



REVISED AGENDA - SPECIAL COMMITTEE OF THE WHOLE

Date: Monday, November 26, 2018, 8:00 A.M.
Location: COUNCIL CHAMBERS, CITY HALL, 1
CENTENNIAL SQUARE
Located on the traditional territory of the Esquimalt
and Songhees People

Pages

- A. APPROVAL OF AGENDA
- B. CONSENT AGENDA
- C. READING OF MINUTES
- D. UNFINISHED BUSINESS
- E. LAND USE MATTERS
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***F.1 2019-2023 Draft Financial Plan**

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- *Finance*
 - *Operating Budget: pages 336-345, 349-377*
 - *Capital Budget: pages 731, 747-748, 776*
- *Information Technology*
 - *Operating Budget: pages 346-348*
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- *Human Resources*
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- *Real Estate*
 - *Operating Budget: pages 500-510, 160-161 (VCC Retail Stores)*
- *Legislative Services*
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 - *Capital Budget: pages 742-746*
- *Parks, Recreation and Facilities*

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- *Legal Services*
 - *Operating Budget: pages 392-396*
- *Police Provisional Budget - Board Approved*

Link to [Financial Plan](#)

G. NOTICE OF MOTIONS

H. NEW BUSINESS

I. ADJOURNMENT OF COMMITTEE OF THE WHOLE



Committee of the Whole Report

For the Meeting of November 15, 2018

To: Committee of the Whole **Date:** November 5, 2018
From: Susanne Thompson, Deputy City Manager and Chief Financial Officer
Subject: 2019-2023 Draft Financial Plan

RECOMMENDATION

That Council receive this report for information and further consideration on December 7, 2018.

EXECUTIVE SUMMARY

Each year, Council sets services levels and allocates funding for the City's approximately 200 services and numerous capital projects through the financial planning process. Staff bring forward for Council's consideration and deliberation, a draft financial plan based on previous Council direction that maintains current services at current service levels. In the spirit of continuous improvement, staff incorporate efficiencies achieved as a matter of course; examples are outlined starting on page 4 of this report. Council has the opportunity to make changes to the draft financial plan during this process. Three sessions have been scheduled (November 26, 27 and December 7) where staff will provide detailed budget presentations and answer any questions Council may have. On December 7, 2018, Council direction will be sought on new property tax revenue from new development, 2018 surplus, utility rate increases, supplementary requests, and direct-award grants.

Staff recognize that strategic planning for this term of Council has just begun and acknowledge that additional initiatives are likely to be identified through that process. Once direction from the strategic planning process has been given, staff can assess the resource implications for the various initiatives and report back on implementation options, including timelines and any additional resource requirements.

Council's direction for the 2019 financial plan was provided in May 2018 to maintain existing services and service levels. In addition, due to the introduction of the Provincial Government's employer health tax, Council directed staff to bring forward two options for Council's consideration as follows:

1. A draft budget with a maximum tax increase of inflation plus 1%, plus the impact of the employer health tax
2. A draft budget with a maximum tax increase of inflation plus 1% with options for how to address the employer health tax within this maximum

The most recently published Consumer Price Index for Victoria (September) is 2.4% resulting in a maximum tax increase of 3.4%. The draft financial plan introduced today totals approximately

\$242.7 million for operating and \$118 million for capital. The proposed budget would result in a tax increase of 2.85% (0.80% for operating, 0.75% for capital, 0.08% for the Greater Victoria Public Library, and 1.22% for VicPD) plus the impact of the employer health tax of 1.45% (inclusive of the City's share of VicPD) for a total tax increase of 4.3%, which fits within Council's first requested option, but exceeds the second. The impact of the employer health tax is significant and the largest cost driver overall for 2019. However, since the draft plan excluding the new tax is lower than the maximum target set by Council, there is room to fund approximately half of this new tax while remaining within Council's maximum tax increase target. Absorbing the additional cost would not be possible without reducing service levels or planned capital investment unless Council considers using new tax revenue from new development. The very early estimate of new tax revenue from new construction is \$2.5 million. This revenue can also be used to fund Strategic Plan initiatives, supplementary requests and initiatives related to previous Council motions. Staff recommend increasing taxes by 4.3% to accommodate the new employer health tax.

Although Council direction relates to tax increases only, the draft financial plan also outlines user fee increases and clearly shows the impact to households and businesses for both utility fees and property taxes. Including utility user fees, the proposed total increase is 2.57% for the average residential property and 2.72% for the typical business, excluding the employer health tax.

In addition to the overarching Council direction, a number of resolutions were passed directing staff to bring forward items for consideration during this year's process. Those are outlined in Appendix A and staff will report back with further details upon completion of public consultation. Staff are also bringing forward supplementary request in support of corporate-wide initiatives intended to improve efficiency and effectiveness in a number of areas. These are outlined in Appendix B.

New this year, staff engaged with neighbourhoods ahead of the development of the draft plan. The focus of this pre-budget engagement intended to increase public understanding of the City's financial planning process, and reviewed transportation capital projects to gather local insights and emerging needs. A summary report is included in Appendix C.

Following Council deliberation and adjustments, first reading of the Financial Plan Bylaw is tentatively scheduled to take place on December 13. This first reading signals that Council is satisfied that the plan is ready to receive public input. The consultation period will launch immediately thereafter, ending with a Town Hall/e-Town Hall meeting proposed to be scheduled in the latter part of January 2019. Subject to Council direction, and in alignment with the process four years ago, the Strategic Plan could also be part of this consultation should Council wish. Upon completion of the public consultation, Council will have an opportunity to consider the feedback and make changes to the financial plan before giving final approval prior to May 15 as required by legislation. A summary of the public input will be included in the final financial plan itself. Tax notices will be sent out once the financial plan and tax rate bylaws have been adopted by Council.

After the detailed presentations have concluded on December 7, 2018, staff will recommend that Council:

1. Direct staff to include the employer health tax with funding from a tax increase (1.45%)
2. Direct staff to bring forward the Five-year Financial Plan Bylaw, 2019 to the December 13, 2018 Council meeting for consideration of first reading prior to commencing public consultation.
3. Direct staff to bring forward bylaws outlining solid waste, sewer utility, water utility and stormwater utility user fee increases to a December 7, 2018 Special Council meeting for consideration of first, second and third readings and subsequently to the December 13, 2018 Council meeting for adoption to authorize implementation of new rates on January 1, 2019.

4. Approve the following allocations of new property tax revenue from new development:
 - a. \$500,000 to the Buildings and Infrastructure Reserve as per the Financial Sustainability Policy
 - b. Direct staff to bring forward options for the use of the remainder upon completion of public consultation
5. Direct staff to bring forward options for the use of 2018 surplus upon completion of public consultation.
6. Direct staff to bring forward options for funding items Council previously referred to the 2019 financial planning process outlined in Appendix A upon completion of public consultation.
7. Direct staff to bring forward options for funding supplementary budget requests upon completion of public consultation.
8. Approve the direct-award grants as outlined in this report.
9. Direct staff to bring forward options for funding increased grant requests upon completion of public consultation.
10. Approve adding 0.5 FTE utility position to address new regulations funded through existing budgets.

PURPOSE

The purpose of this report is to introduce the draft 2019-2023 Financial Plan for Council's review and discussion prior to consideration of first reading of the 2019 Five Year Financial Plan Bylaw to initiate public consultation.

BACKGROUND

Section 165 of the *Community Charter* requires that a financial plan be approved annually following public consultation as required by section 166. The financial plan must be approved before the tax rate bylaw is approved, and before May 15 as required by section 197.

Three policies guide the financial planning process: Financial Sustainability Policy; Reserve Fund Policy; and Revenue and Tax Policy.

On May 17, 2018 Council provided direction for the 2019 financial planning process as follows:

That Council direct staff to:

1. Prepare a draft 2019 Financial Plan for Council's consideration that:
 - a. maintains existing services and service levels
 - b. continues the in-progress initiatives within the 2015-2018 Strategic Plan
 - c. factors in \$200,000 in savings from the reduction in 2018 Medical Services Plan premiums to fund a portion of the premiums in 2019
2. Develop two options:
 - a. One that keeps the tax increase to no more than inflation plus 1% including police
 - b. A second that keeps the tax increase to no more than inflation plus 1% including police plus an additional tax increase to accommodate the impact of the new health tax increase which at this point is planned to be imposed by the Province
3. Bring forward the draft 2019 Financial Plan in the late fall 2018 to accommodate Council's orientation and strategic planning sessions

This is the fifth year of the implementation of a new financial planning process moving from an expense based budget that focused primarily on the dollars allocated to each department toward one with an emphasis on priorities and outcomes, outlining services and capital projects including costs, revenues and benefits of each. The new format enables the City to better demonstrate the value tax and rate payers receive for their dollars. Greater emphasis is also being placed on staff and community involvement in the planning process. Approximately 70 staff from across the organization continued to be involved in compiling the information for the financial plan and detailed reviews of all departmental budget submissions have been completed by staff.

