

2016 – 2020 Financial Plan

April 28, 2016





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Executive Director



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Executive Director



Date **August 21, 2015**

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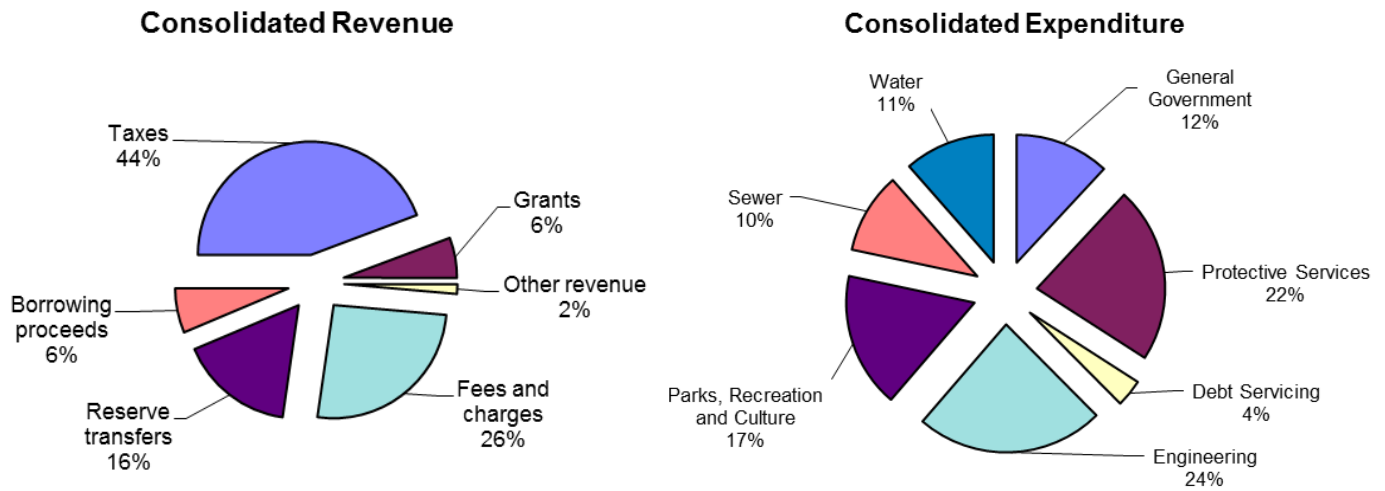
EXECUTIVE SUMMARY

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 2016-2020 Financial Plan Bylaw, which will be considered for adoption by Council before May 15, 2016.

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 2016 balances \$257,435,300 in revenues and transfers with \$257,435,300 in expenditures.



The budget is based on:

1. A municipal property tax increase of 1.44% (\$33.74) for core Municipal and Police operations, 0.69% (\$16.18) for capital infrastructure replacement, 0.39% (\$9.14) for resource requests and 0.12% (\$2.81) for the Greater Victoria Public Library. This totals 2.64% or \$61.87 to the average single family homeowner,
2. No service reductions from 2015 levels,
3. Utility rates approved in December 2015,

Including all municipal taxes and utilities, an average homeowner is projected to pay about \$102 more in 2016:

	<u>2015</u>	<u>2016</u>	<u>Increase</u>
Property Taxes	\$ 2,347	\$ 2,409	\$ 62
Sewer	405	437	32
Water	508	513	5
Refuse Collection	170	173	3
	<u>\$ 3,430</u>	<u>\$ 3,532</u>	<u>\$ 102</u>

2. Summary of Consolidated Financial Plan Changes From 2015 To 2016

Additional revenues from taxation, reserves and user fees will be used to fund inflationary increases in 2016 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 Wilkinson Bridge (Colquitz Trail) replacement and Linwood Avenue (Cook to Tolmie) Sidewalk work:

Consolidated Revenue					
Source	General Operating	General Capital	Sewer & Water Utility	2016 Budget Total	2015 Budget Total
Taxes	98,707,500	12,472,100	-	111,179,600	106,750,700
Grants	3,772,900	2,478,500	-	6,251,400	14,495,700
Other revenue	3,499,800	-	-	3,499,800	3,494,300
Fees and charges	26,370,800	-	38,910,900	65,281,700	62,917,600
Reserve transfers	6,043,000	34,572,600	14,166,200	54,781,800	48,253,800
Borrowing proceeds	-	12,176,400	4,264,600	16,441,000	8,914,600
Total	138,394,000	61,699,600	57,341,700	257,435,300	244,826,700

Consolidated Expenditure					
Function	General Operating	General Capital	Sewer & Water Utility	2016 Budget Total	2015 Budget Total
Administration	2,267,400	-	-	2,267,400	1,901,300
Corporate Services	5,836,900	7,449,000	-	13,285,900	8,883,800
Finance	6,507,400	25,000	-	6,532,400	11,058,700
Fiscal Services	7,897,100	-	1,452,000	9,349,100	8,616,600
Legislative Services	4,312,300	-	-	4,312,300	4,399,300
Police Protection	35,390,800	2,429,300	-	37,820,100	35,505,700
Fire Protection	17,730,200	871,600	-	18,601,800	16,692,700
Emergency Program	425,500	55,000	-	480,500	420,200
Planning	5,023,000	-	-	5,023,000	5,014,600
Engineering	18,889,400	42,017,100	55,889,700	116,796,200	110,830,900
Parks & Recreation	28,128,600	8,852,600	-	36,981,200	35,677,700
Cultural	5,985,400	-	-	5,985,400	5,825,200
Total	138,394,000	61,699,600	57,341,700	257,435,300	244,826,700

Note: The above total figure for General Operating is \$22,730,100 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 2015		\$ 244,826,700
Revenues were increased because:		
General Taxes were increased by 2.64% to average homeowner		4,428,900
Decreased use of grant revenue mainly for infrastructure spending		(8,244,300)
Increased fees and charges from recreation		226,680
Increased fees and charges from water and sewer programs		1,613,100
Increased fees and charges from other programs		529,820
Increased borrowing for infrastructure		7,526,400
Decreased use of reserve funds (including Work in Progress)		6,528,000
New Consolidated Revenue level for 2016		\$ 257,435,300

Consolidated Expenditures level in 2015				\$ 244,826,700
Revenues were increased because:				
	Increased General Operating costs			1,941,600
	Increased General Capital costs			7,544,900
	Increased Water System operating and capital costs			1,959,100
	Increased Sewer System operating and capital costs			1,163,000
New Consolidated Expenditure level for 2016				\$ 257,435,300

3. 2016 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 2015 levels. Reserve funds are expected to decrease in 2016 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>	<u>Total</u>
Fund Balance, January 1	19,771,300	20,321,400	15,388,800	13,967,700	91,660,600	161,109,800
Total Revenues	161,124,100	61,699,600	27,995,500	29,346,200	40,362,200	320,527,600
Total Expenditures	(161,124,100)	(61,699,600)	(27,995,500)	(29,346,200)	(51,041,100)	(331,206,500)
Fund Balance, December 31	19,771,300	20,321,400	15,388,800	13,967,700	80,981,700	150,430,900

4. General Operating Fund Summary:

This budget provides for the annual operation of the municipality in 2016 based on a 1.44% increase for core operations, 0.39% for resource requests to maintain 2015 service levels, 0.12% for the Greater Victoria Public Library and 0.69% for capital funding which does not include an additional increase of 0.29% from new Fortis operating agreement revenue.

This revenue funds the net cost to maintain services at 2015 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 2016.

A refuse collection fee of \$173 (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 \$3.00 over prior year is attributable to contracted increases to labour costs and reimbursement to the general operating fund for support work provided to the garbage utility.

5. Water Utility Fund Summary:

The Water Utility Budget provides for all operations and capital funding to support the water system. In December 2015 a 1.1% annual increase in water rates was approved to support a modest increase in spending. Cost to the average homeowner increased by \$5 from \$508 to \$513 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 2015 a 7.9% 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 \$32 from \$405 to \$437 per year.

7. General Capital Fund Summary:

The 2016 General Capital Program provides for a \$61.7 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 2016 include \$5.9 million Wilkinson Bridge (Colquitz Trail), \$3.5 million in Wood Stave replacement, \$2.8 million in Facility upgrades and \$1.6 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 \$11 million in 2007 to an annual average of over \$22 million in the last three years.

8. Reserve Fund Summary:

Reserve Funds are projected to decrease from \$91,660,600 in 2015 to \$80,981,700 in 2016 as work in progress reserves are used to complete capital projects planned in previous years and funding is provided for equipment replacement, capital projects and land purchases.

9. Debt Summary:

Overall debt levels are projected to increase to \$39.4 million in 2016. This remains well below policy guideline of \$86 million in general debt. Current outstanding debt, interest rates and maturity dates are listed below:

BY-LAW NUMBER	GENERAL	SEWER	TOTAL	SERVICING COST	INTEREST RATE	MATURITY DATE
	\$	\$	\$	\$	%	D / M / Y
8181		73,404	73,404	61,474	3.05%	01.06.2016
8293		71,656	71,656	30,737	3.05%	01.06.2017
8344		107,484	107,484	40,405	2.10%	03.12.2017
3197		273,300	273,300	53,074	2.00%	02.12.2019
3257	1,337,743		1,337,743	218,639	1.55%	06.04.2020
3292	928,932		928,932	211,762	1.80%	13.10.2020
3363	2,124,033		2,124,033	424,556	4.43%	19.10.2021
3466	921,114	323,899	1,245,013	226,343	4.82%	12.01.2022
3968	2,200,102		2,200,102	271,898	3.00%	14.10.2024
3726	1,293,553		1,293,553	154,365	3.35%	01.10.2025
3726		838,928	838,928	100,327	3.73%	06.10.2025
3771	6,581,268		6,581,268	737,133	3.65%	29.09.2026
3853		633,078	633,078	59,206	2.90%	04.10.2027
8409	999,746		999,746	62,929	2.10%	03.06.2028
3968	2,470,153	2,018,875	4,489,028	377,722	3.00%	14.10.2029
	(108,204)	(40,526)	(148,730)			Accrued Actuarial Gains
TOTAL	18,748,440	4,300,098	23,048,538	3,030,570		

10. Consolidated 2016 Budget Highlights by Strategic Plan Theme Area

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

Safe Community:

- \$182,000 in funding for the Safe Route to School program
- \$1,400,000 in funding to provide fleet, IT and other capital replacement for protective services.

Healthy Community:

- \$2,382,000 for park, playground, trail and other park infrastructure replacement
 - Mt. Douglas Improvements
 - Copley East playground replacements
 - Rithet Bog, Rosedale Park Trail Resurfacing
 - Cedar Hill/Finlayson, Agate and Mt. Douglas parking lot improvement
 - Natural Areas Restoration at 574 Walter

Sustainable Environment:

- \$5,891,000 to replace Wilkinson Bridge and related Colquitz Trail (Gas Tax Funded - \$4,905,000)
- \$900,000 to replace the Tolmie Sewer Pump Station
- \$9,637,000 to continue replacing asbestos cement sewer mains and asbestos cement and cast iron water mains

Balanced Transportation:

- A minimum of \$3,340,000 of sidewalk and bikeways additions and improvements in areas such as:
 - Linwood Avenue (Cook to Tolmie) 500m (Gas Tax Funded - \$500,000)
 - McKenzie Avenue (Cedar Hill to Shelbourne) 190m
 - Tillicum Road (Maddock to Trans Canada Hwy) 800m
- \$1,545,000 in various road improvements to Bus Stops, Signals and Street Lights:
 - Douglas/Saanich/Boleskine intersection (Gas Tax Funded - \$750,000)
 - McKenzie/Quadra traffic signal upgrade
 - LED street light program

Vibrant Connected Economy:

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

Service Excellence:

- \$750,000 for IT infrastructure upgrades
- \$1,000,000 for network 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 10,334 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.

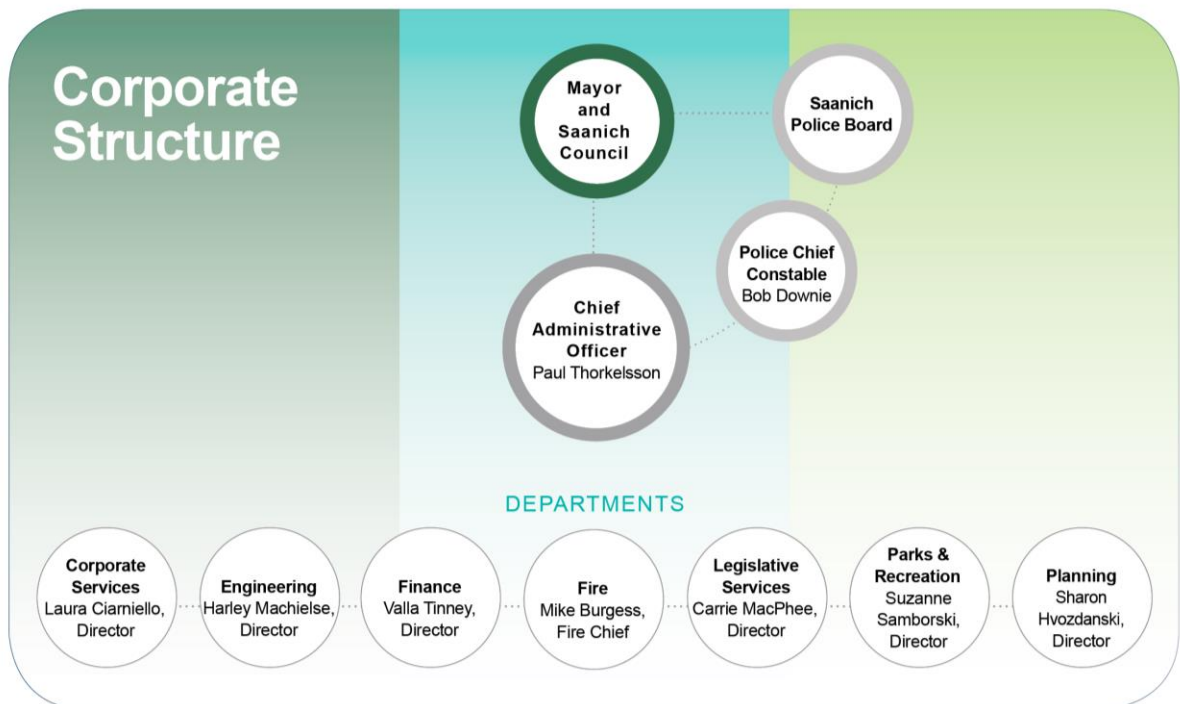
Saanich Council

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	Dean Murdock
	Judy Brownoff	Colin Plant
	Vic Derman	Vicki Sanders
	Fred Haynes	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 of the municipal departments, the Fire Chief and the Chief Constable:



STRATEGIC CONTEXT

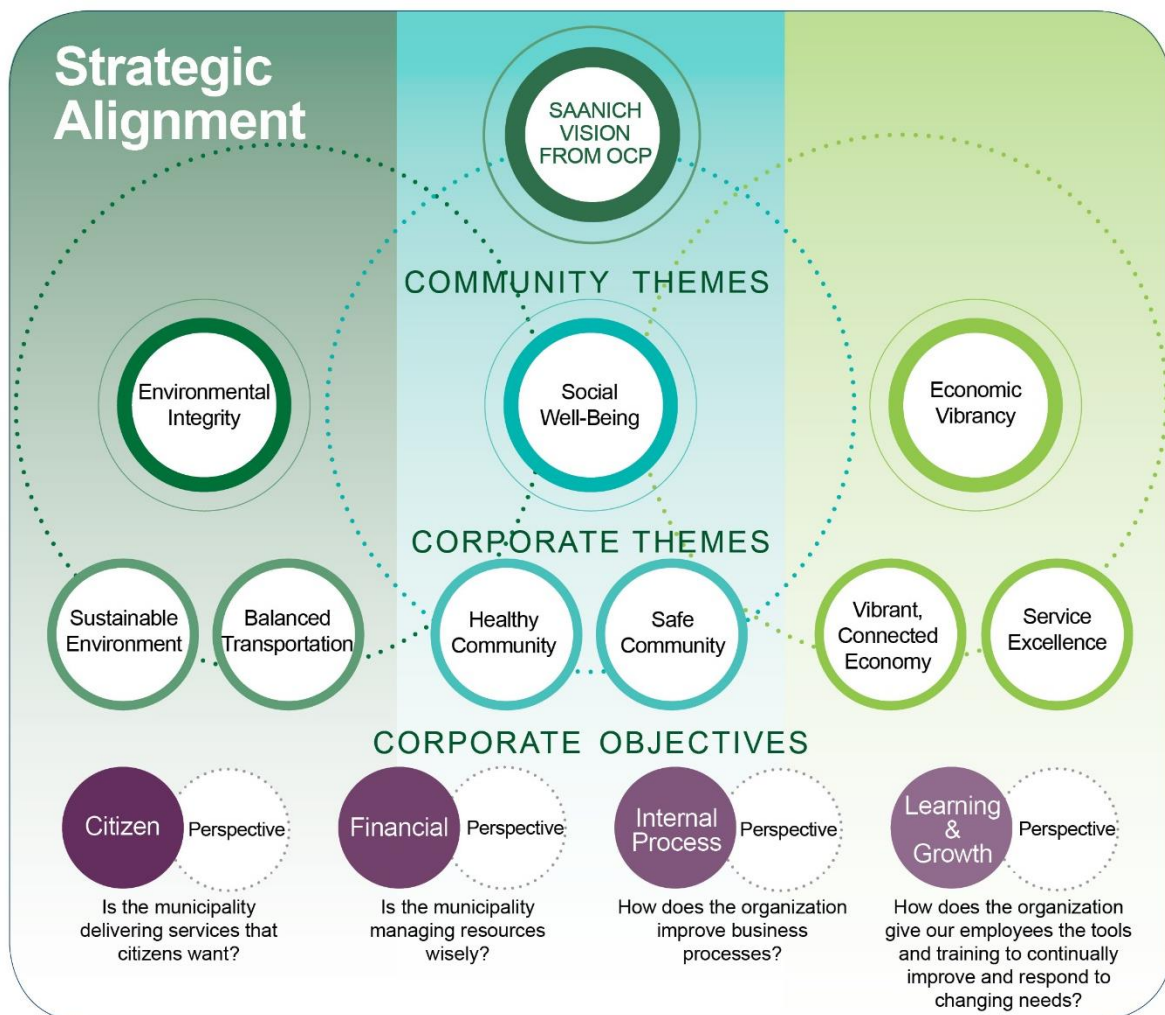
1. Strategic Plan

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
January	Senior Management Review
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.

Senior Management Review – The Director of Finance and Chief Administrative Officer review the draft financial plan.

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 2016 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 2016 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 0.75% annually for infrastructure replacement.
3. Debt servicing budget levels maintained within policy.
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 (2016) 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 2016 – 2020 Draft Saanich Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 23%.

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>2015</u>	<u>2016</u>	<u>% Property Tax Levy</u>	<u>Tax Multiple</u>
Residential	3.8911	3.8568	76.52%	1.0000
Utilities	31.5087	31.8954	0.35	8.2699
Supportive Housing	3.8911	3.8568	0.00	1.0000
Light Industry	9.1914	9.4304	0.15	2.4451
Business/Other	13.2118	13.3157	22.88	3.4451
Managed Forest	23.2153	22.3876	0.00	5.8047
Rec/Non Profit	7.7024	7.9211	0.10	2.0538
Farm	0.5000	0.5000	0.00	0.1297

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 carry. 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 2015, the legal debt limit is such that average annual servicing costs cannot exceed \$40.5 million or total debt of \$467 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 2016 this limits annual debt servicing costs to no more than \$7.4 million or total debt of \$86 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 2016

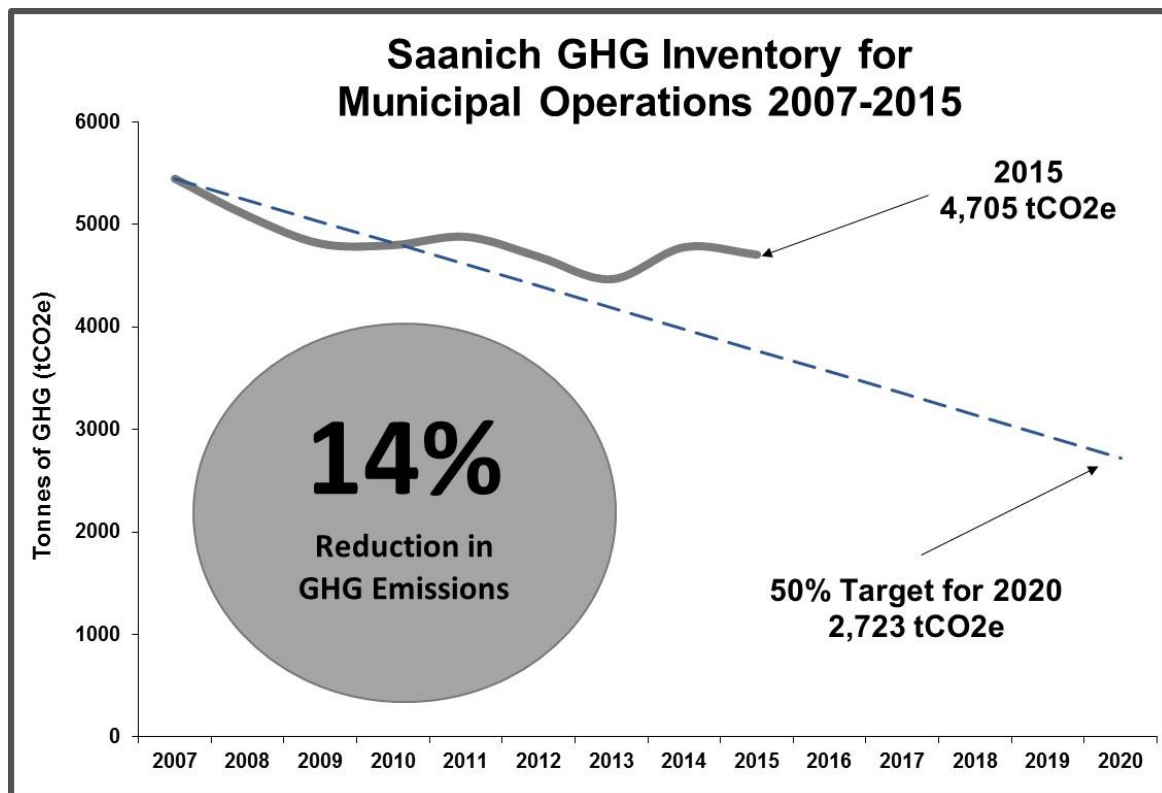
Between 2015 and 2016, total full-time equivalent (FTE) positions are expected to increase by a net of 13.16 FTE or 1.23%. Details listed below:

Full time Equivalent (FTE) Employees						
Department	2014	2015	2016	FTE Change	Description of Change	
Administration	3.07	3.07	3.07	-		
Corporate Services	42.64	42.72	43.38	0.66	A net increase of 0.66 FTE is due to the full year budgeting of the Assistant HR Manager position approved last year.	
Finance	30.71	32.44	34.04	1.60	1.6 FTE increase due to transfer of the Capital Budget Coordinator from Engineering and the addition (partial year) of a Financial Analyst position.	
Legislative Services	19.44	19.81	19.62	(0.19)	0.19 FTE decrease is due to reduction in Senior Committee Clerk hours to offset the addition of a part time Records Coordinator position.	
Police Protection	237.33	241.88	248.33	6.45	6.45 FTE increase is due to addition (partial year) of 4 Patrol Officers and 1 civilian position, 4 recruits pre hires and the overlap hiring of 2 officers for retirements in 2016 and 2017.	
Fire Protection	124.25	125.50	126.17	0.67	Temporary increase of 0.42 FTE to allow for an overlap in the Assistant Deputy positions for this year and the hiring (partial year) of an admin support.	
Emergency Program	2.77	3.00	3.00	-		
Planning & Development	45.61	46.61	46.61	-		
Engineering (includes utilities)	255.25	256.82	256.23	(0.59)	A net decrease of 0.59 FTE is due to transfer to Finance of one position offset by increase in Storekeeper position and auxiliary time.	
Parks & Recreation	293.88	296.83	301.39	4.56	Net Increase of 1.96 FTE in recreation centres, 0.7 FTE at CHGC and 1.0 in Parks to accommodate for increases in recreation programs, park and Golf Grab & Run services. A 0.5 FTE increase of a parks planner approved prior year. 0.4 FTE increase in Community Services due to addition of youth leaders.	
Total	1,054.95	1,068.68	1,081.84	13.16		

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.

