



DISTRICT OF NORTH SAANICH

ANNUAL REPORT 2015

FOR THE YEAR ENDING DECEMBER 31, 2015

OUR FOCUS



Vision

The future will ensure that:

- diverse neighbourhoods are respected and supported;
- rural, marine and agricultural values are preserved, maintained, and enhanced;
- the needs and priorities of our community are supported;
- the arts are supported;
- the community is inclusive, accessible and culturally vibrant;
- suitable, appropriately located economic activity is supported;
- efficient levels of service commensurate with appropriate taxation are established;
- natural environments are protected and a commitment is made to the preservation and enhancement of regionally significant green and blue spaces; and
- North Saanich is a sustainable community that plans for the potential impact of climate change.

Mission

Leadership and good governance that reflects the community vision and protects, promotes and enhances a safe and diverse community for current and future generations.

The Municipal Purposes outlined in the Community Charter, further detail the purposes of the District of North Saanich:

- providing for good government of its community,
- providing for services, laws and other matters for the community,
- providing for stewardship of the public assets of its community, and
- fostering the economic, social and environmental well-being of its community.

Note: Strategic plan information in the 2015 Annual Report is from the 2015 to 2018 Strategic Plan.



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A MESSAGE FROM THE MAYOR

On behalf of Council, I am pleased to present the 2015 Annual Report for the District of North Saanich. This report contains valuable information related to the District's operations, including the 2015 financial statements, 2015 highlights and accomplishments, and 2016 projects aimed to help achieve Council's 2016 strategic goals for the District.

With careful fiscal management in 2015 our average increase in property taxes was 2.9%. This allowed us to add the equivalent of 1% to our reserves, a necessity in forward planning for future needs. There was a 0.8% increase in sewer rates and a 2.15% increase for water rates to reflect the actual costs per household. The modest tax increase was attributable to growth in revenues and implementation of cost saving measures, without cuts to services to our residents.

North Saanich has the lowest residential tax rate in the Capital Regional District and our business rate has decreased and stabilized since 2005. Our vibrant business sector is a reflection of the ability for businesses to thrive in this area, close to the major transportation hubs for the whole region.

2015 was an exceptionally busy year for Council and staff, with extensive community activities in recognition of the municipality's 50th Jubilee year. The final work of recognition for that year is a Jubilee book to be completed in 2016 incorporating the five story telling events as well as contributions by five former mayors and the surviving member of the original North Saanich Council.

The new Council approved the badly needed replacement of the east wing of the municipal hall, including the Council Chambers, and that work began in November 2015. 2016 will see

the transition of some staff to the partial new wing, and removal of the deteriorating old wing. Substantial completion is expected by the end of 2016. Staff has endured the extensive disruption with considerable grace and energy, continuing cheerful and effective service to our residents.

As a council, we strive to continue to improve the services that the District is providing to residents, as well as continuing to be good stewards of the community's assets. Work is continuing on electronic billing, asset management including vehicle and equipment replacement, pavement management, water and sewer modeling, communications and records management.

Council is working to build on its successes over the past year continuing work on its Strategic Priorities. We will look forward to continuing to provide leadership and vision for the community in 2016 to make North Saanich an even better place to work, live and visit.

Alice Finall, Mayor



MAYOR AND COUNCIL

Elected by the citizens of North Saanich, Council is a legislative body that provides leadership to the District's government. Council is made up of the Mayor and six Councillors. The four year term is from December 2014 to November 2018.

North Saanich Council is committed to ensuring that the priorities of local citizens guide the policies it establishes and the decision it makes on civic matter such as land use and budget levels for operations and capital expenditures.

2014 to 2018 Council

Mayor

A. Finall

Councillors

H. Gartshore

J. McClintock

G. Orr

C. Stock

J. Thornburgh

M. Weisenberger



COMMUNITY PROFILE

North Saanich is situated on the Saanich Peninsula on Southern Vancouver Island within the Capital Regional District. It is approximately 25 km north of the province's capital city, Victoria. The population is over 11,000.

