

2015 – 2019 Financial Plan

Final
April 29, 2015



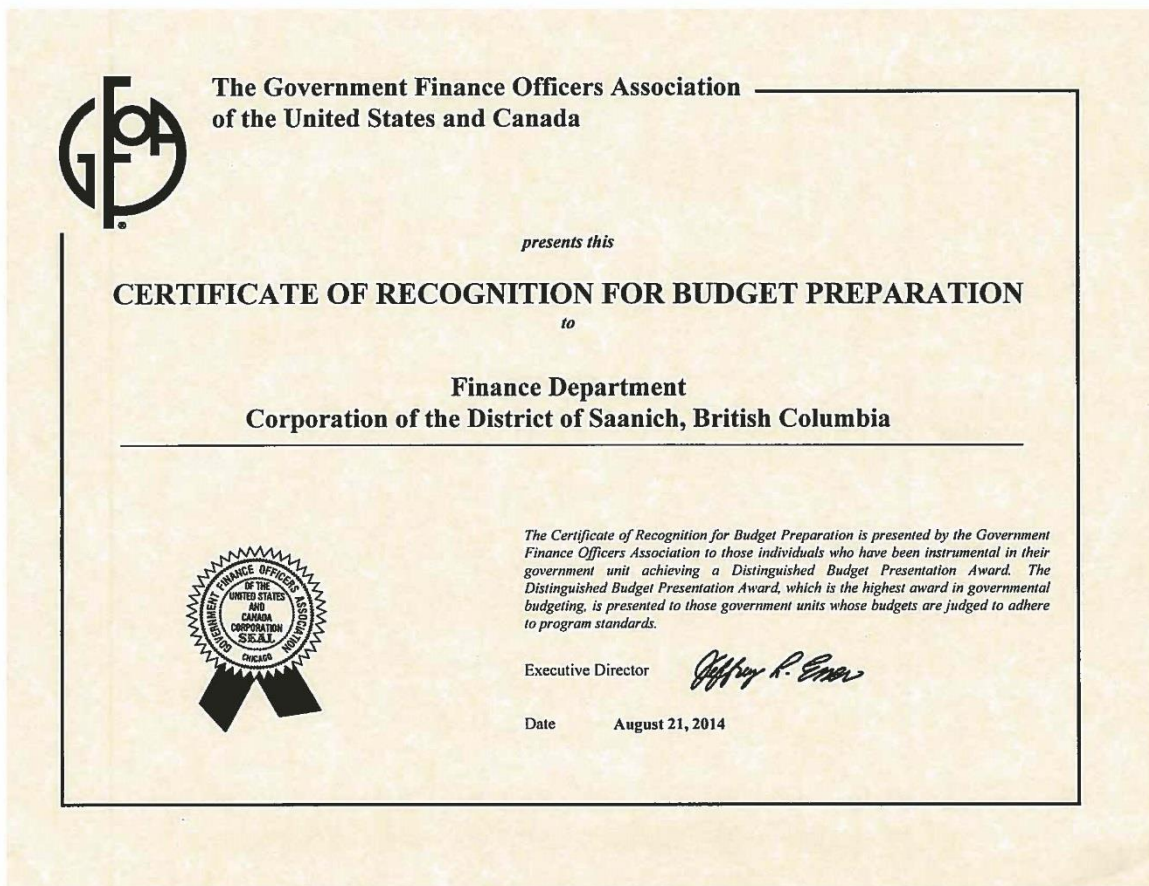


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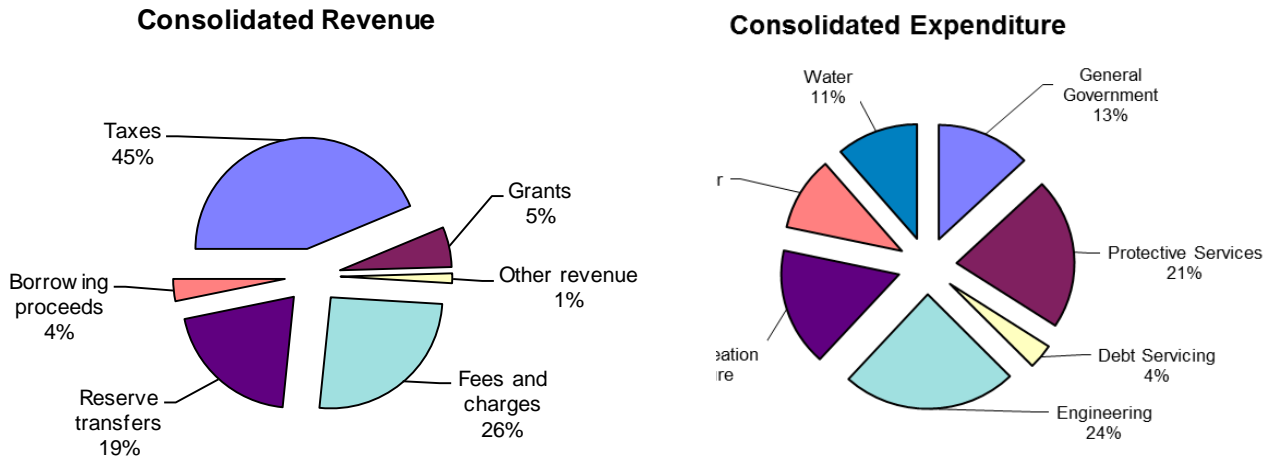
EXECUTIVE SUMMARY

The Community Charter Act requires that the District of Saanich approve a Five Year Financial Plan bylaw each year prior to the adoption of the annual property tax bylaw. This document provides the supporting details to the 2015-2019 Financial Plan Bylaw, which will be considered for adoption by Council before May 15, 2015.

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 2015 balances \$244,826,700 in revenues and transfers with \$244,826,700 in expenditures.



The budget is based on:

1. A municipal property tax increase of 2.21% (\$48.89) for core operations, 0.58% (\$12.83) for resource requests to maintain current service levels, 1.32% (\$29.20) for capital replacement (includes the 0.50% (\$11.06) increase as per policy for additional infrastructure replacement) and 0.12% (\$2.65) for new infrastructure maintenance and additional operating costs. This totals 4.23% or \$93.57 to the average single family homeowner,
2. No service reductions from 2014 levels,
3. Utility rates approved in December 2014,

Including all municipal taxes and utilities, an average homeowner is projected to pay about \$168 more in 2015:

	<u>2014</u>	<u>2015</u>	<u>Increase</u>
Property Taxes	\$ 2,212	\$ 2,306	\$ 94
Sewer	362	405	43
Water	482	508	26
Refuse Collection	165	170	5
	<u>\$ 3,221</u>	<u>\$ 3,389</u>	<u>\$ 168</u>

2. Summary of Consolidated Financial Plan Changes From 2014 To 2015

Additional revenues from taxation, reserves and user fees will be used to fund inflationary increases in 2015 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 Tillicum/Carey/Glanford complete streets and Glanford/Mann intersection work:

<u>Consolidated Revenue</u>							
Source	General Operating	General Capital	Sewer & Water Utility	2015 Budget Total	2014 Budget Total	2014 Actuals Total	2013 Actuals Total
Taxes	94,641,000	12,109,700	-	106,750,700	102,031,600	101,908,600	98,133,600
Grants	3,787,500	10,708,200	-	14,495,700	14,140,300	5,900,100	14,727,700
Other revenue	4,147,800	-	-	4,147,800	3,699,400	4,975,100	16,947,100
Fees and charges	25,619,800	-	37,297,800	62,917,600	59,714,500	62,975,200	60,275,100
Reserve transfers	8,410,300	25,032,800	14,157,200	47,600,300	49,461,300	17,508,100	21,053,500
Borrowing proceeds	-	6,150,000	2,764,600	8,914,600	11,650,500	7,125,000	4,053,300
Total	136,606,400	54,000,700	54,219,600	244,826,700	240,697,600	200,392,100	215,190,300

<u>Consolidated Expenditure</u>							
Function	General Operating	General Capital	Sewer & Water Utility	2015 Budget Total	2014 Budget Total	2014 Actuals Total	2013 Actuals Total
Administration	1,921,400	-	-	1,921,400	1,764,500	2,265,500	2,023,100
Corporate Services	5,428,800	3,455,000	-	8,883,800	7,347,700	6,560,800	4,113,700
Finance	11,024,200	34,500	-	11,058,700	8,951,400	4,767,400	5,062,400
Fiscal Services	7,164,600	-	1,452,000	8,616,600	8,449,400	8,199,000	2,901,300
Legislative Services	4,399,300	-	-	4,399,300	4,715,100	3,465,400	3,367,600
Police Protection	33,886,900	1,618,800	-	35,505,700	32,909,200	35,685,000	33,777,900
Fire Protection	15,614,700	1,078,000	-	16,692,700	15,797,300	15,535,100	14,950,600
Emergency Program	410,200	10,000	-	420,200	427,300	394,900	414,600
Planning	5,014,600	-	-	5,014,600	5,119,400	4,435,100	4,945,300
Engineering	18,644,600	39,418,700	52,767,600	110,830,900	116,339,000	79,471,700	99,480,500
Parks & Recreation	27,292,000	8,385,700	-	35,677,700	33,207,300	31,858,800	29,994,700
Cultural	5,825,200	-	-	5,825,200	5,682,000	5,680,800	5,308,300
Total	136,626,500	54,000,700	54,219,600	244,846,800	240,709,600	198,319,500	206,340,000

Note: The above total figure for General Operating is \$21,652,900 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 2014	\$ 240,697,600
Revenues were increased because:	
General Taxes were increased by 4.23% to average homeowner	4,719,100
Increased use of grant revenue for infrastructure spending	355,400
Increase in surplus appropriation	368,300
Increased fees and charges from recreation	149,300
Increased fees and charges from water and sewer programs	2,869,900
Increased fees and charges from other programs	264,000
Decreased borrowing for infrastructure	(2,735,900)
Decreased use of reserve funds (Work in Progress)	(1,861,000)
New Consolidated Revenue Level for 2015	\$ 244,826,700

Consolidated Expenditures level in 2014	\$ 240,697,600
Expenses were increased because:	
Increased General Operating costs	5,557,400
Decreased General Capital costs	(1,292,900)
Decreased Water System operating and capital costs	(3,399,500)
Increased Sewer System operating and capital costs	3,264,100
New Consolidated Expenditure Level in 2015	\$ 244,826,700

3. 2015 Consolidated Fund Balance Summary

Municipal activities are accounted for on a fund basis. Under the Community Charter municipalities are required to have a balanced budget with expenditure not exceeding revenue. With the exception of reserve funds, all funds are budgeted to remain at 2014 levels. Reserve funds are expected to decrease in 2015 as funds are appropriated for equipment replacement, capital projects and estimated land purchases.

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	19,771,300	20,321,400	15,388,800	13,967,700	87,108,000
Total Revenues	158,259,300	54,000,700	26,832,500	27,387,100	34,516,100
Total Expenditures	(158,259,300)	(54,000,700)	(26,832,500)	(27,387,100)	(47,106,100)
Fund Balance, December 31	19,771,300	20,321,400	15,388,800	13,967,700	74,518,000

4. General Operating Fund Summary:

This budget provides for the annual operation of the municipality in 2015 based on a 2.21% increase for core operations, 0.58% for resource requests to maintain 2014 service levels, 0.12% increase for new infrastructure maintenance and 1.32% for capital funding which includes the additional policy increase in infrastructure spending of 0.50% in municipal property taxes.

This revenue funds the net cost to maintain services at 2014 levels, continues past practice of gradually increasing tax funded capital programs to sustainable levels and reflects the economic circumstances that will limit municipal revenue increases for 2015.

A refuse collection fee of \$170 (based on cart sizes of 120 Litre each for garbage and organic) per household is charged on the utility bill to fund refuse, garden and kitchen waste collection and disposal. The increase of \$5.00 over prior year is attributable to contracted increases to labour costs, actual debt financing charges and a reduction in the number of billable residential units from the projection for the program in the pre-implementation budget.

5. Water Utility Fund Summary:

The Water Utility Budget provides for all operations and capital funding to support the water system. In December 2014 a 5.4% annual increase in water rates was approved to support increased infrastructure replacement spending. Cost to the average homeowner increased by \$26 from \$482 to \$508 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 2014 an 11.9% increase in sewer rates was approved to support CRD operating and debt costs and higher Saanich infrastructure replacement spending. Annual cost to the average homeowner increased by \$43 from \$362 to \$405 per year.

7. General Capital Fund Summary:

The 2015 General Capital Program provides for a \$54 million program of infrastructure and equipment replacement funded from a mixture of property taxation, debt, reserves, grants and development cost charges. Significant new capital projects in 2015 include \$4.96 million Tillicum/Carey/Glanford complete street project, \$2.38 million Glanford/Mann Project, \$3.0 million in Wood Stave replacement, \$2.5 million in Facility upgrades and \$3.0 million in total Fleet replacement.

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 \$4 million in 2000 to an annual average of over \$20 million in the last three years.

8. Reserve Fund Summary:

Reserve Funds are projected to decrease from \$87,108,000 in 2014 to \$74,518,000 in 2015 as work in progress reserves are used to complete capital projects planned in previous years and equipment and funding is provided for equipment replacement, capital projects and land purchases. In 2014 four new reserves were established: Facilities Major Repair and Replacement, Computer Hardware and Software, Water Capital and Sewer Capital. These reserves will fund future infrastructure replacement.

9. Debt Summary:

Overall debt levels are projected to increase to \$34.9 million in 2015. This remains well below policy guideline of \$89 million in general debt. Current outstanding debt, interest rates and maturity dates are listed below:

<u>BY-LAW NUMBER</u>	<u>GENERAL</u>	<u>GENERAL</u>	<u>SEWER</u>	<u>TOTAL</u>	<u>INTEREST</u>	<u>MATURITY</u>
	<u>LOC.</u>	<u>IMP.</u>			<u>RATE</u>	<u>DATE</u>
	\$	\$	\$	\$		D / M / Y
8132		2,722	104,333	107,055	3.15%	01.12.2015
8181			143,312	143,312	3.05%	01.06.2016
8293			104,946	104,946	3.05%	01.06.2017
8344			157,418	157,418	2.10%	03.12.2017
3197	572,277		333,689	905,966	4.98%	02.12.2019
3257	1,575,227			1,575,227	4.55%	06.04.2020
3292	1,170,899			1,170,899	4.17%	13.10.2020
3363	2,431,940			2,431,940	4.43%	19.10.2021
3466	1,033,251		363,330	1,396,581	4.82%	12.01.2022
3968	2,400,000			2,400,000	3.00%	14.10.2024
3726	1,400,985			1,400,985	3.35%	01.10.2025
3726			906,116	906,116	3.73%	06.10.2025
3771	7,060,685			7,060,685	3.65%	29.09.2026
3853			673,590	673,590	2.90%	04.10.2027
8409	1,053,499			1,053,499	2.10%	03.06.2028
3968	2,600,000		2,125,000	4,725,000	3.00%	14.10.2029
	(99,346)	(88)	(39,001)	(138,435)	Accrued Actuarial Gains	
TOTAL	21,199,417	2,634	4,872,733	26,074,784		

10. Consolidated 2015 Budget Highlights by Strategic Plan Theme Area

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

Safe Community:

- \$635,000 in additional police funding to cover increasing operational contracts and costs
- \$445,000 in additional reserve funding to provide for future fleet and IT inventory replacement.

Healthy Community:

- \$2,039,700 for park, playground, trail and other park infrastructure replacement
 - Cadboro Gyro drainage, parking and entrance repairs
 - Mt. Douglas Improvements
 - Brodick and Emily Carr playground replacements
 - Copley Tennis Court replacement
 - Gorge Waterway and Colquitz Trail Resurfacing
 - Glanford Park Parking Lot replacement

Sustainable Environment:

- \$250,000 to replace Keats Pedestrian Bridge
- \$1,000,000 to replace the Grange and Wilkinson Sewer Pump Stations
- \$8,294,600 to continue replacing asbestos cement sewer mains and asbestos cement and cast iron water mains

Balanced Transportation:

- A minimum of \$2,559,000 of sidewalk additions and improvements in areas such as:
 - Blenkinsop Road 325m
 - Judah Street (Carey to Bremerton) 300m
 - Lucas Belvedere 375m
 - Marigold Road (Daisy to Gladiola) 500m
- \$725,000 for bikeways additions and improvements in areas such as:
 - Carey Road (Glanford to McKenzie) 800m
 - Borden Street (McKenzie to Cedar Hill Cross) 500m
 - Shelbourne Street (Torquay to Arbordale) 1,200m
- Over \$8,680,000 in various road improvements including 1,120m of sidewalks and 2,580m of bikelanes:
 - Tillicum/Carey/Glanford (Gas Tax Funded - \$4,677,000)
 - Glanford/Mann (Gas Tax Funded - \$1,775,000)

Vibrant Connected Economy:

- \$400,000 for Douglas Corridor and to update two Local Area Plans

Service Excellence:

- \$500,000 for disaster recovery phase 1
- \$1,000,000 for telephone system assessment and upgrade

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 Serviando*" – 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 four-year terms. Saanich Council is comprised of the following members:

Mayor:	Richard Atwell	
Councillors:	Susan Brice Judy Brownoff Vic Derman Fred Haynes	Dean Murdock Colin Plant Vicki Sanders 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

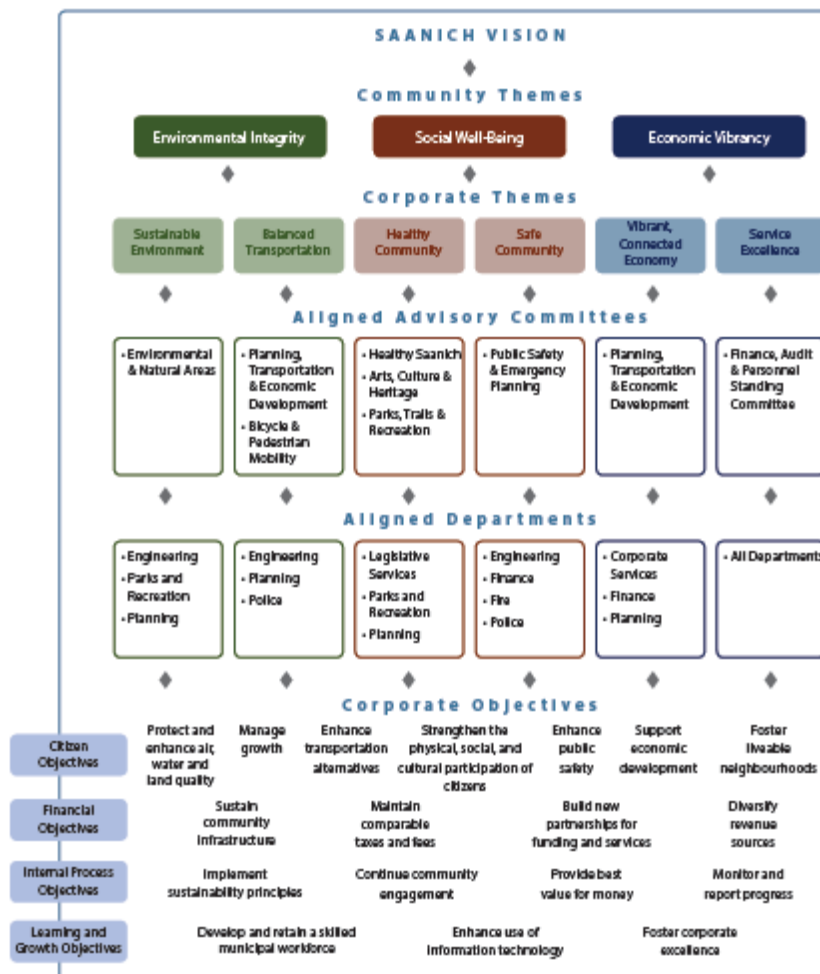
1. Strategic Plan

The 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 is 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 year round process. The cycle begins in June and continues until the following May when the plan is adopted by Council:

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

Departmental Work Plans - Each department prepares a work plan that contains major activities to accomplish in the coming year, including those initiatives contained in the Strategic Plan.

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 uses to develop the Financial Plan Bylaw. The property tax revenue requirement established in the Financial Plan Bylaw forms the basis for the tax rates approved through the 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.

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 2015 budget submissions within a zero increase in 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. Departments were also allowed to prepare resource requests for additional operating budgets (including one time projects) and for new tax funded personnel, where critical capacity issues can be clearly demonstrated.

The operating component of the Five Year Financial Plan is focused on 2015 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 annually by an inflation factor of 2% for infrastructure replacement.
5. Sewer rates increased a minimum 3% annually for infrastructure replacement.

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 0.50% annually for infrastructure replacement.
3. Debt servicing budget levels maintained at guideline.
4. Federal gas tax funding allocated to transportation projects.
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 (2015) 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 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 2015 – 2019 Draft Saanich Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 21%, 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. These rates are based on the completed assessment roll and are subject to change upon receipt of the revised assessment roll. Properties in Supportive Housing Class 3 will remain tax exempt per Provincial regulation.

	<u>2014</u>	<u>2015</u>	<u>% Property Tax Levy</u>	<u>Tax Multiple</u>
Residential	3.7719	3.8911	76.75%	1.0000
Utilities	28.3459	31.5087	0.36	8.0978
Supportive Housing	3.7719	3.8911	0.00	1.0000
Light Industry	10.6164	9.1914	0.15	2.3621
Business/Other	12.6030	13.2118	22.64	3.3954
Managed Forest	23.3500	23.2153	0.00	5.9662
Rec/Non Profit	7.2379	7.7024	0.10	1.9795
Farm	0.5000	0.5000	0.00	0.1285

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

3. Expenditure Policies

Debt Limit Policy

The Community Charter 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 2014, the legal debt limit is such that average annual servicing costs cannot exceed \$40.5 million or total debt of \$507 million.