Continuous Improvement and Streamlining

The City's budget process is one of continuous improvement and requires departments to explore efficiencies to provide better value and service to the community. Each year staff are asked to engage in open dialogue to encourage a "better is possible" mindset, question current processes and seek ways to make improvements, including exploring reallocation of resources and collaboration with other departments to maximize efficiencies. The following table outlines a number of streamlining and cost savings initiatives:

LED Streetlights	Replacement of over 6500 streetlights with efficient LEDs has reduced power consumption by over 50%, and greatly reduced maintenance frequency and overall replacement costs.
Diagnostic Tools	Purchase and use of sewer and drain diagnostic tool has improved the time to examining mains condition and requirements for flushing & cleaning, based on a simple, inexpensive scan. This condition based maintenance routine will ensure resources are only deployed in those areas that require it most.
Electric Vehicles	Investment in electric vehicles (EVs) is reducing the City's cost and reliance on fossil fuels, creating less air pollutants, and are far less costly to maintain.
Asphalt Paver	Leasing a small asphalt paver in 2018 has increased productivity and the quality of asphalt repairs.
Water Main Rehabilitation	Implementation of a new project delivery method for water main rehabilitation works enables the City to act as both contract administrator and prime contractor, which has significantly decreased overall contracted project costs.
Street Cleaning	Introduction of new street cleaning vehicles to enable a higher volume and quality of street and sidewalk cleaning per each unit of manpower.
Water and Sewer Main Lining	Continuation of water and sewer main synthetic lining installations to extend the life and improve the structural integrity of the older pipes, while removing the requirement for extensive excavations and disruption to the public, at an overall cost savings.
Pavement Condition Analysis	Piloting of a rapid pavement condition analysis tool in late 2018 will help the City to save resources and time to ascertain accurate and detailed condition assessments and priority repair planning.
Fleet Purchasing Process	Standardization of Requests for Proposal (RFP) for vehicles has eliminated the need for multiple RFPs saving staff time and shortening lead time for purchases.
Job Applications	Completed the transition to paperless on-line Applicant Tracking System for all job postings in June 2018, which streamlined recruitment processes and significantly reduced paper use.

Document Management System	In 2018 Legal Services, with the assistance of IT, implemented a new document management system for Legal Services. This system stores and manages all documents created or received by Legal Services allowing for quick and easy access to all file related documents. More importantly, it allows for easy access to precedents and templates, as well as previous opinions and advice, greatly improving efficiency of Legal Services staff in preparing new documents or providing advice to Council or City staff. The document management systems also provides better version control and other tools that allow for more efficient and effective collaboration by the in-house legal team. These efficiencies are expected to increase as more documents are created or transferred from the previous data storage.												
Process Improvements	Increasing efficiency in Permits and Inspections through process improvements, digital plan review and e-Apply implementation.												
Cross Training	Combining and cross-training plumbing and building inspection to support greater flexibility and staffing efficiency.												
Resource Reallocation	Shifting staffing from Permits and Inspections (through attrition) to Development Services to address staffing shortages there.												
On-line Recreation System	<p>The City launched a new web-based registration and reservation program in Q4 2017. The improved interface is easier to navigate and offers increased convenience, as customers now have the ability to review and register for programs at any time from any device. In addition, the increased volume of on-line service is anticipated to decrease customer wait times at the Crystal Pool and Fitness Centre. Staff are projecting a shift of 50% of registrations to the new web-based system, by 2020.</p> <table><tr><td></td><td>2016</td><td>2017</td><td>2018 (Projected)</td></tr><tr><td>% Of Registration Revenue On-line</td><td>17%</td><td>19%</td><td>32%</td></tr><tr><td>% Of Participants Registering On-line</td><td>16%</td><td>19%</td><td>26%</td></tr></table>		2016	2017	2018 (Projected)	% Of Registration Revenue On-line	17%	19%	32%	% Of Participants Registering On-line	16%	19%	26%
	2016	2017	2018 (Projected)										
% Of Registration Revenue On-line	17%	19%	32%										
% Of Participants Registering On-line	16%	19%	26%										
Fire Underwriter's Survey	The City's Public Fire Protection Classification (PFPC) was upgraded to a three from a four, which contributes to reduction in commercial insurance for the community.												
Technical High Angle Rope Rescue Program (THARRP)	Funding for training and equipment, Confined Space Rescue Service Agreement - Annual Fee, CRD Regional Hazmat Training Reimbursement.												
Fire Mechanical Division	Regional "Fee for Service" Fleet Maintenance Centre for specialized fire apparatus - service, pump testing, repair and Commercial Vehicle Inspections for other fire departments.												
Cost Recovery	Fire Prevention and Regulation Bylaw, False Alarm Bylaw, and Fuel Equipment and Storage Bylaw - Recovery for fire investigations over 90 minutes in duration, post incident fire watch, equipment standby, contamination turnout gear cleaning, 3rd party billing for City Staff to secure												

	buildings, property search fees, Fire Safety Plan Reviews, false alarm fees for 4th and subsequent false alarm, Oil Tank and Burner Permits.
Scott Self Contained Breathing Apparatus (SCBA)	In-house Testing and Repair Center - Use internal staff for repairs and annual testing of Department and Crystal Pool SCBA - reduces costs related to external contractors.
Fit Testing	Fire Department Techs provide annual Fit Testing for Fire, Engineering and Public Works, Crystal Pool and other staff required to wear respiratory protection reducing costs for annual testing through a third party contracts.
Canadian Red Cross ESS Pilot	A service agreement with the Canadian Red Cross to provide emergency social services response for the City of Victoria from the onset of the emergency through to the recovery phase. Partnering with the Red Cross in this "pilot" project allows staff to maintain a close working relationship from the beginning of the emergency right through to the recovery process, helping to ensure people have access to seamless care and necessities such as food, shelter, clothing, emotional support, and family reunification. This agreement will enable EM Staff to re-allocate this time to City Emergency Management programming.
Flex-firefighters	Flex-firefighters for vacancies and "on-duty" officers to conduct minor fire investigations. Flex-fire fighters are floaters that are used to cover shift shortages with no requirement of notice and do not incur overtime costs, just rescheduling of their hours within a defined timeframe. Increased training of "on-duty" officers to conduct minor fire investigations reducing the need to call in "off-duty" fire investigator.
FDM Software	Enhancing staff knowledge related to FDM Software. Fire Department staff attended FDM Administrator training to increase efficiencies for in-house maintenance, updates and improvements to the program.

All efficiencies are incorporated into the draft financial plan.

ISSUES & ANALYSIS

Operating Budget

Overview

The draft 2019 operating budget totals \$242.7 million, excluding the impact of the Provincial employer health tax, which represents a proposed overall increase in property taxes of \$3.73 million or 2.85%. Including utility user fees, the proposed increase is 2.57% for residential and 2.72% for business.

As outlined in the draft Financial Plan, the City delivers approximately 200 services, and over 200 capital projects are included.

Highlights of City Services



For 2019, Council directed staff to bring forward two options for the tax increase: 1) maximum inflation plus 1% plus the provincial employer health tax and 2) maximum inflation plus 1%. The most recently posted inflation is 2.4% for Victoria (September).

The draft financial plan maintains services at current services levels. The main cost drivers are salary increases, capital investment, fuel and hydro costs, and software maintenance agreements. These increases have been offset in part by increased revenues from the Victoria Conference Centre, building and electrical permit revenue, and lease revenue.

The following table summarizes the budget cost drivers and proposed property tax increase for 2019:

Property Tax Impact	Tax Increase	
	Dollars \$	Percentage %
City		
<u>Cost Drivers</u>		
Salaries and Benefits	1,594,000	1.22%
Fuel	165,000	0.13%
BC Hydro	101,000	0.08%
Software Licencing	65,000	0.05%
Council Benefits	34,000	0.03%
Insurance	24,000	0.02%
Grants - Inflation Growth	19,000	0.01%
<u>Expense Savings</u>		
Elections	(211,000)	-0.16%
VCC Marketing	(83,000)	-0.06%
VCC Technology Transfer to In House	(54,000)	-0.04%
EFAP Program	(20,000)	-0.02%
<u>Revenue Increase</u>		
Building and Electrical Permits	(150,000)	-0.11%
Rezoning Applications	(30,000)	-0.02%
VCC Parking	(179,000)	-0.14%
VCC Revenue	(108,000)	-0.08%
Lease Rentals	(45,000)	-0.03%
PILT Revenue	(20,000)	-0.02%
<u>Revenue Decrease</u>		
Fortis Franchise Fee	124,000	0.09%
<u>Operating Impacts from Capital Projects</u>		
Cecilia Ravine and DFHP JSB Underpass	54,000	0.04%
<u>Capital Investment</u>		
Street Upgrades	975,000	0.75%
Building and Infrastructure	739,000	0.57%
New Property Tax Revenue due to NMC	(739,000)	(0.57%)
Other Changes	(231,368)	(0.18%)
City Total	2,023,632	1.55%
Police	1,699,493	1.30%
Police - Traffic Fine Revenue	(100,000)	(0.08%)
Police Total	1,599,493	1.22%
Greater Victoria Library	106,900	0.08%
Employer Health Tax	1,900,000	1.45%
Total Property Tax	5,630,025	4.30%