North Saanich climate is mild with warm, dry summers, and mild, wet winters with a frost-free season of approximately 202 days, according to Environment Canada. Annual precipitation is approximately 620 millimetres which is much less than Vancouver's annual average of 1070 millimetres.

The District is surrounded on three sides by ocean, with over 40 km of shoreline which is dotted with small beaches and accesses for swimmers and kayakers as well as being home to several Marinas. North Saanich has an extensive park and trails system that links municipal, provincial and Capital Regional District parklands, making it a very popular area for day hiking, cycling and horseback riding.

A large portion of North Saanich land is in the Agricultural Land Reserve. Farming is one of the many important industries located in the District. Another major industry is transportation, as we are the hub for domestic and international travel where we host the Swartz Bay BC Ferry terminal and the Victoria International Airport.

Most of the residents of North Saanich reside in several rural residential neighbourhoods including Ardmere, Deep Cove, Curteis Point, Cloake Hill/Green Park, Dean Park and the South East Quadrant.

The District of North Saanich is a wonderful community in which to work, play and live. In 2015, the District celebrated its 50th Anniversary within our community with various activities and project which include the new Jubilee Park.

Please visit us in person, or online at www.northsaanich.ca



A MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

As Chief Administrative Officer for the District of North Saanich, I am pleased to present our 2015 Annual Report. We had the great pleasure of celebrating North Saanich's Jubilee in 2015 and there were many great community events put on by community partners and supported by many volunteers, Mayor and Council, and staff. Our achievements during 2015 respond to Council's Strategic Plan and our ongoing goal of improving service levels while providing efficient and accountable administration. Our team of municipal employees and volunteers take great pride in our accomplishments.

In 2015, we completed many projects. These include:

1. The Jubilee Year Celebration;
2. West Saanich Road bike lanes;
3. Review of the advisory committee framework;
4. Development of communication information regarding user friendly trails in North Saanich;
5. Water System Model and Sewer Collection System Model; and
6. Design of the Downey Road Beach Access.

North Saanich continues to have residential tax rates that are the lowest in the region and we strive to find cost effective ways to deliver our services. The current Municipal Hall project is a good example of this focus. The new facility will cost about \$200 a square foot to build and this includes demolition, and the provision of the solar panel field, battery back-up system to enable the Emergency Operation Centre to be powered off-grid if necessary. The funding for the entire project used our financial reserves without impacting tax rates.

Looking forward to our work in 2016, we expect to be very busy addressing Council's Strategic plan goals, and this will be done during the municipal hall reconstruction. At times you may notice the Municipal Hall property is very busy with construction activity. However, we will still be here providing services. One change in how we deliver service, however, will be a change in location for Council meetings effective July 2016. All Council meetings will be held at the Wain Road Fire Hall until the Municipal Hall reconstruction project is complete next Spring.

In addition to the Municipal Hall project there will be several other major projects including:

1. Review and development of a human resources plan;
2. Review of Municipal Building reserves;
3. Development of a new website;
4. Preparation of a Jubilee Book;
5. Review and update of the District's Whole Community Agricultural Strategy;
6. Downey Road Beach Access construction;
7. Denham Till Park residence renovation;
8. Fire Service Agreements with First Nations; and
9. Municipal Department Recovery Plan and Emergency Program Strategic Plan.

By all accounts 2015 was a great year which allowed the community to celebrate its Jubilee and continue to undertake important projects and programs working for with the new Council and making progress in many areas. This success is highly dependent on the ongoing help of Community Volunteers, our Commissions and on a capable and enthusiastic staff team.

Rob Buchan, Chief Administrative Officer



2015 ORGANIZATION

Mayor & Council

Chief Administrative Officer
Rob Buchan

Corporate Services
Curt Kingsley, Director

Financial and Information
Technology Services
Theresa Flynn, Director

Planning and Community Services
Mark Brodrick, Director

Infrastructure Services
Patrick O'Reilly, Director

Emergency and Fire Services
Gary Wilton, Director



MUNICIPAL AUDITORS
KPMG LLP



BANKERS
Toronto Dominion Bank



Department Overviews

CORPORATE SERVICES

The department's primary role is processing all business as it relates to Council, performing all statutory requirements of the *Local Government Act and the Community Charter* as well as providing a variety of support services to other District Departments.

