

2020 Budget In Brief

Saanich Council has finalized the 2020 Budget.

Take a look at the plans the District of Saanich has for the coming year and how taxes and fees you pay will maintain and improve the services you enjoy every day.





Saanich's strategic priorities

OUR PROCESS

The **Saanich Vision** points which way to go, but not how to get there.

The **Official Community Plan (OCP)** provides the framework.

The **Strategic Plan** gives the road map, focusing energy on what is most important.

The **Budget** provides the funding for planned activities and ongoing operations.

The **Annual Report** provides a synopsis of the previous year's strategic, financial and operational progress.

How COVID-19 affects the budget

The District of Saanich is facing unusual circumstances that require different approaches to financial matters. Faced with the COVID-19 pandemic and recognizing these extraordinary times, Council has directed staff to create a budget that allows the municipality to continue base operations.

“The COVID-19 pandemic affects each and every one of us and it’s so important that we do our part now,” said Mayor Fred Haynes. “We will concentrate on continuing our current service levels and we also recognize that expanding our services is not realistic right now. Saanich is committed to protecting our residents, both owners and renters, as well as businesses from financial impacts wherever possible, and that’s why we will limit the property tax increase to only support the basic municipal services.”

Saanich’s basic operations include more than 100 services. The core budget includes many of Council’s priorities including previously directed work on environmental protection, active transportation and response to climate change. Council and staff will still be able to make progress on many of the priorities included in the 2019 to 2023 Strategic Plan with this budget. The restriction on public gatherings due to COVID-19 has impacted the timing of initiatives that require public engagement

Saanich’s strategic priorities are aligned with the Official Community Plan

The Strategic Plan is Saanich’s road map that guides the activities during Council’s four-year term in office and beyond. The Strategic Plan goals, initiatives and actions will move Saanich toward its future vision as outlined in the Official Community Plan (OCP).

The OCP provides direction, focus and guidance on how to manage future growth and change in our community. Our OCP places emphasis on three themes:

- **environmental integrity**
- **social well-being**
- **economic vibrancy**

Through the Strategic Plan, Council defines the municipality’s priorities, processes, and short and long term plans. Council ensures that the five-year financial plan and annual budget processes allocate funds and resources used to achieve our goals.

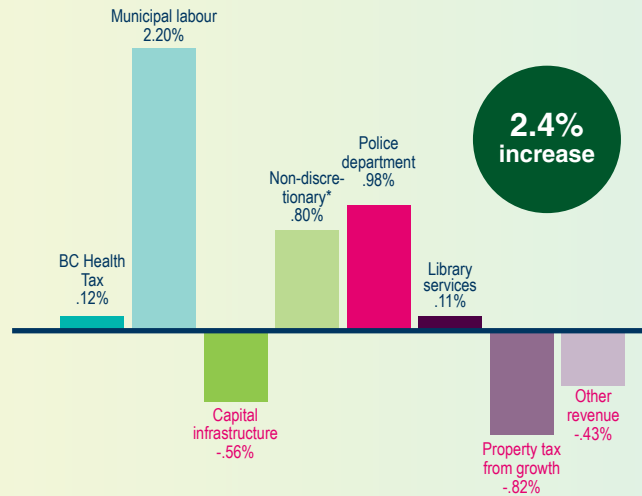
In 2020 we continue to work on initiatives and actions included in the budget to achieve our Strategic Plan goals:

- **Community well-being**
- **Affordable housing, land use and infrastructure management**
- **Organizational excellence**
- **Economic diversification**
- **Climate action and environmental leadership**

Why did Saanich property tax increase by 2.4%?

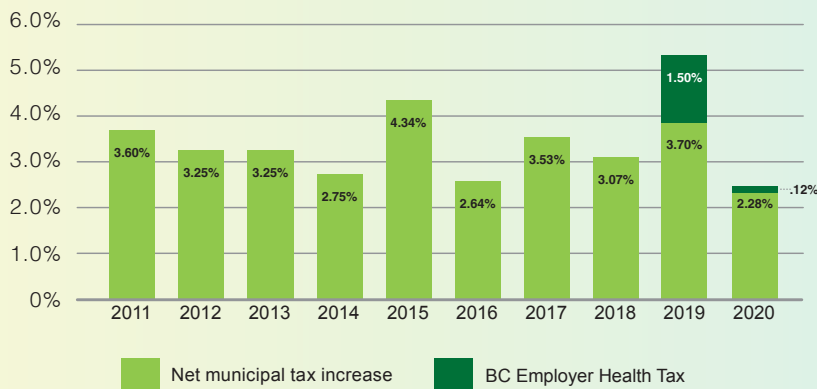
The Saanich budget saw an overall net increase in property tax of 2.4%. This increase came from a variety of investments in everyday services you and your neighbours enjoy and also for the repair and replacement of the assets that support delivery of those services.