The following table outlines the full-time equivalent (FTE) position count:

	2017 FTE	2018 FTE	Draft 2019 FTE	2018 to 2019 Change
Business and Community Relations				
Arts, Culture and Events	7.29	7.29	7.29	0.00
Economic Development	2.00	2.00	2.00	0.00
Neighbourhoods	3.00	3.00	3.00	0.00
Victoria Conference Centre	13.62	13.62	13.62	0.00
Bylaw Services	9.00	10.00	10.00	0.00
City Manager's Office	5.00	7.00	7.00	0.00
Deputy City Manager	1.00	1.00	1.00	0.00
Engagement	12.00	12.00	12.00	0.00
Engineering and Public Works	273.72	279.72	279.72	0.00
Finance	102.26	102.26	102.26	0.00
Human Resources	11.00	11.00	11.00	0.00
Legal Services	4.00	4.00	4.00	0.00
Legislative Services	12.88	12.88	12.88	0.00
Parks, Recreation and Facilities	176.81	179.74	179.74	0.00
Real Estate	3.00	3.00	3.00	0.00
Sustainable Planning and Community Development	43.43	43.43	43.43	0.00
Victoria Fire Department	123.09	124.09	124.09	0.00
Total	803.10	816.03	816.03	0.00

In 2018, Council approved adding a bylaw officer, a correspondence coordinator, a graphic designer, two staff for the concrete section, a transportation planner, a sustainable waste management engineer, a street occupancy permit inspector, staff to support parks natural areas, a building project administrator, a parks planner, a fire prevention officer, and one carpenter position.

The current full-time employee equivalent count, excluding VicPD, is 816.03. The City has numerous part-time and casual employees in addition to those who are full-time, resulting in a headcount of approximately 1,000.

For 2019, due to increased regulations, it is proposed that 0.5 FTE utility technician position be added with funding from existing budgets. Should Council approve any supplementary requests, additional FTEs would be added.

It is anticipated that future years will require additional resources as a result of additional inventory related to capital projects, developer amenity contributions, as well as expected growth. Through the improved quarterly reporting process to Council, staff will be able to regularly provide better metrics to highlight resource needs in a structured way, which will inform Council's decision-making in regards to resource allocation.

Utilities

The major cost driver for the City's utilities is salaries, savings in reserves, CRD bulk water, tipping fees and the provincial employer health tax. Staff are proposing to bring forward bylaws for rate increases to a December 7 Special Council meeting for consideration of first, second and third readings followed by adoption at the December 13 Council meeting. Bringing the bylaws forward in this manner will authorize the increases to come into effect on January 1, 2019. Further details for each utility is provided below.

The proposed Water Utility budget results in a user fee revenue increase of \$344,528 or 1.73% as outlined in the following table:

Water Cost Driver	Dollars \$	Percentage %
CRD Bulk Water	\$ 179,677	0.90%
Salaries, materials & equipment	127,498	0.64%
Provincial Health Tax	37,353	0.19%
Total	\$ 344,528	1.73%

For the sewer utility, no revenue increase is proposed for 2019 other than as a result of the employer health tax. Additional capital projects are proposed for 2019 with funding from the sewer utility reserve, which has been accumulating funding for these projects pending the CRD decision for the sewage treatment facility. Having transferred funding into reserve has enabled smoothing out the impact of these projects. The proposed Sewer Utility budget results in a user fee revenue increase of 37,353 or 0.47% as outlined in the following table:

Sewer Cost Driver	Dollars \$	Percentage %
Salaries, materials & equipment	\$ 122,157	1.55%
Transfer to Reserve	(122,157)	-1.55%
Provincial Health Tax	37,353	0.47%
Total	\$ 37,353	0.47%

The Solid Waste program proposes a user fee revenue increase of \$101,223 or 3.22% as outlined in the following table:

Solid Waste Cost Driver	Dollars \$	Percentage %
Tipping Fees - garbage/organics	\$ 27,750	0.88%
Salaries, materials & equipment	52,551	1.67%
Provincial Health Tax	20,922	0.67%
Total	\$ 101,223	3.22%

The proposed Stormwater Utility budget results in a revenue increase of \$267,249 or 4.04% as outlined in the following table:

Stormwater Cost Driver	Dollars \$	Percentage %
Salaries, materials & equipment	\$ 129,896	1.96%
Transfer to Reserve	100,000	1.51%
Provincial Health Tax	37,353	0.56%
Total	\$ 267,249	4.04%

Greater Victoria Public Library (GVPL)

The City's share of the GVPL's operating and facility maintenance budget request, is \$5.45 million, which is an increase of approximately \$107,000. The operating costs for the new branch in James Bay are incorporated into the budget. The capital costs were borrowed from the Buildings and Infrastructure Reserve, to be paid back over time using the new tax revenue from this development. The draft 2019 budget includes \$239,000 to be repaid to the reserve from the new tax revenue. The Library Board approved the 2019 budget on October 16, 2018.

New Property Tax Revenue from New Development (Non-Market Change)

As per the Financial Sustainability Policy, the first \$500,000 of new property tax revenue resulting from new construction is transferred to reserve and as directed by Council, funding has been allocated to pay back the Buildings and Infrastructure Reserve for funds borrowed for the new library branch in James Bay (\$239,000.)

Any additional new property tax revenue from new development has not been factored into the draft 2019 Financial Plan. A conservative early estimate for total new property tax revenue from new development, based on information provided by BC Assessment, is \$2.5 million. However, this is based on incomplete information this early in the year and this amount will likely change before it is finalized in March 2019. BC Assessment will be providing a revised estimate before Council makes funding allocation decisions in late January/early February.

Over the last decade, Council has used the majority of the new tax revenue for capital investment (savings in reserves) and reducing the annual tax increase. Only a portion of this new revenue has been used to fund new services as illustrated in the graph below:



For 2019, Council could consider using this revenue to fund strategic plan items, fund supplementary requests, fund additional capital projects, address feedback from public consultation, transfer additional funds to reserve, or reduce taxes. The current reserve contribution to the Buildings and Infrastructure Reserve is \$6.7 million plus the proposed addition of \$500,000 for a total of \$7.2 million in 2019; the estimated unallocated balance at the end of 2018 is \$19 million taking the allocation for the Crystal Pool project into account.

The following table outlines the uses of assessment growth revenue for the last five years:

2014		2015		2016		2017		2018	
Reduce Property Tax Increase	\$868,845	Reduce Property Tax Increase	\$1,000,000	Real Estate Function	\$60,000	Police Budget	\$277,000	Buildings and Infrastructure Reserve	\$885,286
Buildings and Infrastructure Reserve	\$500,000	Buildings and Infrastructure Reserve	\$500,000	Buildings and Infrastructure Reserve	\$365,000	Buildings and Infrastructure Reserve	\$250,000	James Bay Library Operating	\$345,000
Total	\$1,368,845	Community Garden Volunteer Grants	\$36,000			Accessibility Reserve	\$250,000	James Bay Library Capital	\$198,000
		Interdisciplinary Team	\$300,000			Real Estate Function	\$135,000	Property Tax Decrease	\$197,234
		Downtown Community Centre Funding	\$50,000			Tree Care	\$128,000	Fire Prevention Officer	\$121,000
		Increase Community Centre Funding	\$100,000			Greening of Fleet	\$61,722	Police Civilians	\$114,814
		Solid Waste Garbage Collection and Waste Separation	\$55,000			New Gymnasium - 950 Kings Rd	\$49,000	Transportation Planner	\$104,000
		Village Centre Beautification (Banners)	\$10,000			Arts and Culture Support	\$25,000	Park Planner	\$103,000
		Traffic Calming	\$100,000			Community Garden Volunteer Coordinator	\$6,000	Building Project Administrator	\$99,000
		Sidewalk Maintenance Upgrades	\$80,000			Distribution of Mulch to Community Garden Operators	\$6,000	Sustainability Waste Management Engineer	\$99,000
		Real Estate Function	\$101,000			Victoria Heritage Foundation Grant	\$5,125	Correspondence Coordinator	\$87,000
						Victoria Civic Heritage Trust Grant	\$2,153	Graphic Design Support	\$81,000
						Medallion Challenge Trophy	\$500	Parks Natural Areas Support	\$63,000
						Total	\$1,195,500	Festival Investment Grant	\$50,000
								Community Garden Program	\$15,000
								Victoria Heritage Foundation	\$10,716
								Food Systems North Park Neighbourhood Association	\$6,000
								Victoria Heritage Trust	\$2,186
								Victoria Community Association Network Grant	\$900
								Community Garden Volunteer Coordinator Grants Inflation	\$864
								Total	\$ 2,583,000
		Total	\$2,332,000	Total	\$425,000				