The Department is responsible for:

- Providing advice with respect to Council procedures, policies, and functions;
- Coordinating all local government elections and other voting opportunities;
- Administering requests for access to information through the *Freedom of Information and Protection of Privacy Act*;
- Coordinating the management and maintenance of all vital records of the municipality such as agreements, minutes and bylaws;
- Executing legal documents on behalf of the District;
- Providing administrative support to Council, Committee of the Whole and the Chief Administrative Officer and various advisory bodies;
- Human Resource functions;
- Internal and external corporate communications; and
- District records management.



2015 Results

- Continued implementation of improved records and document management processes;
- Coordinated review and revision of regulatory bylaws more than 10 years old;
- Reviewed advisory commission framework;
- Assisted in the implementation of Jubilee Year Celebrations.

2016 Goals and Major Projects

- Continue implementation of improved records and document management processes;
- Continue coordination of review of regulatory bylaws more than 10 years old;
- Update Communications Strategy; and
- Review and develop human resources plan.

Department Overviews

FINANCIAL AND INFORMATION TECHNOLOGY SERVICES

The department's primary role is to manage the District's finances and computer network systems.

The Department is responsible for:

- Budgeting, accounting, financial planning and reporting;
- Collection services including property taxes and utility billing;
- Cash and debt management;
- Payroll and benefits administration;
- Account Payable;
- Risk management;
- Overseeing the RCMP contract;
- Management and support of the District's computer network; and
- Management and support of the District's telephone and cellular communications.



2015 Results

- Completed an Audit Services review;
- Implemented Electronical billing for Utilities;
- Accounting reporting improvements;
- Internal audit of Sewer user fees;
- Infrastructure Gap analysis of linear assets;
- Replaced Corporate Services photocopier;
- Cross-trained staff in Accounts Payable, Payroll and Utility Billing.

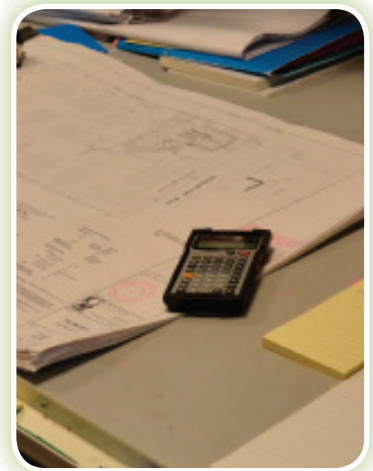
2016 Goals and Major Projects

- Review Municipal Building reserves;
- Develop new website;
- Webcasting improvements and implement paperless agenda improvements;
- Review Procurement Policies;
- Review Banking services agreement;
- Implement testing of electronic billing for Property Taxes;
- Implement electronic reporting for Purchasing Cards;
- Offsite Backup of electronic data improvements; and
- Accounting reporting improvements.

Department Overviews

PLANNING AND COMMUNITY SERVICES DEPARTMENT

Planning and Community Services 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 is also responsible for the provision of services to other departments, including:

- Planning advice related to subdivision applications;
- Facilitating inter-departmental meetings regarding development applications which may impact the operations of other departments;
- Budget preparation and review in cooperation with the Finance Department;
- Municipal hall building maintenance.

2015 Results

- Zoning Bylaw amendment completed to render the bylaw consistent with new provincial regulations for Medical Marihuana Production Facilities as a permitted Farm Use;
- Development Permit Delegation bylaw adopted, enabling staff to issue Development Permits and further streamlining development application processing;
- Completed review of secondary suites regulations;
- Completed review and update to Board of Variance bylaw and procedures;
- Completed Noise bylaw review and update;
- Municipal Ticket Information bylaw review and update completed;
- Preparation of 'Good Neighbour Policy' to minimize impacts of development activity on the surrounding neighbourhood;
- Reviewed and updated off-street parking regulations;
- Established new Land Title Survey Authority (LTSA) procedure for document/plan preparation and registration as a result of changes to the LTSA submission requirements;
- Completed Development Application procedural review;
- Vision Sandown Community Consultation project began;
- Sea Level Rise/Flood Construction Level review began;
- Several Jubilee events were facilitated with the assistance of staff from Planning and Community Services.

