



# AGENDA

## **Special Committee of the Whole Financial Plan Meeting**

To Be Held In the Council Chambers  
Saanich Municipal Hall, 770 Vernon Avenue  
**TUESDAY, MARCH 5, 2013 AT 7:30 P.M.**

**1. PUBLIC INPUT**

**2. GREATER VICTORIA PUBLIC LIBRARY BOARD – 2013 BUDGET PRESENTATION.**

**PG. 2** Letter from the Greater Victoria Public Library Board dated February 28, 2013 submitting their 2013 budget request in the amount of \$4,938,870.

**3. HORTICULTURE CENTRE OF THE PACIFIC – 2013 GRANT REQUEST PRESENTATION.**

**PG. 10** Letter from the Horticulture Centre of the Pacific dated February 7, 2013 requesting a 2013 grant in the amount of \$130,000.

**4. SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY – 2013 MANAGEMENT CONTRACT REQUEST PRESENTATION**

**PG. 35** Letter from the Swan Lake Christmas Hill Nature Sanctuary dated February 25, 2013 requesting a 2013 management fee in the amount of \$320,000.

**5. SAANICH HERITAGE FOUNDATION – 2013 GRANT REQUEST PRESENTATION.**

**PG. 56** Letter from the Saanich Heritage Foundation dated February 14, 2013 requesting a 2013 grant in the amount of \$25,000.

\*\*\* Adjournment \*\*\*

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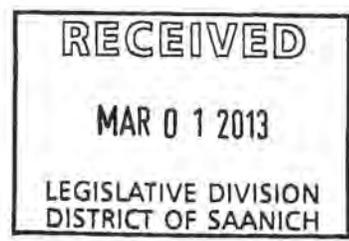
Sp CIW-FP  
March 5/13



GREATER VICTORIA PUBLIC LIBRARY

February 28, 2013

ew Council  
1/3/13 Administrator  
Media VT



His Worship Mayor Leonard and Council  
District of Saanich  
770 Vernon Avenue  
Victoria, BC V8X 2W7

Dear Mayor Leonard and Council:

**Re: 2013 Budget and Five Year Financial Plan – FINAL**

The Greater Victoria Public Library respectfully submits its Final 2013 Operating Budget and Five Year Financial Plan for 2013-2017 for approval by Council resolution by May 1st.

We have reduced our Final Operating Budget Increase to 2.5% The municipal contribution increase for 2013 is 3.58% (a decrease from the 4.32% received in 2012).

The District of Saanich's share of the 2013 requisition based on converted assessment values and population and including rental adjustment is \$4,938,870. This request represents a 3.28% increase for the District of Saanich in 2013.

This operating budget allows the Library to maintain branch hours and services, including the continuation of Sunday service at all 10 locations while we continue to make progress on implementing our new strategic plan through innovation and efficiency.

Public library usage is higher than ever as libraries transform to meet changing needs. The Greater Victoria Public Library system has one of the highest-per-capita circulation rates in the country and is a cost-effective shared service that serves almost 315,000 residents and taxpayers in the Greater Victoria area. We provide citizens of 10 municipalities with free access to books and information, computers, workshops, exhibitions, programming and more to everyone from babies to seniors.

During these tough economic times, demand for public library service continues to increase and record breaking usage rates are being experienced across the system. However, provincial funding continues to decline and fine revenues are reduced as a result of improved customer service processes. At the same time, maintenance costs for heavily used aging facilities increase and other fixed costs escalate. The Library Board is very grateful for the commitment our staff has made to identify service efficiencies and savings that do not impact negatively on quality of service.

Library access has been shown time and time again to be crucial for cognitive development in both children and adults. Strong literacy skills are a prerequisite for economic success in the modern economy. An educated workforce provides the foundation of a vibrant municipal economy, which forms the tax base for the city budget.

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We wish to acknowledge and thank our ten municipal partners for their ongoing collaboration and support of our services. We look forward to receiving your comments and feedback.

Sincerely,

A handwritten signature in black ink, appearing to read 'Greg Bunyan', followed by a horizontal line.

Greg Bunyan  
Chair, Greater Victoria Public Library Board

Enclosure

Copies: Paul Murray, CAO, District of Saanich  
Valla Tinney, Director of Finance, District of Saanich  
Maureen Sawa, CEO, Greater Victoria Public Library  
Donna Phillips, Finance Manager, Greater Victoria Public Library

GREATER VICTORIA PUBLIC LIBRARY  
2013 Final Operating Budget

	2012 Approved Budget	2013 Provisional Budget	2013 Final Budget	Increase (Decrease) 2013 vs 2012		Explanation
<b>Municipal Contributions</b>	<b>13,968,758</b>	<b>14,483,496</b>	<b>14,468,541</b>	<b>499,783</b>	<b>3.58%</b>	

<b>Expenditures</b>						
Salaries and benefits	11,375,051	11,664,093	11,571,052	196,001	1.72%	CUPE increase (2%) including benefits +\$222k; regular position vacancies -\$62k; benefit rate increases +\$41k; increase payroll position from 1/2 to full FTE +\$33k; move exempt staff mat leave to consulting -\$38k
Amortization expense <sup>1</sup>	-	1,970,000	1,970,000	1,970,000	n/a	Convert budget and 5-Year Financial Plan format to reflect Public Sector Accounting Board (PSAB) policy on capital assets
Library materials: Periodicals and eResources	694,000	720,000	720,000	26,000	3.75%	Portion of total materials budget not capitalized: periodicals, eResources, processing and shipping
Supplies and services	811,135	803,978	859,737	48,602	5.99%	ITS decreases to absorb loss of federal CAP grant -\$22k; increases in Telecom, supplies, advertising, subscriptions, software maintenance, audit and bank charges, program expenses, HR consulting and shuttle maintenance +\$33k; move +\$38k from salaries to consulting for mat leave
Building occupancy expenses	706,132	749,449	818,073	111,941	15.85%	Increases in janitorial, security, and repairs & maintenance +\$13k; increase Central Branch MAM <sup>2</sup> contribution and energy costs to Strata net of cost recovery from Victoria/View Royal +\$93k; establish MAM contribution to West Shore Parks & Recreation Society for Juan de Fuca Branch net of recovery from building owners for branch portion +\$16k (Tech Services portion); hydro/water increases +\$4k; decrease one-time Central Branch lighting retrofit in 2011 -\$14k
Other expenses	297,733	329,562	305,653	7,920	2.66%	Increase insurance and memberships +\$15k; net increase training/travel for IT and to address staffing efficiencies +\$12k; savings from new printers -\$19k
<b>Total Expenditures</b>	<b>13,884,051</b>	<b>16,237,082</b>	<b>16,244,515</b>	<b>2,360,464</b>	<b>17.00%</b>	<b>Cost increase excluding amortization, including capital assets = 2.5%</b>

<b>Revenues</b>						
Provincial grants	(646,164)	(644,066)	(644,066)	(2,098)	-0.32%	Slight decrease in Resource Sharing Grant
Federal grants	(26,581)	(4,333)	(4,333)	(22,248)	-83.70%	Loss of CAP grant
Other grants	(44,065)	(10,000)	(10,000)	(34,065)	-77.31%	Anticipated grants not confirmed/included in budget -\$25k; change in revenue recognition for Endowment grant -\$9k
Fines and fees	(781,700)	(768,400)	(738,575)	(43,125)	-5.52%	Trend downwards in fines and fees, net of increase in meeting room rentals
Contracts for service	(25,440)	(25,970)	(25,970)	530	2.08%	Slight increase in per capita rate charged to CRD Langford Electoral Area: Malahat/Willis Point services

GREATER VICTORIA PUBLIC LIBRARY  
2013 Final Operating Budget

	2012 Approved Budget	2013 Provisional Budget	2013 Final Budget	Increase (Decrease) 2013 vs 2012		Explanation
Investment Income	(50,000)	(40,000)	(40,000)	(10,000)	-20.00%	Reduce bond fund earnings to reflect 2012 actual
Donations	(27,500)	(30,000)	(30,000)	2,500	9.09%	Increase in Friends contribution for Summer Reading Club
<b>Total Revenues</b>	<b>(1,601,450)</b>	<b>(1,522,769)</b>	<b>(1,492,944)</b>	<b>(108,506)</b>	<b>-6.78%</b>	
Add back Amortization Expense	-	1,970,000	1,970,000	(1,970,000)	n/a	Adds back non-cash item
<b>Budgeted Surplus (Deficit) - PSAB<sup>3</sup></b>	<b>1,686,157</b>	<b>1,739,183</b>	<b>1,686,970</b>	<b>(813)</b>	<b>0.05%</b>	

Appropriations <sup>4</sup>						
Transfers from Replacement Reserve	78,000	78,000	78,000	-	0.00%	Shows transfer separate from Revenues
Less: Capital asset additions <sup>5</sup>	(1,590,135)	(1,661,043)	(1,611,043)	20,908	-1.31%	See asset additions below (note 5)
Capital lease principal payments	(79,022)	(61,140)	(58,927)	(20,095)	25.43%	Maturing leases net of new Shuttle Vehicle lease
Transfer to Replacement Reserve	(75,000)	(75,000)	(75,000)	-	0.00%	Shows transfer separate from Expenditures
Transfer to Contingency Reserve	(20,000)	(20,000)	(20,000)	-	0.00%	Shows transfer separate from Expenditures
<b>Total Appropriations</b>	<b>(1,686,157)</b>	<b>(1,739,183)</b>	<b>(1,686,970)</b>	<b>813</b>	<b>0.05%</b>	
<b>Budgeted Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	

<sup>1</sup> Amortization is a new budget item in 2013 to comply with PSAB requirements for tangible capital assets

<sup>2</sup> MAM - Major Asset Maintenance for building

<sup>3</sup> PSAB - Public Sector Accounting Board standards

<sup>4</sup> Appropriations are budget items categorized separately to comply with PSAB requirements

<sup>5</sup> Capital asset additions:

Library collection materials	1,337,635	1,423,543	1,398,543	60,908	4.55%	Collection improvement: popular materials and eBooks
Computer equipment	115,000	100,000	100,000	(15,000)	-13.04%	
Building improvements	78,000	78,000	78,000	-	0.00%	
Furniture, equipment, shelving	59,500	59,500	34,500	(25,000)	-42.02%	
	<u>1,590,135</u>	<u>1,661,043</u>	<u>1,611,043</u>	<u>20,908</u>	<u>1.31%</u>	