Carbon Footprint (tCO ₂ e)						
Department	2013	2014	2015	GHG Change	Description of Change	
Administration	10	8	8	-		
Coporate Services	48	40	38	(2)	Decrease in hall energy consumption	
Finance	48	38	35	(3)	Decrease in hall energy consumption	
Legislative Services	59	35	40	5	Increase in energy consumption of managed buildings	
Police Protection	596	592	596	4	Decrease in natural gas at facility offset by increase in gasoline consumption	
Fire Protection	204	202	192	(10)	Decreased natural gas consumption at facility offset by increase in gasoline consumption.	
Planning & Development	78	60	57	(3)	Decrease in hall energy consumption	
Engineering (includes utilities)	1,395	1,730	1,681	(49)	Decreased in hall energy consumption and fleet gasoline consumption	
Parks & Recreation	2,027	2,073	2,058	(15)	Decrease in electricity and natural gas at recreation centres	
Total (Baseline 2007 = 5,446)	4,465	4,778	4,705	(73)		



BUDGET PLANNING ISSUES

1. 2016 Financial Planning Issues

Preparation of the 2016 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 funding to reach sustainable levels by 2019 is in place. This increased spending is estimated at a minimum of 0.75% property tax increase per year in addition to the inflationary cost increase of operations. This target is reviewed each year. Capital program funding from utility charges have also been increased at a minimum of 3% per year for Sewer. Water rates increased annually by an inflation factor of 2% for infrastructure replacement.

Wage and benefit costs – Worker's Compensation Board's rates increased by 20% over prior year due to time loss experience of previous years. Medical Services Plan (MSP) rates increased 3.94% over the 2015. Some benefit cost reduction has been experienced from the transition to a new benefit carrier in April 2015. Results will continue to be closely monitored as we reach a full year of experience. Contingency estimates have been included in the financial plan for the increases net of anticipated savings. The Police Association and CUPE collective agreements expired December 2015. Negotiations will be conducted over the coming year.

Growth – The District experienced modest growth in 2015 which has returned the District closer to historical levels of new tax and permit revenue.

New Infrastructure Maintenance and Services Operating Cost - For 2016, an additional 0.1% tax increase will be applied primarily to fund maintenance for new parks and trails, management of invasive species and software licencing.

Resource Requests - For 2016, a 0.39% tax increase was implemented to provide partial year funding for key operational needs and positions deemed critical to maintain current operations or support implementation of adopted strategies. Positions included four patrol officers and one civilian for the police services, one admin support for fire services, a budget analyst, a storekeeper for public works, and youth leaders for community services. Additional increases were provided for IT consulting and offsite storage, webcasting, legal services and funding for Regional Economic Development.

Water costs – A large proportion of water costs (39% for 2016) 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 overall sewer costs are from CRD regional Sewage Treatment. CRD sewer charges increased by 7.09% over last year due to operational cost increases and to fund new Liquid Waste Management Plan mandated regional sewer treatment.

2. 2017 – 2020 Financial Planning Issues

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

Economic uncertainty - The provincial and federal governments continue to transfer costs to local government. DNA testing costs estimated at \$56,000 were transferred in 2016.

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 1.41% 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 CUPE and the Police union are in progress. Public Safety and CUPE settlements continue to trend at higher than annual CPI increases.

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, longer life spans and 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 are anticipated to increase significantly in the next three to five years as the provincially mandated regional sewer treatment system is built and operations commence.

Infrastructure Replacement – The overall plan to increase capital funding to sustainable levels by 2019 requires consistent funding increases over the next four years.

General Operating Fund

The total tax levy for the General Operating Fund is proposed to increase by \$4,429,200 or 2.64% or \$61.87 to the average single family homeowner in 2016.

The increase in property tax revenue this year is made up of a 1.44% increase for core Municipal and Police operations, 0.69% in infrastructure replacement funding to continue the commitment to reach sustainable funding levels by 2019, 0.39% for resource requests and 0.12% for the Greater Victoria Public Library.

BUDGET SUMMARY	
2016 Tax Levy	\$ 111,158,200
2015 Tax Levy	\$ 106,729,000
Budget Change	\$ 4,429,200
Average Single Family Homeowner Increase %	2.64%
2016 FTE	1009.14
2015 FTE	995.98
FTE Change	13.16
FTE Change %	1.32%
2015 Carbon Footprint (CO _{2e})	4646 Tonnes
2014 Carbon Footprint (CO _{2e})	4707 Tonnes
Carbon Footprint Change	(61) Tonnes

BUDGET ITEM	Budget Increase \$	Tax Increase %
Operating Increases		
General Municipal Core Operating Increase	\$ 2,079,300	1.95%
Police Service Core Increase	\$ 1,072,600	1.00%
Tax Revenue from new sources	\$ (1,612,600)	-1.51%
Core Increase to Existing Taxpayers		1.44%
Additional Increase for Capital Infrastructure	\$ 733,900	0.69%
Resource Requests	\$ 414,900	0.39%
Total Municipal Increase		2.52%
Greater Victoria Public Library - Final	\$ 131,200	0.12%
Net Increase to Existing Taxpayers		2.64%

BUDGET SUMMARY BY OBJECT

Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2014	2015	2015	2016	2016/2015
Personnel	88,976,000	98,922,300	95,338,300	95,843,400	0.53%
Goods and Services	31,426,300	33,079,400	31,076,700	31,740,400	2.14%
Fiscal Services	2,565,600	2,790,600	3,389,100	3,356,700	(0.96%)
Grants, Overheads & Transfers	14,468,200	12,783,400	16,201,400	17,711,500	9.32%
Capital (tax funded portion only) (1)	11,146,100	11,920,300	11,997,400	12,472,100	3.96%
TOTAL	148,582,200	159,496,000	158,002,900	161,124,100	1.98%
REVENUES AND RECOVERIES					
Property Taxation	(101,888,300)	(106,691,600)	(106,729,000)	(111,158,200)	4.15%
Parcel Tax	(20,300)	(21,700)	(21,700)	(21,400)	(1.38%)
Other Corporate Revenues	(7,658,500)	(7,579,700)	(7,236,800)	(7,226,700)	(0.14%)
Other Departmental Revenues	(28,157,600)	(29,059,900)	(25,619,800)	(26,370,800)	2.93%
Inter-Departmental Recoveries (2)	(8,658,200)	(9,286,700)	(9,543,200)	(10,258,000)	7.49%
Transfer from Reserves (3)	(2,890,700)	(8,798,400)	(8,807,400)	(6,043,000)	(31.39%)
Other Grants	(162,900)	(170,400)	(45,000)	(46,000)	0.00%
TOTAL	(149,436,500)	(161,608,400)	(158,002,900)	(161,124,100)	1.98%
NET OPERATIONS	(854,300)	(2,112,400)	-	-	0.00%

1. Property tax based capital funding increased 3.96% to continue progress to sustainable funding levels.
2. Inter-Departmental Recoveries increased by 7.49% to recognize actual recovery levels.
3. Transfers from Reserves - decrease in projects funded from reserves

Budget Summary by Function:

Operating Budget	Actual	Actual	Budget	Budget	% Change
ALL DEPARTMENTS	2014	2015	2015	2016	2016/2015
Property Taxation	(101,888,300)	(106,691,600)	(106,729,000)	(111,158,200)	4.15%
Parcel Tax	(20,300)	(21,700)	(21,700)	(21,400)	(1.38%)
Utility and Hotel Tax	(1,516,200)	(1,535,500)	(1,502,600)	(1,494,700)	(0.53%)
Grants In Lieu	(2,185,000)	(2,251,500)	(2,184,000)	(2,168,400)	(0.71%)
Interest and Penalties	(1,797,500)	(1,794,200)	(1,708,400)	(1,722,000)	0.80%
Other Revenues	(408,700)	(440,000)	(283,300)	(283,100)	(0.07%)
Capital Contribution	11,146,100	11,920,300	11,997,400	12,472,100	3.96%
Net Departmental Cost	95,815,600	98,701,800	100,431,600	104,375,700	3.93%
SURPLUS/DEFICIT	(854,300)	(2,112,400)	-	-	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 2.64% increase in municipal property taxes to the average single family homeowner with an assessed value of \$624,600 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 Fortis, 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. While they have declined this year, these are projected to increase in the future 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 remained essentially the same in 2015 and are projected to remain relatively the same in 2016. Property owners who do not pay their property taxes by the deadline are assessed penalties and interest based on provincial legislation.

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 an additional minimum of 0.75%. However, in 2016 a new source of revenue generated from the Fortis Operating Agreement came into effect which reduced the funding needed from taxation to achieve the same amount of funding.

Net Departmental Cost

Net departmental operating costs include total expenditure less revenues or recoveries generated by the departments. The net departmental costs are projected to rise by \$3,944,100 or 3.93% in 2016.

Specific details for each department have been provided in the departmental budget section later in this document.

Net Department Budget	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Administration	2,132,100	1,685,500	1,693,100	1,792,600	99,500	5.88%
Corporate Services	4,551,200	4,391,300	4,915,200	5,293,700	378,500	7.70%
Finance	2,830,300	1,910,400	2,752,200	3,083,700	331,500	12.04%
Fiscal Services	5,924,600	6,196,800	6,780,200	7,030,200	250,000	3.69%
Legislative Services	2,461,600	2,539,800	2,537,100	2,670,500	133,400	5.26%
Police Protection	28,542,900	30,577,600	29,899,000	30,971,600	1,072,600	3.59%
Fire Protection	14,663,000	16,349,900	16,266,400	17,102,500	836,100	5.14%
Emergency Program	330,900	388,800	406,000	417,000	11,000	2.71%
Planning and Development	2,526,000	2,092,100	2,529,400	2,446,600	(82,800)	(3.27%)
Engineering	11,941,100	11,980,100	12,178,400	12,385,100	206,700	1.70%
Parks and Recreation	14,231,100	14,745,200	14,649,400	15,196,800	547,400	3.74%
Cultural	5,680,800	5,844,300	5,825,200	5,985,400	160,200	2.75%
TOTAL	95,815,600	98,701,800	100,431,600	104,375,700	3,944,100	3.93%

Resource Requests

2016 APPROVED ONGOING RESOURCE REQUESTS		Budget Requirement				
Resource Request	Description	2016	2017 Estimate	2018 Estimate	2019 Estimate	2020 Estimate
Police Services						
4 Police Patrol Officers	Maintain effective front-line service delivery	\$ 108,500	\$ 333,638	\$ 341,978	\$ 350,528	\$ 359,291
Police Civilian Member	Civilian support to the Staff Development and Professional Standards Divisions.	\$ 17,600	\$ 72,468	\$ 74,279	\$ 76,136	\$ 78,040
Municipal Staffing						
Fire Department Administrative Support	Address reporting requirements for OHS, WorkSafeBC, return to work programs, records management and FOIPP.	\$ 16,300	\$ 33,428	\$ 34,264	\$ 35,121	\$ 35,999
Financial Analyst	Provide support to departments in budget preparation, analysis and efficiency identification.	\$ 27,000	\$ 82,000	\$ 84,050	\$ 86,151	\$ 88,305
Storeskeeper at Public Works/Parks Yard	Improvements to operations to maximize efficiency of stores function.	\$ 32,200	\$ 33,005	\$ 33,830	\$ 34,676	\$ 35,543
2 Youth Leaders	Implementation of the Youth Development Strategy approved by Council on December 14, 2015.	\$ 18,500	\$ 59,143	\$ 60,621	\$ 62,137	\$ 63,690
Cedar Hill Rec Centre - Building Service Worker hours	Maintain building cleaning and repair standards.	Deferred	\$ 48,995	\$ 50,220	\$ 51,475	\$ 52,762
Operational						
Network maintenance		Deferred	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
IT Consulting services		\$ 13,000	\$ 13,000	\$ 13,000	\$ 13,000	\$ 13,000
Microfilming of historical building files		Deferred	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Webcasting hosting and maintenance		\$ 15,000	\$ 56,000	\$ 56,000	\$ 56,000	\$ 56,000
Health & Wellness professional services		Deferred	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Offsite (secondary) storage		\$ 57,600	\$ 57,600	\$ 57,600	\$ 57,600	\$ 57,600
Regional Economic Development Strategy		\$ 79,150	\$ 154,462	\$ 154,462	\$ 154,462	\$ 154,462
General legal services		\$ 30,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Total Budget Requirement		\$ 414,850	\$ 1,098,738	\$ 1,115,305	\$ 1,132,286	\$ 1,149,691

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	
2016 Net Budget	\$ 1,792,600
2015 Net Budget	\$ 1,693,100
Budget Change	\$ 99,500
Change by %	5.88%
2016 FTE	3.07
2015 FTE	3.07
FTE Change	0
FTE Change %	0.00%
2015 Carbon Footprint (CO2e)	8 Tonnes
2014 Carbon Footprint (CO2e)	8 Tonnes
Carbon Footprint Change	0 Tonnes

CORE BUDGET

The Department's 2016 Budget of \$1,792,600 represents a 5.88% increase over prior year.

Net Budget By Function	Actual 2014	Actual 2015	Budget 2015	Budget 2016	\$ Change 2016/2015	% Change 2016/2015
Council & Committees	480,900	516,500	499,200	510,800	11,600	2.32%
Administration	934,200	426,700	483,500	504,100	20,600	4.26%
Grants	717,000	742,300	710,400	777,700	67,300	9.47%
Total	2,132,100	1,685,500	1,693,100	1,792,600	99,500	5.88%

- Administration - wage increments.
- Grants - increase in hotel tax collected and paid out to Tourism Victoria, approved new funding for Regional Economic Development Strategy offset by reduction in community grants.

Corporate Services

The **Corporate Services Department** is comprised of: 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	
2016 Net Budget	\$ 5,293,700
2015 Net Budget	\$ 4,915,200
Budget Change	\$ 378,500
Change by %	7.70%
2016 FTE	43.38
2015 FTE	42.72
FTE Change	0.66
FTE Change %	1.54%
2015 Carbon Footprint (CO2e)	38 Tonnes
2014 Carbon Footprint (CO2e)	40 Tonnes
Carbon Footprint Change	(2) Tonnes

2016 BUDGET CHALLENGES

- Meeting the increasing legislative requirements and fluctuating demands for Human Resources and Safety services
- Ongoing maintenance and upgrading of the IT infrastructure to ensure that department requests and service levels can be met
- Meeting increasing and changing service needs of internal departments within existing resources
- Continued support and training for the Public Participation process to assist departments with their interaction and involvement with citizens
- Continued support and training for Web Communications, Visual Identity Program (VIP) and Social Media to ensure consistent messaging to citizens.

KEY 2015 ACCOMPLISHMENTS

Communications Section

- Revised press release guidelines and process to reflect VIP, Style Writing Guide, and best practices.
- Continued work on redesign of the Saanich website – coordinate new look and feel as well as provide support for all departments regarding content.

Human Resources Division

- Conclusion of an eight year collective agreement for the Saanich Fire Department, expiring December 31, 2019.
- Consolidation of Employee Benefits to a new carrier.
- Joint CUPE / District Job Evaluation Maintenance Project, which included revising guidelines for rating jobs, reformatting all job descriptions, rating all 231 job descriptions, and recording rationales for each rating.
- Heightened focus on employee wellness, including more than 85 attendees at the October Health Fair, 16 on-site employee visits by the Wellness & Benefits Specialist, and 31 referrals for healthcare support needed for successful continuation at, or return to, the workplace.

Information Technology Division

- Telephone systems review and assessment
- Revised policies and procedures in support of privacy
- Infrastructure to support disaster recovery and security remediation

Occupational Health and Safety Division

- Enhanced procedures for workplace disability management and over a 50% reduction in days lost to workplace injuries.
- Corporate-wide activities for North American Occupational Safety and Health Week including a hands-on workshop on Incident Investigations, involving mock scenarios, two departments and approximately 35 staff.
- Improved the centralized electronic storage, review and management of health and safety program documentation and injury statistics.

2016 KEY PRIORITIES

Priority Strategic Initiatives include:

Service Excellence

- Deliver the next generation of the Saanich website.
- Implement business technology resource planning.
- Strengthen information technology (IT) foundation.
- Implement webcasting of Council meetings.

Priority Departmental Initiatives include:

1. CUPE Bargaining	Commence and conclude collective bargaining with CUPE; implement the resulting collective agreement, and accompanying staff training.	L1 Service Excellence
2. Geographic Information System (GIS) upgrade	Upgrade software to ensure compliance with vendor and support ongoing service delivery to staff and citizens	L2 Service Excellence
3. Workplace injury report system	Update policy and provide staff training to ensure workplace injuries are appropriately investigated. Provide support to ensure employees return to work as soon possible.	L1 Service Excellence
4. Social Media Strategy	Consolidate current social media accounts, train staff, on best practices and communicate benefits to citizens.	P3 Service Excellence

CORE BUDGET

The core budget for 2016 of \$5,293,700 represents a 7.70% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Corporate Services	457,700	577,100	556,900	632,900	76,000	13.65%
Human Resources	977,200	1,029,200	1,025,500	1,165,200	139,700	13.62%
Information Technology	3,128,200	2,766,200	3,332,800	3,495,600	162,800	4.88%
Occupational Health/Safety						
Revenue	(508,700)	(524,500)	(517,200)	(533,100)	(15,900)	3.07%
Expense	496,800	543,300	517,200	533,100	15,900	3.07%
Total	(11,900)	18,800	-	-	-	0.00%
Total	4,551,200	4,391,300	4,915,200	5,293,700	378,500	7.70%

- Corporate Services – full costing of the Communication Technician; partially offset by reduction of one FTE in IT.
- Human Resources - full costing of the 2015 approved addition of an Assistant HR Manager.
- Information Technology – increase in funding for IT consulting services, webcast support and IT data storage and licensing.

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 and Audit Section** provides accounting and audit services for over \$250 million in annual expenses and revenues; cash management of up to \$210 million in investments to maximize the returns and provide additional income to both operating and reserve funds; accounts payable processing of over 11,000 cheque and electronic fund transfer payments and 38,000 invoices annually; coordination of the production of five different payroll groups paid on a bi-weekly basis and benefits records maintenance for over 1,800 staff.

BUDGET SUMMARY	
2016 Net Budget	\$ 3,083,700
2015 Net Budget	\$ 2,752,200
Budget Change	\$ 331,500
Change by %	12.04%
2016 FTE	34.04
2015 FTE	32.44
FTE Change	1.60
FTE Change %	4.93%
2015 Carbon Footprint (CO2e)	35 Tonnes
2014 Carbon Footprint (CO2e)	38 Tonnes
Carbon Footprint Change	(3) Tonnes

The **Revenue Collection Division** processes 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. This section also manages a pre-approved instalment tax payment system and a web based online payment system.

The **Financial Services Division** provides a complete range of purchasing services to all departments. Over 225 quotations, tenders and requests for proposals totalling \$40 million dollars are managed and processed in a year. The division also coordinates the annual budgeting process and financial policy development.