The municipality limits debt internally to a maximum of 7% of the property tax revenue collected in the previous year. At the end of 2015 this limits annual debt servicing costs to no more than \$7.1 million or total debt of \$89 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	✓	✓	✓	✓	✓	✓	✓
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 2015

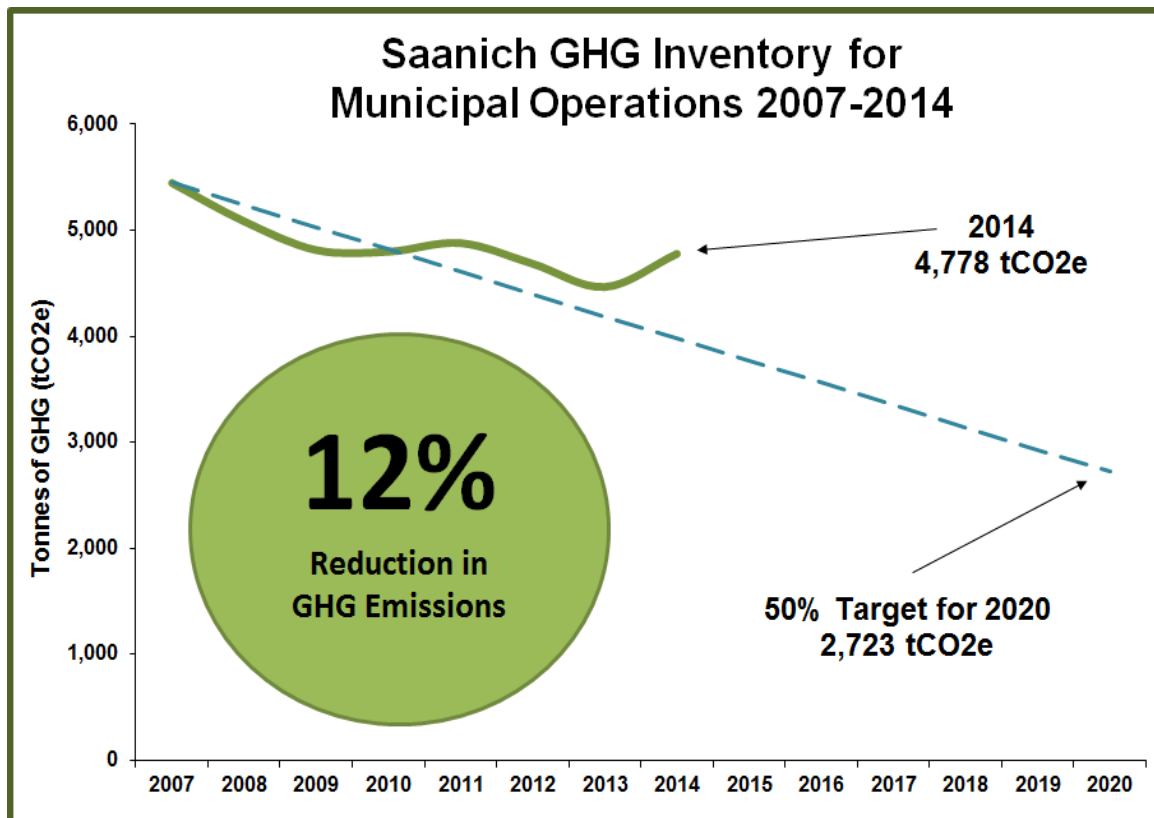
Between 2014 and 2015, total full-time equivalent (FTE) positions are expected to increase by a net of 13.3 FTE or 1.26%. Details listed below:

Department	Full-Time Equivalent (FTE) Employees				Description of Change
	2013	2014	2015	FTE Change	
Administration	12.1	12.1	12.1	0.0	
Corporate Services	42.7	42.6	42.9	0.3	A net increase of 0.3 FTE is due to an approved <u>resource request</u> for an assistant to HR Manager (0.5 FTE partial year) and a 0.3 FTE increase in Safety for student employment offset by a 0.5 decrease in IT.
Finance	30.2	30.7	32.4	1.7	1.0 FTE increase in Financial Services with the addition of a Manager of Capital Budgets and transfer of 1.0 FTE from Public Works Stores to Purchasing. A 0.3 FTE reduction in Print Room.
Legislative	19.4	19.4	19.8	0.4	Increase is due to an approved resource request for an Information and Privacy Officer/Records Manager.
Police Protection	236.4	237.3	243.4	6.1	3.0 FTE increase in Administration for front desk services, 1.6 FTE for the Crime Stoppers program, 2.0 FTE for School Liaison, 2.0 FTE for new recruits, 0.34 FTE for administrative assistant, 0.5 FTE for Blockwatch and 0.66 FTE increase in various staff backfill positions. These increases are offset with the reduction of 4.0 FTE and operating costs in Regional Crime Unit.
Fire Protection	119.8	124.2	125.5	1.3	1.3 FTE increase in suppression rescue to achieve emergency response standards were approved in 2014.
Emergency Program	2.5	2.8	3.0	0.2	Increase in ESS Coordinator position.
Planning and Development	43.6	45.6	46.6	1.0	1.0 FTE temporary increase in planning for a sustainable community planner (funded from Hydro and Terasen Grants).
Engineering (includes utilities)	254.9	249.8	250.5	0.7	.7 FTE increase is due to addition of a mechanic in Fleet.
Parks and Recreation	283.1	286.9	288.5	1.6	0.6 net FTE increase in recreation centres, 0.1 increase in staffing at CHGC and 0.4 increase in Parks to accommodate changes in recreation programs, Parks and Golf course services. An additional 0.5 FTE (partial year) is included for an approved <u>resource request</u> for a parks planner/designer.
Total	1,044.7	1,051.4	1,064.7	13.3	

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 (tCO ₂ e)				GHG Change	Description of Change
	2012	2013	2014			
Administration	10	10	8	(2)	Decrease in hall energy consumption	
Corporate Services	47	48	40	(8)	Decrease in hall energy consumption	
Finance	48	48	38	(10)	Decrease in hall energy consumption	
Legislative Services	77	59	35	(24)	Decrease in heating oil from heritage and rental building upgrades	
Police Protection	594	596	592	(4)	Decrease in fuel consumption offset with increases in heating of Police building	
Fire Protection	240	204	202	(2)	Decrease in fuel consumption offset with increases in heating of Fire buildings	
Planning and Development	75	78	60	(18)	Decrease in hall energy consumption	
Engineering and Public Works (includes utilities)	1,527	1,395	1,730	335	Increase due to higher diesel fuel consumption due to the doubling of total KM traveled by SWS trucks for the new Greener Garbage program	
Parks and Recreation	2,067	2,027	2,073	46	Increase due to natural gas consumption at SCP being 50% higher than expected due to a poorly performing boiler which has since been adjusted. Excluding the increase at SCP the GHG would have decreased by 102	
Total (Baseline 2007 = 5,446)	4,685	4,465	4,778	313		



BUDGET PLANNING ISSUES

1. 2015 Financial Planning Issues

Preparation of the 2015 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 0.50% 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 – The IAFF Fire contract ended on December 2011. Worker's Compensation Board's rates increased by 25% over prior year due mainly additional costs experienced in the industry complying with the new Bill 14 legislation "Bullying in the Workplace". Medical Services Plan (MSP) rates increased by an additional 3.94% over the prior year. Contingency estimates have been included in the financial plan for the increases. Both the Police Association and CUPE collective agreements expire December 2015.

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 and non-market assessment increases as development levels continue to experience a slow recovery.

New Infrastructure Maintenance and Services Operating Cost - For 2015, an additional 0.12% tax increase has been applied primarily to fund maintenance for new parks and trails, management of invasive species and increased participation at special events.

Resource Requests - For 2015, an additional 0.58% tax increase has been requested to provide partial year funding for three positions deemed critical to maintain current operations, one in Human Resources, Legislative Services and the other in Parks. Additional funding has been requested for software licencing and maintenance, utilities cost increases and operating costs for Carnival of the Arts and the Moon Festival.

Water costs – A large proportion of water costs (39% for 2015) 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 27.28% over last year due to operational cost increases and to fund new Liquid Waste Management Plan mandated regional sewer treatment.

2. 2016 – 2019 Financial Planning Issues

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

Economic uncertainty - The provincial and federal governments are continuing cost cutting measures to cope with their deficits due to the current economic uncertainty. The District of Saanich also implemented 1% to 2% expense reductions from 2009 to 2012 to reduce the impact on property taxes. The proposed 2015 budget does not include any service reductions.

Provincial grants – Unconditional operating grants of \$1.56 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 1.47% tax increase on property taxes or an equivalent reduction in programs or services that are funded by this grant.

Wage costs uncertainty – The extent of possible wage cost impact is uncertain at this time as contract negotiations with IAFF Fire union are in progress. Public Safety and CUPE settlements continue to trend at higher than CPI rates.

Benefit costs increases – Based on historical trends and future outlook from benefit providers, all benefits will be experiencing increases in the long term due to aging workforce and longer life spans. While pension rates will remain the same in 2015 as in previous year, future rates are expected to increase incrementally. MSP rates have increased by 8% over the last two years and will continue to increase in the future as the Province implements measures to keep up with rising health care costs.

Water purchases – Water sale volumes in the municipality have started to stabilize after declining for many years due to homeowner's conservation of water use, however, the CRD continues to experience a reduction in water use in the region. The cost of bulk water purchases from the CRD may increase above inflation to offset those reductions in volume as most regional water costs are fixed in nature.

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

Infrastructure Replacement – The overall plan to increase capital spending to sustainable levels by 2019 requires consistent funding increases over the next four years. The following is a snapshot of the current plan to reach sustainability:

General Operating Fund

Total General Operating Fund expenditures are expected to increase by \$6,882,300 or 4.55% in 2015. Revenues will also increase by 4.55% as summarized in the table below.

The primary source of revenue is Property Taxation.

The increase in property tax revenue this year is made up of a 2.21% increase for current operations, 0.58% increase for resource requests to maintain 2014 service levels, 0.12% increase in operating cost of new infrastructure maintenance approved in the previous year and increase in goods and service costs and 1.32% in infrastructure replacement spending. Overall property tax revenues are estimated to rise by 4.23% (\$93.57) to the average single family homeowner.

BUDGET SUMMARY	
2015 Tax Levy	\$106,729,000
2014 Tax Levy	\$102,011,300
Budget Change	4,717,700
Average Single Family Homeowner Increase %	4.23%
2015 FTE	996.48
2014 FTE	983.25
FTE Change	13.23
FTE Change %	1.35%
2014 Carbon Footprint (CO₂e)	4707 Tonnes
2013 Carbon Footprint (CO₂e)	4365 Tonnes
Carbon Footprint Change	342 Tonnes

BUDGET SUMMARY BY OBJECT

Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2013	2014	2014	2015	2015/2014
Personnel (1)	84,754,900	88,976,000	89,467,300	95,338,300	6.56%
Goods and Services	31,745,500	32,296,400	30,877,800	31,237,500	1.16%
Fiscal Services	2,350,200	2,565,600	3,413,000	3,389,100	(0.70%)
Grants, Overheads & Transfers	14,298,400	14,794,700	16,413,100	16,184,700	(1.39%)
Capital (tax funded portion only) (2)	10,490,300	11,146,100	11,205,800	12,109,700	8.07%
TOTAL	143,639,300	149,778,800	151,377,000	158,259,300	4.55%
REVENUES AND RECOVERIES					
Property Taxation	(98,109,600)	(101,888,300)	(102,011,300)	(106,729,000)	4.62%
Parcel Tax	(24,000)	(20,300)	(20,300)	(21,700)	6.90%
Other Corporate Revenues (3)	(7,360,000)	(7,658,500)	(7,454,900)	(7,890,300)	5.84%
Other Departmental Revenues	(29,234,100)	(29,354,200)	(25,295,800)	(25,619,800)	1.28%
Inter-Departmental Recoveries (4)	(7,809,500)	(8,658,200)	(9,122,200)	(9,543,200)	4.62%
Transfer from Reserves (5)	(3,438,400)	(2,890,700)	(7,472,500)	(8,410,300)	12.55%
Other Grants	(90,500)	(162,900)	-	(45,000)	0.00%
TOTAL	(146,066,100)	(150,633,100)	(151,377,000)	(158,259,300)	4.55%
NET OPERATIONS					
	(2,426,800)	(854,300)	-	-	0.00%

- Personnel increased by 6.56% due to accumulated increase in labour contingency for Police for two years and Fire for three years. Retroactive wages will be paid out in the year that the contracts are settled. Excluding the labour contingency and resource requests the increase is only 2.57%.
- Property tax based capital funding increased 8.07% per infrastructure spending policy.
- Other Corporate Revenues increased 5.84% due to higher surplus appropriation for onetime costs.
- Inter-Departmental Recoveries increased by 4.62% due mainly to increase in Fleet's budgeted recovery which were understated compared to actual recovery.
- Transfers from Reserves increased 12.55% due to increase in funding required in 2015 for labour contingency payments upon finalization of the collective agreements.

Budget Summary by Function:

Operating Budget	Actual	Actual	Budget	Budget	% Change
ALL DEPARTMENTS	2013	2014	2014	2015	2015/2014
Property Taxation	(98,109,600)	(101,888,300)	(102,011,300)	(106,729,000)	4.62%
Parcel Tax	(24,000)	(20,300)	(20,300)	(21,700)	6.90%
Utility and Hotel Tax	(1,523,700)	(1,516,200)	(1,494,900)	(1,502,600)	0.52%
Grants In Lieu	(2,189,400)	(2,185,000)	(2,197,000)	(2,184,000)	(0.59%)
Interest and Penalties	(1,940,100)	(1,797,500)	(1,676,000)	(1,708,400)	1.93%
Surplus Appropriations	-	(285,200)	(285,200)	(653,500)	129.14%
Other Revenues	(249,500)	(316,100)	(243,300)	(283,300)	16.44%
Capital Contribution	10,490,300	11,146,100	11,205,800	12,109,700	8.07%
Net Departmental Cost	91,119,200	96,008,200	96,722,200	100,972,800	4.39%
SURPLUS/DEFICIT	(2,426,800)	(854,300)	-	-	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 4.23% increase in municipal property taxes to the average single family homeowner with an assessed value of \$592,500 and to average 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 in line with assessment changes.

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 to fund police capital costs recommended by the Police Board and approved by Council. This grant continues to be marginally reduced every few years.

Interest and Penalties - The majority of revenues are collected in July whereas expenses are paid throughout the year. Until expenses are incurred, funds are available to invest. Revenue from these investments is an important source of operating funds and reduces the amount needed from property taxes. Investment returns decreased slightly in 2014 and are projected to remain the same in 2015. Property owners who do not pay their property taxes by the deadline are assessed penalties and interest based on provincial legislation.

Surplus Appropriation – Surplus funds were used to fund election costs in 2014. This is the recommended strategy for the next election in 2018. In 2015 surplus funds were used to fund one time operating projects and capital purchases.

Other Revenues - This includes a mixture of sundry revenues such as early payment discounts, refund of worker's compensation payments 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 the guideline of 2% on all capital programs and an additional minimum 0.50% or \$510,000. This revenue appears as a funding source in the capital program.

Net Departmental Cost

Net departmental operating costs include total expenditure less revenues or recoveries generated by the departments. The net departmental costs are projected to rise by \$4,250,600 or 4.39% in 2015. The majority of this increase is attributable to increases in operational and new capital reserve funding for Policing and increases in protective services wage 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
	2013	2014	2014	2015	2015/2014	2015/2014
Administration	1,618,200	2,132,100	1,668,500	1,795,200	126,700	7.59%
Corporate Services	4,153,900	4,551,200	4,525,300	4,928,400	403,100	8.91%
Finance	3,695,800	2,830,300	4,205,200	4,122,200	(83,000)	(1.97%)
Fiscal Services	5,971,000	5,924,600	6,613,000	6,780,200	167,200	2.53%
Legislative Services	2,233,600	2,654,200	2,732,700	2,525,000	(207,700)	(7.60%)
Police Protection	26,351,100	28,542,900	28,067,500	30,187,200	2,119,700	7.55%
Fire Protection	14,071,000	14,663,000	14,673,200	15,003,700	330,500	2.25%
Emergency Program	359,600	330,900	363,800	394,700	30,900	8.49%
Planning and Development	1,552,500	2,526,000	2,401,200	2,516,500	115,300	4.80%
Engineering	11,870,000	11,941,100	11,976,200	12,222,200	246,000	2.05%
Parks and Recreation	13,934,200	14,231,100	13,813,600	14,672,300	858,700	6.22%
Cultural	5,308,300	5,680,800	5,682,000	5,825,200	143,200	2.52%
TOTAL	91,119,200	96,008,200	96,722,200	100,972,800	4,250,600	4.39%

- Administration increased 7.59% due mainly to the approved one time resource request of \$100,000 for council governance review
- Corporate Services increased 7.59% due mainly to the resource request for software licencing and maintenance and an assistant to the Manager of Human Resources.
- Finance decreased by 1.97% due to reduction in budgeted severance payouts and reduction in funds set aside in contingency for higher fuel and utility costs.
- Legislative Services decreased by 7.60% due mainly to elimination of the prior year's election budget of \$285,200. Excluding elections and the approved resource request for an Information and Privacy Officer/Records Manager, the 2015 net core budget would have increased 1.38% over 2014.
- Police Protection increased by 7.55% due to increase in operations budget of \$635,000 and the addition of capital reserve funding of \$445,000.
- Emergency Program increased by 8.49% due to the addition of hours for the ESS Coordinator position funded through budget reallocation from Fire.
- Planning and Development increased by 4.80% due to wage increments.
- Parks and Recreation increased 6.22% due to increases in utility rate for 2015 and funding for prior year shortfall in utility budgets totalling \$293,000

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 Council and committees activities.

The **Administration** section is responsible for corporate leadership for all municipal operations and providing strategic advice to Council.

The **Grants** section provides for a mixture of community, social, environmental and other grants to organizations in the Greater Victoria Area as approved annually by Council.

BUDGET SUMMARY	
2015 Net Budget	1,795,200
2014 Net Budget	1,668,500
Budget Change	126,700
Change by %	7.59%
2015 FTE	12.07
2014 FTE	12.07
FTE Change	0
FTE Change %	0%
2014 Carbon Footprint (CO₂e)	8 Tonnes
2013 Carbon Footprint (CO₂e)	10 Tonnes
Carbon Footprint Change	(2) Tonnes

CORE BUDGET

The Department's 2015 Budget of \$1,795,200 represents a 7.59% increase over 2014.

Net Budget By Function	Actual 2013	Actual 2014	Budget 2014	Budget 2015	\$ Change 2015/2014	% Change 2015/2014
Council & Committees	477,900	480,900	494,600	507,200	12,600	2.55%
Administration	421,300	934,200	463,500	577,600	114,100	24.62%
Grants	719,000	717,000	710,400	710,400	-	0.00%
Total	1,618,200	2,132,100	1,668,500	1,795,200	126,700	7.59%

- Administration increased by 24.62% due mainly to the approved one time resource request of \$100,000 for council governance review.

Corporate Services

The **Corporate Services Department** is comprised of four distinct areas: Communications, Human Resources, Information Technology and Occupational Health and Safety.

The **Communications Section** provides support for internal and external communications. This support includes the Saanich website(s), intranet, social media, print publications and public participation activities. The Section also provides customer service and information to the general public and Saanich staff through the Municipal Hall reception desk.

The **Human Resources Division** provides support to a work force of approximately 1,600 employees. The Division provides a full range of Human Resources services to managers, employees and the public. These include; recruitment and selection, job evaluation, learning and development, employee recognition, pension counseling, wellness management, support for succession planning initiatives and employee and labour relations, and records management. The Division supports managers and employees to meet operational demands and to achieve their strategic goals.

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

The **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	
2015 Net Budget	4,928,400
2014 Net Budget	4,525,300
Budget Change	403,100
Change by %	8.91%
2015 FTE	42.87
2014 FTE	42.64
FTE Change	0.23
FTE Change %	0.54%
2014 Carbon Footprint (CO₂e)	40 Tonnes
2013 Carbon Footprint (CO₂e)	48 Tonnes
Carbon Footprint Change	(8) Tonnes

2015 BUDGET CHALLENGES

- Meeting the increasing legislative requirements and fluctuating demands for Human Resources and Safety services
- Ongoing maintenance of the IT infrastructure to ensure that department requests and service levels can be met
- Meeting increased demands from internal departments to provide services within existing resources
- Continued support and training for the Public Participation process to assist departments with their interactions and involvement of citizens

KEY 2014 ACCOMPLISHMENTS

Communications Section

- Refreshed the Visual Identity Program and completed employee training
- Completion of the internal Public Participation Toolkit and associated staff training
- Introduction of and conversations with citizens on the Public Participation Handbook
- Worked with Police and Fire to develop recommendations to develop capacity and to provide timely public communication in the event of a major emergency

Human Resources Division

- Successfully promoted employee participation in Saanich wellness opportunities and in wellness programs offered through Health Care Professionals in British Columbia
- Facilitated a Health Fair at the Parks and Public Works Yard where 50 employees attended
- Conducted a joint employer and union review of the application of the CUPE Job Evaluation Plan

Information Technology Division

- Replaced 500 computers throughout the organization and upgraded all users to Windows 7 and Microsoft Office 2013
- Awarded the RFP related to the redesign of the Saanich Website and commenced work on the new look, feel and navigation

Occupational Health and Safety Division

- Completed the training initiative on compliance with WorkSafe BC's prime contractor responsibilities
- Successful completion of both an internal and external audit to achieve WorkSafe certificate of recognition in safety (prevention) and in disability management
- Completed the asbestos inventory of high priority Saanich facilities

2015 KEY PRIORITIES

Priority Strategic Initiatives include:

Service Excellence

1. Deliver the next generation of the Saanich website
2. Business technology resource planning
3. Augment information technology foundation

Priority Departmental Initiatives include:

1. Telephony system upgrade	Replacement of Saanich's telephone infrastructure which is fragile, fragmented and out of date. Addresses the potential liability of losing phone service	L2 Service Excellence
2. Benefit carrier consolidation	Conduct a comprehensive review of benefit providers in order to select a company that can provide a higher level of service to the organization for similar costs.	L2 Service Excellence P3 Provide best value for money

CORE BUDGET

The core budget for 2015 of \$4,928,400 represents an 8.91% increase over 2014. Excluding the approved resource requests, the 2015 net core budget increased 2.16% over 2014.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2013	2014	2014	2015	2015/2014	2015/2014
Corporate Services	554,400	457,700	511,600	601,500	89,900	17.57%
Human Resources	783,000	977,200	961,300	1,011,700	50,400	5.24%
Information Technology	2,959,300	3,128,200	3,052,400	3,315,200	262,800	8.61%
Occupational Health/Safety						
Revenue	(512,200)	(508,700)	(519,100)	(517,200)	1,900	(0.37%)
Expense	<u>369,400</u>	<u>496,800</u>	<u>519,100</u>	<u>517,200</u>	<u>(1,900)</u>	<u>(0.37%)</u>
Total	(142,800)	(11,900)	-	-	-	0.00%
Total	4,153,900	4,551,200	4,525,300	4,928,400	403,100	8.91%

- Corporate Services increased 17.57% due mainly to an approved one time resource request of \$50,000 for the employee survey project and enhancing the reception desk service level. The service level enhancement was funded through reallocation of existing budgets.
- Human Resources increase 5.24% due to an approved resource request for an Assistant HR Manager
- Information Technology increased 8.61% due to an increase of \$219,500 in ongoing software licencing and maintenance costs to maintain current level of systems used by the District.

Finance

The Finance Department is responsible for the overall management of the financial affairs of the municipality and the procurement of all required goods and services.

The **Accounting/Payroll Section** provides the following: accounting, audit and budgeting of over \$240 million in annual expenses and revenues; cash management of up to \$210 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 and electronic fund transfer payments and 38,000 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 1,800 staff.

BUDGET SUMMARY	
2015 Net Budget	4,122,200
2014 Net Budget	4,205,200
Budget Change	(83,000)
Change by %	(1.97%)
2015 FTE	32.44
2014 FTE	30.71
FTE Change	1.73
FTE Change %	5.63%
2014 Carbon Footprint (CO₂e)	38 Tonnes
2013 Carbon Footprint (CO₂e)	48 Tonnes
Carbon Footprint Change	(10) 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 116,100 utility bills, 42,600 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 services to all departments. Over 290 quotations, tenders and requests for proposals totalling \$40 million dollars are managed and processed in a year. The division also provides printing, mailing and courier services to the corporation with over 442,000 copies and 242,000 mail pieces processed last year.

Finance also manages the corporate Contingency & Administration Recoveries, as well as, general Government Service budgets, which contain budget items that are attributable to the whole organization such as retirement severance pay.

2015 BUDGET CHALLENGES

- Budgeting for various contingencies such as wage and benefit increases for Fire contract wage settlement for the previous and upcoming year and WCB and utility costs.

KEY 2014 ACCOMPLISHMENTS

- GFOA Financial Reporting Award received.
- GFOA Distinguished Budget Presentation Award received.
- Implementation of the new billing model for garbage charges for over 34,000 residents.
- Purchasing process improvements.

2015 KEY PRIORITIES

Priority Strategic Initiatives include:

Vibrant, Connected Economy

- Maintaining comparable taxes and fees within the Victoria Region.
- Maintaining infrastructure replacement capital spending.