**GREATER VICTORIA PUBLIC LIBRARY  
2013 - 2017 FINANCIAL PLAN (Final)**

	2013	2014	2015	2016	2017
<b>Revenues</b>					
Municipal contributions	14,468,541	14,846,558	15,227,946	15,593,094	15,966,083
Provincial grants	644,066	644,066	644,066	644,066	644,066
Federal grants	4,333	4,333	4,333	4,333	4,333
Other grants	10,000	10,000	10,000	10,000	10,000
Fines and fees	738,575	738,575	738,575	738,575	738,575
Contracts for service	25,970	25,970	25,970	25,970	25,970
Investment Income	40,000	40,000	40,000	40,000	40,000
Donations	30,000	30,000	30,000	30,000	30,000
<b>Total Revenues</b>	<b>15,961,485</b>	<b>16,339,502</b>	<b>16,720,890</b>	<b>17,086,038</b>	<b>17,459,027</b>
<b>Expenditures</b>					
Salaries and benefits	11,571,052	11,802,473	12,038,523	12,279,293	12,524,879
Amortization expense	1,970,000	2,068,500	2,171,925	2,280,521	2,394,547
Library materials expense	720,000	720,000	720,000	720,000	720,000
Supplies and services	859,737	868,334	877,018	885,788	894,646
Building occupancy expenses	818,073	830,344	842,799	855,441	868,273
Other expenses	305,653	310,238	314,891	319,615	324,409
<b>Total Expenditures</b>	<b>16,244,515</b>	<b>16,599,889</b>	<b>16,965,156</b>	<b>17,340,658</b>	<b>17,726,754</b>
Net Surplus (Deficit)	(283,030)	(260,387)	(244,266)	(254,620)	(267,726)
Add back Amortization expense	1,970,000	2,068,500	2,171,925	2,280,521	2,394,547
Budgeted Surplus (Deficit) - PSAB <sup>1</sup>	1,686,970	1,808,113	1,927,659	2,025,901	2,126,821
<b>Appropriations</b>					
Add: Transfers from Replacement Reserve	78,000	110,000	110,000	110,000	110,000
Deduct: Capital asset additions <sup>2</sup>	(1,611,043)	(1,740,941)	(1,825,834)	(1,902,901)	(1,983,821)
Capital lease principal payments	(58,927)	(67,172)	(81,825)	(83,000)	(83,000)
Transfer to Replacement Reserve	(75,000)	(90,000)	(110,000)	(130,000)	(150,000)
Transfer to Contingency Reserve	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Total Appropriations	(1,686,970)	(1,808,113)	(1,927,659)	(2,025,901)	(2,126,821)
<b>Budgeted Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Municipal Contribution increase \$</b>	<b>499,783</b>	<b>378,017</b>	<b>381,388</b>	<b>365,148</b>	<b>372,990</b>
<b>Municipal Contribution increase %</b>	<b>3.58%</b>	<b>2.61%</b>	<b>2.57%</b>	<b>2.40%</b>	<b>2.39%</b>
<b>Capital and expenditure increase</b>					
Increase in expenditures, including net transfers and tangible capital assets, not including amortization	2.5%	2.4%	2.3%	2.2%	2.2%

<sup>1</sup> "PSAB" - Public Sector Accounting Board policy

<sup>2</sup> Capital asset additions:

Library collection materials	1,398,543	1,496,441	1,541,334	1,618,401	1,699,321
Computer equipment	100,000	100,000	115,000	115,000	115,000
Building improvements	78,000	110,000	110,000	110,000	110,000
Furniture, equipment, shelving	34,500	34,500	59,500	59,500	59,500
	<b>1,611,043</b>	<b>1,740,941</b>	<b>1,825,834</b>	<b>1,902,901</b>	<b>1,983,821</b>

**GREATER VICTORIA PUBLIC LIBRARY  
2013 - 2017 FINANCIAL PLAN (Final)  
NOTES**

1. The increase in the Municipal Contributions in 2013 consists of:

CUPE contractual increase of 2%, including benefits	1.59%	\$221,816
Building occupancy increases (utilities, maintenance, security and janitorial)	0.80%	111,941
Revenue decrease (federal grant, fines and fees, investment income)	0.78%	108,506
Library materials collection to keep pace with high demand items: ebooks and popular material	0.62%	86,908
Insurance, memberships, training, audit, bank charges, software maintenance, vehicle operating costs	0.37%	51,160
Staff benefit rate increases	0.29%	41,150
Budget Reductions: furniture, computer equipment, equipment lease, IT	-0.73%	(101,673)
Budget Reductions: Net staffing efficiencies and vacancies	-0.14%	(20,025)
	<b>3.58%</b>	<b>\$499,783</b>

2. During September and October 2012, the GVPL CEO and management staff engaged in a consultation process with municipal staff to gather information to update the GVPL Facilities Plan received by Councils in 2010. In June 2013, a Facilities Improvement Implementation Plan (FIIP) will be prepared based on input received. Consequently, this 2013-2017 Five-Year Financial Plan does not include any costs for facilities improvements related to the FIIP. Once the implementation plan is completed, capital and operating costs associated with the FIIP will be reflected in the Five-Year Financial Plan.

3. Five-Year Financial Plan Assumptions

	2013	2014	2015	2016	2017
Consumer Price Index	2.1%	2.1%	2.1%	2.1%	2.1%
<b>Budgeted Increases (Decreases):</b>					
Federal grant funding (a)	-83.7%	0.0%	0.0%	0.0%	0.0%
Provincial grant funding	0.0%	0.0%	0.0%	0.0%	0.0%
Investment income (b)	-20.0%	0.0%	0.0%	0.0%	0.0%
User Fee revenue	0.0%	0.0%	0.0%	0.0%	0.0%
Salaries and benefits	1.7%	2.0%	2.0%	2.0%	2.0%
Supplies and services	6%	1.0%	1.0%	1.0%	1.0%
Building occupancy costs (c)	15.9%	1.5%	1.5%	1.5%	1.5%
Library materials collection	4.3%	7.0%	3.0%	5.0%	5.0%
Other expenses (d)	2.7%	1.5%	1.5%	1.5%	1.5%
Replacement reserve contribution (e)	0.0%	20.0%	22.2%	18.2%	15.4%
Contingency reserve contribution	0.0%	0.0%	0.0%	0.0%	0.0%
Furniture, equipment, hardware and minor improvements	-18.1%	24.0%	4.4%	0.0%	0.0%

(a) Loss of federal CAP grant

(b) Adjust earnings from MFA bond fund for potential interest rate increase

(c) 2013 adjustment to increase reserve contributions for major assets maintenance at Central and Juan de Fuca Branches

(d) 2013 adjustment for insurance and membership rate increases; increase training costs

(e) To fund minor tenant improvements in branches to better meet changing community needs as reflected in the Strategic Plan and to build up reserves for deferred building maintenance and fixture replacements.

## GREATER VICTORIA PUBLIC LIBRARY - 2013 MUNICIPAL CONTRIBUTIONS (Final)

Municipal Contributions to Operating Budget								
	2012 Share	2012 Net Municipal Contribution	2013 Share	2013 Budget	Rent Adjustment <sup>1</sup>	2013 Net Municipal Contribution	Contribution Increase	
Central Saanich	5.31%	\$753,023	5.28%	\$763,939	\$11,234	\$775,173	\$22,150	2.94%
Colwood	4.92%	695,601	4.82%	\$697,384	\$8,180	705,564	9,963	1.43%
Esquimalt	5.57%	775,715	5.58%	\$807,344	-\$2,350	804,994	29,279	3.77%
Highlands	0.74%	104,626	0.72%	\$104,173	\$1,224	105,397	771	0.74%
Langford	9.38%	1,326,233	9.54%	\$1,380,299	\$16,269	1,396,568	70,335	5.30%
Metchosin	1.69%	238,925	1.67%	\$241,625	\$2,823	244,448	5,523	2.31%
Oak Bay	6.48%	902,349	6.46%	\$934,668	-\$2,842	931,826	29,477	3.27%
Saanich	34.55%	4,782,191	34.44%	\$4,982,965	-\$44,095	4,938,870	156,679	3.28%
Victoria	28.51%	3,985,930	28.59%	\$4,136,556	\$3,387	4,139,943	154,013	3.86%
View Royal	2.85%	404,165	2.90%	\$419,588	\$6,170	425,758	21,593	5.34%
<b>Total Municipal Contributions</b>	<b>100%</b>	<b>\$13,968,758</b>	<b>100%</b>	<b>\$14,468,541</b>	<b>\$0</b>	<b>\$14,468,541</b>	<b>\$499,783</b>	<b>3.58%</b>

<sup>1</sup> The rent is calculated in accordance with section 9.10 of the LOA (2009-2013).

## GREATER VICTORIA PUBLIC LIBRARY - 2013 MUNICIPAL CONTRIBUTIONS (Final)

	Additional Building Maintenance Costs <sup>2</sup>		
	2012	2013	Explanation
Central Saanich			Costs included in municipality's budget
Colwood	8,342	26,758	Juan de Fuca Branch - 28.71% share of insurance, maintenance and MAM <sup>3</sup>
Esquimalt			Costs included in municipality's budget
Highlands	1,254	4,026	Juan de Fuca Branch - 4.32% share of insurance, maintenance and MAM
Langford	15,903	53,087	Juan de Fuca Branch - 56.96% share of insurance, maintenance and MAM
Metchosin	2,865	9,329	Juan de Fuca Branch - 10.01% share of insurance, maintenance and MAM
Oak Bay			Costs included in municipality's budget
Saanich			Costs included in municipality's budget
Victoria	104,415	142,970	Central Branch - 67.23% of insurance, maintenance, MAM & contingency
View Royal	7,515	10,262	Central Branch - 4.83% of insurance, maintenance, MAM & contingency
<b>Total Building Maintenance Costs</b>	<b>\$140,294</b>	<b>\$246,432</b>	

<sup>2</sup> *Building Maintenance Costs* are for library branches that are jointly-owned and contain system service areas (Central and Juan de Fuca Branches) and are over-and-above the municipal contributions to the library operating budget. These costs are normally found in municipal budgets as they relate to the municipalities' responsibility to "keep premises in good and substantial repair and condition". Due to the shared service aspect of these branches, building maintenance costs are paid for by the library, which in turn invoices the municipalities for their share. For all other branches, municipalities pay for building maintenance costs directly, outside of the library budget. The Central and Juan de Fuca branch costs for building maintenance have been provided by the building maintenance contractors, and are pursuant to the Library Operating Agreement 2009-2013, sections 9.6, 9.7 and 9.8 and the GVPL agreement with the West Shore Parks and Recreation Society 2011-2013, section 1.