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.

2016 BUDGET CHALLENGES

- Budgeting for various contingencies such as wage and benefit increases for CUPE and Police wage settlements for the 2016.

KEY 2015 ACCOMPLISHMENTS

- GFOA Financial Reporting Award received.
- GFOA Distinguished Budget Presentation Award received.
- Implementation of the PSAB Accounting Standards for contaminated sites
- Purchasing process improvements.
- Implementation of standardized corporate records procedures and practices for Finance.

2016 KEY PRIORITIES

Priority Strategic Initiatives include:

Vibrant, Connected Economy

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

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Capital Budgeting, Monitoring and Reporting	Continuation of two year project to develop a process, with Engineering, to enhance the financial management of capital projects from inception to completion	P3 Service Excellence
2. JD Edwards Upgrade	Implementation of the ERP software upgrade.	P3 Service Excellence
3. Implement new PSAB accounting standards	Implement the PSAB accounting standards for contaminated sites.	P2 Sustainable Environment

CORE BUDGET

The Department's total 2016 net core budget is \$3,083,700 and it represents a 12.04% increase over prior year. Excluding contingency and government services the 2016 net core budget of \$2,512,300 is an increase of 7.90% over prior year.

Net Budget By Function	Actual 2014	Actual 2015	Budget 2015	Budget 2016	\$ Change 2016/2015	% Change 2016/2015
Accounting and Payroll	1,392,400	1,572,200	1,606,900	1,737,900	131,000	8.15%
Revenue Collections						
Revenue	(657,800)	(673,900)	(650,000)	(674,000)	(24,000)	3.69%
Expense	801,900	859,400	856,700	892,800	36,100	4.21%
Total	144,100	185,500	206,700	218,800	12,100	5.85%
Purchasing	405,000	506,700	514,800	555,600	40,800	7.93%
Total Operations	1,941,500	2,264,400	2,328,400	2,512,300	183,900	7.90%
Contingency & Administration Recoveries	(231,000)	(1,267,700)	(465,200)	(322,700)	142,500	30.63%
Government Services	1,119,800	913,700	889,000	894,100	5,100	0.57%
Total	2,830,300	1,910,400	2,752,200	3,083,700	331,500	12.04%

- Accounting and Payroll - transfer of the Capital Budget Coordinator position from Engineering to Finance and the addition (partial year) of a new Budget Analyst position.
- Revenue Collections - allocation of funds from the Accounting and Payroll budget and wage adjustment offset by increase in tax certificate revenue.
- Contingency & Administration Recoveries – credits set aside for refund of employee benefits from benefit carrier.

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 2015, the total outstanding debt in the general operating fund is approximately \$18.7 million. This is projected to increase by \$12.2 million during the year, bringing total outstanding general operating debt to about \$30.9 million (\$39.1 million including utilities) by December 2016.

This remains well within guideline of a maximum of 7% of property tax revenue. This is \$7.4 million in annual debt servicing cost or about \$86 million in total debt at current rates. The total legal borrowing limit for Saanich is \$467 million.

The average homeowner's share of servicing debt per capita is \$22 (\$21 in 2015).

The debt servicing budget is maintained each year within Debt Policy levels. The debt service room is used each year for capital projects through expenditure or transfer to reserves until such time as it is needed. In 2016, transfers will support critical facility and technology infrastructure.

Interest charges are projected to increase 8.34% as payments on new debt begins in the year. Principal payments will remain essentially the same until the following year when the principal payments are made on any new debt in 2016.

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

CORE BUDGET

Core budget increase of 3.69% reflects the policy of increasing the fiscal services budget to no more than 7% of property tax revenue. Funds that are not needed in 2016 for debt servicing are transferred to capital reserves to support current and future capital asset replacement. Both the principal debt payment and interest increased due to new borrowing for capital projects in 2016 offset by maturity of old debt.

BUDGET SUMMARY	
2016 Net Budget	\$ 7,030,200
2015 Net Budget	\$ 6,780,200
Budget Change	\$ 250,000
Change by %	3.69%
FTE	n/a
Carbon Footprint (CO_{2e})	n/a

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Interest	885,900	685,800	1,197,000	1,296,800	99,800	8.34%
Principal	1,148,700	1,071,600	1,143,800	1,145,600	1,800	0.16%
Transfer to Capital Reserves	3,890,000	4,439,400	4,439,400	4,587,800	148,400	3.34%
Total	5,924,600	6,196,800	6,780,200	7,030,200	250,000	3.69%

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	
2016 Net Budget	\$ 2,670,500
2015 Net Budget	\$ 2,537,100
Budget Change	\$ 133,400
Change by %	5.26%
2016 FTE	19.62
2015 FTE	19.81
FTE Change	(0.19)
FTE Change %	(0.96%)
2015 Carbon Footprint (CO2e)	27 Tonnes
2014 Carbon Footprint (CO2e)	35 Tonnes
Carbon Footprint Change	(8) Tonnes

2016 BUDGET CHALLENGES

- Resources for policy development and long range planning with respect to property assets
- Increasing need for legal services.
- Increases in access to information requests and requirements for the provision of management and support services for Council and its committees
- Resources for implementation of the Privacy Management Plan and the Document and Information Management Strategy/Records Management Program.

- Regular appraisal services to determine asset replacement costs for insurance purposes.
- Resources for policy development and corporate risk analysis appropriate for a Municipality of the size and complexity of Saanich.

KEY 2015 ACCOMPLISHMENTS

- Completed lease and licence agreement renewals; acquisition of property and rights-of-way.
- Undertook a review of corporate privacy management, resulting in a comprehensive privacy management plan.
- Completed the roll-out of the new records classification system.
- Handled an almost three-fold increase in the number of requests for access to corporate records, many of which were complex and involved large amounts of documents.
- Continued the multi-year “Saanich Remembers World War One”, to commemorate the men and women of Saanich who served in the First World War.
- Continued the multi-year Saanich Census project, which is contributing to an understanding of Saanich in the first two decades of the 20th century.
- A public lecture series was held as a partnership between the Archives and the GVPL.
- Held risk management workshops for staff and conducted risk assessments on parks, facilities, and equipment in order to prevent loss.
- Coordinated the citizen and business surveys in the first quarter to help guide financial and strategic decision making for both Council and staff.

2016 KEY PRIORITIES

Priority Strategic Initiatives include:

Service Excellence

- Integrate and improve the management of electronic records.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Privacy Management Program	Implement a more comprehensive privacy management program, based on the privacy management plan completed in 2015.	P3 Service Excellence
2. Agenda Management	Implement an electronic agenda management system as Phase II of the webcasting project	L1 Service Excellence
3. Strategic Planning	Recommend potential options for a Council strategic planning public process and coordinate a 2016 review of the 2015 – 2018 Strategic Plan	P3 Service Excellence
4. Policy Review	Review and update the policies for the acquisition, disposition and management of municipal land holdings	P3 Service Excellence
5. Animals Bylaw Update	Prepare a new Animals Bylaw, separating out and enhancing the kennel regulations	P3 Service Excellence
6. WW1 Project	Continue the multi-year “Saanich Remembers World War One” project	C1 Healthy Community

CORE BUDGET

The Department's 2016 net core budget of \$2,670,500 represents a 5.26% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Legal Services	526,500	590,000	419,800	478,200	58,400	13.91%
Strategic Planning	110,100	132,000	152,100	162,000	9,900	6.51%
Legislative	743,200	839,400	876,500	969,300	92,800	10.59%
Archives	182,700	183,900	183,700	187,200	3,500	1.91%
Risk Management	284,400	278,000	282,300	287,900	5,600	1.98%
Insurance & Claims	678,600	590,000	610,600	610,600	-	0.00%
Lands/Property Management						
Revenue	(609,500)	(596,200)	(553,400)	(567,600)	(14,200)	2.57%
Expense	<u>545,600</u>	<u>522,700</u>	<u>565,500</u>	<u>542,900</u>	<u>(22,600)</u>	<u>(4.00%)</u>
Total	(63,900)	(73,500)	12,100	(24,700)	(36,800)	(304.13%)
Total	2,461,600	2,539,800	2,537,100	2,670,500	133,400	5.26%

- Reallocation from Lands/Property Management to Legal Services and Strategic Planning
- Legal Services – addition of \$30,000 in legal fees.
- Legislative - full costing of the 2015 approved addition of an Information and Privacy Officer/Records Manager.

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.

2016 BUDGET CHALLENGES

The challenges for the 2016 budget are to minimize costs required for additional staff and resources, while being careful not to defer costs to 2017 and 2018. The Saanich Police Board is committed to constraining the police budget where possible.

- The 2016 Budget focuses on new funding for increased fees and contractual services.
- Appropriate and sufficient funding is required to adjust accounts for negotiated employee salaries and benefits, including a contingency for anticipated negotiated wage increases.
- In 2016 all police agencies in British Columbia will be required to pay for DNA analysis performed by the RCMP labs. This cost was downloaded from the Federal Government to each Province, and in BC, the cost has been passed to municipalities. These costs are dependent on the number of examinations required, and are anticipated to increase as technology makes testing a more viable investigative tool.
- The Patrol Section has not increased staff levels since 1996. Although crime rates are dropping, the time required to meet the demands for most calls for service has increased. In order to address these and other demands on officers' time, an increase to Patrol staffing levels is required. Placing one officer on each of the four platoons requires an addition to strength of four officers.
- Increased Police accountability leads to greater demands in the areas of dealing with public complaints and properly addressing human resource and training issues. An additional civilian position is required to ensure effective support in the areas of Staff Development and Professional Standards.

BUDGET SUMMARY	
2016 Net Budget	\$ 30,971,600
2015 Net Budget	\$ 29,899,000
Budget Change	\$ 1,072,600
Change by %	3.59%
2016 FTE	248.33
2015 FTE	241.88
FTE Change	6.45
FTE Change %	2.67%
2015 Carbon Footprint (CO₂e)	609 Tonnes
2014 Carbon Footprint (CO₂e)	592 Tonnes
Carbon Footprint Change	17 Tonnes

KEY 2015 ACCOMPLISHMENTS

- Engagement initiatives amongst community, youth, seniors and the homeless were a success in 2015:
 - Community Engagement: In 2015, Block Watch neighbourhoods increased by 18; the Business Watch Program added 3 new participants; the Crime Free Multi-Housing program added 2 new buildings, and 4 additional buildings are in the process of being certified, bringing the total number of buildings in the program to 20.
 - Youth Engagement: Saanich Police continued to engage *at risk youth*. Officers regularly attended the Children's Development Centre and Alternative Learning Program. Group home visits with youth and staff occurred; all in an effort to help youth at risk develop strategies to break the cycle of negative choices. Working with our community partners through engagement, empowerment and enforcement, youth at risk continue to be supported in our community.
 - Seniors' Engagement: In an effort to reduce victimization through education, Crime Prevention and Financial Crime Officers held 9 presentations to seniors groups, educating this vulnerable sector of the community on how to protect themselves against financially based frauds.
 - Care of the Homeless: Bike Section Officers have met over 40 people this year who identify as being homeless and living on the streets of Saanich. Building relationships with this group of vulnerable persons, the Bike Officers have been able to identify where they live and sleep, and together with our community partners, have offered education and assistance to provide necessary support.
- Saanich Police continue 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). Working closely with Saanich Fire Department Emergency Program, evacuation plans and Departmental Operations Centre (DOC) plans are nearing completion.
- Saanich Police has a long history of collaboration and integration with our regional policing partners. In 2015 the Integrated Tech Crime Unit was created. Four other areas of potential integration are currently under review. We continue to work with our regional partners, and where there is potential for mutual benefit in terms of improvements in efficiency, effectiveness and economics, integration will be considered.
- In 2015 Saanich Police took over responsibility for the Greater Victoria Crime Stoppers program. Revitalization of the program was undertaken to maximize its benefits to police and the community. With the aid of a Civil Forfeiture grant a new vehicle and other promotional materials were purchased to kick off a media campaign. The Crime Stoppers web site has also been revamped. Calls to the Tip Line are up over 44% from the same reporting period the previous year.
- Accountability requires a reliance on research based evidence to make informed decisions. To facilitate a greater capacity to conduct research, the Research Office of the Professional Standards Division was expanded in 2014. The Research and Policy Analyst has conducted research, undertaken audits and authored numerous reports to aid strategic decision-making, resource allocation and financial planning.
- The Saanich Police Traffic Safety Unit, working with ICBC, has been reviewing crash configuration data. This data has assisted officers in identifying locations that experience the highest frequency of crashes that result in the most significant injuries. These locations have been the subject of targeted enforcement to reduce the specific driving behaviors that result in these significant crashes.

2016 KEY PRIORITIES

Priority Strategic Initiatives Include:

- Improve transportation safety at high risk intersections
- Development of the Saanich Police 2017-2021 Strategic Plan
- Continue engagement with the community by expanding the use of the Summer Student Program
- Use intelligence-led policing to target prolific offenders and problem areas
- Develop Departmental Operations Centre and Response and Evacuation Plans
- Continue developing relationships and partnerships to enhance services
- 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 continue to work with ICBC to reduce the frequency and severity of crashes by targeting locations that experience the highest volume of the most severe crashes, which result in the greatest number of injuries.	C6 Safe Community
2. Development of our 2017-2021 Strategic Plan	Saanich Police Department's 2012 - 2016 Strategic Plan is in its last year, resulting in the need to prepare a 2017 - 2021 plan. The Saanich Police Board will work with staff and the community to ensure the Strategic Plan is updated to identify and address the needs of the community as they relate to public safety and community well-being. There will be a continued focus on community engagement, collaboration and partnerships, service excellence, and making the most efficient and effective use of resources as the next plan is developed.	C6 Safe Community
3. Building Space Acquisition	Building on the facility needs assessment from 2008, a second review is underway that will help the Municipality to better understand police space requirements for today and into the future. In the short-term, Saanich Council has supported the Police Board in acquiring additional space. It is planned that appropriate sections will move into new space by the end of Q2 2016.	C6 Safe Community
4. Use intelligence-led Policing to improve crime reduction strategies	Police will continue to expand their capacity to use insight gained through data analysis to identify when and where crimes and other problems are occurring, and who is possibly responsible for these activities. By directing limited resources into the identified areas, and targeting prolific offenders, Saanich Police are delivering more effective and efficient services.	C6 Safe Community

5. Community Engagement	All Divisions of the Saanich Police Department will be working to further partnership with the public and other organizations. Initiatives are underway to work closer with seniors, the homeless, probation officers, Island Health, Saanich Recreation, Saanich Community Association Network and others. The Community Engagement Division (CED) is responsible for the development and delivery of programming that will provide opportunities for members of the community to be involved in and accept responsibility for community safety. In 2016 the CED will explore further opportunities to improve these programs, leverage the power of volunteers, and provide even more opportunities for people to make a difference.	C6 Safe Community
6. Safe Schools	Working with School Districts, School Liaison and Youth officers will be working to develop and implement safety policies and protocols. Training is being provided to front-line officers on current school lock down procedures. Youth officers continue to work with at risk youth in our community, delivering programs to help them make smart choices.	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 2015 will continue to be explored with regional partners in 2016 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 (DOC) that will complement the Municipal Emergency Operations Centre plan. With the assistance of the Saanich Fire Department, Saanich Police will develop a DOC, and response and evacuation plans.	C6 Safe Community
9. Create efficiencies in the processing of Police Act Complaints	Increases in police accountability, oversight, and changes to legislation, have placed greater demands on Professional Standards investigators. Currently, investigators are spending an inordinate amount of time processing both informal and formal complaints. In 2016 a new support position will streamline the process and improve how complaints are processed.	C6 Safe Community

CORE BUDGET

The Saanich Police Board 2016 net core budget is \$30,971,600 which represents a 3.59% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Executive Administration						
Revenues	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	-	0.00%
Expenses	<u>3,282,300</u>	<u>4,183,700</u>	<u>4,002,700</u>	<u>4,147,600</u>	<u>144,900</u>	<u>3.62%</u>
Total	1,782,300	2,683,700	2,502,700	2,647,600	144,900	5.79%
Staff Development	841,800	862,700	859,600	896,700	37,100	4.32%
General Administration	5,253,600	5,259,000	5,669,700	5,941,300	271,600	4.79%
Uniform Division	11,585,100	11,883,400	11,924,000	12,378,700	454,700	3.81%
Community Liaison	2,006,100	2,126,600	2,400,200	2,445,800	45,600	1.90%
Detectives	6,470,100	7,737,600	6,542,800	6,661,500	118,700	1.81%
Secondments	603,900	24,600	-	-	-	0.00%
Total	28,542,900	30,577,600	29,899,000	30,971,600	1,072,600	3.59%

- Traffic Fine revenues are received as an unconditional grant to defray the cost of police services
- Executive Administration - wage increments; Exempt position market adjustments, contractual operating increases and addition (partial year) of one civilian position.
- General Administration - wage increments, full year funding of the 2015 approved Front Desk staffing model, contractual operating increases (CREST, PRIME, Commissionaires), and realignment of relief funds from the Community Engagement and Detective Divisions.
- Uniform Division - wage increments, adjustments for the 2013 - 2015 collective agreement settlements, contractual operating increases and addition (partial year) of four patrol officers.
- Community Liaison Division - realignment of relief funds to the General Administration Division.
- Detective Division - realignment of ITCU training budget to Staff Development and realignment of relief funds to the General Administration Division.

Fire Protection

The 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 123.5 uniformed personnel and seven support staff working out of three fire stations.

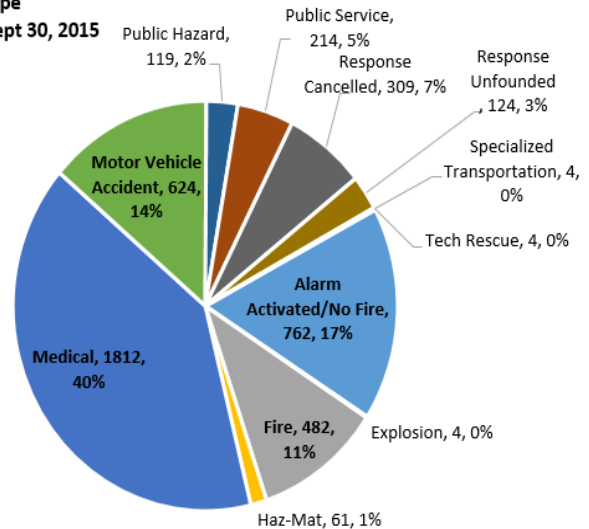
BUDGET SUMMARY	
2016 Net Budget	\$ 17,102,500
2015 Net Budget	\$ 16,266,400
Budget Change	\$ 836,100
Change by %	5.14%
2016 FTE	126.17
2015 FTE	125.50
FTE Change	0.67
FTE Change %	0.53%
2015 Carbon Footprint (CO2e)	192 Tonnes
2014 Carbon Footprint (CO2e)	202 Tonnes
Carbon Footprint Change	(10) Tonnes

FIRE DEPARTMENT STATISTICAL SUMMARY¹

Population served	113,058 (est)
Protection area in square kilometres	103.43 (est)
Incident responses	4,519
Emergency incident responses	3,683
Number of fire related	Fatalities: 2 Injuries: 5
Total dollar fire loss (est)	\$1,357,025
Estimated value of property saved	\$65,674,025
Public building inspections	2,715
Incidents dispatched (Saanich and clients)	12,029

Saanich Fire Department Incidents by Type

Oct 1, 2014 - Sept 30, 2015



¹12 month period ending September 30, 2015

2016 BUDGET CHALLENGES

- Stations and Facilities: Fire station maintenance and the department's short, medium and long term infrastructure and service delivery needs.
- Technology: After-hours IT support capacity for Fire Dispatch Services, Public Safety Messaging, the Emergency Operations Center and other key 24/7 business functions of the Fire Department. Acquisition and implementation of technology solutions for staffing management and emergency call-back procedures.

KEY 2015 ACCOMPLISHMENTS

- Suppression/Rescue: 4,522 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: 2,715 public building inspections completed, 201 pre-fire and new construction plans reviewed and 496 oil burner and tank inspections carried out.
- Community Safety: Fire Department members installed 26 smoke alarms and provided 18 battery checks for residents requesting assistance as part of the department's ongoing public safety program for every home to have a working smoke alarm.
- Public Education: 99 fire and life-safety programs provided to more than 12,000 participants of all ages (i.e. Learn Not to Burn, Grade 5 Fire Expo, Fire Prevention Week events).
- Community Outreach: Suppression/Rescue attended 44 community events (i.e. Music in the Park, Strawberry Festival, Community Association Days) and provided 40 fire station tours attended by 11,716 participants.
- Fire Station Renovations: Plans have been developed for No. 3 Fire Station improvements to sustain Fire infrastructure and accommodate workplace and staffing requirements. Significant paving and rebuilding of the road base was completed at Fire Station No. 1.