Service Excellence

- Implement the corporate standardized records procedures and practices for Finance.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
3. Capital Budgeting, Monitoring and Reporting	Two year project to develop a process, with Engineering, to enhance the financial management of capital projects from inception to completion	P3 Service Excellence
4. JDE Upgrade	Planning phase of the ERP software upgrade with implementation to begin in 2016.	P3 Service Excellence
5. Implement new PSAB accounting standards	Implement the PSAB accounting standards for contaminated sites.	P2 Sustainable Environment

CORE BUDGET

The Department's total 2015 net core budget is \$4,122,200 and it represents a 1.97% decrease over prior year. Excluding contingency and government services the 2015 net core budget of \$2,315,700 is an increase of 5.53% over 2014.

Net Budget By Function	Actual 2013	Actual 2014	Budget 2014	Budget 2015	\$ Change 2015/2014	% Change 2015/2014
Accounting and Payroll	1,339,800	1,392,400	1,570,700	1,596,700	26,000	1.66%
Revenue Collections						
Revenue	(650,800)	(657,800)	(650,000)	(650,000)	-	0.00%
Expense	840,600	801,900	851,100	855,800	4,700	0.55%
Total	189,800	144,100	201,100	205,800	4,700	2.34%
Purchasing	319,600	405,000	422,500	513,200	90,700	21.47%
Total Operations	1,849,200	1,941,500	2,194,300	2,315,700	121,400	5.53%
Contingency & Administration Recoveries	658,500	(231,000)	947,400	917,500	(29,900)	(3.16%)
Government Services	1,188,100	1,119,800	1,063,500	889,000	(174,500)	(16.41%)
Total	3,695,800	2,830,300	4,205,200	4,122,200	(83,000)	(1.97%)

- Purchasing increased by 21.47% due to a conversion of a store keeper's position under Public Works to a buyer's position in Finance. The buyer will assist public works with product and service purchases and streamline their store's inventory. There is a net zero impact on taxation as this was a budget transfer.
- Contingency & Administration Recoveries decreased 3.16% due to reduction in funds set aside for higher fuel and utility costs.
- Government Services decreased 16.88% due to reduction in retirement severance funding to match actual yearly spending.
- 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.

Fiscal Services

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 2014, the total outstanding debt in the general operating fund is approximately \$21.2 million. This is projected to increase by \$6.1 million during the year, bringing total outstanding general operating debt to about \$27.3 million (\$34.9 million including utilities) by December 2015.

This remains well within guideline of a maximum of 7% of property tax revenue. This is \$7.1 million in annual debt servicing cost or about \$89 million in total debt at current rates. The total legal borrowing limit for Saanich is \$507 million.

The average homeowner's share of total outstanding debt is \$572 (\$592 in 2014).

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 capital projects through expenditure or transfer to reserves until such time as it is needed. In 2015, transfers will support critical facility and technology infrastructure.

Interest charges are projected to decrease 2.05% as new debt has lower interest payments than older maturing debt.

Royal Oak Burial Park debt servicing costs of \$62,929 per year are 100 % recovered.

CORE BUDGET

Core budget increase of 2.53% reflects the policy guideline of increasing the fiscal services budget to 7% of property tax revenue. Funds that are not needed in 2015 for debt servicing are budgeted to be transferred to capital reserves to support current and future capital asset replacement. Both the principal debt payment and interest decreased due to maturity of old debt offset by new borrowing for capital projects in 2015 and the full servicing cost of the 2014 borrowing for the greener garbage program.

BUDGET SUMMARY	
2015 Net Budget	6,780,200
2014 Net Budget	6,613,000
Budget Change	167,200
Change by %	2.53%
FTE	n/a
Carbon Footprint (CO₂e)	n/a

Net Budget By Function	Actual 2013	Actual 2014	Budget 2014	Budget 2015	\$ Change 2015/2014	% Change 2015/2014
Interest	933,000	885,900	1,222,000	1,197,000	(25,000)	(2.05%)
Principal	1,213,500	1,148,700	1,200,400	1,143,800	(56,600)	(4.72%)
Transfer to Capital Reserves	3,824,500	3,890,000	4,190,600	4,439,400	248,800	5.94%
Total	5,971,000	5,924,600	6,613,000	6,780,200	167,200	2.53%

Legislative Services

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

The **Lands Division** acquires, manages, and disposes of real property on behalf of the Municipality. The Division negotiates, prepares and registers Municipal rights-of-way, and supports the subdivision process. 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** promotes 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.

The **Strategic Planning Section** manages and supports the strategic planning and progress reporting processes, providing corporate advice and coordination on reporting for the past year, implementation in the current year, and planning for future years. The Section also undertakes other corporate initiatives such as the citizen and business surveys which provide feedback to help guide corporate decision making.

BUDGET SUMMARY	
2015 Net Budget	2,525,000
2014 Net Budget	2,732,700
Budget Change	(207,700)
Change by %	(7.60%)
2015 FTE	19.81
2014 FTE	19.44
FTE Change	0.37
FTE Change %	1.90%
2014 Carbon Footprint (CO₂e)	35 Tonnes
2013 Carbon Footprint (CO₂e)	59 Tonnes
Carbon Footprint Change	(24) Tonnes

2015 BUDGET CHALLENGES

- Implementing the Document and Information Management Strategy in a timely manner.

KEY 2014 ACCOMPLISHMENTS

- Acquired lands for capital infrastructure projects such as the future Wilkinson Road upgrade, and for parks and natural areas expansion including Kings Pond Park and Lambrick Park.
- Conducted the local government elections, implementing the following components of the elections future strategy: increased voting opportunities; individual voter cards; new election technologies.
- Continued work on the multi-year initiative “Saanich Remembers World War One”, to commemorate the men and women of Saanich who served in the First World War.
- Held a construction risk management workshop for engineering, public works, and parks employees.
- Led a review of the following two components of the strategic plan: corporate theme introductions and mid-range indicators.

2015 KEY PRIORITIES

Priority Strategic Initiatives include:

Service Excellence

- Complete the roll out of the corporate classification and retention schedule as a key component of the Document and Information Management Strategy. Begin project planning for the next phase of the Strategy set to start in 2016 which focuses on a restructure of the local area network and implementation of a corporate electronic document management system.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Surveys	Coordinate and conduct the 2015 citizen and business surveys	C1 Healthy Community
2. Web Streaming	Deliver recommendations on web streaming Council meetings to increase public information and accessibility	C1 Healthy Community

CORE BUDGET

The Department's 2015 net core budget of \$2,525,000 represents a 7.60% decrease over 2014. Excluding elections and resource request, the 2015 net core budget would have increased 1.38% over 2014.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2013	2014	2014	2015	2015/2014	2015/2014
Legal Services	424,600	526,500	410,200	415,400	5,200	1.27%
Strategic Planning	104,000	110,100	144,500	150,400	5,900	4.08%
Legislative	773,600	743,200	809,900	872,400	62,500	7.72%
Elections	-	192,600	285,200	-	(285,200)	100.00%
Archives	191,700	182,700	180,000	183,700	3,700	2.06%
Risk Management	307,400	284,400	276,000	280,400	4,400	1.59%
Insurance & Claims	476,400	678,600	610,600	610,600	-	0.00%
Lands/Property Management						
Revenue	(644,700)	(609,500)	(593,600)	(553,400)	40,200	(6.77%)
Expense	600,600	545,600	609,900	565,500	(44,400)	(7.28%)
Total	(44,100)	(63,900)	16,300	12,100	(4,200)	(25.77%)
Total	2,233,600	2,654,200	2,732,700	2,525,000	(207,700)	(7.60%)

- Strategic Planning increased 4.08% due to wage increments and the transfer of operating costs from Legal Services and Lands/Property Management.
- Legislative increased 7.72% due to an approved resource request for an Information and Privacy Officer/Records Manager.
- Elections costs were funded from prior year surpluses and its removal from budget this year does not impact property taxes.

Police Services

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

The police department consists of the Office of the Chief Constable overseeing the following divisions: Administration, Community Engagement, Detectives, Patrol, Professional Standards, and Staff Development.

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 engagement in 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	
2015 Net Budget	30,187,200
2014 Net Budget	28,067,500
Budget Change	2,119,700
Change by %	7.55%
2015 FTE	243.43
2014 FTE	237.33
FTE Change	6.10
FTE Change %	2.57%
2014 Carbon Footprint (CO₂e)	592 Tonnes
2013 Carbon Footprint (CO₂e)	596 Tonnes
Carbon Footprint Change	(4) Tonnes

2015 BUDGET CHALLENGES

- The 2015 budget is focused on increasing the operating accounts to necessary levels by providing adequate funding for known expenses. The challenge for 2015 is to continue the strategic momentum and focus on the *Key Strategic Priorities* as set out in the 2012-2016 Strategic Plan, without new funding for staff. Meeting this challenge will allow the financial focus to be centered on securing adequate funds for operating accounts.
- CREST infrastructure is being renewed throughout the Capital Regional District. The cost of the renewal is being shared among all contributing agencies and will require significant additional funding within the police budget to replace the existing hardware and address operating costs.
- Police require additional facilities to bridge the gap while waiting for public safety building remediation. This will impact operating costs and require capital asset strategies to provide sufficient equipment for police operations.
- Reserve accounts are required to maintain fleet and information technology replacement programs.
- Changes to the Integrated Tech Crimes Unit require Saanich Police to invest in both hardware and operating costs to maintain this function.

KEY 2014 ACCOMPLISHMENTS

- In 2014, management, staff, and the Board developed a restructuring strategy that would allow for continued work toward the Strategic Plan key strategic priorities. The restructuring plan leverages resources assigned to the Regional Crime Unit, both staff and financial, and reallocates them to other roles and functions.
- Engagement initiatives amongst community, youth and seniors were a success in 2014:
 - Community engagement: 16 new Block Watch neighbourhoods, 5 new participants to the Business Watch Program, and 3 new buildings to the Crime Free Multi Housing program were added.
 - Youth engagement: Saanich Police collaborated with the Big Brothers and Big Sisters In-School Mentoring Program, a group at Reynolds Secondary, and after-school teen centers. Further relationships were established with community partners in the Criminal Youth Justice System, School Districts, and Ministry of Child and Family Development. Two newly appointed Youth Officers in the School Liaison Section will continue to foster these relationships in 2015 by focusing on identifying youths at risk, developing strategies and identifying resources to assist youths.
 - Senior engagement: Police and senior interactions were increased through the addition of senior centre engagement by School Liaison Officers. Furthermore, the Crime Prevention Constable and Sergeant attended 9 presentations to seniors groups, educating this vulnerable sector of the community on how to protect themselves against financially based frauds.
- Saanich Police Department has endeavoured to become a more inclusive and culturally welcoming environment by providing a variety of multilingual brochures at the front counter of the police department. These efforts have been strengthened through Saanich Police participation on the Greater Victoria Police Diversity Advisory Committee, and exceptional representation from Saanich Police and mascot “Ace” at a number of diversity and cultural events in 2014.
- Saanich Police continues to develop capacity in emergency disaster response as they move toward creating a holistic response to disaster in our community. Saanich Police has a presence at the Regional Emergency Planners Advisory Commission (REPAC), attended by a member presently completing graduate education in disaster and emergency management. Working closely with Saanich Fire Department, evacuation plans and Departmental Operations Centre (DOC) plans are slated for completion in 2015.
- In response to increased demands for the services, the Family Protection Unit (FPU) expanded from 4 to 5 personnel in 2014. This staffing level increase was achieved through realignment in order to increase capacity, improve service delivery, and better serve the community.
- A business process review was conducted over the last year in the Administrative Division resulting in the reallocation of personnel in the records section and improvements in the criminal records check process.

2015 KEY PRIORITIES

Priority Strategic Initiatives Include:

- Improve transportation safety at high risk intersections
- Improve service delivery with organizational restructuring
- Continue engagement with the community by expanding the use of volunteers in the delivery of a variety of programs
- Develop and implement a response protocol to engage and support at-risk youth
- Develop Departmental Operations Centre and response and evacuation plans
- Continue developing relationships with and ensuring the homeless are safe
- Continue working with regional partners exploring opportunities to improve effectiveness and efficiency through further integration

Priority Departmental Initiatives include:

Item	Description	Supports Corporate Strategic Plan
1. Road Safety Initiatives	The Traffic Safety Unit will work with ICBC to reduce the frequency and severity of crashes by targeting locations that experience the highest volume and most severe crashes, and those that result in the greatest injuries.	C6 Safe Community
2. Organizational Restructuring	A restructuring plan was developed in 2014 in consultation with staff. This plan was presented to and endorsed by the Saanich Police Board. Restructuring will commence in the second quarter of 2015 with the goal of creating an environment that allows for more effective and efficient delivery of services.	C6 Safe Community
3. Building Space Acquisition	The facility needs assessment conducted in 2008 identified a requirement for both improved and critically needed additional space for police operations. A commitment has been made by the Police Board and Saanich Council to fund additional space. The objective is to have appropriate functions moved into new building space by the end of the second quarter in 2015.	C6 Safe Community
4. Research Informed - Evidence Based Decisions	Police accountability requires a reliance on research based evidence to make decisions regarding resource allocation, including staff, finances, and programs. In 2014, Phase 1 of the expansion to the Research Office of the Professional Standards Division was implemented, which will allow for evidence-based research. In 2015, decisions and initiatives will benefit from the increased capacity to both implement and evaluate programs.	C6 Safe Community
5. Community Engagement Initiatives	An effective Block Watch program can create an environment that allows the community to accept the responsibility of working in partnership to reduce crime and build safer neighbourhoods. Block Watch neighbourhoods have historically enjoyed lower property crime rates and stronger relationships with their neighbours. To enhance these benefits and further reduce crime, Saanich Police will focus on increasing the number of participants in the Block Watch, Crime Free Multi-Housing, and Business Watch Programs.	C6 Safe Community

6. Youth at Risk	Youth-related crime requires focused attention, resources and intentional strategies to ensure that police are able to protect youth and hold them accountable when necessary. In 2015, Youth Officers will work with the School Liaison Officers with a focus on “potentially high risk youth” and collaboration with community partners to develop and implement a response protocol to engage and support young people who may be at risk.	C6 Safe Community
7. Integration Opportunities	Saanich has a long history of collaboration and integration with regional partners to provide the highest level of police services. Opportunities identified in 2014 will continue to be explored with our regional partners in 2015 to determine the viability of further integration.	C6 Safe Community
8. Emergency Operations / Evacuation Plans	Departments within the Municipality are tasked with preparing individual plans for Departmental Operations Centres that will complement the Municipal Emergency Operations Centre (EOC) plan. The Saanich Police will develop a DOC and response and evacuation plans with the assistance of work done by the Saanich Fire Department.	C6 Safe Community
9. Crime Stoppers	In 2014 Saanich Police assumed responsibility for the Greater Victoria Crime Stoppers program. This presents an opportunity to refresh the program and maximize its benefits to police and the community. The program will be expanded and promoted in communities south of Duncan. This will include reaching out to citizens of all ages including youth, vulnerable sector groups, elderly/seniors, and other community groups. There will be an additional focus on the website, social media, and community events.	C6 Safe Community
10. Care of the Homeless	Homeless issues are present in many areas of Saanich. There are marginalized members of our community who need attention to ensure their safety in respect to the basic necessities of life. The Bike Squad will continue to patrol areas of Saanich where homeless persons live and sleep. By relying on the trusting and professional relationships they have developed with the homeless, the Bike Squad will ensure they are safe, warm, fed and, where appropriate, will assist them in finding adequate and legal shelter and income.	C6 Safe Community

CORE BUDGET

The Saanich Police Board 2015 net core budget is \$30,187,200 which represents a 7.55% increase over 2014.

Net Budget By Function	Actual 2013	Actual 2014	Budget 2014	Budget 2015	\$ Change 2015/2014	% Change 2015/2014
Executive Administration						
Revenues	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	-	0.00%
Expenses	<u>3,014,900</u>	<u>3,282,300</u>	<u>3,166,100</u>	<u>4,002,700</u>	<u>836,600</u>	<u>26.42%</u>
Total	1,514,900	1,782,300	1,666,100	2,502,700	836,600	50.21%
Staff Development	783,200	841,800	768,400	859,600	91,200	11.87%
General Administration	5,012,400	5,253,600	5,253,200	5,669,700	416,500	7.93%
Uniform Division	10,837,000	11,585,100	11,525,200	12,212,200	687,000	5.96%
Community Liaison	1,898,000	2,006,100	2,034,100	2,400,200	366,100	18.00%
Detectives	5,672,300	6,470,100	6,287,000	6,542,800	255,800	4.07%
Secondments	633,300	603,900	533,500	-	(533,500)	(100.00%)
Total	26,351,100	28,542,900	28,067,500	30,187,200	2,119,700	7.55%

- Traffic fine revenues are received as an unconditional grant to defray the cost of police services
- Executive Administration increased 26.42% due mainly to \$133,000 increase in IT licensing and servicing agreements, \$122,000 increase in general operating costs and \$445,000 addition to the reserve for Technology and Fleet replacement. The remaining 4.28% increase is due to wage increments and increase of a .34 FTE in admin staffing through the allocation of funds from the Regional Crime Unit.
- Staff Development increased 11.87% due to wage increments and the increase of \$70,000 in course registration, travel and accommodations costs.
- General Administration increased 7.93% due to wage increments, increase of \$94,600 in CREST fees and the addition of 1.35 FTEs one sergeant and two cadets (partial year) through the allocation of funds from the Regional Crime Unit.
- Uniform Division increased 5.96% due mainly to increase in wages, the addition of \$143,000 in operating costs such as vehicle maintenance, fuel and insurance cost and one time resource funding for recruits and maternity coverage.
- Community Liaison increased 18.00% due mainly to addition of 2.5 FTEs, of which two are in School Liaison one .5 in Block Watch, and wage increments. Funding for the FTE increases were achieved through restructuring and allocation of funds from the Regional Crime Unit.
- Detectives increased 4.07% due to wage increments and the addition of \$56,500 in operating costs.
- With the elimination of the Regional Crime Unit the Secondments net budget of \$533,500 was reallocated to cover the costs of FTE increases in other divisions.

Fire Protection

The Saanich Fire Department provides high quality, efficient and caring emergency response, fire prevention and life-safety education services to the District of Saanich.

Saanich Fire responds to a range of emergency incidents including fire suppression, medical response, vehicle extrication, land and marine rescue, mutual aid requests, hazardous materials incidents and requests for public service.

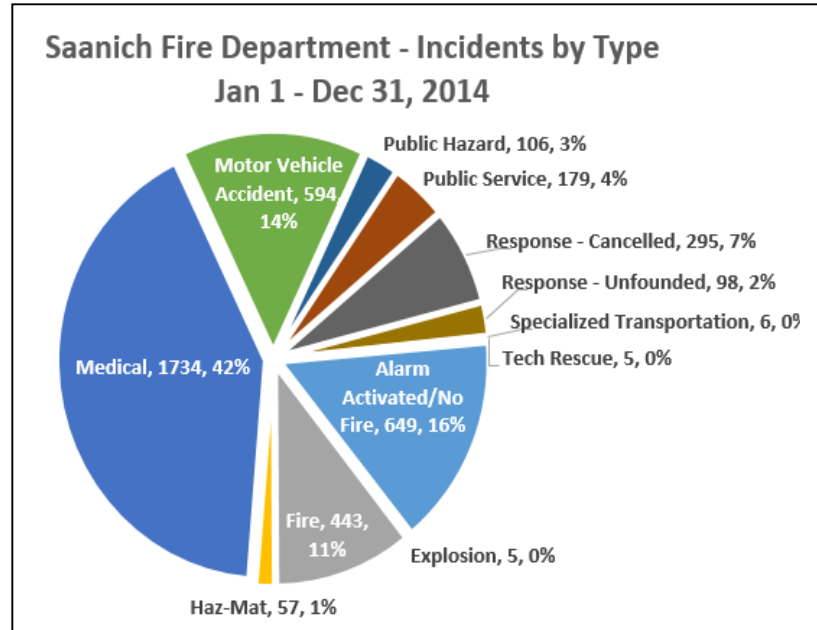
The department also provides fire safety inspections, public education, fire apparatus, mechanical and high angle rescue services. Fire dispatch services, including emergency and non-emergency call receiving, processing and dispatching are provided to seven client municipalities.

The department employs 121.5 uniformed personnel and 7 support staff working out of three fire stations.

BUDGET SUMMARY	
2015 Net Budget	15,003,700
2014 Net Budget	14,673,200
Budget Change	330,500
Change by %	2.25%
2015 FTE	125.50
2014 FTE	124.25
FTE Change	1.25
FTE Change %	1.01%
2014 Carbon Footprint (CO ₂ e)	202 Tonnes
2013 Carbon Footprint (CO ₂ e)	204 Tonnes
Carbon Footprint Change	(2) Tonnes

FIRE DEPARTMENT STATISTICAL SUMMARY

Population served	109,752
Protection area in square kilometers	103.43 (est)
Incident responses	4,171
Emergency incident responses	3,420
Number of fire related	Fatalities: 1 Injuries: 8
Total dollar fire loss (est)	\$3,005,400
Public building inspections	2,982
Incidents dispatched (Saanich and clients)	11,100



2015 BUDGET CHALLENGES

- **Stations and Facilities:** Fire station maintenance and the department's medium and long term infrastructure needs.
- **Infrastructure:** CREST infrastructure is being renewed throughout the Capital Regional District. The cost of the renewal is being shared among all contributing agencies and will require significant additional funding within the fire budget to replace the existing hardware and address operating costs.
- **Fire Labour Contract:** Fire labour contract ended December 31, 2011. The Fire budget does not reflect contract changes or adjustments beyond the 2011 agreement. Contingencies are established under the Finance contingencies section.
- **Technology:** Increased use of technological solutions require ongoing maintenance, support and replacement.

KEY 2014 ACCOMPLISHMENTS

- **Suppression/Rescue:** 3,420 incidents for fire, medical, motor vehicle incidents, marine, hazardous materials and technical rescues where 90% of the time the first apparatus arrived within 8 minutes of the request for service
- **Fire Inspections:** 2,982 public building inspections completed, 540 pre-fire and new construction plans reviewed and 500 oil burner and tank inspections carried out.
- **Community Safety:** Fire Department staff installed 52 smoke alarms for residents requesting assistance as part of the department's ongoing public safety program to have a working smoke alarm in every home.
- **Public Education:** 77 fire and life-safety programs provided to more than 10,750 participants of all ages (i.e. Learn Not to Burn).
- **Community Outreach:** Suppression/Rescue attended 31 community events and provided 52 fire station tours attended by 1,800 participants.
- **Saanich Command Vehicle:** Received delivery of new state-of-the-art emergency command vehicle to enhance emergency response and communications. Deployment training and procedures prepared jointly with Police.
- **Joint Fire/Police Investigation Protocol:** Collaboratively established guidelines for callout of Fire and Police investigators for suspicious fires and explosions.
- **Fire Department Open House:** Over 500 people attended the Department's Open House on September 13, 2014 at Station No. 2 (Royal Oak) which included tours of the Saanich Command Vehicle, an impressive kitchen fire demonstration as well as a variety of information and apparatus displays.
- **Fire Fighter Recruitment:** Completed a four month, eight stage recruitment competition, selection and training process. Eight fire fighters were hired, oriented and trained to fill positions resulting from retirements and Suppression/Rescue staffing changes.
- **Oil Tank Bylaw Update:** To further reduce the risk of accidental oil spills and contamination from oil fuel tanks, Oil Burning Equipment and Flammable Liquid and Combustible Liquid Fuel Tank Bylaw No. 9265, was revised to include more stringent requirements regarding the installation, removal and inspection of oil burning equipment and fuel tanks.
- **Fire Station Renovations:** Plans have been developed for No. 3 Fire Station improvements to sustain Fire infrastructure and accommodate workplace and staffing requirements.
- **Respectful Workplace:** Revised policy implemented which included eight information sessions provided to members in partnership with Human Resources and IAFF Local 967. Policies developed and implemented to support mixed gender in all workplaces; additional fire station improvements are required to support a mixed gender environment.
- **Internal Communication:** Improved department communications and information sharing through implementation of Fire intranet site.