<sup>3</sup> MAM - Major Asset Maintenance reserve contribution

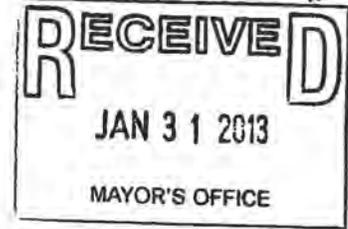
Connecting people to plants



**HCP**  
HORTICULTURE CENTRE  
OF THE PACIFIC

Sp. CIW - FP  
March 5/13

Council  
Administrator  
Media



February 7, 2013

Mayor Frank Leonard and Council  
Corporation of the District of Saanich  
770 Vernon Ave.  
Victoria BC  
V8X 2W7

Re: Request for Financial Support in 2013

This letter constitutes our official application for continued funding of the Horticulture Centre of the Pacific (HCP). Since our last request for support we have continued to run the Horticulture Centre of the Pacific in its normal operations while at the same time raising funds to replace the buildings that were destroyed. We are now in the construction mode to build the Couvelier Pavilion.

What follows is a summary of what has happened and what we are doing to realize our vision. This vision starts with the provision of a high standard of educational, horticultural and recreational services to the community. In order to sustain and build our vision, we request that the grant Saanich kindly gave us in 2012 of \$130,000 be repeated in 2013.

1. The Saanich vision for 2025 states:

*The District of Saanich's Latin motto "populo Serviendo" means serving the people". Our mission is to enhance the quality of life for citizens, visitors and future generations in our municipality and the region. We strive to live in harmony with each other and our environment and further our citizens' economic, physical and social well being.*

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2. We believe the Horticulture Centre of the Pacific (HCP) plays an important role in realizing that vision. It does this in three ways. Firstly, the HCP conservation area is one part of a multi-tiered, urban, regional conservation effort. The HCP provides stewardship of 42 hectares of land. The land use plan designates 38 hectares to be maintained as natural habitat. It is now designated as the HCP Conservation area and wetlands. This area is used freely by the citizens of Saanich to walk, ride (horses & bikes), and learn about conservation. We bring students from the secondary schools in Saanich ( eg. Reynolds H.S. and St. Michael's University College) to help maintain the conservation area while teaching them the fundamentals of environmental sustainability. At the same time, working with Camosun College, Vancouver Island Technology Park and the Pacific Institute for Sports Excellence, young families have participated in a physically active way through the Power To Play Charity event.
3. The Conservation area contains sensitive terrestrial and wetlands habitat. The area contains a carefully designed trail system as well as a viewing station that allows for public access while protecting ecologically sensitive areas. In 2009, with the help of the Victoria Natural History Society, we installed signs providing information on the range of birds that use the wetlands habitat. A viewing scope has also been installed to allow visitors a better view of the wildlife in the wetlands.
4. Secondly, the HCP operating as the Gardens at HCP is a destination that caters to both local visitors and tourists with an interest in demonstration gardens, environmental management and plants native to the Saanich peninsula. Visitors come from across Canada and around the world as well as locally. Nevertheless, our core support remains the residents of the Saanich district. So we play a destination role at the local, regional, national and international levels. To illustrate that role, we are the home of the BC Garden Tourism Coalition. The BCGTC represents all the major garden tourism destinations in the province. It is also the lead organization for Canada's 150 anniversary in 2017 as a garden destination.
5. Thirdly, we are committed to building the College at HCP as the premier horticulture education centre on Vancouver Island. This vision is embedded in the HCP vision statement,

*a. The Gardens at HCP will be a beautiful, locally treasured garden and internationally recognized centre for horticultural education ...*

In 2012, we continued to be the second largest post secondary horticulture training institute in the province by the number of students in accredited programs. Nearly 50 students were being trained in either full time, part time or online courses. We are also only the second post secondary institution in the province to offer the provincially funded Apprenticeship Level 3 and the

Apprenticeship Level 4 programs after Kwantlen Polytechnic University on the mainland.

Through our participation in the Vancouver Island Parks and Gardens Supervisors Association (VIPGSA), we have and continue to provide specialized and customized training to the staff at Saanich parks as well as staff in municipalities across the island. In addition, we catered to over 500 gardening enthusiasts through our Community Education courses in 2012.

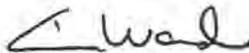
6. The founders created the HCP in 1979. Most of this growth and change has been the result of volunteers committing their time, energy and frequently their money. In the past year our 200 volunteers have spent over 18,000 hours maintaining the Gardens, restoring the conservation area, building and repairing the facilities and even shoveling snow off the gardens themselves.
7. The Saanich grant of \$130,000 which we received in 2012 helped in the development and growth of the Gardens as a destination and an inspiration for visitors about the importance of plants in a sustainable world. We have supplemented the attractiveness of the Gardens by introducing a Sculpture Garden and Bonsai Garden in cooperation with the relevant societies. Attached (Appendix A) you will find a description of our activities and the participation rate in 2012.
8. For 2013, we will continue to enhance our educational offering. In addition to the full time, part time and online programs, we are developing a 6 month pre-employment training module for the municipal parks departments. While we continue to maintain our accreditation by the Industry Training Authority, we will also continue to work with the University of Victoria and other educational institutions with a focus on scientific research about a sustainable environment as exemplified by the Glendale valley. The physical expression of this cooperation is our Ethnobotany Trail which is a cooperative effort of Dr. Nancy Turner of the University of Victoria's Department of Environmental Science, the Tsawout nation and the HCP. In pursuit of working with the First Nations, we were approached by the Quatsino First Nations to help teach their members the principles of food sustainability. We sent a team to their location north of Port Hardy and helped teach the members and their children on how to grow food. We are now offering the program for First Nations across the province.
9. In 2012 we offered lectures from world renowned experts on garden tourism (Alex Reford from Jardins Botaniques Reford), global food sustainability (Dr. Raj Patel) and native food production (Dr. Gary Nabhan, the University of Arizona). We will continue to offer such lectures in 2013.
10. In pursuit of our key goal of strengthening the Horticulture Centre of the Pacific as an educational centre of excellence, we are seeking to receive \$130,000 in 2013 as a grant from the Corporation of the District of Saanich. The grant combined with revenues we receive from our members and donors, our

educational programs and our commercial activities such as the gift shop are the key to the realization of our goals.

11. In 2010 The HCP entered into a 5 year MOU with Saanich Parks and Recreation to restore and maintain Outerbridge Park. We have made exciting progress in rehabilitating the Park using a regular team of 20 volunteers as well as the ongoing support of the Saanich Parks crew. The Times Colonist (Aug. 30 2012) reported it is one of the hidden jewels in the CRD. Consequently, the grant of \$130,000 we seek does not presuppose the additional management of Outerbridge Park. We need to treat the Park as a separate operational and budget item.
12. All of the above describes our ongoing operations. Yet much of the energy of the Board and the Executive Director have been focused on raising money to rebuild the infrastructure that was destroyed in the fire. At the time of writing, we have raised over \$1.5 million in grants, donations, pledges as well as the interest free loan from the municipality of Saanich and the mortgage from Vancity Credit Union. Construction has now started on the building. We expect to have an opening day ceremony at the beginning of September of this year.
13. The current activities and programs carried out by the HCP extend to the limit our resources and facilities. The Board of Directors, on behalf of the over 2000 HCP members, gratefully acknowledges the granting of funds and professional services by Saanich that have made possible the growth and development of the Horticultural Centre over the years. The Saanich grant is at the heart of our funding and is key to our future operations. We believe that what we have requested is essential to allow us to maintain and improve our facilities and the level of service we offer to the Saanich community.

In support of this application, we are attaching the HCP Business Plan and budget for 2013.

Yours truly,



Simon Wade  
President  
The Horticulture Center of the Pacific

**APPENDIX A**

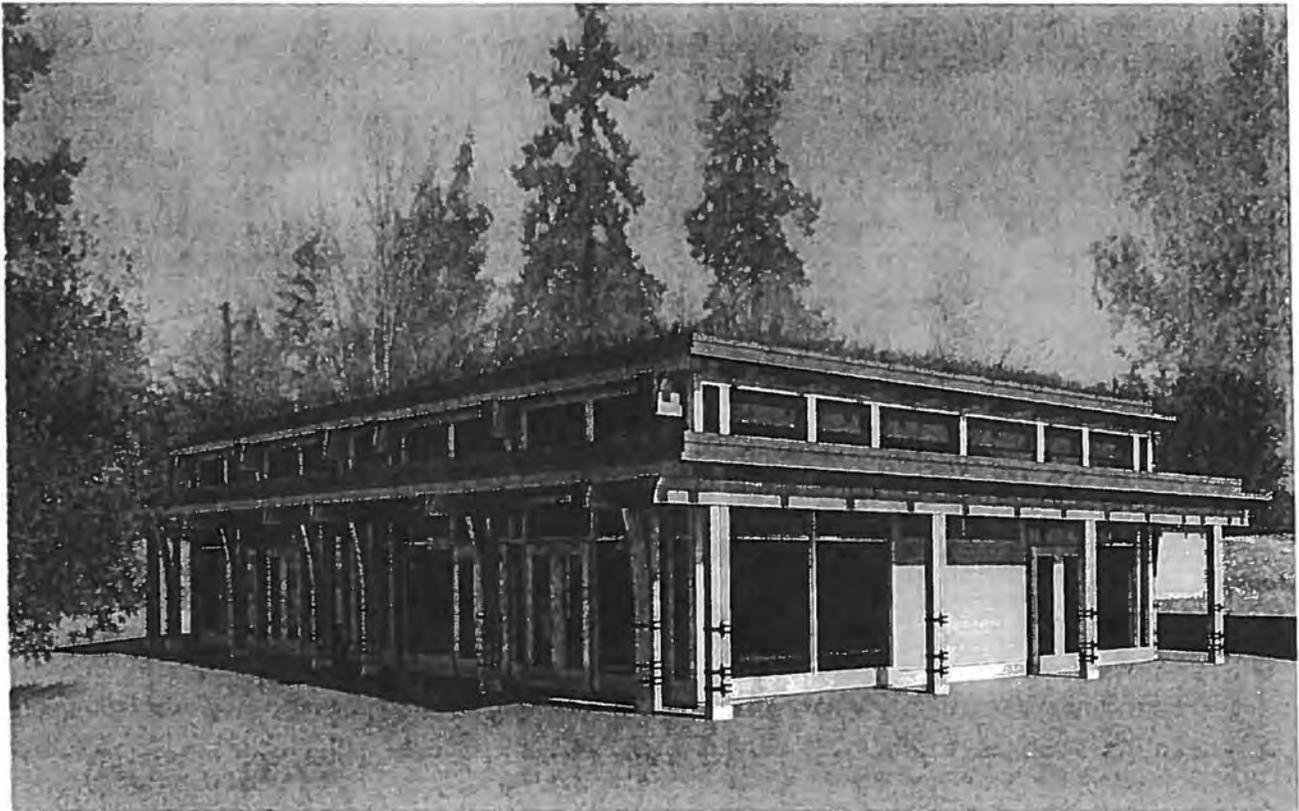
**Activities at the Horticulture Centre of the Pacific**

