



The Corporation of the District of Central Saanich

SPECIAL (OPEN) COUNCIL REPORT

For the Special (Open) Council meeting on Monday, March 30, 2026

Re: 2026 Draft Financial Plan

PURPOSE:

To introduce the draft 2026 Financial Plan.

BACKGROUND:

The Five-Year Financial Plan is a primary result of the District's Integrated Planning and Reporting Framework (IP&R), adopted in 2022, that allows the District to bring plans and strategies together in a way that supports a clear vision for the future and provides an agreed roadmap for delivering community services, infrastructure, and priorities.

Once strategic priorities have been set, it is the District's responsibility to deliver and report against these objectives, undertake resource planning, and ensure the community's big picture ambitions become operational realities. In May 2023, Central Saanich Council adopted its 2024–2027 Strategic Implementation Plan (SIP) which provides a framework for decision making and prioritizing services. The plan identifies six strategic priorities, each with specific outcomes and actions to make the vision for Central Saanich, as articulated in the Official Community Plan, a reality.

Municipal and Police Services Annual Resource Planning

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.

Every year Council and staff work together through an Integrated Planning and Reporting (IP&R) process to develop the budget. The annual budget process is used to review and balance the level of services provided to the community with the level of property taxation and user fees. The process is guided by principles¹ developed in the Long-term Financial Strategy and Asset Management Plan (AMP) to ensure the District's ability to manage expected financial shocks in future periods without having to introduce substantial and economically significant revenue, expenditure, or service level adjustments.

Budget Guidelines

In October 2025, staff presented an overview of the anticipated budget drivers (Budget Guidelines) to Council of the Municipal Services (Appendix B), and in November 2025 to the Police Board, estimating an increase of 6% to 7.5%.

Forecasted 2026 Draft Financial Plan Drivers: These figures were informed by existing commitments and earmarked obligations, leaving limited flexibility for adjustments.

¹<https://www.centrialsaanich.ca/sites/default/files/2026-03/2026%20Central%20Saanich%20Financial%20Plan%20DRAFT.pdf>, p. 34

Table 1. 2026 Financial Plan Drivers – Budget Guidelines Report, October 20, 2025

Factor	Description
District Financial Plan	
Workforce Plan & Staffing Levels	Reflects 2025 workforce plan phase in and employment contracts.
Asset Management Plan	Aligns with future asset replacement and infrastructure renewal strategies.
Other Factors	Encompasses miscellaneous cost drivers and non-discretionary increases.
Central Saanich Police Services (CSPS)	
Workforce & Staffing levels	Includes wage increases, increased staffing, overtime, and contracted policing services.

Early Approvals

2026 Strategic Improvement Projects (SIP)

On October 20, 2025, the following SIP were approved and authorized to proceed:

- Accessibility Plan 2027-2030: Focus on Parks and Trails Accessibility Standards
- From Service Reviews to Strategic Implementation: Strengthening IP&R (2026–2028):
- Economic Development and Tourism Webpages
- IT Master plan
- ACC DCC Bylaw Update & AMP Update
- PEMO Service Review
- Yard Waste Removal Background Study
- Parking Regulation Review and Update
- Explore Keating Land Use Options - North Keating Lands
- Business and Agriculture Wayfinding Signage Program

SIP projects approved as part of the 2025 budget but not yet completed or started were also carried forward to the 2026 Financial Plan, under authority of the 2025 Financial Plan adoption and Bylaw. (Appendices C & D)

2026 Capital Projects

The following 2026 Capital Projects were also approved and authorized to proceed:

- Tanner Road Improvements - Phase 1 Construction
- Maber Flats Drainage Conceptual Design and Minor Improvements
- Martindale Valley Drainage Assessment
- Dock Refurbishment of Saanichton Bay Wharf
- New Crane attachment for Vehicle Unit #720 2025 Ford F650
- Facilities Long Term Asset Management Plan (FLAMP), Cultural Centre and Municipal Hall Server Room Roof Replacements
- Pickleball Court Line Painting

Capital Projects approved as part of the 2025 budget but not yet completed or started were also carried forward to the 2026 Financial Plan, under authority of the 2025 Financial Plan adoption and Bylaw.