2016 Goals and Major Projects

- Conduct sea level rise review and public consultation in order to guide the preparation of marine and shoreline development policies;
- Bring forward the Vision Sandown results to determine future uses at the Sandown site, and pursue the implementation of the Sandown agreement;
- Revisit Interface Fire Hazard regulations;
- Conduct a community survey to determine options for consideration regarding the growth areas established by Bylaw 1352;
- Prepare a Bylaw Enforcement Policy with respect to bylaw enforcement procedures and practices;
- Implement Secondary Suites management program;
- Participate in Capital Regional District review of Regional Growth Strategy;
- Host an LNG Town Hall meeting;
- Preparation of Jubilee Book;
- Review and update the District's Whole Community Agricultural Strategy.

Department Overviews

INFRASTRUCTURE SERVICES

The department is responsible for the planning, construction, maintenance and records management of the District's infrastructure. This includes issuing permits to the public and Public Utilities for any works proposed on District roads or property. This department administers and approves all new subdivision activities within the District and manages the design and construction of all new infrastructure projects.



The Department is responsible for:

- Planning and designing the District's infrastructure for roads, water mains, sanitary sewers, and drainage;
- Processing requests for service, municipal service information, soil permits and permits for work on municipal property;
- Reviewing the engineering servicing of development applications and approve subdivisions;
- Management of parks, trails, beach access and bike lanes within the District;
- All operational and maintenance activities for assets related to Roads, Drainage, Water utility, Sewer utility, Parks, Buildings and Fleet;
- Customer service requests both internally for different departments and externally for the public and other agencies; and
- Providing support to many volunteer initiatives and organizations that have relationships with the District: Friends of Dominion Brook Park, Friends of the Bike Jump Park, Peninsula Baseball, Peninsula Soccer.

2015 Results

- Water System Model project;
- Sewer Collection System Model;
- Complete the first phase of Infrastructure Funding review;
- Upgrade of Wain Road Park Tennis Courts;
- Complete Phase II of West Saanich Road Bike Lane project; and
- Complete the design of the Downey Road Beach Access.

2016 Goals and Major Projects

- Water System Master Plan;
- Sewer System Master Plan;
- Parks Asset Management Plan;
- Downey Road Beach Access Construction;
- Denham Till Park residence renovation;
- Bike lane construction.

Department Overviews

POLICE SERVICES

The Sidney/North Saanich RCMP provides police 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.

Through discussion each year with the RCMP “E” Division Headquarters located in Vancouver, the District budgets its share of the costs of the members and operations at the detachment located in the Town of Sidney. The District of North Saanich also cost shares with the Town of Sidney for the RCMP premises and civilian staff.

The Sidney/North Saanich detachment is comprised of 32 police officers and 9 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 policing priorities have been established through local consultation and in alignment with National, Provincial and District priorities. The priorities for 2015 and 2016 include, Traffic Enforcement, Impaired driving, First Nations Policing, and Property Crime, Organized Crime / Prolific Offenders and Community Policing. A number of

specific objectives and strategies have been developed for each policing priority. The Detachment Commander provides feedback to the Mayors and Councils through a quarterly policing report and presentation on how the detachment is progressing towards reaching its defined goals for the year. All detachment members contribute towards the achievement of these objectives and work with our community partners to reduce crime in the community.

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.

The community policing Auxiliary Constables are actively involved in the delivery of crime prevention and education programs and work closely with the youth through our school liaison program. The detachment has 11 Auxiliary Constables, many of whom are Mountain Bike trained and may be observed around our communities on Bike Patrol. These officers will be included in Crime Prevention initiatives in 2015. The D.A.R.E. (Drug Awareness Resistance Education) program is also delivered to students in each of the elementary schools within North Saanich and Sidney.

