



**2013—2017
FINANCIAL PLAN**

May 6th 2013

“Serving the People”



**The Government Finance Officers Association
of the United States and Canada**

presents this

CERTIFICATE OF RECOGNITION FOR BUDGET PREPARATION

to

**Finance Department
Corporation of the District of Saanich, British Columbia**



The Certificate of Recognition for Budget Preparation is presented by the Government Finance Officers Association to those individuals who have been instrumental in their government unit achieving a Distinguished Budget Presentation Award. The Distinguished Budget Presentation Award, which is the highest award in governmental budgeting, is presented to those government units whose budgets are judged to adhere to program standards.

Executive Director

Jeffrey R. Egan

Date

September 20, 2012



TABLE OF CONTENTS

EXECUTIVE SUMMARY	4
INTRODUCTION.....	9
COMMUNITY PROFILE	9
ORGANIZATION PROFILE	10
BUDGET POLICY AND PRINCIPLES	13
BUDGET PLANNING ISSUES.....	18
General Operating Fund	20
Council, Administration and Grants.....	23
Corporate Services	24
Finance	26
Debt Management	29
Legislative Services	30
Police Services	33
Fire Protection.....	37
Emergency Program	41
Planning and Inspections.....	43
Engineering.....	47
Parks and Recreation	51
Cultural Services.....	61
General Capital Program	62
Water Utility Fund.....	78
Sewer Utility Fund	85
Reserve Funds	92
General Fund Operating Estimates 2014 - 2017	94
Water Utility Fund Estimates 2014 - 2017	95
Sewer Utility Fund Estimates 2014 - 2017	95
Glossary.....	96
Budget Bylaws	98

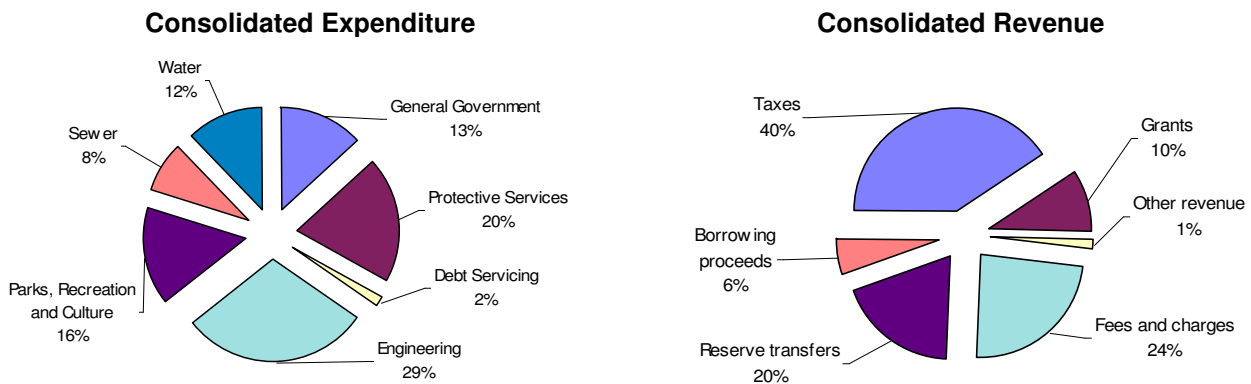
EXECUTIVE SUMMARY

The Community Charter Act Requires that the District of Saanich approve a Five Year Financial Plan bylaw each year prior to the adoption of the annual property tax bylaw. This document provides the supporting details to the 2013-2017 Financial Plan Bylaw, which will be considered for adoption by Council on or before May 15, 2013.

1. Consolidated Financial Plan Summary

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

Saanich's consolidated financial plan for 2013 balances \$240,644,500 in revenues and transfers with \$240,644,500 in expenditures.



The budget is based on:

1. A municipal property tax increase of 1.91% (\$39.61) for operations, 0.75% (\$15.55) for additional infrastructure replacement and 0.59% (\$12.24) for new infrastructure operating costs. This totals 3.25% or \$67.40 to the average homeowner,
2. No service reductions from 2012 levels,
3. Utility rates approved in December 2012 and updated in April 2013,
4. A refuse collection fee of \$156 per household.

Including all municipal taxes and utilities, an average home is projected to pay about \$163 more in 2013:

	<u>2012</u>	<u>2013</u>
Property Taxes	\$ 2,075	\$ 2,142
Sewer	252	309
Water	415	448
Refuse Collection	150	156
	<u>\$ 2,892</u>	<u>\$ 3,055</u>

2. Summary of Consolidated Financial Plan Changes From 2012 To 2013

Additional revenues from taxation, reserves and user fees will be used to fund inflationary increases in 2013 operating programs, new infrastructure maintenance, new service costs and increased capital replacement. Grants from senior levels of government and some reserves will also be used to fund large capital projects such as the Craigflower Bridge replacement work:

Consolidated Revenue

Source	General Operating	General Capital	Sewer & Water Utility	2013 Budget Total	2012 Budget Total	2012 Actuals Total	2011 Actuals Total
Taxes	88,145,200	9,999,500	-	98,144,700	93,967,000	93,875,600	89,736,700
Grants	3,633,500	20,107,800	-	23,741,300	11,072,300	5,902,800	9,593,900
Other revenue	3,066,300	-	-	3,066,300	2,885,000	8,591,500	3,790,700
Fees and charges	24,421,500	-	32,156,900	56,578,400	53,092,700	56,178,500	53,430,100
Reserve transfers	7,822,800	24,320,300	13,658,100	45,801,200	38,332,100	21,862,900	28,742,600
Borrowing proceeds	-	8,634,000	4,678,600	13,312,600	9,466,800	3,473,100	8,400,000
Total	127,089,300	63,061,600	50,493,600	240,644,500	208,815,900	189,884,400	193,694,000

Consolidated Expenditure

Function	General Operating	General Capital	Sewer & Water Utility	2013 Budget Total	2012 Budget Total	2012 Actuals Total	2011 Actuals Total
Administration	1,742,900	-	-	1,742,900	1,590,800	1,633,400	1,546,500
Corporate Services	2,155,800	-	-	2,155,800	2,034,200	1,582,200	1,870,100
Finance	17,652,100	1,780,300	-	19,432,400	17,793,300	11,985,700	9,267,700
Debt Servicing	2,988,100	-	1,452,000	4,440,100	4,196,600	3,151,700	3,334,300
Legislative Services	3,986,100	-	-	3,986,100	4,144,900	4,434,800	3,315,000
Police Protection	30,222,300	1,381,800	-	31,604,100	30,493,600	30,577,800	29,110,500
Fire Protection	14,744,200	474,600	-	15,218,800	14,745,400	15,315,600	13,435,400
Emergency Program	387,500	60,000	-	447,500	364,600	374,300	355,700
Planning	4,819,100	-	-	4,819,100	4,874,400	4,524,100	4,968,200
Engineering & PW	17,683,900	52,567,000	49,041,600	119,292,500	91,884,000	78,806,400	62,836,900
Parks & Recreation	25,379,600	6,797,900	-	32,177,500	31,533,900	29,130,600	34,787,700
Cultural	5,327,700	-	-	5,327,700	5,160,200	5,160,200	4,940,600
Total	127,089,300	63,061,600	50,493,600	240,644,500	208,815,900	186,676,800	169,768,600

Note: The above total figure for General Operating is \$18,439,600 less than the total amount on page 20 due to the removal of the inter-departmental recoveries and the allocation of the capital expenditure funded by property taxes to the General Capital Fund.

Consolidated Revenue level in 2012	\$ 208,815,900
Revenues were increased because:	
General Taxes were increased by 3.25% to average homeowner	4,177,700
More grants received for infrastructure spending	12,669,000
Increased revenue from 1% utility taxes, grants-in-lieu and interest	181,300
Fees and charges from recreation increased	770,400
Fees and charges from various permits decreased	(175,000)
Fees and charges from water and sewer programs increased	2,297,600
Fees and charges from other programs	592,700
Borrowing for infrastructure will increase	3,845,800
Reserve funds (Work in Progress) use has increased	7,469,100
New Consolidated Revenue Level for 2013	\$ 240,644,500

Consolidated Expenditures level in 2012	\$ 208,815,900
Expenses were increased because:	
General Operating costs increased	5,247,700
General Capital costs increased	21,556,300
Water System operating and capital costs increased	2,220,700
Sewer System operating and capital costs decreased	2,803,900
New Consolidated Expenditure Level in 2013	\$ 240,644,500

3. 2013 Consolidated Fund Balance Summary

Municipal activities are accounted for on a fund basis. Total fund balances are expected to remain approximately at 2012 levels, with an expected reduction in equipment replacement and capital works reserves as higher value capital projects are being initiated such as the garden and kitchen waste diversion and the Admirals Road project.

	Fund Balances				
	<u>General Operating</u>	<u>General Capital</u>	<u>Sewer Utility</u>	<u>Water Utility</u>	<u>Reserve Fund</u>
Fund Balance, January 1	13,057,780	28,011,850	6,489,000	5,949,470	56,968,600
Total Revenues	(127,089,300)	(63,061,600)	(21,149,400)	(29,344,200)	(7,829,500)
Total Expenditures	127,089,300	63,061,600	21,149,400	29,344,200	21,871,600
Fund Balance, December 31	13,057,780	28,011,850	6,489,000	5,949,470	42,926,500

4. General Operating Fund Summary:

This budget provides for the annual operation of the municipality in 2013 based on a 1.91% increase for core operations, 0.59% increase for new infrastructure maintenance, increases in policing operations, and an additional policy increase in infrastructure spending of 0.75% in municipal property taxes. A separate refuse collection fee of \$156 (\$149.60 prior year) per household is added to the tax bill to fund refuse collection and disposal and the start up costs for the 2014 implementation of the new garden and kitchen waste pickup and processing.

This revenue funds the net cost to maintain services at 2012 levels, continues Council's policy of gradually increasing tax funded capital programs to sustainable levels and reflects the economic circumstances that will limit municipal revenue increases for 2013.

5. Water Utility Fund Summary:

The Water Utility Budget provides for all operations and capital funding to support the water system. In December 2012 an 8.9% annual increase in water rates was approved to support increased infrastructure replacement spending. Cost to the average homeowner increased by \$33 from \$415 to \$448 per year.

6. Sewer Utility Fund Summary:

The Sewer Utility Budget provides for all operations and capital to support the sewage disposal system. In December 2012 an 8.7% increase in sewer rates was approved to support CRD operating and debt cost and higher Saanich infrastructure replacement spending. In April a further increase of 13.70% was requested to offset an increase to CRD's debt cost approved in March of 2013 by their board. Annual cost to the average homeowner increased by \$57 from \$252 to \$309 per year.



7. General Capital Fund Summary:

The 2013 General Capital Program provides for a \$63 million program of infrastructure and equipment replacement funded from a mixture of property taxation, debt, reserves, grants and development cost charges. Significant capital projects in 2013 include \$13.5 million Craigflower Bridge Replacement, \$8.7 million Rithet Reservoir Replacement, \$2.6 Million Colquitz/Gorge View Sewer Lift Station Replacement, \$3.8 million Mckenzie Avenue (McGill to Cadboro Bay Road) work and \$3.2 million Admirals Road work.

The Capital Plan matches the District's needs for investment in capital with available financial resources. Replacement of aging infrastructure is given priority in balancing capital requirements with funding. Replacement infrastructure spending is being gradually increased to reach sustainable levels, rising from \$7 million in 2001 to an annual average of over \$27 million in the last three years.

8. Reserve Fund Summary:

Reserve Funds are projected to decrease from \$92,715,500 in 2012 to \$69,290,800 in 2013 as work in progress reserves are used to complete capital projects planned in previous years.

Reserves and surplus (excluding work in progress), while relatively lean, are above average for comparative municipalities (\$43 million versus \$33 million);

9. Debt Summary:

Overall debt levels are projected to increase to \$36.6 million in 2013. This remains well below policy guideline of \$56 million in general debt. Current outstanding debt, interest rate and maturity dates are listed below:

BY-LAW NUMBER	GENERAL	SEWER	TOTAL	INTEREST RATE	MATURITY DATE
	\$	\$	\$		Year
7864	229,386		229,386	4.25%	2013
7973	4,094	106,799	110,893	3.15%	2014
8073		247,591	247,591	3.15%	2015
8132	7,819	299,715	307,534	3.15%	2015
8181		273,300	273,300	3.05%	2016
8293		166,845	166,845	3.05%	2017
8344		250,267	250,267	2.10%	2017
8409	1,153,450		1,153,450	5.49%	2028
3197	764,852	445,978	1,210,830	4.98%	2019
3257	2,023,144		2,023,144	4.55%	2020
3292	1,627,271		1,627,271	4.17%	2020
3363	3,012,682		3,012,682	4.43%	2021
3466	1,244,751	437,702	1,682,453	4.82%	2022
3726	1,605,515		1,605,515	3.35%	2025
3726		1,032,838	1,032,838	3.73%	2025
3771	7,969,467		7,969,467	3.65%	2026
3853		750,000	750,000	2.90%	2027
	(106,994)	(49,983)	(156,977)	Accrued Actuarial Gains	
TOTAL	19,535,437	3,961,052	23,496,489		

10. Consolidated 2013 Budget Highlights by Strategic Plan Theme Area

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

Safe Community:

- \$458,000 in additional police funding to cover new positions approved in 2012 for participation in the Vancouver Island Integrated Major Crime Unit and an Audit and Planning member
- \$180,000 contingency funding for additional Fire Department staff to address recommendations in the Fire Service Review
- \$900,000 for Emergency Response Mobile Command Vehicle
- \$500,000 for cell block facility upgrades

Healthy Community:

- \$327,000 for arena, field house and tennis court resurfacing at recreation centres
- \$1,622,000 for park, playground, trail and other park infrastructure replacement
 - Layritz Park Facilities
 - Mt. Douglas Improvements
 - Trail Resurfacing
 - Meadow Park Playground equipment replacement

Sustainable Environment:

- \$13,538,000 to replace the Craigflower Bridge (Gas Tax Funded - \$13,250,000)
- \$2,600,000 to complete Colquitz and Gorge View Sewer Pump Station upgrades
- \$8,753,000 to seismically upgrade the Rithet Reservoir
- \$3,771,300 to continue replacing asbestos cement sewer and water mains
- \$100,000 to finalize the Shelbourne Corridor Action Plan

Balanced Transportation:

- A minimum of \$2,418,000 of sidewalk additions and improvements in areas such as:
 - Dysart
 - Prospect Lake Road
 - Gorge Road (at Canoe Kayak Club)
 - Interurban Road (Roy to Courtland)
 - Wiseton Street (Wiseton Place to McKenzie)
- \$150,000 for bikeways additions and improvements in areas such as:
 - Douglas Connector (Fire Hall to Douglas Street)
 - Lansdowne Road (Shelbourne to Foul Bay)
- Over \$8,035,000 in various road improvements (Gas Tax Funded - \$6,270,000) including:
 - Admirals Road Phase 4 & 5 (Cowper to Gorge)
 - Cook Street (Quadra to Maplewood)
 - Cedar Hill / Finlayson Intersection
 - McKenzie Avenue (McGill to Cadboro Bay Road)

Vibrant Connected Economy:

- \$200,000 for Douglas Corridor and Uptown Centre Planning Study

Service Excellence:

- \$800,000 for Next Generation Desktop Project
- \$300,000 for Next Generation Web



INTRODUCTION

COMMUNITY PROFILE

Population

Saanich's population was reported to be 109,752 in the 2011 census making Saanich the eighth largest municipality in British Columbia.

Age Distribution

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

Age and Gender Distribution

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

History

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

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

Today, Saanich is the largest of the municipalities in Greater Victoria, with an area of 11,179 hectares and a population of approximately 110,000. Located in a core position within the metropolitan area – the Trans Canada Highway enters from the west and the Pat Bay Highway enters from the north, converging within the Municipality and running parallel into the City of Victoria. Traditionally, Saanich has been the bedroom community or “gateway” to the downtown core of Victoria, by virtue of its location and strong historical rural roots.

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

ORGANIZATION PROFILE

The District of Saanich has a motto in Latin – "*Populo Serviendo*" – which means serving the people. It is a message that all Councillors and staff take to heart in their respective roles.

Saanich Council

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

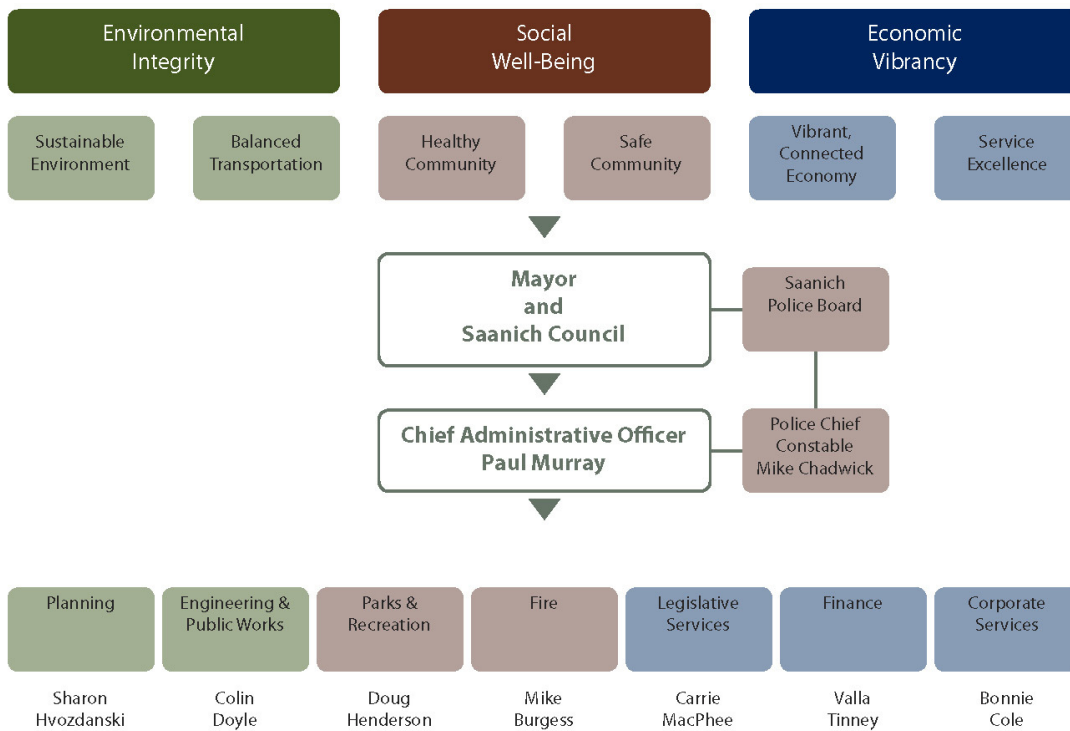
Mayor: Frank Leonard

Councillors: Susan Brice Dean Murdock
 Judy Brownoff Vicki Sanders
 Vic Derman Nichola Wade
 Paul Gerrard Leif Wergeland



Senior Management Team

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



STRATEGIC CONTEXT

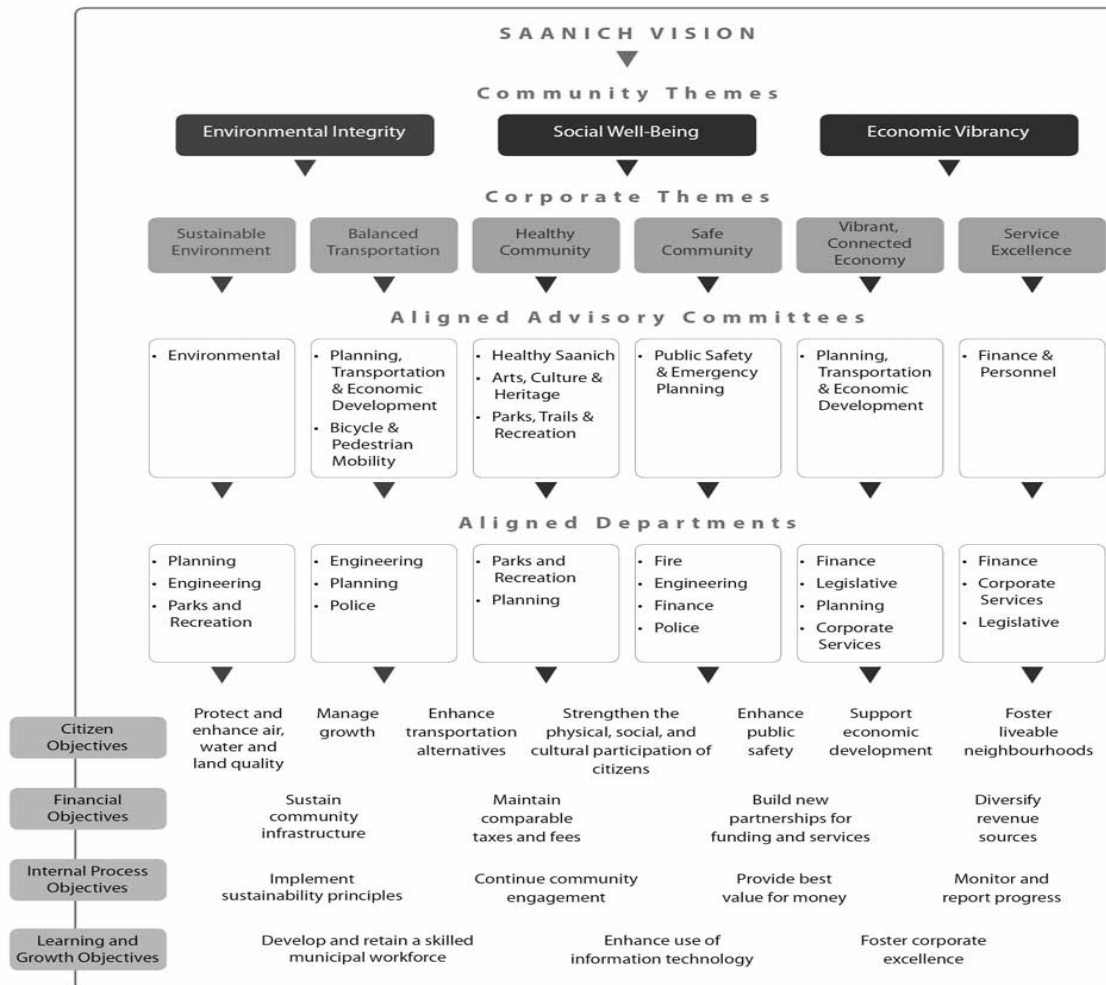
1. Strategic Plan

The 2013 - 2017 Saanich Strategic Plan offers a framework to focus and measure progress towards the preferred future as a municipality. Specifically, moving towards and achieving the Saanich Vision. The development of the plan was based on public consultation involving council, citizens and staff. Using the Balanced Scorecard planning approach, the plan identifies priority initiatives within six key community themes aligned with Saanich's Official Community Plan's three overarching themes:

Environmental Integrity	Social Well-Being	Economic Vibrancy
➤ Sustainable Environment	➤ Healthy Community	➤ Vibrant, Connected Economy
➤ Balanced Transportation	➤ Safe Community	➤ Service Excellence

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

Each of the six Corporate Theme Groups has cross-departmental representatives composed of staff members working toward the initiatives selected for the theme. The following diagram outlines the departmental groupings of each theme.