DISCUSSION

The draft District of Central Saanich (District) 2026 Financial Plan (Appendix A) includes the annual budget for the Municipal Services, the Central Saanich Police Services (Police), and the Greater Victoria Public Library (Library) for Council’s consideration. This makes up approximately half of property taxes—the other half is collected by the District on behalf of the Capital Regional District, the Capital Region Hospital District, SD 63, and BC Transit.

After new construction growth (non-market change in property assessment) is considered, the 2026 Plan is balanced with \$75.5million of both revenues and expenditures. Property taxes account for \$26.19 million of revenues. The draft 2026 Financial Plan includes Municipal Services, Police, Library, Water Utility, and Sewer Utility budgets.

Table 2. 2026 average proposed tax increase²

Operations	%	\$
<i>Municipal Services Operation</i>	3.68	103
<i>Police Operations</i>	1.63	45
<i>Library</i>	0.31	9
Operations Sub-total	5.62	157
Infrastructure (Asset Management Levy)³		
<i>Infrastructure - Replacement</i>	1.25	34
<i>Infrastructure – New</i>	0.5	14
Infrastructure Sub-total	1.75	48
Total	7.37	205

Table 3. 2026 Utilities average increase

Operations and Infrastructure (Asset Management Levy)	%	\$
Water Utility Charge	7.79	39
Sewer Utility Charge	7.25	29

Asset Management Plan (AMP)

The Asset Management Plan (AMP) provides a long-term framework for maintaining and replacing the District’s infrastructure to support sustainable service delivery. The District manages assets with an estimated replacement value of over \$565 million and is currently funding approximately \$7.8 million annually toward asset renewal, compared to a target of \$10.76 million—approximately 70% of required funding. To close this gap, the 2026 Financial Plan includes continued incremental increases, including a 1.25% infrastructure replacement levy (approximately \$34 annually to the average home) (Table 2). The 2022 adjustment moving asset replacement funding from the water fund to the sewer fund remains in effect, as outlined in the AMP. Most of the annual increase in combined water and sewer utility rates is allocated to the sewer utility to help close the asset replacement funding gap. Although this approach is designed to keep both utilities aligned with their AMP funding targets by 2032, both funds are currently projected at a short fall to meet required levels. As a result, corrective measures will be necessary to ensure sufficient funding for asset replacement is achieved by 2032. These planned increases support a phased approach to achieving long-term funding targets, reducing risk, and ensuring reliable infrastructure over time.

² An average residential property in Central Saanich for 2026 has an assessed value of \$1,091,000 with a 1.0% assessment increase from 2025. (The average increase noted varies based on the assessed value and assessed value change from 2025 to 2026).

³ Infrastructure includes Municipal and Police Services

Financial Plan Funding Sources

Services are funded through diverse funding sources: taxation, user fees and rates, grants, reserves, development charges, investment income, and debt financing. Please see Table 4.

Table 4. Financial Plan Funding Sources

Financial Plan Expense	Funding Source
Municipal, Police, and Library Operations, Infrastructure (AMP)	Property taxes, Sales of services, Investment income, Grants, Operating reserves
Municipal, Police, and Library Capital	Capital reserves, long-term debt, Grants, DCCs
Water Utility: Operations & Infrastructure (AMP)	Water rates
Water Utility: Capital	Water capital reserves, long-term debt, DCCs
Sewer Utility: Operations & Infrastructure (AMP)	Sewer Rates
Sewer Utility: Capital	Sewer capital reserves, long-term debt, Grants, DCCs

BC Assessment

The proposed 2026 increase of 7.37% is based on the preliminary BC Assessment assessed property values. BC Assessment finalizes the property assessment roll on April 1, 2026, which could result in an increase or decrease to the current forecasted rate. If the final roll shows higher total assessed values than the preliminary roll, the District could collect the same budget revenue with a lower tax rate. If the final roll shows lower total assessed values, the District may need to increase the tax rate to meet budgeted revenue needs.