<b>2011 Attendance Numbers</b>	<b>Number of Attendees</b>
General Admission	4,500
Events	10,000
Weddings	3,700
Education Programs including Community Education, Master Gardener, Sustainable Gardening, College & CRD	700
School Tours & Work Projects	250
Garden Club meetings	1,500
Trade Organization Meetings & Seminars	400
200 Volunteers contributed 18,000 hours	6,000 visits
Plant Sales	1,000
<b>Total</b>	<b>28,050</b>

The numbers for the conservation area are unknown because we have no means of measuring them. Nonetheless, the time, money and effort we have put into the enhancement of the area from the improvement in the trails, the elimination of invasive species such as the Himalaya blackberry and the establishment of a viewing station for Bird watchers has given us anecdotal evidence of an ever growing use by the local populace. Bird watchers, cyclists, walking groups and equestrians are making great use of the trails and viewing stations.

# **Strategic Business Plan**

2013 - 2015



November 1, 2012

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## **A Period of Transformation**

The Horticulture Centre of the Pacific (HCP) is currently undertaking the largest capital investment in its 30-year history. The construction of the multipurpose Couvelier Pavilion will transform the financial sustainability of the HCP, providing a steady, year round source of rental income to support the mission, vision and strategic objectives of the organization.

Over the past 4 years the HCP has focused on the transformation of its educational business, particularly the Pacific Horticulture College.

With the construction of the Couvelier Pavilion, the HCP will need to make equally transformative changes to the organization that manages the retail business.

## Introduction

In October 2012, the Board of the HCP reviewed the current **HCP Strategic Plan 2010 – 2013** in preparation for the development of the **HCP Strategic Business Plan 2013 - 2015**. The Board found the Strategic Plan to be fundamentally sound and continues to be applicable with some modifications in strategic objectives to reflect:

1. Many of the short terms objectives in the plan have been accomplished, and
2. The need to reflect changes to support the construction of the Couvelier Pavilion.

Those changes are reflected in the strategic objectives outlined in this section of this Business Plan.

The HCP Board also determined that the HCP should move from an annual business plan to a 'rolling' three-year business plan in order to:

1. Provide a more appropriate planning horizon for the organizational changes necessitated by the construction of the Couvelier Pavilion, and
2. Provide key stakeholders with greater clarity on the intended direction of the HCP and its progress in meeting its strategic objectives.

The first year of the Plan will provide sufficient detail for annual budgeting followed by plans at a lower level of detail for the next two years. The forward looking plans for years 2 and 3 will focus on key strategies and performance targets.

## Vision and Mission

### The Vision

The Vision Statement of the HCP reads:

Glendale Gardens and Woodland will be a beautiful, locally treasured garden and internationally recognized centre for horticultural education, celebrating the importance of plants in a sustainable world.

### The Mission

The HCP's Mission Statement reads:

We enrich our community by sharing the beauty and joy of gardening, and by demonstrating the importance of plant diversity to life in our world.

We accomplish this by:

- Developing and maintaining diverse north Pacific demonstration gardens, designed to educate visitors on good horticultural practices, and to provide public enjoyment
- Demonstrating responsible stewardship of our forest and wetlands through sound habitat restoration, conservation and agro forestry practices
- Providing horticultural education, including an accredited horticultural certificate program, for garden enthusiasts regardless of age, in an exciting learning environment
- Providing a comprehensive resource centre and meeting place, which facilitates the sharing of knowledge within the horticultural community
- Developing and fostering community partnerships and providing rewarding opportunities for our staff and volunteers.

## **Strategic Objectives 2010 – 2013**

The HCP Strategic Plan 2010 – 2013 organizes the HCP's strategic objectives under 6 strategic themes:

1. Education Development
2. Financial Development
3. Marketing & Communications
4. Organizational Development
5. Facilities Development
6. Board Development

### **1. Education Development**

The key strategic objectives for educational development include:

- Implement an accredited 2 year diploma program
- Expand on-line course offerings
- Expand community education classes, including on-line options
- Increase school visits
- Establish an active college alumni association
- Implement a landscape design program

## **2. Financial Development**

The key strategic objectives for financial development include:

- Increase foreign student revenue at the College
- Secure funding for a Financial Development Director
- Improve financial management processes and practices
- Increase financial viability by growing revenue sources
- Develop international contracts??
- \$1 million in revenue by 2013
- Maintain a management reserve of 10% of gross budget

## **3. Marketing and Communications**

The key strategic objectives for marketing and communications include:

- Increase public awareness and support for the HCP
- Improve communications with volunteers
- Develop new promotional materials
- Follow up on the UVic student marketing plans
- Marketing plan for the College
- Develop a brand strategy for the HCP

## **4. Organizational Development**

The key strategic objectives for facilities development include:

- Ensure the organization develops to meet the challenges of growth with emphasis on human resources and information technology systems
- Human resources management strategy and plan
- Mentorship program for garden curators

## **5. Facilities Development**

The key strategic objectives for facilities development include:

- Create a Master Site Plan
- Review Land Use Plan
- Create Garden Development Plan
- Continue conservation area development
- Continue garden area development
- Complete infrastructure in the gardens

- Build new classroom facilities

## **6. Board Development**

The key strategic objectives for Board development include:

- Policy development – ensure that appropriate and up-to-date by-laws and policies guide the Society's operations
- Conduct an analysis of our business model

## The HCP's Business

The HCP is organized into 3 lines of business plus administration services.

### **Pacific Horticulture College**

The Pacific Horticulture College is responsible for the profitable provision of accredited, unaccredited and community education courses.

#### **Accredited horticulture programs**

- o Ten-month Certificate Program in Landscape Installation & Maintenance
- o Level 3 program
- o Level 4 program
- o Part time Certificate Program
- o On-line programs

#### **Un accredited horticulture programs**

- o

#### **Community education programs**

- o School programs

#### **Horticultural Library Services**

- o

### **Gardens at HCP**

The Gardens at HCP is the business unit responsible for the development and profitable management of the demonstration gardens and conservation area and wetlands.

#### **Demonstration Gardens**

The Gardens at HCP consist of 10 acres (4.4 hectares) of managed gardens, divided into 20 theme gardens, e.g. Japanese Garden, Winter Garden, Children's Garden and Mediterranean Garden. Each theme garden has a curator who is responsible for the development and management of the garden under the leadership of the Head Gardener. A contingent of some 200 volunteers does the day-to-day maintenance of the gardens under the direction of the curators.

## **Conservation area**

The Gardens at HCP contain a 90-acre conservation area and wetland.

## **Retail Services**

Retail services is the business unit responsible for the planning, marketing and management of HCP events, including the rental of space in the Couvelier Pavilion and special events such as the Arts and Music in the Gardens and the Harvest Festival. It is also responsible for promoting the Garden at HCP as a location for community and business events.

### **Marketing & Communications**

- Development and execution of the HCP marketing plan
- Development and execution of HCP social media strategy
- Defining and promoting the HCP brand
- Public relations with local communities, businesses, not for profits and the media
- Increasing public visibility and awareness of the HCP

### **Couvelier Pavilion**

- Development and execution of space rental plan for the Couvelier Pavilion
- Promotion of the 3000 square foot facility for events, including business meetings, retreats, conferences, community group meetings and events
- Development of marketing materials and web site
- Liaison with event planning community
- Event scheduling

### **Garden Gift Shop**

- Development and execution of merchandising plan
- Gift shop staffing and management

### **Nourish Bistro**

Nourish Bistro provides food services to staff and visitors to the Gardens at HCP. The Bistro is managed under contract.

### **Special Events**

- Identification and planning of profitable special events, e.g. Arts and Music in the Gardens
-

## **Administrative Services**

### **Management**

- Strategic planning
- Board liaison
- Community and government relations

### **Finance**

- Maintain financial records
- Produce monthly and annual financial reports
- Cash flow management
- Financial projections
- Liaise with auditors

### **Administrative Support**

- Reception and telephone answering
- Records management
- Visitor greeting and entrance fee processing
- Gift shop sales
- Mail processing

### **Membership Services**

- Membership processing
- Newsletter
- Maintain distribution database

### **Volunteer Services**

- Recruit and orient new volunteers
- Organize volunteer appreciation events
- Maintain volunteer database
- ?

### **Technical Services**

- Manage IT infrastructure
- Maintain HCP web site

### **Building Maintenance**

- Cleaning of buildings
- Minor repairs to buildings
- ?

## Security

- ?

## Foundations for Growth

The educational part of the HCP's business has reached a plateau after several years of growth. This plateau in students, revenue and profitability reflect:

1. The limited size of the market on lower Vancouver Island for horticultural education
2. The lack of a two-year accredited program
3. The sizable market share that the HCP has acquired of the local market
4. The disadvantages that the HCP has as a non government educational institution in participating in government sponsored promotion of horticulture careers and education
5. Constrained resources to aggressively market the HCP's educational programs
6. Lack of success in attracting students beyond Vancouver Island.

### Overview of the Three-year Strategy

In order for the HCP to grow to the next plateau of student enrollment, revenue and profitability the HCP will focus on laying the foundations for the next stage of growth.

1. Implement a two-year accredited program
2. Increase student enrollment from outside Vancouver Island
3. Expand on-line course offerings
4. Improve educational infrastructure??
5. ??