2. Financial Planning Process

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

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

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

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

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

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

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

BUDGET POLICY AND PRINCIPLES

1. Financial Plan Policies and Assumptions

Balanced Financial Plan

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

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

Accounting

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

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

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

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

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

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

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

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

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

Budgets

Each Department prepared core 2013 budget submissions within a zero increase in controllable operating expenses, a 2% increase in core capital expenditures, salary and benefit costs within approved wage and benefit plans and an additional property tax contribution per year for infrastructure replacement.

The operating component of the Five Year Financial Plan is focused on 2013 but includes a general forecast for the balance of the five year horizon based on the following:

1. 2 - 3% annual inflation factor applied to most expenditures.
2. 1% annual inflation factor applied to fees and charges.
3. Wage and benefit costs per collective agreement commitments.
4. Water rates increased a minimum 3% annually for replacement infrastructure.
5. Sewer rates increased a minimum 3% annually for replacement infrastructure.

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

1. 2% annual increase in core capital funding from taxation.
2. Property taxation increased a minimum 0.75% annually for infrastructure replacement.
3. Debt levels maintained at guideline.
4. Federal gas tax funding allocated to transportation.
5. New infrastructure funding mainly relies on modest debt room, government grants, community contributions and operating budgets, and
6. All figures shown in current year (2013) dollars – no inflation allowance,

2. Revenue And Tax Policies

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

Distribution of Property Taxes: The Municipality will continue to set tax rates to ensure tax stability by maintaining a consistent proportionate relationship between classes and uniform annual tax increases. The 2013 Saanich Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 20%, consistent with prior years.

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

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

	<u>2012</u>	<u>2013</u>	<u>% Property Tax Levy</u>	<u>Tax Multiple</u>
Residential	3.3303	3.5429	77.21%	1.0000
Utilities	26.9534	27.7146	0.35	7.8226
Supportive Housing	3.3303	3.5429	0.00	1.0000
Light Industry	11.7953	10.7993	0.14	3.0481
Business/Other	11.9608	12.3350	22.19	3.4816
Managed Forest	18.9158	21.2587	0.00	6.0036
Rec/Non Profit	6.2457	6.8588	0.11	1.9359
Farm	0.5000	0.5000	0.00	0.1411

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



3. Expenditure Policies

Debt Limit Policy

The District of Saanich adheres to the Community Charter which sets a limit on the amount of debt a Local Government may have. The limit states that no additional debt may be issued if it would result in the total annual debt servicing costs exceeding 25% of the revenue collected in the previous year. At the end of 2012, the legal debt limit is such that average annual servicing costs cannot exceed \$33.9 million.

The municipality limits debt internally to a maximum of 7% of the revenue collected in the previous year. At the end of 2013 this limits annual debt servicing costs to no more than \$6.6 million.

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

4. Relationship Between Funds and District's Departments

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

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

G - General
R - Reserves
W - Water Utility
S - Sewer Utility

GC - General Capital
WC - Water Capital
SC - Sewer Capital

5. Staffing Level In 2013

Between 2012 and 2013, total full-time equivalent (FTE) positions are expected to increase by a net of 13.4 FTE or 1.30% as follows:

Department	Full-Time Equivalent (FTE) Employees				Description of Change
	2011	2012	2013	FTE Change	
Administration	12.1	12.1	12.1	0.0	
Corporate Services	16.8	17.8	18.8	1.0	increase is due to a new part time position in HR and the full year budgeting of the Safety Manager position approved in 2011.
Finance	61.3	60.9	60.9	0.0	
Legislative	17.4	17.8	18.4	0.6	Increase is due to a part time temporary records management position partially offset by reduction in auxiliary hours
Police Protection	230.0	232.6	237.6	5.0	4.0 FTE increase in VIIMCU staffing and 1.0 FTE increase of an audit and planning member
Fire Protection	115.6	119.6	119.8	0.2	
Emergency Program	2.5	2.5	2.5	0.0	
Planning and Development	42.6	43.6	43.6	0.0	
Engineering and Public Works (includes utilities)	253.2	250.3	249.6	(0.7)	
Parks and Recreation	289.3	276.0	283.6	7.6	5.9 FTE increase in SCP to reinstate staff reductions for the 2012 pool closure. Increases in other recreation centre staffing to accommodate changes in recreation programs total 1.7 FTE.
Total	1,040.8	1,033.1	1,046.9	13.8	

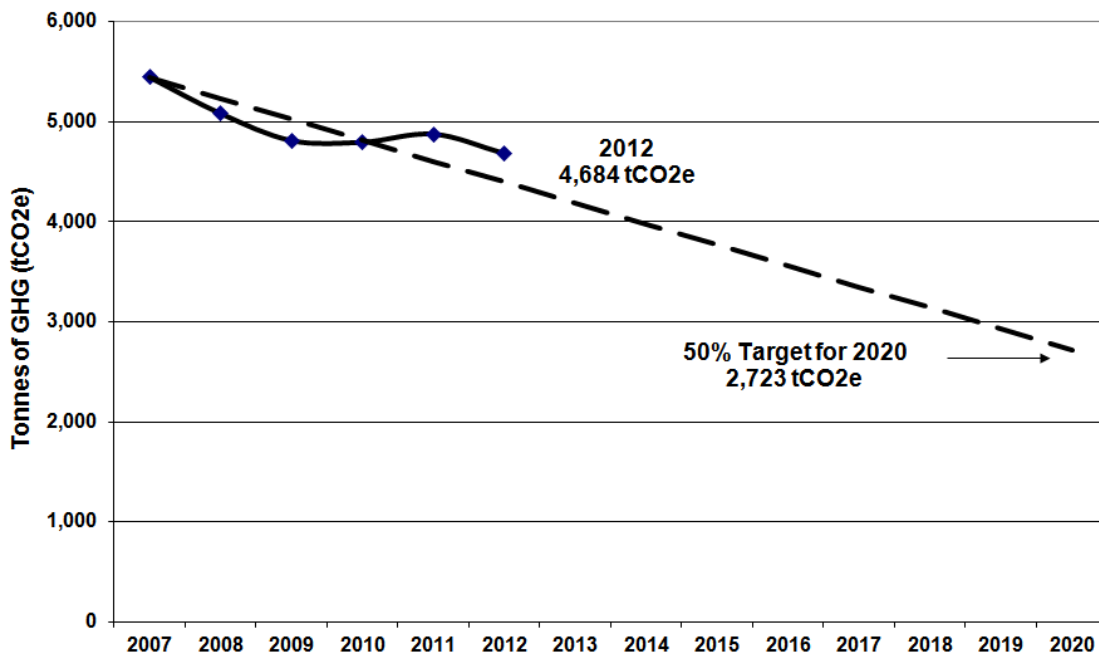


Change In Carbon Footprint

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

Department	Carbon Footprint (CO ₂ e)				GHG Change	Description of Change
	2010	2011	2012			
Administration	8	9	10		1	
Corporate Services	14	14	16		2	Increase in hall energy consumption due to inefficient boiler/building
Finance	68	72	79		7	
Legislative Services	86	92	77		(15)	Decrease in heating oil from heritage building upgrades
Police Protection	645	601	594		(7)	
Fire Protection	320	266	240		(26)	Decrease due to heating oil removal at Fire Hall 3
Planning and Development	66	68	75		7	Increase in hall energy consumption due to inefficient boiler/building
Engineering and Public Works (includes utilities)	1,549	1,529	1527		(2)	
Parks and Recreation	2,043	2,229	2067		(162)	Decrease due to natural gas consumption returning to pre 2011 levels
Total (Baseline 2007 = 5,446)	4,799	4,880	4685		(195)	

Saanich GHG Inventory for Municipal Operations 2007-2012
DRAFT



BUDGET PLANNING ISSUES

1. 2013 Financial Planning Issues

Preparation of the 2013 budget proposal has taken into account the following financial planning issues:

Infrastructure – Replacement of aging infrastructure is a priority. An overall plan to increase capital spending to reach sustainable levels by 2019 is in place. This increased spending is estimated at a minimum of 0.75% property tax increase per year in addition to the inflationary cost increase of operations. This target is reviewed each year and may need to be increased in future should replacement cost estimates change. Capital program funding from utility charges have also been increased at a minimum of 3% per year in both Water and Sewer.

Wage and benefit costs – Labour contract negotiations are currently underway as the IAFF Fire contract ended on December 2011 and the Police Association contract on December 2012. Pension and Employment Insurance are expected to increase. Contingency estimates have been included in the financial plan for these items.

Economic Impact - Given the continued economic uncertainty which began in 2008 and is still affecting the municipality, the departments have not increased their budgeted controllable costs. This uncertainty has also impacted permit revenues as development levels continue to experience a slow recovery.

New Infrastructure Maintenance and Services Operating Cost - For 2013, an additional .59% tax increase has been identified to fund new Saanich Police positions approved in 2012 and some new parks and IT services. The balance of the funding of those new costs will be found through adjustments to other services and existing budgets in those departments.

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

Sewer costs – A significant proportion of sewer costs are from CRD regional Sewage Treatment. CRD sewer charges increased by over 45.49% over last year due to operational cost increases and to fund new Liquid Waste Management Plan mandated regional sewer treatment.

2. 2014 – 2017 Financial Planning Issues

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

Economic uncertainty - The provincial and federal governments have begun cost cutting measures to cope with increasing deficits due to the current economic uncertainty. The District of Saanich has also for the last four budget years implemented 1% to 2% expense reductions to reduce the impact on property taxes. The proposed 2013 budget does not include any service reductions. The expectation is that for the near future expense reductions will continue to be considered each year during the budget process.

Provincial grants – Unconditional operating grants of \$1.6 million are paid annually by the Province of BC based on sharing of traffic fine revenues. It is uncertain whether this grant will continue in the long term given the current economic climate. Should the grant be discontinued the equivalent effect would be a 1.6% tax increase on property taxes or an equivalent reduction in police service programs that are funded by this grant.

Wage costs uncertainty – The extent of possible wage cost impact is uncertain at this time as contract negotiations are incomplete; however, labour costs over the past five years have trended upward and are expected to moderate given the current economic uncertainty. Public Safety settlements continue to trend at higher than CPI rates.

Benefit costs increases – Increased costs in LTD, Pension and EI are expected. For 2012 these costs were partially offset by reduced WorkSafe premiums achieved via the COR program but this will not continue into 2013.

Solid Waste Services – The Regional District is planning to implement a landfill ban of all garden and kitchen waste. In anticipation of this ban the municipality has adopted an implementation plan for curbside collection of garbage, kitchen scraps and garden waste by 2014.

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

Sewer costs – Regional sewer charges are likely to increase significantly in the next four years as the provincially mandated regional sewer treatment system is built and operations commence.

Demand for new services – The 2007 Fire Services Review recommended an increase in staffing to reduce response times for emergencies. Establishing two new 24-7 fire fighter positions requires hiring ten new full time firefighting personnel. The addition of the first five full time firefighters occurred in 2011/2012. The second five firefighters have not been approved to date.

The Current Police Department Strategic Plan envisions significant regular staff increases in the next several years. The Financial Plan includes entry into the Vancouver Island Major Crime Unit in 2013 and the addition of an Audits and Planning member.

Infrastructure Replacement – The overall plan to increase capital spending to sustainable levels by 2019 requires consistent funding increases over the next seven years. In 2012 facility capital repair costs were refined and adjustments to the plan are incorporated into the 2013 plan. The following is a snapshot of the current plan to reach sustainability:

Current Capital Sustainable Funding Levels

Capital Program	Average Annual Replacement Needed	Total Current Funding Levels	Core Funding (Taxes/Utility)	Borrowing	Grants	Year Program is Sustainable
Water	7,109,000	6,000,000	6,000,000			2015
Sewer	6,924,000	4,595,000	3,095,000	1,500,000		2018
Transportation	8,325,000	7,480,000	2,530,000	1,950,000	3,000,000	2019
Drainage	7,434,000	4,050,000	4,050,000			2019
Facility	2,661,000	1,896,300	1,896,300			2016
Parks	3,142,000	1,462,000	762,000	700,000		2019
	35,595,000	25,483,300	18,333,300	4,150,000	3,000,000	

General Operating Fund

Total General Operating Fund expenditures are expected to increase by \$6,450,200 or 4.64% in 2013. Revenues will also increase by 4.64% as summarized in the table below.

The primary source of revenue is Property Taxation.

The increase in property tax revenue this year is made up of a 1.91% increase for current operations, 0.59% increase in operating cost of new infrastructure maintenance and new service costs approved in the previous year and a policy increase of 0.75% in infrastructure replacement spending. Overall property tax revenues are estimated to rise by 3.25% (\$67.40) to the average residential homeowner.

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

BUDGET SUMMARY	
2013 Tax Levy	\$98,120,700
2012 Tax Levy	\$93,943,000
Budget Change	4,177,700
Average Homeowner Increase %	3.25%
2013 FTE	979.55
2012 FTE	965.53
FTE Change	14.02
FTE Change %	1.45%
2012 Carbon Footprint (CO₂e)	4553 Tonnes
2011 Carbon Footprint (CO₂e)	4746 Tonnes
Carbon Footprint Change	(193) Tonnes

BUDGET SUMMARY BY OBJECT

Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2011	2012	2012	2013	2013/2012
Personnel	78,211,900	81,853,900	81,980,400	84,704,900	3.32%
Goods and Services	30,065,200	31,242,300	28,432,000	29,004,800	2.01%
Fiscal Services (1)	2,280,400	2,394,900	2,900,100	3,158,500	8.91%
Grants, Overheads & Transfers (2)	11,209,900	13,182,400	16,802,200	18,661,200	11.06%
Capital (tax funded portion only) (3)	11,091,000	11,344,000	8,964,000	9,999,500	11.55%
TOTAL	132,858,400	140,017,500	139,078,700	145,528,900	4.64%
REVENUES AND RECOVERIES					
Property Taxation	(89,712,700)	(93,851,600)	(93,943,000)	(98,120,700)	4.45%
Parcel Tax	(24,000)	(24,000)	(24,000)	(24,000)	0.00%
Other Corporate Revenues	(7,414,900)	(7,097,800)	(6,481,400)	(6,699,800)	3.37%
Other Departmental Revenues (4)	(26,939,100)	(27,754,100)	(23,233,400)	(24,421,500)	5.11%
Inter-Departmental Recoveries	(7,002,100)	(7,891,800)	(8,273,100)	(8,440,100)	2.02%
Reserves And Others (5)	(2,888,600)	(4,030,700)	(7,123,800)	(7,822,800)	9.81%
Other Grants	(129,800)	(80,300)	-	-	0.00%
TOTAL	(134,111,200)	(140,730,300)	(139,078,700)	(145,528,900)	4.64%
NET OPERATIONS					
	(1,252,800)	(712,800)	-	-	0.00%

Notes:

1. Fiscal services increased to fund new debt charges for wood stove drainage work.
2. Grants, overheads and transfers increased to establish corporate wage and benefit contingencies.
3. Property tax based capital funding increased 11.55% per infrastructure spending policy.
4. Other departmental revenues increased by 5.11% due to increases in recreation revenues.
5. Revenue from reserves and others increased due to an increase in projects funded from reserves.

Budget Summary By Function:

Operating Budget	Actual	Actual	Budget	Budget	% Change
ALL DEPARTMENTS	2011	2012	2012	2013	2013/2012
Property Taxation	(89,712,700)	(93,851,600)	(93,943,000)	(98,120,700)	4.45%
Parcel Tax	(24,000)	(24,000)	(24,000)	(24,000)	0.00%
Utility and Hotel Tax	(1,450,800)	(1,491,800)	(1,487,900)	(1,503,800)	1.07%
Grants In Lieu	(2,042,800)	(2,086,300)	(2,015,000)	(2,075,000)	2.98%
Interest and Penalties	(1,505,700)	(1,781,100)	(1,246,100)	(1,413,000)	13.39%
Surplus Appropriations	(660,100)	-	-	-	0.00%
Other Revenues	(174,100)	(180,100)	(151,000)	(149,500)	(0.99%)
Capital Contribution	11,091,000	11,344,000	8,964,000	9,999,500	11.55%
Net Departmental Cost	83,226,400	87,358,100	89,903,000	93,286,500	3.76%
SURPLUS/DEFICIT	(1,252,800)	(712,800)	-	-	0.00%

Property Taxation - The largest single source of revenue for the Municipality is property taxes. Property taxes are levied on owners of property situated in Saanich based on the assessed value of their property. This core budget provides for a 3.25% increase in municipal property taxes to the average homeowner with an assessed value of \$604,935 and business properties. The remaining increase in property taxes is from new tax revenues on construction completed during the previous year.

Utility and Hotel Tax - This includes the 1% revenue tax from utilities such as Terasen, Shaw, BC Hydro and Telus and 2% hotel revenue tax on hotels that operate within Saanich. These are projected to continue to increase marginally in the future.

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

Provincial Grants - The Province continues to provide a single unconditional grant program to share traffic fine revenues. These funds are used to offset on-going public safety programs in the Saanich Police Department. A portion of the funds is transferred to the Police Equipment Replacement Reserve and used from year to year to fund police capital costs approved by Council. This grant was reduced in 2012 but is projected to remain consistent in the near term.

Interest and Penalties - The majority of revenues are collected in July whereas expenses are paid throughout the year. Until expenses are incurred, funds are available to invest. Revenue from these investments is an important source of operating funds and reduces the amount needed from property taxes. Property Owners who do not pay their property taxes by the deadline are assessed penalties and interest based on provincial guidelines. Investment returns increased slightly in 2012 and are projected to remain the same in 2013.

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

Capital Contribution - A portion of the core capital program is funded from property taxation. This continues the practice of increasing capital funding from property taxation by a minimum of 0.75% or \$700,000 each year. This appears as a funding source in the capital program shown later in this document and is supplemented by other funding from reserves, grants and long term debt.

Net Departmental Cost

Net departmental operating costs include total expenditure less revenues or recoveries generated by the departments. The net departmental costs are projected to rise by \$3,383,500 or 3.76% in 2013. The majority of this increase is attributable to police wage and benefit costs, a reduction in permit revenues, an increase in library operating costs of 3.26% and increases in general and debt service contingencies.

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

Net Department Budget	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Administration	1,499,800	1,552,500	1,537,900	1,547,500	9,600	0.62%
Corporate Services	1,224,100	1,134,100	1,305,400	1,315,300	9,900	0.76%
Finance	7,218,000	9,116,500	11,552,800	12,210,300	657,500	5.69%
Debt Servicing	2,068,400	2,217,800	2,210,200	2,453,700	243,500	11.02%
Legislative Services	2,780,000	2,284,100	2,118,600	2,143,700	25,100	1.18%
Police Protection	23,506,000	25,326,100	24,933,300	26,423,100	1,489,800	5.98%
Fire Protection	12,745,700	13,921,000	13,926,300	14,089,600	163,300	1.17%
Emergency Program	344,200	355,100	356,700	359,600	2,900	0.81%
Planning and Development	2,047,400	1,881,100	2,075,800	2,285,900	210,100	10.12%
Engineering & Public Works	11,433,100	11,485,000	11,659,400	11,797,500	138,100	1.18%
Parks and Recreation	13,419,100	12,924,600	13,066,400	13,332,600	266,200	2.04%
Cultural	4,940,600	5,160,200	5,160,200	5,327,700	167,500	3.25%
TOTAL	83,226,400	87,358,100	89,903,000	93,286,500	3,383,500	3.76%

- Finance increased by 5.69% due to higher general and debt management contingencies.
- Debt servicing increased by 11.02% to fund wood stave drainage replacement.
- Police increased by 5.98% due to wage increases and the addition of five personnel, the majority of which are to be assigned to Vancouver Island Integrated Major Crime Unit (VIIMCU).
- Planning and Development increased by 10.12% due to reduction in expected permit revenues for the year.
- Cultural increased 3.25% due to a 3.26% increase in GVPL funding to cover 2013 operating costs.

Council, Administration and Grants

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

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

The **Council and Committees** section provides for the direct costs of operating Council and a variety of committees. This also includes the **Municipal Grants** section where Council provides a mixture of community, social, environmental and other grants to organizations in the Greater Victoria Area. In 2012 over \$661,000 was disbursed.

BUDGET SUMMARY	
2013 Net Budget	1,547,500
2012 Net Budget	1,537,900
Budget Change	9,600
Change by %	0.62%
2013 FTE	12.07
2012 FTE	12.07
FTE Change	0
FTE Change %	0%
2012 Carbon Footprint (CO₂e)	10 Tonnes
2011 Carbon Footprint (CO₂e)	9 Tonnes
Carbon Footprint Change	1 Tonnes

The **Administration** section is responsible for corporate leadership for all municipal operations.

CORE BUDGET

The Department's 2013 Budget of \$1,547,500 represents a 0.62% increase over 2012.

Net Budget By Function	Actual 2011	Actual 2012	Budget 2012	Budget 2013	\$ Change 2013/2012	% Change 2013/2012
Council & Committees	450,400	463,600	474,900	484,500	9,600	2.02%
Administration	408,200	416,600	405,000	405,000	-	0.00%
Grants	641,200	672,300	658,000	658,000	-	0.00%
Total	1,499,800	1,552,500	1,537,900	1,547,500	9,600	0.62%

Corporate Services

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

The Corporate Projects Section provides support for the Strategic Planning and Progress reporting processes and other corporate initiatives such as citizen, business and employee surveys, service delivery assessment and service standards. The section provides communication and engagement support. Other special projects are coordinated as assigned.

The **Human Resources** Division provides support to a work force of approximately 1600 employees. The Division provides a full range of Human Resources services to managers, employees and the public. These include; Recruitment and Selection, Job Evaluation, Training, Management Development, Employee Recognition, Leave Management, Pension Counselling and Labour Relations. The Division supports managers and employees in meeting operational demands and achieving their strategic goals.

The **Occupational Health and Safety** Division provides a comprehensive corporate safety program that meets the Certification of Recognition standards of the Worksafe BC program. This program includes safety prevention support for all employees of the municipality and return to work support for injured employees.

BUDGET SUMMARY	
2013 Net Budget	1,315,300
2012 Net Budget	1,305,400
Budget Change	9,900
Change by %	0.76%
2013 FTE	18.81
2012 FTE	17.75
FTE Change	1.06
FTE Change %	5.95%
2012 Carbon Footprint (CO₂e)	16 Tonnes
2011 Carbon Footprint (CO₂e)	14 Tonnes
Carbon Footprint Change	2 Tonnes

2013 BUDGET CHALLENGES

- Meeting increased demands for service within existing resources

KEY 2012 ACCOMPLISHMENTS

Corporate Projects

- Completion of Citizen and Business surveys

Occupational Health and Safety

- Successfully completed Work Safe BC certificate of recognition in safety (prevention) and disability management through new certifying body - BC Municipal Safety Association.

Human Resources Division

- Development and extensive delivery of Harassment and Bullying training to Managers and Supervisors to meet the requirements of Bill 14.

2013 KEY PRIORITIES

Service Excellence

- Assist in the development of service standards and service capacity review

Healthy Community

- Complete the development and implementation of the Public Participation policy

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Public Participation	<ul style="list-style-type: none"> • Complete the development and implementation of the Public Participation Policy 	C1 Healthy Community
2. Supervisor's Certificate Program	<ul style="list-style-type: none"> • Complete the design and evaluation of the Supervisor's Certificate program 	L1 Service Excellence
3. Web based Safety Orientation	<ul style="list-style-type: none"> • Complete the development and implementation of a web based safety orientation program 	P3 Service Excellence

CORE BUDGET

The core budget for 2013 of \$1,315,300 represents a 0.76% increase over 2012.