District’s 2026 Integrated Planning

The Integrated Planning and Reporting Governance Framework ensures alignment across departments on the delivery of operational, strategic and capital services, projects and initiatives. The reporting provides the accountability to Council and community on the outcomes that have been achieved.

Operating Expenses

The 2026 Financial Plan includes \$36.2M in operating expenses, funding to ensure the continuation of quality core service delivery, such as fire, police, transportation infrastructure, building and planning services, bylaw enforcement, sewer and water infrastructure, and administration. The 2026 tax increase is primarily driven by inflationary pressures, contractual obligations, and the full-year impact of prior decisions, rather than new service expansion. The infrastructure levy reflects a deliberate investment in asset sustainability under the Asset Management Plan.

Table 5. 2026 Operating Expenses (rounded to the nearest \$500)

Operating Expenses	Amount (\$)
Municipal Services	17,965,000
Police Services	8,949,000
Water and Sewer	7,759,000
Strategic Projects (SIP)	1,405,500
Transfer to Reserves	7,038,500
Debt Servicing	842,000
Total Operating Expenses	\$36,200,000

The 2026 operating expense budget is at \$36.2M, funded by the following sources 71% funded through property taxation and the remaining 29% funded through grants, fees, reserves, and other revenue sources. (Table 6)

Table 6. Revenues (rounded to the nearest \$500)

Sources	%	Amount (\$)
Property Taxes	71.4%	26,190,000
Government Transfers	4.7%	1,714,000
Reimbursements	3.7%	1,360,000
Reserves (Strategic Projects)	4.8%	1,752,000
Licensing & Fees	2.9%	1,057,000
Sale of Services	6.3%	2,311,000
Reserves (Operating)	2.4%	896,000
Penalties & Interest	3.5%	1,275,500
Business & Dog Licensing	0.2%	62,500
Other	0.1%	39,000

2026 Strategic Implementation Plan

The 2026 Strategic Initiatives Program (SIP) was presented for early approval in October 2025 to help Council and the community address project gaps, deferrals, or redundancies. Early budget approval was granted for several priority projects, with remaining initiatives moved to the draft 2026 Financial Plan. SIP consists of new 2026 initiatives and ongoing multi-year projects from previous years, resulting in a higher overall program budget due to carried-forward funding, not additional new projects.

The initial early approval budget was \$812,575, with more projects added later. All initiatives are part of the 2026 Financial Plan and governed by the 2025 Financial Plan Bylaw.

Overall, SIP totals \$1.405 million (Table 6) in strategic investments aligned with the District’s Strategic Plan, funded through grants, DCCs, and reserves. No further new projects are included in the 2026 Financial Plan. Appendix E details project funding for future years, with all projects incorporated into the operating budget.

Table 7. 2026 Strategic Implementation Plan (SIP)

Category	Budget (\$)	Funding Source	Tax Impact
Early Approved Projects (Oct 2025)	812,575	Reserves / Grants / DCCs	\$0
Carry forward*	592,925	Reserves / Grants / DCCs	\$0
Total SIP (2026)	1,405,500	Reserves / Grants / DCCs	\$0

*Multi-year projects carried forward from 2025 Financial Plan

2026 Workforce Plan

Labour costs, exceeding \$18 million and representing approximately 60% of operating expenditures, remain the primary driver of the 2026 budget. These pressures are being managed through the District’s 2024–2027 Workforce Plan, which provides a phased, transparent approach to staffing aligned with the four-year financial planning cycle. Wage increases are also influenced by the Employee Committee Agreement, which is dependent on broader local government union negotiations, IAFF contract has expired and is anticipated to be renewed in the next year, and a Management Compensation Review is underway in 2026 in accordance with Council policy. Together, these factors introduce some budget uncertainty but are being managed within the structured Workforce Plan framework. The only position identified for implementation in 2026 has been transferred to Central Saanich Police Services.

