healthy Community
3.	Complete Early Childhood Strategy	Healthy Community
4.	Complete Healthy Options for Children Consultations	Healthy Community
5.	Implement initiatives from the Urban Forest Strategy	Sustainable Environment
6.	Complete Maintenance Best Management Practices for natural area parks	Sustainable Environment
7.	Review & install interpretive and directional signs for Saanich Parks and Trails	Sustainable Environment, Healthy Community Balanced Transportation

**CORE BUDGET**

The Department's 2011 net core budget of \$ 12,534,400 represents a 2.61% increase over 2010.

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
ALL DIVISIONS	2009	2010	2010	2011	2011/2010
Parks & Rec. Administration	825,200	691,700	779,800	775,700	(0.53%)
Parks	5,707,200	5,696,400	5,588,300	5,755,000	2.98%
Cedar Hill Recreation Centre	569,900	697,900	690,100	808,300	17.13%
Gordon Head Recreation Centre	1,266,900	1,425,600	1,365,600	1,369,600	0.29%
G R Pearkes Recreation Centre	900,500	902,400	933,700	930,500	(0.34%)
Saanich Commonwealth Place	1,951,300	2,148,100	1,925,100	1,944,600	1.01%
Community Services	946,000	893,200	933,100	950,700	1.89%
Cedar Hill Golf Course	49,200	176,600	-	-	0.00%
<b>Total net cost</b>	<b>12,216,200</b>	<b>12,631,900</b>	<b>12,215,700</b>	<b>12,534,400</b>	<b>2.61%</b>

- Increase of 17.13% in Cedar Hill Recreation Centre is due to the operational cost of the new Arts Centre.

### Parks and Recreation Administration

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

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
	2009	2010	2010	2011	2011/2010
Administration	786,000	723,900	740,600	735,800	(0.65%)
Enterprise Fund	-	(71,800)	-	-	0.00%
Integration Recreation Victoria	39,200	39,600	39,200	39,900	1.79%
<b>Total</b>	<b>825,200</b>	<b>691,700</b>	<b>779,800</b>	<b>775,700</b>	<b>(0.53%)</b>

### Parks Division

The Parks Division works in partnership with the community to create a quality of life that supports healthy lifestyles and preserves and protects the natural environment. This is achieved through the provision of parks that meet a variety of community needs. The Division is responsible for the planning, design, development and operation of more than 165 parks covering 770 hectares of parkland.

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
	2009	2010	2010	2011	2011/2010
Administration	580,500	575,100	567,100	588,900	3.84%
Planning and Design	323,700	248,800	300,600	311,000	3.46%
UF, Hort. & Natural Area	2,170,300	1,806,200	1,819,800	1,878,600	3.23%
Construction & Maintenance	2,632,700	3,066,300	2,900,800	2,976,500	2.61%
<b>Total</b>	<b>5,707,200</b>	<b>5,696,400</b>	<b>5,588,300</b>	<b>5,755,000</b>	<b>2.98%</b>

- Parks budget increased by 2.98% due to increase in wages.

### Cedar Hill Community Recreation Centre

Cedar Hill Community Recreation Centre, which opened in 1973, is located at the corner of Finlayson and Cedar Hill Road, on the Saanich/Victoria border. The facility welcomes over 318,000 participants per year. Services unique to Cedar Hill include tennis, squash, pottery, a senior's wing and easy access to the 3.5km (2.2 mile) chip trail surrounding the adjacent Cedar Hill Golf Course. In 2011, an arts wing will be added to this facility that will include an expanded pottery studio, 2 visual arts studios and an art gallery. A variety of events of interest to the region are hosted here such as a Men's Professional Indoor Tennis Challenge and the Celebration of the Arts.

Preschool, youth and adult programs take place in the dance studio, auditorium, weight room, and meeting rooms. Partnership programs with the Cedar Hill Squash Club, New Horizons Seniors Club, Tennis BC and others allow us to enhance the services offered to our residents. In 2010, Cedar Hill became a designated National Tennis Development Centre for U12 players.

The Gallery Café located at the front of the building provides a welcoming, social environment for participants and neighbours and now serves as a venue for local artists to display their work.

Net Budget By Function	Actual 2009	Actual 2010	Budget 2010	Budget 2011	% Change 2011/2010
Administration					
Revenues	(169,200)	(138,700)	(161,900)	(163,500)	0.99%
Expenses	<u>872,000</u>	<u>909,600</u>	<u>895,900</u>	<u>969,100</u>	<u>8.17%</u>
Total	702,800	770,900	734,000	805,600	9.75%
Programs					
Revenues	(1,213,600)	(1,168,500)	(1,098,100)	(1,236,100)	12.57%
Expenses	<u>584,000</u>	<u>545,900</u>	<u>570,100</u>	<u>661,400</u>	<u>16.01%</u>
Total	(629,600)	(622,600)	(528,000)	(574,700)	8.84%
Maintenance	496,700	549,600	484,100	577,400	19.27%
<b>Total</b>	<b>569,900</b>	<b>697,900</b>	<b>690,100</b>	<b>808,300</b>	<b>17.13%</b>

- The increase in net budget would have risen 3.59% if the increase in operations due to the new Arts Centre were excluded (i.e. new administrative and maintenance costs).
- Programs net revenues increased 8.84% due to the addition of an art studio program and the expansion of the pottery program in the new Arts Centre.

### Gordon Head Community Recreation Centre

The Gordon Head Community Recreation Centre is nestled in Lambrick Park off Feltham Road in the heart of Gordon Head and provides community access to a wide variety of activities which promote healthy lifestyles.

Facilities include a 25 metre pool with climbing wall and a lift to assist people with disabilities, a river pool, leisure and tot pools, steam room and sauna, and recently (2010) renovated change rooms. The Centre also supports a Youth Activity Centre and Youth Activity Skateboard Park, providing youth in the Gordon Head area with additional healthy lifestyle choices.

In addition, the weight room, multipurpose rooms, dance studio and auditorium provide many community programs that focus on fitness, arts and culture, multicultural programming, and community partnerships with health serving agencies which provide programs such as cardiac rehabilitation. Gordon Head provides programs and services for preschoolers, youth, adults and seniors. Gordon Head Middle School now provides valuable new community recreation program space for Saanich. Facilities include double gymnasium, dance studio, textiles and food rooms, art room, and music studio available in the evenings, on weekends and on all school non-instructional days.

Net Budget By Function	Actual 2009	Actual 2010	Budget 2010	Budget 2011	% Change 2011/2010
Administration					
Revenues	(46,900)	(64,700)	(61,800)	(60,900)	(1.46%)
Expenses	<u>867,600</u>	<u>966,600</u>	<u>1,040,700</u>	<u>1,027,200</u>	<u>(1.30%)</u>
Total	820,700	901,900	978,900	966,300	(1.29%)
Programs					
Revenues	(1,302,900)	(1,447,300)	(1,514,900)	(1,610,000)	6.28%
Expenses	<u>950,300</u>	<u>1,074,300</u>	<u>1,038,400</u>	<u>1,121,800</u>	<u>8.03%</u>
Total	(352,600)	(373,000)	(476,500)	(488,200)	2.46%
Maintenance	798,800	896,700	863,200	891,500	3.28%
<b>Total</b>	<b>1,266,900</b>	<b>1,425,600</b>	<b>1,365,600</b>	<b>1,369,600</b>	<b>0.29%</b>

- The Centre's budget increased by 0.29% due to increase in wages mitigated by a decrease in various expenses.
- The slight deficit in 2010 operations is due to the Centre being closed for renovations in the early part of the year.

**G. R. Pearkes Community Recreation Centre**

Pearkes Community Recreation Centre, located on Tillicum Road behind the Tillicum Mall, offers a variety of community programming opportunities for all ages, in addition to playing host to district special events and major trade shows. The facility is home to the District's two indoor ice arenas, indoor multiuse sport courts, fitness centre, meeting rooms and a youth activity centre. The facility also has partnerships with the Greater Victoria Library, Saanich Neighborhood Place and Queen Alexandra Society, as each organization has facilities and services onsite at Pearkes. Pearkes also offers programs and services at Colquitz Middle School in partnership with School District 61. The facility also is home to a number of community and sports associations including Gorge Tillicum Community Association, Saanich Minor Hockey, Saanich Braves Jr. B Hockey Club, Saanich Skating Club and Saanich Lacrosse.

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>% Change</b>
	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>	<b>2011/2010</b>
Administration					
Revenues	(863,700)	(884,500)	(839,200)	(894,800)	6.63%
Expenses	<u>845,200</u>	<u>941,400</u>	<u>885,800</u>	<u>920,000</u>	<u>3.86%</u>
Total	(18,500)	56,900	46,600	25,200	(45.92%)
Programs					
Revenues	(1,041,700)	(1,025,300)	(1,054,500)	(1,020,100)	(3.26%)
Expenses	<u>764,700</u>	<u>651,900</u>	<u>747,500</u>	<u>706,200</u>	<u>(5.53%)</u>
Total	(277,000)	(373,400)	(307,000)	(313,900)	2.25%
Maintenance	1,196,000	1,218,900	1,194,100	1,219,200	2.10%
<b>Total</b>	<b>900,500</b>	<b>902,400</b>	<b>933,700</b>	<b>930,500</b>	<b>(0.34%)</b>

- Administration decreased by 45.92% due mainly to increase in ice rink rentals which exceeded expectation last year.

### Saanich Commonwealth Place

Saanich Commonwealth Place 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 within the building include a gymnasium, hot tub, steam & dry sauna, dance studio, fitness centre, multi-purpose rooms, pro shop, a café, the Bruce Hutchison Branch of the Greater Victoria Library, and the Victoria offices of Pacific Sport.

A major component of the Centre's programming occurs off site at locations such as Claremont High School, Royal Oak Middle School, Lochside and Cordova Bay Elementary Schools and at local parks and businesses.

At both the Centre and the offsite locations numerous programs and activities are offered for all ages and abilities. In 2010 several new health service partnerships were successfully established providing physiotherapy as well as massage and rehabilitative therapies.

Net Budget By Function	Actual 2009	Actual 2010	Budget 2010	Budget 2011	% Change 2011/2010
Administration					
Revenues	(402,000)	(427,900)	(382,700)	(372,200)	(2.74%)
Expenses	<u>1,615,600</u>	<u>1,681,900</u>	<u>1,607,200</u>	<u>1,629,300</u>	<u>1.38%</u>
Total	1,213,600	1,254,000	1,224,500	1,257,100	2.66%
Programs					
Revenues	(3,846,500)	(3,823,900)	(3,621,600)	(3,767,100)	4.02%
Expenses	<u>2,866,800</u>	<u>2,993,700</u>	<u>2,743,200</u>	<u>2,824,600</u>	<u>2.97%</u>
Total	(979,700)	(830,200)	(878,400)	(942,500)	7.30%
Maintenance	1,717,400	1,724,300	1,579,000	1,630,000	3.23%
<b>Total</b>	<b>1,951,300</b>	<b>2,148,100</b>	<b>1,925,100</b>	<b>1,944,600</b>	<b>1.01%</b>

- Program net revenues increased by 7.30% due to revenue increases in fitness, preschool and adult programs
- The deficit in operations for 2010 reflects higher than expected maintenance costs and slightly lower than expected net program revenues from operations.

### Community Services

Community Services fulfills a unique role by facilitating access to recreation and leisure opportunities for the underserved through the development of neighbourhood and departmental initiatives and youth services. This is achieved by developing programs which are affordable and accessible for all people. Community Services endeavours to develop partnerships with social service agencies, local businesses and individuals in order to maximize resources in the community.

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
	2009	2010	2010	2011	2011/2010
Administration	551,000	533,700	545,000	562,800	3.27%
Programs					
Revenues	(198,900)	(202,400)	(167,600)	(174,500)	4.12%
Expenses	<u>593,900</u>	<u>561,900</u>	<u>555,700</u>	<u>562,400</u>	<u>1.21%</u>
Total	395,000	359,500	388,100	387,900	(0.05%)
<b>Total</b>	<b>946,000</b>	<b>893,200</b>	<b>933,100</b>	<b>950,700</b>	<b>1.89%</b>

- Community Service's budget increased by 1.89% due to increased wages mitigated by a decrease in various expenses.