### Strategic Objectives and Targets for 2013

## Enhancing Financial Sustainability

The HCP has made substantial progress in the past 4 years in improving its financial management processes and practices, growing revenue and profitability.

The following table provides a three-year history of revenue, expenses and profitability of the HCP. A clear message from these figures is that increases in costs have outpaced increases in revenues in the College and the Retail areas.

	2012	2011	2010
<b>Pacific Horticulture College</b>			
Revenue	\$285,003	\$301,586	\$251,190
Expense	\$248,310	\$243,823	\$195,499
Surplus (Deficit)	\$36,693	\$57,763	\$55,691
Margin	13%	19%	22%
<b>Development &amp; Fundraising</b>			
Revenue	\$306,793	\$259,742	\$251,978
Expense	\$89,913	\$125,345	\$44,015
Surplus (Deficit)	\$216,880	\$134,397	\$207,963
Margin	71%	52%	83%
<b>Retail</b>			
Revenue	\$229,900	\$200,080	\$202,488
Expense	\$165,919	\$142,702	\$128,512
Surplus (Deficit)	\$63,981	\$57,378	\$73,976
Margin	28%	29%	37%
<b>Gardens</b>			
Revenue	\$2,996	\$23,848	\$2,163
Expense	\$116,722	\$150,006	\$100,167
Surplus (Deficit)	-\$113,726	-\$126,158	-\$98,004
<b>Administration</b>			
Revenue	\$13,280	\$153,241	\$11,300
Expense	\$217,072	\$289,270	\$230,473
Surplus (Deficit)	-\$203,792	-\$136,029	-\$219,173
<b>Summary</b>			
Total Revenue	\$837,972	\$938,497	\$719,119
Total Expenses	\$837,936	\$951,146	\$698,666
Surplus (Deficit)	\$36	-\$12,649	\$20,453

## **Overview of the Three-year Strategy**

1. Increased focus on profitability and cost control
2. Some thing around staffing and staff compensation

## **Strategic Objectives and Targets for 2013**

---

## **Transforming the Organization**

The HCP has made great strides over the past 3 years in moving from a volunteer driven organization to a professionally managed, volunteer supported organization.

### **Overview of the Three-year Strategy**

1. Increased focus on the retail business, in particular event rentals
2. In strategic areas move from volunteer to staff functions
3. Assess contracting out options for some areas
4. Re-align and rationalize lines of business

### **Strategic Objectives and Targets for 2013**

---

## **Improving Public Awareness & Support**

The

### **Overview of the Three-year Strategy**

1. Activate Marketing and Communications Plan with required resources
2. Marketing budget
3. HCP Brand strategy
4. Web site, social media strategy

### **Strategic Objectives and Targets for 2013**

---

## **Enhancing HCP's Infrastructure**

The

### **Overview of the Three-year Strategy**

#### **The Couvelier Pavilion**

1. Complete construction of Couvelier Pavilion by August 2013

#### **Parking Improvements**

2. Assess long term parking requirements
3. Develop long term parking strategy and plan

### **Strategic Objectives and Targets for 2013**

## **Ensuring Plan Performance**

The HCP Strategic Business Plan 2013 – 2015 is executed by the staff of the HCP under the leadership of the Executive Director.

Business unit managers are responsible to the Executive Director for the achievement of performance targets established for their business unit.

The Board monitors the performance of the business plan on a monthly basis.

### **Overview of the Three-year Strategy**

#### **Performance Targets**

#### **Accountability for Performance**

#### **Monitoring Performance**

#### **Managing the Plan**

### **Strategic Objectives and Targets for 2013**

## Horticulture Centre of the Pacific

### 2013 Budget

	YTD Nov 30/12	Total Budget 2013	Total Budget 2013 With Couv Pav
<b>Revenue</b>			
Pacific Horticulture College	276,781	290,414	290,414
Development & Fundraising	261,952	211,740	211,740
Retail	226,707	227,200	227,200
Gardens & Grounds	2,996	-	-
Administration	12,253	17,280	17,280
Couvelier Pavilion			65,000
Outerbridge Park	15,000	15,000	15,000
	<u>795,689</u>	<u>761,634</u>	<u>826,634</u>
<b>Expenses</b>			
Pacific Horticulture College	240,551	246,545	246,545
Development & Fundraising	86,476	21,000	21,000
Retail	159,725	145,725	145,725
Gardens & Grounds	112,647	124,355	124,355
Administration	180,319	202,860	202,860
Couvelier Pavilion			65,000
Outerbridge Park	15,000	15,000	15,000
	<u>794,718</u>	<u>755,485</u>	<u>820,485</u>
<b>Surplus (deficit)</b>	<b><u>971</u></b>	<b><u>6,149</u></b>	<b><u>6,149</u></b>
Capital Donations	17,251	18,819	18,819
Depreciation	(19,987)	(23,846)	(23,846)
<b>Surplus (deficit)</b>	<b><u>(1,765)</u></b>	<b><u>1,122</u></b>	<b><u>1,122</u></b>

SPCIW-FP  
March 5/13



Council  
Administrator  
Media

Mayor and Council  
Corporation of the District of Saanich  
770 Vernon Avenue  
Victoria, BC V8X 2W7

February 25, 2013

Re: Budget Submission for 2013 Fiscal Year

Dear Mayor and Council:

Attached is the Swan Lake Christmas Hill Nature Sanctuary Society's budget for 2013 as required by paragraph 12 of the Land Management Agreement.

For 2013 the management fee requested is \$320,000. This amount represents a 3.22% increase over the 2012 management fee attributable to costs associated with expanding programs and increased operational costs.

In addition to the annual management fee, the Nature Sanctuary Society requests the third installment (\$30,000) towards the Bridges to Nature Capital Campaign for the replacement of the aging floating walkway and south wharf. The District of Saanich supported a request for \$100,000 spread over a four year period: 2011 = \$10,000      2012 = \$20,000      2013 = \$30,000      2014 = \$40,000.

Thank you for approving \$20,000 from the Saanich Carbon Fund. This contribution has made it possible for us to make significant, environmentally-friendly improvements to the Martelli property.

As always, our Treasurer, Maureen Butler, and I are available to provide additional information as required.

Sincerely yours,

Barry Janyk  
Executive Director

Encl: Swan Lake Christmas Hill Nature Sanctuary 2013 Budget  
Encl: KPMG Audited Financial Statements for FYE 2011 (most recent)

CIW  
4

Financial Statements of

**SWAN LAKE CHRISTMAS  
HILL NATURE SANCTUARY  
SOCIETY**

Year ended December 31, 2011



KPMG LLP  
Chartered Accountants  
St. Andrew's Square II  
800-730 View Street  
Victoria BC V8W 3Y7

Telephone (250) 480-3500  
Fax (250) 480-3539  
Internet www.kpmg.ca

## INDEPENDENT AUDITORS' REPORT

To the Members of Swan Lake Christmas Hill Nature Sanctuary Society

### Report on the Financial Statements

We have audited the accompanying financial statements of Swan Lake Christmas Hill Nature Sanctuary Society, which comprise the statement of financial position as at December 31, 2011, the statements of operations, changes in fund balances and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion the financial statements present fairly, in all material respects, the financial position of Swan Lake Christmas Hill Nature Sanctuary Society as at December 31, 2011, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



**Report on Other Legal and Regulatory Requirements**

As required by the Society Act (British Columbia) we report that, in our opinion, the accounting principles applied by the Swan Lake Christmas Hill Nature Sanctuary Society in preparing and presenting the financial statements in accordance with Canadian generally accepted accounting principles have been applied on a basis consistent with that of the preceding year.

*KPMG LLP*

Chartered Accountants

April 26, 2012

Victoria, Canada

# SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

## Statement of Financial Position

December 31, 2011, with comparative information for 2010

	Operating Fund	Capital Fund	2011 Total	2010 Total
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 127,797	\$ 64,819	\$ 192,616	\$ 51,251
Term deposits	-	-	-	120,000
Accounts receivable	18,498	-	18,498	15,405
Prepaid expenses and deposits	588	-	588	112
Gift shop inventory	3,105	-	3,105	6,458
Receivable from (payable to) other funds	8,587	(8,587)	-	-
	158,575	56,232	214,807	193,226
Capital assets (note 2)	-	270,995	270,995	244,257
	\$ 158,575	\$ 327,227	\$ 485,802	\$ 437,483
<b>Liabilities</b>				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 28,207	\$ -	\$ 28,207	\$ 26,024
Deferred revenue (note 3)	28,239	-	28,239	72,278
	56,446	-	56,446	98,302
<b>Fund Balances</b>				
Invested in capital assets	-	270,995	270,995	244,257
Unrestricted	102,129	-	102,129	16,604
Internally restricted	-	9,012	9,012	-
Externally restricted	-	47,220	47,220	78,320
	102,129	327,227	429,356	339,181
	\$ 158,575	\$ 327,227	\$ 485,802	\$ 437,483

See accompanying notes to financial statements.

Approved by the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

# SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

## Statement of Operations

Year ended December 31, 2011, with comparative information for 2010

	Operating Fund	Capital Fund	2011 Total	2010 Total
<b>Revenue:</b>				
The Corporation of the District of Saanich grant	\$ 300,000	\$ -	\$ 300,000	\$ 290,000
Donations re capital campaign	-	33,443	33,443	78,320
Victoria Natural History Society grant	4,000	-	4,000	4,000
Public gaming funds	40,000	-	40,000	31,696
Other grants	52,858	-	52,858	34,986
Society memberships	6,340	-	6,340	6,460
Donations	27,521	-	27,521	25,522
Facility rental	2,796	-	2,796	2,916
Native plant sales	54,381	-	54,381	56,563
Gift shop sales	9,119	-	9,119	8,338
Interest	1,770	12	1,782	1,330
Property rent	38,282	-	38,282	37,606
School programs	42,784	-	42,784	37,566
Public programs	22,559	-	22,559	24,266
Other	-	-	-	285
	602,410	33,455	635,865	639,854
<b>Expenses:</b>				
Site salaries	97,289	-	97,289	89,703
Site materials and services	40,838	-	40,838	41,750
Program salaries	97,954	-	97,954	91,400
School and public contracts	8,755	-	8,755	12,130
Program materials and services	10,330	-	10,330	6,693
Native plant sale cost	32,579	-	32,579	34,424
Rental property expenses	1,109	-	1,109	1,272
Other events	9,632	-	9,632	5,420
Administrative salaries and wages	155,207	-	155,207	150,366
Janitorial and security	13,161	-	13,161	12,371
Administrative materials and services	40,292	-	40,292	51,923
Fundraising	739	-	739	34,654
Amortization	-	37,805	37,805	35,800
	507,885	37,805	545,690	567,906
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 94,525</b>	<b>\$ (4,350)</b>	<b>\$ 90,175</b>	<b>\$ 71,948</b>

See accompanying notes to financial statements.

# SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

## Statement of Changes in Fund Balances

Year ended December 31, 2011, with comparative information for 2010

	Operating Fund	Capital Fund	2011 Total	2010 Total
Fund balance, beginning of year	\$ 16,604	\$ 322,577	\$ 339,181	\$ 267,233
Excess (deficiency) of revenue over expenses	94,525	(4,350)	90,175	71,948
Interfund transfer re restriction for future capital purchases	(9,000)	9,000	-	-
<b>Fund balance, end of year</b>	<b>\$ 102,129</b>	<b>\$ 327,227</b>	<b>\$ 429,356</b>	<b>\$ 339,181</b>

See accompanying notes to financial statements.

# SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

## Statement of Cash Flows

Year ended December 31, 2011, with comparative information for 2010

	2011	2010
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses:		
Operating Fund	\$ 94,525	\$ 29,428
Capital Fund	(4,350)	42,520
	90,175	71,948
Add amortization not involving cash	37,805	35,800
Changes in non-cash operating working capital (note 4)	(42,072)	19,140
	85,908	26,888
Investing activities:		
Additions to capital assets	(64,543)	(150,986)
Decrease in term deposits	120,000	15,000
	55,457	(135,986)
Increase (decrease) in cash and cash equivalents	141,365	(9,098)
Cash and cash equivalents, beginning of year	51,251	60,349
Cash and cash equivalents, end of year	\$ 192,616	\$ 51,251

See accompanying notes to financial statements.

# SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

Notes to Financial Statements

Year ended December 31, 2011

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The Swan Lake Christmas Hill Nature Sanctuary Society (the "Society") is incorporated under the Society Act (British Columbia). Its principal activity is the operation of the Nature House and wildlife sanctuary at Swan Lake on land owned by The Corporation of the District of Saanich. The Society operates on this land under an operating agreement with The Corporation of the District of Saanich. The Society is a charitable organization under the Income Tax Act and as such is exempt from income taxes and able to issue donation receipts for income tax purposes.

## 1. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

### (a) Fund accounting:

The Society follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the Society's program delivery and administrative activities. This Fund reports unrestricted resources and restricted operating grants.

The Capital Fund reports the assets, liabilities, revenues and expenses related to the Society's capital assets.

### (b) Capital assets:

Capital assets are recorded at cost and are amortized over their estimated useful lives.

Amortization is provided on all capital assets on the straight-line method using annual rates of 10%, with the exception of the Nature House building which is amortized at 5% and computer equipment, which is amortized at 20%.

### (c) Revenue recognition:

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions related to operations are recognized as revenue of the Operating Fund in the year in which the related expense is incurred. All other restricted contributions are recognized as revenue of the appropriate fund in the year received or receivable.

### (d) Cash and cash equivalents and term deposits:

The Society considers deposits in banks and short term deposits with original maturities of three months or less from the acquisition date as cash and cash equivalents. Term deposits with maturities of greater than three months are considered to be classified as term deposits and are recorded at cost plus accrued interest. Investment income is reported as revenue in the period earned.

# SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

Notes to Financial Statements

Year ended December 31, 2011

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## 1. Significant accounting policies (continued):

### (e) Financial instruments:

Cash and cash equivalents and term deposits are classified as held for trading and carried at fair value with changes in fair value recognized in the statement of operations. Accounts receivable and accounts payable and accrued liabilities are all initially recorded at fair value and then carried at amortized cost thereafter.

The Society complies with CICA Handbook 3861, "*Financial Instruments – Disclosure and Presentation*", for the presentation and disclosure of financial instruments and non-financial derivatives.

### (f) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

### (g) Future accounting changes:

The Society will be transitioning to the Accounting Standards for Not-for-Profit Organizations contained in Part III of the CICA Handbook-Accounting beginning January 1, 2012. While the financial statement presentation and the accounting treatment of most items will not change from current practice, there are certain transitional provisions that the Society will apply when preparing the first financial statements under the new accounting standards. The impact of these transitional provisions on the financial statements of the Society has not yet been fully determined.

# SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

Notes to Financial Statements

Year ended December 31, 2011

## 2. Capital assets:

			2011	2010
	Cost	Accumulated amortization	Net	Net
Nature House building	\$ 419,370	\$ 308,434	\$ 110,936	\$ 74,875
Building improvements - caretakers' residences	15,870	15,688	182	242
Displays	195,646	188,796	6,850	8,293
Computer equipment	30,111	30,111	-	-
Furniture and equipment	153,173	122,005	31,168	27,268
Trucks	10,887	9,563	1,324	1,985
Boardwalks	441,763	391,677	50,086	54,954
Trails and signs	264,195	209,090	55,105	68,628
Native plant garden	47,909	45,739	2,170	2,264
Fencing	12,944	8,126	4,818	5,748
Floating Boardwalk in Progress	8,356	-	8,356	-
	\$ 1,600,224	\$ 1,329,229	\$ 270,995	\$ 244,257

## 3. Deferred revenue:

	2011	2010
New Horizons	\$ 20,074	\$ 24,900
Prepaid 2012 Programs	7,398	2,823
Others	700	800
Royal Bank Grant	67	5,000
Public gaming funds	-	940
Victoria Foundation	-	7,500
Bridge project	-	5,000
Native plant workshops	-	2,560
Native design program	-	520
Evergreen Foundation	-	10,000
HCT Grant	-	7,235
BC Hydro Climate Mitigation	-	5,000
	\$ 28,239	\$ 72,278

# SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY

Notes to Financial Statements

Year ended December 31, 2011

## 4. Changes in non-cash operating working capital:

	2011	2010
Accounts receivable	\$ (3,093)	\$ (5,529)
Prepaid expenses and deposits	(476)	501
Gift shop inventory	3,353	(4,422)
Accounts payable and accrued liabilities	2,183	8,858
Deferred revenue	(44,039)	19,732
	\$ (42,072)	\$ 19,140

## 5. Donated labour:

Volunteers from the community work to improve the Swan Lake Christmas Hill Nature Sanctuary. In 2011 the Society estimated that volunteers provided a total of 6,514 hours of donated labour. The value of this labour, although not recorded in these financial statements, is equivalent to approximately \$145,523 using a median wage rate of \$22.34 per hour as published in *Statistics Canada Labour Force Survey*.

## 6. Fair value of financial instruments:

The Society's cash and cash equivalents and term deposits are carried at fair value. The fair value of the Society's accounts receivable, and accounts payable and accrued liabilities approximate their fair value due to the relatively short period of time to maturity of the instruments.

It is management's opinion that the Society is not exposed to significant interest, currency or credit risk arising from these financial instruments.

## 7. Capital management:

The Society defines capital to be its fund balances. The Society receives its principal source of capital from grants awarded by The Corporation of the District of Saanich. The Society's objective when managing capital is to provide funding for its operations and maintain long term financial viability of the Society. The Society has complied with external restrictions with respect to grants received.

## 8. Comparative information:

Certain comparative information has been reclassified to conform to the financial statement presentation adopted for the current year.

KPMG LLP  
Chartered Accountants  
St. Andrew's Square II  
800-730 View Street  
Victoria, BC V8W 3Y7  
Canada

April 26, 2012

Ladies and Gentlemen:

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the non-consolidated financial statements (hereinafter referred to as "financial statements") of Swan Lake Christmas Hill Nature Sanctuary Society ("the Entity") as at and for the period ended December 31, 2011.

We confirm that the representations we make in this letter are in accordance with the definitions as set out in Attachment I to this letter.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

**GENERAL:**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 5, 2011, for:
  - a) the preparation and fair presentation of the financial statements.
  - b) providing you with all relevant information and access.
  - c) such internal control as management determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
  - d) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.

**INTERNAL CONTROL OVER FINANCIAL REPORTING:**

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which management is aware.

**FRAUD & NON-COMPLIANCE WITH LAWS AND REGULATIONS:**

- 3) We have disclosed to you:
- a) the results of our assessment of the risks that the financial statements may be materially misstated as a result of fraud.
  - b) all information in relation to fraud or suspected fraud that we are aware of and that affects the Entity and involves: management, employees who have significant roles in internal control, or others, where the fraud could have a material effect on the financial statements.
  - c) all information in relation to allegations of fraud, or suspected fraud, affecting the Entity's financial statements, communicated by employees, former employees, analysts, regulators, or others.
  - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements.
  - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

**COMMITMENTS & CONTINGENCIES:**

- 4) There are no:
- a) other liabilities that are required to be recognized and no other contingent assets or contingent liabilities that are required to be disclosed in the financial statements in accordance with the relevant financial reporting framework, including liabilities or contingent liabilities arising from illegal acts or possible illegal acts, or possible violations of human rights legislation.
  - b) other environmental matters that may have an impact on the financial statements.

**SUBSEQUENT EVENTS:**

- 5) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

**RELATED PARTIES:**

- 6) We have disclosed to you the identity of the Entity's related parties and all the related party relationships and transactions of which we are aware and all related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

**ESTIMATES:**

- 7) Measurement methods and significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

**NON-SEC REGISTRANTS OR NON-REPORTING ISSUERS:**

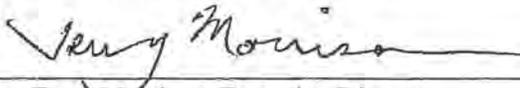
- 8) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002). We also confirm that the financial statements of the Entity will not be included in the consolidated financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

**MISSTATEMENTS:**

- 9) We approve the corrected misstatements identified by you during the audit described in Attachment II.

Yours very truly,

SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY



By: Terry Morrison, Executive Director

## Attachment I – Definitions

### **MATERIALITY**

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both.

### **FRAUD & ERROR**

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

### **RELATED PARTIES**

In accordance with Canadian generally accepted accounting principles *related party* is defined as:

- Related parties exist when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. Related parties also include management and immediate family members (see paragraph 3840.04).