The 2023 Workforce Plan identified 11.9 new positions to be implemented between 2024 and 2026, funded through a combination of grants, reserves, surplus, and taxation. In 2025, two 0.8 FTE Career Fire positions were added; these positions are revenue-neutral and are expected to reduce overtime pressures for full-time firefighters while ensuring compliance with staffing ratios, employment agreements, and legislative requirements. 5 positions (4.2 FTE) approved in 2025 reflected six months of costs, with full-year impacts realized in 2026.

As directed by Council in February 2026, a summer student program (1.5 FTE) is being introduced and phased in over five years. This approach allows Council to evaluate the program’s effectiveness over time and adjust as needed. The program also includes opportunities to partner with neighbouring First Nations.

Table 8. Workforce Plan Update and Impacts

Department	Position / Change	FTE	Approval Year	2026 Status	Notes
Administration	Positions approved in prior year (OHS/RTW Program Manager, Executive Assistant)	1.6	2025	Full-year budget impact	Not new in 2026
	Summer student	0.3	2026	Paid for by reserves	
Fire Services	Positions approved in prior year (Fire Inspector, 2 0.8 FTE Fire Suppression)	2.6	2025	Full-year budget impact	Not new in 2026
Engineering	Summer student (1 student phased in per year)	0.3	2026	0.3 FTE taxation impact 2026	Summer Student Program
		0.9	2026		
Total new in 2026				1.5 FTE	Summer Student Program
Total full-year impact from 2025 approvals		5.7			

Temporary Staff and Contracting

Temporary staff are utilized for backfilling absences, and for short-term and grant funded initiatives. Backfilled positions are used within the approved budget to ensure that normal business operations and service levels are maintained. The District is prioritizing the use of temporary staff over external consultants where feasible, recognizing that temporary employees can provide flexibility and continuity while building internal capacity. For example, for the IT Master Plan, temporary staff are being used to support the IT service review, allowing the internal teams to develop expertise and maintain institutional knowledge. Consultants are engaged more strategically, reserved for specialized, technical, or long-term planning assignments where their expertise is essential. This approach helps manage costs, improves knowledge transfer within the organization, and ensures consultants are used only for projects requiring external perspective or advanced technical input.

NOTE: Project Capital Positions: Two permanent positions, originally funded by general capital and operating, were assigned (2025) to the Civic Facilities Redevelopment Project with salaries embedded in the project budget. This is consistent with Project Managers within the Engineering Department whose salaries are paid for through capital project funding.

2026 Capital Plan

The District’s 2026 Capital Plan totals \$28.43M, funded by reserves and debt, including \$8.87M for the sewer system (funded, in part, by senior levels of government), \$4.12M for the water system, and \$2.425M for Active Transportation.

Capital Projects approved as part of the 2025 budget but not yet completed or started have been carried forward to the 2026 Financial Plan and advanced under authority of the 2025 Financial Plan adoption and Bylaw. A portion of the 2026 Capital Plan was also given early approval by Council in October 2025 to ensure staff would have sufficient time to complete the identified projects. (Appendix E)

Through the AMP, a substantial need for underground pipe replacement has been identified over the coming ten to twenty years, particularly as asbestos concrete, steel, and vitrified clay pipes approach the end of their service life. The effectiveness and scope of these replacement initiatives will be reviewed annually for the next several years, allowing for adjustments as needed to ensure replacement targets are met.

Three-Year Core Capital Plan Approval

Approving plans over multiple years allows for improved capital planning, design, and early tendering, making it easier to complete projects within their scheduled budget year. This approach also helps coordinate infrastructure work so that several construction projects can take place in a single area at once.

Construction companies generally plan their projects six to twelve months ahead. Awarding tenders and contracts early—and for multiple years—makes bidding more attractive and competitive, leading to higher-quality outcomes and timely project completion. It also improves procurement, provides predictability for future work, and keeps delivery on track.