2016 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 includes 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 includes 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 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.	C6 Safe Community F4 Sustainable Environment
3. Emergency Operations Support	Work with Corporate Services to address business critical, high, medium and low Fire Department information technology priorities to ensure business continuity and safeguard Communications Centre and Emergency Operations Centre functionality and operations.	C6 Safe Community F4 Sustainable Environment
4. Emergency Operations Support	Support electronic shift scheduling, call-backs and payroll processing through implementation of Telestaff software.	C6 Safe Community
5. Emergency Operations Support	Implement Strategic Facilities Plan to meet short, mid and long term infrastructure needs and funding requirements.	F4 Sustainable Environment
6. Emergency Response and Deployment	Complete Fire Station No. 3 renovations.	C6 Safe community F4 Sustainable Environment
7. Emergency Operations Support	Integrate Assistant Deputy Chiefs into Fire Administration and Suppression/Rescue and continue leadership, succession planning and organizational change initiatives.	C6 Safe community L1 Service Excellence
8. Community Engagement and Education	Attend community events and deliver community fire and life safety public education programs to a wide range of audiences at a variety of locations.	C6 Safe community P1 Service Excellence
9. Community Engagement and Education	A working smoke alarm in every home – provide fire fighter-delivered door-to-door fire prevention education and smoke alarm inspections to reduce frequency and severity of residential structure fires.	C6 Safe community P1 Service Excellence
10. 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 Service Excellence

CORE BUDGET

The Department's 2016 net core budget of \$17,102,500 represents a 5.14% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Administration	1,163,700	1,249,600	1,262,700	1,613,500	350,800	27.78%
Suppression and Rescue	10,650,100	12,055,700	11,909,800	12,262,800	353,000	2.96%
Dispatch						
Revenues	(518,000)	(517,400)	(528,400)	(544,900)	(16,500)	3.12%
Expenses	<u>1,328,800</u>	<u>1,428,900</u>	<u>1,488,700</u>	<u>1,571,300</u>	<u>82,600</u>	<u>5.55%</u>
Total	810,800	911,500	960,300	1,026,400	66,100	6.88%
Prevention	792,400	833,400	843,100	874,600	31,500	3.74%
Staff Development	376,400	398,000	418,100	428,100	10,000	2.39%
Equipment Maintenance	778,100	795,400	796,100	811,500	15,400	1.93%
Building Maintenance	91,500	106,300	76,300	85,600	9,300	12.19%
Total	14,663,000	16,349,900	16,266,400	17,102,500	836,100	5.14%

- Administration - wage increments, \$28,100 in CREST levy to provide for the purchase of new radios, allocation of \$233,600 of personnel costs from Suppression and Rescue and addition (partial year) and half time Admin Assistant.
- Suppression and Rescue - collective agreement increases and wage increments.
- Dispatch expenses - increase of \$41,700 in ECOMM services.
- Building Maintenance – budget reallocation for increases in utility costs at the three fire stations.

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.

BUDGET SUMMARY	
2016 Net Budget	\$ 417,000
2015 Net Budget	\$ 406,000
Budget Change	\$ 11,000
Change by %	2.71%
2016 FTE	3.00
2015 FTE	3.00
FTE Change	0.00
FTE Change %	0.00%
Carbon Footprint (CO2e)	n/a

Complementing the Emergency Program and Saanich's emergency response and recovery capacity are more than 170 municipal staff trained in Incident Command and Emergency Operations Centre (EOC) response procedures. There are also 108 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.

2016 BUDGET CHALLENGES

- Emergency Operations Centre: Limited ability to provide and maintain required technology to support the Emergency Operations Centre.
- Urban Search and Rescue: Limited corporate-wide staff capacity and funding to initiate urban search and rescue training.

KEY 2015 ACCOMPLISHMENTS

- Emergency Management Training: 107 municipal staff provided with Emergency Operations Centre and/or Incident Command System training.
- Community Engagement and Education: A total of 73 community presentations were provided to 2,116 citizens, including 28 Grade 4 and 42 emergency preparedness presentations attended by 1,104 citizens, businesses and community groups.
- Community Outreach: Emergency Program staff worked with the Province and the Victoria Division of Family Practitioners to determine how their expertise and resources can be utilized following a major disaster. All volunteer components and a group of citizens participated in an evacuation exercise in Cordova Bay. Cordova Bay 55 plus was exercised as an emergency reception center.
- Joint Partnerships: Worked with other local government, CRD and provincial government staff to create a proposal for an Integrated Partnership for Regional Emergency Management. Emergency Program staff requested to represent local government in key components of provincial catastrophic earthquake planning.

2016 KEY PRIORITIES

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Emergency Management Systems	Support municipal departments to develop and implement Department Operation Centre (DOCs) plans to operate during an emergency.	C6 Safe Community
2. Emergency Management Systems	Work with provincial government and stakeholders to establish and implement a Regional Emergency Management Partnership to enhance emergency management across the Capital Region.	C6 Safe Community
3. 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 Service Excellence
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	Review and update the Municipal Emergency Response and Recovery Plan and incorporate use of DOCs.	C6 Safe Community
6. Emergency Management Systems	Develop an evacuation plan to support municipal response agencies.	C6 Safe Community
7. Emergency Management Systems	Develop a municipal Rapid Damage Assessment (RDA) process to support post disaster response and recovery.	C6 Safe Community

CORE BUDGET

The Department's 2016 net core budget of \$417,000 represents a 2.71% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Program Administration	325,500	375,200	384,500	395,500	11,000	2.86%
Training Programs	(500)	9,300	15,100	15,100	-	0.00%
Neighbour Helping Neighbour	5,900	4,300	6,400	6,400	-	0.00%
Total	330,900	388,800	406,000	417,000	11,000	2.71%

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 2015, 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 2015, 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 2015, including land use, Sustainability, 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 2015, 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 small and mid-size commercial and multiple family developments across the District. The number of commercial and residential Building Permits held steady from the numbers issued in 2014. Construction values and building permit revenue continue to be consistent with figures over the last 5 years.

It is anticipated that the only possible large scale project in 2016 would be phase 4 of *Uptown*, which will include a residential component. A continued and steady level of mid-size and smaller project activity is anticipated. Six multi-family building permits were issued in 2015, which is a slight increase from 2014, when four multi-family building permits were issued. It is anticipated that a modest increase in multi-family residential development will occur in 2016.

Subdivision activity slightly decreased between 2014 and 2015. There were 10 applications received in 2015 representing 30 potential new lots. At the present time, there are 57 active subdivision applications in total under review representing 159 potential new lots. It is expected that the trend towards a greater number of small 2-lot style applications will continue.

In 2016 subdivision applications are expected to be consistent with 2015 figures. Rezoning and major project applications in 2016 are expected to be similar to the volume experienced in during 2015.

BUDGET SUMMARY	
2016 Net Budget	\$ 2,446,600
2015 Net Budget	\$ 2,529,400
Budget Change	\$ (82,800)
Change by %	(3.27%)
2016 FTE	46.61
2015 FTE	46.61
FTE Change	0.00
FTE Change %	0.00%
2015 Carbon Footprint (CO2e)	57 Tonnes
2014 Carbon Footprint (CO2e)	60 Tonnes
Carbon Footprint Change	(3) Tonnes

2016 BUDGET CHALLENGES

- Demand and service expectations related to: development applications; 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 2015 ACCOMPLISHMENTS

- **Mobility Option Review Shelbourne Valley Action Plan** - While the draft plan was completed in early 2015, Council requested Planning & Engineering staff to undertake additional work on how the mobility improvements for the Valley could be implemented more quickly. Based on information presented, Council asked staff to undertake additional community outreach on the proposed mobility options. The community outreach will take place in early 2016 and a summary report with recommendations will be presented to Council in Q1 for review and consideration.
- **Provincial “Ride Alongs” and BC Building Code Amendments** - Staff from the Provincial Building Policy Branch, who oversee the BC Building Code (BCBC), were invited on “ride alongs” with Saanich Building Inspectors to get current in-field experience with; the BCBC, and Municipal realities. This form of information sharing is beneficial to all parties including the development community, as it help improves understanding and lines of communication. Staff also implemented, did outreach and re-trained on new amendments to the BCBC. Changes made included improvements to window door and skylight installation, clarification on ventilations and a number of other housekeeping amendments.
- **Craigflower Bridge Public Art Installation** - Council approved funding to run a juried public art competition for the installation of a work of art in connection with the reconstruction of the Craigflower Bridge. The theme for the competition was “bridging perspectives.” A request for proposals was released in January of this year. Twenty proposals were submitted and reviewed by the Jury. The winning proposal is work submitted by artist Blake Williams. Blake’s art work is a steel, concrete, and glass form, approximately 10’ long, glazed and fused with imagery, colour, and text. It’s curving, serpentine form mimics the curving flow of the Gorge Waterway while the imagery is influenced by the history of the site and the Garry oak trees that are found in the vicinity of the bridge.
- **Regional Partnership – Invasive Species** - Invasive species have devastated many natural areas in Saanich and in the Capital Region. Saanich Parks and Planning staff continue to work within the municipality and with partners in the region to more efficiently manage new and existing invasive threats. Saanich staff work on rapid response to new high priority invaders and hazardous species, and support for local community groups removing new and established priority invaders. Saanich’s invasive species management program includes public and staff education, provides guidance for proper removal and includes bylaw enforcement for the *Noxious Weed Bylaw*. Within the region, Saanich continues its roles a part of a multi-jurisdictional working group: the *Capital Region Invasive Species Partnership (CRISP)* for better management and cooperation in the region.
- **Pilot Bike Kitchen Work Shops** - To help encourage new Bike to Work Week participants this year, Saanich Planning and the Greater Victoria Bike to Work Society partnered to provide three **free**, one hour bike repair workshops leading up to the 21st annual Bike to Work Week. 30 residents took the opportunity to meet a qualified Bike to Work instructor who covered bike repair basics at three of Saanich’s new bike kitchen locations. The number of participants per session is kept smaller so people can get valuable hands on experience. Based on the success of this pilot, additional workshops are being contemplated for next year’s lead up to Bike to Work Week, and possibly during other times of the year. To date 7 Bike Kitchens have been installed throughout Saanich to support cyclists and work towards reducing the community’s carbon footprint.

- **Capital Region's First Electric Vehicle Fast-Charging Station** - Early in 2015, Uptown and the District of Saanich jointly celebrated Earth Day with the official opening of the Capital Region's first electric vehicle DC fast-charging station. The station provides a premium service that charges an electric car up to 80 percent in 30 minutes. The DC fast charger was funded by the B.C. government's Clean Energy Vehicle Program and the Government of Canada's ecoENERGY Innovation Initiative, an initiative to support the transition to cleaner transportation options within B.C.

The station was installed by BC Hydro and will be maintained and supported through a partnership between the District of Saanich and Uptown. The station is a part of the Province's strategy to create a "Green Highway" that will allow electric vehicle owners to plug in and quickly recharge while traveling on Vancouver Island.

- **Environmental Awards** - Staff oversaw the annual awards program to recognize people and organizations that make a positive contribution to the natural environment in Saanich. In conjunction with Recreation staff an awards reception was held for recipients, followed by presentations as part of a formal Council meeting.
- **New Heating Oil Tank Rebates and Home Energy Coaching Program for Saanich Residents** In partnership, Saanich engaged in a new "heating oil to heat pump" conversion program. The "Oil to Heat Pump Incentive Program" offers \$1,700 in funding from the B.C. Ministry of Energy and Mines' Innovative Clean Energy (ICE) Fund and is administered by City Green Solutions, a non-profit energy efficiency organization.

Saanich and the CRD have added an additional \$300 per unit to the program, providing Saanich residents with an improved incentive opportunity of \$2,000 in total. This program helps lower resident's heating bills and reduces a household's greenhouse gas emissions. To date, Saanich has the greatest number of participants in the program.

2016 KEY PRIORITIES

Priority Strategic Initiatives include:

- **Renewable Energy in Saanich Municipal Buildings** - Staff will investigate the feasibility of 100% Renewable Energy in Saanich Municipal Buildings by 2025. The Gordon Head Boiler retrofit planned for completion in June 2016 has identified technological and financial tools that may open the door for Saanich to achieve 100% renewable energy for this and potentially other Municipal buildings. Achieving this goal would both support and potentially stretch our current 50% GHG reduction target for 2020.
- **Residential Building Retrofit Strategy** - In 2016 the Planning Department will implement a Residential Building Retrofit Strategy that will help residents improve energy efficiency and save money. The program will be multi-faceted including increased energy assessment opportunities, incentives for heating system and building improvements and one-on-one support. This Strategy will also be supported by BC Hydro through the Community Energy Program.
- **Douglas- Uptown Community Study** - The planning initiative related to the Douglas Corridor and Uptown Centre will help bring together a cross section of stakeholder interests with the common goal of creating a desirable and environmentally friendly, mixed use community. The initial work of pulling together the advisory committee, hiring the supporting consulting team, background research work, and undertaking our preliminary outreach to key stakeholders has begun. Full scale community engagement will begin in early 2016 on a variety of issues and through a variety of means.

- Undertaking a 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. A multi-year program was developed by staff and presented to Council in mid-2015. The plan balanced the work of updating the Local Area Plans with other policy work and planning work such as the Douglas-Uptown corridor plan. While supportive of the balanced approach, Council asked staff to bring back a work plan that would see all of this work progress more quickly. In early 2016 the updated work plan will be presented to Council for review and consideration. Work will commence once the work plan has been approved.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Municipal Hall Energy Upgrades	In conjunction with Engineering, the Sustainability Section will be looking at Municipal Hall energy upgrades. In 2016, boiler and heating system upgrades and heritage sensitive LED lighting upgrades are proposed. Initial estimated savings are estimated at of \$45,000 a year and 80 tonnes of GHG.	C4 Sustainable Environmental
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.	C4 Sustainable Environmental C1 Healthy Community P3 Vibrant, Connected Economy

CORE BUDGET

The Department's 2016 net core budget of \$2,446,600 represents a 3.27% decrease over prior year. Gross expenditure increased by 2.15% over prior year.

Net Expenditure By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Planning Administration	559,800	603,300	596,000	607,400	11,400	1.91%
Environmental Services	365,500	361,400	363,200	371,700	8,500	2.34%
Community Planning	644,100	676,300	690,000	709,900	19,900	2.88%
Current Planning						
Revenues	(84,500)	(71,800)	(110,000)	(110,000)	-	0.00%
Expenses	<u>471,300</u>	<u>490,500</u>	<u>506,400</u>	<u>519,800</u>	<u>13,400</u>	<u>2.65%</u>
Total	386,800	418,700	396,400	409,800	13,400	3.38%
Subdivision						
Revenues	(45,100)	(22,500)	(59,100)	(59,100)	-	0.00%
Expenses	<u>191,400</u>	<u>187,600</u>	<u>253,600</u>	<u>261,300</u>	<u>7,700</u>	<u>3.04%</u>
Total	146,300	165,100	194,500	202,200	7,700	3.96%
Inspections						
Revenues	(1,615,000)	(2,209,000)	(1,814,000)	(1,993,600)	(179,600)	9.90%
Expenses	<u>1,664,000</u>	<u>1,696,000</u>	<u>1,717,000</u>	<u>1,743,700</u>	<u>26,700</u>	<u>1.56%</u>
Total	49,000	(513,000)	(97,000)	(249,900)	(152,900)	157.63%
Bylaw Enforcement	374,500	380,300	386,300	395,500	9,200	2.38%
Total	2,526,000	2,092,100	2,529,400	2,446,600	(82,800)	(3.27%)

- Inspections revenues - based on actual trends and expected applications for 2016.

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 four divisions: Transportation and Development Services, Underground Services, Public Works, and Facility Operations.

The **Transportation and Development Services Division** is responsible for the design and implementation of all aboveground infrastructure and transportation systems. In addition, the Division processes, approves and inspects of all works installed by private developers that become municipal property.

The **Underground Services Division**, is responsible for coordinating the design, rehabilitation, improvement and reconstruction of all underground infrastructure and supporting systems. As part of the Division, Underground Services also provides surveying, drafting, and GIS support to the Department.

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.

The **Facility Operations Division** is responsible for ensuring the safe and uninterrupted operation of corporate facilities, including Municipal Hall, the Police Station, Fire Halls, Recreation Centres, and Public Works Yard Buildings. The Division also provides support services to several libraries within Saanich. To ensure the smooth operation of these facilities the Division actively manages the construction, maintenance and repair, and day-to-day efficiency of complex building systems.

BUDGET SUMMARY	
2016 Net Budget	\$ 12,385,100
2015 Net Budget	\$ 12,178,400
Budget Change	\$ 206,700
Change by %	1.70%
2016 FTE	183.53
2015 FTE	184.12
FTE Change	(0.59)
FTE Change %	(0.32%)
2015 Carbon Footprint (CO2e)	1622 Tonnes
2014 Carbon Footprint (CO2e)	1659 Tonnes
Carbon Footprint Change	(37) Tonnes

2016 BUDGET CHALLENGES

- The current Public Works Yard is in substandard condition and doesn't meet minimum Building Code requirements. There are operational space challenges and vectors are disrupting operations.
- The continual aging of municipal assets / infrastructure will require ongoing maintenance and attention.
- The development of an Asset Management Program for our municipal infrastructure.
- Aging work force and retirements of long term employees, training of new employees, and transfer of knowledge base.

KEY 2015 ACCOMPLISHMENTS

Transportation & Development Services

- Completion of Cook "Complete" Streets project with first raised cycled track application in the region and achieving the Public Works Association of BC's award for Project of the Year.
- Completion of the Tillicum Complete Street project which included 2.4 km of new and upgraded sidewalks and 2.2 km of bike lanes. Other highlights include enhanced storm water management, new underground municipal utilities and traffic safety improvements. The project provided a key cycling connection to the Galloping Goose Regional Trail from the surrounding neighbourhoods.
- Recipient of the Outstanding Steel Structure in the sustainability division from the Canadian Steel Structure Awards for Craigflower Bridge. In addition to successful protection of a sensitive ecosystem, the unique design of the bridge enhanced the habitat for the endangered Olympia Oysters. The oysters have re-colonized underneath the bridge and the location has the highest concentration of Olympia Oysters in the Gorge waterway.

Underground Services

- Completion of the Rithet Reservoir which is a vital piece of infrastructure for residents in the Royal Oak area. In addition to ensuring an adequate supply of potable water, the reservoir provides water for fire suppression.
- Completion of the GIS Engineering construction activity layer. Citizens can view the current year's construction activity by opening a layer in Saanich's GIS map service and seeing the proposed start date, duration, type of work, and construction updates.

Public Works

- Implementation of LED Street Light Pilot on Cook and Tattersall "Complete" Streets corridors.
- Successful partnership with City of Victoria and Saanich Purchasing Divisions on the joint purchase of 14 Electric Vehicles.
- In the fourth year of a five year Mt Douglas Creek restoration project, Public Works, in collaboration with the Friends of Mt. Douglas, aided in the creek bank stabilization, channel enhancement and erosion control measures.
- In a joint Swan Creek rehabilitation project supported by Public Works, crews helped remove sedimentation and cattail vegetation in the stream channel to improve drainage capacity, and provided channel enhancements and restoration.
- Successful delivery of the 2015 Capital Works Program.

Facility Operations

- Initiated a Facilities Master Plan to guide future investment into major facility repairs and replacement.
- Replacement of the boiler plant in the public safety building. The new system reduces GHG emissions by approximately 45 tCO₂e and saves \$9,000 in Natural Gas per year. In addition, the new system improves the redundancy in the system and makes future replacement less onerous.
- Completion of Pearkes Ice Mechanical Upgrades including the REALice® system has resulted in significant electricity and natural gas savings. The upgrades will save over 500,000 ekWh and avoid GHG emissions of about 30 tCO₂e.
- Digitized 90% of the drawings for municipal facilities in the community.

2016 KEY PRIORITIES

Priority Strategic initiatives include:

Sustainable Environment

- Complete a Drainage Master Plan. Saanich has made a long-term commitment to improve its storm drain network and reduce the risk of flooding. As part of this commitment a Drainage Master Plan will be completed and the first step is to model all drainage basins. These models will consider the impact of climate change, identify deficiencies and solutions, and evaluate the impact of storm water management improvements. The first drainage basin to be modelled is the Blenkinsop/Swan Creek watershed.

Balanced Transportation

- Collaborate with the Ministry of Transportation on the Trans-Canada Highway / McKenzie Avenue and Admirals Road interchange project.
- Develop an Active Transportation Master Plan to serve as a long-term strategic vision for the District that will help guide active transportation decisions and public investments for the years ahead.
- Collaborate with BC Transit on transportation initiatives such as the transit exchange at Uptown Centre and implementation of bus rapid transit on Douglas Street.
- Develop a strategic plan to protect or relocate Cordova Bay Road within Mount Douglas Park.

Healthy Community

- Develop and implement a major Facilities Master Plan. Over the next decade, Saanich will complete a number of initiatives to ensure the long-term sustainability of aging municipal facility infrastructure.