In accordance with Canadian generally accepted accounting principles a *related party transaction* is defined as:

- A related party transaction is a transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party, regardless of whether any consideration is exchanged. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties.

**Swan Lake Christmas Hill Nature Sanctuary  
2013 Budget - Draft**

REVENUE	2013 - UPDATED		Notes	2012	
	Operating Fund	Capital Fund		Operating Fund	Capital Fund
<b>Funding and Grant Revenue</b>					
Saanich - annual Management Fee	320,000			310,000	
Victoria Natural History Society	4,000			4,000	
Gaming	40,000		To be applied for in November 2012 Not guaranteed	-	
Community Infrastructure Grant - Martelli House		75,000			
Saanich Contribution - Martelli House		20,000			
Saanich Contribution - Boardwalk		30,000			20,000
Other Grants			no other grants applied for at this point, no carry forward/deferred from 2012 anticipated	25,800	
<b>Total Funding and Grant Revenue</b>	<b>364,000</b>	<b>125,000</b>		<b>339,800</b>	<b>20,000</b>
<b>Memberships and Donations</b>					
Memberships - New	1,000		Note: budget last year did not break down new and renew memberships - 5k was allocated to all membership		
Memberships - Renewals	4,000			5,000	
Memberships - Donations	8,000			10,000	
Misc. Donations	7,000			5,000	
Donation Box	4,000			4,000	
<b>Total Memberships and Donations</b>	<b>24,000</b>			<b>24,000</b>	
<b>Capital Campaign Contributions</b>					
Boardwalk		75,000			15,000
Thrifts - Smile Card Revenue - Martelli House		5,000			
<b>Total Capital Campaign Contributions</b>		<b>80,000</b>			<b>15,000</b>
<b>General Revenue</b>					
Facility Rentals	3,000			2,000	
GOERT rental - Martelli House	8,000		assume 6 months x \$1,000 monthly		
Daycare / Nature Preschool Rents	6,000		assume Sept to Dec at \$1,500 monthly		
Gift Shop & Grain Sales	10,000			7,000	
Craft Sales	2,000			1,000	
Interest Income	1,500	500		1,500	500
<b>Total General Revenues</b>	<b>30,500</b>	<b>500</b>		<b>11,500</b>	<b>500</b>
<b>Rental Property Revenue</b>					
Rent	41,035		based on a 3% increase	39,840	
<b>Total Rental Property Revenue</b>	<b>41,035</b>			<b>39,840</b>	
<b>Program Revenue</b>					
School Revenue	20,000			20,000	
School Programs Contract	500			500	
School Programs Sponsorship	2,000			2,000	
Public Programs	12,000			12,000	
Public Programs Contract	6,000			6,000	
Public Program Sponsorship	4,800			4,800	
Bio Buddies, Nature Explorers, Home School Science	15,000			15,000	
<b>Total Program Revenue</b>	<b>60,300</b>			<b>60,300</b>	
<b>Fundraising Revenue</b>					
Plant Sale (Spring)	30,000			50,000	
Business \$ Sponsorship					
Event Revenue	20,000				
Fundraising Appeals	25,000			25,000	
<b>Total Fundraising Revenue</b>	<b>75,000</b>			<b>75,000</b>	
<b>TOTAL REVENUE</b>	<b>594,835</b>	<b>205,500</b>		<b>550,440</b>	<b>35,500</b>
<b>EXPENDITURES</b>					
<b>Administrative and Overhead Expenses</b>					
Accounting	7,000			7,000	
Bookkeeping	18,200		calculated at 2 days per week x 7 hours x \$25.00 per hour (BE note I did not ask for, likely continue to invoice max 1day/week)		
Admin - Contract Services	5,000		holiday relief		
Advertising	6,000		to be used by fundraising committee to promote the profile	6,000	
Banking Fees	3,000			3,000	
Board & Staff Development	2,500			2,000	
Caretaking & Security	6,400			6,400	
Dues & Licenses	550			550	
Insurance	6,500			8,500	
Internet	1,600			720	
Janitorial Supplies	2,000			1,400	
Janitorial Services	7,200			6,000	
Mileage & Travel	1,200			1,000	
Newsletter & Email	2,000			2,000	

	Operating Fund	Capital Fund	Notes	Operating Fund	Capital Fund
Office Supplies	4,000			2,000	
Office Equipment	1,500			1,500	
Payroll Service	800			800	
Phone & Fax	2,700			2,700	
Postage	1,200			1,200	
Printing and Copying	4,500			4,500	
Salaries - Administration	109,837			110,899	
Benefits - Administration	10,984			11,069	
EI / CPP / WCB Expense - Administration	8,546		Note: prev year budget includes all departments	28,668	
Utilities	6,000			4,000	
Volunteer Appreciation - Administration	1,200			1,200	
Data Base Program	4,800		annual cost for Sales Force for Non-Profits	-	
Website	2,500			2,500	
<b>Total Administrative Expense</b>	<b>227,817</b>			<b>211,626</b>	
<b>Funded Projects</b>					
Board Approved Projects					
Grant Funded Projects			no grant funds anticipated to be carried forward into 2013	24,300	
<b>Total Funded Projects</b>				<b>24,300</b>	
<b>General Expenses</b>					
Gift Shop & Grain Purchases	6,000			4,000	
<b>Total General Expenses</b>	<b>6,000</b>			<b>4,000</b>	
<b>Rental Property Expense</b>					
Rental Property Expense	5,000			5,000	
<b>Total Rental Property Expense</b>	<b>5,000</b>			<b>5,000</b>	
<b>Program Expenses</b>					
Salaries - Programs	105,439			99,494	
Benefits - Programs	10,544			9,949	
EI / CPP / WCB Expenses - Programs	9,445				
School Program Contracts	375			375	
Public Program Contracts	8,820			8,820	
Supplies	2,000			2,000	
Advertising	2,000			2,000	
Nature House Displays	10,000		exhibits need updating	2,000	
Animal Care	1,500			1,500	
<b>Total Program Expenses</b>	<b>150,123</b>			<b>126,138</b>	
<b>Site Expenses</b>					
Salaries - Site	105,614		includes SL portion of HRDC (funded summer student) and fall coop student. (BE Note to Maureen updated as per Salaries spreadsheet)	85,531	
Benefits - Site	9,211			8,314	
EI / CPP / WCB Expenses - Site	8,596				
New Equipment	2,000			500	
Rental Equipment	400			400	
Benches	650			200	
Signs	2,000			2,000	
Trails	5,000			5,000	
Fencing	1,000			1,000	
Floating Boardwalk	3,500			3,500	
Ecosystem Management	7,700			7,700	
Repairs & Maintenance Nature House	5,000			5,000	
Repairs and Maintenance Equipment	200			200	
Repair and Maintenance Grounds	5,500			5,500	
Truck	2,000			2,000	
Contract Services	4,800			4,800	
<b>Total Site Expenses</b>	<b>163,171</b>			<b>131,705</b>	
<b>Fundraising &amp; Community Outreach Expenses</b>					
Plant Sale Cost (Spring)	16,000			32,000	
Appeals Expense				3,000	
Fundraiser - Contract position	30,000	50,000		35,000	15,000
<b>Total Fundraising Expenses</b>	<b>48,000</b>	<b>50,000</b>		<b>70,000</b>	<b>15,000</b>
<b>Capital Projects</b>					
Martelli House Expenses		150,000			
Boardwalk Expenses					
New Workshop Building Expenses		9,600			
<b>Total Capital Projects</b>		<b>159,600</b>			
<b>Capital Asset Reserve Fund</b>					
Provision for Capital Asset Reserve Fund	3,000		(Note: not an expense - allocated for budget only, interfund)	3,000	
<b>Rental Property Reserve Fund</b>					
Provision for Rental Property Reserve Fund	4,104		based on 10% of Rental Property Revenue. (Note: not an expense)		
<b>Depreciation</b>					
Depreciation					
Depreciation Total			approx 35k at y/e but not a cash transaction		
<b>TOTAL EXPENDITURES</b>	<b>607,215</b>	<b>209,600</b>		<b>575,769</b>	<b>15,000</b>
<b>Excess of Revenue over Expenditure</b>	<b>(12,380)</b>	<b>(4,100)</b>		<b>(25,329)</b>	<b>20,500</b>

**Swan Lake Christmas Hill Nature Sanctuary  
2013 Budget**

	2013 - UPDATED	
	Operating Fund	Capital Fund
<b>REVENUE</b>		
<b>Funding and Grant Revenue</b>		
Saanich - annual Management Fee	320,000	
Victoria Natural History Society	4,000	
Gaming	40,000	
HRDC Employee Grant	5,000	
Community Infrastructure Grant - Martelli House		75,000
Saanich Contribution - Martelli House		20,000
Saanich Contribution - Boardwalk		30,000
Other Grants	-	
<b>Total Funding and Grant Revenue</b>	<b>369,000</b>	<b>125,000</b>
<b>Memberships and Donations</b>		
Memberships -- New	1,000	
Memberships -- Renewals	4,000	
Memberships -- Donations	8,000	
Misc. Donations	7,000	
Donation Box	4,000	
<b>Total Memberships and Donations</b>	<b>24,000</b>	
<b>Capital Campaign Contributions</b>		
Boardwalk		75,000
Thrifties - Smile Card Revenue - Martelli House		5,000
<b>Total Capital Campaign Contributions</b>		<b>80,000</b>
<b>General Revenue</b>		
Facility Rentals	3,000	
GOERT rental - Martelli House	8,000	
Daycare / Nature Preschool Rental	6,000	
Gift Shop & Grain Sales	10,000	
Craft Sales	2,000	
Interest Income	1,500	500
<b>Total General Revenues</b>	<b>30,500</b>	<b>500</b>
<b>Rental Property Revenue</b>		
Rent	41,035	-
<b>Total Rental Property Revenue</b>	<b>41,035</b>	<b>-</b>
<b>Program Revenue</b>		
School Revenue	20,000	
School Programs Contract	500	
School Programs Sponsorship	2,000	
Public Programs	12,000	
Public Programs Contract	6,000	
Public Program Sponsorship	4,800	
Bio Buddies, Nature Explorers, Home School Science	15,000	-
<b>Total Program Revenue</b>	<b>60,300</b>	<b>-</b>
<b>Site Revenue</b>		
Plant Sale (Spring)	30,000	
<b>Total Site Revenue</b>	<b>30,000</b>	
<b>Fundraising Revenue</b>		
Business \$ Sponsorship	17,500	
Event Revenue	20,000	
Fundraising Appeals	25,000	-
<b>Total Fundraising Revenue</b>	<b>62,500</b>	<b>-</b>
<b>TOTAL REVENUE</b>	<b>\$617,335.00</b>	<b>\$205,500.00</b>