When it comes to vehicles and similar equipment, manufacturers now offer only brief periods to submit orders, have longer delivery times, and limit production because of supply chain issues. Obtaining multi-year budget approval means we can respond quickly when these ordering windows appear. Unfortunately, manufacturers’ schedules are inconsistent and announcements happen unpredictably throughout the year. Missing an opportunity can lead to delays and higher costs.

The table below shows the remaining projects to complete from the three-year Core Capital Plan previously approved. (Appendix F)

Table 9. Three-year Capital Plan approval from Council for Core Replacement Programs (\$)

Infrastructure Renewal	2026	2027	2028
Road Reconstruction	800,000	850,000	900,000
Active Transportation	2,425,000 (1)	5,250,000	-
Storm Water Drain Replacement	115,000	120,000	125,000-
Fleet Replacements - General	1,803,000 (2)	1,815,000	60,000 (3)
Fleet Replacements - Water	350,000 (4)	-	-
Fleet Replacements - Sewer	850,000 (5)	-	250,000-
Water Pipe Replacement	2,000,000	2,500,000	2,500,000
Sewer Pipe Replacement	650,000	2,000,000	2,000,000

1. Includes \$215,000 of carry forward funding from prior year
2. Includes \$1,135,000 of carry forward funding from prior year

3. *A 2026 planned vehicle purchase to deferred to 2028.*
4. *Includes \$120,000 of carry forward funding from prior year.*
5. *Includes \$850,000 of carry forward funding from prior year.*

Project timelines often extend over several years, with procurement frequently causing delays if not completed on time. The District continues to face supply chain issues, higher costs, longer lead times, and a volatile economic and political climate. (Appendix E)

Civic Facilities Redevelopment Project

The District's Municipal Hall, Police Station, Fire Station 2, and Municipal Yard were identified 20 years ago to be at the end of their useful lives and are due for major restoration or replacement. These buildings need replacement to address seismic deficiencies, post-disaster standards, accessibility, energy and safety issues, legislated standards, and support the District's growing needs. This project currently has provisional approval for Detailed Design with the total project budget included in the 2025-2029 Financial Plan, as per Provincial statute.

The Civic Facilities Redevelopment was anticipated through the AMP and therefore, the District is in a strong financial position to fund these replacements. The AMP forecasted the use of both reserves and debt to fund the replacement of the Municipal facilities. Concepts and detailed estimates for the projects are still underway and will require further community consultation and Council approvals. However, local governments in British Columbia must include high-level information in their financial plans.

The Temporary Soil Deposit Program is expected to generate up to \$1 million in revenue in 2026. The program will provide a local supply of soil needed for site preparation for the Municipal Yard redevelopment. Recent changes to provincial regulations allow for soil that meets standards to be deposited locally rather than transported to other sites, reducing hauling distances and associated costs.

The program will be supported through appropriate monitoring and oversight to ensure compliance with applicable environmental regulations and safe site operations. Temporary positions will be established on a cost-recovery basis to support site control and monitoring, reporting through Engineering. These costs are directly tied to program operations and will not create ongoing financial impacts.

Revenue collected through the program will offset operational costs, as the program will be cost neutral.

Water and Sewer Utility

Water and sewer operations and infrastructure replacement are funded through utility fees. The 2026 Water Utility Budget is based on a water rate of \$2.214 per cubic meter (6.08% increase) and a fixed charge of \$141 annually. The Capital Regional District's Saanich Peninsula Water Commission's 2026 bulk water rate is \$1.3593, or an increase of 8.1% over 2025. For an average residential property this would be a combined total of \$680 annually, or a \$39 increase over 2025. The next five years of the Water Capital Program are focused on an annual end of life replacement program for asbestos concrete mains.

Note: The transition of water supply for First Nation communities to the Capital Regional District (CRD) is expected in 2026. Once implemented, First Nations will be able to purchase water directly at the

regional bulk rate, which is lower than the District’s retail rate. This will remove about 18% of the District’s water consumption from sales and bulk cost calculations, with the CRD paying the District a conveyance fee. The capital reserve transfer portion will shift to District water rate payers. Water budget and rate amendments will be proposed when the transition date is confirmed and brought to Council for approval.

