



District of North Saanich

2019 Draft Budget

Budget in Brief

Each year, the District develops an annual budget outlining how tax dollars are invested to support our residents and community. We include a five-year balanced financial plan to guide our strategic investments and departmental plans while keeping property tax and utility fees affordable over the long term.

In 2019 the District continues its strategy to look for efficiencies and cost savings in operations and prioritize the funding of capital reserves to close the infrastructure replacement gap. The District continues the practice of closing this gap, as tax funded capital reaches \$1.85 million, or 17% of property tax revenue in 2019.

Taxation:

Overall, the financial plan proposes a 3.04% increase in property taxes, or \$38.39 to the average residential property for 2019. This increase is broken down as follows:

Core Municipal Operations & Library	0.37%	\$4.68
Capital Infrastructure Replacement	1.66%	\$20.98
Contingency and Agricultural Reserve Funds	1.01%	\$12.73
Total	3.04%	\$38.39

Capital Infrastructure Improvements:

The 2019 Financial Plan includes \$6.35 million of new capital works which maintains and replaces existing assets, creates a strong foundation for future change and facilitates improvements to public amenities such as parks and trails, roads, underground utilities, municipal buildings and bike lanes.

The District's administration continues to develop asset-specific plans which inform the extent and timing of asset replacement and align with the long term financial and strategic planning directions of Council. The District's 2019 Capital Projects include the continuation of the proposed bike lane network, an upgrade to the Scoter Trail, and the replacement of recommended sections of the water and sewer infrastructure.

Water and Sewer Utility

The 2019 Financial Plan includes a **0%** increase in the basic water rate and a **0%** change in the annual sewer rate.

The 2019 Water Utility Budget is based on a basic water rate of \$1.52 per cubic metre and a \$100 parcel tax that funds current and future water infrastructure replacement.

The 2019 Sewer Utility Budget is based on a sewer charge of \$512.34 for single family dwellings and a \$256.17 for multi-family dwellings.

Components of the 2019-2023 Budget

Preparation of the 2019-2023 Financial Plan has taken into account the following financial planning components:

- **Supplemental Requests**

These requests are described as changes to existing staffing levels, services, contributions, or one-time projects or studies that cannot be funded through existing budgets. These items are listed on page 4, along with their impact on the budget. All supplemental requests have been included in the budget and are reflected in the overall budget increase. Council may choose to add or remove certain projects and initiatives, which would have a bearing on the final tax impact.

- **Personnel Impacts**

There are two new positions included in the 2019 Budget, both of which were pre-approved by Council in 2018. An exempt Human Resources/Communications manager position was approved mid-way through 2018 and an additional parks labourer position was approved with the aim to improve boulevard and park maintenance. There are also two supplemental requests for additional personnel in the Planning and Community Services Department outlined on page 4.

- **Salaries, Wages and Benefits**

Cost Driver	2018 Budget	2019 Budget	\$ Change	% Change
Salaries and Wages*	\$4,375,400	\$4,487,700	\$112,300	+2.57%
Benefits	\$736,800	\$832,700	\$95,900	+13.02%

*excluding new personnel impacts

Salaries and Wages In 2018, the District completed collective bargaining with CUPE Local 374 for contract period 2017-2020. This resulted in an increase of 1.5% for 2017 and a 2% for each year 2018-2020 inclusive. Wage increases have been forecasted and included in the financial plan.

Benefits Starting in 2019, the Provincial Government has introduced an employer health tax levied on total salaries. The estimated cost of this tax for 2019 is \$92,000. Medical Services Premiums will remain in place for 2019 in the estimated amount of \$22,500. MSP premiums are expected to be eliminated in 2020, therefore the budget proposes that the 2019 MSP premiums be funded from prior year surplus to minimize the impact on the tax impact this year.

- **Reserve Funds and Infrastructure Replacement**

The District continues its commitment to its 1% increase strategy of funding its infrastructure replacement reserves and moving toward the goal of funding its depreciation expense on an annual basis. Asset management continues to remain a high priority for the District and in 2019 the District will continue to collect data on its drainage system and municipal buildings, which in turn will guide the condition assessment, maintenance and replacement schedules of these significant asset classes.

- **Surplus Funding**

Use of prior year surplus is an effective means of reducing tax increases related to items that are not embedded in the ongoing operations of the municipality. The District continues to utilize surplus funds in the 2019 – 2023 budget to fund special projects, initiatives and one-time expenses. The level of prior year surplus funding proposed for 2019 is detailed below:

2019 Items - Pre-Approved	Total	Tax Impact
Bronze Sponsor contribution - Island Agricultural Show	\$ 1,575	0.02%
BOKÉĆEN XAXE (Sacred) Society grant	\$ 43,200	0.41%
	\$ 44,775	0.43%
2019 Items - Proposed		
2019 MSP Premiums	\$ 22,500	0.22%
Building maintenance assessments	\$ 25,000	0.24%
Records Management project	\$ 14,200	0.14%
Climate Change initiatives project	\$ 5,000	0.05%
Sign Bylaw Review project	\$ 10,000	0.10%
Impact on taxes if prior year's surplus not used	\$ 76,700	0.74%

General Fund surplus for 2018 is estimated to be approximately \$1.1 million.