Municipal property tax increase 2020



*Non-discretionary – includes increases to utilities, contracts, insurance, fuel and other costs that are impacted by factors outside of Saanich’s control.

Annual property tax increases

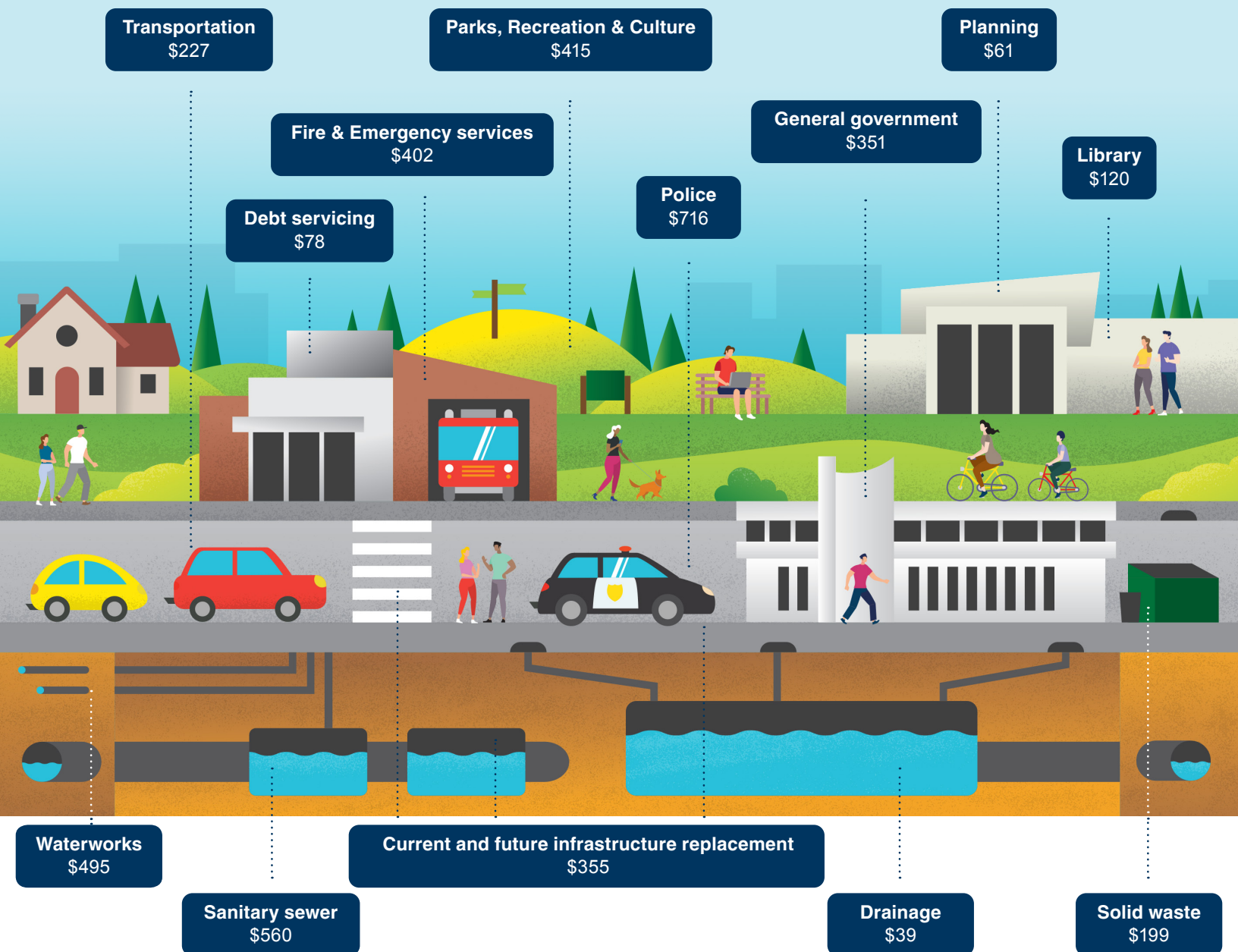


External senior government-related increases

- New Provincial Employer Health Tax** – the transition from BC Medical Service Plan premiums to an employer health tax means that a portion of your property tax now fund provincial health services. The transition is complete in 2020.
- The Federal Government** is implementing an [Enhanced CPP Program](#) designed to help increase retirement income for working Canadians and their families. Saanich must pay this increased contribution rate for all its employees.

What services does the budget support?

The taxes and fees you pay fund a wide variety of municipal services.



