



## **AGENDA**

**Special Committee of the Whole  
Financial Plan Meeting**  
To Be Held In The Council Chambers  
Saanich Municipal Hall, 770 Vernon Avenue  
**TUESDAY, APRIL 21, 2015 AT 7:00 P.M.**

1. **PUBLIC INPUT**
2. **2015 FINANCIAL PLAN**  
P. 4 Joint report of the Acting Administrator and the Director of Finance dated April 14, 2015 for information.
3. **2015 GRANT REQUESTS – COMMUNITY SUSTAINABILITY GRANTS, NEIGHBOURHOOD MATCHED PROGRAM GRANTS AND COMMUNITY GRANTS**  
P. 8 Referrals from the March 3, 2015 and March 17, 2015 Special Committee of the Whole Financial Plan Meetings.
4. **2015 CREST LEVY**  
P. 11 Report of the Director of Finance dated April 13, 2015 recommending Council approve the 2015 CREST Levy of \$492,626.
5. **CADBORO BAY VILLAGE BUSINESS IMPROVEMENT ASSOCIATION - ANNUAL FUNDING REQUEST AND TAXATION LEVY**  
P. 12 Report of the Director of Finance dated April 13, 2015 recommending Council approve the 2015 Cadboro Bay Village Business Improvement Association funding request and property taxation levy of \$20,000.
6. **2015 SAANICH POLICE BUDGET – COUNCIL MOTION RESPONSE**  
P. 18 Report of the Police Chief dated March 13, 2015.
7. **2015 COUNCIL REMUNERATION**  
P. 31 Report of the Director of Finance dated April 16, 2015.
8. **2015 ONE TIME RESOURCE REQUESTS**  
P. 33 Report of the Director of Finance dated April 14, 2015 recommending that Council consider the one-time resource requests and their recommended funding sources and pass a resolution for incorporation into the Financial Plan Bylaw.
9. **REVENUE, TAX AND TAX EXEMPTION POLICIES AND OBJECTIVES**  
P. 50 Report of the Director of Finance dated April 14, 2015 recommending that Council approve the policies and objectives for inclusion in the 2015-2019 Financial Plan Bylaw.

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

**AGENDA**  
**Special Council Meeting**  
**Immediately Following the Committee of the Whole Meeting**

A. **RECOMMENDATIONS AND REFERRALS FROM COMMITTEES**

- P. 52**      1.      **2015 GRANT REQUESTS – COMMUNITY ASSOCIATION AND DRY GRAD**  
Recommendations from the March 17, 2015 Special Committee of the Whole Financial Plan Meeting to approve the 2015 Community Association Operating Grants and the 2015 Dry Grad Grants.
- P. 54**      2.      **GREATER VICTORIA PUBLIC LIBRARY (GVPL) – 2015 BUDGET REQUEST**  
Referral from the March 3, 2015 Special Committee of the Whole Financial Plan Meeting that Council consider the GVPL 2015 budget request in the amount of \$5,263,910. Report of the Director of Finance dated April 13, 2015 recommending Council approve the 2015 Greater Victoria Public Library Operating Budget.
- P. 55**      3.      **SWAN LAKE CHRISTMAS HILL NATURE SANCTUARY SOCIETY – 2015 MANAGEMENT CONTRACT REQUEST**  
Referral from the March 3, 2015 Special Committee of the Whole Financial Plan Meeting that Council consider the Society's 2015 management fee request in the amount of \$340,000. Report of the Director of Finance dated April 13, 2015 recommending Council approve the 2015 Swan Lake Christmas Hill Nature Sanctuary contract fee of \$340,000.

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



**DISTRICT OF SAANICH**  
**NOTICE OF SPECIAL COUNCIL MEETING**

Notice is hereby given that a Special Council Meeting will be held on **Tuesday, April 21, 2015**, in the Council Chambers, Saanich Municipal Hall, immediately following the Special Committee of the Whole – Financial Plan Meeting.

The purpose of the meeting will be to consider approving the 2015 financial plan including individual grants and funding requests from a variety of non-profit organizations.

Dated this 16<sup>th</sup> day of April, 2015.

  
\_\_\_\_\_  
Donna Dupas,  
Legislative Manager

5280 20 2015

SP CIW APR 21/15



**The Corporation of the District of Saanich**

Council  
Administrator  
Media  
Dh  
April 16/15

## Report

**To:** Mayor and Council  
**From:** Carrie MacPhee, Acting Administrator  
Valla Tinney, Director of Finance  
**Date:** April 16, 2015  
**Subject:** 2015 Financial Plan Proposal

### PURPOSE

The purpose of this report is to present a final draft of the 2015-2019 Financial Plan.

### BACKGROUND

As required, a draft 2015 budget proposal has been prepared and was distributed at the commencement of the Financial Plan meetings. The following adjustments have been requested and are reflected in the final submission:

- Reduction to additional capital of .25% of the 2015 tax increase.

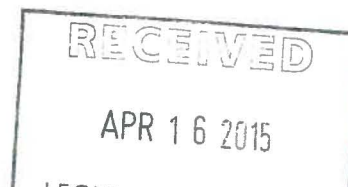
The proposed budget reflects the estimated property tax increase to the average homeowner of 4.34% comprised of 2.32% for operations, 0.70% for new services and inventory and 1.32% for infrastructure replacement. This results in an annual increase in total municipal taxes of \$96.35 (from \$2,220 to \$2,316) for an average Saanich home (\$8.03 per month or \$0.26 per day).

Should Council concur with this proposal including any decisions made with regard to grant requests and Council remuneration, budget and tax rate bylaws will be prepared for consideration at the May 4<sup>th</sup> Council meeting.

### DISCUSSION

#### Financial Plan Document:

Over the course of the budget deliberation process (Feb to April) information arises that requires adjustments to the draft budget proposal. With the exception of the addition of the Information and Privacy Program, these changes do not have any impact on the tax increase, but are required to ensure the Financial Plan supports the contents of the Bylaw. Most of these changes are the result of finalizing the 2014 Financial Statements and updating capital project estimates.



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**General Operating Fund:**

The general operating budget provides for the \$158 million annual operation of the municipality in 2015. This is partially funded by property taxes of \$106.8 million dollars and a variety of other revenues including recreation program fees and garbage collection charges. Adjustments have been made to reflect changes between the completed and revised 2015 property assessment rolls. The most significant change resulted from a decrease in the non-market or new tax revenue of over \$100,000 which has impacted the tax increase to existing taxpayers by just under 0.1%.

Attachment A outlines the discretionary and non-discretionary items that make up the 4.34% increase in the budget and an updated Tax History Summary demonstrates that while the overall tax increase would be considered moderate in terms of Saanich's past experience, the lack of new taxation has impacted the results for tax to existing property owners.

**Water Utility Fund:**

The proposed water utility budget remains unchanged from the original proposal. It is based on the water rates approved by Council in December 2014 and results in an approximate \$26 per year increase from \$482 to \$508 per average home. The increase is predominately attributable to increases in infrastructure replacement spending which brought the water capital program to sustainable replacement levels in 2015.

**Sewer Utility Fund:**

The proposed sewer utility budget remains unchanged from the original proposal. It is based on the sewer rates approved by Council in December 2014 and results in an approximate \$43 per year increase from \$362 to \$405 per average home. The increase is predominately attributable to increased charges for regional sewer treatment and for infrastructure replacement funding equal to a minimum 3% sewer rate increase as per past practice.

**General Capital Fund:**

The 2015 General Capital Program provides for a comprehensive program of \$53.6 million dollars of infrastructure and equipment replacement funded from a mixture of property taxes, debt, reserves, grants, and development cost charges. For the next few years the focus will continue to be on replacement of existing infrastructure, particularly in drains, facilities, transportation and sewer and water utilities. This funding structure provides a realistic plan to achieving the targeted capital funding levels by 2019 based on gradually increasing levels of property tax and federal gas tax revenues.

**NEXT STEPS:**

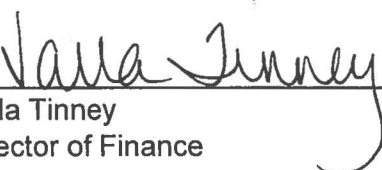
There are several resolutions that are required in order for staff to have clear direction from Council for preparation of the Financial Plan and Tax Rates Bylaws:

1. Finalization of funding approvals for:
  - a. Community Grants
  - b. Neighbourhood Matched Program Grants
  - c. Community Sustainability Grants

2. Approval of the CREST operating levy
3. Approval of the Cadboro Bay Village Business Improvement Association funding request and levy. This resolution has no impact on the tax increase as it is a levy we collect from a specified number of properties and pass on to the Association in accordance with the BIA Bylaw.
4. Confirmation of the level of approved funding for the Police Budget (i.e. confirmation of status quo or any reduction as per the report of the Police Chief)
5. Approval of the level of remuneration for Mayor and Council for 2015
6. Approval of one-time resource requests for addition to the Financial Plan
7. Any other motions to add or remove items from the proposed budget
8. Approval of the General, Water and Sewer operating and capital budgets incorporating any motions from items 1 through 7 above.
9. Confirm revenue, tax and permissive tax exemption policy statements.

Any motions passed during Committee of the Whole will then require ratification by Council along with the previous referrals from Committee of the Whole for:

- a. Community Association and Dry Grad Grants
- b. Greater Victoria Public Library Budget
- c. Swan Lake Christmas Hill Nature Sanctuary Society request for a 2015 Management Fee of \$330,000.

  
Valla Tinney  
Director of Finance

  
Carrie MacPhee  
Acting Administrator

## Attachment A

## Summary of Impacts on the 2015 Taxation Increase

Non-discretionary core operational increases and offsets			
Employee compensation (Collective agreements, WCB, MSP)	2,821,890		
Greater Victoria Public Library (Final budget)	141,595		
Revenue loss from shut-down	55,550		
Information systems licencing	219,537		
Utilities (hydro, gas, water, sewer)	228,689		
Fire department operational (CREST, mobile command)	51,670		
Police department operational	633,520		
Other minor adjustments	25,200		
Information and Privacy Program	43,610		
Operational offsets - contingencies	<u>(935,000)</u>	3,286,261	3.22%
Discretionary new operational increases			
New inventory as per guideline			
Maintenance of New Parks/Trails	38,500		
Invasive Species Management (Yr 2)	33,000		
Special Events	20,000		
New IT Inventory	10,000		
Critical Staffing			
Human Resources	36,140		
Parks Planner	43,000		
Community events	<u>15,500</u>	196,140	0.19%
Capital increases			
Policy (2% core, debt servicing)	388,755		
Additional for infrastructure sustainability	510,085		
Establish Police vehicle & equipment reserves	<u>445,000</u>	1,343,840	1.32%
Total property tax increase		4,826,241	4.73%
Non-market tax revenue		<u>(402,304)</u>	-0.39%
Property tax to existing		4,423,937	4.34%

## Property Tax Increase History

	Overall Tax Revenue Increase			Operating		Capital		New		Total to Existing		New Tax
2015	106,843,500	102,011,300	4.74%	2.32%	51.50	1.32%	29.30	0.70%	15.55	4.34%	96.35	0.39%
2014	102,011,300	98,120,800	3.97%	1.16%	24.98	1.27%	27.34	0.35%	7.54	2.78%	59.86	1.19%
2013	98,120,700	93,943,000	4.45%	1.24%	25.71	1.42%	29.45	0.59%	12.24	3.25%	67.40	1.20%
2012	93,943,000	89,781,900	4.63%	1.73%	34.80	1.18%	23.74	0.34%	6.84	3.25%	65.38	1.38%
2011	89,805,900	84,950,800	5.72%	2.08%	40.27	1.42%	27.49	0.10%	1.93	3.60%	69.69	2.12%
2010	85,013,800	81,123,100	4.80%	2.31%	41.07	1.29%	22.93			3.60%	64.00	1.20%
2009	81,123,100	77,041,800	5.30%	3.19%	51.17	1.61%	25.83			4.80%	77.00	0.50%
2008	77,041,800	72,738,700	5.92%	3.08%	48.85	1.46%	23.15			4.54%	72.00	1.38%
Average		\$ 4,273,963	4.94%	2.14%	39.79	1.37%	26.15	0.42%	8.82	3.77%	71.46	1.17%