Net Budget By Function	Actual 2011	Actual 2012	Budget 2012	Budget 2013	\$ Change 2013/2012	% Change 2013/2012
Corporate Services	407,600	506,300	495,600	501,700	6,100	1.23%
Human Resources	907,900	818,800	903,300	925,500	22,200	2.46%
Occupational Health/Safety						
Revenue	(550,900)	(583,100)	(578,600)	(624,700)	(46,100)	7.97%
Expense	459,500	392,100	485,100	512,800	27,700	5.71%
Total	(91,400)	(191,000)	(93,500)	(111,900)	(18,400)	19.68%
Total	1,224,100	1,134,100	1,305,400	1,315,300	9,900	0.76%

- Human Resources increased 2.46% due to wage increment increases.
- Occupational Health and Safety net increase in revenue is due to higher Worker's Compensation refunds from the COR program offset by an increase in labour costs due to the budgeting for a full year's cost of the Manager position approved in 2011.

Finance

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

The **Accounting/Payroll Section** provides the following: accounting, audit and budgeting of over \$200 million in annual expenses and revenues; cash management of up to \$190 million in investments is provided on a daily basis to maximize the returns and provide additional income to both operating and reserve funds; accounts payable processing over 11,000 cheque payments and 36,000 invoices processed per year; payroll coordinates the production of five different payroll groups paid on a bi-weekly basis and maintains benefits records for over 1,700 staff.

BUDGET SUMMARY	
2013 Net Budget	12,210,300
2012 Net Budget	11,552,800
Budget Change	657,500
Change by %	5.69%
2012 FTE	55.48
2011 FTE	55.18
FTE Change	0.30
FTE Change %	(0.54%)
2012 Carbon Footprint (CO₂e)	79 Tonnes
2011 Carbon Footprint (CO₂e)	72 Tonnes
Carbon Footprint Change	7 Tonnes

The **Revenue Collection Section** manages the daily billing and collection process of all revenues including property taxes, utility bills, dog licenses, business licenses and recreation programs. Over 100,000 utility bills, 42,000 tax notices and 4,600 business licenses are produced annually. A pre-approved instalment tax payment system and web based online payment system is managed.

The **Purchasing Division** provides a complete range of purchasing, and printing services to all departments. Over 300 quotations, tenders and requests for proposals totalling \$30 million dollars are managed and processed in a year and over 170,000 pieces of mail are handled and 420,000 photocopies are produced in the print shop.

The **Information Technology Division** provides computer and telephone technology to nine different locations. The Information Technology Division operates a Helpdesk for staff queries, conducts technology training courses, assesses new products, and upgrades existing corporate applications.

Network Services operates a geographically dispersed integrated data and voice network with secure access to the internet. The Saanich website is maintained in conjunction with a group of departmental web authors throughout the organization.

2013 BUDGET CHALLENGES

- Budgeting for various contingencies such as wage and benefit increases for Police and Fire contract wage settlements for the upcoming year and Pension, Employment Insurance and LTD costs.



KEY 2012 ACCOMPLISHMENTS

- GFOA Financial Reporting Award received.
- GFOA Distinguished Budget Presentation Award received.
- Free WiFi access at all major municipal buildings.

2013 KEY PRIORITIES

Priority Strategic Initiatives include:

Vibrant, Connected Economy

- Maintaining comparable taxes and fees within the Victoria Region.
- Maintaining infrastructure replacement capital spending.
- Continue to support the work of the GVDA to retain and enhance existing businesses, and attract new environmentally friendly businesses in the region.

Service Excellence

- Implement Information technology upgrades to PCs, networks and internet/intranet.
- Implement Job Order Contracting to increase efficiency and reduce the time it requires to perform small and medium renovations or facility maintenance.

Sustainable Environment

- Implement sustainable purchasing program using the action plans created in 2012.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Next generation web implementation	<ul style="list-style-type: none"> • Two year project to deliver the next web platform for communication and engagement with citizens 	C1 Healthy Community
2. Implement Job Order Contracting	<ul style="list-style-type: none"> • Tender for one general contractor to provide construction services for small to medium value projects which will allow for earlier completion and savings in staff time 	P3 Service Excellence
3. E-billing for property taxes	<ul style="list-style-type: none"> • Review e-billing option in Tempest for property taxes. 	P3 Service Excellence
4. Electronic pay stub distribution	<ul style="list-style-type: none"> • Reduce paper pay stub printing and distribution 	P2 Sustainable Environment

CORE BUDGET

The Department's 2013 net core budget of \$12,210,300 represents a 5.69% increase over prior year. Excluding contingencies, the 2013 net core budget would have increased 2.37% over 2012.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Accounting and Payroll	1,348,300	1,342,000	1,367,100	1,390,800	23,700	1.73%
Revenue Collections						
Revenue	(632,600)	(652,800)	(644,000)	(659,000)	(15,000)	2.33%
Expense	<u>813,600</u>	<u>785,600</u>	<u>787,600</u>	<u>819,000</u>	<u>31,400</u>	<u>3.99%</u>
Total	181,000	132,800	143,600	160,000	16,400	11.42%
Purchasing	329,400	329,100	332,600	338,100	5,500.0	1.65%
Print Shop/Mail Service	65,400	70,900	64,900	67,700	2,800	4.31%
Information Technology	2,923,200	2,920,800	2,986,000	3,053,700	67,700	2.27%
Sundry Costs & Recoveries	1,325,400	3,224,400	5,599,200	6,139,200	540,000	9.64%
Government Services	1,045,300	1,096,500	1,059,400	1,060,800	1,400	0.13%
Total	7,218,000	9,116,500	11,552,800	12,210,300	657,500	5.69%

- Revenue Collections net cost increased by 11.42% due to the restructuring of .3 FTE between utility billing and business license.
- Print Shop & Photocopy Services increased by 4.31% due to a reduction in cost recoveries.
- Sundry Costs increased 9.64% due to wage and debt management contingencies.
- In years where collective bargaining is underway, a contingency for the outcome is consolidated under the Finance budget. Once bargaining is finalized, the contingency is allocated out to each operational area.

Debt Management

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

As of December 2012, the total outstanding debt in the general operating fund is approximately \$19.7 million. This is projected to increase by \$2.0 million during the year, bringing total outstanding general operating debt to about \$21.7 million by December 2013.

This remains well within guideline of a maximum of 7% of property tax revenue. This is \$6.6 million in annual debt servicing cost or about \$56 million in total debt at current rates.

The average homeowner's share of total outstanding debt is \$476 (\$468 in 2012).

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

Interest charges are projected to increase 26.19% as interest payments on new CMHC debt acquired in 2012 commence.

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

BUDGET SUMMARY	
2013 Net Budget	2,453,700
2012 Net Budget	2,210,200
Budget Change	243,500
Change by %	11.02%
FTE	n/a
Carbon Footprint (CO₂e)	n/a

CORE BUDGET

Core budget increase of 11.02% reflects the net increase in debt due to new borrowing for drainage projects in 2012.

Net Budget By Function	Actual 2011	Actual 2012	Budget 2012	Budget 2013	\$ Change 2013/2012	% Change 2013/2012
Interest	1,001,100	860,700	853,400	1,076,900	223,500	26.19%
Principal	1,067,300	1,357,100	1,356,800	1,376,800	20,000	1.47%
Total	2,068,400	2,217,800	2,210,200	2,453,700	243,500	11.02%

Legislative Services

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

The **Lands Division** acquires, develops, manages, and disposes of real property on behalf of the Municipality. The Division provides research and data, negotiates, prepares and registers Municipal rights-of-way, and calculates the 5% cash-in-lieu contribution for subdivisions. The Division manages the rental housing stock and the Mt. Douglas and Mt. Tolmie communication facilities.

The **Legal Division** provides legal services to the Municipality and is responsible for providing advice to Council and staff, preparing legal documents, negotiating contracts, managing legal proceedings, and representing the municipality on treaty advisory claims. The Division works closely with the Risk Management Division to manage and settle claims, and the Lands Division to complete real property acquisitions and dispositions.

The **Legislative Division** is responsible for corporate administration, and provides management, information and support services for Council, its advisory committees, and the Board of Variance. The Division administers the *Freedom of Information and Protection of Privacy* legislation and oversees the corporate records management program. The Division also conducts the local government elections, referenda, and elector approval processes. The **Archives Section** as part of the Legislative Division collects and preserves the documentary heritage of Saanich and makes this information available through public reference room services, website resources, and public outreach.

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

BUDGET SUMMARY	
2013 Net Budget	2,143,700
2012 Net Budget	2,118,600
Budget Change	25,100
Change by %	1.18%
2013 FTE	18.44
2012 FTE	17.80
FTE Change	0.64
FTE Change %	3.58%
2012 Carbon Footprint (CO₂e)	77 Tonnes
2011 Carbon Footprint (CO₂e)	92 Tonnes
Carbon Footprint Change	(15) Tonnes

2013 BUDGET CHALLENGES

- Undertaking necessary corporate risk analysis with current staff resources in the Risk Management Division.

KEY 2012 ACCOMPLISHMENTS

Lands Division

- Began renegotiating licence agreements for the Mt. Douglas Communication Facility.
- Integral part of the staff team for the Saanich/CRD Haro Woods land exchange.

Legal Division

- Initiated a review of Council policies to remove superseded and redundant regulations.
- Continued representation of Saanich in the BC Farm Industry Review Board complaint and hearing process concerning normal farm practice and the use of propane cannons.

Legislative Division

- Identified resources to continue implementing the corporate Document and Information Management Strategy in 2013/2014.
- Initiated a review of voting opportunities and potential election technologies as key components of an Elections Future Strategy.

Archives Section

- Continued to build a beneficial relationship between Archives and the Saanich Centennial Library Branch (GVPL) by developing joint programs and exhibits.
- Expanded public accessibility to archival and reference resources using the Archives website and Facebook.

Risk Management Division

- Successfully settled damage claims in an equitable, timely, and cost effective manner.
- Standardized indemnity and insurance provisions in a number of contracts and agreements to maximize financial protection for the Municipality through risk transfer.

2013 KEY PRIORITIES

Priority Strategic Initiatives include:

Service Excellence

- Consider web streaming Council meetings to increase public information and accessibility.
- Automate and digitize the Archival collections to ensure long-term preservation of archival assets.

Healthy Community

- Expand public accessibility to archival and reference resources using technology.
- Revise and enhance the bylaw regulations dealing with the protection of the urban forest.
- Revise and enhance the bylaw regulations dealing with dog kennels.

Vibrant, Connected Economy

- Continue renegotiating licence agreements for the Mt. Douglas Communication Facility.
- Conduct risk assessments on parks, facilities, and equipment in order to prevent loss.
- Review fee structure for Public hearing advertising and notification.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Develop Elections Future Strategy	Review voting opportunities and new technologies for local government elections as key components of the development of an elections future strategy.	P1 Continue community engagement OCP Policy: 5.2.1.7
2. Implement Corporate Document and Information Management Strategy	In 2013 and 2014, the new records classification/retention schedule will be rolled out in all departments and standardized records procedures and practices will be adopted.	L2 Enhance use of information technology OCP Policy: 6.1.1

CORE BUDGET

The Department's 2013 net core budget of 2,143,700 represents a 1.18% increase over 2012.

Net Budget By Function	Actual 2011	Actual 2012	Budget 2012	Budget 2013	\$ Change 2013/2012	% Change 2013/2012
Legal Services	359,900	379,300	370,200	368,700	(1,500)	(0.41%)
Legislative	712,200	740,400	756,500	774,000	17,500	2.31%
Elections	160,100	4,400	-	-	-	0.00%
Archives	149,700	165,100	168,000	170,800	2,800.0	1.67%
Risk Management	246,200	301,200	303,700	308,300	4,600	1.51%
Insurance & Claims	1,117,200	713,600	505,000	505,000	-	0.00%
Lands/Property Management						
Revenue	(360,000)	(322,900)	(308,100)	(295,900)	12,200	(3.96%)
Expense	394,700	303,000	323,300	312,800	(10,500)	<u>(3.25%)</u>
Total	34,700	(19,900)	15,200	16,900	1,700	11.18%
Total	2,780,000	2,284,100	2,118,600	2,143,700	25,100	1.18%

- Legislative division increased 2.31% due to wage increments. A temporary FTE increase of 0.8 for corporate records management is funded from previous year's surplus.
- Lands division decreased 11.18% due to a combination of reduction in property revenue and cost as more of the housing rentals managed by the division are demolished and converted to park land.

Police Services

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

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

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

Continued, planned and incremental improvements in these areas will allow the Saanich Police to sustain and enhance the level of service the community currently enjoys in the face of increased demands and societal changes.

BUDGET SUMMARY	
2013 Net Budget	26,423,100
2012 Net Budget	24,933,300
Budget Change	1,489,800
Change by %	5.98%
2013 FTE	237.63
2012 FTE	232.64
FTE Change	4.99
FTE Change %	2.14%
2012 Carbon Footprint (CO₂e)	594 Tonnes
2011 Carbon Footprint (CO₂e)	601 Tonnes
Carbon Footprint Change	(7) Tonnes

2013 BUDGET CHALLENGES

- Personnel:** The Saanich Police have developed a five-year staffing plan required to meet the commitments of the 2012 – 2016 Saanich Police Strategic Plan. Funding the positions identified in the staffing plan will present a budget challenge in 2013 and beyond. While every effort has been made to gain efficiencies and effectiveness wherever possible, increased responsibilities, complexities and demands for service require additional staff in key positions to ensure Saanich Police continue to provide the highest level of police service to keep Saanich safe. Current needs include capacity for crime analysis and digital evidence recovery/analysis.
- Building Space Acquisition:** Saanich Police restructured in 2012 to create a new Community Liaison Division (CLD) providing an even greater focus on Community Engagement. In order to accommodate increasing demands for space and provide better opportunities for volunteers and other members of the community to work with CLD staff, new building space will be required.
- Public Safety Building:** Resources are required to move forward with plans for a public safety building remediation project, which will ensure police accommodations will survive in a post disaster environment, and that facilities will meet the needs and demands of the Police and Fire departments, today, tomorrow and beyond.

KEY 2012 ACCOMPLISHMENTS

- **Staffing:** In 2012 a constable position was converted to the rank of inspector to oversee the new Community Liaison Division, which is focused on achieving a greater level of community engagement and partnerships to enable the community to work with police to keep Saanich safe. Sergeants positions were created to provide oversight and clear strategic direction in both the School Liaison and Mountain Bike Sections.
- **Technology:** In 2012 the Saanich Police engaged in a variety of information technology projects, the most significant of which was the renewal of data network infrastructure and software.
- **Post Disaster/Emergency Preparedness:** Acquisition of a Mobile Incident Command Communications Vehicle and the development of operational response and recovery plans.
- **Public Safety Building:** The addition of four cells to the prisoner detention centre to allow for the proper care of female and juvenile prisoners taken in to our custody.
- **Community Liaison Division:** Creation of the Community Liaison Division including a complete program evaluation to identify the best path forward to engage the community to take more active role in public safety.
- **Canine Unit:** Cst. Jonathan Zelinski and his partner Zeke competed and finished in first place at the 2012 Canadian National Police Canine championships in Regina, Saskatchewan. Saanich Police is pleased to be hosting the Canadian Police Canine championships in September of 2013.

2013 KEY PRIORITIES

Priority Strategic Initiatives Include:

Safe Community

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

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

Priority Departmental Initiatives include:

Item	Description	Supports Corporate Strategic Plan
1. Community Engagement	Develop new strategies to further engage the citizens to better understand and address crime and other community problems in Saanich. For example, the Community Liaison Division will add 15 new blocks in the Block Watch program.	<i>C1 Strengthen participation of citizens C6 Safe Community</i>
2. Investigative Capacity	Complete transition to becoming part of the Vancouver Island Integrated Major Crime Unit (VIIMCU). In addition, there will be a focus on increasing capacity in computer forensic analysis, the Family Protection Unit, forensic investigative services and major case management.	<i>C6 Safe Community</i>
3. Research / Analysis and Policy Development / Audits	Add a civilian position to Professional Standards Audits and Plans to ensure currency of and compliance with policies and to provide meaningful, defensible information on which to make informed decisions.	<i>C6 Safe Community L1 Develop a Skilled workforce L3 Foster corporate excellence</i>
4. Public Safety Building Remediation Project	Secure the commitment and resources required to start planning for improvements to the public safety building in order to meet the needs for improved and additional accommodation for Police/Fire.	<i>C6 Safe Community</i>
5. Post Disaster Response	Acquisition of a Mobile Incident Command Communications Vehicle and development of response and recovery plans are the focus of the next phase of the Police Post Disaster Plan.	<i>C6 Safe Community</i>
6. Efficiency & Effectiveness	Efforts will be made to create uncommitted time for front line patrol officers to engage in proactive policing duties. Organizational efficiency will be improved by continuing to implement information systems supporting new and realigned business practices.	<i>C6 Safe Community</i>
7. Succession Planning	Succession planning will remain a top priority in 2013. Specific training and educational opportunities will be provided to members who are working towards filling both supervisory and management roles.	<i>C6 Safe Community L1 Develop a Skilled workforce</i>
8. Technology	Continue to plan for and implement new technology and digital evidence management systems.	<i>C6 Safe Community L2 Enhance use of information technology</i>
9. Business Process Analysis	To ensure that limited resources are deployed effectively and efficiently, new strategies and existing programs will be analyzed in the context of a systems perspective as outlined in the 2012-2016 police strategic plan.	<i>C6 Safe Community L3 Foster corporate excellence</i>

CORE BUDGET

The Saanich Police Board 2013 net core budget is \$26,423,100 which represents a 5.98% increase over 2012.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Executive Administration						
Revenues	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	-	0.00%
Expenses	2,536,100	2,991,800	2,860,500	2,989,500	<u>129,000</u>	4.51%
Total	1,036,100	1,491,800	1,360,500	1,489,500	129,000	9.48%
Staff Development	646,500	743,400	722,100	741,600	19,500	2.70%
General Administration	4,653,000	4,781,300	4,696,400	4,832,500	136,100	2.90%
Uniform Division	10,323,200	10,735,400	10,806,000	11,022,100	216,100	2.00%
Community Liaison	1,513,100	1,818,600	1,673,700	1,934,600	260,900	15.59%
Detectives	4,931,700	5,195,300	5,122,400	5,837,000	714,600	13.95%
Secondments	402,400	560,300	552,200	565,800	13,600	2.46%
Total	23,506,000	25,326,100	24,933,300	26,423,100	1,489,800	5.98%

- Traffic fine revenues are received as a conditional grant to defray the cost of police services
- Executive Administration expenses increased 4.51% due to addition of an audit and planning member, wage increments and equipment replacement reserve transfer.
- Community Liaison increased 15.59% due to the redeployment of an inspector position to the program, wage increments and budget reallocation from the uniform division.
- Detectives increased 13.95% due to the addition of four members to VIIMCU and wage increments.
- Additional 1% increase in budget to address a benefit loading shortfall.
- Police labour contract ended December 31, 2012. The 2013 budget column does not reflect any labour contract increases beyond that date.

Fire Protection

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

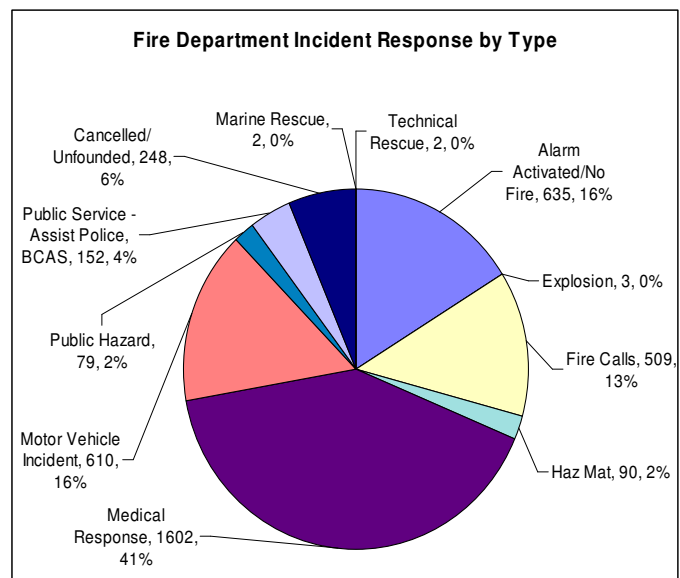
The Fire Department has been providing fire fighting and rescue services to residents since it was established in 1919.

Over time, programs and service delivery has expanded to include contracts for delivery of Fire Dispatch, Fire Apparatus Mechanical services and High Angle Rescue services for a number of neighbouring municipalities. Currently the Department employs 116 uniformed personnel and 6 support staff.

BUDGET SUMMARY	
2013 Net Budget	14,089,600
2012 Net Budget	13,926,300
Budget Change	163,300
Change by %	1.17%
2013 FTE	119.77
2012 FTE	119.62
FTE Change	0.15
FTE Change %	0.12%
2012 Carbon Footprint (CO₂e)	240 Tonnes
2011 Carbon Footprint (CO₂e)	266 Tonnes
Carbon Footprint Change	(26) Tonnes

FIRE DEPARTMENT STATISTICAL SUMMARY¹

Population served	114,000 (est)
Protection area in square kilometers	103.43 (est)
Incident responses	3,932
Emergency incident responses	3,489
Number of fire related	Fatalities: 1 Injuries: 10
Total dollar fire loss (est)	\$1,966,500
Public building inspections	3,124
Incidents dispatched (Saanich and clients)	9,819



¹ Twelve month period ending September 30, 2012

2013 BUDGET CHALLENGES

- **Stations & Facilities:** Funding is required to address immediate facility maintenance issues and to assess medium and long term fire station building needs and funding requirements.
- **Revenue Generation:** Revenue opportunities continue to be pursued with potential fire dispatch service clients. Permit and enforcement revenues are declining, as a result of increased public awareness and enforcement activities and completion of upgrade programs.
- **Programs & Services:** Maintenance and delivery of non-mandatory programs and services continues to be challenging with increased cost pressures.

KEY 2012 ACCOMPLISHMENTS

- **Community Safety:** Developed and implemented a Smoke Alarm Replacement Program.
- **Public Education:** Developed and implemented a “Children First” home escape planning program. The program is being promoted through Blockwatch, Island Parent Magazine and related networks.
- **Fire Dispatch Services:** New dispatch contracts signed with Colwood and View Royal. Renewed dispatch contract with Sidney, and North Saanich is in the process of renewing. Enhanced minimum dispatch staffing levels to support Saanich and client service needs.
- **Staffing and Resource Deployment:** Developed and implemented a revised staffing and resource deployment model with the aim of improving utilization of available resources and reducing response coverage deficits. (2 year trial assessment)
- **Community Engagement:** Hosted a Fire Department Open House on Sept. 15th to showcase Department services, training and equipment. Estimated that more than 2,000 people attended. Department is also starting to develop a social media presence.
- **Service Delivery:** The Department re-structured the Fire Prevention and Staff Development / Training Divisions to create efficiencies and address the changing business needs of internal and external clients.
- **Strategic Directions Planning:** Department members engaged in developing Fire Department Strategic Directions Plan.