### Golf Course Division – Cedar Hill Golf Course

The Cedar Hill Golf Course, located on Derby Road off Cedar Hill Road, provides close to home golf over its 18 hole, 5,000 yard course. CPGA instruction, pro shop sales and services, practice range and full food, beverage and banquet services round out the golf experience. Green fee play and full or restricted passes provide easy access for the recreational or serious golfer. The course is surrounded by a 3.5km (2.2 mile) chip trail with scenic views of the Olympic Mountains and also includes the unique Kings Pond area by the 8<sup>th</sup> tee.

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
	2009	2010	2010	2011	2011/2010
Administration	(378,400)	(328,700)	(353,800)	(341,300)	(3.53%)
Pro Shop	(515,700)	(518,500)	(664,600)	(513,800)	(22.69%)
Food and Beverage	(26,900)	45,100	(112,300)	(81,800)	(27.16%)
Facility Maintenance	225,200	256,900	234,500	238,000	1.49%
Grounds Maintenance	650,500	656,400	645,000	661,100	2.50%
Debt & Equipment Replacement					
Transfer	<u>220,400</u>	<u>65,400</u>	<u>251,200</u>	<u>37,800</u>	<u>(84.95%)</u>
<b>Sub-Total</b>	<b>175,100</b>	<b>176,600</b>	-	-	<b>0.00%</b>
Transfer from Own Reserve	(125,900)	-	-	-	0.00%
<b>Total (Loss from Operations)</b>	<b>49,200</b>	<b>176,600</b>	-	-	<b>0.00%</b>

- Transfer of funds from the golf course to repay debt for drainage and capital improvements undertaken in 2005 were deferred in 2010 due to the golf course operational deficit. The debt payments have also been suspended for 2011 as the course works to reach financial sustainability.



## Cultural Services

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

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

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

BUDGET SUMMARY	
<b>2011 Net Budget</b>	<b>4,930,400</b>
<b>2010 Net Budget</b>	<b>4,735,800</b>
<b>Budget Change</b>	<b>194,600</b>
<b>Change by %</b>	<b>4.11%</b>
<b>2011 FTE</b>	<b>n/a</b>
<b>2010 FTE</b>	<b>n/a</b>
<b>FTE Change</b>	<b>n/a</b>
<b>FTE Change %</b>	<b>n/a</b>
<b>Carbon Footprint (CO<sub>2</sub>e)</b>	<b>n/a</b>

### 2011 Budget Challenges

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

### CORE BUDGET

Net Budget By Function	Actual 2009	Actual 2010	Budget 2010	Budget 2011	% Change 2011/2010
Greater Victoria Public Library	4,129,900	4,375,900	4,396,400	4,579,800	4.17%
Branch Libraries Maintenance	55,400	50,600	49,400	50,600	2.43%
Swan Lake Christmas Hill Nature House	280,700	290,000	290,000	300,000	3.45%
<b>Total</b>	<b>4,466,000</b>	<b>4,716,500</b>	<b>4,735,800</b>	<b>4,930,400</b>	<b>4.11%</b>

- The 4.17% increase in library services is due mainly to wage and pay equity increases negotiated in the current collective agreement.

# Water Utility Operating Fund

The Water Utility system is comprised of over 545 km of water mains and five (5) reservoirs. The system is maintained by the Engineering Department's Public Works division and is self financed from water charges on a user pay basis. Bulk water is purchased from the Capital Regional District and then distributed to customers via the Municipal Distribution System.

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

Activity levels continued to be high in 2010. The Department repaired over 225 service leaks and 14 water main breaks. Over 380 km of water mains were flushed, over 2,900 Gate valves serviced and 1,200 water meters were replaced. The Department also responded to over 2,000 service requests from our customers.

In December 2010 Council approved a 5.8% annual increase in water rates to support this budget. The main increase is due to increased municipal capital program funding. Cost to the average homeowner increased by \$21 from \$375 to \$396 per year.

<b>BUDGET SUMMARY</b>	
<b>2011 Budget</b>	<b>24,478,400</b>
<b>2010 Budget</b>	<b>23,610,900</b>
<b>Budget Change</b>	<b>867,500</b>
<b>Change by %</b>	<b>3.67%</b>
<b>2011 FTE</b>	<b>42.30</b>
<b>2010 FTE</b>	<b>42.97</b>
<b>FTE Change</b>	<b>(0.67)</b>
<b>FTE Change %</b>	<b>(0.02%)</b>
<b>2010 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>60 Tonnes</b>
<b>2009 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>49 Tonnes</b>
<b>Carbon Footprint Change</b>	<b>11 Tonnes</b>

## KEY 2010 ACCOMPLISHMENTS

- Replacement of Hartland, Old West Saanich and Maplewood Pump Station completed
- Replacement of 4.5 km of AC and cast iron water main
- Additional technologist hired to address increasing work load from increased sewer infrastructure replacement funding

## 2011 BUDGET CHALLENGES

- Minimizing the impacts of Operating Budget reductions on service levels to the public
- Funding of replacement of the Rithet Reservoir
- Decreasing average water consumption is causing the CRD to increase Bulk Water Rates faster than the rate of inflation

## 2010 KEY PRIORITIES

<b>Item</b>	<b>Supports Strategic Plan</b>
1. Replacement of 3.5 km of AC and cast iron water main	F1 Sustainable Environment
2. Replacement of Rithet Reservoir	F1 Sustainable Environment
3. Complete Cherry Tree Bend pump station upgrade	F1 Sustainable Environment

## CORE BUDGET

The 2011 net budget of \$24,478,400 represents a 3.67% increase in net expenditures over prior year, including a net capital program of \$4,953,400.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2009	2010	2010	2011	2011/2010
Personnel	2,454,000	2,398,900	2,470,500	2,524,400	2.18%
Goods and Services	7,935,300	8,442,800	9,699,700	9,504,700	(2.01%)
Fiscal Services	42,100	65,400	26,700	30,000	12.36%
Overheads and Transfers	1,143,600	1,237,500	1,379,200	1,433,500	3.94%
Gross Capital Program	7,673,000	10,034,800	10,034,800	11,006,100	9.68%
<b>Total</b>	<b>19,248,000</b>	<b>22,179,400</b>	<b>23,610,900</b>	<b>24,498,700</b>	<b>3.76%</b>
REVENUES AND RECOVERIES					
Utility Charges	(15,758,400)	(16,480,500)	(17,970,300)	(18,338,600)	2.05%
Non-Tax Revenues	(107,200)	(100,500)	(104,200)	(107,400)	3.07%
Reserves and Others	(3,672,900)	(5,536,400)	(5,536,400)	(6,052,700)	9.33%
<b>Total</b>	<b>(19,538,500)</b>	<b>(22,117,400)</b>	<b>(23,610,900)</b>	<b>(24,498,700)</b>	<b>3.76%</b>
<b>NET OPERATIONS</b>	<b>(290,500)</b>	<b>62,000</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

- Fiscal Services increased 12.36% to reflect increased charges for credit card use.
- Gross Capital Program increased 9.48% from a combination of carrying forward unfinished 2010 projects (funded from reserves) and the annual capital funding increase per council policy to reach sustainability.

## NET BUDGET BY FUNCTION

The summary below highlights the major cost centres and indicates that most are within our guideline.

Net Budget By Function	Actual	Actual	Budget	Budget	% Change
	2009	2010	2010	2011	2011/2010
General Administration	951,000	978,400	978,400	1,029,800	5.25%
Field Operations	833,500	852,700	777,800	797,000	2.47%
Water Purchases	6,841,500	7,462,100	8,790,000	8,580,000	(2.39%)
Waterline Repairs	803,700	726,600	697,000	674,600	(3.21%)
Pump Maintenance	570,700	498,200	525,800	554,500	5.46%
Hydrant Maintenance	187,600	218,600	219,600	214,700	(2.23%)
Valve Maintenance	235,400	246,400	277,700	290,600	4.65%
Meter Repairs and Replacements	318,800	327,800	302,300	312,100	3.24%
Water Quality Programs	306,700	260,600	274,600	286,400	4.30%
Billing and Collection	418,900	407,400	428,600	445,500	3.94%
Contingency	-	64,000	200,000	200,000	0.00%
Net Capital Program	4,000,100	4,499,700	4,498,400	4,953,400	10.11%
<b>Total</b>	<b>15,467,900</b>	<b>16,542,500</b>	<b>17,970,200</b>	<b>18,338,600</b>	<b>2.05%</b>

- Increases in cost centres above guideline are due to the internal reallocation of the budgets between the cost centres to better match them to actual service levels.
- The net capital program increased by 10.11% for the policy increase in infrastructure replacement.

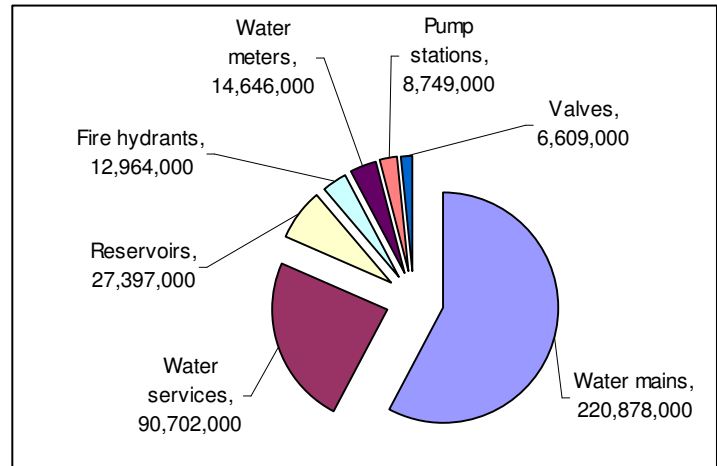
**WATER CAPITAL PROGRAM**

Saanich water infrastructure includes 541 km of water mains, 29,768 water services, 5 reservoirs, 18 pump stations, 7,883 valves and 2,177 fire hydrants valued at \$382 million.

The replacement of water mains, pump stations and reservoirs is based on an established multi year program to steadily increase core capital spending to sustainable levels. For 2010 the focus will remain on:

- Seismic upgrade of vulnerable reservoirs such as Rithet
- Replacement of asbestos cement mains
- Regular and on going end-of-life replacement of water mains, valves and water meters.