## EXPENDITURES

### Administrative and Overhead Expenses

Accounting	4,000
Bookkeeping	18,200
Admin - Contract Services	5,000
Advertising	6,000
Banking Fees	3,000
Board & Staff Development	6,000
Caretaking & Security	6,400
Dues & Licenses	550
Insurance	6,500
Internet	1,600
Janitorial Supplies	2,000
Janitorial Services	9,000
Legal Fees	2,000
Mileage & Travel	1,200
Newsletter & Email	2,000
Office Supplies	4,000
Office Equipment	1,500
Payroll Service	800
Phone & Fax	2,700
New phone system	5,000
Postage	1,200
Printing and Copying	4,500
Salaries - Administration	109,837
Benefits - Administration	10,984
EI / CPP / WCB Expense - Administration	8,646
Utilities	6,000
Volunteer Appreciation -- Administration	1,200
Data Base Program	6,000
Website	2,500
<b>Total Administrative Expense</b>	<b>238,317</b>

### General Expenses

Gift Shop & Grain Purchases	6,000
<b>Total General Expenses</b>	<b>6,000</b>

### Rental Property Expense

Rental Property Expense	5,000
<b>Total Rental Property Expense</b>	<b>5,000</b>

### Program Expenses

Salaries - Programs	105,439
Benefits - Programs	10,544
EI / CPP / WCB Expenses - Programs	9,445
School Program Contracts	375
Public Program Contracts	8,820
Supplies	2,000
Advertising	2,000
Nature House Displays	10,000
Animal Care	1,500
<b>Total Program Expenses</b>	<b>150,124</b>

### Site Expenses

Salaries - Site	105,614
Benefits - Site	9,211
EI / CPP / WCB Expenses - Site	8,596
New Equipment	2,000
Rental Equipment	400
Benches	650
Signs	2,000
Trails	5,000
Fencing	1,000
Floating Boardwalk	3,500
Ecosystem Management	7,700
Repairs & Maintenance Nature House	5,000
Repairs and Maintenance Equipment	200
Repair and Maintenance Grounds	5,500
Truck	2,000
Contract Services	4,800
<b>Total Site Expenses</b>	<b>163,171</b>

Plant Sale Cost (Spring)	18,000	
Appeals Expense		
Fundraiser - Contract position	20,000	40,000
<b>Total Fundraising Expenses</b>	<b>38,000</b>	<b>40,000</b>
<b>Capital Projects</b>		
Martelli House Expenses		150,000
Boardwalk Expenses		-
New Workshop Building Expenses	9,600	-
<b>Total Capital Projects</b>	<b>9,600</b>	<b>150,000</b>
<b>Capital Asset Reserve Fund</b>		
Provision for Capital Asset Reserve Fund	3,000	
<b>Rental Property Reserve Fund</b>		
Provision for Rental Property Reserve Fund	4,104	
	-	
<b>TOTAL EXPENDITURES</b>	<b>617,315</b>	<b>190,000</b>
		-
<b>Excess of Revenue over Expenditure</b>	<b>\$20.14</b>	<b>\$15,500.00</b>

SPCIW-FP  
March 5/13



# Saanich Heritage Foundation

Council  
Administrator  
Media

February 14, 2013

File: 1180-20 (SHF)

Mayor and Council  
Corporation of the District of Saanich  
770 Vernon Avenue  
Victoria, BC V8X 2W7

Dear Mayor and Councillors:

I am pleased to submit this year's budget request to Council on behalf of the Saanich Heritage Foundation. The Foundation has appreciated the continued support from Council over the last several years and this year we respectfully request \$25,000 for the Heritage Restoration House Grants Program. This amount is based on three (3) grant applications we have received for 2013 totalling \$80,088.96 in work. Our potential contribution at 35% is estimated to be \$28,031.13.

The funding the Saanich Heritage Foundation is requesting from Council for 2013 continues to indicate interest from Saanich heritage homeowners in the Restoration Grant Program. This is good for the community, stimulates local jobs, maintains current heritage designated residences, promotes future designations, and ultimately increases the resale (and property tax) value of these homes.

Our administrative costs have increased in the past few years, while our funding has remained relatively constant. This is attributed to the increased responsibilities of the Heritage Foundation such as providing advice to Council on applications for heritage designation, heritage alterations, demolition permits, and rezonings involving properties with heritage values and reviewing other proposals for conservation. The Foundation would also like to set aside \$1,000 per year for Continuing Education for its members to attend annual conferences, workshops, etc.

I would also like to take this opportunity to let Council know that we continue to maintain and manage Dodd House and Stranton Lodge. Also, sales of the *Saanich Heritage Register* (published in 2008) are still going well and indicate a strong local interest in Saanich Heritage.

On a final note, we are pleased that Legislative Services continues to ensure that the Foundation receives secretarial and administrative support as it would be very difficult to maintain the operations of the Heritage Foundation with a volunteer Board. As well, we wish to note that working with a heritage planner has been extremely helpful and we appreciate the planning advice she provides us in our advisory role.

Respectfully submitted,

for  
Arthur Joyce, C.A., Treasurer  
Saanich Heritage Foundation

Aj/sl

CIW  
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The Corporation of the District of Saanich  
**COMMUNITY GRANTS PROGRAM**  
**APPLICATION FORM**

Deadline for submission: February 22

**What grant are you applying for:**

- Operating Grants:  Community or Social Service Grant      Project Grants:  Small Sparks Grant  
 Community Association Operating Grant       Neighbourhood Matched Project Grant  
 Community Dry Grad Grant       Sustainability Grant

**Organization Information**

Organization Name:  
 Saanich Heritage Foundation

Permanent Mailing Address:      City:  
 770 Vernon Avenue      Victoria

Postal Code:      Email:      Fax Number:  
 V8X 2W7      shirley.leggett@saanich.ca      250-475-5440

Contact Person (Name):      Phone Number:  
 Shirley Leggett      250 475-1775 ext. 3513

Have you applied for funding from other sources?      No      If yes, from whom? And for how much?

*Freedom of Information and Protection of Privacy Act (FOIPPA): Personal information is collected, used and disclosed under the authority of the Community Charter and section 26(c) of the FOIPPA. The information will be used for the purpose of processing this application. If you have questions regarding its collection and disclosure contact the Saanich Information and Privacy Team, 770 Vernon Avenue, Victoria, BC V8W 2W7 or by telephone: (250) 475-1775.*

**Funding Request**

Amount of grant request:  
 \$25,000.00

Written summary of request, organization information, service provided and benefit to Saanich; or description of project, activity or event (include date, time and location)

The Heritage Restoration Grants Program is based on three (3) grant applications the Foundation received for 2013 totalling \$80,088.96 in work. Our potential contribution at 35% (pending approval of funding) is estimated to be \$28,031.13.

Description of how funds will be used and time frame to complete.

The Foundation will use the funding to provide house restoration grants for the 2013 applicants, cover any shortfall from administrative costs, and set aside \$1,000 for Continuing Education for Foundation members for the year ending 2013.

If you are applying for a Project Grant, provide a description of the community-matched contributions and attach Project Budget Statement Form.

Signature: Shirley Leggett for Arthur Inyee      Date: February 14, 2013  
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**SAANICH HERITAGE FOUNDATION**  
(Incorporated under the Society Act of B.C.)

**STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2012**

	OPERATING ACCOUNT		GRANT ACCOUNT		HALL HOUSE		DODD HOUSE	
	2012	2011	2012	2011	2012	2011	2012	2011
<b>RECEIPTS</b>								
Dist. of Saanich grant			30,000.00	25,000.00				
Book sales	464.16	798.62						
Rental income					9,710.00	9,421.00	13,532.57	12,840.00
Interest on account	6.16	4.55	21.66	12.68	1.14	1.92	7.14	10.54
Interest on G.I.C.'s			200.49	199.22	295.45	299.11	336.45	306.00
	<u>470.32</u>	<u>803.17</u>	<u>30,222.15</u>	<u>25,211.90</u>	<u>10,006.59</u>	<u>9,722.03</u>	<u>13,876.16</u>	<u>13,156.54</u>
<b>DISBURSEMENTS</b>								
Grants paid to homeowners			20,371.20	18,362.44				
Office & Secretarial costs	11,159.15	11,143.65			-	111.57		100.11
Dues and fees	140.00	140.00						
Conferences and events	-	475.00						
Maintenance expenses					5,887.49	12,441.32	6,743.28	13,352.98
	<u>11,299.15</u>	<u>11,758.65</u>	<u>20,371.20</u>	<u>18,362.44</u>	<u>5,887.49</u>	<u>12,552.89</u>	<u>6,743.28</u>	<u>13,453.09</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>								
	(10,828.83)	(10,955.48)	9,850.95	6,849.46	4,119.10	(2,830.86)	7,132.88	(296.55)
<b>INTER-FUND TRANSFERS</b>								
	12,000.00	15,000.00	-	-	(6,000.00)	(6,000.00)	(6,000.00)	(9,000.00)
<b>BEGINNING OF YEAR</b>								
BANK BALANCE	5,707.49	1,662.97	13,628.52	6,978.28	2,830.17	5,809.40	6,551.40	16,153.95
G.I.C.'s			31,713.91	31,514.69	21,825.31	27,676.94	15,606.00	15,300.00
	<u>5,707.49</u>	<u>1,662.97</u>	<u>45,342.43</u>	<u>38,492.97</u>	<u>24,655.48</u>	<u>33,486.34</u>	<u>22,157.40</u>	<u>31,453.95</u>
<b>BANK &amp; GIC;s - END of YEAR</b>								
BANK BALANCE	6,878.66	5,707.49	23,278.98	13,628.52	653.82	2,830.17	7,347.83	6,551.40
G.I.C.'s			31,914.40	31,713.91	22,120.76	21,825.31	15,942.45	15,606.00
	<u>6,878.66</u>	<u>5,707.49</u>	<u>55,193.38</u>	<u>45,342.43</u>	<u>22,774.58</u>	<u>24,655.48</u>	<u>23,290.28</u>	<u>22,157.40</u>