2013 KEY PRIORITIES

Priority Strategic Initiatives include:

Safe Community

- **Superior Tanker Shuttle Accreditation:** Ensure quality and cost effective fire protection is being provided to waterless areas of Saanich.
- **Promote regional use of fire dispatch technologies:** Continue to market regional fire dispatch services and establish partnerships.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Alternative water supply	Superior Tanker Shuttle Accreditation: Ensure quality and cost effective fire protection is being provided to waterless areas of Saanich.	C6 - Enhance public safety P3 - Provide best value for money
2. Regional partnerships	Promote regional use of fire dispatch technologies: Continue to market regional fire dispatch services and establish partnerships.	F3 – Build new partnerships for funding and services
3. Emergency management partnerships	Enhance Municipal emergency management capabilities through joint partnerships with Saanich Police.	C6 – Enhance public safety
4. Emergency response and deployment	Implement revised staffing and deployment model for trial assessment period to assess emergency response and coverage capacity. (2 nd year of 2 year trial)	P3 – Provide best value for money
5. Staff planning	Develop and implement FDM personnel module to support staffing / roster management.	L2 - Enhance use of information technology
6. Staff development	Station #1 Training / Emergency Operations Centre: Improve functionality and technology needs for facility.	L1 – Develop and retain skilled Municipal workforce L2 - Enhance use of information technology
7. Emergency management	Emergency Management Training: Review emergency scene management training need and develop support.	C6 – Enhance public safety L1 – Develop and retain skilled Municipal workforce
8. Illness / injury management	Support implementation of Attendance Management Program.	P4 – Monitor and report progress
9. Fire station maintenance	Review and revise Station maintenance process to improve reporting, follow up and accountability.	F4 – Sustain community infrastructure
10. Leadership development	Develop fire service leader profiles and supporting competencies.	L1 – Develop and retain skilled Municipal workforce L3 – Foster corporate excellence

CORE BUDGET

The Department's 2013 net core budget of \$14,089,600 represents a 1.17% increase over 2012.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Administration	941,200	963,800	1,023,100	1,065,500	42,400	4.14%
Suppression and Rescue	9,285,000	10,464,200	10,247,400	10,262,000	14,600	0.14%
Dispatch						
Revenues	(370,400)	(422,400)	(494,400)	(498,200)	(3,800)	0.77%
Expenses	<u>1,033,300</u>	<u>1,078,500</u>	<u>1,288,700</u>	<u>1,319,100</u>	<u>30,400</u>	2.36%
Total	662,900	656,100	794,300	820,900	26,600	3.35%
Prevention	767,700	747,200	834,600	759,900	(74,700)	(8.95%)
Staff Development	252,000	293,800	262,100	389,200	127,100	48.49%
Equipment Maintenance	752,800	707,800	691,300	718,600	27,300	3.95%
Building Maintenance	84,100	88,100	73,500	73,500	0	0.00%
Total	12,745,700	13,921,000	13,926,300	14,089,600	163,300	1.17%

- Administration increased 4.14% due to reallocation of costs between Administration and Suppression and Rescue.
- Dispatch increased 3.35% due to wage increments and an increase in the contract payment to E-Comm.
- Staff Development increased 48.49% due to reorganization of personnel between Prevention and Staff Development.
- Equipment maintenance increased 3.95% due to an increase in transfer to equipment replacement reserve to allow for future replacement of the new Mobile Command Vehicle.
- Fire labour contract ended December 31, 2011. Neither budget columns reflect any labour contract increases beyond that date.

Emergency Program

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

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

BUDGET SUMMARY	
2013 Net Budget	359,600
2012 Net Budget	356,700
Budget Change	2,900
Change by %	0.81%
2013 FTE	2.50
2012 FTE	2.50
FTE Change	0
FTE Change %	0%
Carbon Footprint (CO₂e)	n/a

Complementing the Emergency Program and Saanich's emergency response and recovery capacity are more than 100 Municipal staff trained in Emergency Operations Centre (EOC) response procedures. There are also 175 Emergency Program volunteers in 3 emergency response divisions. Services provided to the community by Emergency Program volunteers include emergency social services, search & rescue, emergency communications, and neighbourhood emergency preparedness.

2013 BUDGET CHALLENGES

- **Urban Search and Rescue:** Limited ability to develop services such as Urban Search and Rescue.

KEY 2012 ACCOMPLISHMENTS

- **UN Role Model City:** Successfully attained "Role Model City" status through the United Nations Disaster Resilient Cities Initiative.
- **Emergency Preparedness:** SEP staff actively involved with the BC Earthquake Alliance and Province wide coordination of the "Shake Out BC" earthquake drill. Of note, every school within Saanich participated in "Shake Out BC".
- **Neighbourhood Emergency Preparedness Program (NEPP):** Delivered over 50 NEPP presentations to more than 2200 individuals. Of note, 3 NEPP presentations were delivered to vulnerable populations through a new partnership with BC Housing Community Development, more are being scheduled.
- **EOC Exercises:** Conducted 3 emergency operations center exercises involving more than 60 staff.
- **EOC and ICS Training:** Delivered emergency operations center and incident command system training courses to more than 50 staff.
- **Community Engagement:** Celebrated emergency program 50th anniversary by co-hosting public Open House with Fire Department. More than 2,000 attendees on Sept. 15th.

- **Search and Rescue (SAR):** Saanich SAR is now recognized by the Province as a fully independent Ground Search and Rescue (GSAR) team with the recent certification of 2 volunteers to the SAR Manager level.

2013 KEY PRIORITIES

Priority Strategic Initiatives include:

Safe Community

- **Strategic Plan:** Develop a long term strategic plan for the emergency program.
- **Department Operations Center (DOC):** Provide a systems based support structure for individual Municipal Departments to operate during emergencies.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Emergency Program Strategic Plan	Develop a long term strategic plan for the Saanich Emergency Program	C6 Enhance public safety P1 Continue community engagement P4 Monitor and report progress
2. Emergency Management Systems	Department Operations Center (DOC): Provide a systems based support structure for individual Municipal Departments to operate during emergencies.	C6 Enhance public safety
3. Neighbourhood Emergency Preparedness Program	Establish partnerships with community organizations, schools, businesses and governments for delivery of neighbourhood programs (NEPP).	C6 Enhance public safety F4 Sustain community infrastructure P1 Continue community engagement
4. Staff Development	Support Emergency Operations Center (EOC) and Incident Command System (ICS) training for Municipal staff.	C6 Enhance public safety L1 Develop and retain a skilled municipal workforce

CORE BUDGET

The Department's 2013 net core budget of \$359,600 represents a 0.81% increase over 2012.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Program Administration	303,600	319,600	319,400	330,100	10,700	3.35%
Training Programs	32,000	28,500	28,700	22,100	(6,600)	(23.00%)
Neighbour Helping Neighbour	8,600	7,000	8,600	7,400	(1,200)	(13.95%)
Total	344,200	355,100	356,700	359,600	2,900	0.81%

- Program Administration increased 3.35% due to wage increment increase and the reallocation of costs between the functions.

Planning and Inspections

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

The Department continued to experience staff departures in 2012, as a result of people seeking new career opportunities and retirements. Retention and recruitment of qualified core staff remains a priority for the Department.

In 2012, progress was made on both the Saanich Climate Action Plan and the Adaptation Plan. The department continues to lead the municipality's efforts to reduce greenhouse gas emissions in the community and in municipal operations, while ensuring the municipality is ready to adapt to a changing climate.

Community outreach continued on a variety of fronts during 2012, including land use, the environment, mobility, heritage and public art. The demand for long range planning and policy development on a range of issues continues to increase.

In 2012, there was a steady level of application activity, which included major projects such as the ongoing development activity associated with *Uptown*, and a range of smaller commercial and multiple family developments across the District. Both the number of commercial and residential Building Permits held steady from the numbers issued in 2011. Construction values and building permit revenue continue to be consistent with figures over the last 5 years (excluding increases related to *Uptown*).

It is anticipated that with the exception of *Uptown*, there will be no large scale projects in 2013, but a continued and steady level of mid-size and smaller project activity. Fifteen multi-family building permits were issued in 2012, which is a slight increase from 2011, when twelve multi-family building permits were issued. It is anticipated that a modest increase in multi-family residential development will occur in 2013.

Subdivision activity was similar between 2011 and 2012. There were 26 applications received in 2012 representing 53 potential new lots. At the present time, there are 60 active subdivision applications in total under review representing 100 potential new lots. It is expected that the trend towards a greater number of small 2-lot style applications will continue.

BUDGET SUMMARY	
2013 Net Budget	2,285,900
2012 Net Budget	2,075,800
Budget Change	210,100
Change by %	10.12%
2013 FTE	43.61
2012 FTE	43.61
FTE Change	0
FTE Change %	0%
2012 Carbon Footprint (CO₂e)	75 Tonnes
2011 Carbon Footprint (CO₂e)	68 Tonnes
Carbon Footprint Change	7 Tonnes

In 2013 subdivision applications are expected to be consistent with 2012 figures. Rezoning and major project applications in 2013 are expected to be similar to the volume experienced in during 2012.

2013 BUDGET CHALLENGES

- General economic slowdown may continue to result in reduced application revenue.
- Increasing requests for new services and service levels.

KEY 2012 ACCOMPLISHMENTS

- Developed a plan to improve our understanding of the potential impacts our community faces due to sea-level rise.
- Supported the adoption of electric vehicles in our community by committing to the installation of 12 charging stations at our municipal facilities.
- Supported the carbon awareness training of local businesses through the Climate Smart Program.
- Implemented the new Environmental Development Permit Area which helps to protect significant natural features during development.
- Completed Phase 1 of the Environmentally Significant Areas mapping project which used public input to identify 20 previously unmapped areas.
- Invasive species program of education and assistance has resulted in the elimination of several locations of high priority species on private lands and the voluntary identification of previously unknown sites.

2013 KEY PRIORITIES

Priority Strategic Initiatives include:

Sustainable Environment

- Continue work program to support food security and agriculture.
- Complete the Shelbourne Valley Action Plan.
- Undertake Parking Standards Study for Centres and Villages.
- Expand the inventory and mapping of sensitive ecosystems in Saanich.
- Implement best practice for stormwater management.
- Implement invasive species management strategy (review and amend the Noxious Weed Bylaw).
- Implement key initiatives from both the Climate Action Plan & the Climate Change Adaptation Plan.

Balanced Transportation

- Prepare wayfinding plan and implementation strategy to better assist people to utilize a range of alternative mobility options.

Healthy Community

- Implementation of Heritage Action Plan items:
 - Heritage walk/bike tour brochures; and
 - Inventory of natural and cultural heritage resources.
- Affordable Housing:
 - Pursue discussion with neighbourhood associations north of McKenzie regarding interest in a program to allow for legalized secondary suites; and
 - Continue to investigate with CRD and other housing organizations a process for securing and operating affordable units within market housing projects.

Vibrant, Connected Economy

- Undertake the Douglas Corridor and Uptown Centre Planning Study.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Climate Change Adaptation Plan	Implement High priority actions	C4 Sustainable Environment
2. Climate Action Plan	Implement High priority actions	C4 Sustainable Environment
3. Protection of sensitive ecosystems	Expand inventory and mapping of sensitive ecosystems in Saanich to include smaller Environmentally Significant Areas	C4 Sustainable Environment
4. Community Outreach	Planning 101 Workshops with Neighbourhood Associations	C2 Healthy Community
5. Protection of sensitive ecosystems	Partner with UVIC, Oak Bay and the CRD on improving the Hobb's Creek Watershed	C4 Sustainable Environment

CORE BUDGET

The Department's 2013 net core budget of \$ 2,285,900 represents a 10.12% increase over 2012.

Net Expenditure By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Planning Administration	519,200	544,500	535,500	547,300	11,800	2.20%
Environmental Services	376,600	349,700	341,600	344,500	2,900.0	0.85%
Community Planning	440,800	514,000	645,500	648,400	2,900	0.45%
Current Planning						
Revenues	(111,900)	(105,200)	(110,000)	(110,000)	-	0.00%
Expenses	<u>558,600</u>	<u>359,700</u>	<u>466,000</u>	<u>468,500</u>	<u>2,500</u>	<u>0.54%</u>
Total	446,700	254,500	356,000	358,500	2,500	0.70%
Subdivision						
Revenues	(46,800)	(56,700)	(59,100)	(59,100)	-	0.00%
Expenses	<u>160,200</u>	<u>180,400</u>	<u>233,300</u>	<u>231,700</u>	<u>(1,600)</u>	<u>(0.69%)</u>
Total	113,400	123,700	174,200	172,600	(1,600)	(0.92%)
Inspections						
Revenues	(2,205,700)	(1,972,200)	(1,919,600)	(1,744,600)	175,000	(9.12%)
Expenses	<u>1,969,100</u>	<u>1,623,000</u>	<u>1,580,200</u>	<u>1,588,000</u>	<u>7,800</u>	<u>0.49%</u>
Total	(236,600)	(349,200)	(339,400)	(156,600)	182,800	(53.86%)
Bylaw Enforcement	387,300	443,900	362,400	371,200	8,800	2.43%
Total	2,047,400	1,881,100	2,075,800	2,285,900	210,100	10.12%

- Inspections net revenues decreased 53.86% due to the adjustment of permit revenue budget to reflect the lower volume of permits being processed.

Engineering

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

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

The **Engineering Design Division**, comprising of Transportation and Underground Services, is responsible for coordinating the design, rehabilitation, improvement and reconstruction of all municipal infrastructure and facilities. To help build community awareness and understanding, Engineering also co-ordinates a public information process that occurs during the development of a project.

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

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

BUDGET SUMMARY	
2013 Net Budget	11,797,500
2012 Net Budget	11,659,400
Budget Change	138,100
Change by %	1.18%
2013 FTE	187.66
2012 FTE	188.40
FTE Change	(0.74)
FTE Change %	(0.39%)
2012 Carbon Footprint (CO₂e)	1395 Tonnes
2011 Carbon Footprint (CO₂e)	1396 Tonnes
Carbon Footprint Change	(1) Tonnes

2013 BUDGET CHALLENGES

Engineering:

- Prior year reductions in operating budgets have created challenges in the delivery of some services and have made it difficult to support an increased design staff.
- Not enough staff in Facilities to do long range planning and asset management - only able to keep up with the critical demands.
- Rapid increase in capital budgets has helped in some areas, but has created additional operations and maintenance demands in others.
- Tightening regulatory environment (e.g., Fisheries window) creates a need to carryout work during defined periods only, which in turn creates sharp peaks in demand for technical staff.

Public Works:

- Deteriorating workplace conditions for administrative staff at 1040 McKenzie Avenue.
- Increased demands for services such as litter control, vegetation control and graffiti removal.

KEY 2012 ACCOMPLISHMENTS

Engineering and Public Works

- Upgrade 20 Transit shelters and made 29 Transit stops accessible.
- Completed approximately 2 km of sidewalk construction
- Completed approximately 3 km of bike lanes.

Engineering Design -- Transportation

- Added bike lane on Cedar Hill Road (Rowan to Church) that includes the use of an innovative off road bike path (cycle track) to preserve a significant tree and provide opportunity for improved stormwater management.
- Completed first phase of Douglas Local Connector bike route parallel to the Pat Bay Hwy. through Rainbow Park.
- Completed Craigflower Bridge replacement design and await approvals/permits required by the Federal and Provincial government to proceed with construction in June 2013.
- Completed Burnside Road West (Marigold to Grange) sidewalk and bike lane project.
- Successfully incorporated a revised Pedestrian Priorities Implementation Plan (PPIP) model to assist staff in identifying and prioritizing future sidewalk projects.

Engineering Design – Underground Services

- Rithet Reservoir replacement tendered.
- Over 2.2 km of Sanitary Sewer rehabilitated.
- Water Model completed.
- Over 1.1 km of woodstave and 400 m of substandard drains rehabilitated.
- Over 230 preliminary surveys and 140 as-builts completed by the Survey Section.

Engineering – Development/Drafting

- Provided inspection services for Tattersall Street Beautification project, Uptown Centre and other developments.
- Continued ongoing updating of digital record drawings of municipal utilities.

Engineering – Facility Operations

- Completed the Arts Centre at Cedar Hill Recreation Centre.
- Completed re-roofing and skylight replacement of Saanich Commonwealth Place.
- Completed cross connection control projects at G.R.Pearkes Recreation Centre and at Cedar Hill Recreation Centre.
- Installed and implemented security locks for Municipal Hall and Annex.
- Installed energy efficient heating and lighting at the Fleet Centre.

Public Works

- Completed a pilot of curbside collection of household organics for approximately 600 homes.
- Successful external audit for COR certification of all Public Works sections.
- Swan Creek restoration projects completed in cooperation with Environmental Services, Pacific Salmon Foundation, Swan Lake Nature Sanctuary and Parks.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
Engineering Design		
1. Wood Stave program	Replace 1.8 km of wood stave drain.	C7 Safe Community
2. Bridge program	Replace the Craigflower Bridge	C7 Safe Community
3. Regional Transit program	Work with BC Transit to develop functional plans for a transit exchange at Uptown, implement rapid transit and implement BC Transit master plan	C7 Safe Community
4. Implement Complete Streets Philosophy	Ensure that all road users, landscaping and stormwater solutions are considered and incorporated into the design of upgrades of Major and Collector Roads	C7 Safe Community
5. Regional Transportation	Participate in the CRD Regional Transportation Plan study to ensure coordination and consistency with Saanich's vision and plans.	C7 Safe Community
6. CAD program	Complete all of 2011 project as-builts.	
Development and Facility Operations		
7. Facility Infrastructure	Continue to identify major improvements required to facilities for seismic, code compliance, building envelope and operational requirements and continue to request budget approvals.	C7 Safe Community
Public Works		
8. Solid Waste Services	Implement the garden and kitchen organics collection program.	C4 Sustainable Environment
9. Waterways & Ditches	Improve access to critical storm water outfalls and inlet structures to increase response time during spill events.	F1 Sustainable Environment
10. Personnel Training	Build capacity for internal training and staff development by certifying staff as instructors with Environmental Operators Certification Program.	L1 Service Excellence

CORE BUDGET

The Department's 2013 net core budget of \$ 11,797,500 represents a 1.18% increase over 2012.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2011	2012	2012	2013	2013/2012	2013/2012
Engineering Services						
Revenue	(1,101,800)	(1,195,700)	(1,072,500)	(1,083,900)	(11,400)	1.06%
Expense	3,348,100	3,530,300	3,509,900	3,594,900	85,000	2.42%
Total	2,246,300	2,334,600	2,437,400	2,511,000	73,600	3.02%
Facility Operations	1,251,900	1,202,100	1,213,200	1,167,700	(45,500)	(3.75%)
Public Works	7,934,900	7,948,300	8,008,800	8,118,800	110,000	1.37%
Total	11,433,100	11,485,000	11,659,400	11,797,500	138,100	1.18%

- Net Engineering Services Division costs noted above are projected to increase 3.02% primarily from wage increments

Facility Operations

The Division's net core budget of \$1,167,700 represents a 3.75% decrease over 2012.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Administration	131,800	204,700	128,900	129,500	600	0.47%
Minor Facility Repair	204,900	138,900	348,800	355,800	7,000	2.01%
Les Passmore Building	156,300	150,400	144,300	82,500	(61,800)	(42.83%)
Municipal Hall Building	579,300	537,300	480,900	487,800	6,900	1.43%
Municipal Annex	83,800	135,100	110,300	112,100	1,800	1.63%
Public Safety Building	78,000	15,900	-	-	-	0.00%
Public Works and Parks	17,800	19,800	-	-	-	0.00%
Total	1,251,900	1,202,100	1,213,200	1,167,700	(45,500)	(3.75%)

- Les Passmore Building costs decreased 42.83% due to termination of custodial services provided to the current tenants, Silver Threads, based on a new lease agreement.

Public Works

The Public Works Division provides diverse services to the community from above ground services such as roads, bridges and refuse collection to underground services such as waterworks, drainage and sewer collection. The Division's net core budget of \$8,118,800 increased 1.37% over 2012.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Administration	650,600	539,300	537,800	567,400	29,600	5.50%
Stores	163,700	125,500	161,300	165,300	4,000	2.48%
Fleet						
Revenue	(4,136,200)	(4,193,900)	(4,038,800)	(4,106,100)	(67,300)	1.67%
Expense	<u>4,099,400</u>	<u>4,185,400</u>	<u>4,030,300</u>	<u>4,097,600</u>	<u>67,300</u>	1.67%
Total	(36,800)	(8,500)	(8,500)	(8,500)	-	0.00%
Solid Waste Services						
Revenue	(5,002,000)	(4,789,300)	(4,802,600)	(5,005,700)	(203,100)	4.23%
Expense	5,352,000	5,234,400	5,248,700	5,451,800	203,100	<u>3.87%</u>
Total	350,000	445,100	446,100	446,100	-	0.00%
Storm Drains	1,800,100	1,844,800	1,942,600	1,963,800	21,200	1.09%
Manufacturing	743,000	662,800	686,200	690,600	4,400	0.64%
Electrical	1,186,000	1,339,300	1,258,700	1,283,500	24,800	1.97%
Roads	3,078,300	3,000,000	2,984,600	3,010,600	26,000	0.87%
Total	7,934,900	7,948,300	8,008,800	8,118,800	110,000	1.37%

- Administration increased 5.50% due to wage increments and increase in facility costs.

Parks and Recreation

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

The Department is comprised of two Divisions that plan and manage a number of municipal services.

Parks

Saanich Parks has something for everyone – oceans, beaches, creeks, lakes, meadows, forests, playgrounds, multi-use trails and sports fields. With over 168 parks covering more than 800 hectares, Saanich Parks are unique for their ecological diversity and leisure opportunities. The Parks Division encompasses park planning and design, construction, maintenance, horticulture, natural areas management and urban forestry.

Recreation

The Recreation Division is comprised of four Recreation Centres, Community Services, the Cedar Hill Golf Course, and Recreation Administration. Features vary from Centre to Centre and include: aquatic facilities; arenas; fitness studios; gymnasiums; youth activity centres; art studios; indoor tennis courts; food services and a variety of multipurpose program space. The Community Services section provides many arts, cultural and community special events, programming specifically designed for youth and seniors and thousands of affordable community programs that are enjoyed by people of all ages.

The Cedar Hill Golf Course is a picturesque 5100 yard, 18 hole public golf course open year round for the recreational to experienced golfer. Services include: a fully stocked Pro Shop with a “warm up” range and CPGA golf instruction; licensed light snack and beverage service and banquet and meeting services.

2013 BUDGET CHALLENGES

Parks

- Balancing demands with limited core operating budgets both from new inventory and increasing public expectations
- Resources necessary to respond to the growth in natural area stewardship (Invasive Species Pulling Together Program) and increased emphasis on Early Detection Rapid Response species
- Maintaining acceptable levels of service in light of previous resource reductions
- Balancing capital funding for existing infrastructure replacement with community expectation for expanded parks/services.