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
Transportation and Development Services		
1. Wilkinson Bridge Replacement	Complete the Wilkinson bridge replacement project including adding new bike lanes, sidewalks, and extending the Colquitz River Trail.	F4 Sustainable Environment C7 Balanced Transportation
2. Borden/McKenzie Lochside Trail Upgrade	Complete the missing gap in the Lochside Trail on Borden and Cedar Hill Cross. The new facility to meet AAA standards for all ages and abilities.	C7 Balanced Transportation
3. Active and Safe Routes to School Program	Complete four active and safe routes to school plans.	C7 Safe Community C7 Balanced Transportation C2 Healthy Community
4. DCC Bylaw Update	Update the DCC Bylaw with new projects that are supported by growth and establish area-wide rates for water, sewer, and drains.	C5 Vibrant, Connected Economy
Underground Services		
1. Austin Pump Station and Washroom Facilities	Completion of a new sewage lift station in Gorge Park which replaces two existing aged stations and will include public washroom facilities for the users of Gorge Park.	C7 Safe Community F4 Sustainable Environment

2. CRD's Sewage Treatment Program	Monitor and analyze the impacts of the CRD's sewage treatment program on Saanich's sewer utility.	C3 Sustainable Environment C4 Sustainable Environment F4 Sustainable Environment
3. Water Master Plan	Complete the Water Master Plan and implement the recommendations of the plan.	C3 Sustainable Environment F4 Sustainable Environment
Public Works		
1. Electric Arc Flash Review	Conduct an assessment of Electrical Arc Flash hazards and risks at our Sanitary Sewer Lift Stations.	C7 Safe Community F4 Sustainable Environment
2. Street Sweeping Review	Conduct review of Districts Street Sweeping Program and service levels to determine if they can be improved.	P3 Service Excellence
3. LED Street Light Conversion	Begin the conversion of High Pressure Sodium (HPS) fixtures to LED Street Light fixture replacement program.	C4 Sustainable Environment
4. SCADA Upgrade	Upgrade the sewer and water monitoring system (SCADA).	F4 Sustainable Environment
Facility Operations		
1. Strategic Facilities Management Plan	Develop a strategic plan to improve the overall business practices of Facility Operations.	F4 Sustainable Environment
2. Boiler Replacement – Municipal Hall	Improve energy efficiency, reduce carbon emissions, and provide redundancy to the system.	C4 Sustainable Environment
3. Lighting Upgrade – Municipal Hall	Improve energy efficiency, reduce carbon emissions, and produce greater reliability to the system.	C4 Sustainable Environment
4. Fire Hall Renovation	Improve energy efficiency, reduce carbon emissions, and build capacity for increased service levels.	C7 Safe Community F4 Sustainable Environment

CORE BUDGET

The Department's 2016 net core budget of \$12,385,100 represents a 1.70% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2014	2015	2015	2016	2016/2015	2016/2015
Engineering Services	2,553,300	2,456,400	2,691,600	2,679,600	(12,000)	(0.45%)
Facility Operations	1,489,700	1,104,500	1,308,300	1,348,000	39,700	3.03%
Public Works	7,898,100	8,419,200	8,178,500	8,357,500	179,000	2.19%
Total	11,941,100	11,980,100	12,178,400	12,385,100	206,700	1.70%

Engineering Services

The Division's net core budget of \$2,679,600 represents a 0.45% decrease over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2014	2015	2015	2016	2016/2015	2016/2015
Engineering Services						
Revenue	(1,066,400)	(1,092,700)	(1,155,900)	(1,192,700)	(36,800)	3.18%
Expense	3,619,700	3,549,100	3,847,500	3,872,300	24,800	0.64%
Total	2,553,300	2,456,400	2,691,600	2,679,600	(12,000)	(0.45%)

- Engineering Services Division - transfer of Capital Budget Coordinator position from Engineering to Finance.

Facility Operations

The Division's net core budget of \$1,348,000 represents a 3.03% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Administration	116,800	203,400	128,600	149,700	21,100	16.41%
Minor Facility Repair	391,000	(23,000)	344,500	344,500	-	0.00%
Les Passmore Building	172,800	169,700	156,200	161,900	5,700	3.65%
Municipal Hall Building	507,000	587,700	535,400	547,900	12,500	2.33%
Municipal Annex	136,100	164,700	118,900	118,900	0	0.00%
Other Buildings	24,500	21,600	24,700	25,100	400	1.62%
Public Safety Building	112,000	(56,300)	-	-	-	0.00%
Public Works and Parks	29,500	36,700	-	-	-	0.00%
Total	1,489,700	1,104,500	1,308,300	1,348,000	39,700	3.03%

- Administration - wage increments.

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 \$8,357,500 increased 2.19% over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Administration	666,600	909,400	754,800	788,500	33,700	4.46%
Stores	163,000	175,300	64,700	105,200	40,500	62.60%
Fleet						
Revenue	(4,730,800)	(4,761,400)	(4,453,800)	(4,671,500)	(217,700)	4.89%
Expense	<u>4,722,300</u>	<u>4,761,400</u>	<u>4,453,800</u>	<u>4,671,500</u>	<u>217,700</u>	<u>4.89%</u>
Total	(8,500)	-	-	-	-	0.00%
Solid Waste Services						
Revenue	(5,458,900)	(5,742,500)	(5,762,000)	(5,890,400)	(128,400)	2.23%
Expense	<u>5,629,700</u>	<u>6,017,300</u>	<u>6,018,700</u>	<u>6,149,900</u>	<u>131,200</u>	<u>2.18%</u>
Total	170,800	274,800	256,700	259,500	2,800	1.09%
Storm Drains	1,975,700	2,089,600	1,969,000	2,004,400	35,400	1.80%
Street Operations	4,930,500	4,970,100	5,133,300	5,199,900	66,600	1.30%
Total	7,898,100	8,419,200	8,178,500	8,357,500	179,000	2.19%

- Administration - wage increments.
- Stores – addition of part time Storeskeeper

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.

Saanich Parks has something for everyone – oceans, beaches, creeks, lakes, meadows, forests, playgrounds, multi-use trails and sports fields. With 170 parks covering more than 820 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.

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; FootGolf; licensed light snack and beverage service and banquet and meeting services.

BUDGET SUMMARY	
2016 Net Budget	\$ 15,196,800
2015 Net Budget	\$ 14,649,400
Budget Change	\$ 547,400
Change by %	3.74%
2016 FTE	301.39
2015 FTE	296.83
FTE Change	4.56
FTE Change %	1.54%
2015 Carbon Footprint (CO2e)	2058 Tonnes
2014 Carbon Footprint (CO2e)	2073 Tonnes
Carbon Footprint Change	(15) Tonnes

2016 BUDGET CHALLENGES

Parks

- Ensuring sufficient operational funds for park and boulevard maintenance
- Ensuring staff capacity to complete approved capital projects
- Allocating resources for planning, construction and maintenance of recent parks acquisitions including Haro Woods, Panama Flats, Beckwith lands, Walter St., Shelbourne St.
- Ensuring staff capacity to support community led initiatives to improve sports facilities, including proposals for field lighting, artificial turf areas, and building upgrades in 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

- Managing increasing marketing demands within existing resources
- Effective coordination of capital projects
- Implementing required registration and facility booking software changes

Golf

- Ongoing focus on improving the sustainability of the food and beverage operations
- Maintaining and improving overall course conditions

KEY 2015 ACCOMPLISHMENTS

Parks

- New playgrounds at Brodick and Emily Carr Parks
- Cuthbert Holmes Park Management Plan
- Reconstruction of parking lots at Glanford and Cadboro-Gyro Parks
- Stream restoration projects along Douglas and Swan Creeks
- Plan completed for pathway renovation at Playfair Park
- Strong cost-sharing partnerships with sports clubs resulting in a new field house at Layritz Park, and sidewalk and fencing upgrades at Hampton Park
- Replacement of tennis courts at Copley Park West together with irrigation around the playground and park frontage
- Wayfinding trail markers and signs installed in Mount Douglas Park and Rithet's Bog

Recreation

- Completion of the Youth Development Strategy
- Completion of major energy efficiency upgrades to the G.R. Pearkes ice plant
- Cedar Hill Recreation Centre change room upgrades
- Gordon Head Recreation Centre front desk improvements
- Creation of Inclusion Statement
- PlayBox installation in McMinn, Rudd and Rutledge parks

Golf

- Introduction of FootGolf, attracting new patrons to the course
- Food and beverage efficiency improvements
- Course drainage work to improve year round playability

2016 KEY PRIORITIES

Priority Strategic initiatives include:

Sustainable Environment

- Continue to implement the Invasive Species Management Strategy
- Continue to implement the Urban Forest Strategy
- Initiation of major park management plan

Healthy Community

- Implement actions from the Cuthbert Holmes Park Master Plan and Panama Flats Concept Plan
- Completion of Older Adult Strategy focussing on relevant programming

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Develop a parks planning process model	The model will describe the variety of park plans, when they are used and the process used to develop them.	F4 Healthy Community
2. Complete approved parks capital projects	A number of capital improvements will be made to park facilities to refurbish aging facilities.	F4 Healthy Community
3. Complete Beckwith Park acquisition and trail plan	Lands are being acquired adjacent to Beckwith Park with the plan to create a trail connection between Beckwith Park and the Lochside Trail.	F4 Healthy Community
4. Continue to develop community gardens where appropriate	Staff will work with community groups to develop community gardens where appropriate.	F4 Healthy Community
5. Interpretive & Wayfinding sign program	Continuation of sign development and implementation.	F4 Healthy Community
6. Planning & design for reception counter upgrades at SCP and CHRC	Initial work for 2017 efficiency and ergonomic improvements.	P2 Service Excellence
7. Continued energy efficiency improvements at recreation centres	Heating and lighting system upgrades in conjunction with Engineering and Planning's Sustainability Section.	C4 Sustainable Environment P3 Vibrant, Connected Economy
8. Implement Volunteer Program Review Recommendations	Continue to manage and refine requests from community to supply volunteer opportunities and staff capacity to manage demand.	F4 Healthy Community P2 Service Excellence

CORE BUDGET

The Department's 2016 net core budget of \$15,196,800 represents a 3.74% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
ALL DIVISIONS	2014	2015	2015	2016	2016/2015	2016/2015
Parks & Rec. Administration	793,200	837,800	764,400	782,200	17,800	2.33%
Parks	6,102,200	6,465,800	6,430,500	6,695,300	264,800	4.12%
Cedar Hill Recreation Centre	1,116,000	1,018,300	1,196,300	1,271,100	74,800	6.25%
Gordon Head Recreation Centre	1,496,400	1,538,900	1,549,100	1,630,400	81,300	5.25%
G R Pearkes Recreation Centre	1,136,900	1,208,200	1,188,200	1,185,700	(2,500)	(0.21%)
Saanich Commonwealth Place	2,445,300	2,658,700	2,513,900	2,565,200	51,300	2.04%
Community Services	961,200	1,017,500	1,007,000	1,066,900	59,900	5.95%
Cedar Hill Golf Course	179,900	-	-	-	-	0.00%
Total net cost	14,231,100	14,745,200	14,649,400	15,196,800	547,400	3.74%

- Parks increased by 4.12% due mainly to allocation of \$66,300 for new infrastructure funding for new parks and trail maintenance and for invasive species management.
- Cedar Hill Recreation Centre increased 6.25% due to decrease in rental revenues and wage increases in programming and administration.
- Gordon Head Recreation Centre increased 5.25% due to increase in programming costs offset with revenue increases in outdoor preschool and summer programs; expense reductions in summer programs.
- Community Services increased 5.95% due to wage increases in programming and addition (partial year) of Youth Leaders for the implementation of the Youth Development Strategy.

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
	2014	2015	2015	2016	2016/2015	2016/2015
Administration	623,800	674,500	595,200	607,900	12,700	2.13%
Marketing						
Revenues	(169,800)	(183,000)	(158,200)	(157,100)	1,100	(0.70%)
Expenses	<u>298,900</u>	<u>305,500</u>	<u>286,400</u>	<u>290,000</u>	<u>3,600</u>	<u>1.26%</u>
Total	129,100	122,500	128,200	132,900	4,700	3.67%
Integration Recreation Victoria	40,300	40,800	41,000	41,400	400	0.98%
Total	793,200	837,800	764,400	782,200	17,800	2.33%

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 169 parks covering more than 810 hectares. The division's 2016 net core budget of \$6,695,300 represents a 4.12% increase over prior year.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Administration	525,600	597,400	534,500	563,300	28,800	5.39%
Planning and Design	357,900	420,400	408,700	465,500	56,800	13.90%
UF, Hort. & Natural Area	2,816,300	2,743,600	2,856,900	2,984,300	127,400	4.46%
Construction/Maintenance	2,402,400	2,704,400	2,630,400	2,682,200	51,800	1.97%
Total	6,102,200	6,465,800	6,430,500	6,695,300	264,800	4.12%

- Administration - wage increments.
- Planning and Design – annual costing of the 2015 approved addition of a parks planning and design position.
- UF, Hort. & Natural Area – allocation of new infrastructure funding for new parks and trail maintenance and for invasive species management.

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 Carnival of the Arts

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 2014	Actual 2015	Budget 2015	Budget 2016	\$ Change 2016/2015	% Change 2016/2015
Programming & Reception						
Revenues	(135,100)	(141,300)	(166,600)	(149,100)	17,500	(10.50%)
Expenses	1,105,900	1,098,300	1,160,400	1,189,600	29,200	2.52%
Total	970,800	957,000	993,800	1,040,500	46,700	4.70%
Programs						
Revenues	(1,328,700)	(1,395,300)	(1,197,700)	(1,198,200)	(500)	0.04%
Expenses	734,800	750,000	696,500	715,200	18,700	2.68%
Total	(593,900)	(645,300)	(501,200)	(483,000)	18,200	(3.63%)
Maintenance	739,100	706,600	703,700	713,600	9,900	1.41%
Total	1,116,000	1,018,300	1,196,300	1,271,100	74,800	6.25%

- Programming & Reception - decrease in rental revenues and wage increases.

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, FootGolf, licensed light snacks and beverages and banquet and meeting services round out the available services. 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
	2014	2015	2015	2016	2016/2015	2016/2015
Golf Revenues	(1,130,900)	(1,189,300)	(1,138,000)	(1,187,000)	(49,000)	4.31%
Administration	161,300	184,600	183,200	191,000	7,800	4.26%
Pro Shop	68,100	73,800	67,900	68,200	300	0.44%
Food and Beverage						
Revenues	(437,300)	(474,300)	(448,000)	(488,500)	(40,500)	9.04%
Expenses	<u>541,400</u>	<u>544,800</u>	<u>485,100</u>	<u>533,500</u>	<u>48,400</u>	<u>9.98%</u>
Total	104,100	70,500	37,100	45,000	7,900	21.29%
Facility Maintenance	244,000	221,300	201,500	202,900	1,400	0.69%
Grounds Maintenance	644,000	681,400	664,000	674,100	10,100	1.52%
Debt, Capital and Overhead	433,000	508,200	608,400	729,800	121,400	19.95%
Sub-Total	523,600	550,500	624,100	724,000	99,900	0.00%
Transfer from Reserves	(343,700)	(550,500)	(624,100)	(724,000)	(99,900)	0.00%
Total	179,900	-	-	-	-	0.00%

- The overall deficit in 2015 is projected to be \$37,900 higher than the prior year, however, the full deficit is funded from reserve.
- The reserve to support deficit operations, including capital expenditure, at the Golf Course totalled \$325,200 at December 31, 2015 and the full amount is budgeted to be used in 2016.
- Administration increased – increase in contracting costs for the golf course.
- Food and beverage expenses - increase in hours of Food and Beverage Attendants and increase in beverage and ancillary products.
- Debt, Capital and Overhead - additional funding required for both critical facility repairs and equipment replacement.

Gordon Head Community Recreation Centre

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 accessible and universal 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. Gordon Head provides programs and services for preschoolers, youth, adults and seniors.

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 IHA provide recovery programs as well as preventative services.

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
	2014	2015	2015	2016	2016/2015	2016/2015
Programming & Reception						
Revenues	(76,400)	(88,500)	(60,100)	(67,700)	(7,600)	12.65%
Expenses	<u>1,104,800</u>	<u>1,194,700</u>	<u>1,137,000</u>	<u>1,191,500</u>	<u>54,500</u>	<u>4.79%</u>
Total	1,028,400	1,106,200	1,076,900	1,123,800	46,900	4.36%
Programs						
Revenues	(2,130,800)	(2,251,300)	(2,147,700)	(2,184,900)	(37,200)	1.73%
Expenses	<u>1,514,500</u>	<u>1,627,200</u>	<u>1,626,900</u>	<u>1,672,200</u>	<u>45,300</u>	<u>2.78%</u>
Total	(616,300)	(624,100)	(520,800)	(512,700)	8,100	(1.56%)
Maintenance	1,084,300	1,056,800	993,000	1,019,300	26,300	2.65%
Total	1,496,400	1,538,900	1,549,100	1,630,400	81,300	5.25%

- Programming & Reception - increase in programming costs offset with revenue increases in outdoor preschool and summer programs; expense reductions in summer programs.

G. R. Pearkes Community Recreation Centre

Pearkes Community Recreation Centre, located behind the Tillicum Mall, offers a variety of community programs for all ages, focusing on fitness, preschool and family activities, skating 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 multi-use 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
	2014	2015	2015	2016	2016/2015	2016/2015
Programming & Reception						
Revenues	(980,100)	(990,700)	(970,000)	(977,200)	(7,200)	0.74%
Expenses	<u>1,022,500</u>	<u>1,048,100</u>	<u>1,053,500</u>	<u>1,077,100</u>	<u>23,600</u>	<u>2.24%</u>
Total	42,400	57,400	83,500	99,900	16,400	19.64%
Programs						
Revenues	(913,600)	(886,900)	(898,300)	(907,300)	(9,000)	1.00%
Expenses	<u>589,200</u>	<u>597,700</u>	<u>562,800</u>	<u>572,200</u>	<u>9,400</u>	<u>1.67%</u>
Total	(324,400)	(289,200)	(335,500)	(335,100)	400	(0.12%)
Maintenance	1,418,900	1,440,000	1,440,200	1,420,900	(19,300)	(1.34%)
Total	1,136,900	1,208,200	1,188,200	1,185,700	(2,500)	(0.21%)

- Maintenance - energy efficiencies from improvements to facility lighting and ice mechanical systems.

Saanich Commonwealth Place

Saanich Commonwealth Place, built for the 1994 Commonwealth Games, 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 specially equipped accessible, change rooms, universal change rooms, a gymnasium, hot tub, steam & dry saunas, dance studio, fitness centre, multi-purpose rooms, pro shop, 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
	2014	2015	2015	2016	2016/2015	2016/2015
Programming & Reception						
Revenues	(426,300)	(411,500)	(399,200)	(392,700)	6,500	(1.63%)
Expenses	<u>1,778,800</u>	<u>1,832,100</u>	<u>1,803,900</u>	<u>1,831,800</u>	<u>27,900</u>	<u>1.55%</u>
Total	1,352,500	1,420,600	1,404,700	1,439,100	34,400	2.45%
Programs						
Revenues	(4,024,800)	(4,122,000)	(3,869,700)	(4,014,500)	(144,800)	3.74%
Expenses	<u>3,124,100</u>	<u>3,245,300</u>	<u>2,981,700</u>	<u>3,151,700</u>	<u>170,000</u>	<u>5.70%</u>
Total	(900,700)	(876,700)	(888,000)	(862,800)	25,200	(2.84%)
Maintenance	1,993,500	2,114,800	1,997,200	1,988,900	(8,300)	(0.42%)
Total	2,445,300	2,658,700	2,513,900	2,565,200	51,300	2.04%

- Maintenance – end of debt servicing payments for prior year energy efficiency work.

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 initiatives.

Net Budget By Function	Actual	Actual	Budget	Budget	\$ Change	% Change
	2014	2015	2015	2016	2016/2015	2016/2015
Programming	512,700	542,500	531,100	559,200	28,100	5.29%
Programs						
Revenues	(234,100)	(242,500)	(172,600)	(192,600)	(20,000)	11.59%
Expenses	<u>682,600</u>	<u>717,500</u>	<u>648,500</u>	<u>700,300</u>	<u>51,800</u>	<u>7.99%</u>
Total	448,500	475,000	475,900	507,700	31,800	6.68%
Total	961,200	1,017,500	1,007,000	1,066,900	59,900	5.95%

- Programming - wage increases.
- Programs revenues - increase in summer playgrounds and addition (partial year) of Youth Leaders to implement the Youth Development Strategy.

