



TOWN OF SIDNEY

2012-2016

FINANCIAL PLAN

January 30, 2012

DRAFT

The Town of Sidney fosters the well-being of
our people and our community
- responding to local priorities, serving the public interest.

TOWN OF SIDNEY
FINANCIAL PLAN - 2012-2016
INTRODUCTION

The Community Charter requires that Sidney Council adopt a Five-Year Financial Plan bylaw each year, prior to adoption of the annual property tax bylaw. This document provides an overview of the draft financial plan that was introduced to Council and the public on January 30th. Council will deliberate on the Financial Plan at a special meeting on Tuesday, March 6, 2012 at 7:00 p.m., with a second meeting scheduled for the following evening, if required.

The Town's budget is broken out into the following components:

- General Operating Fund
- Water Fund
- Sewer Fund
- Capital

This supporting document provides the following information on the above components:

- Summary of major budget impacts
- Table summary of Revenues and Expenditures by type for each fund
- Net budget summary listing total budget and yearly changes for each department within a fund
- Total Revenues and Expenditures by department (General Operating only)
- Listing of Capital projects included in the Financial Plan.

This document concludes with a summary of the linkages between the Financial Plan and the Town's Vision 2020 Strategic Priorities.

**Town of Sidney
2012-2016 Financial Plan**

General Operating Fund Summary

This summary provides a high level overview of some of the major factors impacting the development of the financial plan.

1. Personnel impacts

The CUPE contract was ratified at the end of 2011; contracted wage increases are 2% in each of 2011, 2012, & 2013. The 2011 budget estimated a 1% increase based on information available at the time. The additional percentage must be added in 2012 so the actual impact is 3%. The pension benefit factor rose by 12% from 2011 and various benefit premiums (e.g. MSP) have also risen. The net impact is approximately 4% on top of the 2011 base labour budget.

2011 was a very unusual year in terms of personnel, with three maternity leaves and one retirement. Some of these costs were mitigated by a one year restructuring in the planning department which will cease in 2012 with the return of the Planning Manager in March.

Additional FTEs have been factored into the proposed budget in accordance with previous direction – namely the GIS Technician and an additional FTE in parks. The additional cost of the GIS Technician is partially offset by a \$35,000 reduction in the IT consulting budget. There is also a need for auxiliary backup at the Driver Services Branch. This cost is more than offset by increased revenues from additional services now being offered at the branch.

The General Fund Summary shows quite a large increase in the total personnel budget (\$787,000). A significant portion (\$300,000) of this increase is for incremental staffing in public works for completion of the public works yard, Iroquois Park and the roundabout projects. It is essential to note that the funding for the additional labour comes from Gas Tax or borrowing and does not impact property tax revenue requirements. A request was made to UBCM (administrators of Gas Tax funding) to allow Sidney to use its own employees to do portions of the roundabout project as this approach would result in significant cost savings. A condition imposed by UBCM for using the Town's own work crews is that it be incremental spending – i.e. above and beyond our normal labour budget.

2. Debt payments

The second borrowing for the Lochside/Iroquois/Works Yard projects was completed in 2011 and the final installment will be received in spring of 2012. The full impact of the long term borrowing will be realized in 2013. As interest rates have stayed very favourable, the total cost of borrowing is lower than previous budgets had anticipated. Payments also commence in 2012 on the short term borrowing for the Lochside Underground Wiring project and the Wireless Network lease.

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General Operating Fund Summary

3. No inflationary adjustments for 2010, 2011 & 2012

Direction to staff in preparing their 2012 budget was that no inflationary increases were to be factored in. This is the third year in a row that there has not been an inflation increase to the budget. The 2011 CPI increase for Greater Victoria is reported at 2.1%. Some areas required adjustments to keep in line with actual expenditures and known increases (e.g. – electricity will see an 8% rate increase in 2012).

4. Revenue

Additional revenues have been recognized in driver services and interest rates have risen by a small margin. A modest increase in total interest income is anticipated for 2012; however with the implementation of the reserve fund policy, more interest revenue will be allocated for future capital acquisition and less for operations. Due to deferral of building permit revenue received in 2011, the forecast for 2012 has remained at \$250,000. We were also able to increase revenue from “work for others” as our public works crews are being used more and more to do revenue generating work for developers and residents. In addition to recovery of staff wages and benefits, this increases the recovery for vehicle and equipment use and supervision time as well.

5. Surplus funding

Surplus funding was set at \$200,000 in 2010 and \$177,000 in 2011. Staff recommend that this amount be reduced to \$125,000 overall surplus funding for 2012 and then back down to \$75,000 in 2013. Surplus funds from 2011 are likely to be needed for Beacon Wharf repairs or other priority capital projects.