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2010 \$)
Water mains	Varies	\$2,566,000
Water services	40	\$1,512,000
Reservoirs	100	\$1,165,000
Fire hydrants	80	\$324,000
Water meters	40	\$976,000
Pump stations	50	\$292,000
Valves	80	\$138,000
		\$6,973,000

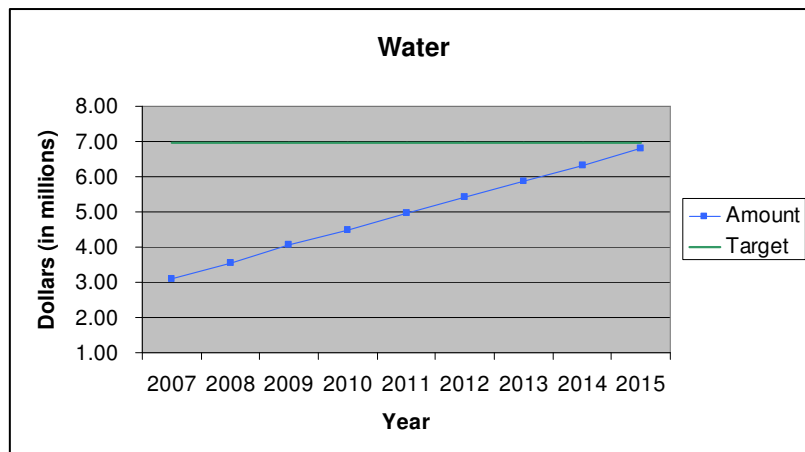


**Current Funding Level is \$4,953,400**

**Future Funding Target is \$6,973,000**

**How do we work toward this target?**

- Continue 'Pay as You Go' practice of increasing core capital spending on water infrastructure replacement with a minimum 3% rate increase each year.
- Supplement with Federal and/or Provincial Grants if possible.
- Supplement with reserves and DCC funding if possible



**2011 WATER CAPITAL PROGRAM**

Water Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2010 Projects in Progress:</b>					
<b>Asbestos Cement Main Replacement:</b>					
Mileva, Juniper & Daphne Roads		250,000			250,000
Violet Avenue (Grange to Interurban)		38,300			38,300
Bissenden Place		90,000			90,000
Bonnieview Place		59,500			59,500
Burnside Watermain		85,000			85,000
Cadillac Avenue to Raymond Street S.		190,700			190,700
Carnarvon Street, Richmond to Foul Bay		215,000			215,000
Diana Road		47,800			47,800
Garnet Place		60,000			60,000
McAnally Road, Hyd 586 to Smugglers Cove		84,300			84,300
Grange Road Watermain		200,000			200,000
Pear Street, Cedar Hill to Thistle		125,000			125,000
Smuggler Cove Road, McAnally to Baynes		180,000			180,000
Tattersall Drive, Calumet to #954		150,000			150,000
Walema Road, Lochside to Cordova Bay		160,000			160,000
<b>Cast Iron Main Replacement:</b>					
Oakcrest Drive (Cedar Hill to Knight)		59,400			59,400
Kingsberry Crescent		21,800			21,800
Richmond Road, Cedar Hill Corss to Donnelly		59,100			59,100
Wascana Street, Burnside to Hampton		150,000			150,000
Wesley Road, Claremont to Calalina		75,000			75,000
<b>Pump Stations:</b>					
Mount Tolmie (electrical)		479,400			479,400
Cromwell Pumpstation Replacement		339,500			339,500
Maplewood upgrade		80,800			80,800
Old West Saanich Road uprade		62,800			62,800
Hartland (standby power)		44,200			44,200
Cloverdale Pumpstation		34,800			34,800
Cherry Tree Bend Pump Station Retrofit		500,000			500,000
<b>Other:</b>					
SCADA System Replacement (Complete balance of alarm system replacement)		130,000			130,000
Update Water Distribution System Computer Model		180,000			180,000
Data Historian Software (SCADA)		50,000			50,000
Detailed Design Capital Projects		42,200			42,200
Cedar Hill Rd at North Dairy		69,900			69,900
Feltham - Tyndall Connection		74,800			74,800
Misc. Water Main Replacements		149,200			149,200
Water Main Construction Contingency		114,200			114,200
<b>Total</b>	-	<b>4,652,700</b>	-	-	<b>4,652,700</b>

**2011 WATER CAPITAL PROGRAM (continued)**

Water Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2011 Core Capital:</b>					
<b>Asbestos Cement Main Replacement:</b>					
Gamet Road	167,000				167,000
Mortimer Street	39,700				39,700
Vemon Avenue	44,000				44,000
Watson Street	34,400				34,400
San Juan Avenue	82,200				82,200
Howroyd Avenue	228,200				228,200
Sheridan Avenue	95,400				95,400
Stamboul Street	47,700				47,700
Magdelin Street	220,500				220,500
Ashdale Place	95,400				95,400
Annette Place	31,800				31,800
Longacre Drive	84,800				84,800
Michelle Place	79,500				79,500
Edgemont Road	273,000				273,000
<b>Cast Iron Main Replacement:</b>					
Cook Street (Maplewood to Camrose Cres.)	230,500				230,500
<b>Pump Stations:</b>					
Pump Station Motor Replacement	120,000				120,000
Maplewood Pump Station Isolation Valve	30,000				30,000
<b>Other:</b>					
2011 Detailed Design Capital Projects	80,000				80,000
Rithet Reservoir Replacement (Total project \$6,500,000)	2,500,000	1,400,000			3,900,000
Misc. Water Main Replacements	238,200				238,200
Meter Replacements	174,100				174,100
Machinery & Equip Replacement	57,000				57,000
<b>Total</b>	<b>4,953,400</b>	<b>1,400,000</b>	<b>-</b>	<b>-</b>	<b>6,353,400</b>

## Sewer Utility Operating Fund

The Sewer Utility is maintained by the Engineering Department's Public Works division to collect and dispose of wastewater. The system is comprised of over 550 kms of sewer mains, 5,300 manholes and 40 pumping stations. The Municipality is also responsible for over 29,000 lateral connections from the sewer main to the property line.

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

BUDGET SUMMARY	
<b>2011 Budget</b>	<b>16,052,100</b>
<b>2010 Budget</b>	<b>14,883,500</b>
<b>Budget Change</b>	<b>1,168,600</b>
<b>Change by %</b>	<b>7.85%</b>
<b>2011 FTE</b>	<b>25.67</b>
<b>2010 FTE</b>	<b>25.67</b>
<b>FTE Change</b>	<b>0</b>
<b>FTE Change %</b>	<b>0%</b>
<b>2010 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>102 Tonnes</b>
<b>2009 Carbon Footprint (CO<sub>2</sub>e)</b>	<b>88 Tonnes</b>
<b>Carbon Footprint Change</b>	<b>14 Tonnes</b>

The system is self financed from sewer charges on a user pay basis. The user charges cover the cost of operations, CRD sewer treatment and an infrastructure replacement program. In December 2010 Council approved a 13.5% increase in sewer rates to support this budget. Annual cost to the average homeowner increased by \$32 from \$237 to \$269 per year.

### 2011 BUDGET CHALLENGES

- Prepare for impact of Sewage Treatment by CRD
- Coordination of sewer replacement with wood stave drain replacement program
- Minimizing the impacts of Operating Budget reductions on service levels to the public

### 2010 ACCOMPLISHMENTS

- Additional technologist hired to address increasing workload from increased sewer infrastructure replacement funding
- Rehabilitation of 1.2 km of AC sanitary sewer using trenchless technology
- Vantreight and Albina sewage lift station upgrades complete

### 2011 KEY PRIORITIES

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1.	Analyses impacts of CRD sewage treatment costs on Saanich	F1 Sustainable Environment
2.	Focus "CCTV" inspections program on critical sewer mains	F1 Sustainable Environment
3.	Replacement / rehabilitation of Colquitz and Gorge view Sewage Lift Station	F1 Sustainable Environment
4.	Replacement / rehabilitation of 1.2 km of AC Sanitary Sewer Main.	F1 Sustainable Environment

## CORE BUDGET

The 2011 net budget of \$ 16,052,100 represents a 7.85% increase in net expenditures over prior year due primarily to the policy increase in capital infrastructure spending.

<b>Net Budget By Object</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>% Change</b>
	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>	<b>2011/2010</b>
<b>EXPENDITURES</b>					
Personnel	1,268,900	1,234,400	1,425,700	1,464,200	2.70%
Goods and Services	3,731,100	3,630,500	3,843,700	4,065,400	5.77%
Fiscal Services	1,447,200	1,451,200	1,452,000	1,452,000	0.00%
Overheads and Transfers	275,000	493,100	542,900	528,300	(2.69%)
Gross Capital Program	3,434,300	7,619,200	7,619,200	8,542,200	12.11%
<b>Total</b>	<b>10,156,500</b>	<b>14,428,400</b>	<b>14,883,500</b>	<b>16,052,100</b>	<b>7.85%</b>
<b>REVENUES AND RECOVERIES</b>					
Parcel and User Charges	(8,840,800)	(8,797,900)	(9,356,200)	(10,183,600)	8.84%
Reserves and Others	(1,497,500)	(3,935,300)	(3,935,300)	(3,744,900)	(4.84%)
Borrowing	-	(1,150,000)	(1,592,000)	(2,123,600)	33.39%
<b>Total</b>	<b>(10,338,300)</b>	<b>(13,883,200)</b>	<b>(14,883,500)</b>	<b>(16,052,100)</b>	<b>7.85%</b>
<b>NET OPERATIONS</b>	<b>(181,800)</b>	<b>545,200</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

- Goods and Services increased 5.77% due to CRD sewer charges. This reflects a 22% increase in the debt charges portion of the CRD charge.
- Gross Capital Program increased 12.11% due to council policy to increase capital infrastructure spending to sustainable levels.

## NET BUDGET BY FUNCTION

The summary below highlights the major cost centres and indicates most are within guideline with the exception of CRD services (increase in debt servicing costs) and capital program (policy increase in infrastructure replacement spending).

<b>Net Budget By Function</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>% Change</b>
	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>	<b>2011/2010</b>
General Administration	571,800	694,000	671,700	690,100	2.74%
Field Operations	100,600	221,300	132,500	129,400	(2.34%)
Cleaning and Repairs	529,800	499,200	564,300	546,400	(3.17%)
Pump Station Maintenance	836,100	914,600	918,400	931,200	1.39%
Man Hole Maintenance	82,300	42,000	60,300	62,300	3.32%
Sewer Service Maintenance	248,200	231,900	230,300	236,700	2.78%
CRD Services	2,903,800	3,052,100	2,968,300	3,361,800	13.26%
Debt Charges	1,447,200	1,451,200	1,452,000	1,452,000	0.00%
Contingency	2,400	-	100,000	100,000	0.00%
Net Capital Program	1,936,800	2,236,800	2,258,400	2,673,700	18.39%
<b>Total</b>	<b>8,659,000</b>	<b>9,343,100</b>	<b>9,356,200</b>	<b>10,183,600</b>	<b>8.84%</b>



### SEWER CAPITAL PROGRAM

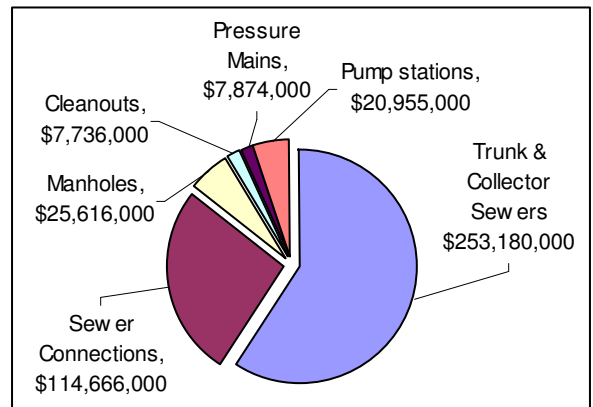
Saanich sewer infrastructure includes 43 km of trunk sewers, 507 km of collector sewers, 41 km of pressure mains, 29,706 service connections and 40 pumping stations valued at \$430 million dollars.