- **Growth in the Tax Base (Non-Market Change)**

An additional factor that assists in keeping the tax increase down is the growth in the tax base, or Non-Market Change. This type of growth is not related to assessment increases in existing properties, but predominantly from new construction which results in additional property taxes. The tax revenue from growth is used first and foremost to offset budget increases in the year, and the tax revenue from growth in 2019 is expected to be approximately \$282,050. This includes \$66,050 in growth resulting from supplemental assessments in 2018 (including Homewood Health property) and \$216,000 in new growth resulting from the 2019 completed assessment roll.

Growth resulting from construction at Sandown Commercial Park is included in the total growth. In the 2019 budget, 50% of new tax revenues (approx. \$55,000) generated from the Sandown commercial lands have been transferred to the Agricultural Reserve Fund. Growth revenues are budgeted conservatively for years 2020-2023 in the budget and development trends and growth projections will be monitored over the course of the year.

- **Tax Increase**

The budget includes a total increase of \$598,650 in property tax revenues, and a net \$316,600 after growth is used to reduce the tax impact. Projected tax increases for years 2020-2023 range from 1.1% to 4.1% and average 2.3% over the five year budget. These projected increases include the continuation of the District's 1% infrastructure funding strategy for years 2020 and 2021. Funding increases in 2022 and future years will be reassessed as new asset condition and replacement information is known. The figures and projected increases in years 2020-2023 are based on the best estimates and information available at this time.

Supplemental Requests for 2019

	Budget Impact \$	Tax Increase %
Corporate Services		
Communications & Public Consultation (increasing budget from \$48,000 to \$120,000) <i>Planning and implementation of communications and public engagement activities in 2019</i>	\$ 72,000	0.69%
Emergency Services		
Volunteer Fire Fighter On-call Pay (increasing budget from \$50,000 to \$70,000) <i>Anticipation of additional on-call volunteer hours</i>	\$ 20,000	0.19%
Fire Shop and Hand Tools <i>Replacement and upgrade of existing fire equipment and tools</i>	\$ 10,800	0.10%
Planning & Community Services		
Extension of Planning Tech term position to end of 2019 - 6 months wages & benefits <i>Extension of position will assist the department in addressing a number of the strategic items for 2019</i>	\$ 37,000	0.35%
4 Month Term Auxiliary Building Inspector Position <i>A summer term building inspector would work with the senior inspector to address departmental objectives and serve as a mentorship opportunity</i>	\$ 28,000	0.27%
	\$ 167,800	1.61%

Consolidated 5 Year Budget

	2019	2020	2021	2022	2023
Property Taxes, 1% in Lieu & Grants in Lieu of Taxes	\$ 12,039,900	\$ 12,701,950	\$ 13,085,650	\$ 13,395,750	\$ 13,635,650
Bylaw, Building and Development Revenue	658,700	559,700	559,700	559,700	559,700
Provincial and Federal Grants	975,100	975,100	975,100	975,100	975,100
Investment Income	271,250	275,000	275,000	275,000	225,000
Water Utility Revenue	3,713,300	3,728,300	3,827,900	3,872,700	3,920,700
Sewer Utility Revenue	1,667,200	1,678,600	1,691,100	1,703,100	1,714,700
Other Revenue	290,100	285,100	285,100	285,100	285,100
Total Revenues	\$ 19,615,550	\$ 20,203,750	\$ 20,699,550	\$ 21,066,450	\$ 21,315,950
Legislative & Administration Services	\$ 1,287,700	\$ 1,343,900	\$ 1,398,900	\$ 1,438,900	\$ 1,447,900
Finance and Information Technology	1,228,200	1,264,900	1,285,400	1,305,900	1,326,400
General Government	893,550	878,650	889,350	900,150	900,850
Fiscal Services	346,000	96,000	96,000	96,000	96,000
Recreation & Cultural	1,101,000	1,135,400	1,176,800	1,220,200	1,225,600
Policing Services	1,922,700	1,972,600	2,017,500	2,065,300	2,108,700
Fire & Emergency Services	1,181,800	1,203,900	1,217,200	1,230,600	1,239,700
Planning & Community Services	1,196,000	1,217,800	1,204,000	1,223,000	1,240,000
Engineering	824,400	919,500	936,000	950,500	965,500
Public Works	423,500	428,400	433,400	438,400	448,400
Roads	781,400	780,500	780,500	780,500	780,500
Drainage	107,000	107,000	107,000	107,000	107,000
Parks	434,500	434,700	440,300	446,000	450,800
Water	3,130,300	3,273,600	3,222,400	3,367,200	3,415,200
Sewer	992,900	1,004,300	1,016,800	1,028,800	1,040,400
Operating Projects	600,400	496,300	74,700	92,900	22,900
Debt Interest	229,300	229,300	229,300	229,300	229,300
Total Operating Expenses	\$ 16,680,650	\$ 16,786,750	\$ 16,525,550	\$ 16,920,650	\$ 17,045,150
Add:					
Transfers from (to) Reserves	\$ 3,611,000	\$ 1,042,100	\$ (1,937,200)	\$ (1,431,300)	\$ (2,058,000)
Transfers from Surplus	76,700	295,000	-	60,000	-
Deduct:					
Capital Expenditures	\$ 6,353,300	\$ 4,484,800	\$ 1,967,500	\$ 2,505,200	\$ 1,943,500
Debt Principal	269,300	269,300	269,300	269,300	269,300
	-	-	-	-	-