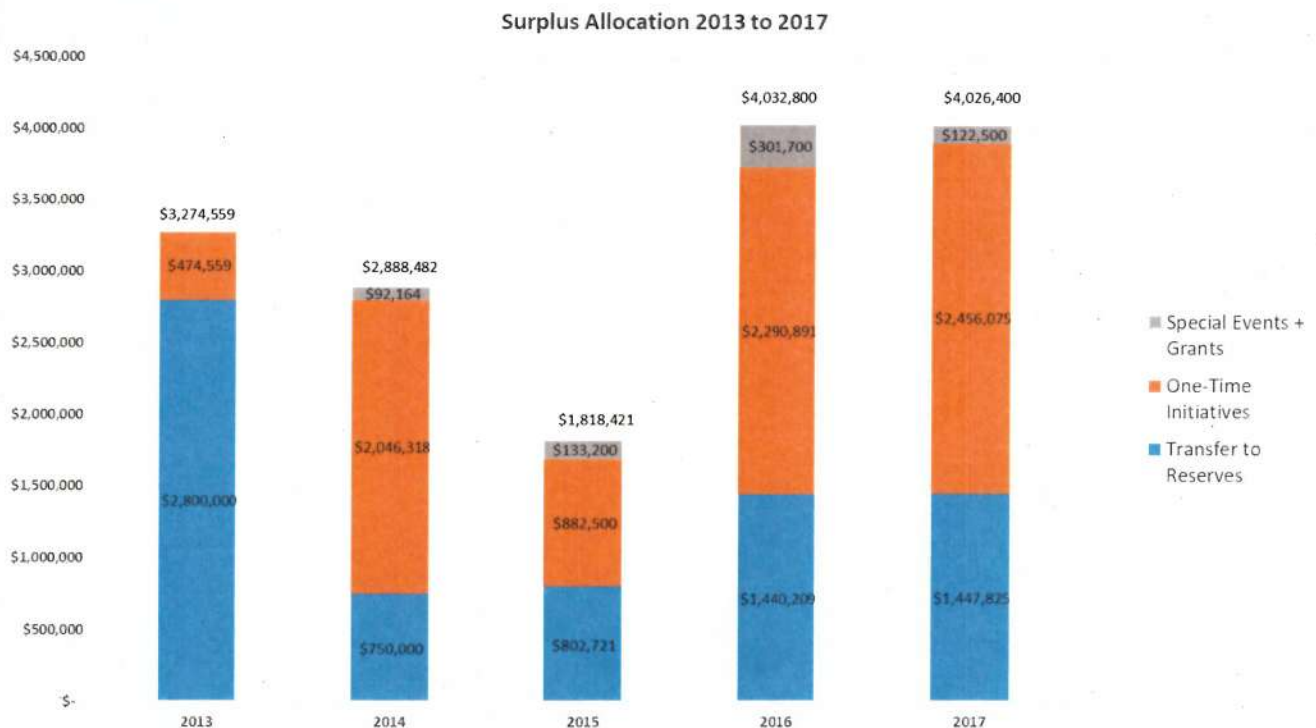
2018 Surplus

Per the Financial Sustainability Policy, prior year surplus can be used for one-time expenditures and/or be transferred to infrastructure reserves. Since the 2018 year is not yet complete and the amount of the 2018 surplus is not finalized, no surplus has been included in the draft Financial Plan. However, Council has provided previous direction for the use of the surplus as follows:

1. \$50,000 for Victoria 2020 Francophone Games
2. \$55,000 for 55+ Games BC 2021
3. \$220,000 South Island Prosperity Project
4. \$200,000 Medical Services Plan Premiums

It is proposed that a decision on the use of the remaining 2018 surplus be made once the consultation on the draft Financial Plan is complete.

The following graph and table outline the surplus allocation for the past five years:



2013		2014		2015		2016		2017	
Buildings and Infrastructure Reserve	\$ 2,800,000	Victoria Housing Reserve	\$ 750,000	Buildings and Infrastructure Reserve	\$ 552,721	Buildings and Infrastructure Reserve	\$ 1,440,209	Buildings and Infrastructure Reserve	\$ 482,609
Additional staffing to expedite planning applications	\$ 350,000	Buildings and Infrastructure Reserve	\$ 500,000	Parks Overnight Sheltering Support and Clean-Up	\$ 313,000	Accelerated Local Area Planning (2018-2019)	\$ 500,000	Vehicles and Heavy Equipment Reserve	\$ 482,608
Active Transportation Projects	\$ 124,559	Accessibility Capital Fund	\$ 250,000	Accessibility Capital Fund	\$ 250,000	South Island Prosperity Project (SIPP)	\$ 220,000	Greenways Acquisition Fund Reserve	\$ 482,608
Total	\$ 3,274,559	Emergency Management	\$ 250,000	Crosswalk Projects	\$ 200,000	Vulnerable Population Pilot Project	\$ 204,891	Victoria Housing Strategy Implementation	\$ 250,000
		Parks Master Plan	\$ 250,000	Arboriculture (Urban Forest Mgmt Plan Implementation)	\$ 128,500	Parks Overnight Sheltering	\$ 200,000	South Island Prosperity Project	\$ 220,000
		Expedite Local Area Plans	\$ 200,000	Cultural Plan	\$ 116,000	Parks Infrastructure	\$ 158,000	Mental Health Integration	\$ 216,575
		UBCM Conference	\$ 155,000	Senior Parks Planner	\$ 103,000	High Risk Tree Removal	\$ 150,000	Overnight Sheltering – Support & Clean Up	\$ 200,000
		Centennial Square Washroom Upgrades	\$ 125,000	Real Estate Function Consulting	\$ 100,000	Canada 150 Festivities	\$ 150,000	Neighbourhood Transportation Management	\$ 180,000
		Dallas Road Split Rail fence	\$ 125,000	Broad Street Mail Repairs	\$ 15,000	Songhees and Esquimalt First Nations Long House	\$ 110,000	High Risk Tree Removal	\$ 150,000
		Strategic Objectives Account (unallocated)	\$ 109,318	Sidewalk Power-Washing	\$ 15,000	Parks Planning Temporary Support	\$ 103,000	Heritage Planner (2 year term)	\$ 120,000
		Storage-Homeless Persons' Belongings	\$ 45,000	India Mela and Dragon Boat Society 80% FIG Grants	\$ 11,200	Victoria Housing Strategy Implementation	\$ 100,000	Engagement Advisor	\$ 109,000
		Concrete and Brick Pavers Intersection Maintenance	\$ 37,000	Traffic and Parking Improvements	\$ 8,000	Correspondence Coordinator	\$ 87,000	Downtown Public Realm Plan Implementation	\$ 105,000
		Strategic Plan Grants - additional funding	\$ 36,164	City of Victoria Youth Council Additional Request	\$ 6,000	Install Symbol of Lekwungen People	\$ 75,000	Community Benefit Hub (2 year)	\$ 100,000
		Western Canada Music Awards Grant	\$ 25,000	Total	\$ 1,818,421	Adaptive Management Framework	\$ 55,000	Downtown sidewalk cleaning & snow removal	\$ 99,500
		Strategic Plan Grants (unspent 2014 Greenways)	\$ 25,000			Temporary Moveable Child Friendly Play Feature in Centennial Square	\$ 50,000	Parks Arboriculture	\$ 97,000
		Island Transformations Railway Crossing Study	\$ 4,000			City Studio (2018-2019)	\$ 50,000	Speed Reader Boards	\$ 85,000
		VCAN Support	\$ 1,100			Public Works Master Plan	\$ 50,000	International Ice Hockey Federation World Junior Hockey Championship	\$ 70,000
		VCAN Support 2016 - First 6 Months	\$ 900			Seasonal Special Events Traffic Control Support	\$ 50,000	Secretary Planning	\$ 67,000
		Total	\$ 2,888,482			Solid Waste Management Strategy	\$ 50,000	Condition Assessment Pilot Project	\$ 60,000
						City's Truth and Reconciliation Commission Calls to Action Task Force	\$ 50,000	Inclusion Policy and Program	\$ 60,000
						Car Free Day (2018-2020)	\$ 45,000	Environmental Performance Audit	\$ 50,000
						Development Services Temporary Support	\$ 42,000	Professional Certification/Project Management	\$ 50,000
						Zoning Updates	\$ 30,000	Witness Reconciliation Program	\$ 50,000
						Youth Strategy	\$ 30,000	Accessibility Framework	\$ 40,000
						2017 Canadian Capital Cities Organization Annual Conference	\$ 20,000	Traffic Signal Timing Update Study	\$ 40,000
						Temporary installation of table tennis and chess tables in Centennial Square	\$ 11,000	Pioneer Square Archaeological Reporting	\$ 37,000
						Victoria Community Association Network	\$ 1,200	Extra Bridge Coverage	\$ 30,000
						Fairfield Community Centre Insurance Administration	\$ 500	Single-Use Checkout Bag Regulation	\$ 30,000
						Total	\$ 4,032,800	Youth Strategy Liaison	\$ 30,000
								Youth Leaders in Training Program	\$ 20,000
								Step Code Implementation	\$ 10,000
								Ending Violence Association of BC	\$ 2,500
								Total	\$ 4,026,400

A conservative early estimate of the 2018 surplus is \$2 million. The final number is likely to be different than this estimate.