AC pipe service life is not likely more than 50 years (64% of system). About 30% of inspected manholes require moderate rehabilitation such as infiltration, defective pipe/joints and cracked concrete. Pumping station electrical, mechanical and structural components are nearing their end of useful life (some pumps and electrical are over 20 years old)

#### What is needed?

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

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2010 \$)
Trunk & Collector Sewers	Varies	\$ 3,877,000
Sewer Connections	100	\$ 1,638,000
Manholes	100	\$ 342,000
Cleanouts	100	\$ 103,000
Pressure Mains	100	\$ 109,000
Pump stations	50	\$ 723,000
		\$ 6,792,000

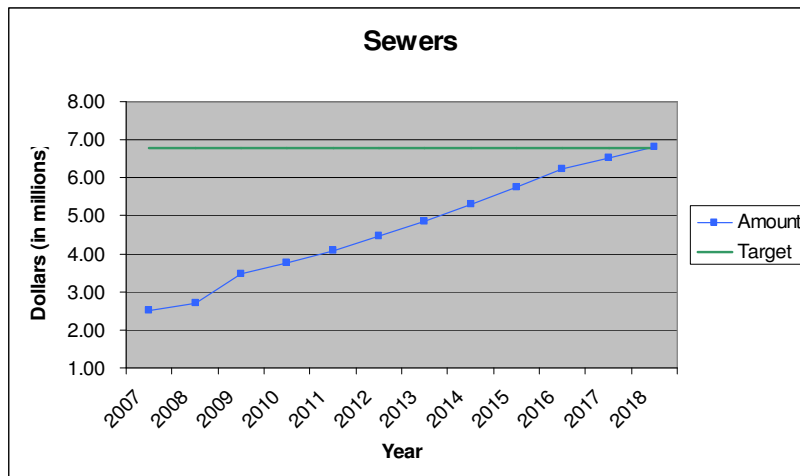


**Current Ongoing Funding is \$3,845,000**

**Future Funding Target is \$6,792,000**

#### How do we work toward this target?

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



## 2010 SEWER CAPITAL PROGRAM

Sewer Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2010 Projects in Progress:</b>					
<b>Asbestos Cement Main Replacement:</b>					
Ferndale Road (Ferndale to Arbutus Cove)		69,900			69,900
Tattersal Drive		180,000			180,000
Diana Road		140,000			140,000
Blair Avenue (Larchwood)		302,100			302,100
Cherrilee Crescent (Sheiling)		177,200			177,200
Union Road (Prestwood to Blenkinsop)		249,000			249,000
<b>Pump Stations:</b>					
Halliburton replacement		36,500			36,500
Colquitz/Gorge View upgrade design		225,600			225,600
Portage upgrades design & construction				623,600	623,600
Pump Station Improvements		68,100			68,100
2010 Pump & Motor Replacements		75,000			75,000
<b>Other:</b>					
SCADA alarm system upgrade		114,300			114,300
Sanitary Sewer Model Migration		40,000			40,000
Manhole Improvements		175,600			175,600
No-Corrode SHC Replacements		221,500			221,500
2011 Project Design		48,000			48,000
2010 Misc. Sewer Projects		122,100			122,100
<b>Total</b>	<b>-</b>	<b>2,244,900</b>	<b>-</b>	<b>623,600</b>	<b>2,868,500</b>
<b>2011 Core Capital:</b>					
<b>Asbestos Cement Main Replacement:</b>					
Gorge Road	72,700				72,700
Penrhyn (Codboro Bay to Gyro Park)	155,500				155,500
St. Peters (Union Road to St. Peters)	153,700				153,700
Reynolds Road (Stan Wright Place to Crocus Court)	216,700				216,700
Royal Oak Tunnel (West Saanich to Royal Oak)	288,700				288,700
Cook Street (Quadra to Crown Cres.)				400,000	400,000
<b>Pump Stations:</b>					
Colquitz Pump Station Construction		1,300,000			1,300,000
Gorgeview Pump Station Construction		200,000		1,100,000	1,300,000
2011 Pump & Motor Replacements	77,200				77,200
<b>Other:</b>					
2011 Sewer Area Relining (Maplewood Avenue & Boleskine Avenue)	909,700				909,700
Manhole Improvements	99,700				99,700
No-Corrode SHC Replacements	234,700				234,700
2011 Project Design	36,700				36,700
2011 Misc. Sewer Projects & Contingencies	99,700				99,700
<b>Total</b>	<b>2,345,000</b>	<b>1,500,000</b>	<b>-</b>	<b>1,500,000</b>	<b>5,345,000</b>

## 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 \$7 million to an annual average of over \$ 20 million in the last three years.

Spending has historically been balanced between replacing infrastructure and new facilities. For the next few years the focus is expected to shift toward replacement of existing infrastructure, particularly in transportation, drains, community facilities and the sewer and water utilities. The estimates outlined in each section are based on the following assumptions:

1. A net 2% increase in tax funded core capital over 2010 budget.
2. A minimum 0.75% property tax allocation to infrastructure replacement
3. General agreement with the prior year Long Term Capital Forecast
4. Debt Financing Guideline
5. All figures shown in current year (2011) dollars – no inflation allowance

<b>Expenditures</b>	<b>Budget</b>	<b>Budget</b>
	<b>2010</b>	<b>2011</b>
Police	1,162,000	1,248,200
Fire	1,001,900	152,000
Transportation	7,059,600	13,598,300
Drainage	6,056,700	6,254,100
Parks	4,394,600	2,743,300
Recreation	6,776,000	6,117,400
Fleet Replacement	700,000	1,061,300
Information Technology	682,600	1,855,000
Community Facilities	587,300	1,662,200
Parkland Acquisition	1,500,000	2,400,000
	<b>29,920,700</b>	<b>37,091,800</b>
<b>Source of Funding</b>	<b>Budget</b>	<b>Budget</b>
	<b>2010</b>	<b>2011</b>
General Operating (Core Capital)	7,390,600	8,178,000
General Capital Reserves	8,921,800	8,391,100
Lands Reserve	1,000,000	1,900,000
Development Cost Charges	777,000	1,850,000
Equipment Replacement Reserve	2,198,300	5,596,500
Grants & Contributions	5,586,000	6,887,200
Long Term Debt	4,047,000	4,289,000
	<b>29,920,700</b>	<b>37,091,800</b>

## Vehicles, Equipment and Technology

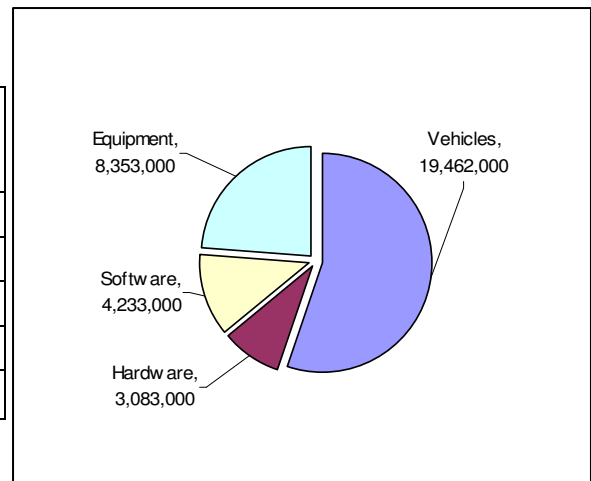
Saanich vehicles, equipment and information technology includes fleet vehicles for parks, public works, police and fire, computer and telephone hardware and software for all departments and a variety of equipment from fitness to lawn mowers.

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

### What needs to be done?

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

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2011 \$)
Vehicles	4-25	\$ 1,297,000
Computer Hardware	4-6	\$ 514,000
Computer Software	4-20	\$ 212,000
Major Equipment	4-30	\$ 557,000
		\$ 2,580,000



**Current Ongoing Funding: \$2,485,900**

**Future Funding Target: \$2,580,000**

Although current expenditure funding is slightly shy of the target funding, equipment replacement reserve funds are available to bridge that gap. Overall, the equipment replacement reserve is replenished adequately to maintain most future funding for replacement, however, reassessment and adjustment of the funding in each of the categories is needed.

## Police Vehicles, Equipment and Technology

Police Services	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2010 Project in Progress:</b>					
Website & Hardware Upgrades		37,300			37,300
In Car Video Program (20 vehicles)		134,600			134,600
CCTV for Cell Block and Interrogation Room		118,200			118,200
<b>Total</b>	-	<b>290,100</b>	-	-	<b>290,100</b>
<b>2011 Core Capital:</b>					
Hardware and Software	150,000				150,000
Annual Vehicle Replacement (8 vehicles)	250,000				250,000
Automated License Plate Recognition (2 units)		50,000			50,000
Prime Data Warehouse Project		43,000			43,000
Mobile MDTs (3 units)		15,100			15,100
Mobile Command Vehicle (1st year)		450,000			450,000
<b>Total</b>	<b>400,000</b>	<b>558,100</b>	-	-	<b>958,100</b>

## Fire Vehicles, Equipment and Technology

Fire Protection	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2011 Core Capital:</b>					
Fire Vehicles		152,000			152,000
<b>Total</b>	-	<b>152,000</b>	-	-	<b>152,000</b>

Vehicles to be purchased in 2011 include two sedans, one mini van, one 3/4 ton pickup truck and a water tanker.

## Fleet Vehicles

The Fleet division has developed a long term vehicle replacement program to smooth out the costs of replacement from year to year. An equipment replacement reserve is funded by annual contributions of approximately \$650,000 from the Fleet Division. These contributions generally increase by guideline each year.

Vehicle Equipment Replacement Program	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2010 Project in Progress:</b>					
Fleet Vehicle Replacements, Various small trucks and vehicles		39,500			39,500
<b>Total</b>	-	<b>39,500</b>	-	-	<b>39,500</b>
<b>2011 Core Capital:</b>					
Fleet Vehicle Replacements, Various trucks and vehicles		1,021,800			1,021,800
<b>Total</b>	-	<b>1,021,800</b>	-	-	<b>1,021,800</b>

Vehicles to be purchased in 2011 include three pick ups, two tandem dump trucks and one of each of the following: 1 ton truck, tractor/loader, backhoe, aerial lift truck, road sweeper and salter/sander unit.

## Parks and Recreation Equipment

This is the annual replacement of equipment capital for Parks & Recreation.

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2010 Project in Progress:</b>					
Parks Equipment Replacement		108,900			108,900
Electric Zamboni		158,600			158,600
<b>Total</b>	-	<b>267,500</b>	-	-	<b>267,500</b>
<b>2011 Core Capital:</b>					
Fitness Equipment and Golf Course Equipment Replacement		45,300			45,300
Parks Equipment Replacement	124,600				124,600
<b>Total</b>	<b>124,600</b>	<b>45,300</b>	-	-	<b>169,900</b>

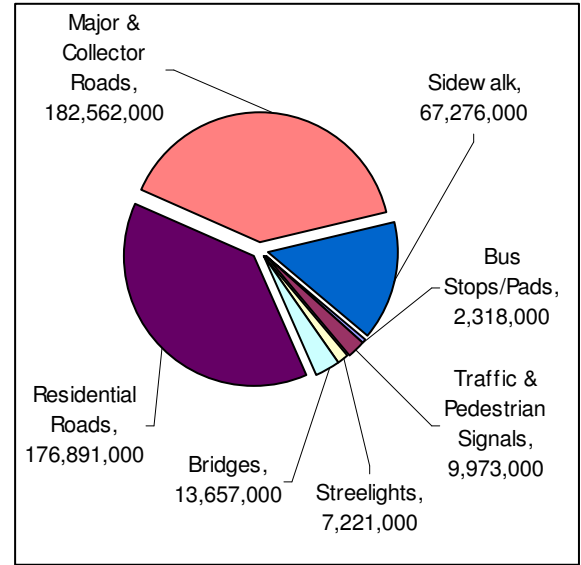
## Information Technology

Information Technology	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2010 Project in Progress:</b>					
Hardware and Software		70,000			70,000
Miscellaneous Hardware and Software		70,000			70,000
Core Financials and Recreation System Upgrades		58,700			58,700
<b>Total</b>	-	<b>198,700</b>	-	-	<b>198,700</b>
<b>2011 Core Capital:</b>					
Hardware and Software	102,700				102,700
Geographical Information System	28,800				28,800
Core Application Systems	55,000				55,000
Phone System Upgrade		90,000			90,000
Asset Management Software		44,300			44,300
Internet/Intranet upgrade		150,000			150,000
Network Services Upgrade		185,500			185,500
PC Replacement Program		800,000			800,000
Office Software		200,000			200,000
<b>Total</b>	<b>186,500</b>	<b>1,469,800</b>	-	-	<b>1,656,300</b>

## Transportation

Saanich transportation infrastructure includes 178 km of major or collector roads, 370 km of residential roads, 130 km of bike lanes, 391 km of sidewalks and 32 bridges valued at \$460 million dollars.