Service Offerings and Departmental Budgets



Legislative and Administrative Services

Service Offering

Legislative and Administration Services includes Mayor and Council and the Chief Administrative Officer (CAO), who define strategic directions and priorities that support the District's vision and mission statements. Service areas include strategic planning, leadership and overall corporate governance to ensure Council direction is supported and corporate goals are met. Included in this group is the Corporate Services department which offers human resources, communications, records management and the activities of the Corporate Officer.

Operational Profile

The Mayor and Council function as the District's executive offices. The CAO implements Council's directions through the overall administration of the District organization. The CAO leads the senior management team in overseeing all District operations and services, setting direction for work plans that support short and long term goals.

Corporate Services is responsible for providing advice with respect to Council procedures, policies, and functions, coordinating all local government elections, and administering requests for access to information through the *Freedom of Information and Protection of Privacy Act*. This group is also responsible for coordinating the management and maintenance of all vital records of the municipality, executing legal documents on behalf of the District, performing Human Resource functions, and facilitating internal and external corporate communications.

Legislative and Administration Operating Budget

Operating Expenses	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Legislative	\$ 165,648	\$ 174,800	\$ 190,600	\$ 15,800	9.0%
Administration	243,956	291,500	230,200	(61,300)	-21.0%
Economic Development	17,351	17,300	17,300	-	0.0%
Corporate Services	613,797	676,000	729,600	53,600	7.9%
Communications	31,293	48,000	120,000	72,000	150.0%
Total Operating Expenses	\$ 1,072,045	\$ 1,207,600	\$ 1,287,700	\$ 80,100	6.6%

Net Property Taxes Required	1,207,600	1,287,700	6.6%
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Budget

The budget represents a 6.6% increase over 2018, primarily due to:

- Council remuneration (now 100% taxable per CRA) increased, benefits increase due the new provincial Employer Health Tax
- Decrease in Administration salary and benefits as a result of a one-time retirement benefit in 2018
- Increase in Corporate Services salaries, wages and benefits including HR/Communications position pre-approved by Council in 2018
- Increase in Communications budget to support public consultation plans and initiatives for identified projects in 2019

Financial and Information Technology Services

Service Offering

Financial and Information Technology Services focuses on organizational support, policy development, and analysis for decision making. It is dedicated to maintaining effective, efficient financial and technological operations and developing long term strategies for both service delivery and financial health.

Development and management of long term financial and technology plans and reporting on a wide variety of financial and technological issues ensures that the Districts maintains accountability and transparency in all District business. Financial services is responsible for the stewardship and supervision of all financial affairs of the municipality. Information Technology provides appropriate IT infrastructure and supports Council, staff and customers/residents in the delivery of District services.

A considerable amount of resources is also invested in Council decision support and fulfilling statutory requirements including the annual audit of the financial statements, preparation of the five-year financial plan and the annual report.

Operational Profile

Financial and Information Technology Services is led by the Director of Financial Services and supported by the Manager of Financial Services, a five person Financial Services team and two person Information Technology team. **Financial Services** provides accounting, financial reporting, payroll, revenue management and tax collection, accounts payable, utility billing, and investment and debt management services. It also provides procurement, inventory and risk and claims management services, and supports the departments during the annual budget and capital plan preparation. **Information Technology** provides integration, implementation, and maintenance support for organizational applications and IT infrastructure.

Financial Services and Information Technology Budget

Funding	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Commercial vehicle licenses	2,617	2,800	2,800	-	0.0%
School Tax Commission	9,662	9,200	9,200	-	0.0%
Tax Certificates	12,170	14,200	14,200	-	0.0%
Mortgage Company Fees	5,140	3,000	3,000	-	0.0%
Total Funding	\$ 29,589	\$ 29,200	\$ 29,200	\$ -	0.0%
Operating Expenses	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Finance	\$ 691,978	\$ 697,700	\$ 749,200	51,500	7.4%
Audit & Consultants	50,247	47,500	47,500	-	0.0%
Software	70,427	60,000	67,300	7,300	12.2%
Information Technology	195,952	207,300	216,800	9,500	4.6%
Software & Computer Network	62,242	86,200	84,200	(2,000)	-2.3%
Website & Internet	21,416	56,000	63,200	7,200	12.9%
Total Operating Expenses	\$ 1,092,262	\$ 1,154,700	\$ 1,228,200	\$ 73,500	6.4%

Net Property Taxes Required	1,125,500	1,199,000	6.4%
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Budget

The budget represents a 6.4% increase over 2018, primarily due to wage and benefit increments and the new provincial Employer Health Tax.