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	
2016 Net Budget	\$ 5,985,400
2015 Net Budget	\$ 5,825,200
Budget Change	\$ 160,200
Change by %	2.75%
FTE	n/a
Carbon Footprint (CO2e)	n/a

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

2016 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 2014	Actual 2015	Budget 2015	Budget 2016	\$ Change 2016/2015	% Change 2016/2015
Greater Victoria Public Library	5,122,300	5,263,900	5,263,900	5,395,100	131,200	2.49%
Branch Libraries Lease and Maintenance	223,700	240,400	221,300	220,500	(800)	(0.36%)
Swan Lake Christmas Hill Nature House	334,800	340,000	340,000	369,800	29,800	8.76%
Total	5,680,800	5,844,300	5,825,200	5,985,400	160,200	2.75%

- Library services - reduction in reserves transfers in and general increase in expenditure.
- Swan Lake Christmas Hill Nature House – wage increases for staff and increase in operating expenses

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 existing infrastructure and building 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
	2015 Projects In Progress	2016 Capital Projects	Total 2016	2015
Police	1,281,600	1,147,700	2,429,300	1,618,800
Fire	672,700	198,900	871,600	1,078,000
Emergency Program	-	55,000	55,000	10,000
Finance	-	25,000	25,000	34,500
Transportation	8,211,700	13,362,100	21,573,800	22,233,500
Drainage	3,409,000	5,658,000	9,067,000	8,569,000
Parks	1,000,000	2,519,100	3,519,100	3,082,700
Recreation	581,100	909,700	1,490,800	1,460,300
Fleet Replacement	1,456,200	850,000	2,306,200	1,966,500
Information Technology	2,685,100	4,763,900	7,449,000	3,445,000
Community Facilities	4,456,600	4,613,500	9,070,100	6,709,700
Parkland Acquisition	-	3,842,700	3,842,700	3,842,700
	23,754,000	37,945,600	61,699,600	54,050,700
Source of Funding			Budget	Budget
	2015 Projects In Progress	2016 Capital Projects	Total 2016	2015
General Operating (Core Capital)	-	12,472,100	12,472,100	12,159,700
Future Expenditure Reserve	540,400	484,900	1,025,300	931,200
General Capital Reserves	13,812,600	11,206,500	25,019,100	14,718,600
Lands Sale Reserve	-	2,000,000	2,000,000	2,000,000
Development Cost Charges	-	2,842,700	2,842,700	2,590,700
Equipment Replacement Reserve	2,096,900	1,588,600	3,685,500	4,792,300
Grants & Contributions	405,500	2,073,000	2,478,500	10,708,200
Borrowing	6,898,600	5,277,800	12,176,400	6,150,000
	23,754,000	37,945,600	61,699,600	54,050,700

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 infrastructure and facility capital replacement by program:

Description of Program	Budget 2016	Budget 2017	Budget 2018	Budget 2019	Budget 2020	Notes:
Vehicles, Equipment & Technology						
Police	1,147,700	473,700	483,200	492,900	502,800	1
Fire	198,900	425,000	48,000	24,000	240,000	
Emergency Program	55,000	55,000	-	50,000	25,000	
Finance	25,000	15,000	25,000	-	-	
Fleet Replacement	850,000	1,175,000	1,007,000	1,000,000	1,000,000	
Engineering	171,200	-	-	-	-	
Parks & Recreation	366,500	276,300	178,100	291,000	233,900	
Information Technology	4,763,900	4,130,000	2,860,000	2,830,000	2,010,000	2
Parkland Acquisition	3,842,700	1,500,000	1,000,000	1,000,000	500,000	3
	11,420,900	8,050,000	5,601,300	5,687,900	4,511,700	
Transportation						
Complete Streets	2,142,700	250,000	4,650,000	6,400,000	2,400,000	
Roads Improvement (includes sidewalk and bikeways components)	2,100,000	3,695,000	1,700,000	1,980,000	2,180,000	1
Sidewalk Improvement	1,260,000	2,537,700	2,461,700	1,373,000	1,700,000	4
Bikeways Improvement	545,000	2,800,000	765,000	15,000	1,215,000	
Bus Stops Improvement	190,000	190,000	190,000	190,000	190,000	
Street Lights/Traffic Signals Improvement	605,000	455,000	405,000	445,000	445,000	5
Bridges Replacement	5,891,200	-	-	-	-	1
Other	457,000	215,000	206,000	120,000	128,000	6
	13,190,900	10,142,700	10,377,700	10,523,000	8,258,000	
Drainage						
Wood Stave Replacement	3,482,600	3,825,400	5,189,200	4,402,500	4,834,800	5
Sub-standard Drain Replacement	1,780,400	2,076,600	1,435,800	2,733,500	2,275,200	
Other	395,000	486,000	447,000	448,000	480,000	
	5,658,000	6,388,000	7,072,000	7,584,000	7,590,000	
Sub Total	30,269,800	24,580,700	23,051,000	23,794,900	20,359,700	

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 2016	Budget 2017	Budget 2018	Budget 2019	Budget 2020	Notes:
Parks						
Playground Replacement	165,000	121,000	169,000	414,000	409,000	
Sports Field & Hard Court Replacement	227,000	58,000	151,000	543,000	582,000	
Parking Replacement	193,000	121,000	-	136,000	339,000	
Irrigation Replacement	11,000	92,000	79,000	123,000	123,000	
Bridges & Structures Replacement	105,000	122,000	159,000	159,000	194,000	1
Trails Replacement	279,600	209,000	347,000	132,000	256,000	
Buildings Replacement	108,000	37,000	155,000	160,000	204,000	
Park Infrastructure Replacement	872,000	1,455,800	1,416,400	716,400	555,700	
Natural Areas and Urban Forestry	196,000	163,000	199,000	226,000	260,000	
Other	225,000	316,000	238,000	323,000	329,000	
	2,381,600	2,694,800	2,913,400	2,932,400	3,251,700	
Recreation & Community Facilities						
Electrical	812,900	398,000	566,500	456,500	-	
Mechanical	444,000	75,000	385,000	418,000	605,000	
HVAC	130,900	770,000	-	110,000	383,000	
Building Envelope	86,000	10,000	135,000	-	-	1
Building Interior	1,608,000	352,000	396,400	460,400	572,600	
Parking Signage & Grounds	16,200	98,200	67,000	65,000	50,000	
Major Facilities Repair & Future Replacement Reserve	1,834,300	2,735,600	3,391,300	3,391,300	3,391,300	
Planning & Other	461,900	-	-	-	-	
	5,394,200	4,438,800	4,941,200	4,901,200	5,001,900	
Grand Total	38,045,600	31,714,300	30,905,600	31,628,500	28,613,300	

Notes:

1 – Based on age and condition assessment

Vehicles, Equipment and Technology

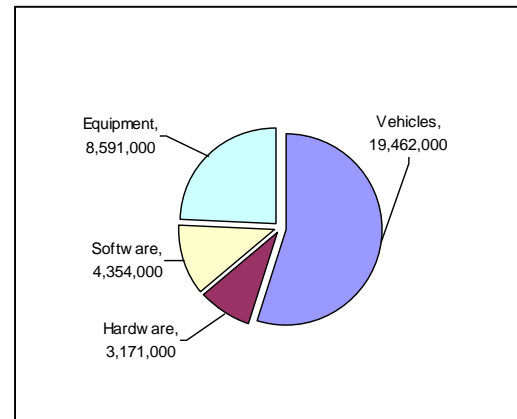
Saanich vehicles, equipment and information technology includes fleet vehicles for parks, public works, police and fire, computer and telephone hardware and software for all departments and a variety of equipment from fitness to lawn mowers.

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 was achieved in 2016 through additional transfer to the various reserve funds.

Financial Commitment in Financial Plan	2016
Capital funded directly from property taxation	\$ 843,000
Debt principal for capital purchases	\$ 338,500
Transfer to Reserve Funds for future replacement	\$ 2,643,600
Interest earned on Replacement Reserve Funds	\$ 68,900
Total Financial Commitment	\$ 3,894,000

Police Vehicles, Equipment and Technology

Police Services	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2016
2015 Projects in Progress:					
Two-factor Authentication		61,100			61,100
New Building IT Infrastructure & Furniture		615,000			615,000
Executive Administration Office Furniture		30,000			30,000
Patrol Long Gun Replacement		225,200			225,200
Officer & Public Safety Equipment		46,500			46,500
Vehicle AED		72,500			72,500
Annual Vehicle Replacement		115,300			115,300
Video Conferencing		116,000			116,000
Total	-	1,281,600	-	-	1,281,600
2016 Capital Projects:					
Enhancement of Building Security & Front Desk		150,000			150,000
Intersection Pre-emption Equipment		100,000			100,000
Hardware and Software	76,000	213,700			289,700
Officer & Public Safety Equipment	6,200				6,200
Investigative Equipment	26,700				26,700
Office Equipment & File System	105,500				105,500
Annual Vehicle Replacement	250,000	219,600			469,600
Total	464,400	683,300	-	-	1,147,700

Of the 2016 Police projects of \$683,300 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	2016
2015 Capital Projects					
Vehicle Replacement		672,700			672,700
Total	-	672,700	-	-	672,700
2016 Capital Projects:					
Vehicle Replacement		148,900			148,900
Wildland Firefighting Equipment		50,000			50,000
Total	-	198,900	-	-	198,900

Vehicles to be purchased in 2016 include a heavy rescue refit, ladder refit, 2 light pickup trucks, 1 passenger van and SUV equipment.

Emergency Program

Emergency Program	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2016
2016 Capital Projects:					
Emergency Pogram Equipment		55,000			55,000
Total	-	55,000	-	-	55,000

Comms Van

Finance Equipment

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2016
2016 Capital Projects:					
Printoom Equipment		25,000			25,000
Total	-	25,000	-	-	25,000

Production Printer

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	2016
2015 Projects in Progress:					
Fleet Vehicle Replacements, Various Small trucks and vehicles		1,456,200			1,456,200
Total	-	1,456,200	-	-	1,456,200
2016 Capital Projects:					
Fleet Vehicle Replacements, Various trucks and vehicles		850,000			850,000
Total	-	850,000	-	-	850,000

2015 Vehicles yet to be received include 4 Electric Vehicles; 1 Parks Bucket Truck; 3 Parks Tractors; 1 SWS Retriever, 1 Hydro Excavator and 1 Parks Single Axle.

Vehicles to be purchased in 2016 include 3 Tandem Dump Trucks; 3 Parks Trailers; 1 Backhoe and 1 Salter.

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	2016
2016 Capital Projects:					
Golf Course Equipment Replacement				194,000	194,000
Recreation Equipment Replacement	35,000				35,000
Parks Equipment Replacement	137,500				137,500
Total	172,500	-	-	194,000	366,500

Golf Course equipment to be replaced in 2016 includes 2 mowers, 1 Toro Reelmaster, 1 Toro Groundsmaster, 1 turbine blower, 1 greens roller and 1 dishwasher.

Recreation equipment to be replaced at Pearkes in 2016 includes a ride-em vacuum, skate sharpening.

Parks equipment to be replaced in 2016 includes 1 Bobcat, 1 TD65 Mower, 1 Smithco Sweeper and 1 Kubota Mower.

Engineering Equipment

Annual replacement of equipment for Engineering.

Equipment Replacement	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2016
2016 Capital Projects:					
Street Operations Equipment		121,200			121,200
Survey Equipment		50,000			50,000
Total	-	171,200	-	-	171,200

Street Operations equipment include Asphalt Compactor, Asphalt Planer, Sweeper Attachment and Portable Ground Penetrating Radar

Information Technology

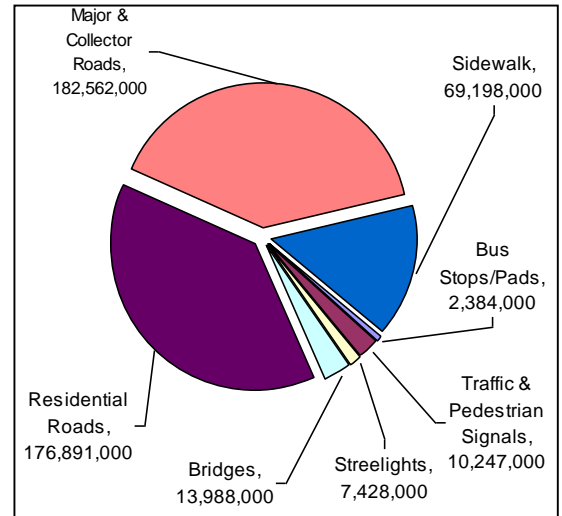
Hardware and software replacement including project implementation costs.

Information Technology	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2016
2015 Projects in Progress:					
Asset Management Solution		49,000	10,000		59,000
Telephone System		1,000,000			1,000,000
JD Edwards (Financial Software) Upgrade Planning		208,100			208,100
Next Generation Web Implementation		109,000			109,000
Council Webcast		123,600			123,600
IT Infrastructure Upgrades		300,000		850,000	1,150,000
Other Minor Projects		35,400			35,400
Total	-	1,825,100	10,000	850,000	2,685,100
2016 Capital Projects:					
IT Infrastructure:					
Email Upgrades	12,100	37,900			50,000
IT Infrastructure Upgrades		750,000			750,000
Network Upgrade		1,000,000			1,000,000
Business Systems:					
JD Edwards Implementation (Financial Software)		1,659,900			1,659,900
Next Generation Web Implementation	90,000				90,000
Webcasting		100,000			100,000
Tempest Upgrades		100,000			100,000
Data Security		400,000			400,000
Fire Dispatch		400,000	50,000		450,000
GIS Application Upgrade		10,000			10,000
CLASS Maintenance & Enhancements		50,000			50,000
New Assets/Projects:					
Agenda Management	50,000				50,000
Division Capital	54,000				54,000
Total	206,100	4,507,800	50,000	-	4,763,900

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 \$13,190,900 budgeted for transportation capital in 2016, it is estimated that \$3,960,000 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	2016
Transportation projects funded directly from property taxation	\$ 2,685,000
Annual Gas Tax and interest earned	\$ 4,619,100
Debt principal for transportation projects	\$ 68,100
Transfer to reserve fund for transportation projects	\$ 640,000
Interest earned on Transportation reserve funds	\$ 126,700
Annual contributions from developers for transportation projects	\$ 265,100
Total Financial 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	2016
2015 Projects in Progress:					
Complete Streets:					
Shelbourne St. Concepts				200,000	200,000
Tillicum/Carey/Glanford (includes 3500m sidewalk & bikelane)		782,200			782,200
Active Transportation Plan		68,900			68,900
Roads:					
Uptown Traffic Study		243,800			243,800
Annual Paving Program		96,400			96,400
Other Projects In Progress		213,800			213,800
Glanford/Mann		2,181,700			2,181,700
MacKenzie Avenue (McGill to Cadboro Bay Road)		96,200			96,200
Gorge/Millgrove		194,700			194,700
DCC Subsidy & Cost Share		44,900			44,900
Sidewalks:					
Haliburton Road (to Cherry Tree Bend)				350,000	350,000
Morris Drive				300,000	300,000
Cadboro Bay Road 125m		19,000		175,000	194,000
West Saanich Road		50,000		165,000	215,000
Other Projects In Progress		209,100			209,100
Marigold Road (Daisy to Gladiola) 500m				735,000	735,000
Bikeways:					
Lansdowne Road (Shelbourne to Foul Bay)		172,700		490,000	662,700
Borden Street (McKenzie to Cedar Hill Cross) 400m			140,000	200,000	340,000
Shelbourne Street (Torquay to Arbordale) 1200m		100,000			100,000
Bus Stops, Signals, Street Lights:					
Various Bus Stop Improvements		92,000			92,000
UPS Installations		84,400			84,400
Emergency Vehicle Pre-emption		35,000		35,000	70,000
Streetlight Program		54,700			54,700
LED Streetlight Trial		20,300			20,300
Other Projects		130,000			130,000
Bridges:					
Admirals Bridge Monitoring		29,800			29,800
Bridge Review & Assessment		127,100			127,100
Bridge Repair & Replacement		125,000			125,000
Keats Pedestrian Bridge includes 30m sidewalk		250,000			250,000
Total	-	5,421,700	140,000	2,650,000	8,211,700

Transportation (Continued)

Transportation	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2016
2016 Capital Projects:					
Complete Streets:					
Douglas / Saanich / Boleskine 300m		750,000			750,000
McKenzie Avenue (Cedar Hill to Shelbourne) 190m				750,000	750,000
Shelbourne Valley Action Plan		642,700			642,700
Roads:					
Tillicum Road (Maddock to Trans Canada Hwy) 800m				800,000	800,000
Ashphalt Overlay Program	1,000,000	300,000			1,300,000
Sidewalks:					
Blanshard / Ravine / Vernon 100m	60,000				60,000
Burnside Road (Helmecken to Little) 300m	55,000			45,000	100,000
Interurban Road (Meadowview to 4125 Interurban) 170m		250,000			250,000
Linwood Avenue (Cook to Tolmie) 500m		500,000			500,000
Sidewalk Rehabilitation Program	300,000				300,000
Corner Ramp Program	50,000				50,000
Bikeways Improvements:					
Carey Bus Exchange 75m				100,000	100,000
Dean Avenue (Allenby to Haultain)				130,000	130,000
Galloping Goose Carey Road Connection			125,000	175,000	300,000
Bike Count Program	15,000				15,000
Bus Stops, Signals, Street Lights:					
McKenzie / Quadra Traffic Signal	200,000				200,000
Vanalman Copley Park Crosswalk	25,000				25,000
Viewmont / Greenlea Crosswalk	75,000				75,000
Bus Stop Improvements	100,000	15,000			115,000
Bus Stop Concrete Pad Improvements	75,000				75,000
LED Street Light Program	250,000				250,000
Street Light Rehabilitation	25,000				25,000
Traffic Signal Rehabilitation	30,000				30,000
Bridges:					
Wilkinson Bridge (Colquitz Trail)		3,991,200	1,750,000	150,000	5,891,200
Other:					
Safe Route to School	150,000	32,000			182,000
Development Coordination Opportunities	30,000				30,000
Right of Way Acquisition	40,000				40,000
Active Transportation Plan	125,000				125,000
Transportation Rehabilitation Projects	80,000				80,000
Total	2,685,000	6,480,900	1,875,000	2,150,000	13,190,900

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.

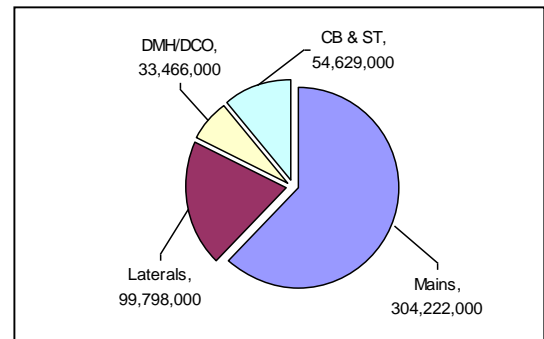
Replacing the remaining fourteen km of large diameter wood stave drain main is our primary priority. Replacing and upgrading problematic small diameter substandard drains is our secondary priority.

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

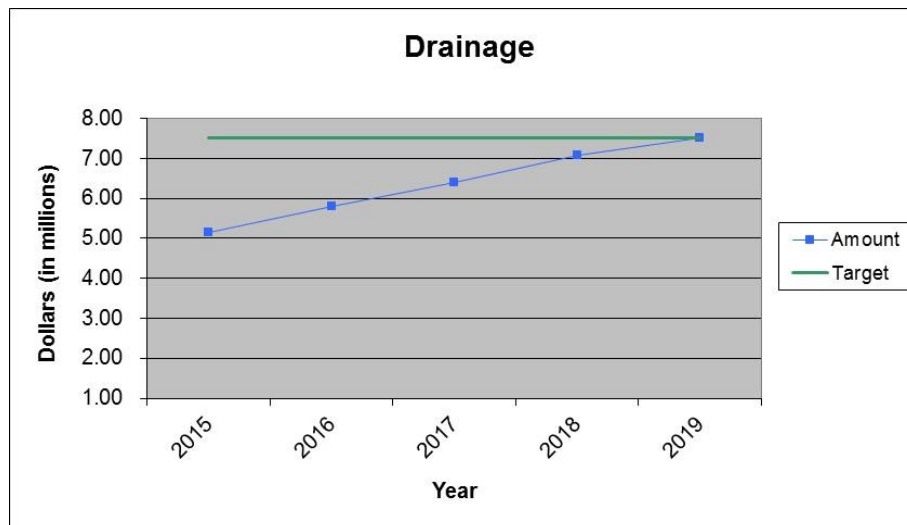


Current Ongoing Funding: \$5,658,000

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	2016
2015 Projects in Progress:					
Wood Stave Replacement:					
Kenneth Street		76,100			76,100
Longview/San Rafael		184,000			184,000
Hodgson		85,000			85,000
Grandview Drive		77,400			77,400
Queensbury		48,800			48,800
Tattersall		83,600			83,600
Sub-standard Drain Replacement:					
Kingsley Street (North Dairy to Lansdowne Road)				240,000	240,000
Bromley/Doncaster				480,000	480,000
Obed				424,000	424,000
Ferndale/Casa Marcia		43,100			43,100
Maplewood (Pike to Maplewood)		76,600			76,600
Doncaster/Diana		60,000		54,000	114,000
Tillicum/Glanford		222,600			222,600
2015 Misc Drainage Projects		684,400			684,400
Other:					
Drainage Model Implementation				302,000	302,000
Video Inspection & Assessment		120,400			120,400
Wood Stave Drain Design		113,200			113,200
Drain house Connection Replacement		33,800			33,800
Total	-	1,909,000	-	1,500,000	3,409,000

Drainage (Continued)

Drainage	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2016
2016 Capital Projects:					
Wood Stave Replacement:					
Glanford	244,000				244,000
Hampton	176,000				176,000
Cedarwood	252,000				252,000
Cedarwood Phase 3	220,000				220,000
Fowler	125,000				125,000
Borden (Cedar Hill X to Public Works Yard)	520,000				520,000
Dean (Allenby to Haultain)	95,600			1,000,000	1,095,600
Cadboro / Gyro	50,000			300,000	350,000
Whittier / Tennyson	100,000			200,000	300,000
Bellevue	200,000				200,000
Sub-standard Drain Replacement:					
2016 Misc Drainage	207,400				207,400
Woodley	75,000				75,000
Burnside Ditch Enclosure	102,000				102,000
Hampton (Lurline to Hampton)	260,000				260,000
Casey (Dumeresq to Tillicum)	200,000				200,000
Union (Palmer to Union)	100,000				100,000
Donald (Maddock to Donald)	204,000				204,000
Wyndeatt (Gorge to Wyndeatt)	432,000				432,000
Morris Drive (Lucas to Ambassador)	200,000				200,000
Other:					
Drain House Connection Replacement	30,000				30,000
Wood Stave Drain Design	200,000				200,000
Storm Drainage Model Development	100,000				100,000
Developer Cost Share	5,000				5,000
CCTV Inspection & Assessment	60,000				60,000
Total	4,158,000	-	-	1,500,000	5,658,000