6. Reserve funds and infrastructure replacement

Over 2012 and 2013 there will be substantial expenditure reductions due to retirement of debt. These include the debt servicing on the RCMP detachment and payments for the SHOAL Centre. These reductions are \$82,000 in 2012 and a further \$88,000 in 2013 for a total of \$170,000. The current financial plan reallocates these amounts to transfers to reserve in order to begin establishing long term funding for Town facility infrastructure replacement. This is a very important strategy that meets the request to begin increasing the Town’s annual commitment to infrastructure replacement

**Town of Sidney
2012-2016 Financial Plan**

General Operating Fund Summary

7. Capital Projects

The capital program is presented in a slightly different format this year due to new reporting capability from our budget software and improvements to financial processes. As previously mentioned, the infrastructure work is now shown as a capital expenditure funded from the Infrastructure Reserve. The computer replacement program is also now accurately recorded as a capital expenditure for the full amount of the actual purchases anticipated for the year instead of just the annual amount transferred to the reserve fund. The annual transfer falls under Fiscal – Transfers in the operating budget. The final stages of Iroquois Park and the Public Works Yard are included as is the pending work on the roundabout. Historically the capital budget has included separate small amounts for garbage cans, recycling cans and ornamental planters. These have now been consolidated into one annual provision for “Street Amenities”. The largest project that currently has a substantial tax impact is the Beacon Wharf Upgrade project.

8. Proposed budget

The proposed budget has a net tax increase impact of \$467,329 or 5%. Factoring in new construction revenue, the net impact to existing taxpayers is 4.62%. However, the single largest capital project currently scheduled with tax funding is the Beacon Wharf Repair Project at \$275,000. There is a small amount of reserve funding set aside for this project, and the first installment into the General Capital Reserve Fund can also be used to reduce the tax requirement to \$175,000. This is still a large one time increase that is problematic. If alternative funding can be found, the tax impact would reduce to 2.73%.

There are a couple of options for alternative funding. Firstly, there is some indication that a portion of the surplus funds set aside from 2010 for Iroquois Park may not be required for that purpose. If it is determined not to be essential for the wharf project to be completed in the spring of 2012, an option is to wait and see if these funds can be freed up for the wharf. There may also be excess surplus funds from 2011 that would assist in funding the project. These determinations could be made in late spring/early summer.

The other option is to “borrow internally” from accumulated surplus. This would spread the cost over a number of years or until such time as the annual surplus is sufficient to cover the shortfall from the accumulated surplus required by Council Policy.

Town of Sidney - 2012 Financial Plan

| | | Required Tax Revenue | % Tax Increase |
|--|-----------|-------------------------|-------------------|
| 2011 Taxes | | 9,256,143 | 0% |
| Add: Non-discretionary increases to core budget | | | |
| Long Term Debt Payments | 22,000 | | |
| Wages & benefits | 409,000 | 431,000 | |
| | | <u>9,687,143</u> | 4.66% |
| Add: Discretionary changes to core budget | | | |
| Net increase to capital budget funded from tax | 47,082 | | |
| Increase to infrastructure funding | 28,800 | | |
| Reduce surplus funding to operations | 52,000 | | |
| Net decrease to operating budget | (198,517) | (70,635) | |
| | | <u>9,616,508</u> | 3.89% |
| Add: Supplementary items | | | |
| Supplementary - one time | 97,964 | | |
| Supplementary - continuous | 9,000 | 106,964 | |
| | | <u>9,723,472</u> | 5.05% |
| Deduct: Offsets | | | |
| Alternate funding source for Beacon Wharf | | (175,000) | |
| | | <u>9,548,472</u> | 3.16% |
| Deduct: Non-market revenue | | | |
| 2012 Non market (new construction) | | (40,000) | |
| Property tax revenue from existing taxpayers | | <u>9,508,472</u> | 2.73% |

Note - \$92,561 = 1% increase in taxes

Each 1% tax increase represents approximately \$1 per month for the average residential taxpayer.

Town of Sidney 2012 Financial Plan: Fund Summary

FUND: General Operating Fund

DESCRIPTION: Property Tax funded general operating fund for the Town of Sidney.

PROGRAM DETAILS: General operations of the Town, operating under local government legislative guidelines. Includes Administration, Planning, Finance, Engineering & Works and Parks & Cultural functions.

FINANCIAL SUMMARY

Revenue

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| TAXES | 212,240 | 219,880 | 221,934 | 226,272 | 225,698 | 230,212 |
| FEES, RATES & SERVICE CHARGES | 1,931,339 | 1,837,549 | 1,769,164 | 1,859,155 | 1,879,874 | 1,916,140 |
| GOVERNMENT TRANSFERS | 895,208 | 1,181,939 | 840,907 | 853,390 | 870,122 | 887,189 |
| INVESTMENT EARNINGS | 116,580 | 131,580 | 133,845 | 136,142 | 138,472 | 140,875 |
| GIFTS & CONTRIBUTIONS | 204 | 204 | 208 | 212 | 216 | 221 |
| PENALTIES & INTEREST ON TAXES | 86,500 | 86,500 | 86,500 | 86,500 | 86,500 | 86,500 |
| RESERVE & INTERFUND TRANSFERS | 1,968,578 | 4,016,106 | 133,107 | 145,369 | 133,636 | 133,909 |
| DEBT PROCEEDS | | 1,088,000 | | | | |
| OTHER REVENUE | 8,800 | 8,800 | 8,976 | 9,156 | 9,339 | 9,525 |
| | 5,219,449 | 8,570,558 | 3,194,641 | 3,316,196 | 3,343,856 | 3,404,570 |