General Government

Service Offering and Operational Profile

General government services include maintenance of the municipal hall and grounds, which support critical functions of local government, community development and emergency operations. The general government budget also funds training and education initiatives for staff from all departments, the District newsletter, legal and advertising expenses. Community events and grants are also funded through this budget which serve to promote a vibrant community.

General Government Budget

Funding	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Photocopy, Admin and Advertising Fees	4,293	4,000	4,000	-	0.0%
Development Legal Agreement Fees	-	8,000	8,000	-	0.0%
Total Funding	\$ 4,293	\$ 12,000	\$ 12,000	\$ -	0.0%
Operating Expenses	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Human Resources	\$ 45,330	\$ 101,100	\$ 99,600	(1,500)	-1.5%
Community Events & Grants	103,641	113,400	113,700	300	0.3%
Advertising	24,562	28,000	28,000	-	0.0%
Office Supplies & Equipment	159,151	188,550	196,550	8,000	4.2%
Legal	191,185	146,000	156,000	10,000	6.8%
Insurance	124,633	135,700	134,900	(800)	-0.6%
Municipal Hall Building and Grounds Maintenance	117,846	134,000	164,800	30,800	23.0%
Total Operating Expenses	\$ 766,348	\$ 846,750	\$ 893,550	\$ 46,800	5.5%

Transfer from Surplus		25,000	
Net Property Taxes Required	834,750	856,550	2.6%

Budget

The budget represents a 5.5% increase over 2018, primarily due to a one-time increase to the Municipal Hall Maintenance budget to perform an assessment and required maintenance of the HVAC system. This cost is proposed to be funded through surplus, reducing the net property taxes required.

Policing Services

Service Offering

The Sidney/North Saanich RCMP provides policing services to the District of North Saanich and to the Town of Sidney through a federal/provincial/municipal contract. This detachment also provides diverse policing services to the four First Nations communities on the periphery of the Saanich Peninsula, the Willis Point region, 52 islands and the surrounding waters extending to the United States boundary. The detachment is also responsible for police service to the Victoria International Airport and the Swartz Bay Ferry Terminal.

Operational Profile

The Sidney/North Saanich detachment is comprised of 32 police officers and 11 civilian support staff. There are 4 General Duty Watches, a 2 member Traffic Unit, a 4 member General Investigation Section and 2 First Nations Policing members included.

The management team is responsible for providing leadership and management of policing services to the District of North Saanich, Town of Sidney, and the Provincial area within the detachment boundaries. Detachment resources are assigned to general duties and specialized units who carry out a number of policing functions and duties. The Detachment is supported by Island District Headquarters which is located in Victoria. They provide support in areas of extra resources when required, training, oversight and accountability in police service delivery in every community on Vancouver Island.

The detachment is complimented by a number of dedicated volunteers who donate their time to help make North Saanich a desirable community in which to live. Victim Services, Restorative Justice, Speed Watch, Citizens on Patrol and Auxiliary Constables are programs that citizens can volunteer and enhance the police service to the community. A Community Consultative Group was recently established and includes interested community people from North Saanich and Sidney.

Policing Services Budget

Funding	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Policing Revenue		1,500	1,500	-	0.0%
Total Funding	\$ -	\$ 1,500	\$ 1,500	\$ -	0.0%
Operating Expenses	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
RCMP Contract	\$ 1,408,358	\$ 1,437,400	\$ 1,464,600	27,200	1.9%
RCMP Costs Shared with Town of Sidney	258,980	371,600	372,800	1,200	0.3%
Other Policing	82,227	85,300	85,300	-	0.0%
Total Operating Expenses	\$ 1,749,565	\$ 1,894,300	\$ 1,922,700	\$ 28,400	1.5%

Net Property Taxes Required	1,892,800	1,921,200	1.5%
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Budget

The budget represents a 1.5% increase over 2018, primarily due to the increase in RCMP policing contract.

Fire and Emergency Services

Service Offering

The District of North Saanich fire department responds to an average of 600 calls for assistance each year working closely with its partner agencies on the Saanich peninsula including the Town of Sidney and District of Central Saanich fire departments, the Sidney/North Saanich RCMP, the BC Ambulance service and the Victoria Airport Authority fire department. The department's main priority is to protect the lives and property of North Saanich residents and visitors.