BUDGET SUMMARY	
2013 Net Budget	13,332,600
2012 Net Budget	13,066,400
Budget Change	266,200
Change by %	2.04%
2013 FTE	283.58
2012 FTE	275.96
FTE Change	7.62
FTE Change %	2.76%
2012 Carbon Footprint (CO₂e)	2067 Tonnes
2011 Carbon Footprint (CO₂e)	2229 Tonnes
Carbon Footprint Change	(162) Tonnes

Recreation

- Managing the increasing costs of utilities within annual facility budgets
- Keeping program fees affordable and within the Greater Victoria market range, while associated expenses of program delivery increase
- Effectively maintaining aging equipment and infrastructure
- Ice revenue during the spring/summer decreased due to increased number of ice facilities in Greater Victoria operating during the spring and summer

Golf

- Developing golf and food and beverage revenues to move operation closer to sustainability
- Maintaining capital funds to allow for continued drainage and other course improvements
- Local market competition for relatively static number of local golfers

KEY 2012 ACCOMPLISHMENTS

Parks

- Completed 5 interpretive signs plus additional 40+ directional/way finding signage
- Completed Blenkinsop Trailhead, Majestic Playground & Phase 1 of Fowler parking lot
- Continued Mt Douglas Creek in-stream work.
- Completed development of Urban Forest Canopy Cover information to support the Urban Forest Strategy
- Developed Invasive Species Management Strategy
- Supported 20+ groups/40+ sites for Natural Area Stewardship under Pulling Together
- Workforce Plan implementation

Recreation

- First full year of operation of the Cedar Hill Arts Centre
- Expansion of after school physical literacy program in partnership with PISE
- Community Kitchen program for Seniors was initiated
- Saanich Commonwealth Place was training centre for 13 athletes and coaches who participated in the 2012 London Summer Olympics
- Increased usage of the Pearkes field house sports courts, as many individual groups are booking the facilities.

Golf

- Drainage improvements undertaken on holes 14 and 17
- Subsidy reduction of \$369,300
- Streamlining of food and beverage service

2013 KEY PRIORITIES

Priority Strategic initiatives include:

Sustainable Environment

- Amend the Tree Preservation Bylaw, operations manual and comprehensive tree planting program
- Review and amend the Noxious Weed Bylaw; develop best management practices for priority invasive species; develop protocols to inventory, monitor, track and map priority invasive species
- Continue to implement Urban Forest Strategy
- Implement Invasive Species Management Strategy when approved

Balanced Transportation

- Work with Engineering on the bicycle network and standards review
- Work with Planning on a wayfinding plan and implementation strategy

Healthy Community

- Establish an Arts, Culture and Heritage awards event
- Develop initiatives to help children and youth connect with nature through parks and recreation experiences
- Facilitate community groups and individuals to introduce two additional community garden sites
- Complete the Cadboro-Gyro Park concept planning work with various stakeholders
- Complete the multidisciplinary planning process for Panama Flats
- Initiate environmental assessment and planning process for Haro Woods, completion in Q3 2014
- Improve the parks and trails experience through the continued installation of interpretive and directional signage

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Parks, Recreation & Culture Master Plan	Seek opportunities for the continued implementation of the Master Plan initiatives.	C4 Sustainable Environment C1, C2, F4 Healthy Community
2. Golf Course	Continue strategies leading to sustainability	P3 Service Excellence
3. Partnerships	Strengthen the linkages between the Department and VIHA to ensure that the health benefits of parks and recreation services are fully available to Saanich residents and are recognized by the health care system.	F3 Service Excellence

CORE BUDGET

The Department's 2013 net core budget of \$13,332,600 represents a 2.04% decrease over 2012.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2011	2012	2012	2013	2013/2012	2013/2012
Parks & Rec. Administration	697,600	627,900	691,700	691,500	(200)	(0.03%)
Parks	5,770,200	5,726,700	5,835,400	5,983,400	148,000	2.54%
Cedar Hill Recreation Centre	1,026,100	1,080,100	1,054,800	1,105,100	50,300	4.77%
Gordon Head Recreation Centre	1,457,800	1,449,200	1,430,600	1,437,400	6,800	0.48%
G R Pearkes Recreation Centre	1,031,900	1,009,200	985,800	1,015,800	30,000	3.04%
Saanich Commonwealth Place	2,263,700	2,147,100	2,161,800	2,177,000	15,200	0.70%
Community Services	875,800	884,400	906,300	922,400	16,100	1.78%
Cedar Hill Golf Course	296,000	-	-	-	-	0.00%
Total net cost	13,419,100	12,924,600	13,066,400	13,332,600	266,200	2.04%

Parks and Recreation Administration

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

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Administration	658,200	588,500	652,300	652,100	(200)	(0.03%)
Integration Recreation Victoria	39,400	39,400	39,400	39,400	-	0.00%
Total	697,600	627,900	691,700	691,500	(200)	(0.03%)

Parks Division

The Parks Division works in partnership with the community to create a quality of life that supports healthy lifestyles and preserves and protects the natural environment. This is achieved through the provision of parks that meet a variety of community needs. The Division is responsible for the planning, design, development and operation of more than 168 parks covering more than 800 hectares. The division's 2013 net core budget of \$5,983,400 represents a 2.54% increase over 2012. The 2013 budget would have increased 1.73% if the increase in operations due to new infrastructure were excluded.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Administration	624,800	601,700	533,500	538,200	4,700	0.88%
Planning and Design	276,100	351,600	445,800	452,200	6,400	1.44%
UF, Hort. & Natural Area	1,881,400	1,915,800	1,933,300	2,001,600	68,300	3.53%
Construction/Maintenance	2,987,900	2,857,600	2,922,800	2,991,400	68,600	2.35%
Total	5,770,200	5,726,700	5,835,400	5,983,400	148,000	2.54%

- The increases in UF, Hort & Natural Area and Construction & Maintenance are due to partial allocation of new infrastructure funding for park development, trail and streetscape.

Cedar Hill Community Recreation Centre

Cedar Hill Community Recreation Centre, which opened in 1973, is located at the corner of Finlayson and Cedar Hill Road, on the Saanich/Victoria border. The facility welcomes over 318,000 participants per year. Services unique to Cedar Hill include tennis, squash, a senior's centre, easy access to the 3.5km (2.2 mile) walking trail surrounding the Cedar Hill Golf Course, and the Arts Centre at Cedar Hill completed in 2011. A variety of events of interest to the region are hosted here such as a Men's Professional Indoor Tennis Challenge and the Celebration of the Arts Festival.

A wide variety of preschool, youth and adult programs take place in the dance studio, auditorium, and meeting rooms. Partnership programs with the Cedar Hill Squash Club, Community Arts Council of Greater Victoria, New Horizons Seniors Club, Tennis BC, and others allow us to enhance the services offered to our residents. Cedar Hill is a designated National Tennis Development Centre for U12 players.

The Gallery Café, adjacent to the main entrance, provides a welcoming, social environment for participants and neighbours and serves as a venue for local artists to display their work.

Net Budget By Function	Actual 2011	Actual 2012	Budget 2012	Budget 2013	\$ Change 2013/2012	% Change 2013/2012
Administration						
Revenues	(143,400)	(157,400)	(186,200)	(173,500)	12,700	(6.82%)
Expenses	<u>1,090,200</u>	<u>1,040,800</u>	<u>1,119,200</u>	<u>1,116,300</u>	(2,900)	(0.26%)
Total	946,800	883,400	933,000	942,800	9,800	1.05%
Programs						
Revenues	(1,119,300)	(1,175,600)	(1,187,200)	(1,143,200)	44,000	(3.71%)
Expenses	<u>623,300</u>	<u>668,200</u>	<u>660,400</u>	<u>648,500</u>	<u>(11,900)</u>	(1.80%)
Total	(496,000)	(507,400)	(526,800)	(494,700)	32,100	(6.09%)
Maintenance	575,300	704,100	648,600	657,000	8,400	1.30%
Total	1,026,100	1,080,100	1,054,800	1,105,100	50,300	4.77%

- Administration net expenses slight increase of 1.42% is due mainly to the allocation of 20% of the manager's wages to the Cedar Hill Golf Course.
- Programs net revenues decreased 6.09% due to decrease in ceramic and art studios revenues, partially offset by a decrease in expenditure on sport programs.

Gordon Head Community Recreation Centre

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

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

In addition, the weight room, multipurpose rooms and auditorium provide many community programs that focus on fitness, arts and culture, multicultural programming, and community partnerships with health serving agencies which provide programs such as cardiac rehabilitation. Gordon Head provides programs and services for preschoolers, youth, adults and seniors. A partnership with School District 61 at Gordon Head Middle School provides valuable community recreation program space for Saanich. Facilities include double gymnasium, dance studio, textiles and food rooms, art room, and music studio available in the evenings, on weekends and on all school non-instructional days.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Administration						
Revenues	(70,700)	(65,500)	(65,700)	(59,700)	6,000	(9.13%)
Expenses	999,900	1,028,600	1,031,100	1,049,900	18,800	1.82%
Total	929,200	963,100	965,400	990,200	24,800	2.57%
Programs						
Revenues	(1,707,600)	(1,831,600)	(1,684,200)	(1,845,700)	(161,500)	9.59%
Expenses	1,213,600	1,321,200	1,221,800	1,348,800	127,000	<u>10.39%</u>
Total	(494,000)	(510,400)	(462,400)	(496,900)	(34,500)	7.46%
Maintenance	1,022,600	996,500	927,600	944,100	16,500	1.78%
Total	1,457,800	1,449,200	1,430,600	1,437,400	6,800	0.48%

- Programs net revenues increased 7.46% due to increase in pass sales and drop in rates.

G. R. Pearkes Community Recreation Centre

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

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Administration						
Revenues	(949,100)	(969,100)	(962,700)	(969,100)	(6,400)	0.66%
Expenses	<u>963,000</u>	<u>994,000</u>	<u>964,300</u>	<u>992,400</u>	<u>28,100</u>	2.91%
Total	13,900	24,900	1,600	23,300	21,700	1356%
Programs						
Revenues	(924,000)	(979,500)	(940,100)	(969,200)	(29,100)	3.10%
Expenses	<u>587,100</u>	<u>569,500</u>	<u>622,500</u>	<u>633,800</u>	<u>11,300</u>	1.82%
Total	(336,900)	(410,000)	(317,600)	(335,400)	(17,800)	5.60%
Maintenance	1,354,900	1,394,300	1,301,800	1,327,900	26,100	2.00%
Total	1,031,900	1,009,200	985,800	1,015,800	30,000	3.04%

- Administration net cost increased by a large percentage is due mainly to the slight decrease in rental revenue accompanied with an increase in wages as per collective agreement. The total increase of \$21,700 is magnified percentage wise when compared to last year's total net cost of only \$1,600.
- Programs net revenues increased 5.60% due to increase in pass sales and drop in rates.

Saanich Commonwealth Place

Saanich Commonwealth Place is located on Elk Lake Drive in the Royal Oak/Broadmead area and serves both local residents and the larger community, with its world class aquatics facilities. These include a 50 meter competitive pool which can be used for international level events, a dive tank, leisure pool, wave pool and waterslide. Other facilities within the building include two accessible change rooms, a gymnasium, hot tub, steam & dry sauna, dance studio, fitness centre, multi-purpose rooms, pro shop, a café, the Victoria Offices of Pacific Sport, and the Bruce Hutchison Branch of the Greater Victoria Library.

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

At both the Centre and the offsite locations, numerous programs and activities are offered for all ages and abilities. Several health service partnerships are also in place including physiotherapy, massage and rehabilitative therapy.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Administration						
Revenues	(386,000)	(367,500)	(313,000)	(378,300)	(65,300)	20.86%
Expenses	<u>1,681,500</u>	<u>1,588,700</u>	<u>1,547,500</u>	<u>1,714,500</u>	<u>167,000</u>	10.79%
Total	1,295,500	1,221,200	1,234,500	1,336,200	101,700	8.24%
Programs						
Revenues	(3,785,300)	(3,481,600)	(3,359,400)	(3,673,200)	(313,800)	9.34%
Expenses	<u>2,981,700</u>	<u>2,709,600</u>	<u>2,631,000</u>	<u>2,785,900</u>	<u>154,900</u>	5.89%
Total	(803,600)	(772,000)	(728,400)	(887,300)	(158,900)	21.81%
Maintenance	1,771,800	1,697,900	1,655,700	1,728,100	72,400	4.37%
Total	2,263,700	2,147,100	2,161,800	2,177,000	15,200	0.70%

- Administration net cost increased by 8.24% due to reinstatement of staff back to 2011 levels before the pool closure in 2012 to facilitate the replacement of the skylights.
- Program net revenues increased by 21.81% due to a full year operations of the pool area and increase in pass sales and drop in rates.

Community Services

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

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Administration	485,000	513,500	505,300	510,000	4,700	0.93%
Programs						
Revenues	(174,900)	(184,800)	(170,000)	(167,800)	2,200	(1.29%)
Expenses	565,700	555,700	571,000	580,200	9,200	<u>1.61%</u>
Total	390,800	370,900	401,000	412,400	11,400	2.84%
Total	875,800	884,400	906,300	922,400	16,100	1.78%

Golf Course Division – Cedar Hill Golf Course

The Cedar Hill Golf Course, located on Derby Road off Cedar Hill Road, provides "close to home" golf for beginners and experienced players on an 18 hole, 5100 yard course. CPGA instruction, pro shop sales and services, a short club practice range and licensed light snack and beverage service round out the golf experience. Green fee play and pass holder tee times are facilitated through an on-line booking system.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Golf Revenues	(1,034,100)	(1,069,800)	(1,025,000)	(1,112,600)	(87,600)	8.55%
Administration	266,100	246,800	207,100	169,700	(37,400)	(18.06%)
Pro Shop	58,800	72,700	81,500	66,500	(15,000)	(18.40%)
Food and Beverage						
Revenues	(798,700)	(409,800)	(341,800)	(501,800)	(160,000)	46.81%
Expenses	<u>855,000</u>	<u>442,100</u>	<u>404,000</u>	<u>484,500</u>	<u>80,500</u>	19.93%
Total	56,300	32,300	62,200	(17,300)	(79,500)	(127.81%)
Facility Maintenance	229,500	177,400	164,100	193,900	29,800	18.16%
Grounds Maintenance	688,400	611,900	588,200	605,100	16,900	2.87%
Debt, Capital and Overhead	218,200	661,200	661,200	464,700	(196,500)	(29.72%)
Sub-Total	483,200	732,500	739,300	370,000	(369,300)	0.00%
Transfer from Reserves	(187,200)	(732,500)	(739,300)	(370,000)	369,300	0.00%
Total Loss from Operation	296,000	-	-	-	-	0.00%

- The deficit for 2013 is funded from contingency as part of the approved three year plan to achieve financial sustainability.
- The overall deficit in 2013 is projected to be \$369,300 less than the prior year.
- Expenditure increases in food and beverage and building maintenance areas reflect aggressive estimates for 2012 and the projected net costs for the first full year following the restructuring.

Cultural Services

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

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

BUDGET SUMMARY	
2013 Net Budget	5,327,700
2012 Net Budget	5,160,200
Budget Change	167,500
Change by %	3.25%
FTE	n/a
Carbon Footprint (CO₂e)	n/a

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

2013 Budget Challenges

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

CORE BUDGET

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
Greater Victoria Public Library	4,582,200	4,782,200	4,799,600	4,956,300	156,700	3.26%
Branch Libraries Maintenance	58,400	68,000	50,600	51,400	800	1.58%
Swan Lake Christmas Hill Nature House	300,000	310,000	310,000	320,000	10,000	3.23%
Total	4,940,600	5,160,200	5,160,200	5,327,700	167,500	3.25%

- The 3.26% increase in library services is due to wage and facilities cost increases, as well as, reduction in grants and other revenue.

General Capital Program

The Capital Plan matches the District's needs for investment in capital with its available financial resources. Replacement of ageing infrastructure is the primary factor in determining capital requirements in Saanich. Saanich infrastructure spending is gradually addressing this need, increasing from \$4.5 million to an annual average of over \$ 19.5 million in the last three years for general capital.

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

1. A net 2% increase in tax funded core capital over 2012 budget.
2. A minimum 0.75% property tax allocation to infrastructure replacement
3. Debt Financing Guideline
4. All figures shown in 2013 dollars – no inflation allowance

Expenditures	Budget	Budget
	2012	2013
Police	1,717,700	1,381,800
Fire	175,200	474,600
Emergency Program	-	60,000
Transportation	18,649,700	35,889,900
Drainage	6,668,200	6,078,400
Parks	2,652,800	2,952,300
Recreation	2,073,300	1,445,600
Fleet Replacement	1,448,300	5,242,400
Information Technology	1,719,500	1,780,300
Community Facilities	4,000,600	5,356,300
Parkland Acquisition	2,400,000	2,400,000
	41,505,300	63,061,600
Source of Funding	Budget	Budget
	2012	2013
General Operating (Core Capital)	8,964,000	9,999,500
General Capital Reserves	11,856,900	16,350,300
Lands Reserve	1,900,000	1,900,000
Development Cost Charges	1,887,400	1,724,200
Equipment Replacement Reserve	3,471,100	4,345,800
Grants & Contributions	7,475,900	20,107,800
Long Term Debt	5,950,000	8,634,000
	41,505,300	63,061,600

Three Year General Capital Projection

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

Description of Program	Budget 2013	Budget 2014	Budget 2015	Description of Large Variances
Transportation				
Roads Improvement	7,558,900	4,600,000	4,250,000	Larger road projects in 2013 to correspond with the Craigflower bridge replacement
Sidewalk Improvement	2,418,100	2,030,000	1,085,000	Based on need and ROW acquisitions
Bikeways Improvement	150,000	450,000	850,000	Ramping up Douglas Connector routes
Bus Stops Improvement	115,000	115,000	115,000	Annual programs
Street Lights/Traffic Signals Improvement	220,000	200,000	200,000	
Bridges Replacement	11,728,500	-	750,000	Based on condition assessment
	22,190,500	7,395,000	7,250,000	
Drainage				
Wood Stave Replacement	3,043,400	3,557,400	4,197,700	Annual programs
Sub-standard Drain Replacement	676,600	787,600	764,300	
Other	380,000	235,000	200,000	
	4,100,000	4,580,000	5,162,000	
Parks				
Playground Replacement	108,000	110,000	175,000	Based on age and condition assessments
Sports Field & Hard Court Replacement	75,000	403,000	403,000	
Parking Replacement	144,000	240,000	357,000	
Irrigation Replacement	137,000	124,000	124,000	
Bridges & Structures Replacement	-	150,000	179,000	
Trails Replacement	176,000	102,000	102,000	
Buildings Replacement	320,000	124,000	124,000	
Park Infrastructure Replacement	277,000	200,200	245,700	
Other	345,000	174,000	184,000	
	1,582,000	1,627,200	1,893,700	
Recreation & Other Facilities				
Electrical	300,000	319,200	501,000	Based on age and condition assessment
Mechanical	350,000	98,300	155,000	
HVAC	71,500	383,300	-	
Pearkes Ice	110,000	-	800,000	
Building Envelope	724,300	1,324,100	1,394,000	
Building Interior	415,500	227,800	301,400	
Other	85,000	100,000	12,500	
	2,056,300	2,452,700	3,163,900	
Grand Total	29,928,800	16,054,900	17,469,600	

Vehicles, Equipment and Technology

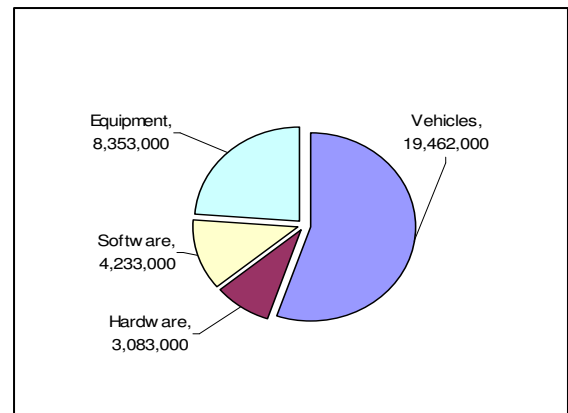
Saanich vehicles, equipment and information technology includes fleet vehicles for parks, public works, police and fire, computer and telephone hardware and software for all departments and a variety of equipment from fitness to lawn mowers.

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

What needs to be done?

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

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2012 \$)
Vehicles	4-25	\$ 1,297,000
Computer Hardware	4-6	\$ 514,000
Computer Software	4-20	\$ 212,000
Major Equipment	4-30	\$ 557,000
		\$ 2,580,000



Current Funding: \$2,396,600

Future Funding Target: \$2,580,000

Current expenditure funding is on target. Overall, the equipment replacement reserve is replenished adequately to maintain most future funding for replacement, however, reassessment and adjustment of the funding in each of the categories is needed.

Police Vehicles, Equipment and Technology

Police Services	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2012 Project in Progress:					
Hardware and Software		15,000			15,000
Annual Vehicle Replacement		49,500			49,500
Mobile Command Vehicle *		750,000			750,000
MDT Replacement		129,700			129,700
Total	-	944,200	-	-	944,200
2013 Core Capital:					
Hardware and Software	120,000				120,000
Annual Vehicle Replacement (8 vehicles)	250,000				250,000
Equipment Replacement	67,600				67,600
Total	437,600	-	-	-	437,600

Fire Vehicles, Equipment and Technology

Fire Protection	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2012 Projects in Progress:					
Mobile Command Vehicle *		150,000			150,000
Total	-	150,000	-	-	150,000
2013 Core Capital:					
Fire Equipment Replacement		66,600			66,600
Vehicle Replacement (2 vehicles and 1 engine)		258,000			258,000
Total	-	324,600	-	-	324,600

* One mobile command vehicle is shared jointly between Police and Fire departments

Emergency Program

Emergency Program	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2013 Core Capital:					
Vehicle Replacement (1 vehicle)		60,000			60,000
Total	-	60,000	-	-	60,000

Fleet Vehicles

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

Vehicle Equipment Replacement Program	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2012 Project in Progress:					
Fleet Vehicle Replacements, Various small trucks and vehicles		290,500			290,500
Total	-	290,500	-	-	290,500
2013 Core Capital:					
Fleet Vehicle Replacements, Various trucks and vehicles		731,900			731,900
Solid Waste Vehicle Replacements		1,460,000		2,760,000	4,220,000
Total	-	2,191,900	-	2,760,000	4,951,900

2012 Vehicles yet to be received include four dump trucks, one van sprinter and two cargo vans.

Vehicles to be purchased in 2013 include five pick ups, three vans, one van sprinter, two large trucks, two electric vehicles, three road rollers and one salter/sander unit. Solid Waste vehicles to be purchased in 2013 include 13 automated tandems and two curbsters.

Parks and Recreation Equipment

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

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2012 Project in Progress:					
Parks Equipment Replacement		110,300			110,300
Total	-	110,300	-	-	110,300
2013 Core Capital:					
Fitness Equipment Replacement		267,300			267,300
Golf Course Equipment Replacement		56,000			56,000
Parks Equipment Replacement	129,600				129,600
Total	129,600	323,300	-	-	452,900

Fitness equipment to be replaced in 2013 include 21 treadmills, 17 bicycle uprights, 6 ellipticals and 2 steppers.

Parks equipment to be replaced in 2013 include Mascio power harrow, trailer mounted welder, Toro mower and Smithco leaf vac.

Engineering and Public Works Equipment

This is the annual replacement of equipment capital for Engineering & Public Works.