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Admin  
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RECEIVED  
APR 16 2015  
LEGISLATIVE DIVISION  
DISTRICT OF SAANICH

Summary List of Grant Applicants and Their Requests

Organization	2013 Approved Grants	2014 Approved Grants	2015 Grant Applications				Total Grants	Received Permissive Tax Exemptions
			Community or Social Service Grant Ongoing	Community Association Operating Grant One-time	Community Matched Grant	Sustaniability Grant		
BC Lions Society for Children with Disabilities	3,000	3,000					0	
BC SPCA - Wild Arc	2,500						0	
BC Sustainable Energy Association		8,000					0	
Big Brothers Big Sisters of Victoria Capital Region			3,000				3,000	
Bipolar Disorder Society of BC			10,000				10,000	
Blenkinsop Valley Community Association	1,100	1,100			1,100		1,100	
Broadmead Area Residents Association	1,000	1,000			1,100	3,000	4,100	
Cadboro Bay Residents Association	1,100	1,600			1,100		1,100	
Camosun Community Association	1,100	1,100			0		0	
Capital Region Food and Agriculture Initiatives Roundtable		10,000				7,000	7,000	
Cedar Hill Golf Club Ladies' Division	5,000	5,000	5,000				5,000	
City of Victoria - Canada Day	1,000	1,000	1,000				1,000	
Community Social Planning Council of GV	30,876	20,876	20,900			10,000	30,900	
Cordova Bay Association for Community Affairs	3,100	1,100			1,100	1,000	2,100	
Crisis Intervention & Public Information Society of GV	10,000	10,000	15,000				15,000	
Dee's Orphan Kitten Fund			3,000				3,000	
Evergreen						8,500	8,500	
Falaise Community Association	1,100	1,100			1,100		1,100	
Fish Eye Project Society						3,900	3,900	
Friends of Mt. Doug Park Society	1,100	1,100			1,100		1,100	
Friends Uniting for Nature Society						10,000	10,000	
Gordon Head Residents Association	1,650	1,650			1,650		1,650	
Gorge Tillicum Community Association	8,650	8,650	7,000		1,650	4,999	13,649	
Goward House Society	20,000	20,000	30,000				30,000	44,441
GV Bike to Work Society	4,500	4,500	4,500				4,500	
Greater Victoria Cycling Coalition						4,000	4,000	
Greater Victoria Development Agency	30,000	30,000	45,000				45,000	

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Organization	2013 Approved Grants	2014 Approved Grants	2015 Grant Applications				Total Grants	Received Permissive Tax Exemptions
			Community or Social Service Grant Ongoing	Community Association Operating Grant One-time	Community Matched Grant	Sustaniability Grant		
GV Visitors & Convention Bureau (Tourism Victoria)	36,000	36,000	36,000				36,000	
Greater Victoria Volunteer Society	12,041	12,041	12,041				12,041	
Haliburton Community Organic Farm Society	5,000	5,000	4,999				4,999	27,599
Help Fill A Dream Foundation of Canada			2,000				2,000	
Horticulture Centre of the Pacific	130,000	130,000	145,000				145,000	54,528
InspireHealth Society			20,000				20,000	
Lifecycles Project Society		10,000				10,000	10,000	
Maritime Museum of BC Society	15,000	15,000	20,000				20,000	
Mt. Tolmie Community Association	2,600	1,100			1,100		1,100	
Mt. View Colquitz Community Association	1,100	1,100			1,100		1,100	
North & South Agricultural Society	500	500					0	
North Quadra Land Use Protection Association	1,100	1,100			1,100		1,100	
P.I.S.C.E.S.	1,100	1,100			1,100		1,100	
Peninsula Streams Society			20,000				20,000	
Prospect Lake & District Community Association	2,600	1,100			1,100	3,000	4,100	6,257
Prospect Lake & Water Users Community	3,500	3,500	3,500				3,500	
Quadra Cedar Hill Community Association	1,650	1,650			1,650		1,650	
Residents of Strawberry Vale, Marigold & Glanford Community Association	1,650	1,650			1,650	2,600	4,250	
Rithet's Bog Conservation Society	1,100	1,100			1,100		1,100	
Royal Oak Community Association	1,100	1,100			1,100		1,100	
Royal Oak Historical Association	1,500	2,380					0	
Saanich Heritage Foundation	25,000	33,000	42,000				42,000	22,345
Saanich Marine Rescue Society	2,000	2,000	5,000				5,000	
Saanich Volunteer Services Society	56,790	57,909	58,368				58,368	
Shelbourne Community Kitchen Society				5,000			5,000	
Silver Threads Service	57,500	59,225	59,225				59,225	
SportHost Victoria	2,500	2,500	2,500				2,500	
St. John Ambulance	4,000	4,000	4,000				4,000	

Organization	2013 Approved Grants	2014 Approved Grants	2015 Grant Applications				Total Grants	Received Permissive Tax Exemptions
			Community or Social Service Grant Ongoing	Community Association Operating Grant One-time	Community Matched Grant	Sustaniability Grant		
Swan Lake Christmas Hill Nature Sanctuary Society	30,000	40,000		15,000			15,000	
Synergy Sustainability Institute						8,000	8,000	
Vancouver Island South Film and Media Commission	35,700	35,700	45,000				45,000	
Victoria Advanced Technology Council	5,000	5,000	5,000				5,000	
Victoria & VI Greek Community Society	2,000	2,000	5,000				5,000	
Victoria Rowing Society						3,700	3,700	20,134
World Fisheries Trust						9,500	9,500	
YesBC (Youth for Environmental Stewardship)	1,000	1,000					0	
<b>Totals</b>	<b>565,807</b>	<b>598,531</b>	<b>634,033</b>	<b>20,000</b>	<b>20,900</b>	<b>9,600</b>	<b>79,599</b>	<b>764,132</b>



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The Corporation of the District of Saanich

Council Administrator Media Apr 15/15 bh

Report

To: Mayor and Council
From: Valla Tinney, Director of Finance
Date: April 13, 2015
Subject: 2015 CREST Levy

DISCUSSION

Capital Region Emergency Service Telecommunications (CREST) provides radio communications for 40 agencies in British Columbia's Capital Region through a wide-area radio system that provides emergency communications for police, fire, ambulance and other safety service providers.

CREST is funded through user fees paid by the agencies using the system. The fees are based on the geographic size of the area served, population, the number of radios required, and radio traffic.

The allocation for Saanich for 2015 is \$492,626 (Fire - \$159,729 and Police - \$332,897) which represents a 1.03% decrease over 2014. The 2015 Saanich budget includes funding for the levy.

A resolution of Council is required to approve the 2015 CREST levy.

RECOMMENDATION

That Council approve the 2015 Crest Levy of \$492,626.

Prepared by Paul Arslan Senior Manager of Financial Services

Approved by Valla Tinney Director of Finance

ADMINISTRATOR'S COMMENTS:

I endorse the recommendation of the Director of Finance.

Carrie MacPhee, Acting Administrator

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Cad. Bay BIA

SPC/W APR 21/15



Council  
Administrator  
Media  
APR 15/15  
Dh

**The Corporation of the District of Saanich**

## Report

**To: Mayor and Council**  
**From: Valla Tinney, Director of Finance**  
**Date: April 13, 2015**  
**Subject: Cadboro Bay village Business Improvement Area Funding Request**

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### DISCUSSION

Please find attached a 2015 funding request from the Cadboro Bay Business Improvement Society. In accordance with Bylaw 9264, the Society has requested \$20,000 in funding for 2015 and submitted a pro forma business promotion budget for the year. A Certificate of Insurance for 2015 and the 2014 Financial Statements are attached.

A resolution of Council is required to authorize the 2015 property tax levy on the properties outlined in schedule 'A' of Bylaw 9264.

### NEXT STEPS

That Council approve the 2015 Cadboro Bay Business Improvement Society funding request and property taxation levy of \$20,000.

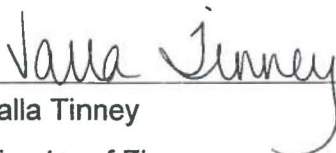
Prepared by

  
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Paul Arslan

Senior Manager of Financial Services

Approved by

  
\_\_\_\_\_

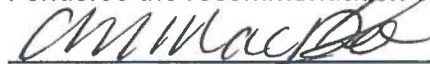
Valla Tinney

Director of Finance

Attachments

### ADMINISTRATOR'S COMMENTS:

I endorse the recommendation of the Director of Finance.

  
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Carrie MacPhee, Acting Administrator

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## Cadboro Bay Village Business Improvement Association

Valla Tinney, Director of Finance.  
District of Saanich  
770 Vernon Avenue  
Victoria, BC V8X 2W7

March 17, 2015

Dear Miss Tinney,

On behalf of the Cadboro Bay Village Business Improvement Association I would like to submit this letter as our formal request for funding for 2015. This year we are requesting an increase of \$5,000 to bring the total funding to \$20,000. Since the formation of the BIA we have never increased the funding requested, however we feel that this increase is needed to adjust for inflation, the expanding draw of the community events we host and general increases in cost of doing business moving forward.

Attached please find a copy of our financial statement for 2014, our estimated budget for 2015 and a copy of our certificate of insurance. Please note that the insurance is effective until July 15<sup>th</sup> of 2015 at which time it will be renewed.

Should you have any questions or concerns please do not hesitate to contact me.

Thank you.

Sincerely,

Leanne Allen  
Executive Administrator  
Cadboro Bay Village Business Improvement Association  
(250) 891-1975



**Cadboro Bay Village  
Business Improvement Association**

**2015 BIA Proposed Operating Budget**

Balance as of January 2015	\$5365
Requested Funding From Saanich	\$20,000

**Anticipated Expenses**

Legal fees	\$1020
Website Hosting	\$130
Insurance	\$850
Administrator Wages	\$6000
Printing/Photocopy/Postage	\$200
Community Art Festival	\$5500
Sunfest Sandcastle Sponsorship	\$1000
UVic Thunderfest	\$500
Caroling In the Village	\$6500
Post Office Box	\$158
Banking Fees	\$36
<b>Total</b>	<b><u>\$21,894</u></b>
Remaining balance rolled over	\$3471

Cadboro Bay Village  
Business Improvement Association  
Statement of Resources  
December 31, 2014

Assets	
Current Assets	
Cash	5365
Short-term investments	
Pre paid expenditures	
Long-term investments	
Capital Assets	
Liabilities and Resources	
Current liabilities	
Accounts payable	
Deferred contributions	
Funds held in trust	
Resources	
Externally restricted	5365

Cadboro Bay Village  
 Business Improvement Association  
 Statement of Financial Activities  
 December 31, 2014

Revenue	
Saanich Grant	15000
Expenses	
Vision Expenditures:	
Community Art Festival	5530
Sunfest Sandcastle Sponsorship	1000
Uvic Thunderfest	612
Caroling in the Village	5473
	<u>12615</u>
Operating Expenses	
Legal fees	1016
Website Hosting	130
Insurance	821
Administrators Wages	3000
Printing/Photocopy/Postage	232
Post Office Box	316
Landscaping	87
Banking Fees	170
	<u>5772</u>
Total Expenses	18387
Increase (decrease) in resources	-3387





**COASTAL COMMUNITY  
INSURANCE SERVICES (2007) LTD**

**TOGETHER, LET'S DO  
GREAT THINGS**

**Certificate of Insurance**

July 2, 2014

To Whom It May Concern:

We confirm that insurance coverage has been placed as follows:

**Insured:** Cadboro Bay Village Business Improvement Association

**Mailing Address:** PO Box 55020, Victoria, BC V8N 6L8

**Effective Date:** July 15, 2014

**Expiry Date:** July 15, 2015

**Company:** Intact Insurance

**Policy Number:** 5V2147263

**Coverage:** \$2,000,000 Commercial General Liability – per occurrence  
\$5,000,000 Commercial General Liability – per aggregate

**Additional Insured: The Corporation of the District of Saanich & its officers, employees, officials, agents representatives & volunteers, 770 Vernon Avenue, Victoria, BC, but only with respect to liability arising from work performed by, or on behalf of, the named insured.**

Subject to the Statutory Conditions of the Province of British Columbia.  
Subject to the said Insurer's policy terms, conditions and exclusions.