North Saanich and Sidney enjoy one of the lowest crime rates in British Columbia. The support of the community in reporting and assisting in solving crime has contributed to the communities as being recognized as a safe community in which to live. Often, police officers can be seen conducting foot patrols of the downtown areas and, when duties allow, on bikes promoting safe cycling. Further information can be found at www.sidney.rcmp.ca and @Sidney NS RCMP on Twitter.

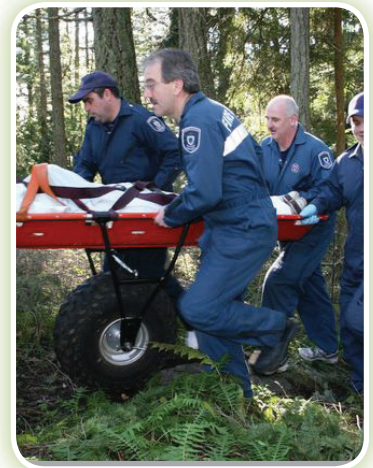


Department Overviews

EMERGENCY AND FIRE SERVICES

The North Saanich Fire Department is a composite, career / volunteer department consisting of 4 career employees and 37 volunteers operating out of 2 fire halls. The department's main priority is to protect lives and property of North Saanich residents and visitors.

The fire department 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 Program with the Town of Sidney and the District of Central Saanich.



2015 Accomplishments

Calls	Duty	186
	Fire	186
	Medical	220
	Rescue	2
2015 Total		594

Volunteer Hours **8993**

Wood Appliance Inspections	55
Burning Permits Issued	511
Commercial Inspections	219
Total Inspections	785

- Commenced negotiations on First Nations Fire Servicing Agreements;
- Completed a fire department training and succession plan;
- Participated in Municipal Jubilee Projects;
- Emergency Planning Exercise;
- Update Hazard Assessment for the District Emergency Plan;
- Installed New Bay Door and Heaters at McTavish Firehall.

2016 Goals and Major Projects

- Complete Fire Service Agreements with First Nations;
- Replace retiring Fire Chief;
- Emergency Planning Projects (Municipal Dept. Recovery; Plan, Emergency Program Strategic Plan);
- Paint the Interior of McTavish Firehall;
- Outside storage shed at Wain Road.

2015 STRATEGIC PRIORITIES

The Strategic Plan sets out Council's focus and strategic priorities for at least three years and beyond. The Strategic Plan sets the context for all that the District does and is the basis for the departments business plans and annual budget submissions. Early in 2016 council reviewed and updated the plan with new strategies to achieve the long-term goals. These new general strategies can be found in the 2015 – 2018 Strategic Plan at www.northsaanich.ca.

Protect & Enhance Rural, Agricultural, Heritage, Marine and Environmental Resources

- Preserve and protect sensitive and significant environmental areas and ecosystems;
- The agricultural community preserved and enhanced;
- Preserve and protect sensitive marine and inter-tidal habitats;
- Climate change impacts mitigated; and
- Enhance park and Trail System facilities and access to natural and rural assets.

Maintain a Safe and Healthy Community

- Loss of life and property minimized; and
- Encourage and support active and healthy lifestyles.

Encourage Compatible Commercial and Local Business Development

- An operating environment supportive of local business; and
- A vibrant and sustainable agricultural economy advanced.

Maintain a Strong Sense of Community

- A strong sense of pride, identity and belonging in North Saanich;
- An engaged community;
- The diversity of neighbourhoods within our municipality is recognized and respected; and
- Housing policies that support local and regional initiatives.

Ensure Strong Leadership, Fiscal Responsibility and Transparent Government

- Efficient and cost effective management of corporate assets;
- Efficient and effective administrative and regulatory processes;
- Effective governance and leadership promoted and practiced; and
- Positive and constructive relations with First Nations.