The 2026 sewer utility budget is based on a sewer rate of \$2.409 per cubic meter, an increase of 7.20%. For an average residential property this would be \$432 or an increase of \$29 over 2025. The next five years of the Sewer Capital Program includes maintenance to several lift stations, implementation of an annual sewer main and man hole replacement program, and completion of the Brentwood Bay pump stations and main replacement project in 2026.

The 2026 Water and Sewer utility rates are based on continuing normal operations, with no changes to service levels. The utility rate increases are 7.79% for water (approximately \$39) and 7.25% for sewer.

Funding Sources for the 2026 Capital Plan

Table 10. Funding Sources for 2026 Capital Plan

Total Program Amount	Reserves	DCC	Grants	Taxation
\$28.43 million (M)	\$27.993M	\$298,000	\$93,100	\$53,200

Debt

Municipal borrowing is governed by the *Community Charter* and the *Municipal Liabilities Regulation*. The District may not incur liabilities where the annual cost to service all debt exceeds 25% of annual calculation revenue. Within this limit, the District may borrow without elector approval provided the annual servicing costs remain within the approval- free liability zone (10% of annual calculation revenue). The approval- free threshold was increased from 5% to 10% effective June 9, 2025, pursuant to amendments to the *Municipal Liabilities Regulation*.

Debt levels are increasing with recently approved new debt for the Brentwood Sewer Project, Wallace Bike Lane, Keating (Flyover) Improvements and the anticipated Municipal Facilities projects. The District will be at approximately 9% of the electoral consent threshold, leaving about \$5 million in borrowing capacity before reaching the 10% electoral approval threshold including the municipal facilities borrowing. Within the 2026 five-year Financial Plan, it is anticipated that the District will remain under the electoral consent threshold. Debt strategies and funding options will be reviewed as part of the next Asset Management Plan Update.

Property taxes and utility fees funding of capital reserves are the primary source of funding for the capital plan, and debt is used to supplement funding for large projects in periods of high replacement, and new and upgraded infrastructure where financial reserves are not established or available for those purposes.

The District’s current debt as of December 31, 2025, can be found in Table 11.

Table 11. District Debt as of December 31, 2025

Debt Issue	Term (years)	Balance (\$)	Annual Servicing (P&I) (\$)	Maturity Date
Fire Station No.1	25	5,956,316	453,231	2040
Wallace Drive Bike Lane	15	1,070,000	100,627	2040
Brentwood Sewer Replacement	15	3,000,000	282,131	2040
Keating Road Flyover General/Sewer	15	2,500,000	235,109	2040
East Saanich Road	15	114,243	81,375	2026
Total		\$12,640,559	\$1,152,473	

NOTE: It is important to note that the debt servicing costs assigned to Central Saanich in the 2026 Capital Regional District (CRD) budget do not represent new spending. Instead, these costs represent existing borrowing that has already been included in Central Saanich’s Draft 2026 Financial Plan. The CRD reports the full principal and interest payments for transparency, as it is responsible for issuing debt on behalf of municipalities. However, Central Saanich’s budget provides for the actual repayment of this debt.

Financial Plan presentation Changes

The presentation now includes the reallocation of labor costs from previously approved project labor into department budgets. This approach aligns with best practices and enhances transparency regarding the allocation and use of labor resources throughout the organization. While this change may result in an apparent increase to department budgets, it is important to note that these costs already existed within the overall budget and were previously funded under project allocations. The adjustment simply reflects a shift in where these costs are reported, not an actual increase in total expenditure.

Public Feedback and Engagement

Staff utilize results of the 2023 Community Satisfaction Survey, which offers insights weighted by age and gender according to the 2021 Canadian Census profile for the District of Central Saanich to ensure the findings are representative of the population. Most respondents prefer to maintain current service levels through minor increases to tax levels. The top three priority services for improvement from residents' perspectives were road maintenance and snow clearing, pedestrian and cyclist infrastructure, and community planning and growth management.