Operational Profile

The District of North Saanich fire service is a volunteer fire department that is home to over 37 volunteers that dedicate their time and experience to serving the residents of North Saanich and surrounding areas. The department is headed by a Fire Chief, who is assisted by a Deputy Fire Chief, a full-time fire inspector and an administrative assistant. The department operates out of two fire halls – the Wain Road Fire Hall and the McTavish Fire Hall. Fire and Emergency services is responsible for providing fire suppression, medical first responder services, auto extrication, rescue, commercial building and solid fuel/oil burning appliance inspections, and fire cause investigations within the District of North Saanich. Other actions include: hazardous materials awareness response, disaster planning, fire prevention, and public education. The North Saanich Fire Department jointly operates the Peninsula Emergency Measures Organization with the Town of Sidney and the District of Central Saanich.

Fire and Emergency Services Budget

Funding	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Fireplace Permits and Installation Revenue	19,086	3,100	3,100	-	0.0%
Fire Protection Services	6,922	6,500	6,500	-	0.0%
Burning Permits	13,160	11,000	11,000	-	0.0%
Total Funding	\$ 39,168	\$ 20,600	\$ 20,600	\$ -	0.0%
Operating Expenses	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Fire Administration	\$ 468,285	\$ 470,100	\$ 493,100	23,000	4.9%
Volunteers	250,245	258,800	286,200	27,400	10.6%
Communications/Dispatch	157,154	122,600	109,900	(12,700)	-10.4%
Safety Equipment	70,299	70,900	81,700	10,800	15.2%
Fire Hall Maintenance	98,934	94,900	108,100	13,200	13.9%
Fire Prevention	7,843	13,200	13,200	-	0.0%
Fleet	67,455	48,100	60,000	11,900	24.7%
Emergency Preparedness	32,555	29,600	29,600	-	0.0%
Total Operating Expenses	\$ 1,152,770	\$ 1,108,200	\$ 1,181,800	\$ 73,600	6.6%

Net Property Taxes Required	1,087,600	1,161,200	6.6%
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Budget

The budget represents a 6.6% increase over 2018, primarily due to:

- Salary, wage and benefit increments and the new provincial Employer Health Tax
- Increased on-call pay budget for volunteer fire fighters
- Decrease in dispatch fees resulting from new contract with Surrey Fire Dispatch
- Increased budget for required safety equipment

Planning and Community Services

Service Offering

The Planning and Community Services department provides advice and services related to the regulation and administration of development activity and community growth. This includes policy review and development, development application processing, building permits, business licensing, and bylaw enforcement. The department provides a high level of customer service to its clients including homeowners, builders, developers, real estate agents, residents and the community at large related to building and development planning matters. Planning Community Services also supports Council in the development and implementation of a number of policy areas including land use, development policy and health and safety.

Operational Profile

Planning and Community Services is led by the Director of Planning and Community Services who is assisted by a team of two planners, two planning technicians, two building inspectors, a bylaw enforcement officer and two administrative assistants.

Bylaw Enforcement investigates complaints about possible violations of municipal bylaws and enforces these bylaws. Animal Control is contracted to the Capital Regional District. Qualified building inspectors administer the Building Bylaw and ensure that all buildings in North Saanich are constructed to the standards of the BC Building Code. The department is also responsible for the provision of services to other departments including planning advice related to subdivision and development applications.

Planning and Community Services Budget

Funding	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Dog Licenses	18,845	18,200	19,000	800	4.4%
Business Licenses	49,600	44,000	44,000	-	0.0%
Building and Plumbing Permits	758,426	465,000	550,000	85,000	18.3%
Development permits	25,500	25,000	25,000	-	0.0%
Board of Variance Applications	12,500	3,000	5,000	2,000	66.7%
Other fees and charges	7,779	15,700	15,700	-	0.0%
Total Funding	\$ 872,650	\$ 570,900	\$ 658,700	\$ 87,800	15.4%
Operating Expenses	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Animal Control	\$ 55,743	\$ 57,900	\$ 57,900	-	0.0%
Planning, Building & Bylaw Enforcement	871,223	1,015,800	1,126,600	110,800	10.9%
Fleet	12,161	10,000	11,500	1,500	15.0%
Total Operating Expenses	\$ 939,127	\$ 1,083,700	\$ 1,196,000	\$ 112,300	10.4%

Net Property Taxes Required	512,800	537,300	4.8%
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Budget

The budget represents a 4.8% increase over 2018, primarily due to:

- Salary, wage and benefit increments and the new provincial Employer Health Tax
- A supplemental request for an extension of a planning technician position to the end of 2019
- A supplement request for a four month term auxiliary building inspector position
- Building permit revenue was increased to reflect projected permit revenue in 2019

Infrastructure Services

Service Offering

The Infrastructure Services department is responsible for the planning, construction, maintenance and records management of the District's infrastructure. The department issues permits to the public and Public Utilities for any works proposed on District roads or property. This department also provides engineering support for new subdivision activities within the District and manages the design and construction of all new infrastructure projects.