Sincerely,

Peter Knowles, CIP, CAIB  
Coastal Community Insurance Services (2007) Ltd.

This Certificate of Insurance neither affirmatively, nor negatively amends, extends, or alters the coverage afforded by the policies scheduled herein. It is furnished as a matter of information only, confers no rights upon the holder, and is issued with the understanding that the rights and liabilities of the parties will be governed by the original policy or policies as they may be lawfully amended by endorsement. E.& O.E.

Should the above described policy be cancelled before the expiration date thereof, the Insurer will endeavor to mail 15 days written notice to the Certificate Holder, but failure to mail such notice shall impose no obligation or liability of any kind upon either the Insurer or Coastal Community Insurance Services (2007) Ltd.

Victoria Agency  
702 Fort Street  
Victoria, BC V8W 1H2

1 250 585 7737  
1 250 585 8133



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## SAANICH POLICE

### OFFICE OF THE CHIEF CONSTABLE

Council  
Administrator  
Media  
APR 15 115  
BA

**DATE:** March 13, 2015

**TO:** Mayor Richard Atwell, and Saanich Council

**FROM:** The Saanich Police Board

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**RE: 2015 SAANICH POLICE BUDGET – COUNCIL MOTION RESPONSE**

On Monday March 2, 2015 Saanich Council passed a motion “[T]hat the Police Board develop .25% of property tax (\$250,000) and .50% of property tax (\$500,000) reduction scenarios to the 2015 budget submission.”

On March 10, 2015 The Saanich Police Board met and discussed Council’s motion to develop reduction scenarios to the Board’s 2015 budge submission. After much discussion and in consideration of the attached information, the Saanich Police Board passed the following motion:

**“Inform Council that the Saanich Police Board reviewed the Police budget, in light of Council’s request, and the Board can support a reduction of \$109,000, as this will not defer any expenses to the 2016 budget; if necessary, the Board could support a reduction of \$201,000, however, this will result in a deferral of \$92,000.00 to the 2016 Saanich Police budget; the Board could, reluctantly, support a reduction of \$250,000.00, however, that will defer a total of \$141,000 to the 2016 budget; and, the Saanich Police Board cannot support any further reductions.”**

The Saanich Police Board is providing the following information as requested by Council. This includes a historical context for Council’s information; a briefing of the 2015 context for the budget reductions; information regarding the known and anticipated financial pressures for the 2016 budget year; a discussion of seven incremental options for reduction scenarios of up to \$500,000 as requested, including the impact of each option; and, five reduction scenarios combining different options. The document concludes with the Saanich Police Board motion to Council with supporting rationale.

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## GENERAL DISCUSSION

### Historical Context:

Before looking at reductions we should review some of our past budget processes. Prior to 2015 the process for the police budget involved the Saanich Police Board Finance Committee and management working together to determine the required level of funding. The Board would then approve the budget and submit it to the Director of Finance. The next step of the process was a meeting between the Finance Committees of Council and the Police Board, usually involving the Chief Constable and the Director of Finance. At that meeting the Council Finance Committee generally had a good idea of the tax lift Council was hoping to achieve and, with this in mind, the submitted budget was adjusted to assist Council to be within their goal for a tax lift. This process was, for the most part, followed in 2015; however, no meeting occurred between the Board and Council Finance Committees.

Between 2012 and 2014 it was understood there was a cap on the tax lift in Saanich which was consistent with, and not to exceed other tax lifts in the region, and that this cap drove the need for reduced budgets. Table 1 shows Board approved budget amounts compared to those finally submitted to and approved by Council. It is clear that deferred requests are resulting in cumulative and ongoing deficits in the Police Board's budgets. If the 2015 budget were reduced it would be at least the fifth consecutive year of Council not approving the funding required for police services.

**Table 1: Difference of Proposed / Approved budgets 2011-2014**

Year	Proposed Increase	Approved Increase	Difference	App. Budget	Expenditures	Deficit
2014*	1,106,855	326,599	(780,256)	29,103,906	29,651,542	(547,636)
2013*	1,092,528	568,179	(524,349)	28,360,690	28,366,009	(5,319)
2012*	1,372,368	-	(1,372,368)	26,819,940	26,987,154	(167,214)
2011	938,120	87,787	(850,333)	25,425,370	25,425,793	(423)

\* Does not include adjustments for wages settled in 2014

The following are highlights of the Police Board's budgets between 2007 and 2014:

- 2007 – 2009 - the police budget generated a modest surplus of amounts ranging from \$14,000 to \$126,000, as seen in Table 2.
- 2010 – 2014 – budgets have resulted in deficits ranging from \$423 - \$548,000 as seen in Table 2.
- 2008 - benefit loads were cut from 21% to 18% to reduce the tax lift. Since then percentage has been adjusted periodically, but it has been difficult to maintain adequate funding for benefits.
- 2009 - the police operating accounts were reduced by \$200,000 to resolve issues regarding allocation of funds from the Traffic Fine Revenues. In the same year, the budget was reduced by 1%, or \$234,000 in operating.
- 2011 - \$850,000 was taken out of the budget before submission to Council.

- 2012 - \$1,372,000 was taken out of the budget before submission to Council. Although benefit loads were increased, benefits were underfunded by \$265,000 largely due to changes in pension funding.
- 2013 - \$568,000 was taken out of the budget before submission to Council. Benefit accounts were underfunded by approximately \$88,000.
- 2014 - \$780,000 was taken out of the budget before submission to Council. Benefit accounts were underfunded by approximately \$140,000.

**Table 2: Budget Status 2007-2014**

Year	Budget	Expenditures	Remaining
2014	29,103,906	29,651,542	(547,636*)
2013	28,360,690	28,366,009	(5,319)
2012	26,819,940	26,987,154	(167,214)
2011	25,425,370	25,425,793	(423)
2010	24,146,420	24,149,312	(2,892)
2009	23,621,680	23,495,096	126,584
2008	22,592,666	22,578,728	13,938
2007	20,859,908	20,745,776	114,132

\*2014 figure is year to date and subject to change

## 2015 Context

The 2015 budget submission consists of a \$1,912,700 increase to the 2014 budget (6.81%). The increases are found in three general areas: Personnel, Operating, and Reserve accounts for fleet and IT replacement, as depicted in Table 3 below.

The increase of \$825,500 in Personnel costs for wages and benefits is non-discretionary. A reduction in this area is not possible without either a reduction in the existing workforce, or, reversing the Board's decision to use the Regional Crime Unit funding to implement the restructuring plan.

The operating increase of \$642,200 is intended to offset the ongoing deficit in the existing budget (\$443,000), and to provide funding for new non-discretionary expenses in 2015, including: the Integrated Tech Crime Unit; CREST Operating and Infrastructure / hardware; IT Licensing Agreements; Dive Team; Incident Command Vehicle; and Victim Services (\$199,200).

The need to fund reserve accounts for fleet and IT replacement was identified in 2010. A plan was devised to fund these accounts through cumulative contributions from 2011 to 2014; however, other priorities prevented the implementation of this strategy. The required reserve funding has been set at \$445,000 based on an in-depth evaluation of the fleet and IT inventories. The 2015 core capital account only has \$250,000 to put towards the \$375,000 required to replace vehicles, and no funds have been identified to replace IT hardware and software.



Although Council is asking for reductions of \$250,000 - \$500,000, it is important to understand that \$380,000 has already been taken out of the Board's original submission consisting of \$288,000 from salaries for pre-hiring of recruits (to be funded through non-tax sources) and \$92,000 from operating for the funding required for CREST (deferred to 2016). Both of these amounts will be in next year's budget as increases that will affect the tax lift for 2016.

**Table 3: 2015 Core / Operating / Reserve Increases**

Budget Item / Category	Amount
<b>Personnel / Core</b>	
Negotiated increases to Salaries / Benefits / Special Allowances / Increments - Core Increase also includes: allowable capital increase; contractual increases in relief, backfill, and allowances; contracts and agreements (includes, PRIME, EOD/ERT, IT standby, and annual leave pay-out upon retirement)	825,500
<b>Operating</b>	
<b>Existing Un-funded</b>	
Existing Operating Shortfall	408,000
BC Municipal Undercover Program	35,000
<b>Sub-total</b>	<b>443,000</b>
<b>New for 2015</b>	
Tech Crime Operating	38,500
CREST infrastructure and hardware levy	99,700
IT Licensing Agreements	15,000
Dive Team Operating (estimated costs - no longer an integrated unit)	30,000
Incident Command Vehicle Operating	8,000
Victim Services	8,000
<b>Sub-total</b>	<b>199,200</b>
<b>Reserve Accounts</b>	
Technology Replacement	310,000
Fleet Replacement	135,000
<b>Sub-total</b>	<b>445,000</b>
<b>Total</b>	<b>1,912,700</b>

Another consideration is that the requested 2015 funding is, in all probability, insufficient to meet the 2015 demands. It has very recently come to the Board's attention that the benefit load rate for 2015 is inadequate. The shortfall in benefits load for 2014 is approximately \$140,000, up from the 2013 shortfall of approximately \$88,000. This shortfall is predicted to continue and will have an impact on personnel accounts. This needs to be recognized as a potential deficit for 2015 and pressure for 2016 when considering the impact of reductions.

There is limited capacity to reduce the budget in terms of reduced spending. As there is a need for increased staffing in 2016, the Board cannot support an option that sees a reduction in current staffing levels. As such, we are limited to reductions in the area of operating and the reserve accounts. The total funding required for the reserve and operating accounts is \$1,087,000 (\$642,000 operating / \$445,000 reserve). Given the

current operating deficit, and the critical need for reserve accounts, any reductions to these areas will result in increased liability for 2015 and increased pressures for 2016.

Council is asked to consider the known financial pressures for 2016, which were set out in the Saanich Police Board budget presentation. In addition to the underfunded benefits referenced above, there is a need in 2016 for \$1,250,000, consisting of \$192,000 in operating, \$300,000 in personnel for pre-hires, \$460,000 for four (4) patrol officers, and \$300,000 for four (4) civilian staff.

Finally, through the Police Board budget presentation, Council was advised that there would be wage increases, however, estimated costs were not provided because it was a public presentation and the Board could not disclose the expected needs to address various negotiated wage settlements. In general terms, Council can be advised that the Board anticipates as much as \$750,000 will be required to fund increases to personnel costs in 2016. This brings the known pressures in 2016 to \$2,002,000, exclusive of any shortfall in benefit funding.