At the District’s New Year’s Open House in January 2026, over 100 community members attended. District staff shared updates on the SIP and budget guidelines. Residents were invited to give their opinions on whether to keep current service levels with minor tax increases or to adjust services. Although only a few stopped by the budget station, most of those who did supported maintaining services through modest tax hikes, acknowledging that all household expenses have been rising.

The next Community Satisfaction Survey will take place in early 2027. Staff will be proposing an additional check-in survey done at mid-point every Council term to provide Council with feedback every two years.

Central Saanich Police Services

The Police Services budget drivers include annual wage and seniority increment increases, staffing additions, contracted services such as Greater Victoria Integrated units, and Regional E-Comm 911 dispatch services. For 2026, staffing additions include a communications contractor (0.75 FTE) and administrative support (0.6 FTE), totaling 1.35 FTE, along with the cumulative full-year impacts of previously approved roles. The Police Association contract is expired and introduces some budget uncertainty

The Police Services annual budget process and review are used to balance the level of services expected by Council and community with the ability to pay through reasonable levels of taxation. This is governed under Section 27 of the *Police Act*. On February 12, 2026 (Appendix F), the Police Board reviewed and approved the 2025 Police Budget, which was referred to the 2025 draft Financial Plan.

Greater Victoria Public Library

The Greater Victoria Public Library (GVPL) submitted its 2026 Operating Budget and Five-Year Financial Plan for 2026-2030. As per the terms of the Library Operating Agreement, approval by Council, resolution is required by May 1, 2026.

For 2026, GVPL is requesting an overall system-wide municipal funding increase of 8.0%. The District of Central Saanich’s share of the 2026 requisition is \$1,200,459, representing a 7.1% increase over the prior year. This amount is calculated based on converted assessment values and population, including the required rent adjustment under the Library Operating Agreement. A detailed breakdown of individual municipal contributions is provided on pages 7 and 8 of the GVPL budget package (Appendix H).

GVPL’s 2026 budget is driven primarily by salaries and benefits, which account for approximately 72% of total operating costs, reflecting increased service demands, expanded weekend operations, enhanced safety and security initiatives, and reduced vacancy assumptions. Additional cost drivers include library materials, building occupancy, and system infrastructure costs. Collective agreement negotiations remain ongoing, and provisions have been included for potential negotiated wage settlements.

The total impact of the library on proposed tax increase is estimated at 0.14%. Analysis of the Library budget is not included in the main body of this report. It pertains solely to the Municipal and Police Services.

CONCLUSION:

In summary, the 2026 Financial Plan provides a clear framework for advancing key strategic and capital projects, with enhanced staffing to support these initiatives. The plan remains flexible, allowing Council to consider and incorporate feedback or changes from the community and staff prior to final approval. Staff are prepared to bring forward further recommendations as needed to ensure alignment with Council priorities. As a legislative requirement, the complete plan, including tax rates and all necessary bylaws, will be formally presented to Council for adoption by May 14, 2026, ensuring openness and accountability throughout the process.

Respectfully submitted by:	Kristin Tryon, CPA, CMA, Director of Finance and Information Technology/ Chief Financial Officer
Concurrence by:	Dale Puskas, Director of Engineering
Concurrence by:	Emilie Gorman, Director of Corporate Services

Concurrence by:	Christine Culham, Chief Administrative Officer
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ATTACHMENTS:

Appendix A: [2026-2030 Draft Financial Plan](#)

Appendix B: [2026 Financial Plan Guidelines – October 20, 2025](#)

Appendix C: [2026 Early Budget Approvals, Operations, and Capital– October 20, 2025](#)

Appendix D: [2026 Early Budget Approval – Strategic Implementation Plan– October 20, 2025](#)

Appendix E: Strategic Implementation Plan 2024-2027 – 2026 Budget with carry forward

Appendix F: 2026 Police Board – Board Report – February 12 2026

Appendix G: 2026 Police Board – Budget – February 12 2026

Appendix H: Greater Victoria Public Library - 2026 Operating Budget and Five-Year Financial Plan