Operational Profile

Infrastructure Services is led by the Director of Infrastructure Services and the Works Superintendent who are supported by an engineering and public works staff of 25. **Engineering** is integral in the planning and designing of the District's infrastructure for roads, water mains, sanitary sewers and drainage. Engineering also processes requests for service and permits for work on municipal property, in addition to reviewing the engineering servicing of development and subdivision applications. **Public Works** manages the system of parks, trails, beach access and bike lanes within the District. Public Works provides all of the operational and maintenance activities for assets related to Roads, Drainage, Water Utility, Sewer Utility, Parks and Buildings and Fleet. They also process customer service requests both internally for different departments and externally for the public and other agencies, and provide GIS services.

Infrastructure Services (continued)

Infrastructure Services Budget

Funding	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Permit Revenue	2,640	2,800	2,800	-	0.0%
Subdivision Application Fees	19,200	13,000	13,000	-	0.0%
Administrative Inspection Fees	89,012	45,000	45,000	-	0.0%
Public Works Revenue	15,308	5,000	5,000	-	0.0%
Green Waste Facility Revenue	44,522	50,000	50,000	-	0.0%
Total Funding	\$ 170,682	\$ 115,800	\$ 115,800	\$ -	0.0%
Operating Expenses	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Engineering Administration	\$ 676,734	\$ 739,500	\$ 766,500	27,000	3.7%
GIS	118,393	126,800	130,300	3,500	2.8%
Public Works Administration	272,981	210,060	225,600	15,540	7.4%
Public Works Building & Grounds Maintenance	36,531	56,600	48,600	(8,000)	-14.1%
Small Tools & Equipment	37,329	41,800	41,800	-	0.0%
Customer Service Requests	28,514	25,000	36,400	11,400	45.6%
Roads	158,728	258,100	275,300	17,200	6.7%
Snow & Ice Removal	22,358	73,000	73,000	-	0.0%
Traffic Safety	195,888	251,900	260,200	8,300	3.3%
Boulevards and Roadside Mowing	159,149	221,400	204,500	(16,900)	-7.6%
Drainage	56,126	85,300	60,100	(25,200)	-29.5%
Green Waste Operations	61,919	70,000	72,900	2,900	4.1%
Parks Administration	59,450	50,300	50,300	-	0.0%
Parks	227,435	201,900	289,300	87,400	43.3%
Trails and Beach Accesses	42,171	90,100	94,900	4,800	5.3%
Other	16,360	81,340	7,500	(73,840)	-90.8%
Total Operating Expenses	\$ 2,170,066	\$ 2,583,100	\$ 2,637,200	\$ 54,100	2.1%
Net Property Taxes Required		2,467,300	2,521,400	54,100	2.1%

Budget

The budget represents a 2.1% increase over 2018, primarily due to

- Salary, wage and benefit increments and the new provincial payroll tax
- Additional full time labourer position to increase boulevard and parks maintenance
- Other expenses include cost recoverable fleet charges

Recreational & Cultural

Service Offering and Operational Profile

Recreational and Cultural services include cost sharing of the Shoal Centre with the Town of Sidney and supporting the Mary Winspear Centre and the CRD Arts Council. It also includes membership in the Vancouver Island Regional Library.

Recreation & Cultural Budget

Funding	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Library Rental Revenue	35,331	28,400	13,200	(15,200)	-53.5%
Total Funding	\$ 35,331	\$ 28,400	\$ 13,200	\$ (15,200)	-53.5%
Operating Expenses	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Senior Citizen Building/Shoal Centre	\$ 15,180	\$ 21,300	\$ 18,100	(3,200)	-15.0%
Mary Winspear Centre	181,000	181,100	185,000	3,900	2.2%
Vancouver Island Regional Library	843,600	843,600	882,900	39,300	4.7%
CRD Arts Council	15,000	15,000	15,000	-	0.0%
Total Operating Expenses	\$ 1,039,780	\$ 1,046,000	\$ 1,086,000	\$ 40,000	3.8%

Net Property Taxes Required	1,017,600	1,072,800	5.4%
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Budget

The budget represents a 5.4% increase over 2018, primarily due to:

- Decrease in projected rental revenue from the library building
- Increase in Vancouver Island Regional Library levy for 2019

Fiscal Services

Service Offering and Operational Profile

Fiscal Services includes funding from FortisBC operating fees, cell tower revenue and federal and provincial grants such as the Small Communities Grant, Traffic Fine revenue and the Gas Tax revenue. The District strives to manage its investment activities in a manner that seeks to preserve capital while maximizing yields and increasing the performance of the investment portfolio. The investment income earned on cash balances and working funds is included in Fiscal Services and is used to fund municipal operations. Fiscal Services also includes a contingency amount for supplemental assessments, debt payments and bank charges.