Five-Year Operating Budget

To develop the future years of the five-year operating budget a number of assumptions have been incorporated including: no changes to services or service levels; collective agreement increases; known cost increases, such as hydro, at already announced rates; and unknown cost increases (the majority) at an inflationary factor of 2%.

The following table outlines the estimated impact to tax and rate payers. The numbers assume Council approves a 4.3% tax increase to fund the new employer health tax and distributes the tax

increase evenly between residential and commercial taxpayers. These estimates were calculated based on 2018 assessed property values and 2018 estimated water usage and actuals will differ as assessed values will change in 2019. Also, these numbers reflect average increases and individual properties will see different increases depending on individual property assessed value changes.

Estimated Average Residential	2019	2020	2021	2022	2023
Property Taxes (\$743,000 assessed value)	\$69	55	54	54	56
Employer Health Tax	\$36				
Total Property Tax	\$105	\$55	\$54	\$54	\$56
Water Utility - 80 units	11	10	11	11	16
Employer Health Tax	1				
Total Water Utility	12	10	11	11	16
Sewer Utility - 80 units	-	5	5	10	6
Employer Health Tax	1				
Total Sewer Utility	1	5	5	10	6
Solid Waste - 120 litre bin	3	4	4	5	5
Employer Health Tax	1				
Total Solid Waste Utility	4	4	4	5	5
Stormwater Utility	4	5	7	5	5
Employer Health Tax	1				
Total Stormwater Waste Utility	5	5	7	5	5
Estimated Increase in \$	\$127	\$79	\$81	\$85	\$88
Estimated Increase in %	3.76%	2.26%	2.27%	2.32%	2.35%
Estimated Typical Small Business	2019	2020	2021	2022	2023
Property Taxes (\$585,000 assessed value)	\$194	256	258	263	275
Employer Health Tax	99				
Total Property Tax	\$293	\$256	\$258	\$263	\$275
Water Utility - 80 units	11	10	11	11	16
Employer Health Tax	1				
Total Water Utility	12	10	11	11	16
Sewer Utility - 80 units	-	5	5	10	6
Employer Health Tax	1				
Total Sewer Utility	1	5	5	10	6
Stormwater Utility	7	10	16	11	12
Employer Health Tax	3	-	-	-	-
Total Stormwater Utility	10	10	16	11	12
Business Licence	-	-	-	-	-
Estimated Increase in \$	\$315	\$281	\$290	\$295	\$309
Estimated Increase in %	4.06%	3.47%	3.47%	3.41%	3.45%

Supplementary Operating Budget Requests

Before any requests for increased funding is brought to Council for consideration, staff first evaluate each need and possible ways to meet those needs without requesting additional funding from Council; this includes process improvements that create efficiencies and free up existing staff time, shifting resources between areas, or exploring funding opportunities. To ensure only those requests that are the highest priority are brought forward, a corporate-wide prioritization process is undertaken. The highest priority areas for 2019 focus is for organizational resources to support efficiency initiatives and effective delivery of City projects and initiatives, staff recruitment and retention, improved asset management, continued management of growth and new development, managing green spaces and support to youth.

The following table outlines this year's requests:

Supplemental Description	2019 On-Going	2019 One-Time
Asset Management		
GIS Technician	\$85,500	
Business Analyst	\$102,000	
Work Order Administrator	\$92,500	
Managing Growth and New Development		
Secretary - Planning		\$72,500
Secretary – Legislative Services		\$72,500
Planner – Development Services		\$107,250
Planner – Parks		\$107,250
Service Improvements and Corporate Initiatives		
Service reviews, business and project planning, budgeting and performance measures, and corporate projects – three positions.	\$380,000	
Managing Public Green Spaces		
Overnight Sheltering – Support & Clean Up	\$362,000	
Recruitment and Retention		
Disability Coordinator	\$128,500	
Talent Specialist	\$96,500	
Youth Initiatives		
Youth Leaders in Training Program	\$20,000	
Youth Strategy Coordinator		\$30,000
Total	\$1,267,000	\$389,500

Additional details on each are attached as Appendix B.

VicPD has also put forward supplementary budget requests as outlined in their submission.

The public consultation process may result in additional funding needs. Possible funding sources are 2018 surplus, new property tax revenue from new development, or an additional property tax increase. It is recommended that Council consider these requests along with feedback from public consultation on the draft Financial Plan.

Capital Budget

Overview

The draft capital budget for 2019 totals \$118 million, which is larger than the typical \$30-35 million primarily due to the Crystal Pool Replacement and Bicycle Master Plan Implementation.

The following chart outlines the proposed capital investment:

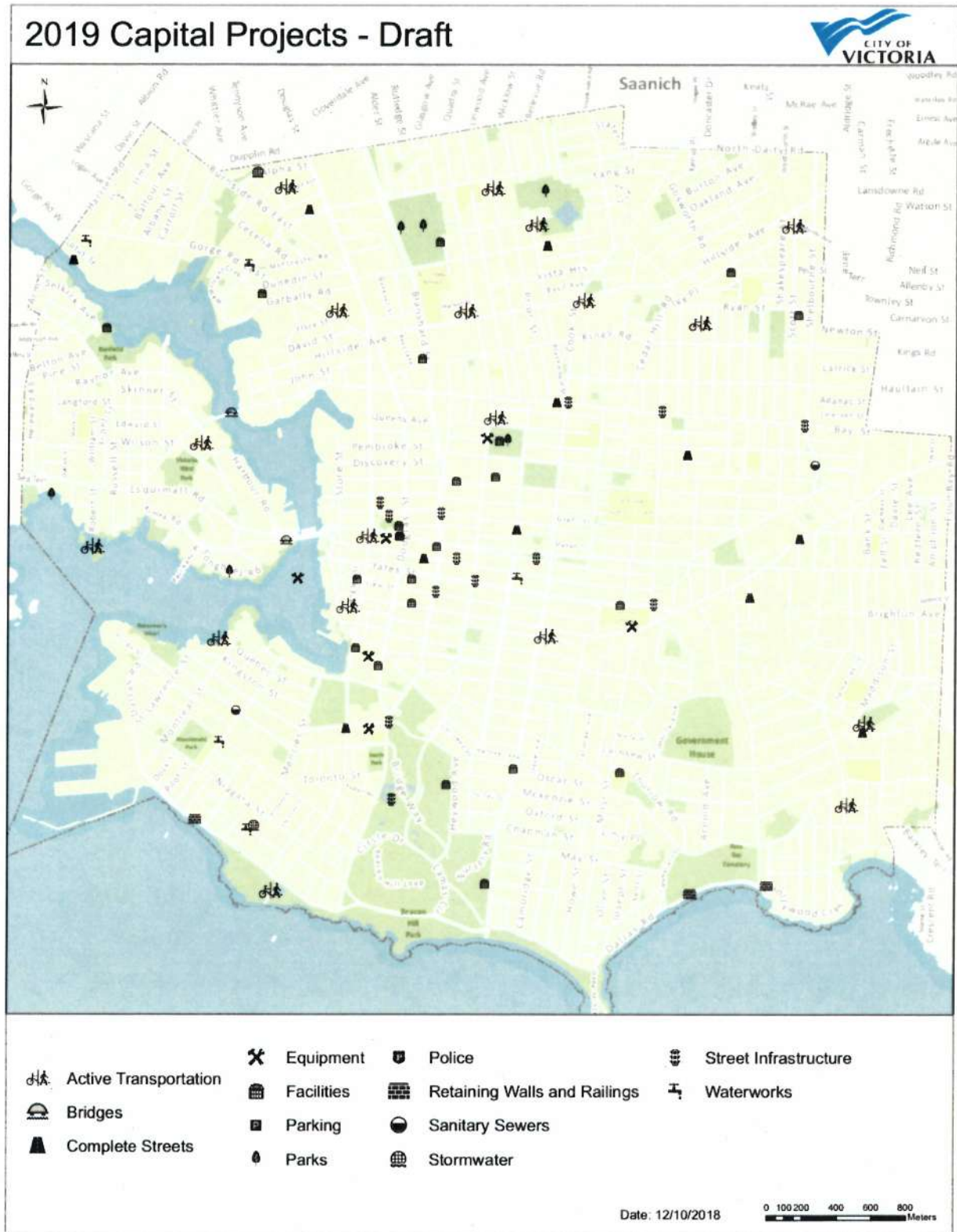
Capital Expenditures by Category

2019 Budgeted Category Expenditures (\$118 million)



64%	Facilities
11%	Active Transportation
5%	Sanitary Sewers
4%	Parks
4%	Waterworks
3%	Equipment
3%	Complete Streets
3%	Stormwater
2%	Police
1%	Street Infrastructure
<1%	Contingency, Retaining Walls and Railings

Each project has also been mapped to provide a geographic picture of where the planned capital investment is proposed to take place.



Each budget request includes both the capital cost and the ongoing additional operating costs and FTE requirements. The ongoing operating costs have been incorporated into the appropriate future years in the operating budget.

The capital budget was developed based on the principle that all asset groups are allocated some funding. In addition, the annual capital investment needs are determined through asset master plans and condition assessments. Asset master plans outline the level of funding that is considered sustainable to maintain current service levels and the priorities for infrastructure investment.