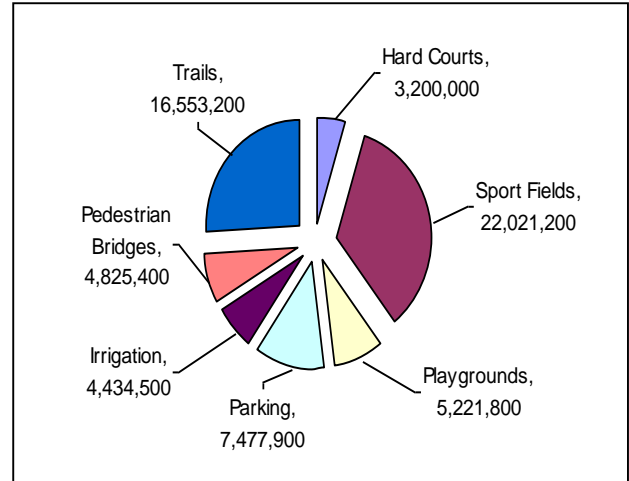
Park and Trail Structures

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

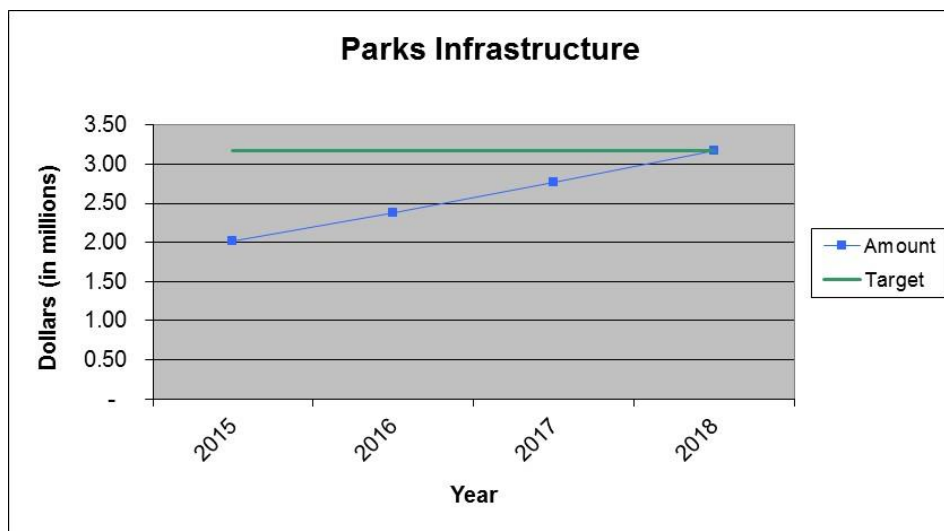


Current Ongoing Funding is \$2,381,600

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	2016
2015 Projects in Progress:					
Trails - Quadrant 4 (East) Resurfacing				64,500	64,500
Parking - Mount Douglas, Copley W.				65,000	65,000
Irrigation - Valve Replacement Program				83,800	83,800
General Park/Landscape - Cuthbert Holmes Phase 1				29,800	29,800
Centennial Trails Phase 2				49,800	49,800
Signage - interpretive, wayfinding and regulatory program				98,000	98,000
Planning & Design - Panama Flats, Lambrick, and Environmental Assessments				76,400	76,400
Bridges & Structures - Glendale Trail, Gorge Dock, Balmacarra, Hollydene, Gorge Waterway, Colquitz Trail (Copley & Leonholm - Gerda)				97,300	97,300
Buildings - Cadboro-Gyro and other parks				60,800	60,800
Caldecote Trail/Playfair				66,400	66,400
Haro Woods				19,800	19,800
Cadboro-Gyro Park				81,800	81,800
Other Projects in Progress				206,600	206,600
Total	-	-	-	1,000,000	1,000,000

Park and Trail Structures (continued)

Park Improvements	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2016
2016 Capital Projects:					
Playgrounds - Copley East Replacement & Wood Surface Top-ups	111,600			53,400	165,000
Sports Fields - Maynard, Cost Sharing Clubs & Upgrades	53,000				53,000
Sports/Tennis Courts - Prospect Lake, Lambrick & Skate Park				174,000	174,000
Parking - Cedar Hill (Finlayson), Agate, Mount Douglas	193,000				193,000
Irrigation - Valve Replacement Program	11,000				11,000
Bridges & Structures - Shadywood, Swan Creek, Doumac, Boulderwood & Furniture & Minor Structure Replacement	105,000				105,000
Trails - Resurfacing of Quad. 1 (Southeast), Rithets Bog, Rosedale, Gloria Beach Access, Hyacinth & Layritz Lighting				279,600	279,600
Buildings - Nursery	108,000				108,000
General Park/Landscape - Cuthbert Holmes Phase 1	100,000				100,000
Tolmie Park - Complete Park Project				450,000	450,000
Layritz Park - Baseball Repairs, Drainage & Sewer Connection				236,000	236,000
Streetscape Renovations	86,000				86,000
Natural Areas - Major Restoration Initiatives - 574 Walter Restoration				107,000	107,000
Urban Forestry - Tree Planting Program	89,000				89,000
Planning & Design - Env. Assessments; Park Management Plans	55,000				55,000
Mount Douglas - Signs, Creek, Trail Rebuilding & Closures		170,000			170,000
Subtotal Operations	911,600	170,000	-	1,300,000	2,381,600
Land Acquisition reserve (includes Beckwith)		3,842,700			3,842,700
Total	911,600	4,012,700	-	1,300,000	6,224,300

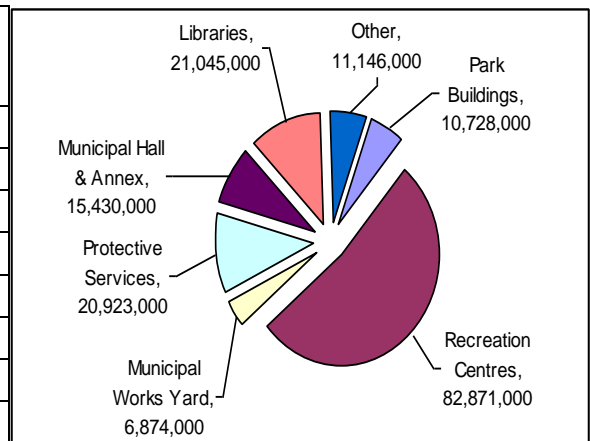
Community and Recreation Facilities

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
Total		\$ 4,300,000

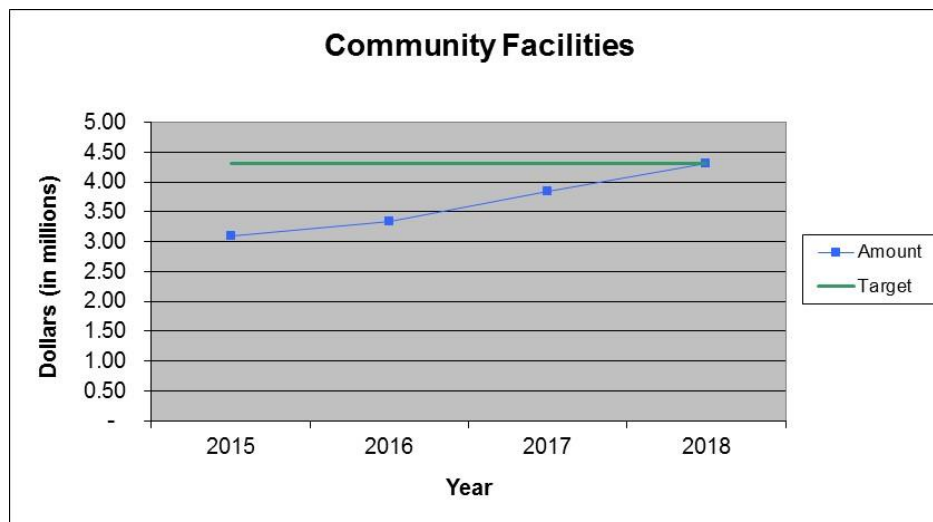


Current Funding is \$3,334,300

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	2016
2015 Projects in Progress:					
Parks & Public Works Yard Buildings		200,000			200,000
Police Accomodations		853,800			853,800
Boiler Replacement at GHRC		360,400	255,500	898,600	1,514,500
Boiler Replacement Police & Fire		182,600			182,600
Multi-building Cross Connection Controls Installation		70,700			70,700
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)		50,300			50,300
Cedar Hill Recreation Centre Roof & Envelope		35,000			35,000
SCP Envelope		69,100			69,100
GHRC Building Envelope Upgrades		727,200			727,200
Pearkes Roofing Replacement		438,600			438,600
Nellie McLung Washroom Renovation		143,300			143,300
Total	-	3,302,500	255,500	898,600	4,456,600
2016 Capital Projects:					
IT Network Replacement - Phase 1	125,900	86,800		133,800	346,500
Legislative/Planning Office Renovation		71,300			71,300
Municipal Hall & Annex Lighting		246,500	100,000		346,500
Municipal Hall Boiler	292,000	100,000	15,000		407,000
Fire Hall #3 Lifecycle Refit & Electrical Upgrade	570,900	362,900			933,800
Pearkes Field House Roofing	66,000				66,000
SCP Underwater Lighting	64,900		33,000		97,900
Facility Master Planning	310,300	81,600			391,900
Major Facilities Capital Contingency	70,000	48,300			118,300
Total	1,500,000	997,400	148,000	133,800	2,779,200
2016 Reserve Transfers					
Major Facilities Repair & Future Replacement Reserve	1,834,300				1,834,300
Total	1,834,300	-	-	-	1,834,300

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	2016
2015 Projects in Progress:					
Building Improvements at Various Centres		156,100			156,100
Field House Floor Servery and Ramp		111,000			111,000
Front Desk Construction Various Centres		42,300			42,300
Gordon Head Building Improvements		28,200			28,200
Cedar Hill Golf Course		61,200			61,200
Cedar Hill Various Improvements		71,700			71,700
SCP Various Improvements		110,600			110,600
Total	-	581,100	-	-	581,100
2016 Capital Projects:					
CHGC Building and Grounds Improvement		130,900			130,900
Gordon Head Building Improvements	35,700				35,700
Cedar Hill Front Entrance & Pro Shop Improvements	175,000				175,000
Cedar Hill Various Improvements	20,000				20,000
SCP Front Desk Design & Improvements	155,000	9,600			164,600
SCP Lower Lobby Flooring Replacement	65,000				65,000
SCP Various Improvements	27,500				27,500
Pearkes Building Improvements	62,000				62,000
Total	540,200	140,500	-	-	680,700

Water Utility Fund

The Water Utility system is comprised of over 547 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 2015. The Department repaired over 230 water service leaks and 20 water main breaks. Over 345 KM of water mains were flushed, over 3200 system gate valves serviced and 1200 water meters were replaced. The Department also responded to over 2000 service requests from our customers.

BUDGET SUMMARY	
2016 Net Budget	\$ 20,620,200
2015 Net Budget	\$ 20,148,800
Budget Change	\$ 471,400
Change by %	2.34%
2016 FTE	48.68
2015 FTE	48.68
FTE Change	0.00
FTE Change %	0.00%
2015 Carbon Footprint (CO2e)	20 Tonnes
2014 Carbon Footprint (CO2e)	18 Tonnes
Carbon Footprint Change	2 Tonnes

2016 BUDGET CHALLENGES

- Increases in the cost of construction.

KEY 2015 ACCOMPLISHMENTS

- Replacement of Rithet Reservoir substantially complete.
- Phase 1 and 2 of water main replacement on Quadra Street complete.
- Overall water main replacements (4,700 metres in the District).

2016 KEY PRIORITIES

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Water Meter Replacement Plan	Develop a master plan for water meter replacement and reading technology to guide future year's capital.	F4 Sustainable Environment P3 Service Excellence
2. Grange Road Fire Flow Upgrades	Improve fire flow pressure in the Grange Road area.	F4 Sustainable Environment C7 Safe Community
3. AC Pipe Replacement	Continued emphasis on replacing aging asbestos concrete pipes.	F4 Sustainable Environment

CORE BUDGET

The 2016 net budget of \$29,346,200 represents a 7.15% increase in net expenditures over prior year, including a net capital program of \$7,320,000. Water revenues are projected to increase to \$20,620,200 or 2.34% in 2016.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2014	2015	2015	2016	2016/2015
Personnel	2,437,300	2,695,700	2,659,600	2,728,200	2.58%
Goods and Services	8,976,200	8,429,200	8,922,800	9,052,400	1.45%
Fiscal Services	93,800	107,600	60,200	105,000	74.42%
Overheads and Transfers	1,265,500	1,268,000	1,722,200	1,781,200	3.43%
Gross Capital Program	17,937,300	14,049,700	14,022,300	15,679,400	11.82%
Total	30,710,100	26,550,200	27,387,100	29,346,200	7.15%
REVENUES AND RECOVERIES					
Utility Charges	(20,146,500)	(20,371,700)	(20,148,800)	(20,620,200)	2.34%
Non-Tax Revenues	(84,200)	(100,600)	(116,600)	(116,600)	0.00%
Surplus Appropriation	-	-	(250,000)	(250,000)	0.00%
Transfer from Reserves	(11,377,300)	(6,871,700)	(6,871,700)	(8,359,400)	21.65%
Total	(31,608,000)	(27,344,000)	(27,387,100)	(29,346,200)	7.15%
NET OPERATIONS	(897,900)	(793,800)	-	-	0.00%

- Fiscal Services - increase in credit card use and associated fees.
- Gross Capital Program - unfinished 2015 projects and an increase in capital funding in line with inflation in construction costs.

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 2014	Actual 2015	Budget 2015	Budget 2016	\$ Change 2016/2015	% Change 2016/2015
General Administration	1,082,000	1,268,000	1,252,900	1,312,000	59,100	4.72%
Field Operations	875,100	627,900	648,700	661,900	13,200	2.03%
Water Purchases	7,888,100	7,745,400	7,960,000	8,120,000	160,000	2.01%
Waterline Repairs	770,000	921,200	676,400	672,700	(3,700)	(0.55%)
Pump Maintenance	533,200	573,600	598,800	668,000	69,200	11.56%
Hydrant Maintenance	155,200	201,200	225,800	177,600	(48,200)	(21.35%)
Valve Maintenance	288,300	242,000	302,100	306,600	4,500	1.49%
Meter Repairs/Replacements	287,100	283,300	317,400	321,700	4,300	1.35%
Water Quality Programs	304,300	380,300	307,500	313,100	5,600	1.82%
Billing and Collection	505,400	548,000	482,200	546,600	64,400	13.36%
Contingency	-	-	450,000	450,000	-	0.00%
Net Capital Program	6,560,000	7,178,000	7,177,000	7,320,000	143,000	1.99%
Total	19,248,700	19,968,900	20,398,800	20,870,200	471,400	2.31%

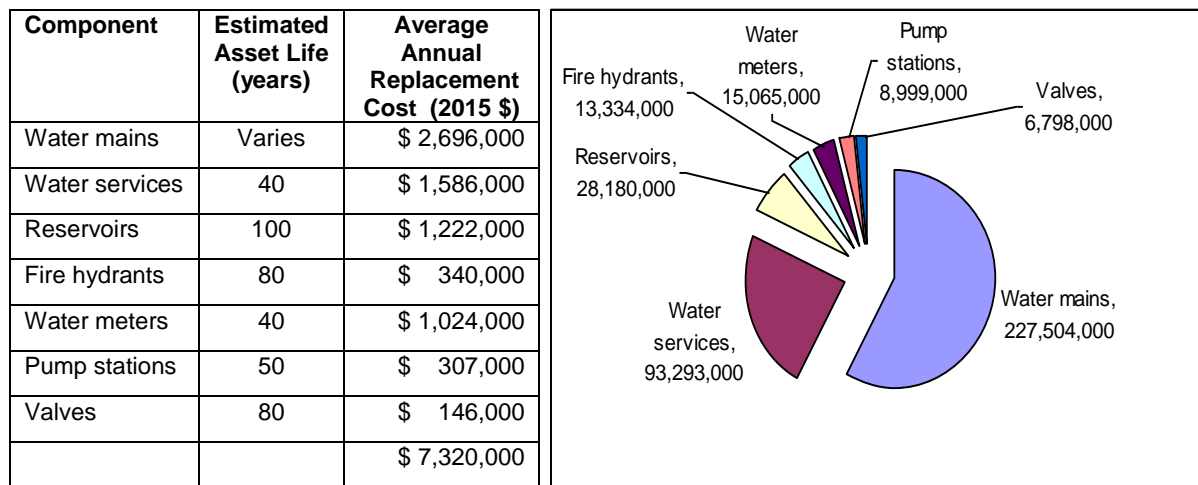
- Reallocation between Pump Maintenance and Hydrant Maintenance.
- Billing and Collection - increase in credit card use and associated fees.

WATER CAPITAL PROGRAM

Saanich water infrastructure includes 547 km of water mains, 29,700 water services, 4 reservoirs, 18 pump stations, 7,916 valves and 2,260 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.



Current Funding Level is \$7,320,000

Future Funding Target is \$7,320,000

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 annual increases in capital funding in line 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 2016	Budget 2017	Budget 2018	Budget 2019	Budget 2020	Notes:
Water Capital						
Asbestos Cement & Cast Iron Main Replacement	5,976,500	4,862,500	4,628,100	2,401,570	3,235,750	1
Other Mains	283,500	763,500	687,500	3,352,430	2,106,250	2
Pump Station Replacement	-	-	443,500	103,000	-	3
Meter Replacement	330,000	690,000	1,085,900	550,000	350,000	
Service Connection Replacement	100,000	100,000	100,000	100,000	100,000	
Hydrant Replacement	30,000	30,000	30,000	30,000	50,000	
Other	600,000	1,020,000	640,000	1,230,000	2,080,000	
	7,320,000	7,466,000	7,615,000	7,767,000	7,922,000	

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	2016
2015 Projects in Progress:					
Asbestos Cement & Cast Iron Main Replacement:					
Kingsley Street (North Dairy to Lansdowne)		150,500			150,500
Arrow Road McKenzie Connection		60,000			60,000
Arbutus Road (Gordon Head to Locarno Lane)		970,300			970,300
Quadra Street (Nicholson to McKenzie)		230,900			230,900
Tudor Avenue (Seaview to Phyllis)		48,000			48,000
Beckwith Avenue (Quadra to Beckwith)		645,400			645,400
Arbutus Road (Locarno Lane to Rowley Road)		733,600			733,600
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) Phase 2		520,200			520,200
Feltham Road (Tyndall to Fairburn)		336,600			336,600
Glanford Ave Phase 1 (Melba Place to Broadway)		681,300			681,300
Keats Street (Bowker Creek)		24,500			24,500
Mount Baker View		232,400			232,400
Phyllis Street (Tudor Ave to Phyllis)		547,200			547,200
Quadra Street (McKenzie to Reynolds)		221,700			221,700
Rithet Reservoir Drain Upgrade (Various)		637,900			637,900
Pump Stations:					
Large Meter & Pump Motor Replacment		84,900			84,900
Other:					
Data Historian Software (SCADA)		33,700			33,700
Rithet Reservoir Seismic Upgrade		845,900			845,900
Meter Replacements		94,000			94,000
12 mm Copper Service Connection Replacement Program		129,000			129,000
Hydrant Replacement Program		27,800			27,800
Detailed Design Capital Projects		155,900			155,900
Water Supply Master Plan		115,000			115,000
SCADA Servers		35,200			35,200
Miscellaneous Watermain Construction		86,500			86,500
Total	-	8,359,400	-	-	8,359,400

WATER CAPITAL (continued)

Water Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2016
2016 Capital Projects:					
Asbestos Cement & Cast Iron Main Replacement:					
Arbutus Road (Rowley to Telegraph Bay)	1,100,000				1,100,000
Dean Avenue (Haultain Kings)	204,300				204,300
Donald Street (Maddock to Burnside)	294,000				294,000
Glanford Avenue Phase 2 (Broadway to Peto Court)	600,000				600,000
Grange Road (Burnside to Violet, extension to Laburnum and Mina)	850,500				850,500
Parkside Crescent	635,200				635,200
Quadra Street (Rogers to Nicholson)	616,000				616,000
West Saanich Road (Markham to Royal Oak)	797,500				797,500
Wilkinson Road (Mann to 4462 Wilkinson)	437,300				437,300
Wyndeatt Avenue (Gorge to 2896 Wyndeatt)	441,700				441,700
Emerging Priorities	240,000				240,000
Other:					
Lavender Avenue (979 Lavender to Grange, Montcalm & Lavender to Snowdrop)	283,500				283,500
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
Machinery & Equipment Replacement	60,000				60,000
Hydrant Replacement Program	30,000				30,000
Detailed Design Capital Projects	300,000				300,000
Total	7,320,000	-	-	-	7,320,000

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.

BUDGET SUMMARY	
2016 Net Budget	\$ 17,674,100
2015 Net Budget	\$ 16,532,400
Budget Change	\$ 1,141,700
Change by %	6.91%
2016 FTE	24.02
2015 FTE	24.02
FTE Change	0.00
FTE Change %	0.00%
2015 Carbon Footprint (CO2e)	39 Tonnes
2014 Carbon Footprint (CO2e)	53 Tonnes
Carbon Footprint Change	(14) Tonnes

2016 BUDGET CHALLENGE

- Continue CCTV inspection program and reduce Sewer Checklist deficiencies.

KEY 2015 ACCOMPLISHMENTS

- Completed 40 sewer manhole rehabilitations
- Upgraded the Arbutus Cove Valve Chamber and site access
- Substantial completion of the Austin Sewage Lift Station and Public Washrooms

2016 KEY PRIORITIES

Priority Departmental Initiatives include:

Item	Description	Supports Strategic Plan
1. Grange Sewage Lift Station Replacement	Full replacement of Grange Sewage Lift Station.	F4 Sustainable Environment
2. Wilkinson Sewage Lift Station Upgrade	Generator retrofit and valve upgrade for Wilkinson Sewage Lift Station.	F4 Sustainable Environment
3. Ongoing Sewer Main Replacement	Replacement and rehabilitation of aging sewer main infrastructure.	F4 Sustainable Environment
4. CRD Sewage Treatment Project	Continued technical support and involvement in the CRD sewage treatment plant.	F4 Sustainable Environment C4 Sustainable Environment

CORE BUDGET

The 2016 net budget of \$27,995,500 represents a 4.33% increase in net expenditures over prior year, including a net capital program of 4,485,000. Sewer revenues are projected to increase to \$17,674,100 or 6.91% in 2016.