Operating Expenditures

| | | | | | | |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| PERSONNEL | 5,955,228 | 6,741,874 | 6,571,517 | 6,715,821 | 6,836,748 | 6,973,349 |
| CONTRACTED SERVICES & EQUIPMENT | 4,482,305 | 7,261,859 | 3,914,385 | 4,151,758 | 4,290,241 | 4,414,606 |
| MATERIALS, SUPPLIES & EQUIPMENT | 1,187,184 | 2,526,558 | 1,036,884 | 1,057,389 | 1,070,492 | 1,086,505 |
| OTHER EXPENSES & ALLOCATIONS | (38,584) | (101,218) | (102,593) | (108,898) | (115,330) | (121,889) |
| DEBT & LEASE FINANCING | 637,785 | 543,274 | 375,288 | 320,470 | 294,575 | 294,575 |
| RESERVE & INTERFUND TRANSFERS | 2,251,674 | 1,321,683 | 1,479,337 | 1,558,629 | 1,604,325 | 1,645,412 |

Total Expenditures

| | | | | | | |
|-------------------|------------|------------|------------|------------|------------|------------|
| | 14,475,592 | 18,294,030 | 13,274,818 | 13,695,169 | 13,981,051 | 14,292,559 |
| PROPERTY TAX | 9,256,143 | 9,723,472 | 10,080,177 | 10,378,973 | 10,637,195 | 10,887,988 |
| Percentage Change | | 5.05% | 3.67% | 2.96% | 2.49% | 2.36% |

Town of Sidney 2012 Financial Plan: Fund Detail

FUND: General Operating Fund

| FUNCTION | 2011 Approved Budget | 2012 Total Budget | 2013 Total Budget | 2014 Total Budget | 2015 Total Budget | 2016 Total Budget |
|--|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Revenue | | | | | | |
| 01-General Revenue | (10,282,023) | (10,726,143) | (11,048,292) | (11,362,828) | (11,637,092) | (11,904,274) |
| <i>change from prior year</i> | | (444,120) | (322,149) | (314,536) | (274,264) | (267,182) |
| Net Expenditures | | | | | | |
| 11-Legislative Services | 213,083 | 207,718 | 208,302 | 212,468 | 216,717 | 221,051 |
| <i>change from prior year</i> | | (5,365) | 584 | 4,165 | 4,250 | 4,334 |
| 12-Finance & Administration | 1,459,476 | 1,475,920 | 1,491,280 | 1,512,787 | 1,556,242 | 1,575,122 |
| <i>change from prior year</i> | | 16,444 | 15,361 | 21,506 | 43,455 | 18,880 |
| 19-Elections | 8,900 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| <i>change from prior year</i> | | (2,900) | - | - | - | - |
| 21-Police Protection | 2,057,836 | 2,060,485 | 2,040,557 | 2,233,999 | 2,329,057 | 2,428,542 |
| <i>change from prior year</i> | | 2,649 | (19,928) | 193,442 | 95,059 | 99,485 |
| 22-Court House | 18,778 | 20,666 | 18,374 | 18,741 | 19,116 | 19,498 |
| <i>change from prior year</i> | | 1,888 | (2,292) | 368 | 375 | 382 |
| 23-Fire Protection | 999,666 | 1,018,753 | 1,037,239 | 1,056,118 | 1,073,878 | 1,093,240 |
| <i>change from prior year</i> | | 19,087 | 18,486 | 18,879 | 17,760 | 19,362 |
| 24-Emergency Measures (PEMO) | 30,620 | 34,790 | 35,261 | 35,741 | 36,231 | 36,730 |
| <i>change from prior year</i> | | 4,170 | 471 | 480 | 490 | 500 |
| 26-Building & Bylaw Enforcement | (22,621) | (16,722) | 37,939 | 38,692 | 39,461 | 40,245 |
| <i>change from prior year</i> | | 5,899 | 54,661 | 753 | 769 | 784 |
| 30-Engineering Administration | (3,318) | - | - | - | - | - |
| <i>change from prior year</i> | | 3,318 | - | - | - | - |
| 31-Common Services - Transportation | 902,266 | 925,865 | 909,158 | 926,368 | 942,918 | 955,823 |
| <i>change from prior year</i> | | 23,599 | (16,707) | 17,210 | 16,550 | 12,905 |
| 32-Roads | 1,307,453 | 845,099 | 862,002 | 879,243 | 896,827 | 914,764 |
| <i>change from prior year</i> | | (462,354) | 16,903 | 17,241 | 17,584 | 17,937 |
| 33-Recoverable Work | - | - | - | - | - | - |
| <i>change from prior year</i> | | - | - | - | - | - |
| 34-Public Transit | 8,959 | 8,959 | 9,207 | 9,461 | 9,720 | 9,983 |
| <i>change from prior year</i> | | - | 248 | 254 | 258 | 264 |
| 35-Parking Lots | (17,779) | (15,341) | (15,648) | (15,960) | (16,280) | (16,605) |
| <i>change from prior year</i> | | 2,438 | (307) | (313) | (319) | (326) |
| 36-Dock & Port Facilities | (282,116) | (130,364) | (129,041) | (173,522) | (176,092) | (178,713) |
| <i>change from prior year</i> | | 151,752 | 1,322 | (44,480) | (2,571) | (2,620) |
| 37-Storm Drains | 452,220 | 196,678 | 175,112 | 178,614 | 182,188 | 185,831 |
| <i>change from prior year</i> | | (255,542) | (21,566) | 3,502 | 3,574 | 3,643 |

