



## DISTRICT OF NORTH SAANICH

### BYLAW NO. 1560

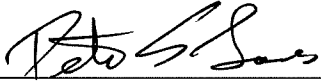
#### A BYLAW RESPECTING THE FINANCIAL PLAN FOR THE YEARS 2023 TO 2027

WHEREAS the Municipal Council has caused to be prepared the District's Financial Plan for the years 2023 to 2027 in accordance with the provisions of Section 165 of the Community Charter;

THEREFORE the Municipal Council of the District of North Saanich, in open meeting assembled, enacts as follows:

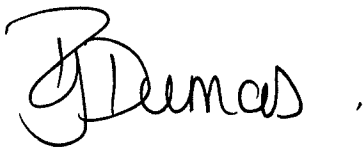
1. The Financial Plan prepared on a full accrual basis for the years 2023 to 2027 is hereby attached as Schedule "A" – Five Year Financial Plan.
2. The Transfer from (to) Reserves for the years 2023 to 2027 is hereby attached as Schedule "B" – Transfer from (to) Reserves
3. The Statement of Objectives and Policies for the year 2023 is hereby attached as Schedule "C" – Statement of Objectives and Policies.
4. It shall be lawful for the Director of Financial Services to pay, from time to time, the amounts which become necessary for the services and debt requirements mentioned in Schedules "A" & "B".
5. All payments of municipal and utility expenditures for the current year made prior to the passage of this Bylaw are hereby ratified and confirmed.
6. The Director of Financial Services shall mean and include the Director of Financial Services of the District of North Saanich or any person acting in that capacity with the sanction and by the authority of the Council.
7. This By-law may be cited for all purposes as the "*North Saanich Financial Plan Bylaw No. 1560, 2023*"

READ A FIRST TIME the 24th day of April, 2023  
READ A SECOND TIME the 24th day of April, 2023  
READ A THIRD TIME the 24th day of April, 2023  
FINALLY ADOPTED the 1st day of May, 2023



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MAYOR



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CORPORATE OFFICER

**District of North Saanich  
2023 – 2027 Financial Plan  
Schedule “A” of Bylaw No. 1560**

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget
<b>Revenues</b>					
Property Taxes, Grants-In-Lieu & Special Levies	(15,264,450)	(16,134,850)	(16,808,350)	(17,283,453)	(17,818,890)
Sale of services:					
General	(156,100)	(153,100)	(153,100)	(153,100)	(153,100)
Protective	(33,600)	(33,900)	(33,900)	(33,900)	(33,900)
Solid Waste & Environmental	(70,000)	(70,000)	(70,000)	(70,000)	(70,000)
Planning & Community	(839,800)	(839,800)	(839,800)	(839,800)	(839,800)
Infrastructure Services	(164,800)	(102,800)	(106,800)	(102,800)	(106,800)
Parks, Recreation & Cultural	(39,600)	(40,200)	(40,700)	(41,200)	(41,700)
Water Utility Fees and Charges	(3,861,600)	(3,878,200)	(3,889,700)	(3,901,500)	(3,913,400)
Sewer Utility Fees and Charges	(1,660,700)	(1,666,600)	(1,671,700)	(1,676,200)	(1,680,400)
Other Revenue	(791,700)	(881,800)	(881,800)	(881,800)	(881,800)
Transfers from other governments	(1,114,500)	(965,200)	(388,000)	(388,000)	(388,000)
<b>Total Revenues</b>	<b>(23,996,850)</b>	<b>(24,766,450)</b>	<b>(24,883,850)</b>	<b>(25,371,753)</b>	<b>(25,927,790)</b>
<b>Expenses</b>					
General Government	4,161,300	4,216,750	4,280,250	4,356,553	4,442,640
Protective Services	4,693,500	4,757,150	4,887,650	4,998,950	5,112,050
Solid Waste & Environmental	135,900	135,900	135,900	135,900	135,900
Planning & Community	1,570,400	1,610,600	1,642,400	1,674,300	1,704,400
Infrastructure Services	2,624,500	2,666,700	2,696,500	2,740,800	2,765,600
Parks	722,000	728,800	734,700	766,000	772,100
Recreation & Cultural	1,179,200	1,229,400	1,259,700	1,291,000	1,323,300
Water Utility	3,803,000	3,819,600	3,831,100	3,842,900	3,854,800
Sewer Utility	1,337,700	1,343,600	1,348,700	1,353,200	1,357,400
Operating Projects	2,939,000	504,800	256,800	244,800	131,800
Debt Interest	356,700	356,700	356,700	356,700	356,700
Amortization	3,041,800	3,493,700	3,376,400	3,171,000	2,880,600
<b>Total Operating Expenses</b>	<b>26,565,000</b>	<b>24,863,700</b>	<b>24,806,800</b>	<b>24,932,103</b>	<b>24,837,290</b>
<b>Net Revenue (Expenses)</b>	<b>(2,568,150)</b>	<b>(97,250)</b>	<b>77,050</b>	<b>439,650</b>	<b>1,090,500</b>
<b>Allocations</b>					
Transfers to/from Reserves	10,559,350	1,781,150	606,950	95,550	(305,900)
Transfer to/from Non-Statutory Reserves	15,000	-	-	-	-
Transfers from (to) Surplus	1,254,600	-	-	-	-
Capital expenditures	(12,006,900)	(4,881,900)	(3,764,700)	(3,410,500)	(3,369,500)
Reserve fund in excess of amortization	3,041,800	3,493,700	3,376,400	3,171,000	2,880,600
Debt principal	(295,700)	(295,700)	(295,700)	(295,700)	(295,700)
<b>Financial Plan Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**District of North Saanich  
2023 – 2027 Financial Plan  
Schedule “B” of Bylaw No. 1560**