Asset	Component	Estimated Asset Life	Average Annual Replacement Cost (2010 \$)
Roads	Major & Collectors	20-80	\$3,305,000
	Residential	40-100	\$2,312,000
Sidewalks	Concrete & asphalt pedestrian facilities	15-50	\$1,700,000
Bridges	Timber, concrete	60-100	\$ 168,000
Streetlights	Pole mount, steel Standard, post top	30	\$ 240,000
Traffic & Pedestrian Signals	Pedestrian control, Solar beacons	25	\$ 399,000
Bus Stops & Pads	Concrete & Asphalt	15-50	\$ 46,000
		Total:	\$8,170,000

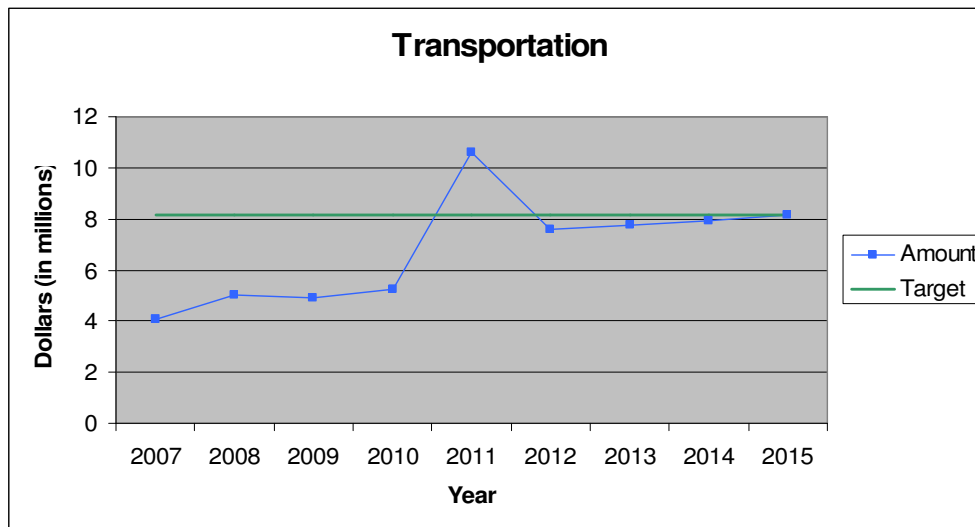


**Current Ongoing Funding is \$4,640,000**

**Future Funding Target is \$8,170,000**

### How do we work toward this target?

- Continue to allocate Federal Gas Tax to road and bridge rehabilitation.
- Allocate a portion of annual capital program tax increase to road starting in 2010.
- Supplement roads and sidewalks with borrowing.
- Supplement with Federal and/or Provincial Grants if possible.
- Pursue emerging technologies which may lower replacement costs or extend useful life.





## Transportation

Transportation	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2010 Projects in Progress:</b>					
<b>Roads:</b>					
Mt. Douglas Shoreline Protection Slope stabilization project (Total estimated project \$4,500,000)		336,400			336,400
Gorge West Area		46,800			46,800
Wilkinson Road (upgrade road fronting SIDES)		250,000			250,000
Admirals Road Phase 3 (Arundel to Cowper)		116,200			116,200
Wilkinson / Interurban Roads		46,100			46,100
Cedar Hill / Finlayson / North Dairy Roads		25,000			25,000
Interurban / Marigold Roads		84,100			84,100
Cowper / Colquitz Roads		31,700			31,700
Herbert Street Connection		143,400			143,400
Miscellaneous Road Projects		57,000			57,000
DCC Subsidy & Cost Share with Developers		79,000			79,000
<b>Sidewalks:</b>					
Quadra Road – Lily to Beckwith		53,700			53,700
Quadra at Tolmie Corner Ramps		55,000			55,000
Tyndall Road (Ash to Barrie)		35,000			35,000
Santa Anita		223,300			223,300
McKenzie at Borden		94,000			94,000
Blanshard Street		120,000			120,000
Miscellaneous sidewalk projects		142,600			142,600
<b>Bus Stops, Signals, Street Lights:</b>					
Bus Shelter Uptown		187,000			187,000
McKenzie / Braefoot Signal Upgrades		50,000			50,000
Quadra / Lodge Signal Upgrades		65,000			65,000
Adaptive Lighting Energy Study		35,000			35,000
Miscellaneous street lights		22,400			22,400
Miscellaneous Traffic Signals		64,300			64,300
<b>Bridges:</b>					
Colquitz Bridge Replacement		225,800			225,800
Craigflower Bridge Design		100,000			100,000
Bridge Condition Assessment		73,600			73,600
<b>Total</b>	-	<b>2,762,400</b>	-	-	<b>2,762,400</b>

## Transportation (Continued)

Transportation	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2011 Core Capital:</b>					
<b>Roads:</b>					
Tattersal Drive Upgrade			950,000		950,000
Admirals Road Phase 3 (Arundel to Cowper)			850,000		850,000
Burnside Road West Phase 2 & 3 (McKenzie to Grange)		100,000	1,150,000		1,250,000
McKenzie Avenue (McGill to Finnerty)		1,130,900			1,130,900
West Saanich Road (Elk Lake to Pipeline)		250,000			250,000
Gorge West Area Traffic Calming	70,000				70,000
Richmond / Cedar Hill Cross / Pear	80,000				80,000
Grandview / Tyndall / Ash Intersection	50,000				50,000
Stamboul Street (mortimor to Midgard)	50,000				50,000
Douglas Audley Intersection	75,000				75,000
Sinclair Road (Haro to Pitcombe)	100,000				100,000
Annual Paving Program	1,000,000				1,000,000
Miscellaneous Road Projects	210,000		40,000		250,000
DCC Subsidy & Cost Share	90,000				90,000
<b>Bridges:</b>					
Craigflower Bridge Replacement (Cost Share with View Royal)	500,000		1,000,000		1,500,000
Bridge Major Repairs	200,000				200,000
<b>Sidewalks:</b>					
Cardova Bay Road (Haliburton to 5110)		600,000			600,000
Dysart Avenue (Gorge to Ker)	450,000				450,000
Kenmore Drive (Tourquay to School Frontage)	300,000				300,000
Cedar Hill Road (Harvest to Shelbourne)	500,000				500,000
Maddock Avenue (Tillicum to Albina)		75,000			75,000
Grandview Drive (Tyndall to Ferndale)	50,000				50,000
Miscellaneous sidewalk projects	95,000				95,000
<b>Bikeways:</b>					
Cedar Hill Road (Hopesmore to Feltham)	250,000				250,000
Cedar Hill X Road (Merriman to Synod)	50,000				50,000
<b>Bus Stops, Signals, Street Lights:</b>					
Miscellaneous bus stop improvements	140,000	50,000			190,000
Miscellaneous Streetlight Program (Replace Standards and Pinto Heads)	50,000				50,000
Shelbourne / Pear Traffic Signal	125,000				125,000
Signal Cabinet Replacement Program	75,000				75,000
Pedestrian Controlled Crosswalks (Carey / Seaton, Interurban / Hyacinth, Interurban / Meadowview / Knibbs, Richmond / Knight)	70,000				70,000
Miscellaneous Signal Upgrades	60,000				60,000
<b>Total</b>	<b>4,640,000</b>	<b>2,205,900</b>	<b>3,990,000</b>	<b>-</b>	<b>10,835,900</b>

## Drainage

Saanich storm drainage infrastructure includes 600 km of main drains, 30,000 laterals and 14,000 catch basins valued at \$478 million dollars. The majority of the municipal drainage system is in fair condition. Pipe installed prior to 1975 (approx 168 km) is in varying degrees of decline.

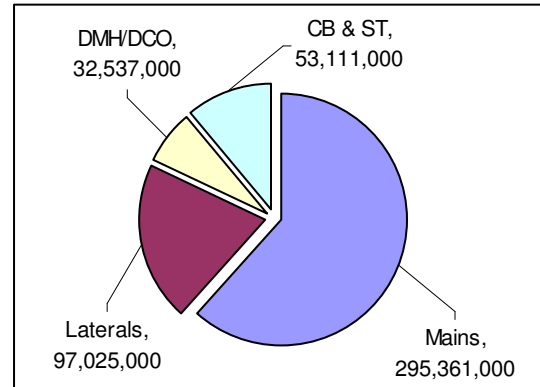
Replacing the remaining eighteen km of large diameter wood stave drain main is our primary concern. Replacing and upgrading problematic small diameter substandard drains is our secondary priority.

### What needs to be done?

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

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

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2010 \$)
Gravity Mains	Varies	\$ 4,715,000
Laterals	40	\$ 1,386,000
DMH / DCO	50	\$ 433,000
CBs & STs	50	\$ 758,000
		\$ 7,292,000

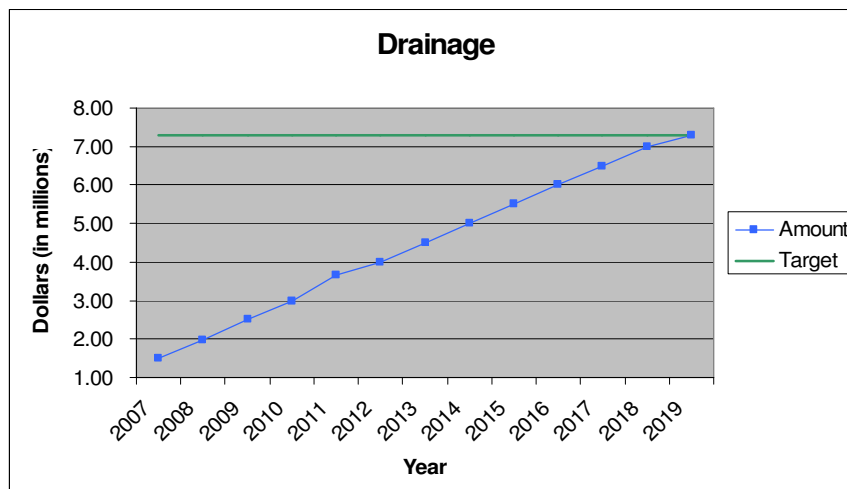


**Current Ongoing Funding: \$3,500,000**

**Future Funding Target: \$7,292,000**

### How do we work toward this target?

- Continue 'Pay as you Go' practice to incrementally increase drain replacement.
- Pursue emerging technologies which may lower replacement costs or extend useful life.
- Research the Storm Water Utility Funding Model.