Sub-function Revenue and Expenditure - 2012

| | Expenses | Revenues | Total |
|--|------------------|------------------|------------------|
| 1-Corporate Services | | | |
| 11-Legislative Services | 207,718 | - | 207,718 |
| 12-Finance & Administration | | | |
| 12020-Administration | 534,650 | (9,692) | 524,958 |
| 12050-Financial Management | 682,689 | (42,516) | 640,173 |
| 12060-Driver Services | 189,439 | (245,000) | (55,561) |
| 12080-Common Services | 129,324 | (2,100) | 127,224 |
| 12090-Computer Services | 528,163 | (83,330) | 444,833 |
| 12610-Yards & Grounds-Town Hall | 25,000 | (5,000) | 20,000 |
| 12620-Building Mtce-Town Hall | 106,520 | (15,000) | 91,520 |
| 12710-Fiscal Services-Transfers | (317,227) | 0 | (317,227) |
| | 1,878,558 | (402,638) | 1,475,920 |
| 19-Elections & Referendums | 6,000 | - | 6,000 |
| 2-Protective Services | | | |
| 21-Police Protection | 2,549,277 | (488,792) | 2,060,485 |
| 22-Court House | 46,456 | (25,790) | 20,666 |
| 23-Fire Protection | 1,059,228 | (40,475) | 1,018,753 |
| 24-Emergency Measures (PEMO) | 41,040 | (6,250) | 34,790 |
| 26-Building & Bylaw Enforcement | 400,078 | (416,800) | (16,722) |
| 3-Engineering & Works | | | |
| 30-Engineering Administration | 20,000 | (20,000) | - |
| 31-Common Services - Transportation | 925,865 | - | 925,865 |
| 32-Roads | 848,099 | (3,000) | 845,099 |
| 33-Recoverable Work | 163,777 | (163,777) | - |
| 34-Public Transit | 13,459 | (4,500) | 8,959 |
| 35-Parking Lots | 9,659 | (25,000) | (15,341) |
| 36-Dock & Port Facilities | 111,241 | (241,605) | (130,364) |
| 37-Storm Drains | 227,092 | (30,414) | 196,678 |
| 38-Hydrants | 46,449 | (4,464) | 41,985 |
| | 2,365,641 | (492,760) | 2,365,641 |
| 4-Solid Waste (Garbage Collection & Disposal) | 501,639 | (371,350) | 130,289 |
| 5-Development Services | 352,900 | (18,200) | 334,700 |

Sub-function Revenue and Expenditure - 2012

| | Expenses | Revenues | Total |
|--|-------------------|---------------------|--------------|
| 6-Parks & Cultural Services | | | |
| 62-Parks | 1,215,193 | (105,416) | 1,109,777 |
| 63-Library | 82,858 | (104,902) | (22,044) |
| 64-Senior's Centre | 129,508 | (37,564) | 91,944 |
| 65-Museums | | | |
| Historical Museum & Archives | 98,655 | - | 98,655 |
| Shaw Ocean Discovery Centre | 8,396 | - | 8,396 |
| 7-Fiscal Services | | | |
| 70-Fiscal Services | 1,968,273 | (52,200) | 1,916,073 |
| 01-General Revenue | - | (10,726,143) | (10,726,143) |
| 9-Capital | 5,382,613 | (5,004,751) | 377,862 |
| | 22,833,150 | (22,833,150) | 0 |

**Town of Sidney
2012-2016 Financial Plan**

Water Fund Summary

Water Operating and Capital

The Water Utility is in good shape. As revenue reductions from reduced water consumption are offset by expenditure savings in the purchase of bulk water, we do not experience the same challenges with this utility that we do with sewer. We do not anticipate a need to increase the water rate at this time. Additionally, the CRD debt for the treatment plant has reduced substantially in 2012 and is eliminated altogether by 2014. As with the sewer utility, staff are recommending that the parcel tax be reduced slightly (from \$65 to \$60) and then remain in place to provide a long term funding source for major capital projects in the future.

Capital includes the annual provision for equipment and infrastructure work from the reserve.

Town of Sidney 2012 Financial Plan: Fund Summary

FUND: Water Operating Fund

DESCRIPTION: Operations of the Water Utility for the Town, with net funding from water user fees and parcel taxes.

PROGRAM DETAILS: Net operating expenditures for the Town of Sidney's Water Utility.