If Council approves the 2015 budget as submitted, at \$30,011,300, the increase for 2016 will be 6.67%, slightly less than the 6.81% increase for 2015, as illustrated in Table 4, which depicts a Draft 2016 Budget that includes the pressures on that budget referred to in the preceding paragraphs.

**Table 4: Draft 2016 Budget Core / Operating Increases**

	Amount
<b>Submitted 2015 Budget – Base for Draft 2016 Budget</b>	<b>30,011,300</b>
<b>Core</b>	<b>750,000</b>
Est. Salary Increases / Pay Increments (CUPE / Exempt / Police Association)	
<b>Deferred From 2015 to 2016</b>	
CREST – Hardware and infrastructure Renewal - Financing	92,000
Real Time Information Centre	100,000
Recruit Pre-Hires	300,000
<b>Sub-total</b>	<b>492,000</b>
<b>New for 2016</b>	
<b>Staff Increases</b>	
Four (4) Patrol Officers	460,000
Four Civilian Staff	300,000
<b>Sub-total</b>	<b>760,000</b>
<b>Total</b>	<b>32,013,300</b>
<b>Total increase for 2015</b>	<b>2,002,000</b>
Percent increase over Submitted 2015 Budget	<b>6.67%</b>
<b>Additional Potential Pressures for 2016</b>	
Est. Core Increase includes: allowable capital increase; contractual increases in relief, backfill, and allowances; contracts & agreements	u/k Est. 100,000
Unfunded Benefit Load	150,000
<b>Total</b>	<b>250,000</b>
Potential additional percent increase over Submitted 2015 Budget	0.83%



## REDUCTION SCENARIOS / IMPACT

### Reduction Options

There are seven options that could be employed to achieve reductions starting from \$83,000 to \$109,000, without any deferrals; then increasing to \$201,000 and more to include the range of \$250,000 to \$500,000 that Council requested. The last five options rely on deferring spending until 2016; reducing operating accounts, running the risk of incurring an increased deficit in 2015; and delaying implementation of restructuring strategies. Table 5 sets out the seven options in descending order of preference for implementation, and presents the cumulative total reduction of the incremental implementation of each option, as well as the impact of deferrals to 2016.

**Table 5: Reduction Options in Order of Preferred Implementation**

Option # Preferred Order	Strategy	Amount	Cumulative Total	Cumulative 2016 Deferral
1	Defer Front Desk improvement*	83,000	83,000	
2	Reduce Annual Leave Payout	26,000	109,000	
3	Defer CREST Implementation	92,000	201,000	92,000
4	Defer Portion of IT Reserve	49,000	250,000	141,000
5	Defer Portion of Fleet Reserve	10,000	260,000	151,000
6	Defer Additional Portion of IT Reserve	115,000	375,000	266,000
7	Defer Remaining Fleet Reserve	125,000	500,000	391,000

\*Implement change in December instead of June

### Impact of Individual Options:

1. **Defer Front Desk Improvement Strategies (\$83,000):** When the Saanich Police Board approved withdrawing Saanich resources from the Regional Crime Unit (RCU), resulting in the collapse of the RCU, it was with the understanding and requirement that the resources be redeployed as per the approved restructuring plan. Included in this plan is a commitment to improve staffing levels at the police front desk. Funding required for this strategy was \$100,000 for 2015. This was to be implemented in July of 2015. By delaying this implementation until December, a reduction of \$83,000 can be achieved.

#### a. Impact:

- i. Reduce budget submission by \$83,000 or 0.28%
- ii. Reduce Municipal tax lift by 0.08%
- iii. This will result in a delay to service improvements, both to the front desk where the resources will be assigned, and to front line patrol where the strategy allowed for more resources to be deployed during dayshifts when call loads are heaviest.
- iv. This will require clear messaging to staff that the strategy is being delayed and that the Board is still committed to making this improvement to service delivery.

2. **Reduce the Amount Requested for Annual Leave Payouts (\$26,000):** The budget includes an amount of \$26,000 required to pay for unused leave paid out upon the retirement of police officers and other members of the Saanich Police Association. This was a new increase for 2015 resulting from an examination of this currently unfunded liability. It was intended to reduce the draw on personnel accounts in the face of reduced surpluses resulting from increased demands in that area of the budget, including insufficient funding for benefits.
- a. **Impact:**
- i. Reduce budget submission by 0.09%
  - ii. Reduce Municipal tax lift by 0.03%
  - iii. If implemented in the order presented this will increase the cumulated reduction to \$109,000. This may result in a similar request in 2016; however, new leave management strategies may eliminate this need.
3. **Defer CREST Implementation (\$92,000):** This can be achieved by timing the purchase of hardware until late in 2015 to ensure the first billing for the financing is not due until 2016.
- a. **Impact:**
- i. Reduce budget submission by 0.31%
  - ii. Reduce Municipal tax lift by 0.09%
  - iii. Increase budget request for 2016 by \$92,000
  - iv. Slower implementation of purchase of radios extends time before staff will benefit from improvements to radio performance and reliability. This will only be a matter of months and the current performance of radios is acceptable.
4. **Defer Portion of IT Reserve Transfer (\$49,000):** The IT replacement requirements for 2015 amount to \$146,000. The amount required for the annual contribution is \$310,000 to make this reserve fund sustainable for the ongoing replacement of IT. This allows for the remaining \$164,000 to be available for reduction scenarios. If \$49,000 of this amount were deferred to 2016, a \$250,000 reduction would be achieved as requested by Council.
- a. **Impact:**
- i. Reduce budget submission by 0.16%
  - ii. Reduce Municipal tax lift by 0.05%
  - iii. If implemented in the order presented, this option will increase the cumulated reduction for 2015 to \$250,000, and increase the cumulative deferred expenses to the 2016 budget request from \$92,000 (deferred through option 3) to \$141,000.

- iv. May set a pattern for Saanich to increase funding to the reserve account by only the amount required to meet expenses for a given year, as a means to spread out contributions over a longer term. If this is the case, the Board is seeking assurance from Council that the account will accumulate funds to the appropriate amount required each year. This strategy will impact each subsequent tax year, whereas providing full funding now isolates the lift to 2015.
5. **Defer Portion of the Fleet Reserve (\$10,000):** The fleet replacement for 2015 is \$375,000, of which, \$250,000 is funded from core capital, leaving \$125,000 to be funded from reserves. The amount required for the annual contribution to the reserve account is \$135,000 for the sustainable ongoing replacement of vehicles. This allows \$10,000 to be included in reduction scenarios for 2015.
- a. **Impact:**
    - i. Reduce budget submission by 0.03%
    - ii. Reduce Municipal tax lift by 0.01%
    - iii. If implemented in the order presented this will increase the cumulative reduction for 2015 to \$260,000, and increase the cumulative deferred expenses to the 2016 budget request from \$141,000 (deferred through options 3 and 4) to \$151,000.
    - iv. As discussed for the IT reserve reduction, this may set a pattern for Saanich to increase funding to the reserve account only by the amount required to meet expenses for a given year as a means to spread out contributions over a longer term. If implemented, the Board will want assurance from Council that the account will accumulate funds to the appropriate amount required in the following year.
6. **Defer Additional Portion of IT Reserve Transfer (\$115,000):** As referenced in Option 4, the IT replacement requirements for 2015 are \$146,000. The amount required for the annual contribution is \$310,000 to make this reserve fund sustainable for the ongoing replacement of IT. This allows for a possible reduction of \$164,000 that is not required for purchases in 2015. If Option 4 is implemented and the transfer is reduced by \$49,000, a further reduction of \$115,000 is available to reach a total reduction to this account of \$164,000.
- a. **Impact:**
    - i. Reduce budget submission by 0.38%
    - ii. Reduce Municipal tax lift by 0.12%
    - iii. If implemented in the order presented this will increase the cumulative reduction to \$375,000 and increase the cumulative deferred expenses to the 2016 budget request from \$151,000 (deferred through options 3 - 5) to \$266,000.

- iv. As noted previously, this may set a pattern for Saanich to increase funding to the reserve account by only the amount required to meet expenses for a given year. If this is the case, the Board would want assurance from Council that the account will accumulate funds to the appropriate amount required. This strategy will impact each subsequent tax year, whereas providing full funding now isolates the lift to 2015.

7. **Defer Remaining Funding of Fleet Reserve (\$125,000):** A further reduction of \$125,000 can be achieved by deferring the entirety of funding to the fleet reserve account.

a. **Impact:**

- i. Reduce budget submission by 0.42%
- ii. Reduce Municipal tax lift by 0.13%
- iii. If implemented in the order presented this will increase the cumulative reduction to \$500,000 and increase the cumulative deferred expenses to the 2016 budget request from \$266,000 (deferred through options 3 - 6) to \$391,000.
- iv. This will leave a shortfall in the ability to replace the required amount of vehicles.
- v. If vehicles are not replaced in the schedule set out, the replacement costs will be significantly higher in 2016 and subsequent years and the aging fleet maintenance costs will increase in the intervening years (see item vii).
- vi. The annual amount required for this account will have to be reassessed for 2016, and subsequent years, in order to get the replacement cycle back on track. This process may result in a capital request in 2016 of up to \$135,000, which would be in addition to the \$135,000 currently required for 2016.
- vii. Delayed replacement of vehicles will result in increased maintenance, garage and fuel charges, and these accounts are already underfunded.
- viii. Any funding for vehicles that require immediate replacement, which exceeds the available core capital funding of \$250,000, will have to come from another reserve account. This could be funded through municipal accumulated surplus without impacting the municipal tax lift.
- ix. As with other reserve account deferrals, this approach may set a pattern for Saanich to increase funding to the reserve account by the amount required to meet expenses for a given year. There is little room to do this however, as the cost of replacement is consistently close to what is required each year for the account to be sustainable, and in the near future we will require the accumulated difference to fund years that have a higher demand.



**Table 5: Reduction Options in Order of Preferred Implementation**

Option # Preferred Order	Strategy	Amount	Cumulative Total	Cumulative 2016 Deferral
1	Defer Front Desk improvement*	83,000	83,000	
2	Reduce Annual Leave Payout	26,000	109,000	
3	Defer CREST Implementation	92,000	201,000	92,000
4	Defer Portion of IT Reserve	49,000	250,000	141,000
5	Defer Portion of Fleet Reserve	10,000	260,000	151,000
6	Defer Additional Portion of IT Reserve	115,000	375,000	266,000
7	Defer Remaining Fleet Reserve	125,000	500,000	391,000

\*Implement change in December instead of June

**REDUCTION SCENARIO STRATEGIES AND IMPACTS:**

**Scenario 1: Budget reduction of \$109,000 – Supported by the Police Board**

**Strategy:** Based on the foregoing analysis, the Board is able to reduce the 2015 budget by \$109,000 through the implementation of **Reduction Options 1 and 2**; deferring front desk improvements and reducing the amount submitted for annual leave payouts without deferring costs to the 2016 budget. (Listed on Table 6 below)

**Impact:** To defer any amount to 2016, with an existing known pressure of up to a 6.67% or \$2,002,000 increase, will render it virtually impossible to achieve any of the Police Board’s and department’s staffing goals moving forward.

The inability to adequately staff patrol platoons, as a result of deferring costs to 2016, will result in further restructuring and, in all likelihood, a reduction of services, directly impacting our vulnerable and marginalized clients. The Bike Section is the Department’s most flexible resource and the last unit to have been developed. The Department’s other specialized sections play a critical role in call response and investigations, and while Bike Section provides very proactive and community centered services, the Board will not be able to afford those services at the expense of continually being understaffed in the Patrol division.

An inability to hire additional civilian staff in 2016 will significantly hamper the Department’s ability to conduct research and crime analysis to the level that policing demands today, and will prevent much needed improvements to capacity in relation to delivering crime prevention programming.

