



The Corporation of the District of Central Saanich

SPECIAL (OPEN) COUNCIL REPORT

For the Special (Open) Council meeting on Monday, March 18, 2024

Re: 2024 Strategic Implementation Plan, Capital Plan, Financial Plan Summary and Adoption

RECOMMENDATION(S):

That the Central Saanich 2024-2028 Financial Plan as presented in the March 4th staff report and meeting, with additions and amendments as detailed in this 2024 Strategic Implementation Plan, Capital Plan, Financial Plan Summary and Adoption report, and any other additions motioned by Council, be adopted.

PURPOSE:

To present 2024 Strategic Implementation Plan projects, capital plans, summarize the Draft 2024-2028 Financial Plan (Plan) with amendments to date, allow for final deliberations, and any further amendments and adoption.

BACKGROUND:

Each year, municipalities are faced with the challenge of balancing the budget as mandated by legislation. The Community Charter requires that local governments in British Columbia approve a Five-Year Financial Plan (in bylaw format) and Property Taxation Bylaw on or before May 15 of each year. To produce these bylaws, the District updates its Five-Year Financial Plan which includes Operating Budgets, Strategic Initiatives, Water and Sewer Utilities and Capital Programs.

The 2024 Financial Plan provides business as usual funding for the continuation of services expected by the community in addition to the following,

- Increases in building permit and fee revenues due to increased development activity and future housing plans for the District;
- Elimination of business license renewal fees;
- The proposed implementation of 11.9 new FTE positions from work force planning outcomes;
- 2024-2027 Strategic Implementation Plan (SIP) projects;
- Transitioning prior years funding from surplus and the COVID Safe Restart Reserve used for operations, back to property taxation; and
- Continuation of long-term financial strategies for both future infrastructure replacement (1.25%) and new assets (active transportation) (0.50%) expected by the community.

The draft Plan presented March 4th is summarized as a 6.01% or \$144 increase for operations and a total of 1.75% or \$41 for capital, totalling 7.76% or \$185 to an average homeowner after new construction assessment is considered.

Draft increase to average residential property

Municipal operations	4.15%	\$100
Police operations	1.61%	38
Library	0.25%	6
Subtotal	6.01%	\$144
Infrastructure replacement	1.25%	29
New infrastructure	0.50%	12
Total	7.76%	\$185

Water and sewer operations and infrastructure replacement are funded through utility fees. The 2024 Water Utility Budget is based on a water rate of \$1.946 per cubic meter (1.14% increase) and a fixed charge of \$141 annually. The Capital Regional District (CRD) bulk water rate is \$1.1978, or a 4.7% increase over 2023. For a median consumption property this would be a combined total of \$615, or a \$5 increase over 2023.

The 2024 sewer utility budget is based on a sewer rate of \$2.04 per cubic meter, an increase of 7.5%. For a median consumption residential property this would be \$365 or an increase of \$25 over 2023.

DISCUSSION:

The Draft 2024 Financial Plan is presented to Council as follows,

- March 4th – Operations and Work Force Plan
- March 18th –2024 Strategic Implementation Plan projects, Capital Plans, and adoption

The 2024 Financial Plan is a significant year where the District is implementing a four-year SIP to align with Council’s Strategic Priorities, an ambitious Capital Plan including four-year \$10.4M active transportation plan, and a Work Force Plan to match staff capacity with service levels required to complete this volume of work.

As staff advance the work, the below items have been identified for amendment to the Draft Financial Plan since it’s completion in late January. 2024 Draft Budget amendments to be included for Council deliberation and adoption are as follows:

Capital:

- Fire Pumper Truck – 2024 amended budget of \$1,530,500
 - A fire pumper truck has been purchased after through early approval. It will be outfitted, equipped, and put into service later this year. The amended amount replaces draft amounts of \$650,000 in 2024 and \$750,000 in 2025
- Fire Equipment and Grant – 2024 equipment budget of \$30,000
 - UBCM Grant approval of \$30,000 was received in December for equipment. The funding will be used to purchase and outfit a trailer to assist with wildfire fighting along with other equipment
- Municipal Yard access gate – 2024 facilities budget of \$45,000
 - A contribution of \$45,000 was received from the Province as part of the Flyover project to improve Yard access and security for project materials storage. A new mechanical gate will be installed in addition to other security improvements
- Centennial Caretaker House Renovations – 2024 facilities FLAMP budget increase of \$40,000

- The Centennial caretaker house is being repurposed from a caretaker residence to a daycare facility through a third-party lease arrangement. Certain building code required renovations are needed to prepare the house for this purpose.
- Centennial Park Splash Pad – 2024 budget increase from \$150,000 to \$225,000
 - Further inquiries have been made to contractors and other municipalities as to estimated Splash Pad costs including site preparation. Estimated cost is now \$225,000.
- Tree Chipper purchase – 2024 Equipment Budget of \$74,000
 - The District’s chipper was stolen from the Municipal Yard in 2022 and insurance proceeds of \$24,700 were received. At the time it was decided not to replace the chipper and try renting the equipment when needed. This has proven not to be as effective as owning the equipment for efficiency and availability. In addition, renting has become more onerous due to a recent loss of life accident in British Columbia.