FINANCIAL SUMMARY

| | 2011 YTD Actual | Budget 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Other Revenue | | | | | | | |
| TAXES | 364,000. | 363,500. | 334,685. | 334,685. | 334,685. | 334,685. | 334,685. |
| FEES, RATES & SERVICE CHARGES | 66,930. | 99,413. | 79,413. | 81,002. | 82,622. | 84,275. | 85,960. |
| RESERVE & INTERFUND TRANSFERS (R) | 550,861. | 675,861. | . | . | . | . | . |
| OTHER REVENUE | 5,338. | 4,500. | 4,500. | 4,590. | 4,682. | 4,775. | 4,871. |
| Total Revenue before User Charges | 987,129. | 1,143,274. | 418,598. | 420,277. | 421,989. | 423,735. | 425,516. |
| Operating Expenditures | | | | | | | |
| PERSONNEL | 254,021. | 266,259. | 212,172. | 216,412. | 220,738. | 225,150. | 229,650. |
| CONTRACTED SERVICES & EQUIPMENT | 153,287. | 249,259. | 92,393. | 54,284. | 50,780. | 51,795. | 52,831. |
| MATERIALS, SUPPLIES & EQUIPMENT | 1,057,742. | 1,179,016. | 1,154,636. | 1,177,729. | 1,201,283. | 1,225,309. | 1,249,815. |
| OTHER EXPENSES & ALLOCATIONS | 312,398. | 302,929. | 305,978. | 311,849. | 317,840. | 323,949. | 330,180. |
| DEBT & LEASE FINANCING | . | 4,000. | 9,096. | 9,096. | 9,096. | 9,096. | 9,096. |
| RESERVE & INTERFUND TRANSFERS | 646,222. | 846,261. | 304,000. | 343,085. | 347,585. | 347,585. | 347,585. |
| Total Expenditures | 2,423,670. | 2,847,723. | 2,078,274. | 2,112,455. | 2,147,322. | 2,182,884. | 2,219,158. |
| USER CHARGES | 1,436,541. | 1,704,449. | 1,659,676. | 1,692,178. | 1,725,333. | 1,759,149. | 1,793,641. |
| Percentage Change | | | (2.63%) | 1.96% | 1.96% | 1.96% | 1.96% |

Town of Sidney 2012 Financial Plan: Function Detail

FUNCTION: 81-Water Operating Fund

| SUB-FUNCTION | 2011 YTD Actual | 2011 Approved Budget | 2012 Total Budget | 2013 Total Budget | 2014 Total Budget | 2015 Total Budget | 2016 Total Budget |
|---|-------------------|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Net Expenditures | | | | | | | |
| 81000-Water General Revenue | (1,915,507.) | (2,197,449.) | (1,998,861.) | (2,031,453.) | (2,064,700.) | (2,098,609.) | (2,133,197.) |
| <i>change from prior year</i> | | | 198,588. | (32,592.) | (33,247.) | (33,910.) | (34,588.) |
| 81020-Water Administration | 1,309,328. | 1,402,819. | 1,403,587. | 1,431,510. | 1,459,993. | 1,489,045. | 1,518,679. |
| <i>change from prior year</i> | | | 768. | 27,923. | 28,483. | 29,052. | 29,633. |
| 81030-Water Training | 7,636. | 16,571. | 11,571. | 11,802. | 12,039. | 12,279. | 12,524. |
| <i>change from prior year</i> | | | (5,000.) | 232. | 236. | 240. | 245. |
| 81050-Water Customer Billing & Collection | 21,886. | 21,984. | 21,984. | 22,424. | 22,872. | 23,330. | 23,797. |
| <i>change from prior year</i> | | | . | 440. | 448. | 458. | 467. |
| 81110-Water Main Flushing | 15,414. | 19,475. | 16,475. | 16,805. | 17,141. | 17,484. | 17,834. |
| <i>change from prior year</i> | | | (3,000.) | 330. | 336. | 343. | 350. |
| 81120-Water Valve Maintenance | 17,062. | 18,509. | 18,405. | 18,774. | 19,149. | 19,532. | 19,922. |
| <i>change from prior year</i> | | | (104.) | 369. | 375. | 383. | 390. |
| 81130-Water Meter Repair & Replacement | 12,029. | 21,160. | 18,160. | 18,523. | 18,893. | 19,271. | 19,657. |
| <i>change from prior year</i> | | | (3,000.) | 363. | 370. | 378. | 385. |
| 81140-Water System Repairs | 108,728. | 109,576. | 104,576. | 106,667. | 108,801. | 110,977. | 113,196. |
| <i>change from prior year</i> | | | (5,000.) | 2,092. | 2,134. | 2,176. | 2,219. |
| 81200-Water-20 Year Infrastructure Plan | 156,555. | 157,300. | . | . | . | . | . |
| <i>change from prior year</i> | | | (157,300.) | . | . | . | . |
| 81620-Water Buildings | 8,750. | 7,188. | 7,299. | 7,444. | 7,593. | 7,745. | 7,900. |
| <i>change from prior year</i> | | | 111. | 146. | 149. | 152. | 155. |
| 81630-Water Small Tools & Safety Supplies | 3,335. | 5,393. | 5,393. | 5,498. | 5,605. | 5,714. | 5,825. |
| <i>change from prior year</i> | | | . | 105. | 107. | 109. | 111. |
| 81635-Water Safety Equipment | 1,336. | 2,040. | 2,040. | 2,081. | 2,122. | 2,165. | 2,208. |
| <i>change from prior year</i> | | | . | 41. | 42. | 42. | 43. |
| 81640-Water Equipment | 4,875. | 3,933. | 6,715. | 6,849. | 6,987. | 7,127. | 7,270. |
| <i>change from prior year</i> | | | 2,782. | 134. | 138. | 140. | 143. |
| 81650-Water Vehicles & Mobile Equipment | 21,456. | 21,001. | 20,975. | 21,394. | 21,823. | 22,259. | 22,705. |
| <i>change from prior year</i> | | | (26.) | 419. | 429. | 436. | 445. |
| 81710-Water Fiscal Services-Transfers | 127,994. | 390,500. | 361,681. | 361,681. | 361,681. | 361,681. | 361,681. |
| <i>change from prior year</i> | | | (28,819.) | . | . | . | . |
| 81910-Water Service Connections | (212.) | . | . | . | . | . | . |
| <i>change from prior year</i> | | | . | . | . | . | . |
| 81920-Water Meter Connections | (10,293.) | . | . | . | . | . | . |
| <i>change from prior year</i> | | | . | . | . | . | . |
| Total Net Expenditures | (109,628.) | . | . | . | . | . | . |
| <i>change from prior year</i> | | | . | . | . | . | . |