Further, there are sufficient warning signs that the existing budget submission will still result in an operating deficit this year given the ongoing underfunding of benefits and the year-to-date operating deficit for 2014.

This option allows for reduced spending in 2015 without placing additional burdens on the 2016 budget. It has minimal impact on operating accounts, and as such, does not raise significant concerns about increasing existing deficits, although there is a risk that this will add to the any deficit that will occur in 2015, depending on how many staff retire. A reduction of .11% of the Municipal budget is achieved through this option.

**Scenario 2: Budget reduction of \$201,000 – Supported by the Police Board with Caution**

**Strategy:** Implement **Reduction Options 1 - 3** as listed on Table 6 below.

**Impact:** This will allow Council to achieve a \$201,000 or 0.2% reduction in the Municipal budget. It will also allow the Board and Council to minimize the funds being deferred to 2016 to \$92,000. While it is preferred not to defer any burden to 2016, minimizing additional pressure is critical.

**Scenario 3: Budget reduction of \$250,000 – Supported by the Police Board with Caution**

**Strategy:** Implement **Reduction Options 1 - 4** as listed on Table 6 below.

**Impact:** This will allow Council to achieve a \$250,000 or 0.25% reduction in the Municipal budget. It will also allow the Board and Council to hold the funds being deferred to 2016 at \$141,000. As noted, while it is preferred not to defer any burden to 2016, minimizing additional pressure is critical. The amount deferred in this option will have a negative impact on the Board's ability to achieve 2016 operational and strategic goals.

**Scenario 4: Budget reduction of \$375,000 – Not supported by the Police Board**

**Strategy:** Implement **Reduction Options 1 - 6** as listed on Table 6 below.

**Impact:** This will allow Council to achieve a \$375,000 or 0.38% reduction in the Municipal budget. There is inherent risk to this option of placing a significant burden of \$266,000 on the 2016 budget. If this is done, the budget submission for 2015 is reduced by \$375,000 while adding by \$266,000 to the 2016 submission, thus, increasing the known 2016 funding needs to \$2,268,000. In terms of percentages, this would equate to an increase of 7.62% instead of the 6.67% currently forecasted. This will have significant negative impact on maintaining service levels and achieving 2016 goals.

**Scenario 5: Budget reduction of \$500,000 – Not supported by the Police Board**

**Strategy:** Implement **Reduction Options 1 - 7** as listed on Table 6 below.

**Impact:** This will allow Council to achieve a \$500,000 or 0.5% reduction in the Municipal budget. There is significantly more inherent risk to this option than options 1 - 6. This would defer \$391,000 to 2016, resulting in the potential for a total budget increase of \$2,393,000 or 8.07% in 2016, over the resulting 2015 budget, instead of the 6.67% currently forecasted.



**Table 6: Impact of Reduction Scenarios**

Option # Preferred Order	Strategy	Amount	Cumulative Total (\$)	Municipal Reduction (%)	Cumulative 2016 Deferral	Resulting lift (%) to 2016 Budget**
1	Defer Front Desk improvement*	83,000	83,000	0.08		
2	Reduce Annual Leave Payout	26,000	109,000	0.11		
3	Defer CREST Implementation	92,000	201,000	0.20	92,000	7.00
4	Defer Portion of IT Reserve	49,000	250,000	0.25	141,000	7.17
5	Defer Portion of Fleet Reserve	10,000	260,000	0.26	151,000	7.21
6	Defer Additional Portion of IT Reserve	115,000	375,000	0.38	266,000	7.62
7	Defer Remaining Fleet Reserve	125,000	500,000	0.50	391,000	8.08

\*Implement change in December instead of June

\*\*Based on reduced 2015 budget submission with deferrals included in the 2016 budget

**BOARD MOTION / RATIONALE**

**“Inform Council that the Saanich Police Board reviewed the Police budget, in light of Council’s request, and the Board can support a reduction of \$109,000, as this will not defer any expenses to the 2016 budget; if necessary, the Board could support a reduction of \$201,000, however, this will result in a deferral of \$92,000.00 to the 2016 Saanich Police budget; the Board could, reluctantly, support a reduction of \$250,000.00, however, that will defer a total of \$141,000 to the 2016 budget; and, the Saanich Police Board cannot support any further reductions.”**

**Rationale:** While the Board supports Council in their endeavor to reduce the taxation burden, any reduction of the submitted 2015 budget that results in a deferral to 2016 will have such a detrimental impact on the 2016 budget that it will take years to get the Board’s budget back on track. If Council can accept the lowest reduction of \$109,000, there will be no deferral to 2016. The lower reduction also considers that insufficient funds have been allocated for benefits for 2015 and, as such, there will likely be a 2015 deficit of at least \$140,000. This amount, combined with the reduction of \$109,000, is the equivalent of a reduction of \$250,000.

The incremental reductions presented have an increasingly negative impact on operations and strategic staffing goals for 2016. The Board is not confident that the department will be able to maintain service levels in 2016 if any additional costs are deferred. Table 7, the Condensed Draft 2016 Budget shows the potential impact of deferrals to 2016.

As noted previously, if the 2015 budget is reduced, it would be at least the fifth consecutive year of required funding not having been approved. The Board cannot, in good conscience, support a reduction scenario that will see continued deficits in 2015 and prevent required programming needs from being implemented in 2016.

**Table 7: Condensed Draft 2016 Police Budget - With Impact of Reduction Scenarios**

	<b>Amount</b>
<b>Submitted 2015 Budget – Base for Draft 2016 Budget</b>	<b>30,011,300</b>
<b>Core</b>	<b>750,000</b>
<b>Deferred From 2015 to 2016</b>	<b>492,000</b>
<b>Staff Increases for 2016</b>	<b>760,000</b>
<b>Proposed 2016 Total</b>	<b>32,013,300</b>
Total increase for 2015	2,002,000
Percent increase over Submitted 2015 Budget	<b>6.67%</b>
<b>Reduction Scenario Impact to 2016 Police Budget Increase Percentage</b>	
Scenario 1 - Reduce \$109,000      No Additional Deferrals	
Scenario 2 - Reduce \$250,000      Defer - \$141,000	<b>7.17%</b>
Scenario 3 - Reduce \$375,000      Defer - \$266,000	<b>7.62%</b>
Scenario 4 - Reduce \$500,000      Defer - \$391,000	<b>8.08%</b>
<b>Additional Potential Pressures for 2016</b>	
Est. Core Increase includes: allowable capital increase; contractual increases in relief, backfill, and allowances; contracts & agreements	u/k Est. 100,000
Unfunded Benefit Load	150,000
<b>Total</b>	<b>250,000</b>
Potential additional percent increase over Submitted 2015 Budget	0.83%

This budget was prepared to give Council an understanding of the current and future critical needs for the ongoing operations of the Saanich Police. It is intended to correct years of underfunding, and to provide sustainable funding for existing needs. Council is asked to consider that, had funding been provided in previous years as required and when needed, the significant increases that are now before Council would have been avoided. The ongoing reductions and deferrals that have been experienced in the past cannot continue without having a significant impact on operations. In the Board's considered opinion, we should be investing in the Saanich Police Department and providing the resources required to maintain the high level of service that our citizens expect and deserve.

Respectfully submitted,

Saanich Police Board

4300-02

SP CIW Apr 21/15

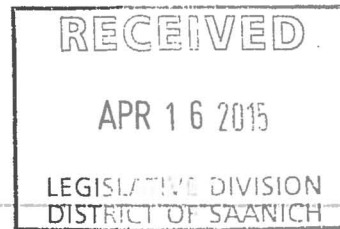


Council Administrator Media

The Corporation of the District of Saanich

Report

To: Mayor and Council
From: Valla Tinney, Director of Finance
Date: April 13, 2015
Subject: Council Remuneration – Annual Survey



DISCUSSION

The Council remuneration and expenses policy provides that Council remuneration shall be determined annually by Council during consideration of the Financial Plan and shall be based on the average of the remuneration of council members in other municipalities of comparable size (population between 84,000 and 141,000).

The remuneration amounts shown are the combined annual remuneration, acting Mayor pay and one-third tax exempt allowance for incidental expenses. The City of Victoria's fully taxable figures have been restated for comparison purposes.

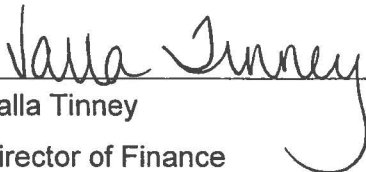
Two comparative charts have been presented: the first without, and the second one with Coquitlam data included.

Table with 5 columns: MUNICIPALITY, POPULATION, EFFECTIVE DATE, MAYOR \$, COUNCILLOR \$. Rows include various municipalities like Abbotsford, Delta, Kamloops, Kelowna, Langley, Nanaimo, N. Vancouver, Victoria, and summary rows for AVERAGE, SAANICH, and Difference.

CF

Average Remuneration including Coquitlam				
MUNICIPALITY	POPULATION	EFFECTIVE DATE	MAYOR \$	COUNCILLOR \$
Abbotsford	140,235	12/13	95,200.00	38,293.33
Delta	100,337	01/14	113,832.00	49,682.60
Coquitlam	129,716	01/15	132,257.58	57,562.05
Kamloops	87,647	01/15	83,439.25	29,203.74
Kelowna	122,455	01/15	90,586.74	32,055.36
Langley (Township)	107,505	01/15	112,602.00	45,979.35
Nanaimo	87,515	01/15	95,102.00	35,447.00
N. Vancouver (Dist)	89,437	01/15	98,413.98	40,523.27
Victoria	84,360	01/15	92,576.40	37,815.45
AVERAGE	105,467		101,556.66	40,729.13
SAANICH	114,013	1/14	95,701.93	37,625.45
Difference	8,546		5,854.73	3,103.68
			6.12%	8.25%

Prepared by   
 Paul Arslan  
 Senior Manager of Financial Services

Approved by   
 Valla Tinney  
 Director of Finance



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Finance

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Council  
Administration  
Media  
Apr 15/15  
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## The Corporation of the District of Saanich

# Report

**To:** Mayor and Council  
**From:** Valla Tinney, Director of Finance  
**Date:** April 14, 2015  
**Subject:** 2015 One-time Resource Requests

### PURPOSE

The purpose of this report is to provide information on the 2014 surplus and requests for consideration for use of the surplus.

### BACKGROUND

The annual surplus derives from actual operational results for revenue and expenditures for the year. In 2014 the operating surplus is \$769,500. While accumulating annual surpluses to ensure a healthy accumulated surplus balance is prudent, there is also recognition that there are one time expenditures to be considered each year. The unappropriated accumulated surplus is \$6.25 million prior to any transfer from 2014. The recommended range for Saanich based on best practice is \$5 to \$15 million. One time resource requests submitted for surplus funding total \$650,500; additions for fleet and equipment total \$381,000 and are appropriately funded from the Machinery and Equipment Reserve Fund.

### DISCUSSION

The "Introduction of Draft 2015-2019 Financial Plan report dated February 11, 2015 presented a list of one time projects and indicated that "detailed submission of these resource requests and confirmation of the availability of surpluses or other funding sources will be brought forward prior to finalization of the financial plan." An updated list of items and the recommended funding source is provided below. Detailed "Resource Request" sheets are included as attachments to this report.