The capital budget funding levels have reached sustainable levels for some assets (water), some are close to sustainable levels (storm drains and sewers), some projects are shaped through consultation with the community (park upgrades), some require additional analysis to determine the required funding levels (equipment and surface infrastructure such as street and traffic lights) and some fall short of recommended levels (facilities, roads and fleet).

A facilities condition assessment was completed in 2015. This was the first step in the process to determine future investment needs. Further work is required to develop tactical plans for significant cost items; one of those, a roofing plan, was completed in 2017. For 2019, a Facilities Master Plan is proposed that will inform future financial plan and long-term funding strategies.

The sewer master plan update was completed earlier this year. Results of this planning work have determined that current levels of funding are sufficient for the next five years (excluding inflationary cost increases) and potential increases may be required beyond that term.

The pavement management plan indicates that additional funding is needed to maintain existing service levels. Staff continue to investigate alternative rehabilitation strategies, such as thin asphalt overlays, and mill and fill replacements, to achieve more upgrades within available funding. This year's draft financial plan is proposing increasing the funding in this area by \$975,000 to avoid widening the existing gap in funding.

The City is in process of developing a fleet management master plan that will define the long-term strategy to optimize future fleet utilization. In 2015, the City undertook an industry benchmark review and condition assessment, the result of which confirmed that there is a significant backlog- need for fleet replacement. Work is underway to right-size the fleet, as well as exploring "modular" vehicles where the chassis is the same but the back-end can be changed depending on need, and exploring the used market viability for heavy duty low utilisation vehicles. This multi-pronged approach is part of the strategy to reduce the current funding gap.

Capital plan funding levels are determined through policy decisions, taking into account the City's risk tolerance. Historically, Council has increased property taxes for capital projects that address deferred maintenance for roads, facilities and storm drains. Since 1999, Council has increased annual capital budget funding through property taxes from \$2.5 million to \$10.2 million. As per the Financial Sustainability Policy, additional funding decisions through an increase in property taxes, will be considered by Council based on proposed projects identified by staff. For 2018, based on the investment needs identified above, it is recommended that \$975,000 of increased funding be provided to roads and this has been factored into draft financial plan. Each year from 2013 to 2015 a 1.25% property tax increases was levied for the capital budget. This level of increase takes a conservative approach in reaching sustainable funding levels; an alternate option for Council's consideration would be to spread the increases over a longer time-period to balance taxpayer affordability while being aware of the risk.

Historically, the City's capital plan has been funded by a combination of property taxes, utility user fees, grants, debt and reserves. Approximately one third of the City's typical \$30-\$35 million capital

budget is funded from reserves for investments such as vehicle and equipment replacements, remediation of City properties, and some building upgrades. Larger projects, such as a bridge replacement or construction of an arena, have primarily been funded through debt and grants which is consistent with the City's policy on debt.

The proposed capital budget includes projects that are underway but will not be completed before year-end. The funding for these projects must be carried forward from 2018. The budgets for these projects will be updated to reflect remaining amounts once year-end has been completed.

Reserves and Debt

The City's Reserve Fund Policy was updated in 2015, including a methodology for determining target balances. The minimum target balances have already been achieved for all reserves except the stormwater utility reserve which was created in 2016. However, the minimum balances are only one part of the equation and recommended capital budget spend levels also need to be taken into account as outlined in the section above in this report. The following table outlines the estimated uncommitted year-end reserve fund balances based on the assumption that all planned work for 2018 will be completed:

Description	Balance Dec 31, 2018	2019 Budget Transfers In	2019 Budget Transfers out	Projected Balance Dec 31, 2019
Capital Reserves				
Equipment & Infrastructure				
Police				
Police Vehicles, Equipment & Infrastructure	1,085,969	1,297,000	1,957,000	425,969
Police Emergency Response Team	120,562			120,562
City				
VCC Equipment and Infrastructure	932			932
City Equipment	9,481,144	1,602,500	2,084,000	8,999,644
City Vehicles & Heavy Equipment	3,325,058	1,623,104	1,350,000	3,598,162
City Buildings & Infrastructure	19,475,357	8,380,754		27,856,110
Accessibility Capital	696,762	250,000		946,762
Parking Services Equipment and Infrastructure	6,826,185	2,325,976	810,000	8,342,161
Multipurpose Equipment and Infrastructure	999,224	142,000	425,000	716,224
Recreation Facilities Equipment and Infrastructure	1,102,264	28,300		1,130,564
Archives Equipment	37,372			37,372
Artificial Turf Field	1,079,063	95,000		1,174,063
Gas Tax	0	3,591,000		3,591,000
Water Utility Equipment and Infrastructure	18,893,219	1,850,000		20,743,219
Sewer Utility Equipment and Infrastructure	25,770,937	657,407	1,344,000	25,084,344
Stormwater Utility Equipment and Infrastructure	1,938,879	100,000		2,038,879
Tax Sale Lands Fund	1,541,588	50,000		1,591,588
Parks and Greenways Acquisition Fund	2,106,903			2,106,903
Local Amenities Reserve	609,149		145,290	463,859
Development Cost Charges	15,302,761		5,489,000	9,813,761
Downtown Core Area Public Realm Improvements	153,451			153,451
Total Capital Reserves	110,546,778	21,993,041	13,604,290	118,935,529
Operating Reserves				
Financial Stability Reserves				
City	7,001,539	100,000	332,422	6,769,117
Police	1,164,738		750,000	414,738
Debt Reduction	37,527,181	3,097,967		40,625,148
Insurance Claims	3,916,744			3,916,744
Water Utility	693,229			693,229
Sewer Utility	796,649			796,649
Stormwater Utility	419,814			419,814
Victoria Housing Reserve	2,200,332	250,000		2,450,332
Climate Action Reserve	604,652	313,961		918,613
Art in Public Places	307,680	150,000	235,000	222,680
Heritage Buildings Seismic Upgrades	89,112			89,112
Total Operating Reserves	54,721,669	3,911,928	1,317,422	57,316,175
Total City Reserves	165,268,447	25,904,969	14,921,712	176,251,704

The City currently has \$73.2 million in outstanding debt, with additional authorized but yet to be issued debt of approximately \$700,000 for the Johnson Street Bridge replacement. According to the Financial Sustainability Policy, debt servicing charges should be kept at a maximum of 7% of the prior year's property tax levy. Currently, there is approximately \$3 million of budget room for debt servicing, which is transferred to the Debt Reduction Reserve. This is the funding that Council has set aside for the replacement of Fire Department Headquarters. There are some smaller debt issues falling off in 2022; however, the next significant debt issue to retire is in 2031. The following table outlines the current debt issues, year of retirement and the annual debt servicing costs.

Final Year	Issue	MFA Issue - Purpose	2019 Total
2022	102	Burnside Gorge Community Centre	163,644
2022	102	City Hall Accessibility	162,992
2023	103	Parkades	137,594
2023	105	Parkades	178,094
2024	105	Crystal Gardens	340,359
2025	110	Parkades	493,694
2031	115	Johnson Street Bridge Replacement (CMHC)	743,242
2033	79	Multipurpose Arena	375,514
2033	80	Multipurpose Arena	390,514
2034	81	Multipurpose Arena	390,514
2034	130	Johnson Street Bridge Replacement	1,475,097
2036	139	Johnson Street Bridge Replacement	320,186
2037	142	Johnson Street Bridge Replacement	659,671

Allocation of Annual Gas Tax Funding

The City receives annual funding from the Federal Government through their gas tax program. The expected amount for 2019 is \$3.59 million. Each year, amounts received are transferred to the City's Gas Tax Reserve which Council approves allocations from through the annual capital plan. The majority of the projects funded through the gas tax reserve to-date have been storm drain infrastructure projects. For 2015 to 2018, Council allocated funding for the David Foster Harbour Pathway implementation, storm drain brick main replacement, LED streetlight replacement, and new bike lanes in priority areas. With the expected amount for 2019, the gas tax funding available is \$3.59 million.

The City is required to report annually through the Union of BC Municipalities on which projects have been funded using gas tax and the agreement outlines which types of projects are eligible. There are a number of capital projects that would qualify for this funding including storm drain projects, recreation projects such as the Crystal Pool Replacement and bike lanes. Staff are not proposing any allocation from this reserve in 2019.

20-Year Capital Plan

For many capital investments, such as water, stormwater, sidewalks and complete streets projects, longer-term asset master plans identify the priority order of renewals for a number of years. Those plans also indicate the estimated funding for those renewals. For these investments, ongoing budgets have been included in the 20-year capital plan.

For facilities, the future years show as “TBD” (to be determined) because a long-term plan that accounts for the strategic opportunities and functional requirements relating to City-owned buildings does not yet exist. This plan is proposed for 2019 and upon completion will inform future capital plans. A condition assessment of all parks assets was undertaken in 2018. Together with the goals within the Parks and Open Space Master Plan, this will inform future priority setting for parks projects. Therefore, budgets for future year park projects are labeled “TBD”. For others, such as Gate of Harmonious Interest, condition assessments and design work underway will determine the extent of the work required and budgets for the renewal investments can be developed once the condition assessments have been completed and will be incorporated into the capital plan at that point.