2015 KEY PRIORITIES

Priority Strategic Initiatives include:

Safe Community

- **Increase municipal emergency management capabilities.** Work with Police, Public Works and Corporate Services to develop and implement a strategy to provide timely public communications in a major emergency. The strategy will include the effective use of social media and the municipal website to engage the community and allow for the sharing and dissemination of vital information.
- **Migrate to Industry Canada’s dedicated public safety radio frequencies.** Work collaboratively with Capital Region Emergency Services Telecom (CREST) to support a safe and effective transition to a Project 25 standard technology platform for emergency communications which will support all emergency communications for Saanich Fire, Police and its dispatch clients.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Emergency Management	Increase municipal emergency management capabilities. Work with Police, Public Works and Corporate Services to develop and implement a strategy to provide timely public communications in a major emergency. The strategy will include the effective use of social media and the municipal website to engage the community and allow for the sharing and dissemination of vital information.	C6 Safe Community
2. Emergency Management	Migrate to Industry Canada’s dedicated public safety radio frequencies. Work collaboratively with CREST to support a safe and effective transition to a Project 25 standard technology platform for emergency communications which will support all emergency communications for Saanich Fire, Police and its dispatch clients.	C6/F4 Safe Community
3. Emergency Operations Support Capacity	Support electronic shift scheduling, callbacks and payroll processing through implementation of Telestaff software.	C6 Safe Community
4. Emergency Operations Support	Carry out a space needs analysis and review of fire stations and facilities to identify short and long term infrastructure needs and funding requirements.	F4 Safe Community
5. Community Engagement and Education	Deliver community fire extinguisher education programs. To increase public safety and participation, prepare a fire extinguisher education program which can be delivered to a wide audience in a variety of locations.	C6 Safe community P1 Continue Community Engagement
6. Community Engagement and Education	Attract and retain a skilled workforce that reflects the community it serves. Identify outreach opportunities to recruit and encourage people of diverse backgrounds to apply to the fire department.	L1 Safe Community

7. Emergency Response and Deployment	Reduce incident response turnout times through the development of an electronic fire department mapping system.	C6 Safe Community
8. Emergency Response and Deployment	Update preplanning software for continued incident response and deployment use on front line fire apparatus.	C6 Safe Community
9. Emergency Operations Support Capacity	Improve wireless network capability at Fire Stations No. 2 and 3 in conjunction with planned traffic signal upgrade which includes installation of wireless broadband antenna.	C6/F4 Safe Community

CORE BUDGET

The Department's 2015 net core budget of \$15,003,700 represents a 2.25% increase over 2014.

Net Budget By Function	Actual 2013	Actual 2014	Budget 2014	Budget 2015	\$ Change 2015/2014	% Change 2015/2014
Administration	1,078,200	1,163,700	1,159,900	1,257,900	98,000	8.45%
Suppression and Rescue	10,235,700	10,650,100	10,716,900	10,871,400	154,500	1.44%
Dispatch						
Revenues	(495,800)	(518,000)	(510,700)	(528,400)	(17,700.0)	3.47%
Expenses	<u>1,274,100</u>	<u>1,328,800</u>	<u>1,364,300</u>	<u>1,388,000</u>	<u>23,700</u>	<u>1.74%</u>
Total	778,300	810,800	853,600	859,600	6,000	0.70%
Prevention	742,000	792,400	759,200	763,400	4,200	0.55%
Staff Development	356,200	376,400	390,400	392,100	1,700	0.44%
Equipment Maintenance	768,300	778,100	719,200	783,000	63,800	8.87%
Building Maintenance	112,300	91,500	74,000	76,300	2,300	3.11%
Total	14,071,000	14,663,000	14,673,200	15,003,700	330,500	2.25%

- Administration increased 8.45% due to wage increments, an increase in CREST levy and full costing of the remaining 33% of wages for a deputy fire chief position which was being funded through departmental surplus for the past three years.
- Equipment Maintenance increased 8.87% due to increases in supplies and the addition of operating costs for the new Saanich 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 administration of Saanich's Emergency Program. The program provides for continuity in government and preservation of life and property through a coordinated response by elected officials, municipal departments, volunteer services and outside agencies who are 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.

Complementing the Emergency Program and Saanich's emergency response and recovery capacity are more than 180 municipal staff trained in Emergency Operations Centre (EOC) response procedures. There are also 109 Emergency Program volunteers in three emergency response divisions. Services provided to the community by Emergency Program volunteers include emergency social services, search and rescue, emergency communications, and neighbourhood emergency preparedness.

BUDGET SUMMARY	
2015 Net Budget	394,700
2014 Net Budget	363,800
Budget Change	30,900
Change by %	8.49%
2015 FTE	3.00
2014 FTE	2.77
FTE Change	0.23
FTE Change %	8.30%
Carbon Footprint (CO₂e)	n/a

2015 BUDGET CHALLENGES

- **Volunteer Management:** Providing volunteer training programs to meet current standards.
- **Urban Search and Rescue:** Limited ability to develop services such as urban search and rescue.

KEY 2014 ACCOMPLISHMENTS

- **Emergency Management Training:** 180 municipal staff provided with Emergency Operations Centre and/or Incident Command System training.
- **Community Engagement and Education:** A total of 68 community presentations were provided to 2,027 citizens, including 29 emergency preparedness presentations to 936 Saanich Grade 4 students, 25 Neighbourhood Emergency Preparedness presentations attended by 580 citizens and 14 presentations to 511 businesses, community groups and associations.
- **Community Outreach:** Emergency Program staff and volunteers attended 10 community events and information sessions in Saanich.
- **Emergency Program Specialist:** Increased emergency program capacity in areas of volunteer management and emergency planning and response capabilities through restructuring of staff positions.
- **Search and Rescue Vehicle:** Replaced primary Search and Rescue (SAR) vehicle to support safe and reliable SAR responses for volunteers.
- **Emergency Operations Centre (EOC) Technology:** Upgraded audio/visual and communications technology in the EOC to support training and EOC activations.

2015 KEY PRIORITIES

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Emergency Management Training	Coordinate and support Emergency Operations Centre (EOC) and Incident Command System (ICS) training and exercises for municipal staff assigned to the EOC and working at key municipal facilities	C6 Safe Community L1 Develop and Retain a Skilled Municipal Workforce
2. Emergency Management Systems	Support municipal departments to develop and implement Department Operation Centre (DOCs) plans to operate during an emergency.	C6 Safe Community
3. Emergency Management Systems	Review and update the Municipal Emergency Response and Recovery Plan and incorporate use of DOCs.	C6 Safe Community
4. Emergency Management Systems	Expand the use of GIS mapping to include hazard risk vulnerability assessment mapping and other key information to support emergency response and recovery activities for the EOC and Saanich Command Vehicle.	C6 Safe Community
5. Emergency Management Systems	Develop an evacuation plan to support municipal response agencies.	C6 Safe Community
6. Emergency Management Systems	Develop a municipal Rapid Damage Assessment (RDA) process to support post disaster response and recovery.	C6 Safe Community
7. Emergency Program Strategic Plan	Complete four Emergency Program Strategic Plan priorities in 2015 and 2016.	C6/F4 Safe Community
8. Neighbourhood Emergency Preparedness Program	Establish partnerships with community organizations, schools, businesses and government.	C6 Safe Community P1 Continue Community Engagement
9. Emergency Management Systems	Enhance municipal emergency management capabilities through joint partnerships	C6 Safe Community P1 Continue Community Engagement

CORE BUDGET

The Department's 2015 net core budget of \$394,700 represents an 8.49% increase over 2014.

Net Budget By Function	Actual 2013	Actual 2014	Budget 2014	Budget 2015	\$ Change 2015/2014	% Change 2015/2014
Program Administration	333,600	325,500	342,300	373,200	30,900	9.03%
Training Programs	18,600	(500)	15,100	15,100	-	0.00%
Neighbour Helping Neighbour	7,400	5,900	6,400	6,400	-	0.00%
Total	359,600	330,900	363,800	394,700	30,900	8.49%

- Program Administration increased by 9.03% due to reallocation of overtime budget from Fire Suppression and Rescue to fund an increase of hours for the ESS Coordinator position.
- Fire labour contract ended December 31, 2011. Neither budget columns reflect any labour contract increases beyond that date.

Planning and Inspections

The Planning Department is comprised of five Divisions: Community Planning; Current Planning; Environmental Services; Sustainability and Climate Change; and Building Inspections and 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 2014, 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 2014, 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 2014, 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 2014, 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 2013. 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 the only possible large scale project in 2015 would be phase 3 of *Uptown*, subject to market conditions. However, a continued and steady level of mid-size and smaller project activity is anticipated. Four multi-family building permits were issued in 2014, a decrease from 2013, when ten multi-family building permits were issued. It is anticipated that a modest increase in multi-family residential development will occur in 2015.

Subdivision activity was similar between 2013 and 2014. There were 19 applications received in 2014 representing 25 potential new lots. At the present time, there are 64 active subdivision applications in total under review representing 102 potential new lots. It is expected that the trend towards a greater number of small 2-lot style applications will continue.

BUDGET SUMMARY	
2015 Net Budget	2,516,500
2014 Net Budget	2,401,200
Budget Change	115,300
Change by %	4.80%
2015 FTE	46.61
2014 FTE	45.61
FTE Change	1.00
FTE Change %	2.19%
2014 Carbon Footprint (CO₂e)	60 Tonnes
2013 Carbon Footprint (CO₂e)	78 Tonnes
Carbon Footprint Change	(18) Tonnes

In 2015 subdivision applications are expected to be consistent with 2014 figures. Rezoning and major project applications in 2015 are expected to be similar to the volume experienced in 2014.

2015 BUDGET CHALLENGES

- Challenges continue to exist around balancing demand and service expectations, with available capacity. Demand and service expectations relate to both: development applications and inspections; and long range planning initiatives such as environmental protection and mitigation, community planning, Climate Change and sustainability. While stream-lining processes, support from volunteers and consultants, and obtaining external grant funding, does and will continue to play an important role in realizing these services goals, juggling priorities and adjusting desired timelines will continue to be a reality.

KEY 2014 ACCOMPLISHMENTS

- Completed the secondary suites initiative North of McKenzie Avenue, resulting in a significant expansion of the areas within Saanich where suites are permitted. Suites play a key role in stabilizing Saanich's and the Region's affordable rental housing stock. Such units can provide supportive housing for friends/extended family members in need of care or assistance. Suites also work to make a home purchase by young couples/families, and home retention by aging seniors, relatively more affordable.
- Implemented an energy management program into Saanich building operations. This involved development of a Strategic Energy Management Plan (SEMP), completion of energy studies for the municipal recreation centres and Saanich Municipal Hall and development of a 2015 energy efficiency implementation plan. Estimated improvements include: Energy and maintenance cost savings of \$250,000 per year; and Building energy savings of 1.3 Million kWh (4% of total building energy use).
- Completed the Draft Shelbourne Valley Action Plan, which is currently before Council for review and consideration. Once finalized this document will assist the public, landowners, Council, staff and other stakeholders in achieving short, mid and long range goals and objectives for this transit oriented - complete community.
- Held Planning "101 Workshops" and general discussions with Community Associations. The goal of these annual or bi-annual meetings is to: share information on what the Department is working on; provide a re-fresher on planning processes and how the public can get involved; and hear from residents on issues/opportunities they are experiencing/considering in their neighbourhood.
- The public participation phase related to the development of a new Noxious Weeds Bylaw was completed. This involved over a year of displays, open houses, focus groups, and a survey. In addition, an online compendium of environmental Best Management Practices for staff use, an electronic referral system, and training for staff was also undertaken.
- A new Building and Plumbing Bylaw was drafted. The existing bylaw was adopted in 2005. Since then two updates to the BC Building Code have taken place. The new Building and Plumbing Bylaw will update a number of administrative procedures and align it with the requirements of the current version of the BC Code. The proposed revisions to the Bylaw will be brought forward to Council for review and consideration early in 2015.
- Saanich Planning staff in conjunction with the City of Victoria staff, participated in the Capital Regional District study regarding sea-level rise and potential impacts. The study has provided valuable mapping noting vulnerable areas and potential economic consequences. The project also provides the necessary background information to support development of future policy and land use regulations related to mitigation.

2015 KEY PRIORITIES

Priority Strategic Initiatives include:

- **Implementing key initiatives from the Climate Change Adaptation Plan.** Saanich is committed to responding and adapting locally and regionally to climate change. As always, staff focus is on both Corporate and Community initiatives, and mitigation and adaptation measures.
- **Commencing multi-year program to update the 12 Local Area Plans.** The 12 Local Area Plans (LAPs), which form part of and work in tandem with the OCP, are intended to capture issues unique to Saanich neighbourhoods. Beginning in 2015 a multi-year program will be developed to update the LAPs, incorporating new policies, procedures and legislation, and addressing neighbourhood concerns and objectives.
- **Commencing the Public Engagement Phase of Douglas Corridor and Uptown Centre Planning Study.** The review of the Douglas Corridor and Uptown Centre will help focus effort on promoting the best long term use of the area and will take advantage of the momentum created by new development. In 2014, work was undertaken on required background research, mapping and area analysis to support community consultation work. In 2015 public engagement will take place along with drafting of the document for initial feedback by the public committees of Council and Council. It is anticipated that the formal review of the final draft of the document by Council would occur late 2016.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Environmentally Sensitive Areas (ESA) Atlas Update	Work will be undertaken to incorporate new ESA inventory and the Provincial mapping information regarding Coastal Douglas Fir. The updated ESA Atlas will be brought forward to Council in 2015 for review and consideration. This would be the 4 th Edition of the ESA Atlas	C4 Sustainable Environment
2. Review of Development Applications, overseeing the construction of new Buildings and enforcing Council Bylaws.	A significant portion of the Department's work revolves around the daily activities related to building and maintaining a healthy community. The ongoing review of how we can continually improve the delivery of these services is a key part of this work.	C2 Healthy Community

CORE BUDGET

The Department's 2015 net core budget of \$2,516,500 represents a 4.80% increase over 2014. Gross expenditure increased by 2.63% over 2014.

Net Expenditure By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2013	2014	2014	2015	2015/2014	2015/2014
Planning Administration	594,200	559,800	579,600	592,700	13,100	2.26%
Environmental Services	365,700	365,500	352,900	360,800	7,900	2.24%
Community Planning	648,100	644,100	664,800	687,600	22,800	3.43%
Current Planning						
Revenues	(160,500)	(84,500)	(110,000)	(110,000)	-	0.00%
Expenses	<u>487,000</u>	<u>471,300</u>	<u>482,500</u>	<u>505,200</u>	<u>22,700</u>	<u>4.70%</u>
Total	326,500	386,800	372,500	395,200	22,700	6.09%
Subdivision						
Revenues	(63,900)	(45,100)	(59,100)	(59,100)	-	0.00%
Expenses	<u>199,300</u>	<u>191,400</u>	<u>240,600</u>	<u>252,400</u>	<u>11,800</u>	<u>4.90%</u>
Total	135,400	146,300	181,500	193,300	11,800	6.50%
Inspections						
Revenues	(2,596,600)	(1,615,000)	(1,814,000)	(1,814,000)	-	0.00%
Expenses	<u>1,668,400</u>	<u>1,664,000</u>	<u>1,684,500</u>	<u>1,714,600</u>	<u>30,100</u>	<u>1.79%</u>
Total	(928,200)	49,000	(129,500)	(99,400)	30,100	(23.24%)
Bylaw Enforcement	410,800	374,500	379,400	386,300	6,900	1.82%
Total	1,552,500	2,526,000	2,401,200	2,516,500	115,300	4.80%

- Community Planning increased 3.43% due to wage increments offset by the reallocation of budget to Current Planning.
- Current Planning expenses increased 4.70% due to wage increments and reallocation of budget from Community Planning.
- Subdivision expenses increased 4.90% due to wage increments.

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 the processing, approving and inspecting all works installed by private developers that become municipal property, and 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 shelters, residential refuse collection, leaf pick up, roadside litter control, garden waste drop off and disposal, storm drainage, creeks and waterways maintenance, wastewater collection including sewer lift station maintenance, water main and service repair and replacement, hydrant, valve and meter maintenance, water sample collection and testing, and the maintenance of six finished water reservoirs and 30 pressure regulating stations. Management of materials in our Stores section, Fleet services, and Administration round out the Public Works functional responsibility.

BUDGET SUMMARY	
2015 Net Budget	12,222,200
2014 Net Budget	11,976,200
Budget Change	246,000
Change by %	2.05%
2015 FTE	183.28
2014 FTE	182.55
FTE Change	0.73
FTE Change %	0.40%
2014 Carbon Footprint (CO₂e)	1659 Tonnes
2013 Carbon Footprint (CO₂e)	1295 Tonnes
Carbon Footprint Change	364 Tonnes

2015 BUDGET CHALLENGES

- Ensure the effective and efficient delivery of Tillicum-Carey-Glanford Complete Street Upgrade project. Due to the size and significance of the traffic impacts, making sure the project is on time and on budget is vital to the success of the project.
- Service levels for annual maintenance programs such as roadside sweeping, graffiti removal and litter control are stretched to meet public expectation.
- Illegal dumping throughout the municipality is increasing beyond the ability to manage with current resources.

KEY 2014 ACCOMPLISHMENTS

Engineering Design -- Transportation

- The replacement of the 80 year old Craigflower Bridge over the Gorge waterway was completed in 2014. The 20 span timber trestle was replaced with a modern 4 span steel and concrete structure designed to last 75 years and survive a major earthquake. Carrying 18,000 vehicles per day including 2,000 trucks, the new bridge includes bike lanes, widened sidewalks, LED lighting, storm water management, and many traffic safety improvements.
- Upgrades to the McKenzie Avenue corridor were completed in 2014 from Shelbourne Street to Finnerty Road in cooperation with the University of Victoria's CARSA Building Construction. Highlights of this project include 4.2km of new bike lanes and multi-use trails, replacement of the traffic signal at Finnerty and Sinclair with a roundabout, storm water management, and planting of over 200 new boulevard trees.
- Construction was initiated on the Cook Street Complete Street Project which is expected to be completed in the spring of 2015. This project includes 1.7km of new sidewalks and cycle track along with storm water management, new underground municipal utilities and various traffic safety improvements. The project will provide a key cycling connection between the cycling network in the City of Victoria and the Saanich Core Area.

Engineering Design – Underground Services

- Replacement of the 65 year old Rithet Reservoir is expected to be completed in April, 2015. The new 17,600 cubic meter reservoir will be seismically upgraded and able to serve as a temporary water source in the event of a major earthquake. It also serves as a key part of the water distribution system that supplies drinking water to approximately 60,000 residents. The new reservoir is designed to be integrated into the surrounding landscape, with features such as partial burial of the building, installation of green walls and planting of native species.
- In the fall of 2012 and 2013, farmers along Durrell Creek experienced extended high water levels in the creek which impacted their harvesting. Excessive sedimentation and vegetation growth downstream of Interurban Road were identified as the cause of the high water levels. Last summer this portion of Durrell Creek was successfully cleaned by Saanich crews during the Fisheries window.

Engineering Development Services

- Continued to process, review, approve and inspect development projects, utility improvements and a variety of permits.
- Continued to update the GIS and to provide information to staff and the public on our infrastructure.

Engineering Facility Operations

- Worked with the Fire Department on renovations to Fire Hall 3 and reconstruction of the parking at Fire Hall 1.
- Retained consultants for Gordon Head Recreation Centre envelope remediation, Pearkes Community Centre roof replacement, and HVAC replacement at various facilities.
- Installed additional Electric Vehicle charging stations for municipal vehicles at the Annex.
- Worked with Gordon Head Recreation Centre and Pearkes Community Centre on visioning and costing for replacement of the original pool and ice rink.

Engineering Public Works

- Successful rollout of Residential Curbside Refuse and Organics Collection program.
- Continued enhancements of creek and waterway cleaning and spill response program.
- Completion of the Departmental Operations Centre Response Plan.
- Implementation of Fleet AVL program for over 170 municipal vehicles.

2015 KEY PRIORITIES

Priority Strategic initiatives include:

Sustainable Environment

- Complete Drain layer input into GIS in order to better respond to oil spills and other environmental emergencies that impact watercourse.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
Engineering Design		
1. Tillicum Carey Glanford Complete Street Upgrade Project	This 1.2 km complete street project includes new sidewalks, bike lanes, rain gardens, street trees, LED lighting and roadway safety improvements.	C7 Safe Community F4 Sustain community infrastructure
2. Glanford Mann Intersection Upgrade Project	This intersection project includes a new traffic signal as well as bike lanes, new sidewalks and turning lanes.	C7 Safe Community F4 Sustain community infrastructure
Development and Facility Operations		
1. Upgrade Municipal Facilities	Continue to identify major improvements required to facilities for seismic, code compliance, building envelope and operational requirements.	C7 Safe Community
Public Works		
1. Website redesign	As part of corporate project, redesign content of Public Works sections for residents and users.	L2 Enhance use of information technology.
2. Yard Emergency Plan Update	Update Emergency Plan to protect life and property at 1040 McKenzie based on highest risk events.	F4 Sustain community infrastructure.

CORE BUDGET

The Department's 2015 net core budget of \$12,222,200 represents a 2.05% increase over 2015.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2013	2014	2014	2015	2015/2014	2015/2014
Engineering Services	2,412,100	2,553,300	2,613,900	2,683,900	70,000	2.68%
Facility Operations	1,284,200	1,489,700	1,269,000	1,307,500	38,500	3.03%
Public Works	8,173,700	7,898,100	8,093,300	8,230,800	137,500	1.70%
Total	11,870,000	11,941,100	11,976,200	12,222,200	246,000	2.05%

Engineering Services

The Division's net core budget of \$2,683,900 represents a 2.68% increase over 2014.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2013	2014	2014	2015	2015/2014	2015/2014
Engineering Services						
Revenue	(1,120,200)	(1,066,400)	(1,193,100)	(1,155,900)	37,200	(3.12%)
Expense	3,532,300	3,619,700	3,807,000	3,839,800	32,800	0.86%
Total	2,412,100	2,553,300	2,613,900	2,683,900	70,000	2.68%

- Engineering Services Division revenues decreased by 3.12% due to decrease in development projects requiring engineering permit and administration fees.

Facility Operations

The Division's net core budget of \$1,307,500 represents a 3.03% increase over 2014.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2013	2014	2014	2015	2015/2014	2015/2014
Administration	181,600	116,800	140,300	127,800	(12,500)	(8.91%)
Minor Facility Repair	280,100	391,000	337,700	344,500	6,800	2.01%
Les Passmore Building	147,400	172,800	149,700	156,200	6,500	4.34%
Municipal Hall Building	523,700	507,000	501,400	535,400	34,000	6.78%
Municipal Annex	150,800	136,100	115,600	118,900	3,300	2.85%
Other Buildings	(9,400)	24,500	24,300	24,700	400.0	1.65%
Public Safety Building	4,700	112,000	-	-	-	0.00%
Public Works and Parks	5,300	29,500	-	-	-	0.00%
Total	1,284,200	1,489,700	1,269,000	1,307,500	38,500	3.03%

- Increases of 2.85% to 6.78% in Les Passmore, Municipal Hall and Municipal Annex buildings are due to reallocation in labour costs for electrical maintenance services and increases to utility costs.