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2013 Core Capital:					
Engineering OCE printer & Plotter		60,000			60,000
Manufacturing Equipment		38,200			38,200
Roads Equipment		16,000			16,000
Garbage and Garden Waste Bins		-		3,224,000	3,224,000
Total	-	114,200	-	3,224,000	3,338,200

Information Technology

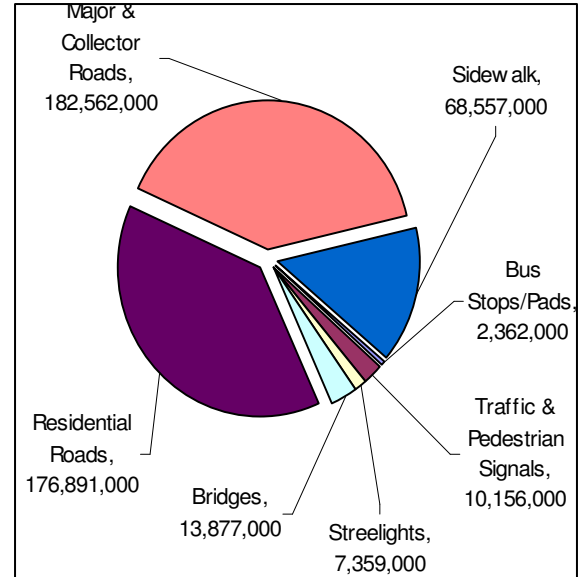
The items below include hardware and software replacement as well as project implementation costs for hardware and software.

2012 Project in Progress:					
Core Financials and Recreation System Assessment		26,300			26,300
Total	-	26,300	-	-	26,300
2013 Core Capital:					
New Generation Desktop Project		800,000			800,000
Office Productivity Suite		120,000			120,000
Next Generation Web		300,000			300,000
Asset Management Solution		100,000			100,000
Legislative Management System		60,000			60,000
HR Systems Module		60,000			60,000
Telephony System		40,000			40,000
Hardware and Software	44,000				44,000
GIS Program	80,000				80,000
Electronic Forms/Workflow	70,000				70,000
Collaboration Technology		80,000			80,000
Total	194,000	1,560,000	-	-	1,754,000

Transportation

Saanich transportation infrastructure includes 178 km of major or collector roads, 370 km of residential roads, 141 km of bike lanes, 255 km of sidewalks and 32 bridges valued at \$468 million dollars.

Asset	Component	Estimated Asset Life	Average Annual Replacement Cost (2012 \$)
Roads	Major & Collectors	20-80	\$3,368,000
	Residential	40-100	\$2,356,000
Sidewalks	Concrete & asphalt pedestrian facilities	15-50	\$1,733,000
Bridges	Timber, concrete	60-100	\$ 170,000
Streetlights	Pole mount, steel Standard, post top	30	\$ 245,000
Traffic & Pedestrian Signals	Pedestrian control, Solar beacons	25	\$ 406,000
Bus Stops & Pads	Concrete & Asphalt	15-50	\$ 47,000
		Total:	\$8,325,000

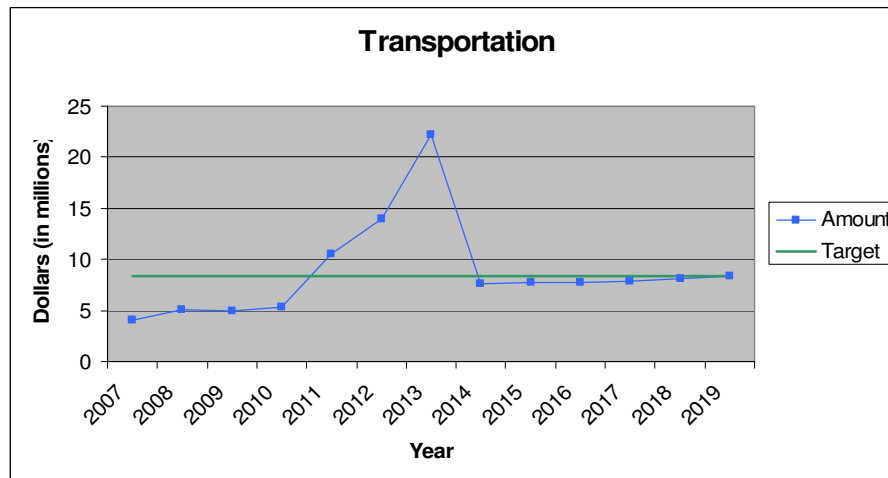


Current Ongoing Funding is \$7,480,000

Future Funding Target is \$8,325,000

How do we work toward this target?

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



Transportation

Transportation	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2012 Projects in Progress:					
Roads:					
Wilkinson Road (upgrade road fronting SIDES)		250,000			250,000
West Saanich Road (Elk Lake to Pipeline)		250,000			250,000
Bikelane Priority Study		18,900			18,900
Uptown Traffic Study		46,000			46,000
Mackenzie Avenue (McGill to Cadboro Bay Road)		1,126,000	2,620,000		3,746,000
Cook Street		144,500			144,500
Saanich Road (at Greenridge)		355,400			355,400
Sayward / Fowler / Hunt Intersection		987,000			987,000
Cedar Hill Finlayson Intersections		228,800			228,800
Traffic Calming (Bodega Traffic Circles)		100,200			100,200
Miscellaneous Road Projects		466,000			466,000
DCC Subsidy & Cost Share		83,800			83,800
Sidewalks:					
Cordova Bay Road (Haliburton to 5110)		474,200			474,200
Haliburton Road (to Chy Tree Bend)		350,000			350,000
Maddock Avenue		75,000			75,000
Miscellaneous sidewalk projects		79,600			79,600
Bikeways:					
Cedar Hill Road (Hopesmore to Feltham)		750,000			750,000
McKenzie Avenue (Shelbourne to GH)		629,900			629,900
Bus Stops, Signals, Street Lights:					
Traffic Signal Upgrades to Wireless			150,100		150,100
Shelbourne / Pear Traffic Signal		183,700			183,700
Carey / Ravine Traffic Signal		150,000			150,000
West Saanich Viewmont Traffic Signal		150,000			150,000
Pedestrian Controlled Crosswalks		33,600			33,600
Traffic Corridor Counts & Synchro Modelling			56,200		56,200
Miscellaneous bus stop improvements		99,700			99,700
Miscellaneous Streetlight Program		39,800			39,800
Miscellaneous Signal Upgrades		115,800			115,800
Bridges:					
Bridge Major Repairs		75,400			75,400
Durance Bridge Design & Replacement		50,000			50,000
Goyette Bridge Design & Repair		221,600			221,600
Total	-	7,534,900	2,826,300	-	10,361,200

Transportation (Continued)

Transportation	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2013 Core Capital:					
Roads:					
Admirals Road Ph 4 (Cowper to Murray)			2,000,000		2,000,000
Admirals Road Ph 5 (Murray to Gorge)			1,250,000		1,250,000
Gorge Road (Admirals to Inlet)			150,000		150,000
Cook Street (Quadra to Maplewood)		250,000	250,000		500,000
Cedar Hill / Finlayson Intersection	140,000	248,900			388,900
Elk Lake Drive / Pat Bay Highway	100,000				100,000
Annual Paving Program	1,000,000				1,000,000
Miscellaneous Road Projects	100,000				100,000
DCC Subsidy & Cost Share	70,000				70,000
Sidewalks:					
Dysart Phase 2	385,000	8,100		370,000	763,100
Prospect Lake Road Phase 2				125,000	125,000
Gorge Road (at Canoe Kayak Club)	175,000				175,000
Interurban Road (Roy to Courtland)				1,205,000	1,205,000
Wiseton Street (Winseton Place to McKenzie)				50,000	50,000
Miscellaneous sidewalk projects	100,000				100,000
Bikeways:					
Douglas Connector (Fire Hall to Douglas Street)	100,000				100,000
Lansdowne Road (Shelboume to Foul Bay)				50,000	50,000
Bus Stops, Signals, Street Lights:					
Signal Cabinet Replacement Program	75,000				75,000
Pedestrian Controlled Crosswalks	40,000				40,000
Miscellaneous bus stop improvements	100,000	15,000			115,000
Miscellaneous Streetlight Program	50,000				50,000
Miscellaneous Signal Upgrades	55,000				55,000
Bridges:					
Craigflower Bridge Replacement (Cost Share with View Royal)			13,538,500		13,538,500
Admirals Bridge Monitoring	40,000				40,000
Wilkinson Bridge Replacement				150,000	150,000
Total	2,530,000	522,000	17,188,500	1,950,000	22,190,500

Drainage

Saanich storm drainage infrastructure includes 600 km of main drains, 30,000 laterals and 14,000 catch basins valued at \$502 million dollars. The majority of the municipal drainage system is in fair condition. Pipe installed prior to 1975 (approx 168 km) is in varying degrees of decline.

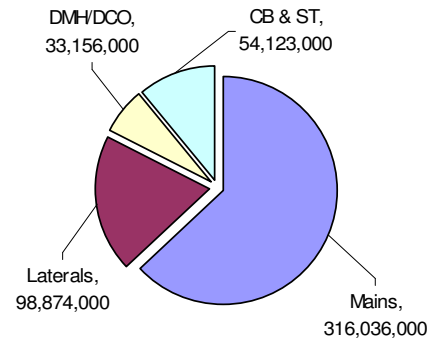
Replacing the remaining fourteen km of large diameter wood stave drain main is our primary concern. Replacing and upgrading problematic small diameter substandard drains is our secondary priority.

What needs to be done?

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

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

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2012 \$)
Gravity Mains	Varies	\$ 4,809,000
Laterals	40	\$ 1,412,000
DMH / DCO	50	\$ 441,000
CBs & STs	50	\$ 772,000
		\$ 7,434,000

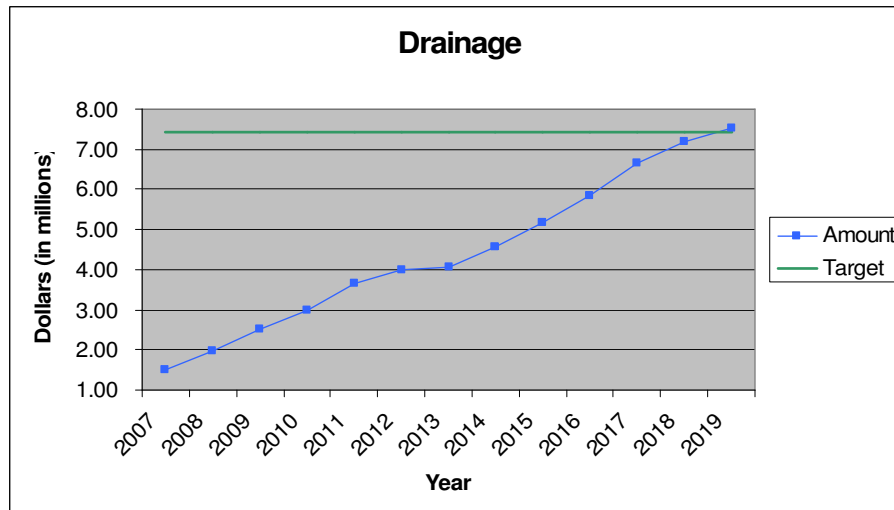


Current Ongoing Funding: \$4,050,000

Future Funding Target: \$7,434,000

How do we work toward this target?

- Allocate a portion of annual capital program tax increase.
- Supplement with borrowing.
- Pursue emerging technologies which may lower replacement costs or extend useful life.



Drainage

Drainage	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2012 Capital Projects in Progress:					
Wood Stave Replacement:					
Pendene Place (Saanich to Falmouth)		235,400			235,400
Easter Road		184,700			184,700
Knight Street (Shelbourne to 1704 Knight)		62,400			62,400
Cowper Street (at Admirals)		50,000			50,000
Alpine Replacement to Outfall		377,800			377,800
Sub-standard Drain Replacement:					
Maddock Avenue		75,000			75,000
Broadmead Avenue		105,000			105,000
Mileva Lane		98,800			98,800
Pitcombe Place		105,200			105,200
Other:					
Cedar Hill Golf Course Drainage		19,100			19,100
Drainage Model Impelementation		290,100			290,100
2013 Drainage Design		37,400			37,400
Misc 2012 Drainage Projects		352,500			352,500
Total	-	1,993,400	-	-	1,993,400
2013 Core Capital:					
Wood Stave Replacement:					
Quadra Street (4169 Quadra)	90,000				90,000
Whiteside Street (Casey Drive to Meredith Crescent)	837,000				837,000
Arbutus Road (Alpine Crescent to Queen Alexandria)	277,000				277,000
Fleet/Larchwood (McKenzie Avenue to Blair Avenue)	1,364,200				1,364,200
Cedar Hill Cross Road (London Dairy to Kenneth Street)	475,200				475,200
Sub-standard Drain Replacement:					
San Juan (1821 to 1838)	94,200				94,200
Pitcolme Place	102,700				102,700
Grandview Drive (1906 Grandview)	49,400				49,400
Forrester Street (Dean Avenue to Foul Bay Road)	140,300				140,300
Kingsley Street (North Dairy to Lansdowne Road)	240,000				240,000
Gorge Road (Tillicum Road to Admirals Road)	50,000				50,000
Other:					
2014 Drainage Design	100,000				100,000
Cedar Hill Golf Course Drainage		35,000			35,000
Drain house Connection Replacement	25,000				25,000
Colquitz Creek Dam - CRD Cost Share	50,000				50,000
Misc 2013 Drainage Projects	155,000				155,000
Total	4,050,000	35,000	-	-	4,085,000

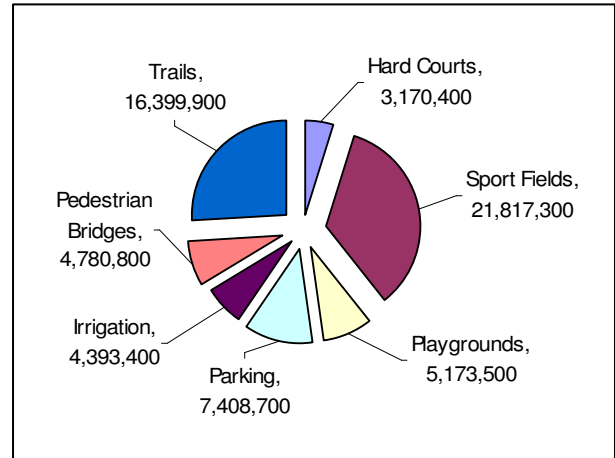
Park and Trail Structures

Parks and Trails structures include over 40 hard courts, 60 sport fields, 53 playgrounds, 50 pedestrian bridges and 86 km of trails valued at \$63 million dollars.

What needs to be done?

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

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2012 \$)
Hard Courts	15-20	\$ 157,000
Sport Fields	15-40	\$ 826,000
Playgrounds	15	\$ 338,000
Parking	15-40	\$ 311,000
Irrigation	15	\$ 287,000
Pedestrian Bridges	15-50	\$ 242,000
Trails	15-20	\$ 981,000
		\$ 3,142,000

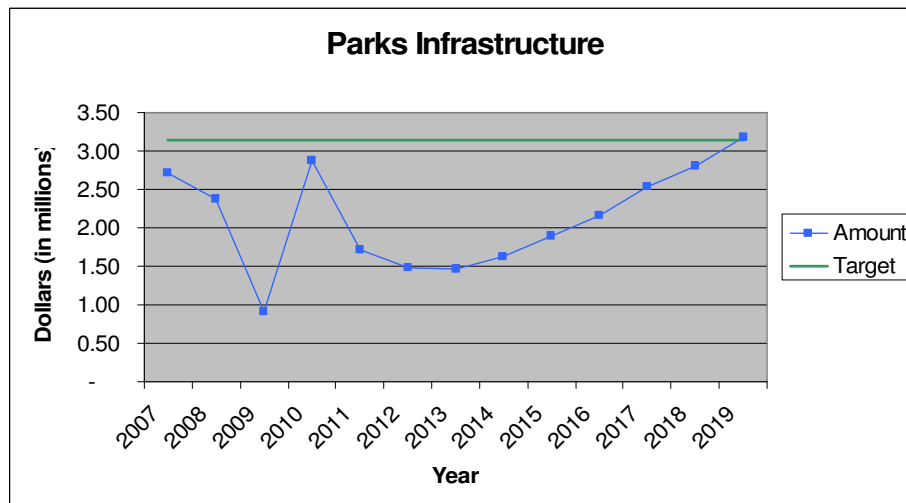


Current Ongoing Funding is \$1,462,000

Future Funding Target is \$3,142,000

How do we work toward this?

- Allocate a portion of annual capital program tax increase.
- Supplement with borrowing.
- Supplement with Federal and/or Provincial Grants if possible.



Park and Trail Structures

Park Improvements	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2012 Projects in Progress:					
Bowker Creek Greenway - Phase 1		51,800			51,800
Trail Resurfacing (Gordon Head)		53,500			53,500
Centennial Trails Phase 2		117,200			117,200
Bridges/Structures Replacement (Walema, Phyllis)		34,400			34,400
Mount Doug Improvements		49,000			49,000
Fowler Park Phase 1 pre-loading		25,300			25,300
Cuthbert Holmes (Trails & Signs)		31,000			31,000
Playgrounds Replacement & Retrofit		108,700			108,700
Park Infrastructure Replacement & Retrofit		79,700			79,700
Parking Lot Replacement Program		47,800			47,800
Irrigation Replacement Program		118,900			118,900
Streetscape		19,900			19,900
Park Signage & Way Finding		55,800			55,800
Cost Sharing - sport clubs		41,200			41,200
Park Planning & Design		19,000			19,000
Haro Woods Concept Plan		20,000			20,000
Panama Flats Concept & Management Plan		47,300			47,300
Miscellaneous Projects in Progress		169,900			169,900
Total	-	1,090,400	-	-	1,090,400

Park and Trail Structures (continued)

Park Improvements	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2013 Core Capital:					
Playgrounds Replacement & Retrofit (Meadow and Beckwith Water Park)	58,000			50,000	108,000
Park Infrastructure Replacement & Retrofit	77,000			200,000	277,000
Court & Field Renovation	75,000				75,000
Parking Lot Replacement Program	44,000			100,000	144,000
Irrigation Replacement Program	37,000			100,000	137,000
Trail Resurfacing	176,000				176,000
Streetscape	32,000				32,000
Natural Areas / Urban Forestry Major Maintenance	117,000				117,000
Park Signage & Way Finding	47,000				47,000
Mount Doug Improvements (Signs, Creek and Gateway Project)		120,000			120,000
Cost Sharing for Layritz Changehouse/Public Washroom Connection	33,000			250,000	283,000
Cost Sharing - sport clubs (Facility Upgrades for Hyacinth, Lambrick, Braefoot)	37,000				37,000
Park Planning & Design	29,000				29,000
Gorge Park Community Garden		20,000			20,000
SCP Community Garden		20,000			20,000
Land Acquisition Reserve		2,400,000			2,400,000
Total	762,000	2,560,000	-	700,000	4,022,000

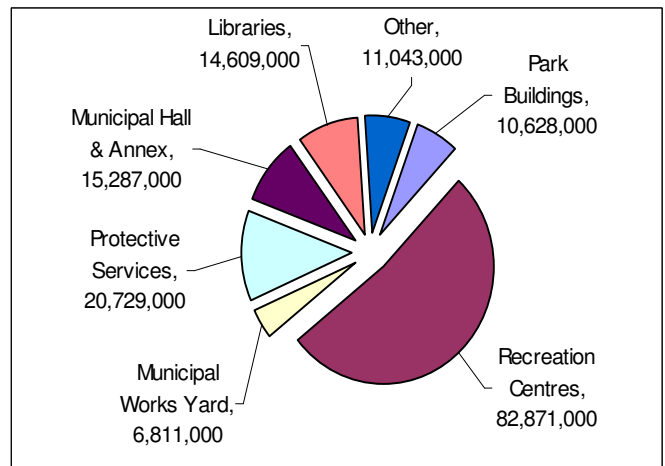
Community and Recreation Facilities

Saanich owns and operates a variety of facilities: the Municipal Hall, Public Safety Building, libraries, fire halls, a public works yard, many park structures, several recreation centres and a golf course. Total square footage is in excess of 590,000 square feet with a replacement cost of \$165 million dollars. These estimates will be refined as the municipality continues to review the condition of its facilities and will produce a plan for the required capital improvements.

What needs to be done?

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

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

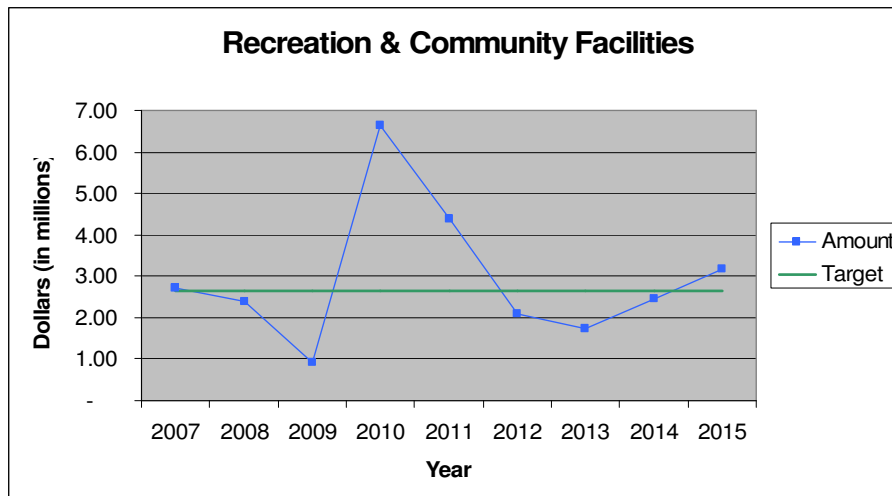


Current Funding is \$1,742,000

Future Funding Target is \$2,661,000

How do we work toward this?

- Allocate majority of the annual capital program tax increase.
- Supplement with Federal and/or Provincial Grants if possible.



Community Facilities

Municipal Facilities	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2012 Projects in Progress:					
Cell Block Improvements		290,600			290,600
Parks & Public Works Yard Building Improvements Contingency		1,461,000			1,461,000
Fire Station 2 & 3 HVAC & Other Major Repairs		49,800			49,800
Major Facilities Capital Contingency		1,736,300			1,736,300
Total	-	3,537,700	-	-	3,537,700
2013 Core Capital:					
Cedar Hill Golf Clubhouse Improvements		30,000			30,000
Municipal Hall Roof Replacement	190,700	134,300			325,000
Boiler Replacement at GHRC & Hall		300,000			300,000
Protective Services West Wing Roof Replacement	242,000				242,000
Multi-building Cross Connection Controls Installation	350,000				350,000
Pearkes Ice Mechanical Upgrades	110,000				110,000
SCP & GHRC Electrical Upgrades	110,000				110,000
Miscellaneous Projects	197,300				197,300
Major Facilities Capital Contingency	154,300				154,300
Total	1,354,300	464,300	-	-	1,818,600

Recreation Facilities

Recreation Facilities	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2012 Projects in Progress:					
Deck Surface Replacement at CHGC		45,200			45,200
CHRC HVAC		94,800			94,800
Building Improvements at various Centres		253,100			253,100
Water Fountains & Fill Stations		37,200			37,200
Total	-	430,300	-	-	430,300
2013 Core Capital:					
Pearkes Arena Flooring and Dressing Rooms Replacement	145,000				145,000
Pearkes Centre Energy Efficient Lighting		57,000	93,000		150,000
Field House Floor Resurfacing and Other Improvements	72,000				72,000
Cedar Hill Tennis Court Resurfacing	110,000				110,000
SCP Electronic Display Sign Replacements	60,000				60,000
Building Improvements at various Centres	83,500				83,500
Gordon Head Mechanical Systems Improvements	71,500				71,500
Total	542,000	57,000	93,000	-	692,000

Water Utility Fund

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

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

Activity levels continued to be high in 2012. The Department repaired over 160 service leaks and 18 water main breaks. Over 395 km of water mains were flushed, over 2700 Gate Valves serviced and 1100 water meters were replaced. The Department also responded to over 2000 service requests from our customers.