2012-2016 Financial Plan

Sewer Fund Summary

Sewer Operating and Capital

The Sewer Utility continues to experience revenue challenges due to reductions in water consumption. However, there is clearly a slowing down in the annual reduction and we should hopefully see a cessation and then small annual increases in light of further densification in the Town. The rate will need to be increased again for 2012, but our overall revenue is down, so while the rate may be going up, our residents are paying less as a group. The parcel tax has been \$141 for several years, but the CRD debt will reduce dramatically over 2013 and 2014 to nil in 2015. Working with the intended strategy of increasing transfers to reserve for infrastructure, the parcel tax will be reduced slightly but will remain in place to provide a long term funding source for major capital projects in the future. Staff will continue to monitor the revenue/consumption challenge and report as needed.

Capital includes the annual provision for equipment and infrastructure work from the reserve as well as the SCADA project which is still on hold until additional information is provided from the CRD.

Town of Sidney 2012 Financial Plan: Fund Summary

FUND: Sewer Operating Fund

DESCRIPTION: Operations of the Sewer Utility for the Town, with net funding from sewer user fees and parcel taxes.

PROGRAM DETAILS: Net operating expenditures for the Town of Sidney's Sewer Utility.

FINANCIAL SUMMARY

| | 2011 YTD Actual | Budget 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|--------------------|-------------|------------|------------|------------|------------|------------|
| Other Revenue | | | | | | | |
| TAXES | 569,640. | 568,000. | 569,100. | 403,700. | 404,600. | 403,700. | 402,900. |
| FEES, RATES & SERVICE CHARGES | 11,870. | 24,180. | 21,684. | 22,118. | 22,560. | 23,011. | 23,471. |
| RESERVE & INTERFUND TRANSFERS (R) | 251,915. | 371,792. | 25,000. | . | . | . | . |
| OTHER REVENUE | 6,045. | 5,500. | 5,500. | 5,610. | 5,722. | 5,837. | 5,953. |
| Total Revenue before User Charges | 839,470. | 969,472. | 621,284. | 431,428. | 432,882. | 432,548. | 432,325. |
| Operating Expenditures | | | | | | | |
| PERSONNEL | 166,785. | 201,341. | 211,320. | 184,941. | 188,633. | 192,400. | 196,241. |
| CONTRACTED SERVICES & EQUIPMENT | 1,840,618. | 1,852,267. | 1,857,455. | 1,607,504. | 1,417,095. | 1,435,236. | 1,463,941. |
| MATERIALS, SUPPLIES & EQUIPMENT | 71,225. | 67,694. | 68,238. | 69,603. | 70,995. | 72,415. | 73,863. |
| OTHER EXPENSES & ALLOCATIONS | 140,279. | 142,035. | 144,935. | 147,560. | 150,237. | 152,967. | 155,753. |
| DEBT & LEASE FINANCING | . | 4,020. | 9,096. | 9,096. | 9,096. | 9,096. | 9,096. |
| RESERVE & INTERFUND TRANSFERS | 414,086. | 536,592. | 169,800. | 246,350. | 431,000. | 441,850. | 442,800. |
| Total Expenditures | 2,632,993. | 2,803,949. | 2,460,845. | 2,265,054. | 2,267,056. | 2,303,964. | 2,341,694. |
| USER CHARGES | 1,793,523. | 1,834,477. | 1,839,561. | 1,833,626. | 1,834,173. | 1,871,416. | 1,909,369. |
| Percentage Change | | | 0.28% | (0.32%) | 0.03% | 2.03% | 2.03% |