	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
<b><u>Transfers from Reserve Funds</u></b>					
Furniture and Equipment	309,000	285,000	325,000	115,000	115,000
Fire Vehicle and Equipment	807,500	268,300	63,500	29,300	65,000
Public Works Vehicle and Equipment	750,000	251,000	69,000	95,000	100,000
Water Vehicle and Equipment	245,000	470,000	47,000	25,000	25,000
Sewer Vehicle and Equipment	110,000	170,000	194,000	110,000	110,000
Parks Capital	494,500	50,000	50,000	50,000	50,000
Storm Water Capital	835,000	675,000	675,000	675,000	675,000
Roads Capital	895,000	850,000	700,000	700,000	700,000
Water Capital	1,642,000	1,030,000	1,030,000	1,030,000	1,030,000
Sewer Capital	246,350	373,650	298,650	298,650	220,200
Facilities	592,400	-	-	30,000	-
Carbon Neutral	20,000	20,000	20,000	20,000	20,000
New Works and Equipment	949,700	300,000	600,000	500,000	500,000
Agricultural	125,000	125,000	125,000	125,000	-
Policing	423,900	326,400	187,000	187,000	175,300
Snow Removal	50,000	50,000	50,000	50,000	50,000
Community Works Gas Tax	4,311,400	575,000	-	-	-
Financial Stabilization	3,351,400	473,000	257,000	289,000	267,000
Local Improvement	-	-	-	-	-
Parkland Acquisition	-	-	-	-	-
<b>Total Transfers from Reserves</b>	<b>16,158,150</b>	<b>6,292,350</b>	<b>4,691,150</b>	<b>4,328,950</b>	<b>4,102,500</b>
<b><u>Transfers to Reserve Funds</u></b>					
Furniture and Equipment	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Fire Vehicle and Equipment	(315,000)	(315,000)	(315,000)	(315,000)	(315,000)
Public Works Vehicle and Equipment	(190,000)	(210,000)	(210,000)	(210,000)	(210,000)
Water Vehicle and Equipment	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Sewer Vehicle and Equipment	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Parks Capital	(245,000)	(245,000)	(245,000)	(245,000)	(245,000)
Storm Water Capital	(602,000)	(225,000)	(300,000)	(400,000)	(500,000)
Roads Capital	(569,000)	(569,000)	(569,000)	(569,000)	(569,000)
Water Capital	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Sewer Capital	(246,100)	(246,100)	(246,100)	(246,100)	(246,100)
Facilities	(700,000)	(250,000)	(300,000)	(350,000)	(400,000)
Carbon Neutral	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)
New Works and Equipment	(225,000)	(225,000)	(250,000)	(275,000)	(300,000)
Agricultural	(129,000)	(129,000)	(129,000)	(129,000)	(129,000)
Policing	(309,600)	(5,000)	(5,000)	(5,000)	(5,000)
Snow Removal	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)
Community Works Gas Tax	(553,000)	(577,000)	-	-	-
Financial Stabilization	(17,000)	(17,000)	(17,000)	(17,000)	(17,000)
Local Improvement	(25,800)	(25,800)	(25,800)	-	-
Parkland Acquisition	(14,300)	(14,300)	(14,300)	(14,300)	(14,300)
<b>Total Transfers to Reserve Funds</b>	<b>(5,598,800)</b>	<b>(4,511,200)</b>	<b>(4,084,200)</b>	<b>(4,233,400)</b>	<b>(4,408,400)</b>
<b>Total Transfers from (to) Reserve Funds</b>	<b>10,559,350</b>	<b>1,781,150</b>	<b>606,950</b>	<b>95,550</b>	<b>(305,900)</b>