In December 2012 Council approved an 8.9% annual increase in water rates to support this budget. The increase is due to higher CRD bulk water rates and increased municipal capital program funding. The cost to the average homeowner increased by \$33 from \$415 to \$448 per year.

KEY 2012 ACCOMPLISHMENTS

- 3.8 km of cast iron and AC watermain replaced
- New water hydraulic model completed.

2013 BUDGET CHALLENGES

- Funding of replacement of the Rithet Reservoir.
- Staff increase required to meet demands of increased capital program as per Workforce Plan.

2013 KEY PRIORITIES

Item	Description	Supports Strategic Plan
1. Water Main Replacement Program	Replace 4.0 km of cast iron and asbestos cement water mains which have reached the end of their service life	F1 Sustainable Environment
2. Reservoir Program	Start construction of Rithet Reservoir replacement	F1 Sustainable Environment
3. Pump Station Program	Complete upgrading of Cherry Tree Bend pump station	F1 Sustainable Environment

BUDGET SUMMARY	
2013 Budget	29,344,200
2012 Budget	27,123,500
Budget Change	2,220,700
Change by %	8.19%
2013 FTE	41.59
2012 FTE	41.89
FTE Change	(0.30)
FTE Change %	(0.95%)
2012 Carbon Footprint (CO₂e)	33 Tonnes
2011 Carbon Footprint (CO₂e)	44 Tonnes
Carbon Footprint Change	(11) Tonnes

CORE BUDGET

The 2013 net budget of \$29,344,200 represents an 8.19% increase in net expenditures over prior year, including a net capital program of \$6,000,000. Water revenues are projected to increase to \$18,848,100 or 1.34% in 2013.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2011	2012	2012	2013	2013/2012
Personnel	2,639,100	2,738,400	2,520,800	2,550,600	1.18%
Goods and Services	8,594,700	8,231,600	9,214,700	8,874,300	(3.69%)
Fiscal Services	57,700	57,700	60,000	60,000	0.00%
Overheads and Transfers	1,215,700	1,311,800	1,722,000	1,768,200	2.68%
Gross Capital Program	10,229,700	13,591,800	13,606,000	16,091,100	18.26%
Total	22,736,900	25,931,300	27,123,500	29,344,200	8.19%
REVENUES AND RECOVERIES					
Utility Charges	(16,590,600)	(17,821,300)	(18,599,600)	(18,848,100)	1.34%
Non-Tax Revenues	(93,600)	(91,500)	(107,400)	(107,400)	0.00%
Surplus Appropriation	-	-	(250,000)	(250,000)	0.00%
Reserves and Others	(6,052,700)	(8,166,500)	(8,166,500)	(10,138,700)	24.15%
Total	(22,736,900)	(26,079,300)	(27,123,500)	(29,344,200)	8.19%
NET OPERATIONS	-	(148,000)	-	-	0.00%

- Goods and Services decreased 3.69% due to decrease in water purchase from the CRD.
- Gross Capital Program increased 18.26% from a combination of carrying forward unfinished 2012 projects (funded from reserves) and the annual capital funding increase per council policy to reach sustainability.

NET BUDGET BY FUNCTION

The summary below highlights the major cost centres and indicates that most are within our guideline including the capital program policy increase in replacement spending and contingency.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
General Administration	1,034,700	1,066,900	1,066,900	1,066,900	-	0.00%
Field Operations	853,000	818,600	801,800	813,900	12,100.0	1.51%
Water Purchases	7,582,600	7,601,800	8,290,000	7,950,000	(340,000)	(4.10%)
Waterline Repairs	869,500	653,700	646,800	655,400	8,600.0	1.33%
Pump Maintenance	483,700	473,900	557,900	566,300	8,400.0	1.51%
Hydrant Maintenance	209,600	243,600	216,200	219,900	3,700.0	1.71%
Valve Maintenance	248,100	248,100	292,500	297,100	4,600.0	1.57%
Meter Repairs/Replacements	329,500	314,300	314,000	318,600	4,600.0	1.46%
Water Quality Programs	347,900	332,100	289,000	294,600	5,600.0	1.94%
Billing and Collection	454,900	447,300	477,700	465,500	(12,200)	(2.55%)
Contingency	-	47,600	497,600	450,000	(47,600)	(9.57%)
Net Capital Program	4,177,000	5,425,300	5,439,500	6,000,000	560,500	10.30%
Total	16,590,500	17,673,200	18,889,900	19,098,200	208,300	1.10%

- Water Purchases decreased 4.10% due to decrease in water consumption.
- Billing and Collection decreased 2.55% due to the restructuring of .3 FTE between utility billing and business license.
- Contingency decreased 9.57% due to finalization and allocation of CUPE wages in 2013.
- Net Capital Program increased 10.30% as per council policy to reach sustainability.

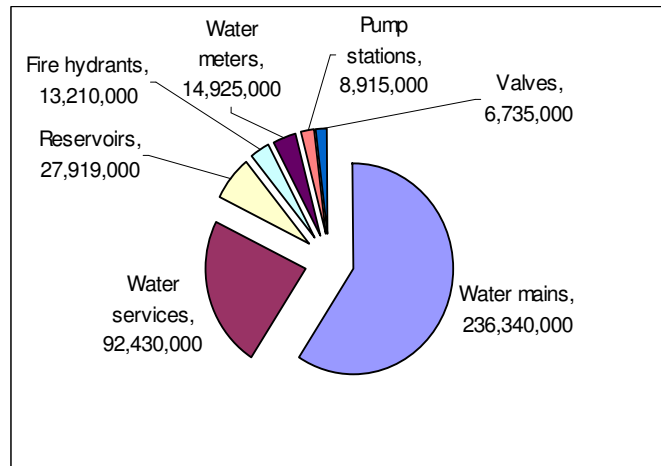
WATER CAPITAL PROGRAM

Saanich water infrastructure includes 541 km of water mains, 29,768 water services, 5 reservoirs, 18 pump stations, 7,883 valves and 2,177 fire hydrants valued at \$400 million.

The replacement of water mains, pump stations and reservoirs is based on an established multi year program to steadily increase core capital spending to sustainable levels. For 2013 the focus will remain on:

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

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2012 \$)
Water mains	Varies	\$2,618,000
Water services	40	\$1,540,000
Reservoirs	100	\$1,187,000
Fire hydrants	80	\$330,000
Water meters	40	\$995,000
Pump stations	50	\$298,000
Valves	80	\$141,000
		\$7,109,000

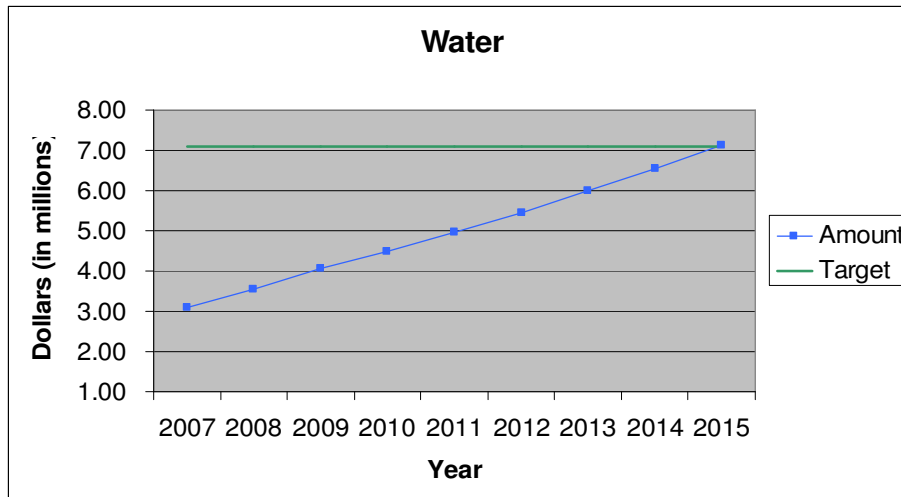


Current Funding Level is \$6,000,000

Future Funding Target is \$7,109,000

How do we work toward this target?

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



Three Year Water Capital Projection

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

Description of Program	Budget 2013	Budget 2014	Budget 2015	Description of Large Variances
Water Capital				
Asbestos Cement Main Replacement	866,300	696,000	2,752,900	Based on condition assessment; funding diverted back from reservoir replacement
Cast Iron Main Replacement	1,451,100	5,010,500	3,651,000	Based on condition assessment; funding diverted back from reservoir replacement
Pump Station Replacement	204,000	160,000	160,000	Annual Programs
Meter Replacement	205,200	205,200	205,200	
Service Connection Replacement	100,000	100,000	100,000	
Hydrant Replacement	162,500	162,500	25,000	2014 is last year of three year program for special connection replacement on all Hydrants for Fire Service use.
Reservoir Replacement	8,753,800	-	-	Rithet Reservoir replacement; Other 4 smaller reservoirs not in need of immediate replacement
Other	510,900	225,800	225,900	Annual Program
	12,253,800	6,560,000	7,120,000	

WATER CAPITAL

Water Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2012 Projects in Progress:					
Asbestos Cement Main Replacement:					
Vernon Avenue		44,000			44,000
Burnside Road (1245 to Wilkinson Road)		188,500			188,500
Greenridge Crescent (Saanich to Quadra)		107,700			107,700
Loretta Drive		46,100			46,100
Ridgeway Place		58,900			58,900
Ridgeway Street		40,200			40,200
Seaview (Tudor to FH 584)		225,200			225,200
Tulsa Drive		21,600			21,600
Whiteside Street		109,700			109,700
Cast Iron Main Replacement:					
Cook Street (Maplewood to Camrose Cres.)		230,500			230,500
Admirals Road (Murray to Rockwell)		44,000			44,000
Cook Street (Camrose Cres. To Cloverdale)		178,800			178,800
Raymond Street S. (Whiteside to Mountfield)		51,000			51,000
Tudor Avenue (Telegraph Bay to Bedford Rd)		516,900			516,900
Pump Stations:					
Mount Tolmie (electrical)		329,400			329,400
Cherry Tree Pumpstation Replacement		743,600			743,600
Cromwell Pumpstation Replacement		463,200			463,200
Pump Station Motor Replacement		80,700			80,700
Other:					
Data Historian Software (SCADA)		50,000			50,000
2012 Detailed Design Capital Projects		74,400			74,400
Hydrant Storz Connection Program		51,600			51,600
Misc. Water Main Replacements		217,500			217,500
Total	-	3,873,500	-	-	3,873,500

WATER CAPITAL (continued)

Water Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2013 Core Capital:					
Asbestos Cement Main Replacement:					
Kingsley Street (North Dairy to Lansdowne)	150,500				150,500
Lakehill Place (Cedar Hill Cross to end)	133,300				133,300
San Pedro Avenue (San Mateo Place to San Juan Avenue)	259,000				259,000
Sinclair Road (Hobbs Street to Cadboro Bay Road)	127,500				127,500
Taylor Street (Ilene Terrace to Queenston Street)	196,000				196,000
Cast Iron Main Replacement:					
Amroth Place	138,500				138,500
Arrow Road (Cedar Hill Road to Oakwinds Street)	255,500				255,500
Cedarglen Road	117,000				117,000
Derby Road (Shelboume Street to Veteran Street)	203,000				203,000
Dunsterville	29,400				29,400
Murray Drive (Ashley to Admirals Road)	182,000				182,000
San Ardo Place (San Lorenzo Avenue to San Pedro Avenue)	147,000				147,000
Tudor Avenue (Bedford Road to Seaview Road)	378,700				378,700
Pump Stations:					
Argyle Pump Station Decommissioning	44,000				44,000
Electrical Hazard Assessment of Pump Stations	40,000				40,000
Large Meter & Pump Motor Replacement	120,000				120,000
Other:					
Prospect Lake Road at Lohr Main	70,000				70,000
Foul Bay PRV Decommissioning	10,000				10,000
Large Gate Valves Replacement	105,000				105,000
2013 Detailed Design Capital Projects	80,000				80,000
Rithet Reservoir Replacement	2,500,000	6,217,600			8,717,600
12 mm Copper Service Connection Replacement Program	100,000				100,000
Hydrant Storz Connection Program	137,500				137,500
Hydrants Replacement Program	25,000				25,000
Misc. Water Main Replacements	188,900				188,900
Meter Replacements	205,200				205,200
Machinery & Equip Replacement	57,000				57,000
Total	6,000,000	6,217,600	-	-	12,217,600

Sewer Utility Fund

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

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

The system is self financed from sewer charges on a user pay basis. The user charges cover the cost of operations, CRD sewage disposal and an infrastructure replacement program. In December 2012 Council approved an 8.7% increase in sewer rates to support this budget. In April a further increase of 13.70% was requested to offset an increase to CRD's debt cost approved in March of 2013 by their board. Annual cost to the average homeowner increased by \$57 from \$252 to \$309 per year.

BUDGET SUMMARY	
2013 Budget	21,149,400
2012 Budget	18,345,500
Budget Change	2,803,900
Change by %	15.28%
2013 FTE	25.67
2012 FTE	25.67
FTE Change	0
FTE Change %	0%
2012 Carbon Footprint (CO₂e)	99 Tonnes
2011 Carbon Footprint (CO₂e)	89 Tonnes
Carbon Footprint Change	10 Tonnes

2013 BUDGET CHALLENGES

- Staffing increase needed to meet increasing demands of expanding capital program.
- Prepare for impact of CRD's Regional Sewage Treatment program
- Coordination of sewer replacement with wood stave drain replacement program and other capital projects

2012 ACCOMPLISHMENTS

- Replacement/Rehabilitation of 2.2 km of AC sewer main.
- Completion of bank stabilization and environmental restoration of Swan Creek sewer crossing.
- Design of Admirals Road sewer improvements completed.
- Royal Oak Tunnel directional drilling project completed.

2013 KEY PRIORITIES

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Pump Station Program	Replacement/rehabilitation of Gorgeview and Colquitz sewage lift stations	F1 Sustainable Environment
2. Sewer Main Program	Replacement/rehabilitation of 3.0 km of AC sanitary sewer main	F1 Sustainable Environment
3. Inspections Program	Focus "CCTV" program on critical sewer mains	F1 Sustainable Environment

CORE BUDGET

The 2013 net budget of \$21,149,400 represents a 15.28% increase in net expenditures over prior year, including a net capital program of \$3,095,000. Sewer revenues are projected to increase to \$12,701,400 or 19.17% in 2013.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2011	2012	2012	2013	2013/2012
Personnel	1,362,600	1,297,500	1,489,400	1,510,200	1.40%
Goods and Services	3,934,700	4,134,900	4,364,000	5,919,600	35.65%
Fiscal Services	1,068,500	649,800	1,452,000	1,452,000	0.00%
Overheads and Transfers	833,000	1,130,200	1,125,800	1,221,000	8.46%
Gross Capital Program	8,600,800	9,907,500	9,914,300	11,046,600	11.42%
Total	15,799,600	17,119,900	18,345,500	21,149,400	15.28%
REVENUES AND RECOVERIES					
Utility Charges	(9,699,800)	(10,400,700)	(10,658,300)	(12,701,400)	19.17%
Non-Tax Revenues	(107,000)	(110,900)	(94,000)	(100,000)	6.38%
Surplus Appropriation	-	-	(150,000)	(150,000)	0.00%
Reserves and Others	(3,889,800)	(3,926,400)	(3,926,400)	(3,519,400)	(10.37%)
Borrowing	(2,123,600)	(2,714,600)	(3,516,800)	(4,678,600)	33.04%
Total	(15,820,200)	(17,152,600)	(18,345,500)	(21,149,400)	15.28%
NET OPERATIONS	(20,600)	(32,700)	-	-	0.00%

- Goods and Services increased 35.65% due to increase of 45% in CRD debt servicing costs.
- Overheads and Transfers increased 8.46% to reimburse the general fund for work performed on sewer related work.
- Gross Capital Program increased 11.42% and borrowing for capital projects increased 33.04% from a combination of carrying forward unfinished 2012 projects (funded from reserves) and the annual capital funding increase per council policy to reach sustainability.

NET BUDGET BY FUNCTION

The summary below highlights the major cost centres and indicates that most are within our guideline including the capital program policy increase in replacement spending and contingency.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2011	2012	2012	2013	2013/2012	2013/2012
General Administration	1,033,200	1,076,700	1,111,800	1,180,100	68,300	6.14%
Field Operations	206,900	187,500	130,400	131,300	900	0.69%
Cleaning and Repairs	537,900	558,300	532,100	537,800	5,700	1.07%
Pump Station Maintenance	736,000	911,900	936,100	945,800	9,700	1.04%
Man Hole Maintenance	57,000	39,200	62,800	63,700	900	1.43%
Sewer Service Maintenance	309,000	282,800	238,000	240,800	2,800	1.18%
CRD Services	3,290,700	3,234,900	3,474,400	5,054,900	1,580,500	45.49%
Debt Charges	1,068,500	1,452,000	1,452,000	1,452,000	-	0.00%
Contingency	202,000	28,200	278,200	250,000	(28,200)	(10.14%)
Net Capital Program	2,345,000	2,707,200	2,714,300	3,095,000	380,700	14.03%
Total	9,786,200	10,478,700	10,930,100	12,951,400	2,021,300	18.49%

- General Administration increased 6.14% to reimburse the general operating fund for work performed on sewer related work.
- CRD Services increased 45.49% due to increase of CRD debt servicing costs for the Regional Sewer Treatment Program.
- Net Capital Program increased 14.03% as per council policy to reach sustainability.

SEWER CAPITAL PROGRAM

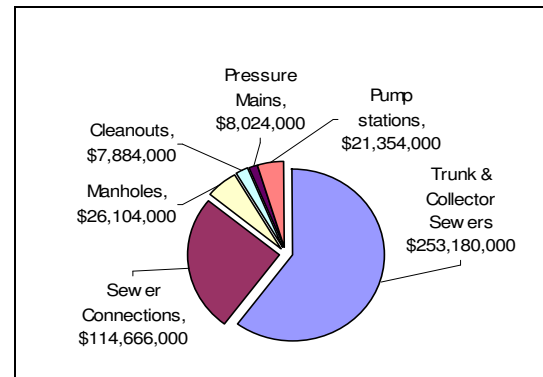
Saanich sewer infrastructure includes 43 km of trunk sewers, 507 km of collector sewers, 41 km of pressure mains, 29,706 service connections and 40 pumping stations valued at \$451 million dollars.

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

What is needed?

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

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2012 \$)
Trunk & Collector Sewers	Varies	\$ 3,954,000
Sewer Connections	100	\$ 1,669,000
Manholes	100	\$ 348,000
Cleanouts	100	\$ 105,000
Pressure Mains	100	\$ 111,000
Pump stations	50	\$ 737,000
		\$ 6,924,000

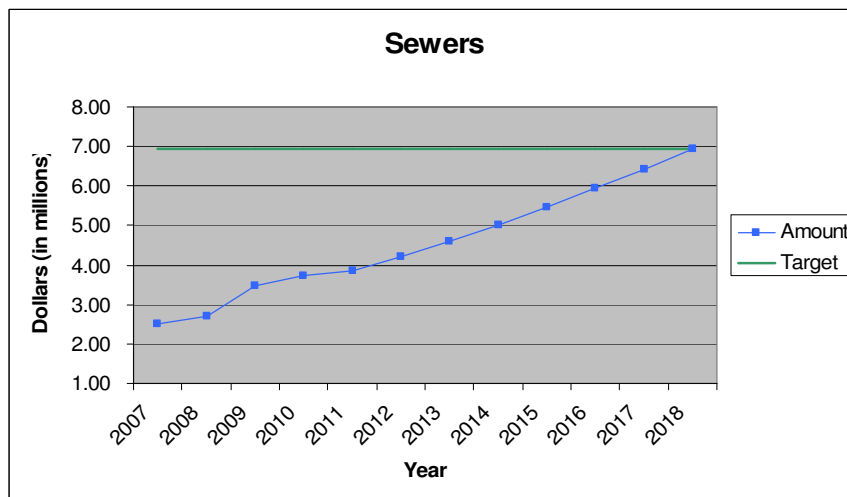


Current Ongoing Funding is \$4,595,000

Future Funding Target is \$6,924,000

How do we work toward this target?

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



Three Year Sewer Capital Projection

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

Description of Program	Budget	Budget	Budget	Description of Large Variances
	2013	2014	2015	
Sewer Capital				
Asbestos Cement Main Replacement	2,905,000	2,040,000	2,540,000	Based on condition assessment
Relining	1,425,000	935,000	1,200,000	
Pump Station Replacement	75,000	1,390,000	1,075,000	
Service Connections	300,000	300,000	300,000	
Other	360,000	350,000	350,000	
	5,065,000	5,015,000	5,465,000	

SEWER CAPITAL

Sewer Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2012 Projects in Progress:					
Asbestos Cement Main Replacement:					
Royal Oak Tunnel		90,500			90,500
Cook Street (Quadra to Crown Cres.)		54,900			54,900
Nigel Avenue (Hall to pump station)		85,000			85,000
Brett Avenue		64,700			64,700
Easter Road		350,000			350,000
Pump Stations:					
Colquitz / Gorge View Upgrade Design		143,400			143,400
Colquitz / Gorge View Replacement		1,371,400		1,228,600	2,600,000
Portage Upgrade Design				750,000	750,000
Pump & Motor Replacements		74,900			74,900
Beach Park & Haliburton Pump Station Stand-by Power Generator Upgrades		134,100			134,100
Portage Pump Station Construction				1,200,000	1,200,000
Wilkinson & Grange Design		100,000			100,000
Other:					
Burnside Road West		13,000			13,000
Sewer Model Migration		40,000			40,000
Manhole Improvements		281,100			281,100
2012 Sewer Area Relining (St. Peters/Tattersal/Quadra/Cook)		704,700			704,700
No-Corrode & AC SHC Replacements		237,200			237,200
2012 Project Design		24,400			24,400
2012 Misc. Sewer Projects & Contingencies		852,500			852,500
Total	-	2,803,000	-	3,178,600	5,981,600

SEWER CAPITAL (continued)

Sewer Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2013
2013 Core Capital:					
Asbestos Cement Main Replacement:					
North Dairy (Shelbourne Trunk Re-routing)	480,000	120,000			600,000
Admirals Road (Cowper to Gorge)	550,000			75,000	625,000
Tillicum Road (3129 Tillicum to Maddock Avenue)		350,000			350,000
Corners Place	180,000				180,000
Saul (Lodge to Winston)	300,000				300,000
Pendene Road	200,000				200,000
Carey Road (Seaton to Cadillac)	530,000				530,000
Keats (Bowker Creek Pedestrian Bridge to North Dairy)	120,000				120,000
2013 Sewer Area Relining (Murray/Nigel/Reynolds/Arbutus/Shelbourne/Brett/Varalman)				1,425,000	1,425,000
Pump Stations:					
2013 Pump & Motor Replacements	75,000				75,000
Other:					
Manhole Improvements	100,000				100,000
No-Corrode & AC SHC Replacements	300,000				300,000
2013 Project Design	50,000				50,000
2013 Misc. Sewer Projects & Contingencies	190,900				190,900
Machinery & Equip Replacement	19,100				19,100
Total	3,095,000	470,000	-	1,500,000	5,065,000

Reserve Funds

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

A work in progress reserve is used to bring funding forward for projects that take more than one year to complete. In addition we identify a contingency allocation from the insurance reserve of \$1,000,000 in each year for use in the event claims are made. In 2013 we project a decrease in reserves to \$64,976,400 while funding a variety of initiatives.