Town of Sidney 2012 Financial Plan: Function Detail

FUNCTION: 82-Sewer Operating Fund

| SUB-FUNCTION | 2011 YTD Actual | 2011 Approved Budget | 2012 Total Budget | 2013 Total Budget | 2014 Total Budget | 2015 Total Budget | 2016 Total Budget |
|--|-----------------|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Net Expenditures | | | | | | | |
| 82000-Sewer General Revenue | (2,273,744.) | (2,527,977.) | (2,414,161.) | (2,242,936.) | (2,244,495.) | (2,280,953.) | (2,318,222.) |
| <i>change from prior year</i> | | | 113,816. | 171,225. | (1,559.) | (36,457.) | (37,270.) |
| 82020-Sewer Administration | 148,805. | 149,724. | 157,542. | 160,619. | 163,757. | 166,956. | 170,222. |
| <i>change from prior year</i> | | | 7,818. | 3,077. | 3,138. | 3,199. | 3,266. |
| 82030-Sewer Training | 12,808. | 11,657. | 11,657. | 11,890. | 12,128. | 12,370. | 12,618. |
| <i>change from prior year</i> | | | . | 233. | 238. | 242. | 247. |
| 82050-Sewer Customer Billing & Collection | 3,647. | 4,468. | 4,468. | 4,558. | 4,649. | 4,742. | 4,837. |
| <i>change from prior year</i> | | | . | 89. | 91. | 93. | 95. |
| 82110-Sewer Preventative Maintenance | 40,370. | 35,642. | 35,642. | 36,355. | 37,082. | 37,824. | 38,580. |
| <i>change from prior year</i> | | | . | 713. | 727. | 742. | 757. |
| 82120-Sewer System Repairs | 69,027. | 65,736. | 65,736. | 67,051. | 68,392. | 69,759. | 71,154. |
| <i>change from prior year</i> | | | . | 1,315. | 1,341. | 1,368. | 1,395. |
| 82130-Inflow & Infiltration | (25,123.) | 52,121. | 52,121. | 53,164. | 54,227. | 55,312. | 56,418. |
| <i>change from prior year</i> | | | . | 1,043. | 1,063. | 1,085. | 1,106. |
| 82200-Sewer-20 Year Infrastructure Plan | 127,800. | 127,800. | . | . | . | . | . |
| <i>change from prior year</i> | | | (127,800.) | . | . | . | . |
| 82210-Preventative Mtce-Lift Stations | 59,158. | 41,834. | 51,029. | 41,850. | 42,687. | 43,541. | 44,412. |
| <i>change from prior year</i> | | | 9,195. | (9,179.) | 837. | 854. | 870. |
| 82220-Repairs - Lift Stations | 28,933. | 25,107. | 29,036. | 29,616. | 30,208. | 30,812. | 31,429. |
| <i>change from prior year</i> | | | 3,929. | 580. | 592. | 605. | 616. |
| 82610-Sewer Yards & Grounds | 1,088. | 1,862. | 1,862. | 1,899. | 1,937. | 1,976. | 2,015. |
| <i>change from prior year</i> | | | . | 37. | 38. | 38. | 39. |
| 82630-Sewer Small Tools & Safety Supplies | 4,338. | 6,124. | 6,124. | 6,241. | 6,359. | 6,481. | 6,604. |
| <i>change from prior year</i> | | | . | 116. | 119. | 121. | 124. |
| 82640-Sewer Equipment | 7,022. | 7,722. | 7,294. | 7,440. | 7,588. | 7,739. | 7,894. |
| <i>change from prior year</i> | | | (428.) | 146. | 148. | 152. | 154. |
| 82650-Sewer Vehicles & Mobile Equipment | 49,592. | 32,994. | 33,587. | 34,260. | 34,945. | 35,645. | 36,358. |
| <i>change from prior year</i> | | | 593. | 673. | 686. | 700. | 713. |
| 82710-Sewer Fiscal Services - Transfers | 1,843,630. | 1,965,186. | 1,958,062. | 1,787,995. | 1,780,536. | 1,807,795. | 1,835,682. |
| <i>change from prior year</i> | | | (7,124.) | (170,067.) | (7,459.) | 27,259. | 27,887. |
| 82910-Sewer Connections | (1,889.) | . | . | . | . | . | . |
| <i>change from prior year</i> | | | . | . | . | . | . |
| 82920-Summergate Lift Maintenance | . | . | . | . | . | . | . |
| <i>change from prior year</i> | | | . | . | . | . | . |
| Total Net Expenditures | 95,464. | . | . | . | . | . | . |
| <i>change from prior year</i> | | | . | . | . | . | . |