2015 PERMISSIVE PROPERTY TAX EXEMPTIONS

In accordance with Section 98 (2)(b) of the Community Charter, we disclose that the following properties were provided permissive property tax exemptions by the District of North Saanich Council in 2015. Permissive tax exemptions are those exemptions granted by bylaw in accordance with Section 224 of the Community Charter.

PROPERTY / ORGANIZATION	ADDRESS	2015 MUNICIPAL TAXES EXEMPTED
Air Cadets - 676 Kittyhawk Sponsoring Committee Society	1979 Anson Drive	\$ 2,738
BC Aviation Museum	1910 Norseman Road	17,490
Holy Trinity Anglican Church	1319 Mills Road	5,667
Holy Trinity Anglican Church	1325 Mills Road	2,083
Kiwanis Elderly Citizens Village	10585 McDonald Park Road	10,907
Navy League of Canada (Saanich Peninsula Branch)	6595 B Hurricane Road	1,338
Saanich Peninsula Chamber of Commerce	10382 Pat Bay Highway	1,868
Saanich Peninsula Presbyterian Church	9296 East Saanich Road	10,433
Seventh Day Adventist Church	9300 Willingdon Road	13,182
Sidney & North Saanich Memorial Park Society	10640 McDonald Park Road	6,196
Sidney & North Saanich Memorial Park Society	10714 McDonald Park Road	10,736
Sidney Pentecostal Church	10364 McDonald Park Road	6,245
St. John's United Church	10990 West Saanich Road	3,902
Town of Sidney	1665 McTavish Road	8,604
Capital Regional District	1717 McTavish Road	30,446
		\$ 131,835



FINANCIAL SNAPSHOT

Additional Financial Information from the 2015 Financial Statements

The District relies heavily on property taxes, water and sewer charges to fund all of the services it provides. Of the 18.5 million of revenue reported by the District for 2015, 63% of it came from property taxes. Another 22% came from water and sewer fees and charges. Over 10% of the property tax revenue comes from the Airport Land alone and that will continue to grow as the Airport lands are developed.

The District spends the revenues it collects on a variety of services. Transportation and Protective Services which includes policing and fire protection account for 38% of the expenses. Recreation, cultural and parks expenses are those services that the District provides directly or contracts with directly such as Library services. The Panorama Recreation Centre is funded through the Capital Regional District and its property tax levy.

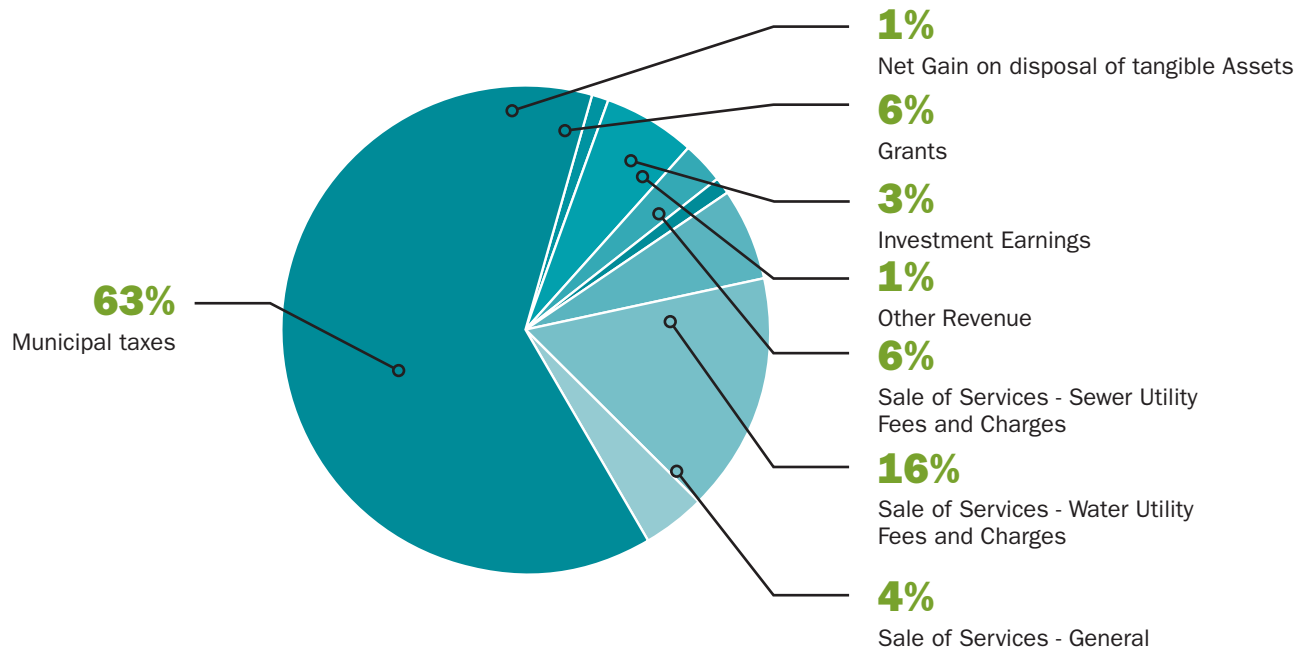
In 2015 over \$1.6 million of the revenue received was set aside for various capital projects which does not show under the expense section of the Statement of Operation. The capital expenditures are amortized over the life of the assets and this is the expense seen on the Statement of Operations. Some of the funds collected will go to help bridge the growing infrastructure gap. This is the gap between what we have been saving for future capital works replacement projects and what we will need to spend to replace existing assets.