## Drainage

Drainage	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2010 Capital Projects in Progress:</b>					
<b>Wood Stave Replacement:</b>					
Derby/Camrose				271,900	271,900
Bisley/Columbia				47,900	47,900
Tattersall (Elliston to Tattersall)				744,000	744,000
Blair (Larchwood to Blair)				200,900	200,900
Cherrilee (Phase 2)				53,800	53,800
Garnet				170,500	170,500
<b>Sub-standard Drain Replacement:</b>					
Murray Drive		394,000			394,000
Diana		170,000			170,000
Union (Blenkinsop to Prestwood)		241,400			241,400
<b>Other:</b>					
Assessment, Purchase & Implementation of Storm Water Model Software		140,100			140,100
Drainage Design		138,300			138,300
Misc 2010 Drainage Projects		6,300			6,300
<b>Total</b>	<b>-</b>	<b>1,090,100</b>	<b>-</b>	<b>1,489,000</b>	<b>2,579,100</b>

## Drainage (Continued)

Drainage	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2011 Core Capital:</b>					
<b>Wood Stave Replacement:</b>					
St. Peters (Union to St. Peters) (total 2 year project cost is \$377,200)				180,000	180,000
McKenzie (1701 to 1751) (total 2 year project cost is \$495,000)				250,000	250,000
Gamet (Garnet to Howroyd) (total 2 year project cost is \$783,000)				350,000	350,000
Stockton Crescent (total 2 year project cost is \$504,000)				250,000	250,000
Reynolds Road (1194 to 1248) (total 2 year project cost is \$495,000)				250,000	250,000
Service / Frechette (total 2 year project cost is \$145,800)				70,000	70,000
Barbon Place / Dupplin Road (total 2 year project cost is \$720,000)				350,000	350,000
Nigel Avenue (Nigel to Municipal Hall) (total 2 year project cost is \$828,000)				400,000	400,000
Kisber / Mortimer (Mortimer to Kisber) (total 2 year project cost is \$585,000)				250,000	250,000
Richmond / Frechetter (total 2 year project cost is \$144,600)				50,000	50,000
Sotia Street (Rutledge to Glasgow) (total 2 year project cost is \$297,000)				125,000	125,000
Bethune Avenue (total 2 year project cost is \$198,000)				75,000	75,000
Cloverdale / Blanshard (Seymour to corner of Cloverdale & Blanshard) (total 2 year project cost is \$527,400)				200,000	200,000
<b>Sub-standard Drain Replacement:</b>					
Cadboro/Gyro	140,000				140,000
Heath (2868 Heath to Gorge Road)	170,000				170,000
Frechette	120,000				120,000
Maddock		75,000			75,000
<b>Other:</b>					
2012 Drainage Design	50,000				50,000
Drainage Model Implementation	100,000	100,000			200,000
Misc 2010 Drainage Projects	120,000				120,000
<b>Total</b>	<b>700,000</b>	<b>175,000</b>	<b>-</b>	<b>2,800,000</b>	<b>3,675,000</b>

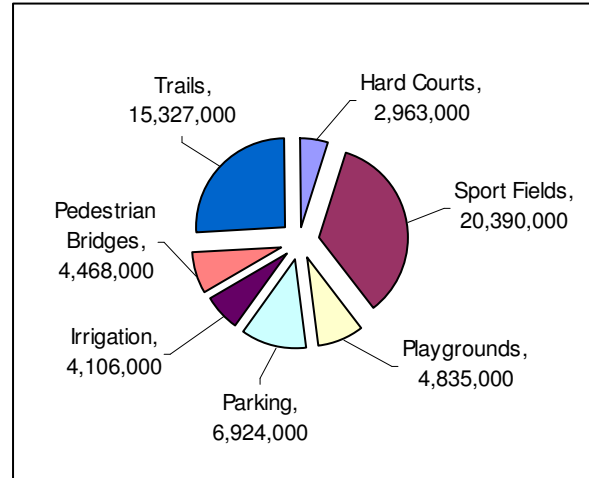
## Park and Trail Structures

Parks and Trails structures include over 40 hard courts, 60 sport fields, 53 playgrounds, 50 pedestrian bridges and 86 km of trails.

### What needs to be done?

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

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2010 \$)
Hard Courts	15-20	\$ 149,300
Sport Fields	15-40	\$ 786,600
Playgrounds	15	\$ 322,300
Parking	15-40	\$ 296,000
Irrigation	15	\$ 273,700
Pedestrian Bridges	15-50	\$ 231,000
Trails	15-20	\$ 934,100
		\$ 2,993,000

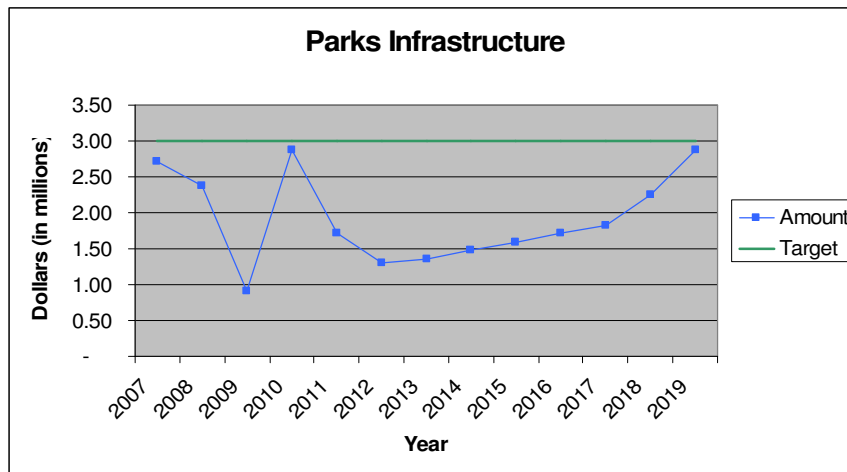


Current Ongoing Funding is \$1,335,300

Future Funding Target is \$2,993,000

### How do we work toward this?

- Reallocate debt funding which will provide an additional \$700,000 per year in 2011.
- Allocate a portion of annual capital program tax increase to parks starting in 2012.
- Supplement with Federal and/or Provincial Grants if possible.



## Park and Trail Structures

Park Improvements	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2010 Projects in Progress:</b>					
Layritz Park - Trails		60,100			60,100
Fairburn Park Development		30,000			30,000
Playgrounds Replacement		100,700			100,700
Bowker Creek Greenway - Phase 1		132,800			132,800
Douglas Creek Weir		45,000			45,000
Mount Doug Trail		46,500			46,500
Bow Road Trees		46,000			46,000
Miscellaneous Projects in Progress		124,500			124,500
<b>Total</b>	-	<b>585,600</b>	-	-	<b>585,600</b>
<b>2011 Core Capital:</b>					
Various playground and sports courts upgrades (\$3,000,000 project funded over two years)	450,000				450,000
Playground Replacement (Marigold)	75,000				75,000
Trail Resurfacing (Gordon Head)	110,000				110,000
Centennial Trails Phase 2	95,000				95,000
Interpretive and Way Finding Signs	30,000				30,000
Bridges/Structures Replacement (Walema, Phyllis)	50,300				50,300
Cost Sharing - sport clubs	25,000				25,000
Mount Doug Improvements (Signs, Trails and Parking and Trail Connections from 4439 Blenkinsop Road)		170,000			170,000
Mount View/Carey Park Development	180,000		215,000		395,000
Harvest Lane (Playground and Landscape)	100,000				100,000
Fowler Park Phase 1 pre-loading	80,000				80,000
Fairburn Park (Playground and Landscape)	100,000				100,000
Cuthbert Holmes (Trails & Signs)	40,000				40,000
Land Acquisition Reserve		2,400,000			2,400,000
<b>Total</b>	<b>1,335,300</b>	<b>2,570,000</b>	<b>215,000</b>	-	<b>4,120,300</b>

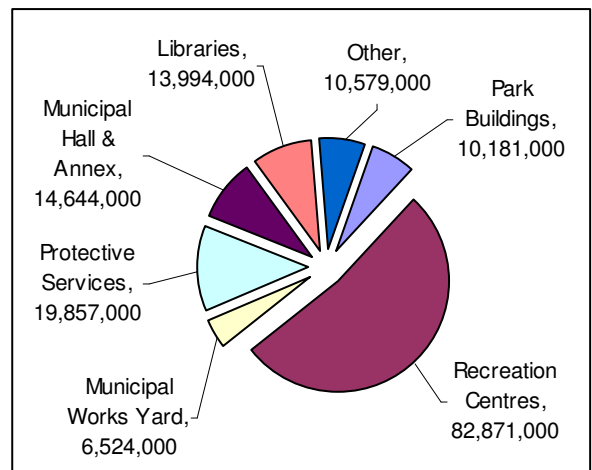
## Community and Recreation Facilities

Saanich owns and operates a variety of facilities: the Municipal Hall, Public Safety Building, libraries, fire halls, a public works yard, many park structures, several recreation centres and a golf course. Total square footage is in excess of 590,000 square feet with a replacement cost of \$158 million dollars. These estimates will be refined as the municipality reviews the condition of its facilities in 2011 and produces a plan for capital improvements.

### What needs to be done?

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

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2010 \$)
Recreation Centres	75	\$ 1,398,000
Park Buildings	50-75	\$ 191,000
Municipal Works Yard	75	\$ 92,000
Protective Services	75	\$ 386,000
Municipal Hall & Annex	75	\$ 267,000
Libraries	75	\$ 186,000
Other	75	\$ 141,000
		\$ 2,661,000

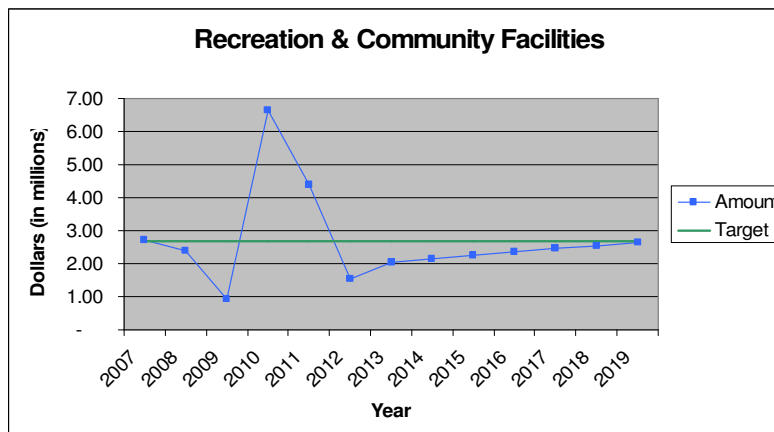


**Current Funding is \$1,791,000**

**Future Funding Target is \$2,661,000**

### How do we work toward this?

- Reallocate debt funding which will provide a total of \$1,000,000 per year in 2011.
- Increase the above debt by \$500,000 each year starting in 2013.
- Top up budgets each year by allocating additional one time annual funding from GST Revenues, one time borrowing room, surplus or reserves through the annual budget process.
- Supplement with Federal and/or Provincial Grants if possible.





## Community Facilities

Other Facilities	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2010 Projects in Progress:</b>					
Nellie McClung Library external lighting and parking line painting		9,500			9,500
Public Safety Building Interior Upgrades		17,100			17,100
Police Building Improvements		15,000			15,000
Cell Block Improvements		150,000			150,000
<b>Total</b>	-	<b>191,600</b>	-	-	<b>191,600</b>
<b>2011 Core Capital:</b>					
Parks & Public Works Yard Building Improvements Year 2 (3 year project; \$500,000 per year with total cost of \$1,500,000)		1,000,000			1,000,000
Municipal Hall & Annex Renovation		200,000			200,000
Police Building Improvements	20,600				20,600
Seismic Upgrade Designs for Municipal Buildings	250,000				250,000
<b>Total</b>	<b>270,600</b>	<b>1,200,000</b>	-	-	<b>1,470,600</b>

## Recreation Facilities

Recreation Facilities	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2011
<b>2010 Projects in Progress:</b>					
Cordova Bay Community Place Expansion		33,400			33,400
Gordon Head Recreation Centre Upgrade		87,600			87,600
Building Improvements at various Centres		125,200			125,200
SCP Roof Replacement (RinC Grant)		644,000	616,200		1,260,200
Saanich Commonwealth Place Accessibility Change Rooms		140,300			140,300
Business/Master Plan		93,500			93,500
<b>Total</b>	-	<b>1,124,000</b>	<b>616,200</b>	-	<b>1,740,200</b>
<b>2011 Core Capital:</b>					
Building Improvements at various Centres	171,000				171,000
Art Centre at Cedar Hill (Total project is \$5,000,000 funded over two years)	200,000	1,790,200	2,066,000		4,056,200
UV Filtration System for Gordon Head Pool	50,000				50,000
Pearkes Office Upgrades	100,000				100,000
<b>Total</b>	<b>521,000</b>	<b>1,790,200</b>	<b>2,066,000</b>	-	<b>4,377,200</b>

## Reserve Funds

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

A work in progress reserve is used to bring funding forward for projects that take more than one year to complete. In addition we identify a contingency allocation from the insurance reserve of \$1,000,000 in each year for use in the event claims are made. In 2011 we project to slightly decrease reserves to \$61,073,200 while funding a variety of initiatives.