5 Year Capital Project Summary

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|-----------|---------|---------|---------|---------|
| GENERAL | | | | | |
| Annual Workspace Efficiency Upgrades | 13,397 | 10,000 | 10,000 | 10,000 | 10,000 |
| On-Line Credit Card Payments (Tempest) | 0 | 10,000 | 0 | 0 | 0 |
| Financial Software Replacement | 35,000 | 0 | 0 | 0 | 0 |
| Computer Replacement Plan | 150,000 | 84,000 | 86,000 | 88,000 | 90,000 |
| Tempest - My City Module | 0 | 15,000 | 0 | 0 | 0 |
| Computer Equipment Fund | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| Offsite Disaster Recovery | 0 | 25,000 | 25,000 | 25,000 | 0 |
| Beacon Wharf Upgrades | 275,000 | 0 | 0 | 0 | 0 |
| Infrastructure Plan Projects - Drainage | 172,900 | 595,400 | 159,100 | 573,000 | 132,300 |
| Engineering Equipment | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 |
| Lochside U/G Wiring Phase II | 237,566 | 0 | 0 | 0 | 0 |
| Fire Vehicle Replacement Plan | 0 | 0 | 55,000 | 520,000 | 0 |
| Turnout Gear Washing Machine | 3,000 | 0 | 0 | 0 | 0 |
| PRIME Prisoner Booking System | 38,000 | 0 | 0 | 0 | 0 |
| RCMP Furnishings | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 |
| RCMP Surveillance System | 0 | 0 | 58,300 | 0 | 0 |
| Tulista Park Bollard Lighting | 24,000 | 0 | 0 | 0 | 0 |
| Parks Equipment | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Iroquois Park Improvements | 358,000 | 0 | 0 | 0 | 0 |
| Tulista Park Playground Equipment | 0 | 168,000 | 0 | 0 | 0 |
| Parks Vehicles | 92,000 | 72,000 | 22,000 | 52,000 | 0 |
| Sculpture Walk Bases | 25,000 | 0 | 0 | 0 | 0 |
| Works Yard Reconstruction | 1,078,000 | 0 | 0 | 0 | 0 |
| Underground Wiring | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Town Hall Grounds Sidewalks | 0 | 0 | 0 | 30,000 | 0 |
| Green Technology Applications | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Public Works Equipment | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Transportation Vehicles | 0 | 0 | 60,000 | 215,000 | 120,000 |
| Third Street Parking Lot | 40,000 | 0 | 0 | 0 | 0 |
| Decorative Street Lighting - Ongoing Annual | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| Beacon Revitalization | 40,000 | 40,000 | 0 | 0 | 0 |
| Ocean Ave/Fifth Street Roundabout | 1,395,000 | 0 | 0 | 0 | 0 |
| Bevan Avenue X walk Flashing Lights | 25,000 | 0 | 0 | 0 | 0 |
| Solar Flashing Cross Walk Lights-Henry & Resthaven | 15,000 | 0 | 0 | 0 | 0 |

5 Year Capital Project Summary

| | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------|
| GENERAL | | | | | |
| Portable Solar Speed Reader Sign | 15,000 | 0 | 0 | 0 | 0 |
| Infrastructure Plan Projects - Roads | 756,900 | 509,500 | 633,100 | 478,900 | 644,300 |
| Street Amenities Program | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Bus Shelter | 12,750 | 12,750 | 0 | 0 | 0 |
| WATER | | | | | |
| Water Equipment | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Water Vehicles | 0 | 0 | 50,000 | 0 | 35,000 |
| Infrastructure Plan Projects - Water | 177,500 | 79,900 | 106,400 | 540,000 | 142,700 |
| SEWER | | | | | |
| Sewer Equipment | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Sewer Vehicles | 0 | 0 | 0 | 0 | 25,000 |
| SCADA system upgrades Phase II | 120,000 | 0 | 0 | 0 | 0 |
| Infrastructure Plan Projects - Sewer | 150,600 | 0 | 63,900 | 533,700 | 259,700 |
| TOTAL EXPENSE | 5,382,613 | 1,754,550 | 1,461,800 | 3,198,600 | 1,592,000 |

Town of Sidney - 2012 Financial Plan

Vision 2020 - Strategic Priorities

Link to Budget

✦ **Balanced Healthy Community**

Enhance the Town's emergency planning and response capacity

- 1 Fire Department Hiring Plan
- 2 Emergency programs leveraging JEPP funding

Prepare and implement a public education program directed to safety, security and protective and emergency services

Fire Department Hiring Plan

Ensure the community interest is considered when dealing with surplus school properties

Completion of parking lot on SD 63 property

✦ **Quality Community Spaces**

Completion of Lochside Drive Revitalization and underground wiring project

Lochside complete, Underground wiring in progress

Maintain quality parks and public open spaces

- 1 Staffing request for parks FTE
- 2 Sculpture walk initiative

✦ **Economic Health & Vitality**

Engage the community in the development of plans for the downtown waterfront to maximize benefits to Sidney

Sculpture Walk initiative

Town of Sidney - 2012 Financial Plan

Vision 2020 - Strategic Priorities

Link to Budget

✦ **Sustainable Infrastructure**

Continue to maintain and expand the Town's Infrastructure Replacement Plan

Increases in operating budget

Implement the Town's Climate Action plan as opportunities arise

Purchase of carbon offsets to become carbon neutral in 2012.

Advance the Town's GIS mapping capability for municipal infrastructure

Staffing request - GIS

Complete improvements to Public Works Yard

Project in capital program

✦ **Organizational Excellence**

Enhance Town Website to include more online information and communication services

Staffing requests - GIS

Develop long-term staffing strategy for Fire Department

Fire Department Hiring Plan

Ensure an appropriate Human resource compliment

Staffing requests

Continue development of the Town's GIS mapping capability for both municipal and public use

Staffing request - GIS

Conduct a corporate organizational review

Phase II in 2012