The majority of the debt that the District holds is for sewer infrastructure. The total debt for the District has decreased from 9.6 million at the end of 2014 to 8.8 million in 2015 as principal payments are made.

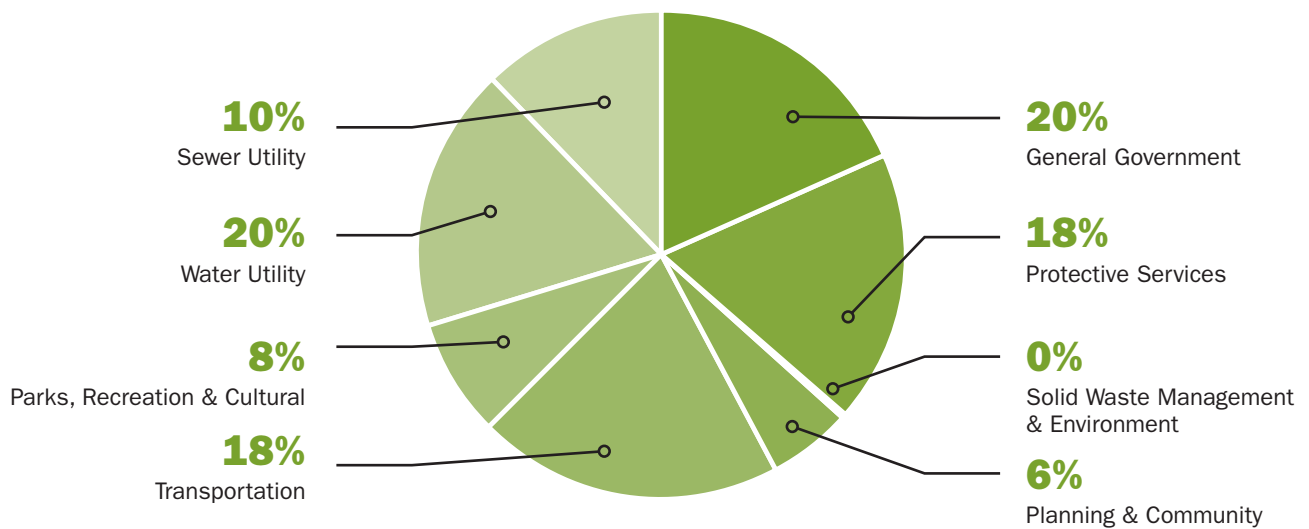


FINANCIAL SNAPSHOT

Sources of Funds



Allocation of Funds for Operating & Future Projects



FINANCIAL SNAPSHOT

Acquisition of Capital Asset by Function