	January 1 2013 Balance	2013 Contributions	2013 Appropriations	December 31 2013 Balance
Land Sales	3,052,700	260,000	1,900,000	1,412,700
Public Safety and Security	2,660,700	450,000	900,000	2,210,700
Carbon Neutral	497,400	170,000	50,000	617,400
Sub Regional Parks	1,935,500	220,000	212,600	1,942,900
Equipment Replacement	6,840,400	1,700,000	4,345,800	4,194,600
Capital Works	20,896,200	4,165,000	10,879,000	14,182,200
Commonwealth Pool Operations	1,446,300	336,500	330,000	1,452,800
Commonwealth Pool HP Repair	140,000	15,000	30,000	125,000
Sayward Gravel Pit	1,739,200	13,000	1,500,000	252,200
Development Cost Charges	17,760,200	500,000	1,724,200	16,536,000
Work in Progress	28,431,600	20,749,000	28,431,600	20,749,000
Working Capital	5,000,000	-	-	5,000,000
Insurance	2,315,300	-	1,000,000	1,315,300
Total	92,715,500	28,578,500	51,303,200	69,990,800

Land Sales:

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

Public Safety and Security:

The reserve is funded from a portion of annual Provincial Traffic Fine revenue grants and other revenues. In 2013, it provides funding for cell block improvements and the purchase of the mobile command vehicle.

Carbon Neutral:

This provides funding for projects to help reduce carbon emissions from municipal operations such as the pool area lighting at SCP, insulation work at one heritage home and charging stations for electric cars.

Sub Regional Parks:

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

Equipment Replacement:

This provides for the annual replacement of fleet and fire vehicles, computers, photocopiers and some recreation equipment. Annual contributions from individual core budgets accumulate in this account and are used to replace equipment based on long term plans maintained by each department. In 2012 majority of this will be spent on fleet vehicles and IT hardware and software.

Capital Works:

This reserve has four components: a General Infrastructure Reserve of \$3,446,700 accumulated from GST revenues and planned transfers, a Gas Tax Reserve of \$9,732,700 from transfer of revenues under the Federal *New Deal* agreement, a Mount Douglas and Mount Tolmie Reserves of \$1,654,800 for the purchase of parkland and site renovations and a Future Improvement Reserve of \$6,062,100 which has been accumulated from revenues received from developers for specific projects.

Commonwealth Pool Operations:

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

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

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

Sayward Gravel Pit:

This fund was established from the sale proceeds of the Sayward Pit in the 1990's. In 2013 it provides funding for public works yard site improvements.

Development Cost Charges:

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

Work in Progress:

Each year funding for the balance of approved projects that are not completed by year end are reserved and carried forward to the following year to complete the projects. These funds will be used by end of the year and a new reserve set up for projects to be carried forward to 2013.

Working Capital:

The municipality maintains a working capital reserve in the operating fund to provide funding for accounts payable, materials and supplies.

Insurance:

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

General Fund Operating Estimates 2014 - 2017

The Municipality is required by the Community Charter Act to adopt a five year financial plan bylaw on or before May 15. This plan includes five year operating estimates. Given the dynamic nature of the municipal environment, five year estimates are prepared on a broad brush basis with adjustments made for significant cost factors where they are known with some certainty.

GENERAL FUND OPERATING BUDGET SUMMARY	
2013 Tax Levy	98,120,700
2014 Tax Levy	101,932,300
2015 Tax Levy	104,708,500
2016 Tax Levy	108,821,400
2017 Tax Levy	112,372,000
Annual Increase to Average Homeowner	3.45%

The projected net budget funded from property taxation is projected to increase from \$98,120,700 to \$112,372,000 in 2017 or an average 3.45% increase to the average homeowner. This includes a 2.5% increase in operations, 0.1% for new infrastructure operating costs and 0.75% increase for infrastructure replacement.

The 2014 -2017 operating estimates have been prepared using the following criteria:

1. 2.5% increase per year in operating costs
2. 2.0% percent increase in Core Capital funding per year
3. 0.75% - 1.0% tax allocation per year to infrastructure replacement
4. 0.10% tax allocation per year for new infrastructure operating costs
5. Average increase in property Taxation revenues of 0.75% per year from new construction.

Budget By Object	Budget	Budget	Budget	Budget	Budget
EXPENDITURES	2013	2014	2015	2016	2017
Personnel	84,704,900	86,822,500	89,427,200	92,110,000	94,873,300
Goods And Services	29,004,800	29,729,900	30,621,800	31,540,500	32,486,700
Fiscal Services	3,158,500	3,087,700	4,383,600	4,895,800	5,357,800
Grants, Overheads And Transfers	18,661,200	14,523,800	11,927,000	11,699,200	10,470,600
Capital	9,999,500	11,002,500	12,165,600	13,332,600	14,566,500
TOTAL	145,528,900	145,166,400	148,525,200	153,578,100	157,754,900
REVENUES/RECOVERIES					
Property Taxation	(98,120,700)	(101,932,300)	(104,708,500)	(108,821,400)	(112,372,000)
Parcel Tax	(24,000)	(24,000)	(5,300)	(1,700)	(1,400)
Other Corporate Revenues	(6,699,800)	(6,792,700)	(6,887,800)	(6,985,000)	(7,084,600)
Non – Tax Departmental Revenues	(24,421,500)	(24,665,700)	(24,912,400)	(25,161,500)	(25,413,100)
Program Credits	(8,440,100)	(8,651,100)	(8,910,600)	(9,177,900)	(9,453,200)
Reserves And Others	(7,822,800)	(3,100,600)	(3,100,600)	(3,430,600)	(3,430,600)
TOTAL	(145,528,900)	(145,166,400)	(148,525,200)	(153,578,100)	(157,754,900)

Water Utility Fund Estimates 2014 - 2017

Water Utility expenditures are expected to be influenced over the next five years by the cost to purchase bulk water from the Capital Regional District, capital funding of infrastructure replacement, inflation and personnel costs.

The balance of five year estimates are prepared on a broad brush basis with adjustments made for significant cost factors where they are known with some certainty.

The projected net budget funded from water user charges is projected to increase from \$19,455,500 to \$21,932,900 in 2017 or by an average 3.72% increase to the average homeowner.

The 2014 - 2017 operating estimates have been prepared using the following criteria:

1. An increase of 2.5% per year in operating costs
2. A 3.0% rate increase for core capital funding per year
3. An average increase in CRD water rates of 3.0% per year

WATER UTILITY BUDGET SUMMARY	
2013 Net Budget	19,455,500
2014 Net Budget	19,894,400
2015 Net Budget	20,794,000
2016 Net Budget	21,356,100
2017 Net Budget	21,932,900
Annual Increase to Average Homeowner	3.72%

Sewer Utility Fund Estimates 2014 - 2017

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

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

The projected net budget funded from sewer user charges is projected to increase from \$12,801,400 to \$21,539,900 in 2017 or by an average of 13.92% annual increase to the average homeowner.

The 2014 – 2017 operating estimates have been prepared using the following criteria:

1. An increase of 2.5% per year in operating costs
2. A 3.0% rate increase for core capital funding per year
3. An average increase of 2.5% in CRD operating costs and an additional \$1,516,700 in sewer debt financing costs for the next 5 years to reflect the construction and operation of the regional treatment plant.

SEWER UTILITY BUDGET SUMMARY	
2013 Net Budget	12,801,400
2014 Net Budget	15,125,400
2015 Net Budget	17,236,600
2016 Net Budget	19,371,400
2017 Net Budget	21,539,900
Annual Increase to Average Homeowner	13.92%

Glossary		
A	Accrual	An accounting method which measures the financial performance and position of an organization by recognizing economic events when they happen, regardless of when the related cash actually changes hands.
	Appropriated	When a fund is appropriated, it is subject to certain restrictions on what its assets can be used for.
	Asset	Anything you own that has monetary value plus any money you are owed.
B	Balanced budget	A financial plan where current revenue, including transfers from operating reserves, equals current operating expenditures.
C	Capital asset	General capital assets are those in excess of \$10,000 with a useful life of two or more years (e.g. land, buildings).
	Capital budget	A financial plan outlining projected expenditures on capital assets during a given fiscal period.
	Capital project	Creation or improvement of infrastructure assets.
	Carbon footprint	Amount of carbon dioxide (CO₂e) that is emitted by the municipality.
	Community charter	The provincial legislation governing local governments. This legislation replaced the Local Government Act in 2003.
	Council	The eight councillors elected at large that represent the city as a whole.
D	Development cost charge (DCC)	A fee paid by a developer to help fund cost related to developing a property. Often these fees are used for parks and streets, and for infrastructure used to provide water, sanitary sewer and storm drainage services.
	Development permit	A permit that allows development of a property subject to certain conditions such as the timing or sequence of construction, density of development, alteration of specific requirements of the zoning of the property etc.
F	Fee	A fee is a charge to recover the cost of providing a service.
	Financial plan	This term is used interchangeably with “budget”.
	Full-time equivalent (FTE) staff	A statistic used to compare staffing levels between departments or organizations, and is calculated by dividing the total number of hours one full-time staff member is scheduled to work in a year.
	Fund	A pool of money normally set apart for a specific purpose.
	Fund balance	The excess of assets over liabilities in a fund.

G	GHG	Green House Gases are gasses generated from fossil fuel burning, released into the atmosphere and linked to climate change.
	Grant	Funds given to an organization from another organization (senior government to local government) which may have conditions attached to it and require specific spending to occur or goal to be accomplished in order to retain the funds.
	GVDA	Greater Victoria Development Agency facilitates and promotes the development of a strong economic base in Greater Victoria.
H	Hotel tax	A compulsory financial levy imposed on hotel room rentals. Funds collected are utilized on tourism initiatives.
I	Infrastructure	Physical structures that form the foundation for development. Infrastructure includes: wastewater and waterworks, electric power, communications, transit and transportation facilities and oil and gas pipelines and associated facilities.
L	Liability	A loan, expense, or any other form of claim on the assets of an entity that must be paid or otherwise honoured by that entity.
O	Operating budget	A financial plan outlining projected revenue and expenditures for the on-going, day-to-day activities of an organization during a given fiscal period.
R	Revenue	The money collected in exchange for providing a product or service.
	RFP	A Request For Proposal is issued at an early stage in a procurement process, where an invitation is presented for suppliers to submit a proposal on a commodity or service.
S	Sanitary sewer	The sewage system that carries substances requiring sanitation treatment.
	Sustainability	In terms of community development, sustainability is that which meets the needs of the present without compromising the ability of future generations to meet their own needs
T	Tax	A compulsory financial contribution imposed by a government to raise revenue.
U	Utility	A business organization performing a public service and subject to special governmental regulation.
	Utility tax	A financial contribution imposed by Provincial legislation to substitute taxation based on assessment for applicable utility companies. Tax calculation based on gross revenues.
V	VIIMCU	A regional force whose acronym stands for Vancouver Island Integrated Major Crime Unit.



Budget Bylaws

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

The following bylaws are attached for reference purposes:

Financial Plan Bylaw 9223

Tax Rate Bylaw 9224

THE CORPORATION OF THE DISTRICT OF SAANICH

BYLAW NO. 9223

TO ADOPT THE FINANCIAL PLAN FOR THE PERIOD 2013 TO 2017

WHEREAS the Municipal Council has caused to be prepared the Financial Plan for the period 2013 to 2017 in accordance with the provision of Section 165 of the Community Charter;

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

1. The Financial Plan for the period 2013 to 2017 being Schedule “A” - General; Schedule “B” - Water Utility; Schedule “C” - Sewer Utility; and, Schedule “D” – Revenue and Tax Policy Disclosure; all attached to this Bylaw, is hereby adopted.
2. This Bylaw may be cited for all purposes as the “**FINANCIAL PLAN BYLAW, 2013, NO. 9223**”.

Read a first time this

Read a second time this

Read a third time this

Adopted by Council, signed by the Mayor and Clerk and sealed with the Seal of the Corporation on the

Municipal Clerk

Mayor



THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN
BYLAW NO. 9223

SCHEDULE "A"

GENERAL

	2013	2014	2015	2016	2017
	\$	\$	\$	\$	\$
REVENUES					
Taxation					
Property Taxes	98,120,700	101,932,300	104,708,500	108,821,400	112,372,000
Parcel Taxes	24,000	24,000	5,300	1,700	1,400
Utilities & Other	1,503,800	1,548,900	1,595,400	1,643,300	1,692,600
	<u>99,648,500</u>	<u>103,505,200</u>	<u>106,309,200</u>	<u>110,466,400</u>	<u>114,066,000</u>
Fees and Charges	24,421,500	24,665,700	24,912,400	25,161,500	25,413,100
Other Revenues					
Grants-in-lieu of Taxes	2,075,000	2,137,300	2,201,400	2,267,400	2,335,400
Provincial Unconditional Grants	1,558,500	1,558,500	1,558,500	1,558,500	1,558,500
Conditional Grants & Contributions	20,107,800	3,000,000	3,000,000	3,000,000	3,500,000
Development Cost Charges	1,724,200	500,000	500,000	500,000	500,000
Other	1,562,600	1,578,200	1,594,000	1,609,900	1,626,000
	<u>27,028,100</u>	<u>8,774,000</u>	<u>8,853,900</u>	<u>8,935,800</u>	<u>9,519,900</u>
TOTAL	<u>151,098,100</u>	<u>136,944,900</u>	<u>140,075,500</u>	<u>144,563,700</u>	<u>148,999,000</u>
EXPENSES					
Municipal Services					
General Government	15,158,600	12,759,500	13,082,500	13,413,600	13,753,100
Public Safety and Protection	45,691,700	46,693,500	48,110,700	49,333,100	50,569,700
Planning and Development	4,842,800	4,331,100	4,439,500	4,550,600	4,664,500
Soild Waste Management	5,567,200	5,707,000	5,850,300	5,997,200	6,147,800
Engineering and Public Works	18,845,600	18,857,700	19,542,200	20,178,900	20,855,800
Parks, Recreation and Cultural	34,561,600	34,991,700	35,874,100	36,810,200	37,769,400
	<u>124,667,500</u>	<u>123,340,500</u>	<u>126,899,300</u>	<u>130,283,600</u>	<u>133,760,300</u>
TOTAL	<u>124,667,500</u>	<u>123,340,500</u>	<u>126,899,300</u>	<u>130,283,600</u>	<u>133,760,300</u>
OPERATING SURPLUS	26,430,600	13,604,400	13,176,200	14,280,100	15,238,700
ADD BACK NON CASH ITEM					
Amortization Expense	12,536,200	12,912,300	13,299,800	13,698,900	14,109,900
CASH SURPLUS	<u>38,966,800</u>	<u>26,516,700</u>	<u>26,476,000</u>	<u>27,979,000</u>	<u>29,348,600</u>
FUNDS TRANSFERRED IN					
Borrowing Proceeds	8,634,000	13,000,000	5,200,000	4,620,000	4,600,000
Transfers from Reserves	30,418,900	5,326,600	5,021,400	5,508,400	4,427,800
	<u>39,052,900</u>	<u>18,326,600</u>	<u>10,221,400</u>	<u>10,128,400</u>	<u>9,027,800</u>
FUNDS USED/TRANSFERRED OUT					
Capital Expenditure	63,061,600	29,728,500	22,786,400	24,190,400	24,407,300
Debt Principal Repayment	1,600,300	2,204,600	2,050,400	2,312,400	2,560,100
Transfers to Reserves	13,357,800	12,910,200	11,860,600	11,604,600	11,409,000
	<u>78,019,700</u>	<u>44,843,300</u>	<u>36,697,400</u>	<u>38,107,400</u>	<u>38,376,400</u>
NET TRANSFERS TOTAL	<u>(38,966,800)</u>	<u>(26,516,700)</u>	<u>(26,476,000)</u>	<u>(27,979,000)</u>	<u>(29,348,600)</u>
Financial Plan Balance	0	0	0	0	0

THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN
BYLAW NO. 9223

SCHEDULE "B"

WATER UTILITY

	2013	2014	2015	2016	2017
	\$	\$	\$	\$	\$
REVENUES					
Parcel Taxes	0	0	0	0	0
Other Revenue	107,400	107,400	107,400	107,400	107,400
Fees and Charges	18,848,100	19,787,000	20,686,600	21,248,700	21,825,500
Development Cost Charges	500,000	0	0	0	0
TOTAL	19,455,500	19,894,400	20,794,000	21,356,100	21,932,900
EXPENSES					
Operations	14,910,000	15,291,000	15,681,800	16,082,600	16,493,700
TOTAL	14,910,000	15,291,000	15,681,800	16,082,600	16,493,700
OPERATING SURPLUS	4,545,500	4,603,400	5,112,200	5,273,500	5,439,200
ADD BACK NON CASH ITEM					
Amortization Expense	1,656,900	1,706,600	1,757,800	1,810,500	1,864,800
CASH SURPLUS	6,202,400	6,310,000	6,870,000	7,084,000	7,304,000
FUNDS TRANSFERRED IN					
Transfers from Reserves	9,638,700	0	0	0	0
Transfers from Surplus	250,000	250,000	250,000	250,000	250,000
	9,888,700	250,000	250,000	250,000	250,000
FUNDS USED/TRANSFERRED OUT					
Capital Expenditure	16,091,100	6,560,000	7,120,000	7,334,000	7,554,000
NET TRANSFERS TOTAL	(6,202,400)	(6,310,000)	(6,870,000)	(7,084,000)	(7,304,000)
Financial Plan Balance	0	0	0	0	0



THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN
BYLAW NO. 9223

SCHEDULE "C"

SEWER UTILITY

	2013	2014	2015	2016	2017
	\$	\$	\$	\$	\$
REVENUES					
Other Revenue	60,000	61,800	63,700	65,600	67,500
Fees and Charges	12,701,400	15,023,600	17,132,900	19,265,800	21,432,400
Development Cost Charges	40,000	40,000	40,000	40,000	40,000
TOTAL	12,801,400	15,125,400	17,236,600	19,371,400	21,539,900
EXPENSES					
Operations	11,512,100	13,147,300	14,787,600	16,433,200	18,114,100
TOTAL	11,512,100	13,147,300	14,787,600	16,433,200	18,114,100
OPERATING SURPLUS	1,289,300	1,978,100	2,449,000	2,938,200	3,425,800
ADD BACK NON CASH ITEM					
Amortization Expense	1,751,700	1,804,300	1,858,400	1,914,200	1,971,600
CASH SURPLUS	3,041,000	3,782,400	4,307,400	4,852,400	5,397,400
FUNDS TRANSFERRED IN					
Borrowing Proceeds	4,678,600	1,500,000	1,500,000	1,500,000	1,500,000
Transfers from Reserves	3,519,400	0	0	0	0
Transfers from Surplus	150,000	150,000	150,000	150,000	150,000
	8,348,000	1,650,000	1,650,000	1,650,000	1,650,000
FUNDS USED/TRANSFERRED OUT					
Capital Expenditure	11,046,600	5,015,000	5,465,000	5,935,000	6,435,000
Debt Principal Repayment	342,400	417,400	492,400	567,400	612,400
	11,389,000	5,432,400	5,957,400	6,502,400	7,047,400
NET TRANSFERS TOTAL	(3,041,000)	(3,782,400)	(4,307,400)	(4,852,400)	(5,397,400)
Financial Plan Balance	0	0	0	0	0

THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN
BYLAW NO. 9223

SCHEDULE "D"

REVENUE AND TAX POLICY DISCLOSURE

Proportions of Total Revenue

<u>Funding Sources</u>	
Property Taxes	40.80%
Fees and Charges	23.30%
Borrowing Proceeds	5.50%
Other Sources	30.40%
	100.00%

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

Distribution of Property Taxes

<u>Property Class</u>	
1 Residential	77.21%
2 Utilities	0.35%
3 Supportive Housing	0.00%
5 Light Industry	0.14%
6 Business & Other	22.19%
7 Managed Forest	0.00%
8 Rec/Non-Profit	0.11%
9 Farm	0.00%
	100.00%

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 2013 Saanich Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 20%, consistent with prior years.

Permissive Tax Exemptions

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



THE CORPORATION OF THE DISTRICT OF SAANICH

BYLAW NO. 9224

FOR THE LEVYING OF RATES AND TAXES FOR THE YEAR 2013

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

1. The following rates are hereby imposed and levied for the year 2013:
 - (a) For all lawful general purposes of the municipality on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "A" of the Schedule attached hereto and forming a part hereof.
 - (b) For purposes of the Capital Regional District on the assessed value of land and Improvements taxable for general municipal purposes, rates appearing in column "B" of the Schedule attached hereto and forming a part hereof.
 - (c) For hospital purposes on the assessed value of land and improvements taxable for Regional Hospital District purposes, rates appearing in column "C" of the schedule attached hereto and forming a part hereof.
 - (d) For purposes of the expenses related to the Cadboro Bay Village Business Improvement Association and referred to in Bylaw No. 8537 on the assessed value of all land and improvements that fall into Class 6 of the assessments within the designated business improvement area as defined in Bylaw No. 8537 and referred to as the Cadboro Bay Village Business Improvement Area, \$1.21743 per \$1,000 taxable value.
2. The aforesaid rates and taxes shall be considered to have been imposed on and from the First (1st) day of January 2013. Such rates and taxes are not deemed to be paid until payment is received in the office of the Collector of The Corporation at 770 Vernon Avenue, Victoria, B.C.
3. This bylaw may be cited for all purposes as the "**TAX BYLAW, 2013, NO. 9224**".

Read a first time this

Read a second time this

Read a third time this

Adopted by Council, signed by the Mayor and Clerk and sealed with the Seal of the Corporation on the

Municipal Clerk

Mayor

**2013
SCHEDULE**

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

Property Class	A	B	C
	Municipal General	Regional District	Regional Hospital District
(1) Residential	3.5429	0.2784	0.3005
(2) Utilities	27.7146	2.1778	1.0518
(3) Supportive Housing	3.5429	0.2784	0.3005
(4) Major Industry	10.7993	0.8486	1.0217
(5) Light Industry	10.7993	0.8486	1.0217
(6) Business/Other	12.3350	0.9693	0.7362
(7) Managed Forest	21.2587	1.6705	0.9015
(8) Recreational/Non Profit	6.8588	0.5390	0.3005
(9) Farm	0.5000	0.0393	0.3005