**District of North Saanich  
2023 – 2027 Financial Plan  
Statement of Objectives and Policies  
Schedule “C” of Bylaw No. 1560**

In accordance with Section 165(3.1) of the Community Charter, the District of North Saanich is required to include in the Five-Year Financial Plan, objectives, and policies regarding each of the following:

1. the proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the Community Charter
2. the distribution of property taxes among the property classes
3. the use of permissive tax exemptions

## **FUNDING SOURCES**

1. Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2023. Property taxes form the greatest proportion of the revenue raised by the municipality. The system of property taxation is relatively easy to administer and understand. It provides a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user-pay basis. These include services such as general administration, fire protection, police services, bylaw enforcement, and infrastructure maintenance.

For these reasons, property taxation will continue to be the main source of municipal revenue.

2. User fees and charges form the second largest portion of planned revenue. Many municipal services, such as water and sewer usage, can be measured and charged for on a user-pay basis. Fees and charges for services that can be easily administered such as building permits, business licenses, dog licenses, and sale of services are charged on a user pay basis. This basis attempts to apportion the value of a municipal service to those who make use of it.
3. The District has twenty statutory reserve funds established for specific purposes and transfers money to the appropriate capital fund when required.
4. Reserve accounts are established from the annual surplus to carry forward projects that were not completed in the previous year and for current year projects not funded from operating.

### **Objective**

- Over the next five years, the District’s average annual tax increase will not exceed 5%.
- The District will identify all Capital Assets and establish a replacement and funding plan for each.

## Policies

- Where possible the District will endeavour to supplement revenues from user fees and charges, rather than taxation, to lessen the burden on its limited property tax base.
- The District will review all user fee levels on an ongoing basis to ensure they are adequately meeting both the capital and delivery costs of the service.
- Capital expenditures will be reviewed and where possible annual contributions to a Reserve Fund be made to fully pay for the expenditure in the future.
- The District will take advantage of grant programs to maximize the funding potential for infrastructure. Funding sources for the District's share may include a combination of transfers from Reserves, Debt and/or new taxation.
- The District will implement the Tangible Capital Asset Management program which will identify and establish a replacement and funding plan.

Table 1:

Revenue Source	<u>% of Revenue by Source</u>
Property Taxes	63.6%
User Fees & Charges	23.0%
Other Revenue	8.7%
Grants	4.6%
	<u>100.0%</u>

## DISTRIBUTION OF PROPERTY TAX RATES

Table 2 provides the distribution of property tax revenue among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class also forms the largest portion of the assessment base and consumes the majority of District services.

## Objectives

The District will continue to set tax rates to ensure tax stability by maintaining the proportionate relationship between classes and uniform annual tax increases.

## Policies

- Council will consider the regional average business tax rate (Classes 5 & 6) when setting tax rates for the year.

**Table 2:**

Property Class	<u>% of 2023 Property Tax</u>
Residential	71.0%
Utilities	0.1%
Light Industry	2.1%
Business	24.7%
Rec / Non Profit	1.9%
Farm	0.2%
	<hr/>
	100.0%

**PERMISSIVE TAX EXEMPTIONS**

The Annual Municipal Report contains a list of permissive exemptions granted for the previous taxation year and the amount of tax revenue foregone. This list demonstrates the policy of Council that permissive exemptions are granted to not-for-profit institutions that form a valuable part of our community. These include religious institutions, recreation facilities, cultural institutions, and service organizations, especially for the youth and elderly.

**Objective**

- Over the next 5 years, the District will maintain permissive tax exemptions at the current level.

**Policies**

- The District will provide permissive tax exemptions to not-for-profit societies based on the needs of the organization and the benefit provided.