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 \$8,230,800 increased 1.70% over 2014.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2013	2014	2014	2015	2015/2014	2015/2014
Administration	519,200	666,600	588,400	610,200	21,800	3.70%
Stores	194,100	163,000	162,400	64,700	(97,700)	(60.16%)
Fleet						
Revenue	(4,241,800)	(4,730,800)	(4,119,900)	(4,453,800)	(333,900)	8.10%
Expense	<u>4,233,300</u>	<u>4,722,300</u>	<u>4,111,400</u>	<u>4,453,800</u>	<u>342,400</u>	<u>8.33%</u>
Total	(8,500)	(8,500)	(8,500)	-	8,500	0.00%
Solid Waste Services						
Revenue	(4,995,000)	(5,458,900)	(5,685,900)	(5,762,000)	(76,100)	1.34%
Expense	<u>5,441,100</u>	<u>5,629,700</u>	<u>5,937,500</u>	<u>6,017,600</u>	<u>80,100</u>	<u>1.35%</u>
Total	446,100	170,800	251,600	255,600	4,000	1.59%
Storm Drains	1,977,100	1,975,700	1,986,200	2,028,300	42,100	2.12%
Street Operations	5,045,700	4,930,500	5,113,200	5,272,000	158,800	3.11%
Total	8,173,700	7,898,100	8,093,300	8,230,800	137,500	1.70%

- Stores decreased 60.16% due to conversion of store keeper's position to a buyer based in Purchasing under Finance.
- Fleet Revenue and Expenses increased by over 8% due to the increase in fleet utilization by all operational units. This has a net zero impact on the budget.
- Street Operations increased 3.11% due mainly to increase in hydro costs for street light operations.

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 parks administration; park planning and design; construction and maintenance; urban forestry, horticulture and natural areas management.

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 hundreds 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.

BUDGET SUMMARY	
2015 Net Budget	14,672,300
2014 Net Budget	13,813,600
Budget Change	858,700
Change by %	6.22%
2015 FTE	288.47
2014 FTE	286.88
FTE Change	1.59
FTE Change %	0.55%
2014 Carbon Footprint (CO₂e)	2073 Tonnes
2013 Carbon Footprint (CO₂e)	2027 Tonnes
Carbon Footprint Change	46 Tonnes

2015 BUDGET CHALLENGES

Parks

- Increased public participation for park improvements and renovations
- Demands associated with invasive species management
- Planning capacity relative to capital projects and park planning initiatives

Recreation

- Increasing utility costs in the facilities
- Maintaining program cost recovery rates, while keeping programs and services affordable
- Effectively manage capital projects to meet internal and external expectations

Golf

- Growing the number of revenue generating rounds in what continues to be a stagnant industry
- Continued focus on improving the food and beverage area
- Maintaining and improving course conditions

KEY 2014 ACCOMPLISHMENTS

Parks

- Adoption and implementation of the Tree Protection Bylaw No. 9272
- Concept Plan for Panama Flats Approved
- Playground and accessibility improvements at Cadboro Gyro Park completed
- Completed additional Interpretive Sign installations including two signs at Falaise Park, two signs at Mount Douglas Park, and a unique 40m long interpretive sign along the boardwalk handrail of the Colquitz River Trail.

Recreation

- Started the Youth Development Strategy and Five year Implementation Plan
- Supported families by providing safe, quality care during school closure periods
- Replaced flooring around the rink and in the change rooms of Gold Arena at Pearkes
- Underwater lights in Gordon Head Pool replaced; 50% less energy consumption expected
- Supported regional “Healthy Kids R Us” initiative - a Community Plan H grant project

Golf

- Drainage work undertaken on holes 1, 2, 9, 15
- Small increase in green fee rounds
- Banquet service marketing materials created and distributed

2015 KEY PRIORITIES

Priority Strategic initiatives include:

Sustainable Environment

- Continued implementation of the Urban Forest Strategy
- Continued implementation of the Invasive Species Management Strategy
- Panama Flats planning and preparation for agricultural use

Healthy Community

- Completion of Youth Development Strategy
- Support Public Art Policy update

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Cuthbert Holmes Management Plan	Completion of planning process initiated in 2010	C4 Sustainable Environment
2. Invasive Species Management	Continuation of strategy implementation	C4 Sustainable Environment
3. Interpretive & Wayfinding sign program	Continuation of sign development and implementation	F4 Healthy Community

4. Parks Planning Process Model	Development of process to guide park management planning	F4 Healthy Community
5. Urban Forest Strategy	Continuation of strategy implementation	C4 Sustainable Environment
6. Initiate an Older Adult Strategy	Strategy development to complement 2008 Age Friendly City document	C1 Healthy Community
7. Implementation of CRD Clean Air Bylaw	Signage in parks, education of centre users	C2 Healthy Community
8. Golf Course	Ongoing improvements to achieve sustainability	P2 Service Excellence

CORE BUDGET

The Department's 2015 net core budget of \$14,672,300 represents a 6.22% increase over 2014.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2013	2014	2014	2015	2015/2014	2015/2014
Parks & Rec. Administration	716,400	793,200	746,100	758,700	12,600	1.69%
Parks	6,058,800	6,102,200	6,120,600	6,443,700	323,100	5.28%
Cedar Hill Recreation Centre	1,106,900	1,116,000	1,136,000	1,194,700	58,700	5.17%
Gordon Head Recreation Centre	1,415,200	1,496,400	1,495,600	1,547,100	51,500	3.44%
G R Pearkes Recreation Centre	1,172,700	1,136,900	1,073,700	1,186,200	112,500	10.48%
Saanich Commonwealth Place	2,478,900	2,445,300	2,293,400	2,511,800	218,400	9.52%
Community Services	913,000	961,200	948,200	1,030,100	81,900	8.64%
Cedar Hill Golf Course	72,300	179,900	-	-	-	0.00%
Total net cost	13,934,200	14,231,100	13,813,600	14,672,300	858,700	6.22%

- Parks increased 5.28% due to allocation of \$72,000 for new infrastructure funding for new parks and trail maintenance and for invasive species management and an additional \$75,000 for increased irrigation costs.
- Cedar Hill Recreation Centre increased 5.17% due to allocation of \$22,500 in additional funding for utility and benefit costs.
- Gordon Head Recreation Centre increased 3.44% due to allocation of additional funding for benefit costs.
- G R Pearkes Recreation Centre increased 10.48% due mainly to the expected reduction in revenues from the closure of the ice arena for renovations scheduled in June, as well as, allocation of additional funding for utility costs.
- Saanich Commonwealth Place increased 9.52% due to allocation of \$167,000 in additional funding for utility costs.
- Community Services increased 8.64% due to an approved one time resource request of \$25,000 for Older Adult Recreation Strategy and ongoing resource requests of \$20,000 for special events and \$15,500 for Carnival of the Arts and Moon Festival Lantern Celebration.

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
	2013	2014	2014	2015	2015/2014	2015/2014
Administration	546,800	623,800	580,600	589,500	8,900	1.53%
Marketing						
Revenues	(202,800)	(169,800)	(147,900)	(158,200)	(10,300)	6.96%
Expenses	333,100	298,900	272,800	286,400	13,600	4.99%
Total	130,300	129,100	124,900	128,200	3,300	2.64%
Integration Recreation Victoria	39,300	40,300	40,600	41,000	400	0.99%
Total	716,400	793,200	746,100	758,700	15,900	1.69%

- Marketing expenses increased 4.99% due to wage increments and increases in advertising which is offset by an increase in revenues of 6.96%.

Parks Division

The Parks Division works in partnership with the community to support healthy lifestyles and to preserve and protect 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 2015 net core budget of \$6,443,700 represents a 5.28% increase over 2014.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2013	2014	2014	2015	2015/2014	2015/2014
Administration	508,600	525,600	539,500	533,900	(5,600)	(1.04%)
Planning and Design	362,600	357,900	355,800	406,700	50,900	14.31%
UF, Hort. & Natural Area	2,733,200	2,816,300	2,743,900	2,854,800	110,900	4.04%
Construction/Maintenance	2,454,400	2,402,400	2,481,400	2,648,300	166,900	6.73%
Total	6,058,800	6,102,200	6,120,600	6,443,700	323,100	5.28%

- Planning and Design increased 14.31% due to approved resource request for a parks planning and design position.
- UF, Hort. & Natural Area increased 4.04% due to allocation of \$33,000 in new infrastructure funding for invasive species management.
- Construction/Maintenance increased 6.73% due to allocation of \$39,000 in new infrastructure funding for new parks and trail maintenance and \$75,000 for increased irrigation costs.

Cedar Hill Community Recreation Centre and Golf Course

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 club, 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 Limelight Youth Art Exhibition.

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 for enhanced services to 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	Actual	Budget	Budget	\$ Change	% Change
	2013	2014	2014	2015	2015/2014	2015/2014
Programming & Reception						
Revenues	(135,700)	(135,100)	(173,500)	(166,600)	6,900	(3.98%)
Expenses	<u>1,058,600</u>	<u>1,105,900</u>	<u>1,145,900</u>	<u>1,158,800</u>	<u>12,900</u>	<u>1.13%</u>
Total	922,900	970,800	972,400	992,200	19,800	2.04%
Programs						
Revenues	(1,247,900)	(1,328,700)	(1,160,100)	(1,197,700)	(37,600)	3.24%
Expenses	<u>704,600</u>	<u>734,800</u>	<u>650,200</u>	<u>696,500</u>	<u>46,300</u>	<u>7.12%</u>
Total	(543,300)	(593,900)	(509,900)	(501,200)	8,700	(1.71%)
Maintenance	727,300	739,100	673,500	703,700	30,200	4.48%
Total	1,106,900	1,116,000	1,136,000	1,194,700	58,700	5.17%

- Programming & Reception increased 2.04% due to decrease in rental revenues and increase in wages.
- Programs revenues increased 3.24% due to increase in racquets and tennis program private lessons revenue and increase in Art Studios and Performing Arts program revenues. This increase is offset by corresponding costs increases in program deliveries for the above and other programs.
- Maintenance increased 4.48% due to allocation of \$16,000 in additional funding for utility costs.

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
	2013	2014	2014	2015	2015/2014	2015/2014
Golf Revenues	(1,105,700)	(1,130,900)	(1,172,600)	(1,138,000)	34,600	(2.95%)
Administration	161,200	161,300	170,400	183,200	12,800	7.51%
Pro Shop	67,700	68,100	67,700	67,900	200	0.30%
Food and Beverage						
Revenues	(364,200)	(437,300)	(476,700)	(448,000)	28,700	(6.02%)
Expenses	<u>423,000</u>	<u>541,400</u>	<u>476,700</u>	<u>485,100</u>	<u>8,400</u>	<u>1.76%</u>
Total	58,800	104,100	-	37,100	37,100	100.00%
Facility Maintenance	175,500	244,000	195,500	201,500	6,000	3.07%
Grounds Maintenance	662,900	644,000	618,200	664,000	45,800	7.41%
Debt, Capital and Overhead	395,600	433,000	464,700	608,400	143,700	30.92%
Sub-Total	416,000	523,600	343,900	624,100	280,200	0.00%
Transfer from Reserves	(343,700)	(343,700)	(343,900)	(624,100)	(280,200)	0.00%
Total	72,300	179,900	-	-	-	0.00%

- The overall deficit in 2014 is projected to be \$107,600 higher than the prior year.
- Food and beverage revenue budget decreased by 6.02% and expenses increased by 1.76% for a budgeted net cost of \$37,100. Revenues were reduced to better align the budget to sales over the last three years. Expenses increased due to increase in food and ancillary products.
- Grounds Maintenance increased 7.41% due to the increases in cost of U.S manufactured fertilizer and the reinstatement of cost into the budget for an existing 0.5 FTE grounds keeper which was accidentally removed in the prior years.
- Debt, Capital and Overhead increased 30.92% due to additional funding required for both critical facility repairs and equipment replacement.
- The reserve to support deficit operations at the Golf Course totalled 542,990 at December 31, 2014.

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, Gordon Head has a highly accessible weight room, multipurpose rooms and auditorium. The Centre provides many community programs that focus on fitness, arts and culture, and multicultural programming. Community partnerships with health serving agencies allow for services such as physiotherapy, kinesiology and massage therapy. Partnerships with VIHA provide recovery programs as well as preventative services. 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. Programming and rentals also take place in the Bert Richmond building.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2013	2014	2014	2015	2015/2014	2015/2014
Programming & Reception						
Revenues	(63,400)	(76,400)	(57,500)	(60,100)	(2,600)	4.52%
Expenses	<u>1,069,800</u>	<u>1,104,800</u>	<u>1,073,800</u>	<u>1,135,000</u>	<u>61,200</u>	<u>5.70%</u>
Total	1,006,400	1,028,400	1,016,300	1,074,900	58,600	5.77%
Programs						
Revenues	(1,986,800)	(2,130,800)	(2,000,300)	(2,147,700)	(147,400)	7.37%
Expenses	<u>1,431,200</u>	<u>1,514,500</u>	<u>1,507,100</u>	<u>1,626,900</u>	<u>119,800</u>	<u>7.95%</u>
Total	(555,600)	(616,300)	(493,200)	(520,800)	(27,600)	5.60%
Maintenance	964,400	1,084,300	972,500	993,000	20,500	2.11%
Total	1,415,200	1,496,400	1,495,600	1,547,100	51,500	3.44%

- Programming & Reception net cost increase of 5.77% is due to wage increases and increases in equipment and credit card costs. These costs are offset by increases in program revenues.
- Programs net revenue increase of 5.60% is due mainly to the increased utilization of the Nature Preschool and Aquatics programs offset to some extent by the increases in costs for those programs.

G. R. Pearkes Community Recreation Centre

Pearkes Community Recreation Centre, located on Arena Road behind the Tillicum Mall, offers a variety of community programs for all ages which focus on fitness, preschool and family activities and physical literacy. The facility hosts a number of District special events and major trade shows which attract participants from around the region. The facility is home to two indoor ice arenas, indoor multiuse sport courts, a fitness centre, meeting rooms and a youth activity centre. The partnership with Saanich Neighbourhood Place provides licensed preschool programs and family support opportunities for local residents. Further partnerships are in place with the Greater Victoria Public Library, Queen Alexandra Society and Kids Klub 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 home to a number of community and sports associations including Gorge Tillicum Community Association, Saanich Minor Hockey, Saanich Braves Jr. B Hockey Club, Saanich Figure Skating Club, Saanich Lacrosse and the Greater Victoria Minor Ball Hockey Association.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2013	2014	2014	2015	2015/2014	2015/2014
Programming & Reception						
Revenues	(985,300)	(980,100)	(978,600)	(970,000)	8,600	(0.88%)
Expenses	1,053,400	1,022,500	1,025,000	1,051,500	26,500	2.59%
Total	68,100	42,400	46,400	81,500	35,100	75.65%
Programs						
Revenues	(916,500)	(913,600)	(969,200)	(898,300)	70,900	(7.32%)
Expenses	606,600	589,200	631,400	562,800	(68,600)	(10.86%)
Total	(309,900)	(324,400)	(337,800)	(335,500)	2,300	(0.68%)
Maintenance	1,414,500	1,418,900	1,365,100	1,440,200	75,100	5.50%
Total	1,172,700	1,136,900	1,073,700	1,186,200	112,500	10.48%

- Programming & Reception increased by \$35,100 due mainly to the expected reduction in rental revenues from the closure of the ice arena for renovations scheduled in June.
- Programs net revenue remained relatively the same as prior year due to reduction in preschool revenues as Saanich Neighbourhood Place has taken over most of the program and reduction in programs offered through Colquitz School. The decreases in revenue are offset by the cost reduction in the same programs.
- Maintenance increased 5.50% due to allocation of \$41,000 in additional funding for utility costs.

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 off-site 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
	2013	2014	2014	2015	2015/2014	2015/2014
Programming & Reception						
Revenues	(446,400)	(426,300)	(388,700)	(399,200)	(10,500)	2.70%
Expenses	<u>1,777,000</u>	<u>1,778,800</u>	<u>1,767,400</u>	<u>1,801,800</u>	<u>34,400</u>	<u>1.95%</u>
Total	1,330,600	1,352,500	1,378,700	1,402,600	23,900	1.73%
Programs						
Revenues	(3,867,400)	(4,024,800)	(3,768,300)	(3,869,700)	(101,400)	2.69%
Expenses	<u>3,042,000</u>	<u>3,124,100</u>	<u>2,900,100</u>	<u>2,981,700</u>	<u>81,600</u>	<u>2.81%</u>
Total	(825,400)	(900,700)	(868,200)	(888,000)	(19,800)	2.28%
Maintenance	1,973,700	1,993,500	1,782,900	1,997,200	214,300	12.02%
Total	2,478,900	2,445,300	2,293,400	2,511,800	218,400	9.52%

- Maintenance increased 12.02% due to allocation of \$167,000 in additional funding for utility costs.

Community Services

Community Services supports access to Saanich recreation facilities and the creation of local initiatives that provide opportunities for citizens to lead a healthy lifestyle and to be engaged in their community. The goal is to maximize resources in the community by working alongside citizens, schools, social serving agencies, health care providers, special interest groups and neighbourhood committees to create quality recreation programs and to decrease the barriers many families and individuals face in accessing recreation services.

The Section provides a wide variety of services including municipal and community special events, community development, volunteering, inclusion and accessibility services for low income citizens, youth services and teen centres, summer playground programs, seniors and active aging initiatives, parks programming, multicultural and social programs, and healthy eating and food sustainability initiatives.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2013	2014	2014	2015	2015/2014	2015/2014
Programming	512,700	512,700	519,500	554,200	34,700	6.68%
Programs						
Revenues	(239,900)	(234,100)	(169,000)	(172,600)	(3,600)	2.13%
Expenses	<u>640,200</u>	<u>682,600</u>	<u>597,700</u>	<u>648,500</u>	<u>50,800</u>	<u>8.50%</u>
Total	400,300	448,500	428,700	475,900	47,200	11.01%
Total	913,000	961,200	948,200	1,030,100	81,900	8.64%

- Programming increased 6.68% due to approved one time resource request of \$25,000 for Older Adult Recreation Strategy.
- Programs net expenses increased by 11.01% due to approved ongoing resource requests of \$20,000 for special events and \$15,500 for Carnival of the Arts and Moon Festival Lantern Celebration.

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	
2015 Net Budget	5,825,200
2014 Net Budget	5,682,000
Budget Change	143,200
Change by %	2.52%
FTE	n/a
Carbon Footprint (CO₂e)	n/a

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

2015 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 2013	Actual 2014	Budget 2014	Budget 2015	\$ Change 2015/2014	% Change 2015/2014
Greater Victoria Public Library	4,938,900	5,122,300	5,122,300	5,263,900	141,600	2.76%
Branch Libraries Lease and Maintenance	49,400	223,700	229,700	221,300	(8,400)	(3.66%)
Swan Lake Christmas Hill Nature House	320,000	334,800	330,000	340,000	10,000	3.03%
Total	5,308,300	5,680,800	5,682,000	5,825,200	143,200	2.52%

- The 2.76% increase in library services is due to wage and benefits increasing 3.75% and revenues from fines and fees are budgeted to be lower than 2014.
- Branch Libraries Lease and Maintenance decrease of 3.66% is due to decrease in lease costs (such as hydro) that are reimbursed to the District by GVPLB.
- Swan Lake Christmas Hill Nature House increase of 3.03% is due to management fee request. The request was increased due to operational cost increases and the need to recover property taxes on two properties managed by the Society. These properties were previously tax exempt but their status was changed by BCAA based on their actual use as residential rentals.

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 \$4.0 million in the year 2000 to an annual average of over \$20 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. The estimates outlined in each section are based on the following assumptions:

1. A net 2% increase in tax funded core capital over 2014 budget.
2. A minimum 0.75% property tax allocation to infrastructure replacement
3. Debt Financing Guideline
4. All figures shown in 2015 dollars – no inflation allowance

Expenditures			Budget	Budget
	2014 Projects In Progress	2015 Capital Projects	Total 2015	2014
Police	80,200	1,538,600	1,618,800	1,262,100
Fire	-	1,078,000	1,078,000	472,000
Emergency Program	-	10,000	10,000	48,000
Finance	-	34,500	34,500	-
Transportation	9,427,700	12,805,800	22,233,500	23,058,900
Drainage	3,350,000	5,159,000	8,509,000	8,795,300
Parks	888,000	2,194,700	3,082,700	3,443,000
Recreation	597,400	862,900	1,460,300	1,182,100
Fleet Replacement	318,500	1,648,000	1,966,500	5,568,500
Information Technology	158,600	3,296,400	3,455,000	2,155,400
Community Facilities	3,125,300	3,584,400	6,709,700	6,908,300
Parkland Acquisition	-	3,842,700	3,842,700	2,400,000
	17,945,700	36,055,000	54,000,700	55,293,600
Source of Funding			Budget	Budget
	2014 Projects In Progress	2015 Capital Projects	Total 2015	2014
General Operating (Core Capital)	-	12,109,700	12,109,700	11,205,800
General Capital Reserves	12,484,000	3,165,800	15,649,800	16,109,700
Lands Sale Reserve	-	2,000,000	2,000,000	1,900,000
Development Cost Charges	153,000	2,437,700	2,590,700	2,201,300
Equipment Replacement Reserve	318,500	4,473,800	4,792,300	5,405,100
Grants & Contributions	4,240,200	6,468,000	10,708,200	10,384,800
Borrowing	750,000	5,400,000	6,150,000	8,086,900
	17,945,700	36,055,000	54,000,700	55,293,600

The capital projects listed in the following tables are a representative list of projects planned to commence during the year. As many of these budget estimates are at a "Class D" level, budget transfers may be required between projects during the year.