One-time Resource Requests	Budget estimate	Funding Source	
		Annual Surplus	M&E Reserve Fund
1 Council Governance Review	100,000	100,000	
2 Webcasting Council Meetings	150,000	150,000	
3 Police Board Budget (recruit pre-hire)	288,200	288,200	
4 Employee survey	50,000	50,000	
5 Older Adults Recreation Strategy	25,000	25,000	
6 Playground improvements	12,300	12,300	
7 Panama Flats short term maintenance	20,000	20,000	
8 Municipal Hall 50th Birthday Celebration	5,000	5,000	
9 Purchase of three additional Parks vehicles	95,000		95,000
10 Purchase of two additional Creeks & Waterways vehicles	150,000		150,000
11 Department Operations Centre equipment	10,000		10,000
12 Apparatus equipment for backup Rescue Engine	126,000		126,000
	\$ 1,031,500	\$ 650,500	\$ 381,000

CS

There are four requests totalling \$381,000 that are recommended to be funded with the Machinery and Equipment Reserve Fund. Interest income on the reserve over the years has surpassed expectations and as a result there are funds available for these additions to the fleet without hindering the ability of the reserve to support continued lifecycle replacement of the existing fleet. As outlined in the detailed resource request these vehicles have previously been leased. The funding needed for the annual operating budgets required for the additions can be reallocated within the existing budget of the respective departments, resulting in cost savings from acquisition over the life of the vehicles. This aligns with the budget guideline allowing resource requests where upfront costs result in overall savings.

As any approved items would be funded from prior year surplus or reserves there is no additional impact to the taxation increase for 2015. Conversely, not approving an item would not reduce the taxation increase for 2015.

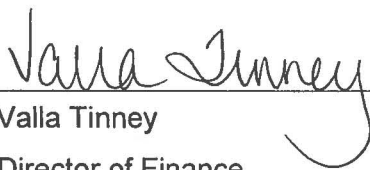
**RECOMMENDATIONS**

1. That Council approve acquisition of 5 additional vehicles, DOC equipment and Fire Rescue apparatus funded from the Machinery and Equipment Reserve Fund.
2. That Council consider the one-time resource requests funded from surplus and pass a resolution for incorporation into the final Financial Plan and associated bylaw.
  - a. That the following projects are approved funded from 2014 surplus...
  - b. That the following projects are not approved.

*Example – Request #1 - Governance review approval of \$100,000*

*Example – Request # – funding not approved.*

Prepared by

  
\_\_\_\_\_  
Valla Tinney  
Director of Finance

Attachments

**ADMINISTRATOR'S COMMENTS:**

I endorse the recommendation of the Director of Finance.

  
\_\_\_\_\_  
Carrie MacPhee, Acting Administrator



## RESOURCE REQUEST #1

Dept.	Administration	Division	Administration
Title of Request	Council Governance Review Committee	Departmental Priority Ranking	High
Time period when work will be completed:		12 to 15 months	
Amount of initial request:		\$100,000	
Amount of ongoing operating costs as a result of the request (if any):		None	
Corporate Plan linkage:		Service Excellence	
<p>Description, business case and statement of consequences if not approved</p> <p>The ballot question regarding conducting a broad governance review in 2015 was affirmed. Staff resource and research capacity will be required together with public engagement support and technical assistance for internet and social media engagement.</p>			
		DISTRICT OF SAANICH	Budget Year 2015

## RESOURCE REQUEST #2

Dept.	Legislative Services	Division	Legislative
Title of Request	Webcasting Council Meetings	Departmental Priority Ranking	High
Time period when work will be completed:		2015	
Amount of initial request:		\$150,000 (for option 2 or 3)	
Amount of ongoing operating costs as a result of the request (if any):		To be determined based on option selected	
Corporate Plan linkage:		Service Excellence and Healthy Community	
<p>In late 2012, Council asked staff to investigate how live podcasts of Council meetings might take place. An initial review in the latter part of 2013 looked at the CRD and City of Victoria models, but was incomplete as it did not consider the facility issues. In early 2014, staff advised Council that it would report back during the 2015 financial plan process with recommendations on appropriate webcasting and agenda management solutions compatible with the website content management system.</p> <ul style="list-style-type: none"> <li>▪ There are three basic types of webcasting solutions that staff can explore in greater detail:             <ol style="list-style-type: none"> <li>1. Basic (similar to CRD)                 <ul style="list-style-type: none"> <li>➤ single camera; agenda management system; webcast linked to agenda; limited facility changes; limited project management</li> <li>➤ estimated up to \$60,000 capital costs; beginning in 2016 estimated \$32,000 for ongoing operations</li> </ul> </li> <li>2. Intermediate (similar to City of Victoria)                 <ul style="list-style-type: none"> <li>➤ three+ cameras/video mixing; agenda management system; webcast linked to agenda; modest facility changes, i.e. electrical, lighting, podium, sound, control station for video mixing; increased level of project management required</li> <li>➤ estimated up to \$150,000 capital; beginning in 2016 estimated \$40,000 for ongoing operations</li> </ul> </li> <li>3. Looking to the Future (similar to City of Nanaimo)                 <ul style="list-style-type: none"> <li>➤ five± cameras/video mixing; agenda management system; webcast linked to agenda; ability for paperless Council and live citizen engagement; full facility renovations; full project management</li> <li>➤ no estimates available at this time</li> </ul> </li> </ol> </li> </ul> <p>In order to move forward, staff needs an indication from Council as to which type of solution it wishes to pursue and approval of funding. (If Council wishes to proceed with solution 3, staff requests initial approval of the \$150,000 to retain appropriate project management to explore more fully.)</p>			
DISTRICT OF SAANICH		Budget Year	
		2015	

## RESOURCE REQUEST #3

Dept.	Police Department	Division	
Title of Request	Additional FTEs – Recruit Prehire	Departmental Priority Ranking	High
Time period when work will be completed:		2015	
Amount of initial request:		\$288,200	
Amount of ongoing operating costs as a result of the request (if any):		None	
Corporate Plan linkage:			

Saanich Police will experience a minimum of four retirements in January of 2016. In order to replace these officers the Police Department must hire four recruits to ensure that an adequate number of officers are available for deployment to cover the 24/7 operations of the Police Department. The recruits are needed in advance of the anticipated retirement date as they are required to undergo nine months of training at the Justice Institute of British Columbia before being able to join and contribute to their assigned units.

Failure to staff these positions in advance will result in vacancies and have a significant negative impact to operations, service levels and community safety.

	DISTRICT OF SAANICH	Budget Year	
		2015	

## RESOURCE REQUEST #4

Dept.	Corporate Services	Division	Communications and Human Resources
Title of Request	Employee Survey	Departmental Priority Ranking	N/A
Time period when work will be completed:			2015
Amount of initial request:			\$50,000
Amount of ongoing operating costs as a result of the request (if any):			None
Corporate Plan linkage:			Service Excellence

This item received support from the Finance, Audit and Personnel Committee with the following motion:

*"That the Finance, Audit and Personnel Standing Committee approve Options 2; to proceed with the Employee Survey in 2015 and to bring the Employee Survey to the 2015 Financial Plan process for council consideration of the additional funding request of \$50,000 as outlined in the report of the Director of Corporate Services dated February 5, 2015."*

The original report is appended for background information.

	DISTRICT OF SAANICH	Budget Year	
	38	2015	

## THE CORPORATION OF THE DISTRICT OF SAANICH

**REPORT TO:** FINANCE, AUDIT & PERSONNEL COMMITTEE  
**DATE:** FEBRUARY 5, 2015  
**FROM:** LAURA CIARNIELLO, DIRECTOR OF CORPORATE SERVICES  
**SUBJECT:** EMPLOYEE SURVEY

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### **PURPOSE**

The purpose of this report is to provide the Committee with a progress update and the suggested next steps with respect to conducting an employee survey.

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### **BACKGROUND**

At the June 5, 2014 FAP meeting, Committee members raised the issue of conducting an employee survey. Concern was expressed related to comments about employee morale and overall communication with, and engagement of employees.

At that meeting a summary of Saanich's employee survey history was provided:

- Employee surveys conducted in 2002, 2006 and 2008 with low participation rates (2002 – 35%, 2006 – 29%, 2008 – 37%)
- In 2012, a new “Employee Conversations” approach was implemented. The change was initiated to address several concerns: firstly, the low participation rates; but additionally, the previous surveys were anonymous and in the absence of employee accountability, were trending towards griping sessions. Trends were hard to identify, as were appropriate methods to address issues. Under the new model, pilot sessions were held that focused on leadership, change management, performance feedback, employee development and job satisfaction. Several significant issues were raised by participants and others within the organization with regards to this format:
  - Time constraints from divisions, and variety of employees schedules
  - Cost of meetings (additional pay for scheduling the time of auxiliary employees)
  - Employees concerns about participating and scepticism about changes actually being implemented as a result of their contributions
  - Differing departmental priorities – lack of agreement on what was to be worked on
  - Concern with mandatory participation
  - Limited Corporate Services capacity and resources to conduct process and implement results



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## DISCUSSION

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During the latter part of 2014, staff conducted a review of options for survey processes, and methods for identifying and implementing recommendations.

Based on this review, it is recommended that an independent consultant be engaged to assist in the preparation of questions, data analysis and development of recommendations based on the findings for implementation of best practices and change management. Subsequently, additional human resources and communication resources would be needed (short term contract) to assist with an implementation and communication plan that is not only endorsed by Directors and Managers, but is realistic, achievable and within current funding levels. It is anticipated that this would cost \$35,000 for the survey and \$15,000 for contract assistance.

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## OPTIONS:

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1. Defer the Employee Survey to 2016. Given the current climate of change within Saanich and the lack of a permanent CAO who can champion this process, it is possible that conducting a survey at this time would not provide high value feedback from staff. As with previous experience, there may still be skepticism related to implementation of any identified improvements. A stable management team, with permanent leadership would be in a better position to address these concerns early on in the process.
2. Proceed with the Employee Survey in 2015. If this is the selected option, a recommendation should be passed to the 2015 Financial Plan process for Council consideration of the additional funding of \$50,000.

Laura Ciarniello  
Director, Corporate Services

cc. Administrator

## RESOURCE REQUEST #5

Department:	Parks and Recreation	Division: Recreation	Community Services
Title of Request:	Older Adults Recreation Strategy	Departmental Priority Ranking	High
Time period when work will be completed:			2015/16
Amount of Initial Request:			\$25,000
Amount of ongoing operating costs as a result of the request			None

**Corporate Plan linkage:**

OCP 5.1.4.1 - Foster the development of a community that is safe, diverse and inclusive and where social interaction, physical activity, sense of place, and neighbourliness are actively promoted and supported.

OCP 5.1.4.3 - Work with multicultural organizations to promote harmonious intercultural relations and access to community services.

OCP 5.2.2.1 - Review recreational programming and facilities, as necessary, to ensure they are meeting current and emerging needs.

OCP 5.2.2.2 - Ensure recreation facilities and programs are accessible to people of all ages, ethnicity, incomes, and abilities.

OCP 5.2.1.6 - Encourage and support a wide range of educational and learning opportunities which aid in community capacity building, and strive to meet a broad range of community needs.

OCP 5.2.1.7 - Continue to encourage citizen involvement in civic affairs.

Parks, Recreation and Culture Master Plan – Objective 8 *Age-Friendly Communities* - Continue to develop the concepts for age-friendly communities, and collaborate with other departments and stakeholders on parks and recreation services for seniors. Initiative 1: Implement Active Aging Strategy (2004) and Age-Friendly Cities Initiative (2006).

The District of Saanich *Parks, Recreation and Culture Master Plan, 2013*, recommends to 'Continue to develop the concepts for age-friendly communities, and collaborate with other departments and stakeholders on parks and recreation services for seniors.' through Initiative 1: '**Implement Active Aging Strategy (2004) and Age-Friendly Cities Initiative (2006).**' Both of these reports have reached the end of their lifespans and the District has addressed the accomplishable initiatives and actions. These reports are 8-10 years old and the Department needs a new vision and strategy to address the rapidly changing demographics.