	January 1 2011 Balance	2011 Contributions	2011 Appropriations	December 31 2011 Balance
Land Sales	2,986,900	250,000	1,900,000	1,336,900
Public Safety and Security	1,762,300	447,000	708,100	1,501,200
Carbon Neutral	273,300	186,800	200,000	260,100
Equipment Replacement	4,728,500	2,000,000	2,100,000	4,628,500
Capital Works	16,122,700	3,716,500	5,352,900	14,486,300
Sub Regional Parks	1,230,900	650,000	500,000	1,380,900
Commonwealth Pool Operations	1,537,600	75,000	330,000	1,282,600
Commonwealth Pool HP Repair	103,700	32,000	40,000	95,700
Sayward Gravel Pit	1,653,900	55,000	1,000,000	708,900
Development Cost Charges	17,196,600	950,000	2,350,000	15,796,600
Work in Progress	11,113,100	8,500,000	8,500,000	11,113,100
Insurance	2,315,300	40,000	1,000,000	1,355,300
<b>Total</b>	<b>61,024,800</b>	<b>16,902,300</b>	<b>23,981,000</b>	<b>53,946,100</b>

### Land Sales:

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

### Public Safety and Security:

The reserve is funded from a portion of annual Provincial Traffic Fine revenue grants and other revenues. In 2011, it provides funding for cell block improvements and the purchase of the automated license plate recognition software, the prime data warehouse software, the mobile MDT hardware and the mobile command vehicle.

### Carbon Neutral:

This provides funding for projects to help reduce carbon emissions from municipal operations such as installation of a solar hot water system at Gordon Head Recreation Centre, purchase of an electric zamboni ice cleaner and installation of automated garage doors at the public works Fleet Centre.

**Equipment Replacement:**

This provides for the annual replacement of fleet and fire vehicles, computers, photocopiers and some recreation equipment. Annual contributions from individual core budgets accumulate in this account and are used to replace equipment based on long term plans maintained by each department. In 2011 majority of this will be spent on fire and fleet vehicles.

**Capital Works:**

This reserve has four components: a General Infrastructure Reserve of \$424,000 accumulated from GST revenues, a Gas Tax Reserve of \$7,710,000 from transfer of revenues under the Federal *New Deal* agreement, a Mount Douglas Reserve of \$1,706,000 for the purchase of parkland and site renovations and a Future Improvement Reserve of \$6,280,000 which has been accumulated from revenues received from developers for specific projects.

**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.

**Commonwealth Pool Operations:**

This reserve was established during the Commonwealth Games and \$330,000 is used annually to subsidize the utility costs of the Recreation Centre for high performance users in accordance with agreements signed in 1994.

**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. In 2011 it provides funding for public works yard site improvements.

**Development Cost Charges:**

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

**Work in Progress:**

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 year and a new reserve set up for projects to be carried forward to 2012.

**Insurance:**

The municipality maintains a self insurance reserve 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 Fund Operating Estimates 2011 – 2015

The Municipality is required by the Community Charter Act to adopt a five year financial plan bylaw on or before May 15. This plan includes 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 \$89,756,800 to \$102,984,500 in 2015 or an average 3.85% increase to the average homeowner. This includes a 3.0% increase in operations, 0.1% for new infrastructure operating costs and 0.75% increase for infrastructure replacement.

GENERAL FUND OPERATING BUDGET SUMMARY	
2011 Tax Levy	89,756,800
2012 Tax Levy	92,877,500
2013 Tax Levy	96,317,700
2014 Tax Levy	99,585,900
2015 Tax Levy	102,984,500
Annual Increase to Average Homeowner	3.85%

The 2011 -2015 operating estimates have been prepared using the following criteria:

1. 3.0% increase per year in operating costs
2. 2.0% percent increase in Core Capital funding per year
3. 0.75% tax allocation per year to infrastructure replacement
4. 0.10% tax allocation per year for new infrastructure operating costs
5. Average increase in property Taxation revenues of 0.75% per year from new construction.

Budget By Object	Budget 2011	Budget 2012	Budget 2013	Budget 2014	Budget 2015
<b>EXPENDITURES</b>					
Personnel	79,855,800	82,251,474	85,130,300	88,109,900	91,193,700
Goods And Services	28,450,800	29,304,300	30,183,400	31,088,900	32,021,600
Fiscal Services	2,857,500	3,996,000	4,389,500	4,709,400	5,219,400
Grants, Overheads And Transfers	14,646,300	10,497,126	9,936,000	9,431,300	8,718,400
Capital	8,178,000	8,765,700	9,505,300	10,246,500	11,039,700
<b>TOTAL</b>	<b>133,988,400</b>	<b>134,814,600</b>	<b>139,144,500</b>	<b>143,586,000</b>	<b>148,192,800</b>
<b>REVENUES/RECOVERIES</b>					
Property Taxation	(89,805,900)	(92,902,600)	(96,342,800)	(99,611,000)	(103,009,600)
Other Corporate Revenues	(6,973,300)	(6,745,400)	(6,658,100)	(6,825,100)	(6,996,900)
Non – Tax Departmental Revenues	(23,441,100)	(24,144,300)	(24,868,600)	(25,614,700)	(26,383,100)
Program Credits	(8,176,400)	(8,421,700)	(8,674,400)	(8,934,600)	(9,202,600)
Reserves And Others	(5,521,900)	(2,600,600)	(2,600,600)	(2,600,600)	(2,600,600)
Grants	(69,800)	-	-	-	-
<b>TOTAL</b>	<b>(133,988,400)</b>	<b>(134,814,600)</b>	<b>(139,144,500)</b>	<b>(143,586,000)</b>	<b>(148,192,800)</b>

## Water Utility Fund Estimates 2011 - 2015

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 OPERATING BUDGET SUMMARY	
2010 Net Budget	18,446,000
2011 Net Budget	19,305,800
2012 Net Budget	20,182,700
2013 Net Budget	21,072,100
2014 Net Budget	21,974,400
Annual Increase to Average Homeowner	4.5%

The projected net budget funded from water user charges is projected to increase from \$18,446,000 to \$21,974,400 in 2015 or by an average 4.5% increase to the average homeowner.

The 2011 - 2015 operating estimates have been prepared using the following criteria:

1. An increase of 3.0% per year in operating costs
2. A 3.0% rate increase for core capital funding per year
3. An average increase in CRD water rates of 3.0% per year

## Sewer Utility Fund Estimates 2011 - 2015

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

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

SEWER UTILITY OPERATING BUDGET SUMMARY	
2011 Net Budget	10,143,600
2012 Net Budget	10,683,000
2013 Net Budget	11,630,200
2014 Net Budget	12,674,100
2015 Net Budget	13,823,100
Annual Increase to Average Homeowner	8.50%

The projected net budget funded from sewer user charges is projected to increase from \$10,143,600 to \$13,823,100 in 2015 or by an average of 8.50% annual increase to the average homeowner.

The 2011 - 2015 operating estimates are prepared on a broad brush basis with adjustments made for significant cost factors where they are known with some certainty. The estimates have been prepared based on an increase of 3.0% per year in operating costs, a 3.0% rate increase for core capital funding per year, and a 13.0% increase in CRD services to reflect the construction and operation of the regional treatment plant.

## Capital Context Statement

The current Ten Year Capital forecast is a very broad indicator of future capital expenditures that can be accommodated within the Council borrowing guideline and other sources of funding.

In general terms, capital expenditures are projected to gradually increase over the next 5 to 8 years as the municipality continues to move toward sustainable levels of infrastructure replacement.

Funding for these increased expenditures is expected from Federal Community Works (Gas Tax) funding for infrastructure, the receipt of grants for Parks and Recreation projects and a continued emphasis on the use of a mixture of core annual property taxation revenues, debt financing and development cost charges for replacement of sewer, water, community facilities and road infrastructure.

<b>Expenditures</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
	2011	2012	2013	2014	2015
Police	1,248,200	4,679,000	437,600	446,400	755,300
Fire	152,000	820,000	232,500	560,500	300,000
Transportation	13,598,300	11,090,000	7,740,000	7,940,000	8,090,000
Drainage	6,254,100	4,000,000	4,500,000	5,000,000	5,500,000
Parks and Recreation	11,260,700	5,216,200	3,923,500	3,263,300	3,661,500
Fleet Vehicle Equipment	1,061,300	1,500,000	1,500,000	1,000,000	1,000,000
Information Technology	1,855,000	440,200	194,000	197,900	201,900
Community Facilities	1,662,200	3,350,000	1,350,000	2,450,000	2,950,000
Water	11,006,100	5,408,400	5,868,400	6,328,400	6,788,400
Sewer	8,542,200	4,195,200	4,565,200	4,965,200	5,395,200
	<b>56,640,100</b>	<b>40,699,000</b>	<b>30,311,200</b>	<b>32,151,700</b>	<b>34,642,300</b>
<b>Source of Funding</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
	2011	2012	2013	2014	2015
General Operating (Core Capital)	8,178,000	8,765,700	9,505,300	10,246,500	11,039,700
Utility Revenues	7,627,100	8,103,600	8,933,600	9,793,600	10,683,600
General Capital Reserves	8,391,100	501,000	-	-	-
Utility Reserves	9,797,600	-	-	-	-
Lands Reserves	1,900,000	1,000,000	1,000,000	500,000	500,000
Development Cost Charges	1,850,000	500,000	500,000	500,000	500,000
Equipment Reserve	5,596,500	2,159,600	1,937,300	1,191,600	1,819,000
Grants & Contributions	6,887,200	3,000,000	3,000,000	3,000,000	3,500,000
Long Term Debt	6,412,600	16,670,000	5,435,000	6,920,000	6,600,000
	<b>56,640,100</b>	<b>40,699,900</b>	<b>30,311,200</b>	<b>32,151,700</b>	<b>34,642,300</b>

<b>Glossary</b>		
<b>A</b>	Accrual	An accounting method which measures the financial performance and position of an organization by recognizing economic events when they happen, regardless of when the related cash actually changes hands.
	Appropriated	When a fund is appropriated, it is subject to certain restrictions on what its assets can be used for.
	Asset	Anything you own that has monetary value plus any money you are owed.
<b>B</b>	Balanced budget	A financial plan where current revenue, including transfers from operating reserves, equals current operating expenditures.
<b>C</b>	Capital asset	General capital assets are those in excess of \$10,000 with a useful life of two or more years (e.g. land, buildings).
	Capital budget	A financial plan outlining projected expenditures on capital assets during a given fiscal period.
	Capital project	Creation or improvement of infrastructure assets.
	Carbon footprint	Amount of carbon dioxide ( <b>CO<sub>2</sub>e</b> ) that is emitted by the municipality.
	Community charter	The provincial legislation governing local governments. This legislation replaced the Local Government Act in 2003.
	Council	The eight councillors elected at large that represent the city as a whole.
<b>D</b>	Development cost charge (DCC)	A fee paid by a developer to help fund cost related to developing a property. Often these fees are used for parks and streets, and for infrastructure used to provide water, sanitary sewer and storm drainage services.
	Development permit	A permit that allows development of a property subject to certain conditions such as the timing or sequence of construction, density of development, alteration of specific requirements of the zoning of the property etc.
<b>F</b>	Fee	A fee is a charge to recover the cost of providing a service.
	Financial plan	This term is used interchangeably with “budget”.
	Full-time equivalent (FTE) staff	A statistic used to compare staffing levels between departments or organizations, and is calculated by dividing the total number of hours one full-time staff member is scheduled to work in a year.

	Fund	A pool of money normally set apart for a specific purpose.
	Fund balance	The excess of assets over liabilities in a fund.
<b>G</b>	GHG	Green House Gases are gasses generated from fossil fuel burning, released into the atmosphere and linked to climate change.
	Grant	Funds given to an organization from another organization (senior government to local government) which may have conditions attached to it and require specific spending to occur or goal to be accomplished in order to retain the funds.
<b>H</b>	Hotel tax	A compulsory financial levy imposed on hotel room rentals. Funds collected are utilized on tourism initiatives.
<b>I</b>	Infrastructure	Physical structures that form the foundation for development. Infrastructure includes: wastewater and waterworks, electric power, communications, transit and transportation facilities and oil and gas pipelines and associated facilities.
<b>L</b>	Liability	A loan, expense, or any other form of claim on the assets of an entity that must be paid or otherwise honoured by that entity.
<b>O</b>	Operating budget	A financial plan outlining projected revenue and expenditures for the on-going, day-to-day activities of an organization during a given fiscal period.
<b>R</b>	Revenue	The money collected in exchange for providing a product or service.
<b>S</b>	Sanitary sewer	The sewage system that carries substances requiring sanitation treatment.
	Sustainability	In terms of community development, sustainability is that which meets the needs of the present without compromising the ability of future generations to meet their own needs (UN World Commission on Environment and Development).
<b>T</b>	Tax	A compulsory financial contribution imposed by a government to raise revenue.
<b>U</b>	Utility	A business organization (such as waterworks company) 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.