It can be difficult to determine the exact funding needs far into the future; therefore all future year amounts are best estimates only.

Outstanding Council Motions

Council passed the following motion in relation to Vic High School sports facility refurbishment:

Matching grant of up to \$250,000 subject to:

- a. Community consultation for the project by School District 61 or its designate
- b. Council approval of the final design of the project
- c. Entering into a joint use agreement between the City and School District 61

This grant has not yet been factored into the draft 2019-2023 Financial Plan. As per Council direction, the funding for this project will be considered once all terms of the Council motion have been addressed.

Council also passed a motion to set aside \$110,000 in funding for a future longhouse in Beacon Hill Park. The funding is set aside in reserve until the First Nations are ready to proceed.

Grants

As directed by Council, grants have been grouped into five categories: direct-award grants, festival investment grants, community garden volunteer coordinator grants, My Great Neighbourhood grants, and Strategic Plan grants, which include micro-grants.

Starting in 2016, Council directed staff to include inflationary increases for community and seniors centres operating and youth programming grants, as well as the festival investment grant budget.

In addition to operating and youth programming grants, the City also provides support to community and seniors centres for facility-related costs such as janitorial and strata fees. These budgets have been increased to reflect expected inflationary increases.

One direct award grant organization has requested additional funding. The Victoria Civic Heritage Trust has requested a 2% or \$2,250 increase in funding.

The proposed funding for the direct-award grants is as follows. The last column indicates the additional request.

Organization	Type of Grant	2018 Final Budget	2019 Budget	Change	Additional Requests
Victoria Civic Heritage Trust	Building Incentive	420,000	420,000	0	
Victoria Civic Heritage Trust	Operating	112,000	112,000	0	2,250
Victoria Heritage Foundation	Operating	220,841	220,841	0	
Recreation Integration Victoria	Operating	32,684	33,213	529	
Victoria Youth Council	Operating	26,000	26,000	0	
Quadra Village Community Centre	Operating	52,644	53,697	1,053	
Quadra Village Community Centre	Youth Programming	8,489	8,659	170	
Quadra Village Community Centre	Lease Grant	43,200	43,200	0	
Fernwood Community Centre	Operating	52,644	53,697	1,053	
Fernwood Community Centre	Youth Programming	8,489	8,659	170	
Vic West Community Association	Operating	52,644	53,697	1,053	
Vic West Community Association	Youth Programming	8,489	8,659	170	
Vic West Community Association	Facility (janitorial)	34,869	35,566	697	
Fairfield Community Place	Operating	52,644	53,697	1,053	
Fairfield Community Place	Youth Programming	8,489	8,659	170	
Fairfield Community Place	Facility (janitorial, recycling)	46,308	47,234	926	
Fairfield Community Place	Liability Insurance	5,500	5,500	0	
Fairfield Community Place	Youth Outreach	15,000	15,000	0	
Cook Street Village Activity Centre	Operating	52,644	53,697	1,053	
Cook Street Village Activity Centre	Facility (strata fees)	17,708	18,062	354	
Victoria Silver Threads	Operating	52,644	53,697	1,053	
Victoria Silver Threads	Facility (lease)	122,389	122,389	0	
Burnside Gorge Community Centre	Operating	52,644	53,697	1,053	
Burnside Gorge Community Centre	Youth Programming	8,489	8,659	170	
Burnside Gorge Community Centre	Youth Outreach	10,000	10,000	0	
James Bay Community School Centre	Operating	52,644	53,697	1,053	
James Bay Community School Centre	Youth Programming	8,489	8,659	170	
James Bay Community School Centre	Facility (janitorial, recycling)	54,153	55,236	1,083	
James Bay New Horizons	Operating	52,644	53,697	1,053	
James Bay New Horizons	Facility (janitorial)	27,413	27,961	548	
Oaklands Community Centre	Operating	52,644	53,697	1,053	
Oaklands Community Centre	Youth Programming	8,489	8,659	170	
Oaklands Community Centre	Facility (janitorial)	16,927	17,265	338	
Cool Aid Downtown Community Centre	Operating	52,644	53,697	1,053	
Seniors Outreach	Operating	30,000	30,000	0	
Victoria Community Association Network	Operating	900	918	18	
Blanshard (Hillside Quadra)	Per capita base (0.75 times population)	5,684	5,684	0	
Burnside/Gorge	Per capita base (0.75 times population)	5,105	5,105	0	
Downtown (incl Harris Green)	Per capita base (0.75 times population)	4,129	4,129	0	
Fairfield Gonzales	Per capita base (0.75 times population)	12,343	12,343	0	
Fernwood	Per capita base (0.75 times population)	7,358	7,358	0	
James Bay	Per capita base (0.75 times population)	9,032	9,032	0	
North Jubilee	Per capita base (0.75 times population)	2,418	2,418	0	
South Jubilee	Per capita base (0.75 times population)	1,734	1,734	0	
North Park	Per capita base (0.75 times population)	2,680	2,680	0	
Oaklands	Per capita base (0.75 times population)	5,346	5,346	0	
Rockland	Per capita base (0.75 times population)	2,755	2,755	0	
Vic West	Per capita base (0.75 times population)	5,758	5,758	0	
		1,938,743	1,956,007	17,264	2,250

Note the City provides janitorial services to Quadra Village Community Centre and Fernwood Community Centre and Cook Street Village Activity Centre; no support is provided to Burnside Gorge Community Centre

It is recommended that Council approve the direct-award grants as outlined in the second column of the table above, and consider any funding increase requests upon completion of the public consultation.

Public Information and Consultation

Public participation in the development of the City of Victoria's budget has continued to increase in recent years due to a number of measures introduced to improve the budget information and the tools used to solicit greater input and involvement. Prior to the 2015 process, the City would hear from less than 30 people during the budget process. Since 2015, these numbers have increased exponentially, with the highest engagement occurring in 2015. The initial rise in 2015 was largely

attributed to the alignment with the strategic planning process and the opportunity for the public to inform the investment of unallocated surplus and new assessment revenue.

Efforts that continue to increase engagement and the diversity of input will continue. Budget information and input mechanisms have become more accessible than in years past. Through an improved budget document, summary materials in print and online, the introduction of a budget simulator and the E-Town Hall format, more people are participating than ever before, and greater dialogue is occurring about the budget.

In 2017 and 2018, a budget simulator tool was utilized and will be promoted widely during the 2019 budget process to assist in educating taxpayers of the trade-offs of different budget decisions. The budget simulator provides the taxpayer greater ability to assess how changes to the budget have different impacts.

In 2019, we propose to once again align the engagement processes for strategic priorities with the Financial Plan.

Although the City has increased participation broadly over the past four years, we continue to work on reaching traditionally under-represented groups. We will focus on creating a greater sense of ownership over the budget process in those who rent in Victoria, as they represent 59% of the population, but have participated less than those who own a home, likely due to a misconception that the budget is only connected to property taxes. We will continue to work with the City of Victoria Youth Council to inspire youth to participate in this important engagement process. We will also continue to reach out to the business community, which pays nearly 50% of taxes in Victoria.

Following first reading of the financial plan bylaw tentatively scheduled for December 13, it is planned that the budget materials and engagement process will commence on December 14. The draft budget and materials will be made available for public review and comment on that date, with the Town Hall session tentatively scheduled later January, 2019. This will allow sufficient time for citizens to review and digest information contained in both the draft Financial Plan as well as proposed strategic priorities. Input is proposed to be collected until late January 2019, allowing sufficient time for full consultation, with the awareness that a portion of that time falls over Christmas holidays. City Council will consider the draft financial plan in conjunction with the input at a late January/early February Committee of the Whole meeting.

Timeline

The following table outlines the proposed timeline for this year's process.

Tentative Dates	Task
November 26, 27 and December 7, 2018	Detailed presentations of draft Financial Plan
December 13, 2018 Council	First reading of Financial Plan bylaw
December 2018 and January 2019	Public consultation
Latter half of January 2019	Town Hall / e-Town Hall meeting
Late January/early February 2019 Committee of the Whole	Present consultation results and seek direction on changes to Financial Plan and Strategic Plan
April 2019 Committee of the Whole	Final report on Financial Plan including incorporated changes; report on 2019 tax rates
April 2019 Council	Second and third reading of Financial Plan bylaw; first, second and third reading of tax bylaw
April 2019 Council	Adoption of Financial Plan bylaw and tax bylaw

OPTIONS & IMPACTS

Accessibility Impact Statement

Initiatives within the Financial Plan support accessibility improvements.

Strategic Plan

The draft Financial Plan will be aligned with the Strategic Plan once the Strategic Plan has been finalized.

Impacts to Financial Plan

The 2019-2023 Financial Plan will replace the current year's plan.

Official Community Plan Consistency Statement

The many initiatives included within the financial plan are consistent with many policies within the Official Community Plan including support for infrastructure asset management objectives, in particular, policy 11.4 to maintain and enhance the allocation of resources for civic infrastructure repairs, upgrades and replacement.