Five Year General Capital Projection

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

Description of Program	Budget 2015	Budget 2016	Budget 2017	Budget 2018	Budget 2019	Notes:
Vehicles, Equipment & Technology						
Police	1,538,600	464,400	473,700	483,200	492,900	1
Fire	1,078,000	98,000	425,000	48,000	24,000	
Emergency Program	10,000	60,000	-	55,000	50,000	
Finance	34,500	-	-	-	-	
Fleet Replacement	1,689,000	943,000	1,175,000	1,007,000	1,000,000	
Parks & Recreation	506,700	344,700	424,700	259,000	336,200	
Information Technology	3,296,400	2,154,000	1,462,400	992,200	1,246,700	2
Parkland Acquisition	3,842,700	1,500,000	1,000,000	1,000,000	500,000	3
	11,995,900	5,564,100	4,960,800	3,844,400	3,649,800	
Transportation						
Complete Streets	5,109,000	4,290,460	2,800,000	3,116,000	3,000,000	
Roads Improvement (includes sidewalk and bikeways components)	3,571,800	1,500,000	1,861,000	1,530,000	2,230,000	1
Sidewalk Improvement	2,559,000	1,300,000	1,300,000	1,000,000	1,000,000	4
Bikeways Improvement	725,000	2,000,000	2,000,000	2,000,000	2,000,000	
Bus Stops Improvement	115,000	150,000	150,000	150,000	150,000	5
Street Lights/Traffic Signals Improvement	385,000	400,000	400,000	400,000	400,000	
Bridges Replacement	250,000	1,000,000	600,000	1,000,000	300,000	1
Other	50,000	50,000	50,000	50,000	50,000	6
	12,764,800	10,690,460	9,161,000	9,246,000	9,130,000	
Drainage						
Wood Stave Replacement	3,023,200	3,581,400	4,441,900	5,654,900	3,638,100	5
Sub-standard Drain Replacement	1,773,500	1,763,600	1,488,100	1,254,100	3,646,900	
Other	362,300	397,200	407,000	397,000	407,000	
	5,159,000	5,742,200	6,337,000	7,306,000	7,692,000	
Sub Total	29,919,700	21,996,760	20,458,800	20,396,400	20,471,800	

Notes:

- 1 – Based on age and condition assessment
- 2 – Based on replacement schedule
- 3 – Based on the OCP, LAPs and opportunity
- 4 – Based on need and ROW acquisition
- 5 – Annual program
- 6 – Safe route to school and planning and design costs

Five Year General Capital Projection (Continued)

Description of Program	Budget 2015	Budget 2016	Budget 2017	Budget 2018	Budget 2019	Notes:
Parks						
Playground Replacement	220,000	225,000	225,000	286,000	381,000	1
Sports Field & Hard Court Replacement	160,000	590,000	560,000	468,000	518,000	
Parking Replacement	302,700	291,000	442,000	324,000	339,000	
Irrigation Replacement	48,000	113,000	323,000	296,000	296,000	
Replacement	218,000	170,000	141,000	235,000	246,000	
Trails Replacement	373,000	102,000	102,000	339,000	295,000	
Buildings Replacement	51,000	136,000	163,000	114,000	160,000	
Park Infrastructure Replacement	323,000	209,600	316,800	282,400	432,400	
Natural Areas and Urban Forestry	158,000	217,000	163,000	204,000	236,000	
Other	186,000	248,000	310,000	369,000	287,000	
	2,039,700	2,301,600	2,745,800	2,917,400	3,190,400	
Recreation & Community Facilities						
Electrical	-	10,000	7,500	-	-	1
Mechanical	39,900	151,500	120,000	85,000	-	
HVAC	-	-	92,000	15,500	16,600	
Pearkes Ice	-	40,000	40,000	-	-	
Building Envelope	1,669,100	215,000	1,851,000	1,890,100	3,119,600	
Building Interior	652,300	382,400	548,400	585,800	27,200	
Major Facilities Repair & Future Replacement Reserve	1,722,000	5,252,600	4,724,100	3,000,000	3,000,000	
	4,083,300	6,051,500	7,383,000	5,576,400	6,163,400	
Grand Total	36,042,700	30,349,860	30,587,600	28,890,200	29,825,600	

Notes:

1 – Based on age and condition assessment

Vehicles, Equipment and Technology

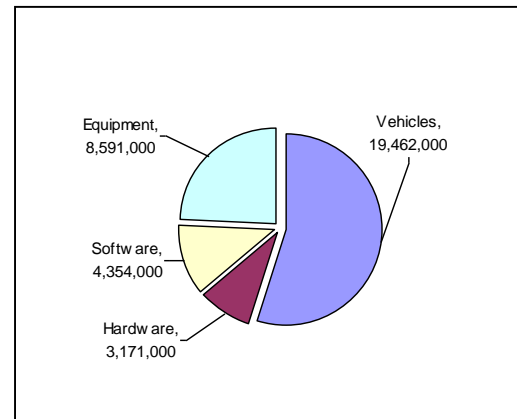
Saanich vehicles, equipment and information technology includes fleet vehicles for parks, public works, police and fire, computer and telephone hardware and software for all departments and a variety of equipment from fitness to lawn mowers.

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 (2014 \$)
Vehicles	4-25	\$ 2,163,000
Computer Hardware	4-6	\$ 714,000
Computer Software	4-20	\$ 343,000
Major Equipment	4-30	\$ 674,000
		\$ 3,894,000



This asset category was reviewed in 2014 and the average annual replacement cost was adjusted accordingly. Replacement values were also added for police vehicles and information technology. The revised annual replacement target will be achieved by 2017.

Financial Commitment in Financial Plan	2015	2016	2017
Capital funded directly from property taxation	857,000	874,100	891,600
Transfer to Reserve Funds for future replacement	2,453,000	2,493,100	2,546,500
Debt principal for capital purchases	329,700	375,900	375,900
Interest earned on Replacement Reserve Funds	80,000	80,000	80,000
Total Financial Commitment to Facilities	3,719,700	3,823,100	3,894,000
Annual increase		103,400	70,900

Police Vehicles, Equipment and Technology

Police Services	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2014 Projects in Progress:					
Integrated Tech Crime Unit		61,500			61,500
SQL Project		11,700			11,700
Police Specialized Equipment		7,000			7,000
Total	-	80,200	-	-	80,200
2015 Capital Projects:					
Two-factor Authentication		25,000			25,000
New Building IT Infrastructure & Furniture		350,000			350,000
Executive Administration Office Furniture		30,000			30,000
Patrol Long Gun Replacement		260,000			260,000
Vehicle AED		72,500			72,500
Video Conferencing		66,800			66,800
Hardware and Software	144,000	146,000			290,000
Officer & Public Safety Equipment	36,300				36,300
Investigative Equipment	25,000				25,000
Annual Vehicle Replacement	250,000	133,000			383,000
Total	455,300	1,083,300	-	-	1,538,600

Police 2015 projects of \$804,300 will be funded from the Public Safety and Security Reserve.

Fire Vehicles, Equipment and Technology

Fire Protection	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2015 Capital Projects:					
Vehicle Replacement		952,000			952,000
Apparatus Equipment for Rescue Engine		126,000			126,000
Total	-	1,078,000	-	-	1,078,000

Vehicles to be purchased in 2015 include one SUV, one Ladder and Engine 2.

Finance Equipment

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2015 Capital Projects:					
Printoom Equipment		34,500			34,500
Total	-	34,500	-	-	34,500

Production Printer, Cutter, electric hole punch and padding machine

Fleet Vehicles

The Fleet division has developed a long term vehicle replacement program for over 250 vehicles 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	2015
2014 Projects in Progress:					
Fleet Vehicle Replacements, Various Small trucks and vehicles		318,500			318,500
Total	-	318,500	-	-	318,500
2015 Capital Projects:					
Fleet Vehicle Replacements, Various trucks and vehicles		1,648,000			1,648,000
Total	-	1,648,000	-	-	1,648,000

2014 Vehicles yet to be received include one small truck, six large trucks, one tractor, one backhoe, one electrical aerial and one cut saw.

Vehicles to be purchased in 2015 include crack sealer, one hydro excavator, one park aerial, five park trailers, one parks flail mower, one backhoe, two tractors, one park garbage collection truck, one single axle dump truck, three vans, one ¾ ton pickup, one ton pickup, three half ton pickups and one electric vehicle.

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	2015
2014 Projects in Progress:					
LED Scoreboard		108,500			108,500
Total	-	108,500	-	-	108,500
2015 Capital Projects:					
Fitness Equipment Replacement		149,300			149,300
Golf Course Equipment Replacement		149,700			149,700
Recreation Equipment Replacement	65,000				65,000
Parks Equipment Replacement	134,800	7,900			142,700
Total	199,800	306,900	-	-	506,700

Fitness equipment to be replaced includes 14 ellipticals, seven stair climbers, five rowers, three cardio waves, one ergometer magnum upper body, one ARC trainer and one cross trainer.

Golf Course equipment to be replaced in 2015 includes 2 utility vehicles, 2 Toro Groundsmaster, 1 convection oven and one dump trailer.

Parks equipment to be replaced in 2015 includes one water tank & pump, one topdresser, one leaf vac, one pressure washer, one snow blower, a laser level and scope and several other small power implements (mowers, trimmers, hedge trimmers, chainsaws).

Engineering Equipment

This is the annual replacement of equipment capital for Engineering.

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2015 Capital Projects:					
Roads Equipment		41,000			41,000
Total	-	41,000	-	-	41,000

Information Technology

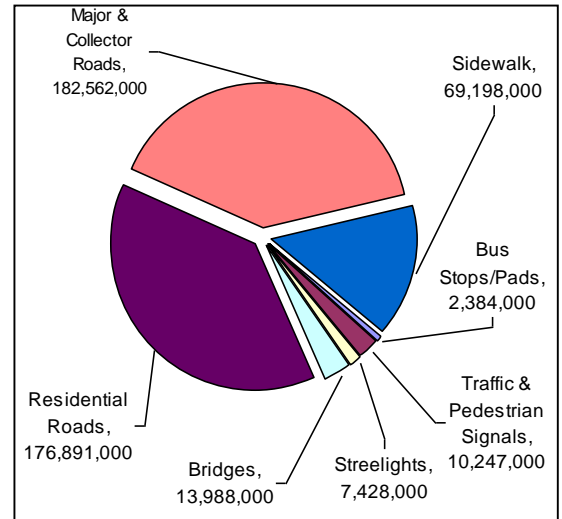
The items below include hardware and software replacement as well as project implementation costs for hardware and software.

Information Technology	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2014 Projects in Progress:					
HR Systems Module		158,600			158,600
Total	-	158,600	-	-	158,600
2015 Capital Projects:					
Tempest Upgrade (Business License Module)	45,000				45,000
Asset Management Solution		49,000			49,000
JD Edwards (Financial Software) Upgrade Planning		250,000			250,000
Telephone System		150,000		850,000	1,000,000
Next Generation Web Implementation		350,000			350,000
Disaster Recovery Phase 1		500,000			500,000
Security Audit		400,000			400,000
Network Upgrade Phase 1		100,000			100,000
System Tools	50,000				50,000
Secure Apps		100,000			100,000
Council Webcast	150,000				150,000
Division Capital	116,900				116,900
License Compliance		185,500			185,500
Total	361,900	2,084,500	-	850,000	3,296,400

Transportation

Saanich transportation infrastructure includes 178 km of major or collector roads, 370 km of residential roads, 141 km of bike lanes, 249 km of sidewalks and 32 bridges valued at \$468 million dollars.

Asset	Component	Estimated Asset Life	Average Annual Replacement Cost (2013 \$)
Roads	Major & Collectors	20-80	\$3,399,000
	Residential	40-100	\$2,378,000
Sidewalks	Concrete & asphalt pedestrian facilities	15-50	\$1,749,000
Bridges	Timber, concrete	60-100	\$ 172,000
Streetlights	Pole mount, steel Standard, post top	30	\$ 248,000
Traffic & Pedestrian Signals	Pedestrian control, Solar beacons	25	\$ 410,000
Bus Stops & Pads	Concrete & Asphalt	15-50	\$ 48,000
		Total:	\$8,404,000



Of the \$12,764,800 budgeted for transportation capital in 2015, it is estimated that \$4,300,000 is for the construction of new sidewalks and bike lanes. As the infrastructure replacement program has reached sustainable annual funding levels, future considerations will be for funding new infrastructure needs.

How did we work toward the target?

- Allocated Federal Gas Tax to road and bridge rehabilitation.
- Allocated a portion of annual capital program tax increase.
- Supplemented with borrowing.
- Supplemented with Federal and/or Provincial Grants where possible.
- Pursued emerging technologies which may lower replacement costs or extend useful life.

Current Ongoing Financial Commitment to Transportation Infrastructure:

Financial Commitment in Financial Plan	2015
Transportation projects funded directly from property taxation	\$ 2,685,800
Annual Gas Tax and interest earned	\$ 4,597,700
Debt principal for transportation projects	\$ 68,100
Transfer to reserve fund for transportation projects	\$ 827,400
Interest earned on Transportation reserve funds	\$ 60,000
Annual contributions from developers for transportation projects	\$ 165,000
Total Commitment	\$ 8,404,000

How do we maintain sustainability?

- Continue with annual increases in capital funding to keep up with construction cost indices

Transportation

Transportation	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2014 Projects in Progress:					
Complete Streets:					
Cook Street (Quadra to Maplewood) includes 1700m sidewalks & bikelanes		423,600	1,837,700		2,261,300
Shelbourne St. Concepts		200,000			200,000
MacKenzie Avenue (McGill to Cadboro Bay Road)			141,500		141,500
Roads:					
Uptown Traffic Study		46,000			46,000
Annual Paving Program		336,900			336,900
Carey Road Retaining Wall		59,900			59,900
Other Projects In Progress		169,800			169,800
Sidewalks:					
Haliburton Road (to Cherry Tree Bend)		350,000			350,000
Maddock Avenue		153,000			153,000
Cedar / Thistle / Rowan 400m		561,900			561,900
Wilkinson Road (Cherry to Interurban) 175m including bikelanes		717,800			717,800
Arbutus Road (Haro to Finnerty) includes 250m sidewalks & 230m bikelanes		125,000		250,000	375,000
Other Projects In Progress		379,800			379,800
Bikeways:					
Lansdowne Road (Shelbourne to Foul Bay)		415,900	75,000		490,900
Raymond Street Connections		122,300			122,300
Bikelane Priority Study		18,900			18,900
Bus Stops, Signals, Street Lights:					
Bus Stop Improvements Program		200,300			200,300
Shelbourne / Pear Traffic Signal		87,700			87,700
Pedestrian Controlled Crosswalks		76,600			76,600
Emergency Vehicle Pre-emption		25,000			25,000
Streetlight Program		19,300			19,300
Signal Upgrades Program		102,500			102,500
Bridges:					
Bridge Major Repairs		37,200			37,200
Wilkinson Bridge			2,186,000		2,186,000
Admirals Bridge Monitoring		33,100			33,100
Bridge Review & Assessment		150,000			150,000
Bridge Repair & Replacement		125,000			125,000
Total	-	4,937,500	4,240,200	250,000	9,427,700

Transportation (Continued)

Transportation	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2015 Capital Projects:					
Complete Streets:					
Tillicum/Carey/Glanford includes 3500m sidewalk & bikelane		282,000	4,677,000		4,959,000
Active Transportation Master Plan	50,000	100,000			150,000
Roads:					
Cordova Bay/Temple		40,000			40,000
Glanford/Mann		605,000	1,775,000		2,380,000
Annual Paving Program	1,000,000				1,000,000
Other Roads Projects	81,800				81,800
DCC Subsidy & Cost Share	70,000				70,000
Sidewalks:					
Blenkinsop Road 325m				165,000	165,000
Cadboro Bay Road 125m		10,000		175,000	185,000
Gladiola Connection 200m				150,000	150,000
Gordon Head/San Juan 100m				150,000	150,000
Kenneth (Fronting Glanford Park) 50m				85,000	85,000
Judah Street (Carey to Bremberton) 300m		10,000		390,000	400,000
Lucas Belvedere 375m				300,000	300,000
Marigold Rd. (Daisy to Gladiola) 500m		15,000		485,000	500,000
Penrhyn Street (Cadboro Bay to Gyro Park) 200m				250,000	250,000
Carey Road (Marigold to Tait) includes 360m bikelane & sidewalk	199,000			100,000	299,000
Other Sidewalk Projects (Emerging Priorities)	75,000				75,000
Bikeways:					
Douglas Connector (Royal Oak to Falaise) includes 300m of sidewalk & bikelane	175,000				175,000
Maplewood/Cook	150,000				150,000
Carey Road (Glanford to McKenzie) includes 800m				100,000	100,000
Borden Street (McKenzie to Cedar Hill Cross) 400m				200,000	200,000
Shelbourne Street (Torquay to Arbordale) 1200m	100,000				100,000
Bus Stops, Signals, Street Lights:					
Various Bus Stop Improvements	100,000	15,000			115,000
Signal Cabinet Replacement	50,000				50,000
Gorge/Millgrove	200,000				200,000
Other Projects	135,000				135,000
Bridges:					
Keats Pedestrian Bridge includes 30m sidewalk	250,000				250,000
Other:					
Safe Route to School	50,000				50,000
Total	2,685,800	1,077,000	6,452,000	2,550,000	12,764,800

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.

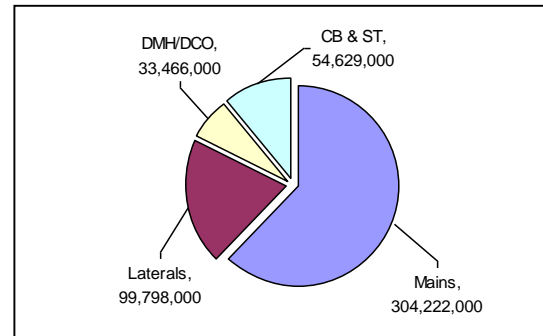
Replacing the remaining fourteen km of large diameter wood stave drain main is our primary priority. Replacing and upgrading problematic small diameter substandard drains is our secondary priority.

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 (2013 \$)
Gravity Mains	Varies	\$ 4,856,000
Laterals	40	\$ 1,425,000
DMH / DCO	50	\$ 446,000
CBs & STs	50	\$ 780,000
		\$ 7,507,000

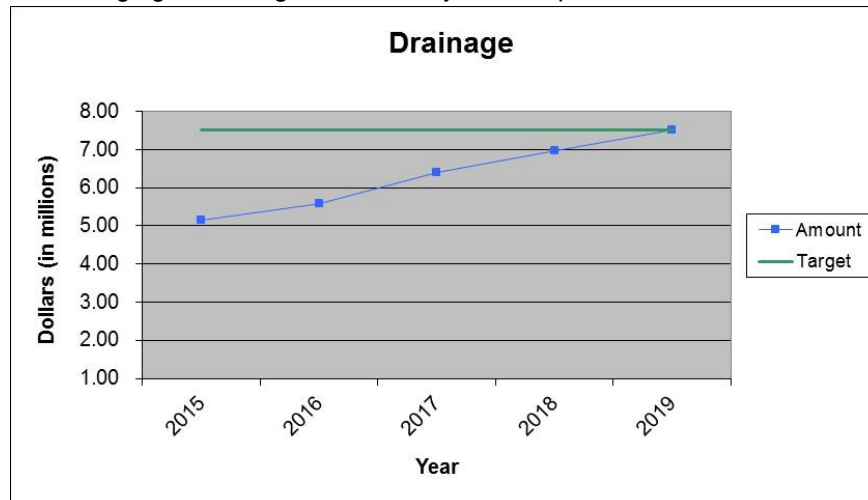


Current Ongoing Funding: \$5,159,000

Future Funding Target: \$7,507,000

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	2015
2014 Projects in Progress:					
Wood Stave Replacement:					
Kenneth Street		288,500			288,500
Hodgson		252,900			252,900
Qweensbury		133,300			133,300
Longview / San Rafael		298,800		500,000	798,800
Albina		198,300			198,300
Davida		158,500			158,500
Grandview Drive		121,600			121,600
Cook Street		202,000			202,000
Ferndale / Casa Marcia		68,000			68,000
Sub-standard Drain Replacement:					
Pitcombe Place		24,900			24,900
Kingsley Street (North Dairy to Lansdowne Road)		240,000			240,000
Casey		148,900			148,900
Little Eldon		119,300			119,300
Austin		94,500			94,500
2014 Misc Drainage Projects		270,200			270,200
Other:					
Drainage Model Implementation		204,500			204,500
2014 Drainage Design		25,800			25,800
Total	-	2,850,000	-	500,000	3,350,000

Drainage (Continued)

Drainage	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2015 Capital Projects:					
Wood Stave Replacement:					
Cedarwood Phase 2	154,000				154,000
Tattersall	345,400				345,400
Blair (Blair to Shelbourne)	506,000				506,000
Marigold (Hyacinth to Colquitz Creek)	392,000				392,000
Teakwood	25,200			560,000	585,200
Cedar Hill Cross Road (Shelbourne to Richmond)				440,000	440,000
Wascana	116,600				116,600
Maplewood (Pike to Maplewood)	484,000				484,000
Sub-standard Drain Replacement:					
Bromley/Doncaster	480,000				480,000
Ansell	70,000				70,000
Ardersier (Gallopig Goose to Parking Lot)	55,500				55,500
Obed	138,000				138,000
Hodgson/Corners	96,000				96,000
Doncaster/Diana	114,000				114,000
Tillicum/Glanford	660,000				660,000
2015 Misc Drainage Projects	217,400				217,400
Other:					
Wood Stave Drain Design	164,900				164,900
Drain house Connection Replacement	35,000				35,000
Storm Drainage Model Development	100,000				100,000
Developer Cost Share	5,000				5,000
Total	4,159,000	-	-	1,000,000	5,159,000

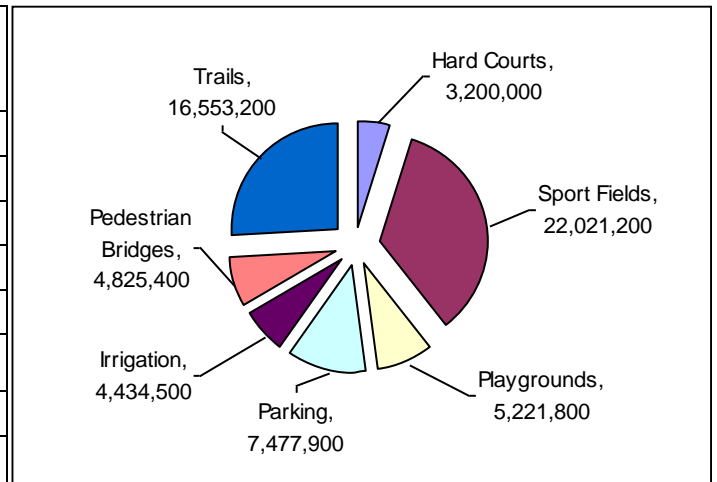
Park and Trail Structures

Parks and Trails structures include over 40 hard courts, 62 sport fields, 56 playgrounds, 50 pedestrian bridges and 100 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 (2013 \$)
Hard Courts	15-20	\$ 158,000
Sport Fields	15-40	\$ 834,000
Playgrounds	15	\$ 342,000
Parking	15-40	\$ 314,000
Irrigation	15	\$ 290,000
Pedestrian Bridges	15-50	\$ 245,000
Trails	15-20	\$ 990,000
		\$ 3,173,000

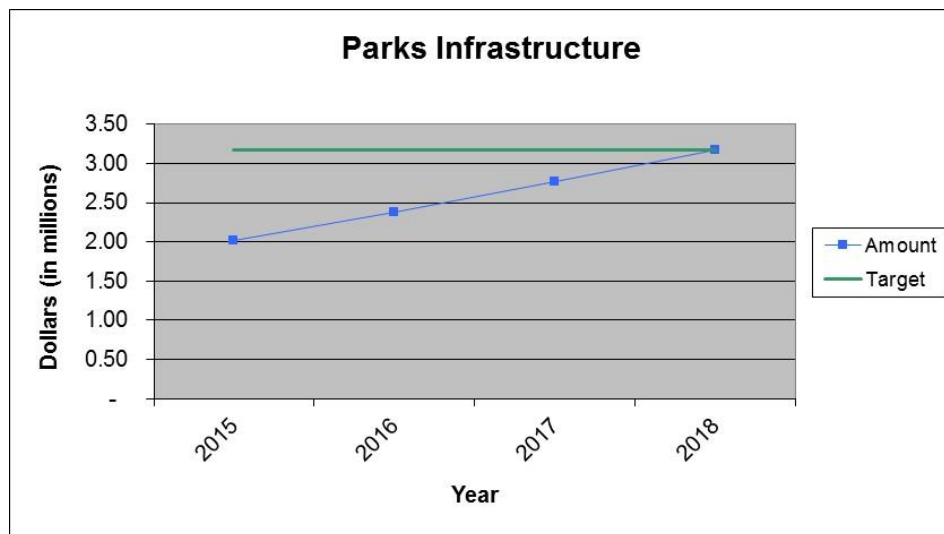


Current Ongoing Funding is \$2,023,700

Future Funding Target is \$3,173,000

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	2015
2014 Projects in Progress:					
Trails - Quadrant 3 (North) resurfacing, Playfair / Gorge Waterway		36,200			36,200
Bridges & Structures - bridges/stairs at Quicks Bottom / Glanford / Shadywood, fencing, furniture		73,300			73,300
Mount Doug Improvements (Signs, Creek and Trail Closure & Restoration)		64,300			64,300
Centennial Trails Phase 2		49,800			49,800
Cuthbert Holmes (Trails & Signs)		31,000			31,000
Irrigation Replacement Program		97,900			97,900
Signage - interpretive, wayfinding and regulatory program		93,800			93,800
Planning & Design - Panama Flats, Lambrick, and Environmental Assessments		48,700			48,700
Buildings - Cadboro-Gyro and other parks		62,700			62,700
Natural Areas - major initiatives		12,000			12,000
Urban Forestry - tree planting program		12,600			12,600
Parking - Reynolds replacement; repairs to Gorge, Ambassador, and Braefoot		76,000			76,000
Streetscape renovations		13,200			13,200
Gorge Park/Caldecote Trail		127,500			127,500
Haro Woods		19,800			19,800
Other Projects in Progress		69,200			69,200
Total	-	888,000	-	-	888,000