## Budget Bylaws

Council is required by the Community Charter to adopt a Five Year Financial Plan Bylaw on or before May 15 of each year. The attached bylaw represents, in summary form, the operating and capital budget for the Municipality as identified in this document. The budget can be amended from time to time should Council adopt an amending bylaw, although this is generally not a frequent occurrence.

The following bylaws are attached for reference purposes:

Financial Plan Bylaw 9125

Tax Rate Bylaw 9127



**THE CORPORATION OF THE DISTRICT OF SAANICH**

**BYLAW NO. 9125**

**TO ADOPT THE FINANCIAL PLAN FOR THE PERIOD 2011 TO 2015**

WHEREAS the Municipal Council has caused to be prepared the Financial Plan for the period 2011 to 2015 in accordance with the provision of Section 165 of the Community Charter;

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

1. The Financial Plan for the period 2011 to 2015 being Schedule “A” - General; Schedule “B” - Water Utility; Schedule “C” - Sewer Utility; and, Schedule “D” – Revenue and Tax Policy Disclosure; all attached to this Bylaw, is hereby adopted.
2. This Bylaw may be cited for all purposes as the **“FINANCIAL PLAN BYLAW, 2011, NO. 9125”**.

Read a first time this 2<sup>nd</sup> day of May, 2011.

Read a second time this 2<sup>nd</sup> day of May, 2011.

Read a third time this 2<sup>nd</sup> day of May, 2011.

Adopted by Council, signed by the Mayor and Clerk and sealed with the Seal of the Corporation on the 9<sup>th</sup> day of May, 2011.

“DONNA DUPAS”

\_\_\_\_\_  
Municipal Clerk

“FRANK LEONARD”

\_\_\_\_\_  
Mayor

THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN  
BYLAW NO. 9125

SCHEDULE "A"

GENERAL

REVENUES	2011 \$	2012 \$	2013 \$	2014 \$	2015 \$
<b>Taxation</b>					
Property Taxes	89,781,900	92,902,600	96,342,800	99,611,000	103,009,600
Parcel Taxes	24,000	25,000	26,000	27,000	28,000
Utilities & Other	1,443,500	1,486,800	1,531,400	1,577,300	1,624,600
	<u>91,249,400</u>	<u>94,414,400</u>	<u>97,900,200</u>	<u>101,215,300</u>	<u>104,662,200</u>
<b>Fees and Charges</b>	23,441,100	24,144,300	24,868,600	25,614,700	26,383,100
<b>Borrowing Proceeds</b>	4,289,000	15,170,000	3,935,000	5,420,000	5,100,000
<b>Other Revenues</b>					
Grants-in-lieu of Taxes	1,918,000	1,975,500	2,034,800	2,095,800	2,158,700
Provincial Unconditional Grants	1,609,000	1,625,100	1,641,400	1,657,800	1,674,400
Conditional Grants & Contributions	6,957,000	3,000,000	3,000,000	3,000,000	3,500,000
Other	1,342,700	1,383,000	1,424,500	1,467,200	1,511,200
	<u>11,826,700</u>	<u>7,983,600</u>	<u>8,100,700</u>	<u>8,220,800</u>	<u>8,844,300</u>
<b>Transfers from</b>					
D.C.C. Funds	1,850,000	500,000	500,000	500,000	500,000
Reserves	21,409,500	6,260,200	5,537,900	4,292,200	4,919,600
Surplus	660,100	250,000	0	0	0
	<u>23,919,600</u>	<u>7,010,200</u>	<u>6,037,900</u>	<u>4,792,200</u>	<u>5,419,600</u>
<b>TOTAL</b>	<b><u>154,725,800</u></b>	<b><u>148,722,500</u></b>	<b><u>140,842,400</u></b>	<b><u>145,263,000</u></b>	<b><u>150,409,200</u></b>

EXPENDITURES

**Municipal Services**

General Government	13,526,800	12,772,600	13,155,800	13,550,500	13,957,000
Public Safety and Protection	39,287,600	39,982,700	41,182,200	42,417,700	43,690,200
Planning and Development	4,515,600	4,166,100	4,291,100	4,419,800	4,552,400
Soild Waste Management	5,491,900	5,450,700	5,614,200	5,782,600	5,956,100
Engineering and Public Works	11,147,600	11,182,300	11,517,800	11,863,300	12,219,200
Parks, Recreation and Cultural	29,423,800	30,180,200	31,085,600	32,018,200	32,978,700
	<u>103,393,300</u>	<u>103,734,600</u>	<u>106,846,700</u>	<u>110,052,100</u>	<u>113,353,600</u>

**Debt Principal and Interest**

	2,696,700	3,996,000	4,389,500	4,709,400	5,219,400
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**Capital Expenditure**

	37,091,800	31,095,400	19,877,600	20,858,100	22,458,700
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**Transfers to**

Reserves	11,544,000	9,896,500	9,728,600	9,643,400	9,377,500
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**TOTAL**

	<b><u>154,725,800</u></b>	<b><u>148,722,500</u></b>	<b><u>140,842,400</u></b>	<b><u>145,263,000</u></b>	<b><u>150,409,200</u></b>
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THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN  
BYLAW NO. 9125

SCHEDULE "B"

WATER UTILITY

	2011	2012	2013	2014	2015
	\$	\$	\$	\$	\$
<b>REVENUES</b>					
Parcel Taxes	3,300	3,300	0	0	0
Fees and Charges	18,442,700	19,302,500	20,182,700	21,072,100	21,974,400
	<u>18,446,000</u>	<u>19,305,800</u>	<u>20,182,700</u>	<u>21,072,100</u>	<u>21,974,400</u>
<b>Transfers from</b>					
D.C.C. Funds	500,000	0	0	0	0
Reserves	5,552,700	0	0	0	0
	6,052,700	0	0	0	0
<b>TOTAL</b>	<b>24,498,700</b>	<b>19,305,800</b>	<b>20,182,700</b>	<b>21,072,100</b>	<b>21,974,400</b>

EXPENDITURES

Operations	13,492,600	13,897,400	14,314,300	14,743,700	15,186,000
Capital Expenditure	11,006,100	5,408,400	5,868,400	6,328,400	6,788,400
<b>TOTAL</b>	<b>24,498,700</b>	<b>19,305,800</b>	<b>20,182,700</b>	<b>21,072,100</b>	<b>21,974,400</b>

SCHEDULE "C"

SEWER UTILITY

	2011	2012	2013	2014	2015
	\$	\$	\$	\$	\$
<b>REVENUES</b>					
Fees and Charges	10,143,600	10,683,000	11,630,200	12,674,100	13,823,100
Borrowing Proceeds	2,123,600	1,500,000	1,500,000	1,500,000	1,500,000
Grants & Contributions	0	0	0	0	0
	<u>12,267,200</u>	<u>12,183,000</u>	<u>13,130,200</u>	<u>14,174,100</u>	<u>15,323,100</u>
<b>Transfers from</b>					
D.C.C. Funds	40,000	40,000	40,000	40,000	40,000
Reserves	3,744,900	0	0	0	0
	3,784,900	40,000	40,000	40,000	40,000
<b>TOTAL</b>	<b>16,052,100</b>	<b>12,223,000</b>	<b>13,170,200</b>	<b>14,214,100</b>	<b>15,363,100</b>

EXPENDITURES

Operations	6,798,100	7,166,000	7,593,200	8,087,100	8,706,100
Debt Principal and Interest	711,800	861,800	1,011,800	1,161,800	1,261,800
Capital Expenditure	8,542,200	4,195,200	4,565,200	4,965,200	5,395,200
<b>TOTAL</b>	<b>16,052,100</b>	<b>12,223,000</b>	<b>13,170,200</b>	<b>14,214,100</b>	<b>15,363,100</b>

THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN  
BYLAW NO. 9125

SCHEDULE "D"

REVENUE AND TAX POLICY DISCLOSURE

**Proportions of Total Revenue**

<u>Funding Sources</u>	
Property Taxes	46.0%
Fees and Charges	26.6%
Borrowing Proceeds	3.3%
Other Sources	24.1%
	100.0%

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

**Distribution of Property Taxes**

<u>Property Class</u>	
1 Residential	79.9%
2 Utilities	0.4%
3 Supportive Housing	0.0%
5 Light Industry	0.1%
6 Business & Other	19.5%
7 Managed Forest	0.0%
8 Rec/Non-Profit	0.1%
9 Farm	0.0%
	100.0%

The Municipality will continue to set tax rates to ensure tax stability by maintaining the proportionate relationship between classes and uniform annual tax increases. The 2011 Saanich Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 19%, consistent with prior years.

**Permissive Tax Exemptions**

The Municipality will continue to support local organizations through permissive tax exemptions. The objective is to consider annual exemptions individually on their merits, in context with the Saanich Strategic Plan.



**THE CORPORATION OF THE DISTRICT OF SAANICH**

**BYLAW NO. 9127**

**FOR THE LEVYING OF RATES AND TAXES FOR THE YEAR 2011**

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

1. The following rates are hereby imposed and levied for the year 2011:
  - (a) For all lawful general purposes of the municipality on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "A" of the Schedule attached hereto and forming a part hereof.
  - (b) For purposes of the Capital Regional District on the assessed value of land and Improvements taxable for general municipal purposes, rates appearing in column "B" of the Schedule attached hereto and forming a part hereof.
  - (c) For hospital purposes on the assessed value of land and improvements taxable for Regional Hospital District purposes, rates appearing in column "C" of the schedule attached hereto and forming a part hereof.
  - (d) For purposes of the expenses related to the Cadboro Bay Village Business Improvement Association and referred to in Bylaw No. 8537 on the assessed value of all land and improvements that fall into Class 6 of the assessments within the designated business improvement area as defined in Bylaw No. 8537 and referred to as the Cadboro Bay Village Business Improvement Area, \$1.30121 per \$1,000 taxable value.
2. The aforesaid rates and taxes shall be considered to have been imposed on and from the First (1st) day of January 2011. Such rates and taxes are not deemed to be paid until payment is received in the office of the Collector of The Corporation at 770 Vernon Avenue, Victoria, B.C.
3. This bylaw may be cited for all purposes as the "**TAX BYLAW, 2011, NO. 9127**".

Read a first time this 2<sup>nd</sup> day of May, 2011.

Read a second time this 2<sup>nd</sup> day of May, 2011.

Read a third time this 2<sup>nd</sup> day of May, 2011.

Adopted by Council, signed by the Mayor and Clerk and sealed with the Seal of the Corporation on the 9<sup>th</sup> day of May, 2011.

"DONNA DUPAS"

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Municipal Clerk

"FRANK LEONARD"

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Mayor

**2011  
SCHEDULE**

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

Property Class	A	B	C
	Municipal General	Regional District	Regional Hospital District
(1) Residential	3.2034	0.2454	0.2870
(2) Utilities	27.1147	2.0771	1.0045
(3) Supportive Housing	3.2034	0.2454	0.2870
(4) Major Industry	11.7732	0.9019	0.9758
(5) Light Industry	11.7732	0.9019	0.9758
(6) Business/Other	12.1162	0.9282	0.7032
(7) Managed Forest	16.7545	1.2835	0.8610
(8) Recreational/Non Profit	6.5391	0.5009	0.2870
(9) Farm	0.5000	0.0383	0.2870