Fiscal Services Budget

Funding	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
FortisBC Operating Fee	\$ 45,336	\$ 37,600	\$ 45,000	7,400	19.7%
Cell Tower Revenues	42,218	36,300	37,600	1,300	3.6%
Investment Income	375,722	142,700	271,250	128,550	90.1%
Small Communities Grant	340,248	339,000	339,000	-	0.0%
Traffic Fine Revenue	64,007	91,000	91,000	-	0.0%
Gas Tax Funding	545,102	545,100	545,100	-	0.0%
Other miscellaneous	17,188	200	200	-	0.0%
Total Funding	\$ 1,429,821	\$ 1,191,900	\$ 1,329,150	\$ 137,250	11.5%
Operating Expenses	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Property Tax Supplementals	\$ -	\$ 335,000	\$ 335,000	-	0.0%
Bank Charges and Other	10,389	12,100	12,100	-	0.0%
Debt	139,341	139,400	139,400	-	0.0%
Total Operating Expenses	\$ 149,730	\$ 486,500	\$ 486,500	\$ -	0.0%

	(705,400)	(842,650)	11.5%
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Budget

The budget represents an 11.5% increase in funding over 2018, primarily due to:

Increased projection of FortisBC operating fee

Increased projection of investment income as a result of improved investment strategy performance and a projected annual yield of 2.2%

Water Utility Services

Service Offering and Operational Profile

The District's water supply system is part of the Saanich Peninsula Water System which receives its water supply from the Capital Regional District Integrated Water System. The District's water system network consists of 152 km of water mains. Within the network, there are 12 active pump stations and 34 PRV stations and the network is maintained by the Public Works department. Water utility services in the District are self-financed from water charges on a user pay basis.

Water Utility Budget

Funding	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Sale of Service	3,181,419	2,989,500	3,154,000	164,500	5.5%
Other Revenues	94,964	59,500	90,800	31,300	52.6%
Investment Income	3,000	7,000	3,000	(4,000)	-57.1%
Parcel Tax	467,874	459,800	465,000	5,200	1.1%
Total Funding	\$ 3,747,257	\$ 3,515,800	\$ 3,712,800	\$ 191,800	5.5%
Operating Expenses	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Bulk Water Purchase	\$ 2,257,956	\$ 2,097,400	\$ 2,257,500	\$ 160,100	7.6%
Water Administration	\$ 213,997	\$ 248,400	248,900	500	0.2%
Common Services	26,005	40,800	41,000	200	0.5%
Transmission & Distribution	148,091	249,600	266,500	16,900	6.8%
Customer Service Requests	13,334	46,400	36,800	(9,600)	-20.7%
Meters	149,038	170,700	171,900	1,200	0.7%
Vehicles & Equipment	37,454	57,400	57,200	(200)	-0.3%
Hydrants	48,818	50,300	50,500	200	0.4%
Transfer to Reserves	459,800	554,800	582,500	27,700	5.0%
Transfer to Equity	392,764			-	
Total Operating Expenses	\$ 3,747,257	\$ 3,515,800	\$ 3,712,800	\$ 197,000	5.6%

Budget

The budget balances \$3.7 million in revenues with \$3.7 million of costs. Water revenues in 2019 are based on a basic water rate of 1.5240 per cubic metre and a farm rate of 0.2105 per cubic metre. Operating costs remain consistent with the prior year other than a 2.0% increase in CRD Bulk Water purchase cost, wage and benefit increases and the new provincial payroll tax.

A parcel tax of \$100 per property, which remains unchanged from 2018, is transferred to the Water Infrastructure Replacement Reserve

Sewer Utility Services

Service Offering and Operational Profile

The Sewer Utility operated a sanitary sewer collection system in four sewer areas that consist of over 89 km of sanitary sewers. The system is operated by the Public Works department. Sewer utility services in the District are self-financed from sewer charges on a user pay basis. Waste is transferred through the system to a Peninsula Unified Treatment plant operated by the Capital Regional District located in North Saanich. The cost of operating the treatment system is shared by the Peninsula municipalities and recovered by a property tax levy charged to all North Saanich taxpayers.

Sewer Utility Budget

Funding	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Sale of Service	1,248,001	1,198,700	1,264,900	66,200	5.5%
Other	28,444	25,500	23,100	(2,400)	-9.4%
Investment Income	27,797	5,000	20,000	15,000	300.0%
Parcel tax	447,234	902,400	359,200	(543,200)	-60.2%
Total Funding	\$ 1,751,476	\$ 2,131,600	\$ 1,667,200	\$ (464,400)	-21.8%
Operating Expenses	2018 Actuals	2018 Budget	2019 Budget	Change \$	Change %
Sewer Administration	\$ 123,147	\$ 129,300	\$ 129,400	100	0.1%
CRD Sewer Plant Operating Share	176,465	496,500	494,600	(1,900)	-0.4%
Mains & Services	24,792	72,200	61,600	(10,600)	-14.7%
Pump Stations	188,804	246,300	249,900	3,600	1.5%
Common Services	8,926	15,400	15,500	100	0.6%
Vehicles/Equipment	46,114	36,500	41,900	5,400	14.8%
Transfer to Reserves	233,000	233,000	315,100	82,100	35.2%
Transfer to Equity	275,018				
Debt charges	675,210	902,400	359,200	(543,200)	-60.2%
Total Operating Expenses	\$ 1,751,476	\$ 2,131,600	\$ 1,667,200	\$ (464,400)	-21.8%

Budget

The budget balances \$1.6 million in revenues with \$1.6 million of costs. Sewer revenues in 2019 are based on a user fee of \$512.34 for single family dwellings and \$256.17 for multi-family dwellings, which remain unchanged from 2018. Sewer operating costs remain consistent with the prior year, with the exception of wages and benefits increases and the new provincial payroll tax.