Strategic Implementation Plan:

The 2024–2027 SIP outlines a variety of projects budgeted for within operations, capital and the SIP projects as identified on pages 102 to 105 in the Financial Plan. A number of projects have already received approval through the 2023 budget that are being carried forward and continuing in 2024, early 2024 budget approvals, and previous project specific reports to Council. SIP specific project 2024 budgets included in the Draft Plan on pages 83 and 84 are included in Appendix A. In addition, draft budget amendments are requested for the following,

- FireSmart Program – 2024 budget increase to \$145,000 for FireSmart, and \$30,000 Community Wildfire Resiliency Planning, from \$100,000 and \$75,000 in 2024 and 2025 for Firesmart
 - This project, funded with a UBCM grant, was budgeted over the two-year time period of the grant in error, all grant funds will be used in 2024 for the staff position and other program initiatives. It’s anticipated another grant intake will occur later this year with awards announced in Q3 for continuation of the program.
 - A Community Wildfire Resiliency Plan will and added to the 2024 SIP projects under the umbrella of FireSmart. A plan is a requirement for future FireSmart grant funding applications.
- Electric Kick Scooter Pilot Program
 - The introduction of the Electric Kick Scooter Pilot Program has been evaluated by staff and could be absorbed within existing operational budget and service levels.
- Accessibility Plan Implementation – 2024 budget increase to \$45,000 from \$20,000
 - A grant approval from SPARC BC for \$25,000 was received in February 2024 for accessibility equipment and training. The increased project budget will facilitate this grant and related expenditures in 2024
- Community to Community Program (C2C) – 2024 budget of \$5,000
 - A UBCM grant of \$5,000 has been approved for 2024 C2C meetings. Up to \$10,000 is available if utilized. Omitted from Draft budget in error.

There is no change in the draft tax increase for an average home from any of the items noted above.

Grants expected to be received but not formally announced yet, and any other WFP staff positions approved by Council for 2024 will also be amended in the final 2024 Financial Plan.

As requested at the March 4th budget meeting, additional information has been provided for the Climate Mitigation and Response Public Education and Communications WFP position in Appendix B.

Public Engagement - What We Heard

Appendix C provides an overview of engagement activities and community feedback on the District’s budget.

The 2024 budget was promoted via many channels to reach diverse audiences, including being the first project to be featured on the District’s new public engagement kiosk, which was on display in the Cultural Centre lobby during March 2024. Following a press release sent by staff, a cover story ran in the Peninsula News Review on February 15th and March 14th. In addition, it was featured in the Community Focus newsletter, on the website and Let’s Talk site, and extensively on social media. Enhanced engagement opportunities included an open house at the Municipal Hall with District and Central Saanich Police Services staff and elected officials displaying the District’s 2024-2027 Strategic Priorities, Draft SIP and the anticipated tax increase on January 20, 2024; 75 residents attended. In addition to the online engagement site, staff were available by phone and email. Despite significant community awareness of the budget, staff received no feedback expressing concern about the budget through any District channels.

OPTIONS:

Option 1

That the Central Saanich 2024-2028 Financial Plan as presented in the March 4th staff report and meeting, with additions and amendments as detailed in this 2024 Strategic Implementation Plan, Capital Plan, Financial Plan Summary and Adoption report, and any other additions motioned by Council, be adopted.

Option 2

That staff be provided alternate direction.

CONCLUSION:

The 2024-2028 Financial Plan provides for business-as-usual continuation of services expected by the community. This year’s Plan also sees a number of new plans and changes including,

- adjustments to revenue sources including building permit, business licence, and surplus and reserve funding for operations.
- An aligned Work Force Plan implementation for transparency and accountability
- Council’s new four-year Strategic Implementation Plan
- Escalation of the Districts Active Transportation Plan with \$10.4 million of work budgeted over the next four-years.
- As well as continuation of long-term asset management financial strategies for both future new, and replacement of existing, infrastructure.

Financial Plan and Tax Rates Bylaws will be presented once the Plan with any further amendments is adopted, together with a summary of revisions to the Draft Plan.

Once adopted, the 2024 Financial Plan will be updated with all amendments and posted online as well as submitted to the Government Finance Officers Association of North America for their Distinguished Budget Award program.

Report written and respectfully submitted by:	Troy Ziegler, Director of Finance and Information Technology Services and Chief Financial Officer
Concurrence by:	Christine Culham, Chief Administrative Officer

ATTACHMENTS:

Appendix A: Strategic Implementation Plan Projects and Information for adoption

Appendix B: Climate Mitigation and Response Public Education and Communications WFP position information

Appendix C: Budget 2024 What We Heard