With the 2011 Census information, 2013 research provided by MXD Development Strategies (Planning Document) and information from Saanich Current Planning Division, the following circumstances are either currently being experienced or are projected for the District of Saanich:

- Saanich has a population of 109,752 (2011). A projected moderate growth rate of 0.45% per annum sees the population reaching approximately 123,000 in 2036
- Of the 2011 total population, the 60-74 age segment consists of 16% (17,575 residents) and those 75 years and older consists of 9% (10,225 residents). Thus, older adults make up **25%** of Saanich's current population

- By 2026, it is anticipated that one in three residents will be over the age of 55. Population projections indicate retiree age segments will grow rapidly between 2013 and 2036. This gives an indication as to the future resources and amenities that will be needed which can be expected to accommodate such demographic trends. (MRX A-8 Exec Summary, 2013). This has significant implications on residential and multi-family residential supply, health care services, and municipal services.
- By 2036, it is anticipated that the Retiree age segment will grow by 16,500 (est.) meaning that older adults will make up 36% of the total population by 2036.
- An analysis of aging and housing choices reveals there is a pronounced persistence among older residents to remain in their homes ('age in place') and the move to multi-family housing or purpose-build congregate care is likely to be moderate and postponed to later years.

Current adult recreation programming encompasses all citizens aged 19 – 99. The *2004 Active Aging Strategy* addressed a number of issues that were current at that time. Since 2004, the adult population segment has changed, particularly with baby boomers aging and retiring. This significant population shift requires recreation services to re-examine priorities, expectations and requirements of this demographic in order to address their changing needs as they age.

There are many opportunities for new health partnerships, both community and private, that may be possible with a new vision and strategic objectives for meeting older adults' recreation needs. The Parks and Recreation Department has an opportunity to play a major role to support and maintain healthy lifestyles for older adults, as well as create opportunities for improved social, physical and mental health through older-adult focused recreation programming. This will enable seniors to stay socially connected, active, and assist in decreasing health-care costs.

It is in the District's best interest to ensure that the recreation services offered in the next five to ten years adequately reflect the needs of the older adult population. It is recommended that a consultant is hired to assist District recreation staff to research, consult with the public, and create strategic objectives. The implementation plan would target all aspects of our culturally and economically diverse population, with the ultimate goal to improve older-adult recreation programs and services.

**Statement of consequences if not approved:**

The Department will forgo a large business opportunity if we do not offer programs that are relevant and needed by the growing older adult population. A strategic approach ensures that efforts are aimed to ensure recreation services are more flexible and responsive to the needs of an aging population, as well as prioritize resources. As Saanich citizens age, they will be able to rely on relevant, healthy lifestyle choices, and active participation in community life.

	DISTRICT OF SAANICH	Budget Year	
		2015	

## RESOURCE REQUEST #6

Department	Parks and Recreation	Division	Community Services
Title of Request	Playground Improvements	Departmental Priority Ranking	High
Time period when work will be completed:			2015
Amount of Initial Request:			\$12,300
Amount of ongoing operating costs as a result of the request (if any):			\$0
<p><b>Corporate Plan linkage:</b></p> <p>OCP 5.1.4.1 - Foster the development of a community that is safe, diverse and inclusive and where social interaction, physical activity, sense of place, and neighbourliness are actively promoted and supported.</p> <p>OCP 5.2.2.1 - Review recreational programming and facilities, as necessary, to ensure they are meeting current and emerging needs.</p> <p>OCP 5.2.2.2 - Ensure recreation facilities and programs are accessible to people of all ages, ethnicity, incomes, and abilities.</p> <p>OCP 5.2.1.6 - Encourage and support a wide range of educational and learning opportunities which aid in community capacity building, and strive to meet a broad range of community needs.</p> <p>Parks, Recreation and Culture Master Plan – (abridged)</p> <ul style="list-style-type: none"> <li>• Objective 1: Address the needs for existing, and new accessible park facilities, including washrooms, access points, etc.</li> <li>• Objective 3: Planning of major parks infrastructure and services in an organized and appropriately resourced manner, including exploring initiatives that have high appeal to young people.</li> <li>• Objective 4: Continue efforts for more cross-departmental collaboration, thus bringing the operational group (Parks) with programming delivery (Recreation) to better address community needs.</li> <li>• Objective 9: Encouraging physical activity for children and youth programming, including play in the park programs.</li> </ul> <p>In 2014, 2,780 kids attended Summer Neighbourhood Playground Program (SNPP) at seven parks: Rudd, Marigold, Meadow, Horner, Copley, Reynolds and Lochside. In order to ensure safety, cleanliness, order and sufficient access, these huts need improvements.</p> <p>The District of Saanich <i>Parks, Recreation and Culture Master Plan, 2013</i>, addresses the need to continually assess and improve infrastructure at park facilities. The SNPP is very well attended with only basic facilities. A number of minor improvements would greatly assist and improve the quality of maintenance, cleanliness and functionality for the children in attendance. As noted in the Master Plan, providing new approaches to Children and Youth Programming in outdoor play settings is a priority to ensure Saanich children are not 'nature-deficient' and develop an early interest and connection to nature in these settings. Lastly, the Playground program is subsidized, ensuring it is an affordable day camp option provided in different locations throughout Saanich. The huts and playgrounds need resources to improve the functionality, including external water access (outside the huts), hooks, over hangs to protect from different weather conditions, improvements to irrigation and picnic tables. The Department may forgo an important business opportunity if we do not provide clean, safe and well-operated facilities and programs for this age group.</p>			
DISTRICT OF SAANICH			Budget Year
			2015



## RESOURCE REQUEST #7

Department	Parks & Recreation	Division	Parks
Title of Request	Panama Flats Mowing/Tilling	Departmental Priority Ranking	High
Time period when work will be completed:		2015	
Amount of Initial Request		\$20,000	
Amount of ongoing operating costs as a result of the request		none	
<p>In 2012, Saanich received numerous complaints about strong odour from Panama Flats. Decaying vegetation was identified as a contributing factor, and a program to mow/till the field areas was implemented in 2013 and 2014 with a local farmer. This work was funded from savings in operations in 2014, however, there are no dedicated funds for this operation. This is a short-term cost until such time as a long-term arrangement for agricultural use is in place.</p> <p>If this project does not receive funding rough mowing operations would need to be reallocated from other locations. Alternatively, the mowing / tilling work at Panama Flats could be reduced in scope or suspended for one year. There is a risk of a repeat of the odour problem experienced in 2012.</p>			
DISTRICT OF SAANICH			Budget Year 2015

## RESOURCE REQUEST #8

Dept.	Council	Division	Committees (Arts, Culture and Heritage)
Title of Request	Municipal Hall 50 <sup>th</sup> Birthday Celebration	Departmental Priority Ranking	
Time period when work will be completed:			2015
Amount of initial request:			\$5,000
Amount of ongoing operating costs as a result of the request (if any):			None
Corporate Plan linkage:			Strengthen the physical, social and cultural participation of citizens.

2015 marks the 50<sup>th</sup> anniversary of the completion of the Municipal Hall. A public event is proposed to be held at the hall to engage the community in appreciation of this heritage structure that is the seat of governance for the community.

	DISTRICT OF SAANICH	Budget Year	
		2015	

## RESOURCE REQUEST #9

Dept.	Parks and Recreation	Division	Parks (Parks Urban Forestry, Horticulture and Natural Areas)
Title of Request	Parks Fleet Vehicles	Departmental Priority Ranking	High
Time period when work will be completed:			2015
Amount of initial request:			\$95,000
Amount of ongoing operating costs as a result of the request (if any):			Annual operating and replacement costs will be allocated from the current lease budget – no ongoing funds are required.

The Urban Forest and Natural Areas Sections requires three vehicles. Arboriculture Inspector – Electric Car, Asst. Supervisor of Natural Areas- ¾ tonne pickup, Natural Areas Technician – ¾ tonne pickup

**Background**

Over the past several years resources have been transferred between Business Units within Park Sections based on the implementation of the Workforce plan created in 2011. Over this time period, two FTE positions have been created utilizing resource requests, re-alignment of budget and conversion of FTE positions between Sections. This includes the Natural Areas Technician and a second Arboriculture Inspector position. While the positions have the required operational budget funding for municipal vehicles, no fleet vehicles were assigned to these positions. The Natural Areas Technician currently utilizes a leased pickup truck and the Arboriculture Inspector utilizes unit #07-032 which will be auctioned off in 2015.

**Discussion**

A recent reorganization of work functions within Urban Forestry, Horticulture and Natural Areas has led to the conversion of the FTE Supervisor of Horticulture to an Assistant Supervisor of Natural Areas. The current Natural Areas technician was the successful candidate for the Asst. Supervisor of Natural Areas. The vehicle currently assigned to the Supervisor of Horticulture is being utilized within the Horticulture Section rather than leasing an additional truck.

These sections are currently utilizing two pooled fleet vehicles which will be going to auction in 2015. The Natural Areas Technician position is utilizing a leased vehicle from Jenner Chev Olds. We require vehicles moving forward for the Asst. Supervisor of Natural Areas, Natural Areas Technician and Arboriculture Inspector. The options available include leasing or adding additional vehicles to the fleet. The Fleet Manager has confirmed that the option of reallocating vehicles within the fleet is not an option in 2015.

**Unit Acquisition**

This includes one Electric Car for the Arboriculture Inspector and two ¾ tonne pickups for the Asst. Supervisor of Natural Areas and the Natural Areas Technician. The existing budget has the necessary resources to cover the hourly costs of these fleet vehicles. The monthly cost of leasing a car and 2 ¾ tonne pickups thru Jenner Chev Olds will be \$1,904.00. As these vehicles will be required on an ongoing basis we are requesting one-time funding in the amount of \$95,000 for the purchase of the required fleet vehicles.

**Impacts if unfunded:** Continuing with vehicle leases will result in higher lifecycle costs.

	DISTRICT OF SAANICH	Budget Year	
	46	2015	

## RESOURCE REQUEST #10

Dept.	Engineering	Division	Storm and Wastewater - Creeks and Waterways
Title of Request	Two 1 ton trucks	Departmental Priority Ranking	High
Time period when work will be completed:		2015 Acquisition	
Amount of initial request:		\$150,000	
Amount of ongoing operating costs as a result of the request (if any):		Annual operating and replacement costs will be allocated from the current lease budget – no ongoing funds required.	

In 2012 there was a restructure in the Public Works Division. The Storm and Wastewater Section took over responsibility for the Creeks and Waterways program from the Roads Section. At that time the Budget was at \$373,000. At the time, trucks were not transferred as part of the program.

For the past 2 years, as part of the transition, the program has been utilizing vehicles slated for disposal by the Fleet Centre. These trucks will not be available in 2015 as the fleet center has disposed of them. The ability to schedule the Creeks and Waterways program efficiently requires vehicles to be available. As the Creeks and Waterways program is now in its 3<sup>rd</sup> year, the vehicle requirements to complete the workload have been established. Continued rental or lease of a properly equipped vehicle has proven very challenging. For example, a pickup truck doesn't provide the ability to carry the required tools and supplies to complete daily Creek and Waterways work as well as spill response calls.

The current scope of work, yearly programs and spill response dictates the need for two properly equipped one ton vehicles that will be functional year round. The approximate cost of a vehicle set up for Creeks and Waterway's service is estimated at \$75,000 each.

The alternative is renting or leasing these vehicles, however due to the specialized needs for the vehicle is not recommended as the best approach. .