The South East Quadrant sewer debt was retired in 2018 and the Deep Cove/Pat Bay/McDonald Park debt was refinanced at a lower interest rate throughout 2018, resulting in lower debt payments and parcel taxes levied for 2019.

Capital and Operating Project Plans



Capital Plan Summary

	2019	2020	2021	2022	2023
Information Technology	\$ 190,000	\$ 205,000	\$ 205,000	\$ 67,000	\$ 77,000
Office Equipment & Business Systems	95,000	120,000	75,000	75,000	25,000
Fire & Emergency Services	358,300	1,552,800	13,500	315,200	12,500
Planning & Community	45,000	55,000			
Engineering & Public Works	2,964,000	1,154,000	1,018,000	1,217,000	1,137,000
Parks	1,607,000	52,000	52,000	52,000	52,000
Water	1,035,000	700,000	545,000	720,000	575,000
Sewer	59,000	379,000	59,000	59,000	65,000
Total Investment	\$ 6,353,300	\$ 4,217,800	\$ 1,967,500	\$ 2,505,200	\$ 1,943,500
Funding Source					
Reserve Funds	3,794,100	3,942,800	1,767,500	2,305,200	1,743,500
Federal Gas Tax	2,500,000	230,000	200,000	200,000	200,000
Grants	45,000				
Surplus	14,200	45,000			
	\$ 6,353,300	\$ 4,217,800	\$ 1,967,500	\$ 2,505,200	\$ 1,943,500

The District's five year capital plan proposes a total of \$17 million in asset renewal, upgrading and expansion. The majority of the projects are funded from reserve funds and supplemented by grants and surplus funds. Some of the highlighted projects planned for 2019 are as follows:

Bike Lanes \$1,000,000

Construction of approximately 1.6 km of bike lanes on West Saanich Road from Frizell to McTavish.

Scoter Trail Upgrade \$1,500,000

Rehabilitation of the shoreline and reconstruction of the north section of the trail, approximately 300 m in length.

Water main replacement \$760,000

Completion of the remainder of the 2018 project and approximately 500 m of watermain replacement for the 2019 project.

Traffic Safety Improvements \$100,000

Improvements planned for 2019 include installations of Rapid Rectangular Flashing Beacons on East Saanich Road at the crossings of Bazan Bay Road, Lowe Road and Barrett Drive, and a new sidewalk on Forest Park Drive from Pender Park to Haro Park Terrace.

Operating Projects Plan

	2019	2020	2021	2022	2023
Rotary Park Improvement	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	
Municipal Hall First Nations Art	7,500				
Sandown Transition Project	60,000				
Climate change Initiatives	40,000				
Subdivision Bylaw Review	50,000				
Sign Bylaw Review	10,000				
OCP Review		200,000			
Tree Bylaw Review		50,000			
Zoning Bylaw Review				60,000	
Contaminated Site Env. Assessment	25,000				
Orthophotos	5,000		5,000		5,000
GIS implementation	4,000	4,000	4,000	4,000	4,000
Tree Planting Program	10,000	10,000	10,000	10,000	10,000
Parks Asset Management Plan		75,000			
RCMP Building Repairs - cost shared with Town of Sidney	81,400	112,300	40,700	3,900	3,900
Community Wildland Fire Protection Plan	30,000				
Firesmart Initiatives	10,000				
Emergency Evacuation Plan	25,000				
Asset Management Plan - Bldg. Condition	40,000				
Environmental Asset Mgmt. Plan		30,000			
Drainage Master Plan	100,000				
Cycling Network Master Plan	50,000				
Greenwaste Facility Assessment	30,000				
Canora Road Alignment Design	7,500				
	\$ 600,400	\$ 496,300	\$ 74,700	\$ 92,900	\$ 22,900
Funding Source					
Reserve Funds	510,900	244,300	70,200	90,900	18,400
Federal Gas Tax	35,000				
Grants	39,500	2,000	4,500	2,000	4,500
Surplus	15,000	250,000			
	\$ 600,400	\$ 496,300	\$ 74,700	\$ 92,900	\$ 22,900

The District's five year operating projects plan proposes a total of \$1.28 million in special projects that are guided significantly by the District's 2019-2023 Strategic Plan. The majority of the projects are funded from reserve funds and supplemented by grants and surplus funds.