Net Budget By Object	Actual	Actual	Budget	Budget	% Change
EXPENDITURES	2014	2015	2015	2016	2016/2015
Personnel	1,401,000	1,367,100	1,514,600	1,545,100	2.01%
Goods and Services	6,991,200	8,185,200	8,781,800	9,027,900	2.80%
Fiscal Services	1,452,000	948,200	1,452,000	1,452,000	0.00%
Overheads and Transfers	1,232,800	1,305,100	1,309,700	1,414,100	7.97%
Gross Capital Program	11,070,500	11,109,800	13,774,400	14,556,400	5.68%
Total	22,147,500	22,915,400	26,832,500	27,995,500	4.33%
REVENUES AND RECOVERIES					
Utility Charges	(14,565,100)	(15,329,700)	(16,532,400)	(17,674,100)	6.91%
Non-Tax Revenues	(106,000)	(102,200)	(100,000)	(100,000)	0.00%
Surplus Appropriation	-	-	(150,000)	(150,000)	0.00%
Transfer from Reserves	(4,995,400)	(7,285,500)	(7,285,500)	(5,806,800)	(20.30%)
Borrowing	(2,801,400)	-	(2,764,600)	(4,264,600)	54.26%
Total	(22,467,900)	(22,717,400)	(26,832,500)	(27,995,500)	4.33%
NET OPERATIONS	(320,400)	198,000	-	-	0.00%

- Goods and Services - CRD services costs.
- Overhead and Transfers - reimburse the general operating fund for work performed on sewer related operations.
- Gross Capital Program – increase due to a combination of carrying forward unfinished 2015 projects (funded from reserves and borrowing) and the annual capital funding increase per council policy to reach sustainability.
- Borrowing – no borrowing occurred in 2015 so the 2016 amount includes the borrowing for both years.

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
	2014	2015	2015	2016	2016/2015	2016/2015
General Administration	1,266,000	1,305,100	1,305,300	1,417,800	112,500	8.62%
Field Operations	222,400	173,700	133,100	134,100	1,000	0.75%
Cleaning and Repairs	496,500	460,400	449,600	454,800	5,200	1.16%
Pump Station Maintenance	883,300	899,600	992,500	1,004,200	11,700	1.18%
Man Hole Maintenance	68,500	66,200	65,600	66,700	1,100	1.68%
Sewer Service Maintenance	296,600	281,600	246,700	250,100	3,400	1.38%
CRD Services	6,169,600	8,133,900	7,852,600	8,409,500	556,900	7.09%
Debt Charges & Reserve Transfer	1,452,000	698,200	1,452,000	1,452,000	-	0.00%
Contingency	-	-	250,000	250,000	-	0.00%
Net Capital Program	3,495,900	4,035,000	4,035,000	4,485,000	450,000	11.15%
Total	14,350,800	16,053,700	16,782,400	17,924,200	1,141,800	6.80%

- General Administration - reimburse the general operating fund for work performed on sewer related operations.
- CRD - debt servicing costs for the Regional Sewer Treatment Program.
- Net Capital Program – Sustainability increase.

SEWER CAPITAL PROGRAM

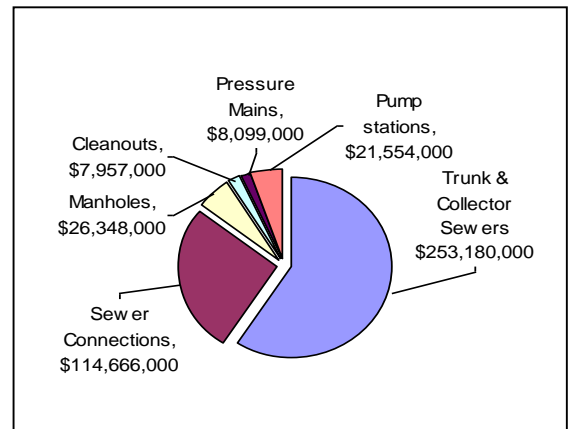
Saanich sewer infrastructure includes 24 km of trunk sewers, 550 km of collector sewers, 18 km of pressure mains, 29,700 service connections and 40 pumping stations valued at \$451 million dollars.

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

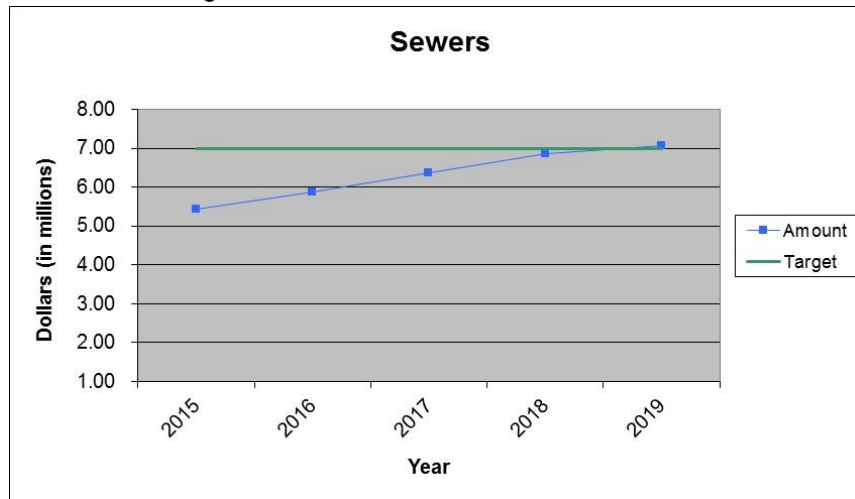


Current Ongoing Funding is \$5,985,000

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 2016	Budget 2017	Budget 2018	Budget 2019	Budget 2020	Notes:
Sewer Capital						
Asbestos Cement Main Replacement	3,420,900	2,255,000	4,305,000	2,115,000	2,821,000	1
Relining	745,000	1,700,000	-	1,860,000	1,100,000	
Pump Station Replacement	900,000	1,550,000	500,000	1,300,000	2,400,000	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	519,100	510,910	310,910	310,910	383,000	
Transfer to Sewer Capital Reserve Fund	-	-	1,370,000	1,100,000	-	
	5,985,000	6,415,910	6,885,910	7,085,910	7,104,000	

Notes:

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

SEWER CAPITAL

Sewer Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2016
2015 Projects in Progress:					
Asbestos Cement Main Replacement:					
North Dairy (Shelbourne Trunk Re-routing)		582,900			582,900
Quadra Phase 1 (Rogers to McKenzie)		157,200			157,200
2014 Sewer Area Relining		88,000			88,000
Queensbury (Blenkinsop)		118,800			118,800
Obed		416,500			416,500
Tillicum (Homer to Carey)		44,000			44,000
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		436,000			436,000
Pump Stations:					
Pump & Motor Replacements		119,700			119,700
Portage Pump Station Construction		625,800			625,800
Wilkinson & Grange Design		78,000			78,000
Pump Station Condition Assessment		55,000			55,000
Austin Sewage Lift Station		404,200		1,264,600	1,668,800
Grange Lift Station Construction				600,000	600,000
Wilkinson Lift Station Construction				400,000	400,000
Other:					
Manhole Improvements		130,200			130,200
No-Corrode & AC SHC Replacements		421,000			421,000
Colquitz Sewer Crossing Pipe		40,000			40,000
Sewer Design		64,100			64,100
Sewer Model Migration		78,100			78,100
Haliburton Force Main Rehabilitation		441,100			441,100
2015 Sanitary Sewer CIPP Lining		440,100		500,000	940,100
Kerr/Newburry CIPP Lining		305,900			305,900
Hodgson CIPP Lining		44,200			44,200
Video Inspection & Assessment		235,900			235,900
Other Sewer Projects & Contingencies		230,100			230,100
Total	-	5,806,800	-	2,764,600	8,571,400

SEWER CAPITAL (continued)

Sewer Utility	Source of Funds				Budget
	Core	Reserves	Grants & Other	Borrowing	2016
2016 Capital Projects:					
Asbestos Cement Main Replacement:					
Woodley Road	200,000				200,000
Tennyson (Whittier/Ardersier/Tennyson)	300,000				300,000
Quadra (Nicholson to McBriar)	250,000				250,000
Donald (Donald to Maddock)	170,000				170,000
Dean (Townley to Haultain)	500,000				500,000
Falmouth (Saanich to Saul)	250,000				250,000
Richmond (Pear to Cedar Hill X)	200,000				200,000
Wyndeatt (Gorge to 2896 Wyndeatt)	445,000				445,000
Hampton (18 Hampton to Lurline)	235,000				235,000
Bellevue (Cook to Wicklow in SRW)	380,900				380,900
Linwood (3256 Linwood to Tolmie)	140,000				140,000
Cadillac (Harriet to Seaton)	350,000				350,000
Pump Stations:					
Tolmie Sewage Lift Station				900,000	900,000
Other:					
Arc Flash Electrical Lift Station Study	150,000				150,000
2016 Sanitary Sewer CIPP Lining	145,000			600,000	745,000
No-Corrode & AC Lateral Replacements	300,000				300,000
Manhole Improvements	100,000				100,000
Sanitary Sewer Detail Design	150,000				150,000
Miscellaneous Sewer Projects	100,000				100,000
CCTV Inspection	100,000				100,000
Machinery & Equipment	19,100				19,100
	4,485,000	-	-	1,500,000	5,985,000

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.

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 2016 we project a decrease in reserves to \$80,981,700 while funding a variety of initiatives.

	January 1 2016 Balance	2016 Contributions	2016 Appropriations	December 31 2016 Balance
Land Sales	2,974,100	-	2,000,000	974,100
Public Safety and Security	2,208,800	828,500	1,701,000	1,336,300
Carbon Neutral	733,500	238,200	526,300	445,400
Sub Regional Parks	969,700	-	212,600	757,100
Equipment Replacement	5,972,000	1,618,100	3,685,500	3,904,600
Capital Works	24,086,100	5,070,400	8,409,100	20,747,400
Commonwealth Pool Operations	973,000	76,300	330,000	719,300
Commonwealth Pool HP Repair	165,900	20,000	10,600	175,300
Sayward Gravel Pit	1,838,300	-	200,000	1,638,300
Development Cost Charges	18,942,300	-	2,737,000	16,205,300
Facilities Major Repair & Replacement	3,377,500	2,452,700	200,000	5,630,200
Computer Hardware & Software	1,756,500	4,491,900	4,931,400	1,317,000
Sewer Capital	250,000	690,500	-	940,500
Capital Reserves for Future Expenditure	25,097,600	24,875,600	25,097,600	24,875,600
Insurance	2,315,300	-	1,000,000	1,315,300
Total	91,660,600	40,362,200	51,041,100	80,981,700

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 2016 are: IT infrastructure and furniture for a new building, patrol long gun replacement, vehicle replacement and AED, video conferencing, and enhancement of building security and front desk.

Carbon Neutral:

This reserve fund provides was established for projects that help reduce carbon emissions from municipal operations. In 2016 the focus will be on subsidising the replacement of Gordon Head Recreation Centre and Municipal Hall boilers and the replacement of Municipal Hall and Annex lighting.

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. Majority of the funds have been committed to pay the CRD for the purchase of the Haro Woods property. The final annual payment will be made in 2020.

Equipment Replacement:

This reserve provides for the annual replacement of fleet and fire vehicles, 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 accumulated from GST rebates and planned transfers, a Gas Tax Reserve from transfer of revenues under the federal Community Works Fund, Mount Douglas and Mount Tolmie Reserves for the purchase of parkland and site renovations and a Future Improvement Reserve 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 2016 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 to fund major repair, upgrading, expansion or replacement of municipal buildings and ancillary structures.

Computer Hardware and Software:

The reserve fund was established to fund corporate information technology infrastructure and enterprise software.

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 is established for significant water capital projects requiring multi-year funding.

Sewer Capital:

This reserve fund is established 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 2017 - 2020

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.

The projected net budget funded from property taxation is projected to increase from \$111,158,200 to \$128,377,800 in 2020 or an average 2.92% increase to the average homeowner. This includes a 2.5% increase in operations, 0.1% for new infrastructure operating costs and 0.75% increase for infrastructure replacement.

GENERAL FUND OPERATING BUDGET SUMMARY	
2016 Tax Levy	111,158,200
2017 Tax Levy	115,859,000
2018 Tax Levy	120,243,600
2019 Tax Levy	124,543,600
2020 Tax Levy	128,377,800
Annual Increase to Average Homeowner	2.92%

The 2017 - 2020 operating estimates have been prepared using the following criteria:

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

Water Utility Fund Estimates 2017 - 2020

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

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

The projected net budget funded from water user charges is projected to increase from \$20,620,200 to \$22,458,100 in 2020 or by an average 2.16% increase per year to the average homeowner.

The 2017 - 2020 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

WATER UTILITY BUDGET SUMMARY	
2016 Net Budget	20,620,200
2017 Net Budget	21,063,800
2018 Net Budget	21,517,900
2019 Net Budget	21,982,600
2020 Net Budget	22,458,100
Annual Increase to Average Homeowner	2.16%

Sewer Utility Fund Estimates 2017 – 2020

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 \$17,674,100 to \$20,161,600 in 2020 or by an average of 3.35% annual increase to the average homeowner.

The 2017 – 2020 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 costs. No provision has been made for any additional cost due to the construction and operation of a regional treatment solution.

SEWER UTILITY BUDGET SUMMARY	
2016 Net Budget	17,674,100
2017 Net Budget	18,388,700
2018 Net Budget	19,163,600
2019 Net Budget	19,676,200
2020 Net Budget	20,161,600
Annual Increase to Average Homeowner	3.35%

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 9377

Tax Rate Bylaw 9378

THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN
BYLAW NO. 9377
SCHEDULE "A"
GENERAL

REVENUES	2016	2017	2018	2019	2020
	\$	\$	\$	\$	\$
TAXATION					
Property Taxes	111,158,200	115,859,000	120,243,600	124,543,600	128,377,800
Parcel Taxes	21,400	20,000	20,000	20,000	20,000
Utilities & Other	1,494,700	1,524,600	1,555,100	1,586,200	1,617,900
	<u>112,674,300</u>	<u>117,403,600</u>	<u>121,818,700</u>	<u>126,149,800</u>	<u>130,015,700</u>
Fees and Charges	26,370,800	26,634,500	26,900,800	27,169,800	27,441,500
Other Revenues	13,024,400	10,568,300	10,655,600	10,745,100	10,836,900
TOTAL	<u>152,069,500</u>	<u>154,606,400</u>	<u>159,375,100</u>	<u>164,064,700</u>	<u>168,294,100</u>
EXPENSES					
Operating Purposes	142,322,800	143,765,700	147,543,900	151,423,200	155,406,000
Debt Interest	1,127,600	1,310,000	1,455,600	1,627,200	1,798,500
TOTAL	<u>143,450,400</u>	<u>145,075,700</u>	<u>148,999,500</u>	<u>153,050,400</u>	<u>157,204,500</u>
OPERATING SURPLUS	8,619,100	9,530,700	10,375,600	11,014,300	11,089,600
ADD BACK NON CASH ITEM					
Amortization Expense	14,669,600	15,109,700	15,562,900	16,029,800	16,510,600
CASH SURPLUS	<u>23,288,700</u>	<u>24,640,400</u>	<u>25,938,500</u>	<u>27,044,100</u>	<u>27,600,200</u>
Borrowing Proceeds	12,176,400	5,600,000	6,600,000	6,290,000	6,337,000
Transfers from					
Reserve Funds	24,929,200	18,547,800	16,368,300	15,362,600	11,177,400
Reserve for Future Expenditures	14,713,000	2,398,800	2,398,800	2,398,800	2,398,800
Accumulated Surplus	1,058,800	-	-	-	-
	<u>52,877,400</u>	<u>26,546,600</u>	<u>25,367,100</u>	<u>24,051,400</u>	<u>19,913,200</u>
Capital Purposes	59,865,300	34,378,300	33,535,600	32,986,800	29,061,300
Debt Principal Repayment	1,564,700	2,195,400	2,485,500	2,827,400	3,168,800
Transfers to Reserve Funds					
Public Safety and Security	828,500	828,500	828,500	828,500	828,500
Carbon Neutral	238,200	238,200	238,200	238,200	238,200
Equipment Replacement	1,558,100	1,589,300	1,621,100	1,653,500	1,686,600
Capital Works	5,070,400	6,302,100	6,628,100	7,542,700	7,160,000
Commonwealth Pool Operations	76,300	61,300	61,300	61,300	61,300
Commonwealth Pool HP Repair	20,000	20,000	20,000	20,000	20,000
Facilities Major Repair & Replacement	2,452,700	2,635,600	3,374,000	3,471,500	3,570,900
Computer Hardware & Software	4,491,900	2,938,300	2,513,300	1,465,600	1,717,800
	<u>76,166,100</u>	<u>51,187,000</u>	<u>51,305,600</u>	<u>51,095,500</u>	<u>47,513,400</u>
NET TRANSFERS TOTAL	<u>(23,288,700)</u>	<u>(24,640,400)</u>	<u>(25,938,500)</u>	<u>(27,044,100)</u>	<u>(27,600,200)</u>
FINANCIAL PLAN BALANCE	-	-	-	-	-

THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN
BYLAW NO. 9377
SCHEDULE "B"
WATER UTILITY

	2016	2017	2018	2019	2020
	\$	\$	\$	\$	\$
REVENUES					
Other Revenue	116,600	116,600	116,600	116,600	116,600
Fees and Charges	20,620,200	21,063,800	21,517,900	21,982,600	22,458,100
Development Cost Charges	217,600	-	-	-	-
TOTAL	20,954,400	21,180,400	21,634,500	22,099,200	22,574,700
EXPENSES					
Operating Purposes	15,749,000	16,109,100	16,478,500	16,857,500	17,246,300
TOTAL	15,749,000	16,109,100	16,478,500	16,857,500	17,246,300
OPERATING SURPLUS	5,205,400	5,071,300	5,156,000	5,241,700	5,328,400
ADD BACK NON CASH ITEM					
Amortization Expense	2,082,200	2,144,700	2,209,000	2,275,300	2,343,600
CASH SURPLUS	7,287,600	7,216,000	7,365,000	7,517,000	7,672,000
Transfers from					
Reserve for Future Expenditures	8,141,800	-	-	-	-
Accumulated Surplus	250,000	250,000	250,000	250,000	250,000
	8,391,800	250,000	250,000	250,000	250,000
Capital Purposes	15,679,400	7,466,000	7,615,000	7,767,000	7,922,000
NET TRANSFERS TOTAL	(7,287,600)	(7,216,000)	(7,365,000)	(7,517,000)	(7,672,000)
FINANCIAL PLAN BALANCE	-	-	-	-	-

THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN
BYLAW NO. 9377
SCHEDULE "C"
SEWER UTILITY

	2016	2017	2018	2019	2020
	\$	\$	\$	\$	\$
REVENUES					
Other Revenue	73,800	76,000	78,300	80,600	83,000
Fees and Charges	17,674,100	18,388,700	19,163,600	19,676,200	20,161,600
TOTAL	17,747,900	18,464,700	19,241,900	19,756,800	20,244,600
EXPENSES					
Operating Purposes	14,229,800	14,596,800	14,973,300	15,359,600	15,755,800
Debt Interest	294,380	333,380	372,380	411,380	442,580
TOTAL	14,524,180	14,930,180	15,345,680	15,770,980	16,198,380
OPERATING SURPLUS	3,223,720	3,534,520	3,896,220	3,985,820	4,046,220
ADD BACK NON CASH ITEM					
Amortization Expense	2,242,700	2,310,000	2,379,300	2,450,700	2,524,200
CASH SURPLUS	5,466,420	5,844,520	6,275,520	6,436,520	6,570,420
Borrowing Proceeds	4,264,600	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	5,806,800	-	-	-	-
Accumulated Surplus	150,000	150,000	150,000	150,000	150,000
	10,261,400	1,690,000	1,690,000	1,690,000	1,690,000
Capital Purposes	14,556,400	6,415,900	6,885,900	7,085,900	7,104,000
Transfers to Capital Reserve	676,714	546,220	429,520	312,820	366,420
Debt Principal	494,706	572,400	650,100	727,800	790,000
	15,727,820	7,534,520	7,965,520	8,126,520	8,260,420
NET TRANSFERS TOTAL	(5,466,420)	(5,844,520)	(6,275,520)	(6,436,520)	(6,570,420)
FINANCIAL PLAN BALANCE	-	-	-	-	-

THE CORPORATION OF THE DISTRICT OF SAANICH

FINANCIAL PLAN
BYLAW NO. 9377
SCHEDULE "D"

REVENUE AND TAX POLICY DISCLOSURE

Proportions of Total Revenue

<u>Funding Sources</u>	
Property Taxes	42.39%
Fees and Charges	24.65%
Borrowing Proceeds	6.27%
Other Sources	26.69%
	100.00%

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

Distribution of Property Taxes

<u>Property Class</u>	
1 Residential	76.52%
2 Utilities	0.35%
3 Supportive Housing	0.00%
5 Light Industry	0.15%
6 Business & Other	22.88%
7 Managed Forest	0.00%
8 Rec/Non-Profit	0.10%
9 Farm	0.00%
	100.00%

The Municipality will continue to set tax rates to ensure tax stability by maintaining the proportionate relationship between classes and uniform annual tax increases. The 2015 - 2018 Draft Saanich Strategic Plan target for the proportion of business property tax revenue is set at a minimum of 23%.

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. 9378

FOR THE LEVYING OF RATES AND TAXES FOR THE YEAR 2016

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

1. The following rates are hereby imposed and levied for the year 2016:
 - (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, \$1.43947 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 2016. 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, 2016, NO. 9378**".

Read a first time this

Read a second time this

Read a third time this

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

**2016
SCHEDULE**

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

Property Class	A	B	C
	Municipal General	Regional District	Regional Hospital District
(1) Residential	3.8568	0.2985	0.2915
(2) Utilities	31.8954	2.4689	1.0201
(3) Supportive Housing	3.8568	0.2985	0.2915
(4) Major Industry	9.4304	0.7300	0.9910
(5) Light Industry	9.4304	0.7300	0.9910
(6) Business/Other	13.3157	1.0307	0.7141
(7) Managed Forest	22.3876	1.7329	0.8744
(8) Recreational/Non Profit	7.9211	0.6131	0.2915
(9) Farm	0.5000	0.0387	0.2915