Total taxes and fees of \$4,018:

- Taxes are based on 2020 budgeted municipal taxes for an average homeowner with a property assessment of \$897,000.
- Sanitary sewer fees are based on the 2019 average homeowner's usage of 163 cubic metres.
- Solid waste fees are based on cart sizes of 120 litres each for garbage and organic per household.
- General government includes administration, finance, human resources, information technology, safety, communications, bylaw and inspections services.
- Waterworks fees are based on the 2019 average homeowner's consumption of 270 cubic metres.

2020 Capital budget

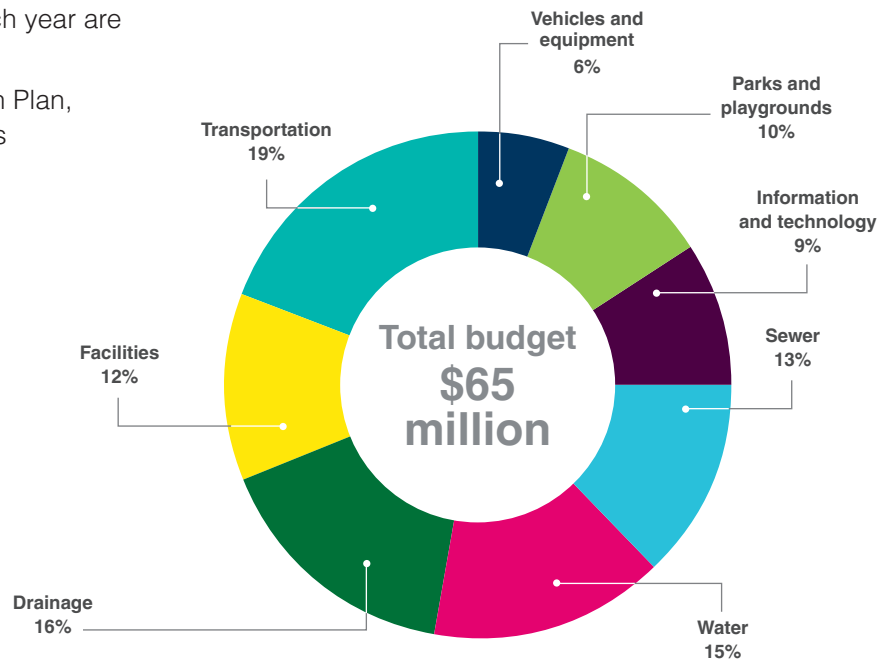
How are the capital projects for the year determined?

Saanich is committed to taking care of the assets we all own, from sewer and water lines to roads, trails, parks, buildings, and vehicles. Proper stewardship means ensuring appropriate funding is available to keep them in good working order and replace them when their useful life is over.

To accomplish that, we establish how much we need to be funding this repair and replacement on an annual basis.

The specific projects to be completed each year are determined by considering:

- **Master plans** (The Active Transportation Plan, Shelbourne Valley Action Plan and Parks Management plans, to name a few)
- **Condition assessments**
- **Health and safety**
- **Maintenance history**
- **Risk assessments**
- **Efficiency and coordination** with other capital projects.



Key 2020 projects

- **Shelbourne Street improvement project**
Phase 1 & 2 – \$16M for road, water, sewer and drain improvements
- **Sidewalk Installation Program** – \$2.4M
- **Fleet, IT & Other Capital Replacement for Protective Services** – \$1.4M
- **Horner Park Renewal** – \$650K
- **Pearkes Ice Remediation** – \$1.44M
- **Tree and Trails Programs** – \$658K

Horner Park



Shelbourne Street improvement project



G.R. Pearkes Recreation Centre

For detail on more capital projects go to the [Capital Projects Guide 2020](#)

2020 Saanich utilities

Saanich builds, maintains and operates three underground systems.

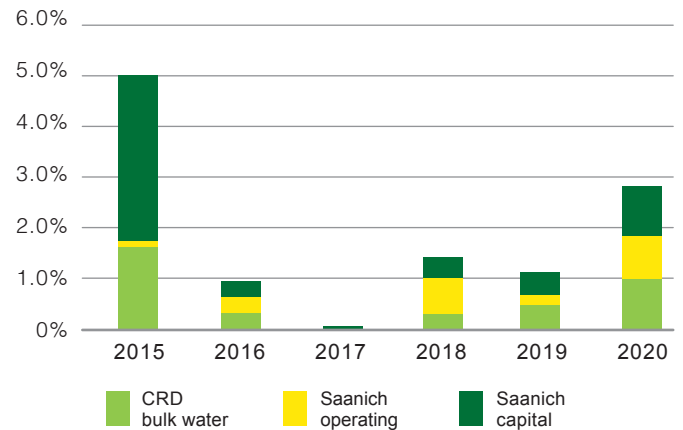
Water and sanitary sewer are utilities funded through user fees and storm drainage is funded through your tax dollars. These underground systems require daily operational repair and maintenance (operating budget) and major repair and replacement (capital budget).