	DISTRICT OF SAANICH	Budget Year	
	47	2015	

## RESOURCE REQUEST #11

Dept.	Fire	Division	Emergency Program
Title of Request	DOC Equipment Request	Departmental Priority Ranking	High
Time period when work will be completed:		2015	
Amount of initial request:		\$10,000	
Amount of ongoing operating costs as a result of the request (if any):		No additional funding requirements	
Corporate Plan linkage:		Enhance Public Safety Increase Emergency Preparedness	

**Department Operations Center (DOC):**

The 2013 Corporate Plan included a Safe Community initiative which identified the creation of a Department Operations Center planning framework which would provide a systems based support structure for individual municipal departments to operate during emergencies. Fire / SEP has been the lead department and responsible for creating the corporate wide template which is now complete. At the end of 2014, early 2015 Fire / SEP completed additional DOC support material and are ready to implement the DOC once a dedicated space and equipment are configured to support DOC operations.

**No. 1 Training Center (EOC)**

The 2013 Fire Department Plan contained an initiative identified as No. 1 Training Center (Emergency Operations Center) and focused on improving functionality and technology support for the EOC. The procurement process identified additional equipment would be required in the next couple of years at No. 2 and No. 3 Fire Stations to support training and operations for the department. Phase 1, FD Training / EOC equipment was installed and operationalized in early 2014. FD Training / EOC AV Equipment troubleshooting and IT staff capacity prevented progress with phase 2 and 3 of this program in 2014.

Phase 2 of this initiative focuses on establishing a shared meeting platform such as Webex, Go-to Meeting, etc to support multi-station training, group project work and sharing operational situation reports which support department operations while utilizing existing equipment/resources. Phase 3 involves installation of equipment at No. 2 and No. 3 Fire Stations to create an effective multi-station training environment and to create back-up DOC / EOC capacity for the municipality.

A dedicated multi-purpose DOC space has been identified in the Emergency Program Annex and dedicated technology and support equipment is required to support DOC operations. The DOC may be required to operate at the same time as the EOC and dedicated equipment and interoperability is required to support business continuity and department operations. Residual funding from the attached DOC carry forward request will be utilized to support Phase 2 and Phase 3 of the No. 1 Training Center (EOC) initiative which was stalled in 2014. Implementation of equipment will support multi-station training, project work, continuity of operations during major emergencies and support a back-up DOC and EOC. Any additional equipment will be supported through 2015 Fire and/or SEP core capital funding.

**Consequences if not approved**

The Fire Department will not be able to effectively operate a Department Operations Center.

	DISTRICT OF SAANICH	Budget Year	
	48	2015	



## RESOURCE REQUEST #12

Dept.	Fire	Division	Mechanical, Vehicles and Equipment
Title of Request	Apparatus Equipment for New Rescue Engine	Departmental Priority Ranking	High
Time period when work will be completed:		2015	
Amount of initial request:		\$126,000	
Amount of ongoing operating costs as a result of the request (if any):		none	
<p><u>Corporate Plan linkages:</u></p> <p>Enhance Public Safety          Increase Emergency Preparedness          Provide Best Value for Money</p> <p><u>Description and business case:</u></p> <p>Acquisition of self-contained breathing apparatus, auto-extrication equipment, hose, nozzles and related fire and life safety equipment are required to equip the new Rescue Engine (delivery 2015) is being requested. The existing equipment will remain with the current Rescue Engine when it transitions to reserve/training status. Maintaining fully equipped fire apparatus is critical to support fire protection for the Municipality during major emergencies or excessive call volume periods and as replacement apparatus during maintenance of front line apparatus. Additionally, fully equipped reserve apparatus are utilized for training purposes which supports public safety through reduced turnout and response times as front line apparatus remain ready for immediate response. Purchasing equipment for the new Rescue Engine will ensure front line and reserve apparatus are standardized and there are no out of service delays due to equipment transfer and time-consuming inventory management processes.</p> <p><u>Consequences if not approved or only partially approved:</u></p> <p>The new Rescue Engine will need to be outfitted with old equipment from the Engine being reassigned to reserve status. Municipal emergency response capacity will not have improved as a Rescue Engine without equipment is deemed non-operational. There will be no ability to utilize the Reserve Engine for training purposes resulting in public safety concerns (increased turnout and response times) as front line apparatus may need to leave equipment behind and/or be delayed in responding due to equipment reloading. Mechanical changeovers will result in Engines being out of service for longer periods due to the requirement for equipment changeover and inventory control processes which may lead to fire fighter and public safety concerns due to increased response times and reduced response capacity. Failure to acquire this equipment would severely affect the Department's response capacity during a major emergency or period of excessive call volume.</p>			
DISTRICT OF SAANICH		Budget Year	
		2015	

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The Corporation of the District of Saanich

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# Report

**To:** Mayor and Council  
**From:** Valla Tinney, Director of Finance  
**Date:** April 14, 2015  
**Subject:** Revenue, Tax and Tax Exemption Policies and Objectives

## PURPOSE

The purpose of this report is to confirm the revenue, tax and tax exemption policy statements for the Financial Plan Bylaw.

## BACKGROUND

Section 165(3.1) of the *Community Charter* requires municipal five-year financial plans to include explicit revenue and tax policy disclosures. This requires municipalities to include in the five-year financial plan, the objectives and policies regarding each of the following:

- the proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the *Community Charter*,
- the distribution of property taxes among the property classes; and
- the use of permissive tax exemptions.

These revenue and tax policy disclosure requirements are intended to further enhance municipal accountability to the public by requiring all municipalities to develop and publicly disclose their objectives and policies in relation to their municipal taxes.

## DISCUSSION

The proposed policy statements and objectives are:

### A. Proportion of Total Revenue

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

This statement is consistent with prior years.

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**B. Distribution of Property Taxes**

*The Municipality will continue to set tax rates to ensure tax stability by maintaining the proportionate relationship between classes and uniform annual tax increases. The 2014-2019 Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 21%, consistent with prior years.*

This statement is consistent with prior years.

**C. Permissive Tax Exemptions**

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

There is a minor change to this statement (removal of the word “annually”) to reflect the current practice of a comprehensive review in the first year of Council’s term with annual updates as needed for new applicants.

**RECOMMENDATION:**

That Council approve the policies and objectives for inclusion in the 2015-2019 Financial Plan Bylaw.

- A. The Municipality will continue to pursue revenue diversification to minimize the overall percentage of revenue raised from property taxes wherever possible. The objective is to continue maintaining a reasonable tax burden by maximizing other revenue sources, lowering the cost of municipal services and shifting the burden to user fees and charges where feasible.
- B. The Municipality will continue to set tax rates to ensure tax stability by maintaining the proportionate relationship between classes and uniform annual tax increases. The 2015-2019 Draft Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 21%, consistent with prior years.
- C. The Municipality will continue to support local organizations through permissive tax exemptions. The objective is to consider exemptions individually on their merits, in context with the Saanich Strategic Plan.

Prepared by   
Valla Tinney  
Director of Finance

**ADMINISTRATOR'S COMMENTS:**

I endorse the recommendation of the Director of Finance.

  
Carrie MacPhee, Acting Administrator

COUNCIL MEETING  
APRIL 21, 2015

**RECOMMENDATION**  
**FROM THE SPECIAL COMMITTEE OF THE WHOLE MEETING**  
**FINANCIAL PLAN**

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Mayor  
Councillors  
Administrator  
*VT*

**HELD MARCH 17, 2015**

**COMMUNITY ASSOCIATION OPERATING GRANTS**

That it be recommended that Council approve the following 2015 Community Association Operating Grants as outlined in the report from the Director of Finance dated March 10, 2015.

<u>Organization</u>	<u>Grant</u>	<u>Insurance</u>
• Blenkinsop Valley Community Association	\$ 1,100	\$ 500
• Broadmead Area Residents' Association	1,000	500
• Cadboro Bay Residents Association	1,100	500
• Camosun Community Association	.....	.....
• Cordova Bay Association	1,100	500
• Falaise Community Association	1,100	500
• Friends of Mount Douglas Park Society	1,100	500
• Gordon Head Residents' Association	1,650	500
• Gorge Tillicum Community Association	1,650	500
• Mount Tolmie Community Association	1,100	500
• Mount View Colquitz Community Association	1,100	500
• North Quadra Land Use Protection Assoc.	1,100	500
• P.I.S.C.E.S	1,100	.....
• Prospect Lake and District Community Assoc.	1,100	500
• Quadra Cedar Hill Community Association	1,650	500
• Residents of Strawberry Vale, Marigold & Glanford Community Association	1,650	500
• Rithet's Bog Conservation Society	1,100	.....
• Royal Oak Community Association	1,100	500
Totals	\$20,800	\$ 7500

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COUNCIL MEETING  
APRIL 21, 2015

**RECOMMENDATION**  
**FROM THE SPECIAL COMMITTEE OF THE WHOLE MEETING**  
**FINANCIAL PLAN**

**HELD MARCH 17, 2015**

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*1/4/15*  
Mayor  
Councillors  
Administrator  
VT

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**HIGH SCHOOL DRY GRAD GRANT REQUESTS**

That it be recommended that Council approve the 2015 Dry Grad applications from the Claremont All Night Dry Grad Committee and from the St. Andrews Regional High School After-Grad Committee up to an amount of \$1880, as outlined in the report from the Director of Finance dated March 10, 2015.

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The Corporation of the District of Saanich

Council  
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## Report

**To:** Mayor and Council  
**From:** Valla Tinney, Director of Finance  
**Date:** April 13, 2015  
**Subject:** 2015 Greater Victoria Public Library Budget

### DISCUSSION

The Greater Victoria Public Library presented their 2015 Budget at the Special Committee of the Whole meeting March 3<sup>rd</sup>. The library Board requested \$5,263,910 as Saanich's contribution for its 2015 budget. This is a \$141,595 increase over 2014 levels or 2.76%. The increase for 2015 is attributed to operational increases and a reduction in fine revenues.

The 2015 Saanich budget includes funding for this contribution.

### NEXT STEPS

That Council approve the 2015 Greater Victoria Public Library Operating Budget of \$5,263,910.

Prepared by

Handwritten signature of Paul Arslan in black ink.

Paul Arslan

Senior Manager of Financial Services

Approved by

Handwritten signature of Valla Tinney in black ink.

Valla Tinney

Director of Finance

### ADMINISTRATOR'S COMMENTS:

I endorse the recommendation of the Director of Finance.

Handwritten signature of Carrie MacPhee in black ink.

Carrie MacPhee, Acting Administrator

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The Corporation of the District of Saanich

Council  
Administrator  
Media  
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## Report

**To:** Mayor and Council  
**From:** Valla Tinney, Director of Finance  
**Date:** April 13, 2015  
**Subject:** 2015 Swan Lake Christmas Hill Nature Sanctuary Contract

### DISCUSSION

The Swan Lake Christmas Hill Nature Sanctuary presented their 2015 contract request at the Special Committee of the Whole meeting of March 3<sup>rd</sup>. The request is for \$340,000 or 3.03% over the 2014 contract of \$330,000. The increase covers operational costs associated with salaries and building and trail maintenance.

The 2015 Saanich budget includes funding for this contribution.

### NEXT STEPS

That Council approve the 2015 Swan Lake Christmas Hill Nature Sanctuary contract fee of \$340,000.

Prepared by

  
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Paul Arslan

Senior Manager of Financial Services

Approved by

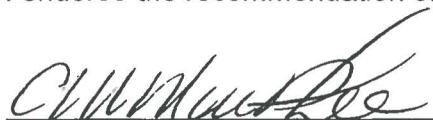
  
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Valla Tinney

Director of Finance

### ADMINISTRATOR'S COMMENTS:

I endorse the recommendation of the Director of Finance.

  
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Carrie MacPhee, Acting Administrator

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