Park and Trail Structures (continued)

Park Improvements	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2015 Capital Projects:					
Playgrounds - Brodick and Emily Carr	12,300			220,000	232,300
Sports Fields - cost sharing Clubs - facility upgrades	35,000				35,000
Sports / Tennis Courts - Copley tennis court	125,000				125,000
Parking - Glanford replacement, Mount Douglas repairs	113,700			189,000	302,700
Irrigation - Copley, and valve replacement program	48,000				48,000
Bridges & Structures - Glendale trail, Gorge dock, Balmacarra, Doumac, Hollydene, Gorge Waterway railing				218,000	218,000
Signage - interpretive, wayfinding and regulatory programs	59,000		16,000		75,000
Trails - Resurfacing of Quadrant 4 (East), Gorge Waterway, and Colquitz Trail (Copley and Loenholm - Gerda)				373,000	373,000
Buildings - Bert Richman and other building upgrades	51,000				51,000
General Park/Landscape - Cadboro-Gyro (drainage, parking, and entrance repairs), Panama Flats (veg. control)	193,000				193,000
Streetscape renovations	60,000				60,000
Natural Areas - major initiatives	67,000				67,000
Urban Forestry - tree planting program	91,000				91,000
Planning & Design - Environmental Assessments and Park Management Plans	51,000				51,000
Mount Douglas - Signs, Creek and Trail Closure & Restoration		130,000			130,000
Subtotal Operations	906,000	130,000	16,000	1,000,000	2,052,000
Land Acquisition Reserve (includes Beckwith)		3,842,700			3,842,700
Total	906,000	3,972,700	16,000	1,000,000	5,894,700

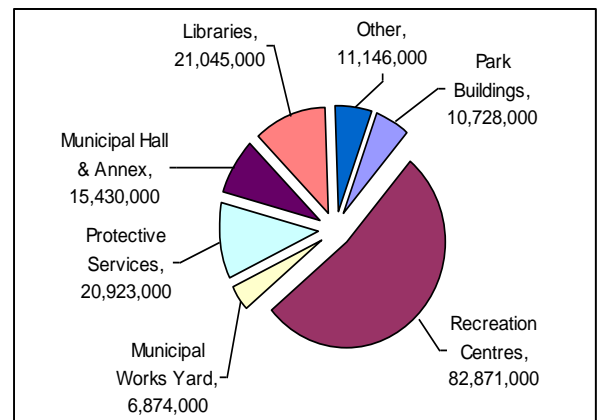
Community and Recreation Facilities

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 \$168 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 (2013 \$)
Recreation Centres	75	\$ 1,498,000
Park Buildings	50-75	\$ 197,000
Municipal Works Yard	75	\$ 95,000
Protective Services	75	\$ 398,000
Municipal Hall & Annex	75	\$ 275,000
Libraries	75	\$ 192,000
Other	75	\$ 145,000
Major Repairs	Various	\$ 1,500,000
		\$ 4,300,000

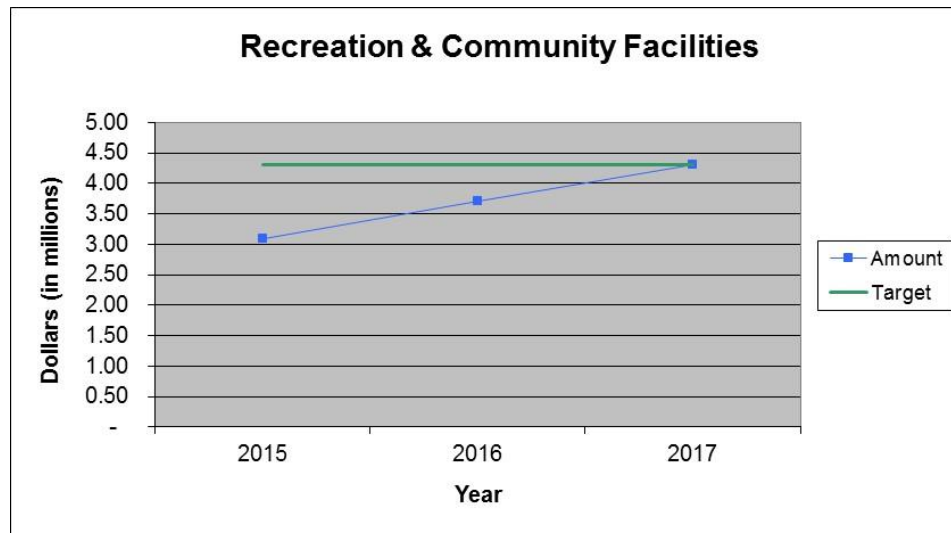


Current Funding is \$3,098,000

Future Funding Target is \$4,300,000

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	2015
2014 Projects in Progress:					
Parks & Public Works Yard Building Improvements Contingency		200,000			200,000
Police Accomodations		904,200			904,200
Boiler Replacement at GHRC & Municipal Hall		450,000			450,000
Multi-building Cross Connection Controls Installation		304,700			304,700
Pearkes Ice Mechanical Upgrades		284,900			284,900
Fire Hall #3 Building Renovation & Electrical		372,600			372,600
HVAC Unit Replacements (Annex, Pearkes, Protective Services, CHRC)		171,500			171,500
Mechanical Upgrades (Pumps and Compressors for SCP, Pumps and Water Tanks for CHRC)		137,400			137,400
CHRC Water Service Repairs		50,000			50,000
Fire Hall #1 Asphalt Drive Aisle Reconstruction		250,000			250,000
Total	-	3,125,300	-	-	3,125,300
2015 Capital Projects:					
Cedar Hill Golf Clubhouse and Course Improvements		115,000			115,000
Legislative Office Renovation		43,300			43,300
Facility Master Planning	250,000				250,000
Cedar Hill Recreation Centre Roof & Envelope	35,000				35,000
SCP Envelope	125,000				125,000
SCP Front Lobby Skylight	75,000				75,000
Municipal Hall Concrete Repairs	250,000				250,000
GHRC Building Envelope Upgrades	200,000	379,000			579,000
Pearkes Roofing Replacement	95,000	145,100			240,100
Nelly McLung Washroom Renovation	150,000				150,000
Major Facilities Capital Contingency	120,000	59,000			179,000
Total	1,300,000	741,400	-	-	2,041,400
2015 Reserve Transfers					
Major Facilities Repair & Future Replacement Reserve	1,543,000				1,543,000
Total	1,543,000	-	-	-	1,543,000

Given that the majority of facility replacement expenditures are for large one time projects, a significant portion of annual funding is transferred to the Facilities Reserve Fund for future use.

Recreation Facilities

Recreation Facilities	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2014 Projects in Progress:					
Building Improvements at various Centres		286,400			286,400
Field House Floor Servery and Ramp		94,500			94,500
Cedar Hill Various Improvements		108,000			108,000
Total	-	488,900	-	-	488,900
2015 Capital Projects:					
Pearkes Building Improvements	47,500				47,500
Cedar Hill Front Desk Design & Improvements	40,000				40,000
Cedar Hill Building Improvements	65,000				65,000
SCP Building Improvements	79,500				79,500
SCP Front Desk Design & Improvements	57,000				57,000
Gordon Head Building Improvements	39,900				39,900
Gordon Head Front Desk Design & Improvements	20,000				20,000
Front Desk Construction Various Centres	150,000				150,000
Total	498,900	-	-	-	498,900

Water Utility Fund

The Water Utility system is comprised of over 545 km of water mains and four (4) 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 firefighting standards, applicable health standards and the Drinking Water Protection Act.

Activity levels continued to be high in 2014. The Department repaired over 119 service leaks and 16 water main breaks. Over 350 km of water mains were flushed, over 3,415 gate valves serviced and 1,100 water meters were replaced. The Department also responded to over 2,025 service requests from our customers.

BUDGET SUMMARY	
2015 Budget	27,387,100
2014 Budget	30,786,600
Budget Change	(3,399,500)
Change by %	(11.04%)
2015 FTE	41.59
2014 FTE	41.59
FTE Change	0
FTE Change %	0%
2014 Carbon Footprint (CO₂e)	18 Tonnes
2013 Carbon Footprint (CO₂e)	18 Tonnes
Carbon Footprint Change	0 Tonnes

In December 2014 Council approved a 5.4% 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 \$26 from \$482 to \$508 per year.

2015 BUDGET CHALLENGES

- Water meter replacement program funding needs to increase to reach sustainable levels.

KEY 2014 ACCOMPLISHMENTS

- The 46 year old Cromwell Pump Station was replaced in 2014 to address inadequate fire protection and low residential pressure in the nearby residential area and the Mt Tolmie Park. The new pump station has two 1.5 HP domestic pumps, 40 HP booster pump and a backup generator providing enough water supply capacity so that the old Cromwell Reservoir in Mt Tolmie Park could be eliminated. The new pump building was designed to aesthetically fit in the neighbourhood, including stone facing and a green roof.
- The Cherry Tree Bend Pump Station was upgraded in 2014 to include replacement of the aging mechanical and electrical equipment, installation of the standby diesel generator and connection to the District's SCADA system that would allow remote control of the pump station. The pump station supplies water to the Wesley Reservoir and the Central Saanich/Cordova Bay Area servicing approximately 20,000 residents. The pump station has two new 75 HP pumps designed to provide required flows and pressure with high efficiency.
- Fire hydrants were converted to suit "Storz" type quick connect fittings now used by the Fire Department.
6.0 km of asbestos concrete and cast iron water mains replaced.

2015 KEY PRIORITIES

Priority Strategic initiatives include:

- Complete water master plan to guide future years Capital Program.
- Complete construction of Rithet Reservoir.
- Continue replacement of watermains that are reaching the end of their service life.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Watermain Replacement Program	Replace 4 km of cast iron and asbestos cement watermain	F1 Sustainable Environment
2. Reservoir Program	Complete replacement of Rithet Reservoir	F1 Sustainable Environment
3. Water Master Plan	Complete Water System Master Plan to guide future years Capital Program	F1 Sustainable Environment

CORE BUDGET

The 2015 net budget of \$27,387,100 represents an 11.04% decrease in net expenditures over prior year, including a net capital program of \$7,177,000. Water revenues are projected to increase to \$20,148,800 or 5.76% in 2015.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2013	2014	2014	2015	2015/2014
Personnel	2,740,600	2,437,300	2,596,600	2,659,600	2.43%
Goods and Services	8,102,200	8,976,200	8,479,700	8,922,800	5.23%
Fiscal Services	64,700	93,800	60,000	60,200	0.33%
Overheads and Transfers	1,288,100	1,265,500	1,722,200	1,722,200	0.00%
Gross Capital Program	16,063,200	17,937,300	17,928,100	14,022,300	(21.79%)
Total	28,258,800	30,710,100	30,786,600	27,387,100	(11.04%)
REVENUES AND RECOVERIES					
Utility Charges	(18,353,500)	(20,146,500)	(19,051,900)	(20,148,800)	5.76%
Non-Tax Revenues	(86,500)	(84,200)	(107,400)	(116,600)	8.57%
Surplus Appropriation	-	-	(250,000)	(250,000)	0.00%
Transfer from Reserves	(10,138,700)	(11,377,300)	(11,377,300)	(6,871,700)	(39.60%)
Total	(28,578,700)	(31,608,000)	(30,786,600)	(27,387,100)	(11.04%)
NET OPERATIONS	(319,900)	(897,900)	-	-	0.00%

- Goods and Services increased 5.23% due to increase in water purchase from the CRD.
- Gross Capital Program decreased 21.79% due mainly to fewer projects being carried forward from 2014 offset by the annual capital funding increase per council policy to reach sustainability.
- Transfer from Reserves decreased by 39.60% due to the decrease in unfinished 2014 capital projects being carried forward.

NET BUDGET BY FUNCTION

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

Net Budget By Function	Actual 2013	Actual 2014	Budget 2014	Budget 2015	\$ Change 2015/2014	% Change 2015/2014
General Administration	1,082,000	1,082,000	1,066,900	1,066,900	-	0.00%
Field Operations	879,800	875,100	823,000	834,700	11,700	1.42%
Water Purchases	7,383,100	7,888,100	7,550,000	7,960,000	410,000	5.43%
Waterline Repairs	743,400	770,000	665,600	676,400	10,800	1.62%
Pump Maintenance	509,500	533,200	579,500	598,800	19,300	3.33%
Hydrant Maintenance	173,200	155,200	222,200	225,800	3,600	1.62%
Valve Maintenance	284,000	288,300	297,700	302,100	4,400	1.48%
Meter Repairs/Replacements	247,000	287,100	313,200	317,400	4,200	1.34%
Water Quality Programs	285,800	304,300	299,300	307,500	8,200	2.74%
Billing and Collection	473,700	505,400	474,500	482,200	7,700	1.62%
Contingency	-	-	450,000	450,000	-	0.00%
Net Capital Program	5,972,100	6,560,000	6,560,000	7,177,000	617,000	9.41%
Total	18,033,600	19,248,700	19,301,900	20,398,800	1,096,900	5.68%

- Water Purchases increased 5.43% due to an expected increase in water consumption.
- Pump Maintenance increased 3.33% due mainly to increases in hydro costs.
- Net Capital Program increased 9.41% as per council policy to reach sustainability.

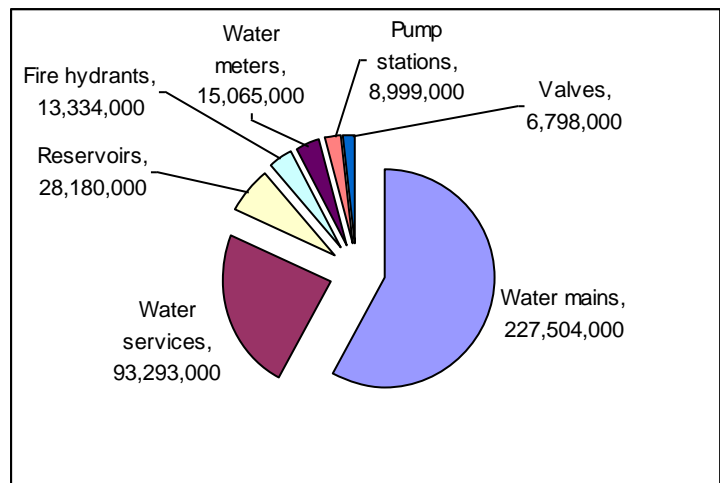
WATER CAPITAL PROGRAM

Saanich water infrastructure includes 547 km of water mains, 29,586 water services, 4 reservoirs, 18 pump stations, 9,050 valves and 2,255 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 2015 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 (2013 \$)
Water mains	Varies	\$2,643,000
Water services	40	\$1,555,000
Reservoirs	100	\$1,198,000
Fire hydrants	80	\$ 333,000
Water meters	40	\$1,004,000
Pump stations	50	\$ 301,000
Valves	80	\$ 143,000
		\$7,177,000



Current Funding Level is \$7,177,000

Future Funding Target is \$7,177,000

The Water Capital Program has reached sustainable annual funding levels.

How did we work toward the target?

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

How do we maintain sustainability?

- Continue with annual increases in capital funding to keep up with construction cost indices

Five Year Water Capital Projection

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

Description of Program	Budget	Budget	Budget	Budget	Budget	Notes:
	2015	2016	2017	2018	2019	
Water Capital						
Asbestos Cement & Cast Iron Main Replacement	5,508,200	4,715,800	4,132,700	3,601,800	1,971,000	1
Other Mains	1,246,400	1,891,200	2,221,400	2,600,000	4,156,000	2
Pump Station Replacement	-	-	-	-	400,000	3
Meter Replacement	330,000	330,000	430,000	330,000	330,000	
Service Connection Replacement	100,000	100,000	100,000	100,000	100,000	
Hydrant Replacement	30,000	30,000	30,000	30,000	30,000	
Other	228,000	260,000	560,000	961,300	788,000	
	7,442,600	7,327,000	7,474,100	7,623,100	7,775,000	

Notes:

- 1 -- Based on condition assessment
- 2 – System improvements as per condition assessments and consultant recommendations
- 3 – Annual Program

WATER CAPITAL

Water Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2014 Projects in Progress:					
Asbestos Cement & Cast Iron Main Replacement:					
Kingsley Street (North Dairy to Lansdowne)		150,500			150,500
Arrow Road McKenzie Connection		219,400			219,400
Arbutus Road (Gordon Head to Locarno Lane)		790,900			790,900
Doncaster (Derby to Ocean View)		272,300			272,300
Harriet Road (Carey to Boleskin)		405,900			405,900
Quadra Street (Rodgers to Nicolson)		598,500			598,500
Sims (Harriet to Douglas)		73,800			73,800
Tudor Avenue (Seaview to Phyllis)		560,000			560,000
Cook Street (Maplewood to Cloverdale)		47,100			47,100
Pump Stations:					
Cromwell Pumpstation Replacement		85,000			85,000
Other:					
Data Historian Software (SCADA)		33,700			33,700
Large Gate Valves Replacement		61,900			61,900
Detailed Design Capital Projects		107,400			107,400
Rithet Reservoir Replacement		2,728,800			2,728,800
Meter Replacements		115,200			115,200
12 mm Copper Service Connection Replacement Program		69,500			69,500
Water Supply Master Plan		200,000			200,000
SCADA Servers		39,000			39,000
Misc. Water Main Replacements		20,800			20,800
Total	-	6,579,700	-	-	6,579,700

WATER CAPITAL (continued)

Water Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2015 Capital Projects:					
Asbestos Cement & Cast Iron Main Replacement:					
Beckwith Avenue (Quadra to Beckwith)	549,600	95,800			645,400
Livingston Avenue	112,500				112,500
Arbutus Road (Locarno Lane to Rowley Road)	970,300				970,300
Baxter Avenue (Raymond St. to Glanford)	279,000				279,000
Broadway Street (Raymond to Broadway)	432,000				432,000
Cedar Hill Cross Road (Shelbourne to Gordon Head)	900,000				900,000
Feltham Road (Tyndall to Fairburn)	220,100	121,800			341,900
Glanford Ave Phase 1 (Melba Place to Broadway)	681,300				681,300
Keats Street (Bowker Creek)	25,000				25,000
Mount Baker View	219,900				219,900
Phyllis Street (Tudor Ave to Phyllis)	547,200				547,200
Quadra Street (McKenzie to Reynolds)	575,600				575,600
Rithet Reservoir Drain Upgrade (Various)	664,500				664,500
Tillicum Road (Carey)	120,000				120,000
Other:					
Large Meters and Pump Motors Replacement	120,000				120,000
Meter Replacements	210,000				210,000
12 mm Copper Service Connection Replacement Program	100,000				100,000
Detailed Design Capital Projects	120,000				120,000
Miscellaneous Watermain Construction	240,000				240,000
Machinery & Equipment Replacement	60,000	48,000			108,000
Hydrant Replacement Program	30,000				30,000
Total	7,177,000	265,600	-	-	7,442,600

The capital projects listed in the preceding tables are a representative list of projects planned to commence during the year. As many of these budget estimates are at a "Class D" level, budget transfers may be required between projects

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 2014 Council approved an 11.9% increase in sewer rates to support this budget. Annual cost to the average homeowner increased by \$43 from \$362 to \$405 per year.

BUDGET SUMMARY	
2015 Budget	26,832,500
2014 Budget	23,568,400
Budget Change	3,264,100
Change by %	13.85%
2015 FTE	25.67
2014 FTE	25.67
FTE Change	0
FTE Change %	0%
2014 Carbon Footprint (CO₂e)	53 Tonnes
2013 Carbon Footprint (CO₂e)	82 Tonnes
Carbon Footprint Change	(29) Tonnes

2015 BUDGET CHALLENGE

- Several large diameter trunk sewers were identified for maintenance (flushing and cleaning) last year. Although trunk sewers don't require maintenance often, when they do it can be very expensive due to their size. Operations will be challenged to fund this work from the current operating budget while maintaining maintenance levels for smaller diameter sewer mains.

KEY 2014 ACCOMPLISHMENTS

- As part of Saanich's ongoing program to rehabilitate the sewer system, 3 kms of sewer mains were either replaced or relined.
- Standby generators were installed at the Beach Park and Haliburton sewage pump stations. These generators will keep the stations powered during power outages, greatly reducing the possibility of overflows to Cordova Bay.
- With the purchase of closed circuit TV inspection equipment, a program of inspecting sewer mains has been implemented in operations.

2015 KEY PRIORITIES

- In 2015, a Sewer Master Plan will be developed to guide future years' capital programs. This Master Plan will be based on growth projections prepared for the Planning Department. It will also review our system to find improvements to make the system more efficient and cost effective.
- As part of an initiative to replace the Gorgeview and Colquitz pump stations, a replacement pump station in the Gorge Waterway Park at Austin Road will be constructed. Included in the design of the pump station are new washrooms for the park.

- Engineering has developed a program to replace “no corrode” sewer services. The “no corrode” pipe (as asphalt impregnated cardboard product) was popular in the 1950’s and is reaching the end of its effective life. A further 80 sewer services will be replaced this coming year.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Pump Stations	Complete Austin Road pump station	F1 Sustainable Environment
2. Sewer Main Replacement	Rehabilitation / replace 3.0 kms of AC sewers	F1 Sustainable Environment
3. House Connections	Replace 80 no corrode house connections services	F1 Sustainable Environment
4. Sewer Master Plan	Complete a Sewer Master Plan to guide future years’ Capital Program	F1 Sustainable Environment

CORE BUDGET

The 2015 net budget of \$26,832,500 represents a 13.85% increase in net expenditures over prior year, including a net capital program of 3,935,000. Sewer revenues are projected to increase to \$16,532,400 or 12.01% in 2015.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2013	2014	2014	2015	2015/2014
Personnel	1,376,900	1,401,000	1,535,700	1,514,600	(1.37%)
Goods and Services	5,636,400	6,991,200	7,500,900	8,781,800	17.08%
Fiscal Services	682,700	689,800	1,452,000	1,452,000	0.00%
Overheads and Transfers	1,237,900	1,232,800	1,228,000	1,309,700	6.65%
Gross Capital Program	11,046,600	11,832,700	11,851,800	13,774,400	16.22%
Total	19,980,500	22,147,500	23,568,400	26,832,500	13.85%
REVENUES AND RECOVERIES					
Utility Charges	(12,501,200)	(14,565,100)	(14,759,400)	(16,532,400)	12.01%
Non-Tax Revenues	(99,800)	(106,000)	(100,000)	(100,000)	0.00%
Surplus Appropriation	-	-	(150,000)	(150,000)	0.00%
Transfer from Reserves	(3,519,400)	(4,995,400)	(4,995,400)	(7,285,500)	45.84%
Borrowing	(4,013,600)	(2,801,400)	(3,563,600)	(2,764,600)	(22.42%)
Total	(20,134,000)	(22,467,900)	(23,568,400)	(26,832,500)	13.85%
NET OPERATIONS	(153,500)	(320,400)	-	-	0.00%

- Goods and Services increased 17.08% due to increase of 36.70% in CRD debt servicing costs.
- Overhead and Transfers increased 6.65% to reimburse the general operating fund for work performed on sewer related operations.
- Gross Capital Program increased 16.22% from a combination of carrying forward unfinished 2014 projects (funded from reserves which increased by 45.84%) and the annual capital funding increase per council policy to reach sustainability.
- Borrowing decreased 22.42% as \$2,125,000 was borrowed in 2014 for prior year sewer projects. Only \$699,600 of borrowing is still required for carry forward projects.