Working together

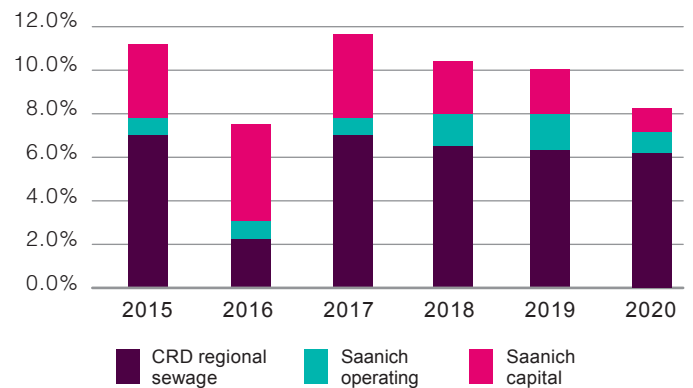
Saanich works in collaboration with the Capital Regional District (CRD) to provide underground services. The CRD is responsible for treating, disinfecting and supplying drinking water from a large trunk watermain network that distributes water to all of the municipalities in the region. It is also responsible for the treatment of sewage and implementation of the regional sewage treatment infrastructure. The fees for the CRD portion of the system are collected when you pay your Saanich utility bill, and we pass the money on to them. This streamlines the revenue collection into one bill. Saanich is responsible for the distribution of safe and reliable drinking water, collection of sanitary wastewater and stormwater management services.

Over time: a look at water and sewer rate increases

Water rate increases



Sewer rate increases



Significant 2020 capital projects

WATER

Investing close to \$9.9 million in major repair and replacement in the 2020 budget

- Foul Bay Road water main improvement
- Fernie pressure reducing valve replacement
- Asbestos, cement and cast iron main replacement at over 8 locations

STORM DRAIN

Investing close to \$10.4 million in major repair and replacement in the 2020 budget

- Gorge Road storm drain improvements
- Wood stave and substandard replacement at over 11 locations
- Regina, Tillicum–Wascana Road drain improvements

SANITARY SEWER

Investing over \$8.2 million in major repair and replacement in the 2020 budget

- Asbestos cement sewer main replacement at over 7 locations
- Construction of Portage Pump Station

Making decisions with public consultation and support

Our *Community Charter* requires that Council undertake a process of public consultation regarding the proposed financial plan before it is adopted. Each year, Council follows a “Financial Plan – Public Consultation Policy”. In 2019, an additional public engagement campaign focused on strategic and financial planning gathered feedback from the community that helped inform Saanich’s 2019 processes and policies. In 2019 an online budget tool was launched and in 2020–2021 Saanich will develop more opportunities for consultation on the financial planning process.

Citizen and business surveys tell us what’s important to you

Traditionally, a statistically valid survey is offered to both residents and businesses in Saanich, for a newly elected Council. Our most recent [surveys](#)—completed in January 2019—are Council’s best source of information and feedback. They assist Council in making important budget decisions by providing broad and representative engagement data.

A sample of what we heard in our 2019 survey results

Are residents pleased with the overall direction Saanich is taking?

YES 78%

Do Saanich residents feel the District of Saanich is doing a good job in general?

YES 90%

Do residents and businesses feel they receive good value for tax dollars?

88% Saanich business owners strongly or somewhat agree

81% Saanich residents strongly or somewhat agree

Input on taxation and service levels — helping Council make future financial decisions

Here’s what residents think about taxation and levels of service:

- 38%** Maintain same level of services with managed tax increases
- 20%** Reduce services with lower taxes
- 15%** Improve municipal services with higher taxes
- 15%** Introduce new user fees for some services that currently have none
- 12%** Increase user fees for municipal services that currently have fees

What is your biggest hope for the future? What’s the most important issue facing the District?

Here are the top three answers gathered from 2019 survey results:

BIGGEST HOPE FOR SAANICH:

- 16%** More affordable housing
- 15%** Protect nature and improve green spaces
- 11%** Improve infrastructure: roads, water, drainage

TOP ISSUES FOR COUNCIL’S ATTENTION:

- 22%** Housing issues
- 9%** Traffic and traffic congestion
- 9%** Environment and enhanced greenspaces



Your questions and feedback are always welcome. Contact the Finance Department at **250-475-5415** or [**budget@saanich.ca**](mailto:budget@saanich.ca)

More resources are available at [**saanich.ca/shapingsaanich**](http://saanich.ca/shapingsaanich)