NET BUDGET BY FUNCTION

The summary below highlights the major cost centres and indicates that they 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
	2013	2014	2014	2015	2015/2014	2015/2014
General Administration	1,227,000	1,266,000	1,222,000	1,305,300	83,300	6.82%
Field Operations	187,000	222,400	132,000	133,100	1,100	0.83%
Cleaning and Repairs	485,300	496,500	543,100	549,600	6,500	1.20%
Pump Station Maintenance	914,600	883,300	972,100	992,500	20,400	2.10%
Man Hole Maintenance	88,300	68,500	64,500	65,600	1,100	1.71%
Sewer Service Maintenance	283,700	296,600	243,500	246,700	3,200	1.31%
CRD Services	4,818,900	6,169,600	6,615,100	7,852,600	1,237,500	18.71%
Debt Charges & Reserve Transfer	1,347,700	1,452,000	1,452,000	1,452,000	-	0.00%
Contingency	-	-	250,000	250,000	-	0.00%
Net Capital Program	3,095,000	3,495,900	3,515,000	3,935,000	420,000	11.95%
Total	12,447,500	14,350,800	15,009,300	16,782,400	1,773,100	11.81%

- General Administration increased 6.82% to reimburse the general operating fund for work performed on sewer related operations.
- CRD Services increased 18.71% due to increase of CRD debt servicing costs for the Regional Sewer Treatment Program.
- Net Capital Program increased 11.95% as per council policy to reach sustainability.

SEWER CAPITAL PROGRAM

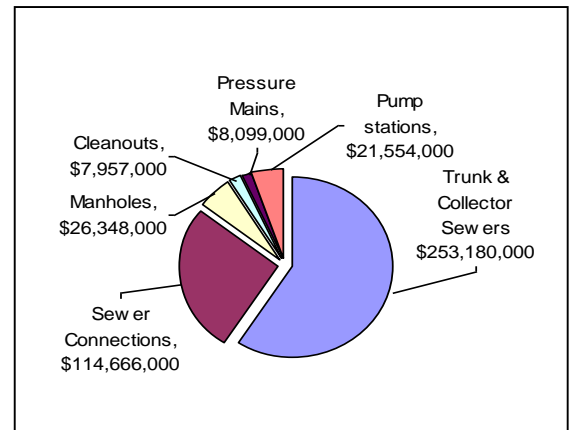
Saanich sewer infrastructure includes 24 km of trunk sewers, 547 km of collector sewers, 18 km of pressure mains, 29,209 service connections and 40 pumping stations valued at \$451 million dollars.

Asbestos cement pipe service life is not likely more than 70 years (64% of system). About 30% of inspected manholes require moderate rehabilitation for deteriorated rungs, defective 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 asbestos cement 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 Infiltration and Inflow demands

Component	Estimated Asset Life (years)	Average Annual Replacement Cost (2013 \$)
Trunk & Collector Sewers	Varies	\$ 3,993,000
Sewer Connections	100	\$ 1,685,000
Manholes	100	\$ 351,000
Cleanouts	100	\$ 106,000
Pressure Mains	100	\$ 113,000
Pump stations	50	\$ 744,000
		\$ 6,992,000

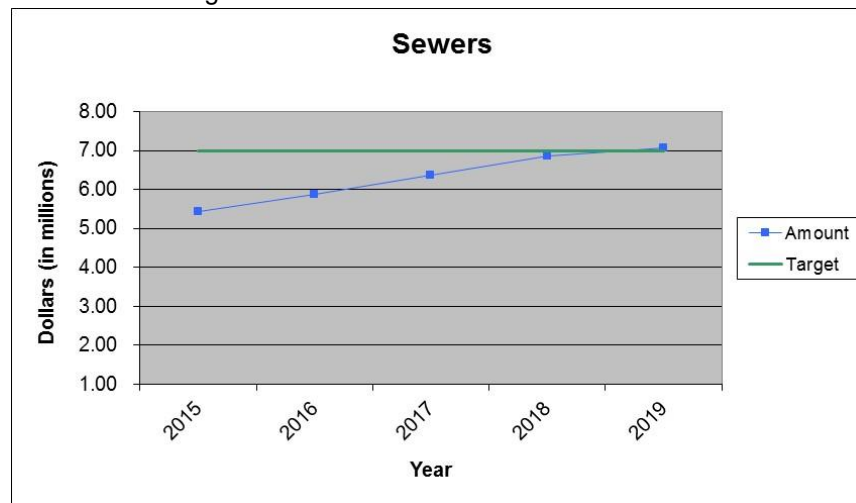


Current Ongoing Funding is \$5,435,000

Future Funding Target is \$6,992,000

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



Five Year Sewer Capital Projection

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

Description of Program	Budget 2015	Budget 2016	Budget 2017	Budget 2018	Budget 2019	Notes:
Sewer Capital						
Asbestos Cement Main Replacement	1,780,000	2,735,000	2,775,000	3,975,000	2,015,000	1
Relining	1,000,000	1,200,000	1,500,000	-	2,000,000	
Pressure Main Replacement	-	-	-	-	-	
Pump Station Replacement	3,804,200	1,300,000	1,250,000	1,750,000	2,430,000	2
Service Connections	300,000	300,000	300,000	300,000	300,000	
Manhole Replacement	100,000	100,000	100,000	100,000	100,000	
Other	380,000	250,000	430,000	230,000	230,000	
Transfer to Sewer Capital Reserve Fund	-	-	-	500,000	-	
	7,364,200	5,885,000	6,355,000	6,855,000	7,075,000	

Notes:

- 1 – Based on condition assessment
- 2 – Annual program

SEWER CAPITAL

Sewer Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2014 Projects in Progress:					
Asbestos Cement Main Replacement:					
North Dairy (Shelbourne Trunk Re-routing)		600,000			600,000
Quadra Phase 1 (Rogers to McKenzie)		500,000			500,000
Queensbury (Blenkinsop to Tracksell & 1265 Fairlane)		309,700			309,700
Kenneth (Raymond to Swan Creek)		435,000			435,000
Davida (Davida to Ker)		100,000			100,000
Longview (San Rafael to Feltham)		325,000			325,000
2014 Sewer Area Relining (Newbury and Ker Area)		928,500		699,600	1,628,100
Cook Street (Quadra to Crown Cres.)		295,000			295,000
Pump Stations:					
Pump & Motor Replacements		69,500			69,500
Portage Pump Station Construction		628,200			628,200
Wilkinson & Grange Design		100,000			100,000
Pump Station Condition Assessment		55,000			55,000
Other:					
Manhole Improvements		200,000			200,000
No-Corrode & AC SHC Replacements		300,000			300,000
Other Sewer Projects & Contingencies		152,300			152,300
Sewer Model Migration		212,400			212,400
Haliburton Force Main Rehabilitation		500,000			500,000
Total	-	5,710,600	-	699,600	6,410,200

SEWER CAPITAL (continued)

Sewer Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2015
2015 Capital Projects:					
Asbestos Cement Main Replacement:					
Morningside (Morningside to Blair)	180,000				180,000
Birchwood (Alderwood to Birchwood)	140,000				140,000
Obed	280,000				280,000
Tillicum (Homer to Carey)	450,000				450,000
Keats (Bowker Creek to North Dairy)	125,000				125,000
Union (Union to Palmer)	90,000				90,000
Diana (Diana to Doncaster)	80,000				80,000
Broadmead (Broadmead to Shelbourne)	80,000				80,000
Doncaster/Bromley	355,000				355,000
Pump Stations:					
Austin Pump Station	825,000	1,364,200		565,000	2,754,200
Grange Lift Station Construction				600,000	600,000
Wilkinson Lift Station Construction				400,000	400,000
2015 Pump & Motor Replacements	50,000				50,000
Other:					
Chatterton (Chatterton to Pat Bay Hwy)	150,000				150,000
Sutcliffe Gravity Sewer Replacement	30,000				30,000
2015 Sanitary Sewer CIPP Lining	500,000			500,000	1,000,000
Manhole Improvements	100,000				100,000
No-Corrode & AC SHC Replacements	300,000				300,000
Other Sewer Projects & Contingencies	100,000				100,000
Sanitary Sewer Detail Design	100,000				100,000
Total	3,935,000	1,364,200	-	2,065,000	7,364,200

The capital projects listed in the preceding tables are a representative list of projects planned to commence during the year. As many of these budget estimates are at a "Class D" level, budget transfers may be required between projects

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.

In 2014, several new reserve funds were established. The 2015 financial plan includes transfers between appropriate funds in order to allocate existing balances to new reserves where needed. There is no impact on taxation.

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 2015 we project a decrease in reserves to \$74,518,000 while funding a variety of initiatives.

	January 1 2015 Balance	2015 Contributions	2015 Appropriations	December 31 2015 Balance
Land Sales	2,896,500	-	2,000,000	896,500
Public Safety and Security	2,148,900	878,200	1,505,300	1,521,800
Carbon Neutral	642,700	285,200	461,800	466,100
Sub Regional Parks	1,067,900	-	212,600	855,300
Equipment Replacement	6,039,500	1,509,800	4,542,300	3,007,000
Capital Works	22,450,700	6,861,700	9,087,200	20,225,200
Commonwealth Pool Operations	1,207,900	76,300	330,000	954,200
Commonwealth Pool HP Repair	167,400	20,000	10,600	176,800
Sayward Gravel Pit	1,812,600	-	200,000	1,612,600
Development Cost Charges	18,502,100	-	2,630,700	15,871,400
Facilities Major Repair & Replacement	990,900	2,365,200	-	3,356,100
Computer Hardware & Software	-	1,744,100	250,000	1,494,100
Capital Reserves for Future Expenditure	26,865,600	20,775,600	24,875,600	22,765,600
Insurance	2,315,300	-	1,000,000	1,315,300
Total	87,108,000	34,516,100	47,106,100	74,518,000

Land Sales:

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

Public Safety and Security:

This reserve is funded from a portion of annual Provincial Traffic Fine revenue grants and other revenues. The main projects being funded from this reserve in 2015 are: IT infrastructure and furniture for a new building, patrol long gun replacement, vehicle AED and video conferencing.

Carbon Neutral:

This reserve fund provides was established for projects that help reduce carbon emissions from municipal operations. In 2015 the focus will be on implementing the municipal building energy updates identified in energy studies.

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 reserve provides for the annual replacement of fleet and fire vehicles, information technology assets, photocopiers and some recreation equipment. Annual contributions from departmental core budgets accumulate in this account and are used to replace equipment based on long term replacement plans.

Capital Works:

This reserve has four components: a General Infrastructure Reserve of \$5,877,100 accumulated from GST rebates and planned transfers, a Gas Tax Reserve of \$9,192,300 from transfer of revenues under the federal Community Works Fund, Mount Douglas and Mount Tolmie Reserves of \$1,780,600 for the purchase of parkland and site renovations and a Future Improvement Reserve of \$5,600,700 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 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 2015 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.

Facilities Major Repairs and Replacement:

This reserve fund was established in 2014 for major repair, upgrading, expansion or replacement of municipal buildings and ancillary structures. Funds for this purpose currently held in the Capital Works Reserve will be transferred in 2015.

Computer Hardware and Software:

The reserve fund was established in 2014 for information technology infrastructure and enterprise software. Funds for this purpose currently held in the Equipment Replacement Reserve will be transferred in 2015.

Capital Reserves for Future Expenditure:

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 current year and a new reserve set up for projects to be carried forward to 2016.

Water Capital:

This reserve fund was established in 2014 for significant water capital projects requiring multi-year funding.

Sewer Capital:

This reserve fund was established in 2014 for significant sewer capital projects requiring multi-year funding.

Insurance:

The municipality maintains a self-insurance appropriation 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 2016 - 2019

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	
2015 Tax Levy	106,729,300
2016 Tax Levy	111,277,400
2017 Tax Levy	115,477,500
2018 Tax Levy	119,398,000
2019 Tax Levy	123,427,100
Annual Increase to Average Homeowner	3.20%

The projected net budget funded from property taxation is projected to increase from \$106,729,300 to \$123,427,100 in 2019 or an average 3.20% increase to the average homeowner. This includes a 2.5% increase in operations, 0.1% for new infrastructure operating costs and 0.50% increase for infrastructure replacement.

The 2016 -2019 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. 0.50% 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 0.5% per year from new construction.

Water Utility Fund Estimates 2016 - 2019

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

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

WATER UTILITY BUDGET SUMMARY	
2015 Net Budget	20,148,800
2016 Net Budget	20,616,300
2017 Net Budget	21,061,600
2018 Net Budget	21,516,400
2019 Net Budget	21,981,800
Annual Increase to Average Homeowner	2.20%

The projected net budget funded from water user charges is projected to increase from \$20,148,800 to \$21,981,800 in 2019 or by an average 2.20% increase per year to the average homeowner.

The 2016 - 2019 operating estimates have been prepared using the following criteria:

1. An increase of 2.5% per year in operating costs
2. A 2.0% increase for core capital funding per year
3. An average increase in CRD water rates of 2.5% per year

Sewer Utility Fund Estimates 2016 - 2019

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 \$16,532,400 to \$22,623,800 in 2019 or by an average of 8.25% annual increase to the average homeowner.

SEWER UTILITY BUDGET SUMMARY	
2015 Net Budget	16,532,400
2016 Net Budget	18,861,700
2017 Net Budget	21,003,700
2018 Net Budget	21,875,600
2019 Net Budget	22,623,800
Annual Increase to Average Homeowner	8.25%

The 2016 – 2019 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 \$1,528,500 in sewer debt financing costs for each of the years 2016 and 2017 (final year) to reflect the construction and operation of the regional treatment plant.

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 municipality as a whole and the Mayor.
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 is the legal authority for the municipality to conduct its operations. The budget document provides the basis for development of the bylaw, but it is not considered to be part of, or a schedule to the bylaw. The budget can be amended from time to time through adoption of an amending bylaw.

The following bylaws are attached for reference purposes:

Financial Plan Bylaw 9333

Tax Rate Bylaw 9334

THE CORPORATION OF THE DISTRICT OF SAANICH

BYLAW NO. 9333

TO ADOPT THE FINANCIAL PLAN FOR THE PERIOD 2015 TO 2019

WHEREAS the Municipal Council has caused to be prepared the Financial Plan for the period 2015 to 2019 in accordance with the provision of Section 165 of the *Community Charter*,

THEREFORE the Municipal Council of The Corporation of the District of Saanich in an open meeting assembled now enacts as follows:

1. The Financial Plan for the period 2015 to 2019 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, 2015, NO. 9333**”.

Read a first time this 4th day of May, 2015

Read a second time this 4th day of May, 2015

Read a third time this 4th day of May, 2015

Adopted by Council, signed by the Mayor and Clerk and sealed with the Seal of the Corporation on the 11th day of May, 2015.

“DONNA DUPAS”

Municipal Clerk

“RICHARD ATWELL”

Mayor

THE CORPORATION OF THE DISTRICT OF SAANICH

**FINANCIAL PLAN
BYLAW NO. 9333
SCHEDULE "A"
GENERAL**

	2015	2016	2017	2018	2019
	\$	\$	\$	\$	\$
REVENUES					
TAXATION					
Property Taxes	106,729,300	111,277,400	115,477,500	119,398,000	123,427,100
Parcel Taxes	21,400	20,000	20,000	20,000	20,000
Utilities & Other	1,502,600	1,532,700	1,563,400	1,594,700	1,626,600
	<u>108,253,300</u>	<u>112,830,100</u>	<u>117,060,900</u>	<u>121,012,700</u>	<u>125,073,700</u>
Fees and Charges	25,619,800	25,876,000	26,134,800	26,396,100	26,660,100
Other Revenues	12,433,300	10,632,650	10,705,250	10,795,050	10,887,150
TOTAL	<u>146,306,400</u>	<u>149,338,750</u>	<u>153,900,950</u>	<u>158,203,850</u>	<u>162,620,950</u>
EXPENSES					
Operating Purposes	139,660,800	137,716,500	141,218,600	144,810,400	148,493,900
Debt Interest	1,133,100	1,540,500	1,926,000	2,135,100	2,380,800
TOTAL	<u>140,793,900</u>	<u>139,257,000</u>	<u>143,144,600</u>	<u>146,945,500</u>	<u>150,874,700</u>
OPERATING SURPLUS	5,512,500	10,081,750	10,756,350	11,258,350	11,746,250
ADD BACK NON CASH ITEM					
Amortization Expense	12,668,600	13,048,600	13,440,000	13,843,300	14,258,600
CASH SURPLUS	<u>18,181,100</u>	<u>23,130,350</u>	<u>24,196,350</u>	<u>25,101,650</u>	<u>26,004,850</u>
Borrowing Proceeds	6,150,000	10,420,000	5,650,000	6,640,000	14,100,000
Transfers from					
Reserve Funds	21,225,500	13,207,400	15,270,400	12,349,600	11,898,800
Reserve for Future Expenditures	21,520,100	2,398,800	2,398,800	2,398,800	2,398,800
Accumulated Surplus	653,500	-	-	-	-
	<u>49,549,100</u>	<u>26,026,200</u>	<u>23,319,200</u>	<u>21,388,400</u>	<u>28,397,600</u>
Capital Purposes	52,457,600	33,711,000	31,491,700	29,858,700	37,171,800
Debt Principal Repayment	1,592,100	1,841,500	2,103,100	2,395,400	2,728,500
Transfers to Reserve Funds					
Public Safety and Security	878,200	878,200	878,200	878,200	878,200
Carbon Neutral	285,200	285,200	285,200	285,200	285,200
Equipment Replacement	1,449,800	1,478,800	1,508,400	1,538,600	1,569,400
Capital Works	6,861,700	6,362,200	6,719,400	6,799,500	6,425,600
Commonwealth Pool Operations	76,300	76,250	61,250	61,250	61,250
Commonwealth Pool HP Repair	20,000	20,000	20,000	20,000	20,000
Facilities Major Repair & Replacement	2,365,200	2,754,400	2,694,300	3,153,000	3,728,000
Computer Hardware & Software	1,744,100	1,749,000	1,754,000	1,500,200	1,534,500
	<u>67,730,200</u>	<u>49,156,550</u>	<u>47,515,550</u>	<u>46,490,050</u>	<u>54,402,450</u>
NET TRANSFERS TOTAL	<u>(18,181,100)</u>	<u>(23,130,350)</u>	<u>(24,196,350)</u>	<u>(25,101,650)</u>	<u>(26,004,850)</u>
FINANCIAL PLAN BALANCE	-	-	-	-	-

THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN
BYLAW NO. 9333
SCHEDULE "B"
WATER UTILITY

	2015	2016	2017	2018	2019
	\$	\$	\$	\$	\$
REVENUES					
Other Revenue	116,600	116,600	116,600	116,600	116,600
Fees and Charges	20,148,800	20,616,300	21,061,600	21,516,400	21,981,800
TOTAL	20,265,400	20,732,900	21,178,200	21,633,000	22,098,400
EXPENSES					
Operating Purposes	15,447,000	15,800,600	16,163,200	16,535,300	16,917,000
TOTAL	15,447,000	15,800,600	16,163,200	16,535,300	16,917,000
OPERATING SURPLUS	4,818,400	4,932,300	5,015,000	5,097,700	5,181,400
ADD BACK NON CASH ITEM					
Amortization Expense	2,082,200	2,144,700	2,209,000	2,275,300	2,343,600
CASH SURPLUS	6,900,600	7,077,000	7,224,000	7,373,000	7,525,000
Transfers from					
Reserve Funds	265,600	-	-	-	-
Reserve for Future Expenditures	6,606,100	-	-	-	-
Accumulated Surplus	250,000	250,000	250,000	250,000	250,000
	7,121,700	250,000	250,000	250,000	250,000
Capital Purposes	14,022,300	7,327,000	7,474,000	7,623,000	7,775,000
NET TRANSFERS TOTAL	(6,900,600)	(7,077,000)	(7,224,000)	(7,373,000)	(7,525,000)
FINANCIAL PLAN BALANCE	-	-	-	-	-

THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN
BYLAW NO. 9333
SCHEDULE "C"
SEWER UTILITY

	2015	2016	2017	2018	2019
	\$	\$	\$	\$	\$
REVENUES					
Other Revenue	60,000	61,800	63,700	65,600	67,500
Fees and Charges	16,532,400	18,861,700	21,003,700	21,875,600	22,623,800
TOTAL	16,592,400	18,923,500	21,067,400	21,941,200	22,691,300
EXPENSES					
Operating Purposes	13,848,800	15,586,500	17,329,700	17,774,900	18,231,500
Debt Interest	366,400	431,400	437,100	413,800	442,000
TOTAL	14,215,200	16,017,900	17,766,800	18,188,700	18,673,500
OPERATING SURPLUS	2,377,200	2,905,600	3,300,600	3,752,500	4,017,800
ADD BACK NON CASH ITEM					
Amortization Expense	2,242,700	2,310,000	2,379,300	2,450,700	2,524,200
CASH SURPLUS	4,619,900	5,215,600	5,679,900	6,203,200	6,542,000
Borrowing Proceeds	2,764,600	1,500,000	1,500,000	1,500,000	1,500,000
Transfers from					
Reserve Funds	40,000	40,000	40,000	40,000	40,000
Reserve for Future Expenditures	7,285,500	-	-	-	-
Accumulated Surplus	150,000	150,000	150,000	150,000	150,000
	10,240,100	1,690,000	1,690,000	1,690,000	1,690,000
Capital Purposes	13,774,400	5,885,000	6,355,000	6,855,000	7,075,000
Transfers to Capital Reserve	676,900	687,500	678,300	736,900	817,600
Debt Principal	408,700	333,100	336,600	301,300	339,400
	14,860,000	6,905,600	7,369,900	7,893,200	8,232,000
NET TRANSFERS TOTAL	(4,619,900)	(5,215,600)	(5,679,900)	(6,203,200)	(6,542,000)
FINANCIAL PLAN BALANCE	-	-	-	-	-

THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN
BYLAW NO. 9333
SCHEDULE "D"

REVENUE AND TAX POLICY DISCLOSURE

Proportions of Total Revenue

Funding Sources

Property Taxes	42.69%
Fees and Charges	24.91%
Borrowing Proceeds	3.56%
Other Sources	28.84%
	<hr/>
	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

Property Class

1 Residential	76.75%
2 Utilities	0.36%
3 Supportive Housing	0.00%
5 Light Industry	0.15%
6 Business & Other	22.64%
7 Managed Forest	0.00%
8 Rec/Non-Profit	0.10%
9 Farm	0.00%
	<hr/>
	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 2015 - 2019 Draft Saanich Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 21%, consistent with prior years.

Permissive Tax Exemptions

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

THE CORPORATION OF THE DISTRICT OF SAANICH

BYLAW NO. 9334

FOR THE LEVYING OF RATES AND TAXES FOR THE YEAR 2015

The Municipal 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 2015:
 - (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. 9264 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. 9264 and referred to as the Cadboro Bay Village Business Improvement Area, \$1.16923 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 2015. 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, 2015, NO. 9334**".

Read a first time this 4th day of May, 2015.

Read a second time this 4th day of May, 2015.

Read a third time this 4th day of May, 2015.

Adopted by Council, signed by the Mayor and Clerk and sealed with the Seal of the Corporation on the 11th day of May, 2015.

"DONNA DUPAS"

Municipal Clerk

"RICHARD ATWELL"

Mayor

**2015
SCHEDULE**

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

Property Class	A	B	C
	Municipal General	Regional District	Regional Hospital District
(1) Residential	3.8911	0.2999	0.3008
(2) Utilities	31.5087	2.4282	1.0527
(3) Supportive Housing	3.8911	0.2999	0.3008
(4) Major Industry	9.1914	0.7083	1.0227
(5) Light Industry	9.1914	0.7083	1.0227
(6) Business/Other	13.2118	1.0182	0.7369
(7) Managed Forest	23.2153	1.7891	0.9023
(8) Recreational/Non Profit	7.7024	0.5936	0.3008
(9) Farm	0.5000	0.0385	0.3008