CONCLUSIONS

The 2019-2023 balances many competing priorities and supports the many services and programs provided throughout the city. Council's review, and feedback from the public will further shape the financial plan

Respectfully submitted,




Jo-Ann O'Connor
Deputy Director of Finance



Susanne Thompson
Deputy City Manager and Chief Financial Officer

Report accepted and recommended by the City Manager:

Date:


Nov 8, 2018

List of Attachments

- Appendix A – Council Resolutions Referred to the 2019 Financial Planning Process
- Appendix B – Supplementary Requests
- Appendix C – Neighbourhood Engagement Summary

Appendix A – Council Resolutions Referred to the 2019 Financial Planning Process

Late Night Advisory Committee Referral	That the City give consideration to a new sidewalk washroom in the 900 block of Douglas Street area in the 2019 budget.
Beepers in the Downtown	That Council direct that this item be considered as part of the 2019 budget process. See attached details on page 2 of this appendix.
Art in Public Places	As part of the 2019 financial planning process, consider allocating an additional \$75,000 into the Culture operating budget for the Artist in Residence Program starting in 2019.
Fair Trade Policy	That Council direct that this item be considered as part of the 2019 budget process. See attached details on page 4 of this appendix.
Accessibility Working Group Recommendations	That Council forward this report with the recommendations from the Accessibility Working Group to the 2019 budget process to receive the financial implications of all of the un-actioned recommendations. See attached details on page 6 of this appendix.
Vancouver Island South Film & Media Commission	Direct staff to consider alternative future funding options during the 2019 City budget process and request a business plan from the Film Commission to assist staff with this work.
Urban Food Table	That Council refer to the City's 2019 budget process consideration of an annual allocation of \$6,000 for the Urban Food Table.
Victoria Housing Reserve	That Council refer consideration of potentially increasing the funding allocation to the Housing Reserve Fund to the 2019 financial planning process.

BACK-UP BEEPERS IN THE DOWNTOWN

On April 19, 2018, City Council passed the following resolution on the resources needed to explore what other cities are doing in terms of replacing their fleets' back up beepers with new technologies due to noise concerns:

"... direct staff to report at the next quarterly update on the resources needed to explore what other cities are doing, whether there are policies that the City can implement and whether there are other costs needed to have this considered."

BACKGROUND:

Part 16 of the Occupational Health and Safety (OHS) Regulation requires that when operators of mobile equipment cannot directly or by a mirror or other effective device see immediately behind the mobile equipment, the mobile equipment must not be used unless the mobile equipment has an audio warning device that

- a. provides a signal to people in the vicinity that, if practicable, is audible above the ambient noise level in the workplace where the equipment is being used, and
- b. is activated automatically when the equipment controls are positioned to move the equipment in reverse.

In 2014, the University of Victoria (UVic) installed a broadband backup alarm on a compactor truck, in an attempt to address noise complaint issues during quiet hours, associated with traditional backup alarms. WorkSafe BC inspected the installation, to assess the appropriateness of the device with respect to compliance with the OHS regulations, subsequently confirming the installation met the regulation requirements.

In addition to UVic, Whistler and the City of Delta have installed broadband back up alarms on fleet vehicles. An initial / cursory review by staff suggests there does not appear to be widespread use of this technology by federal or provincial municipal agencies.

A review of documentation from various sources, including UVic and WorkSafe BC, offer the following feedback:

- Broadband alarms appear less intrusive to nearby public at distances greater than 300 meters from the vehicle
- Broadband alarms are most prominently heard in the hazard zone
- Broadband alarms reduce the risk of hearing damage to vehicle operators
- Broadband alarms provide a clearer indication of location of truck (directional sound for better hazard location) compared to traditional alarms, and meet WorkSafe BC requirements
- Location of alarm placement on trucks is vital to be effective
- Broadband alarms pose the risk of 'blending' into background noises.

The issue of broadband beeper being subjected to surrounding noise-cancelling poses questions as to its suitability for use during the vehicle's high-idle periods, and/or in areas with interfering background noise, masking the broadband alarm's discrete frequencies. In these circumstances, the broadband alarm may not meet ISO or OHS standards.

Approximately 100 of Victoria fleet vehicles have backup alarms installed comprise only a small percentage of the total number of urban vehicles with back-up alarms operating on City streets (including private waste collection, commercial delivery, and construction companies); converting the City's fleet to broadband alarms would have a small impact on overall noise associated with

vehicle backing movements. A number of City fleet vehicles (such as mini-sweepers and other street cleaning equipment) currently have manual over-ride capabilities, giving operators the option to suppress the backup alarm, once the ability to carry out a safe backing movement has been confirmed by the operator. As technology advances, other sensors (optical/ proximity) may relax the requirement for audible alarms, which would have to be studied further to better understand the timings and considerations and then endorsed by the relevant authorities. Municipal regulations for backup alarms may also prove ineffective, and be difficult to enforce – any requirement for the use of this type of technology should be mandated at a provincial or federal level.

In addition to the larger City of Victoria Fleet, the Fire Department's has researched available technology for an alternative to the current back up beepers installed on our fire apparatus. The department will be piloting broadband white sound reverse indicators on our apparatus which are instantly locatable, directional and self-adjusting to 5-10 decibels above background ambient sound levels.

FINANCIAL AND HUMAN RESOURCE IMPLICATIONS:

At this time there is not enough information to determine an appropriate capital equipment / sensor replacement program cost or timeline.

Further study and investment would be required to research and determine the most suitable equipment alternatives, review risks/benefits/considerations, implementation plans, policy review, etc. Such an exercise could cost between \$20-50k or more to complete with support from an external consultant to cover required resources. A pilot program would likely be required, which would add further costs.

This work is currently beyond the staff and financial capacity based on Council's approved commitments for the City's fleet management priorities.

For the Victoria Fire Department, the pilot will be undertaken on one Engine initially to investigate whether the installation is worthy of costs and value in noise reduction. The cost of this pilot is approximately \$200.

FAIR TRADE CITY

On August 8, 2018, Council approved the following motion:

"That the following item be referred to the next quarterly update for staff to provide information related to carrying out this work:

WHEREAS Fair Trade is a commercial partnership whose objective is to offer better trade conditions and equity in international trade while ensuring that producers and workers' right are protected and respected by paying a fair market price for their products;

WHEREAS Fair Trade is in line with the City of Victoria's vision because it encourages increased social equity while being economically feasible and promotes using methods deemed more environmentally friendly;

Be it resolved that:

- a. *The City of Victoria becomes a "Fair Trade Town";*
- b. *The City of Victoria amend its purchasing policy to require Fairtrade certification for all coffee, and tea served by municipal food services managed by municipal administration;*
- c. *The City of Victoria publish campaign/designation information on the municipality's website;*
- d. *The City of Victoria attract media attention and promotes its status as a Fair Trade Town;*
- e. *The City of Victoria commit to develop and promote ethical and sustainable consumption.*

That after the upcoming municipal election, Council appoints a representative to sit on the Victoria Fair Trade Steering Committee for a term of two years."

BACKGROUND:

A number of years ago, Council passed a motion directing staff to only purchase Fair Trade coffee when catering civic meetings and events at City Hall. This direction is outlined in the City's Dining and Catering Policy. However, it does not apply to any facilities other than City Hall.

FINANCIAL AND HUMAN RESOURCE IMPLICATIONS:

A simple amendment to the City's Purchasing Policy can be done within existing resources and a motion of Council providing that direction is all that is required for staff to action this. This would then be communicated to all staff who are involved in purchasing coffee and tea.

Staff time will be required to prepare and implement an engagement and communications plan to attract media attention and promote the City's status as a Fair Trade Town, and develop and promote ethical and sustainable consumption. Staff resources are already fully allocated to completing priorities previously approved by Council's as part of its 2018 Strategic Plan.

Financial costs to implement a public awareness campaign in support of ethical and sustainable consumption are not known at this time and would need to be scoped as part of the engagement and communications planning process. These costs would need to be brought forward as part of the 2019 Financial Plan.

TIMELINE:

If Council would like to pursue this initiative in Q4 2018, Engagement staff would need to shift current priorities to accommodate this new work within their current work plan. This would mean stopping Engagement staff work on the Centennial Square Action Plan project or the Climate Leadership Plan. These items have been selected not because they are lower priority, but because they account for approximately the same amount of staff time.

Following the development of an engagement and communications plan, an implementation budget would be brought forward as part of the 2019 financial planning process.

ACCESSIBILITY AND ACTIVE TRANSPORTATION ADVISORY COMMITTEES

On May 24, 2018, Council approved the following Motion:

"That staff be directed to include in the Quarterly Update a list of recommendations from the Accessibility Working Group and Active Transportation Advisory Committee, with comments from staff including the advisability of the recommendations and potential recourse implications, to inform Council's consideration of the recommendations.

And that recommendations from the Accessibility Working Group and Active Transportation Advisory Committee relating to time-sensitive matters (matters which will be considered by Council prior to the next Quarterly Update) may be brought forward in a Council member report by a Council Liaison directly to the Committee of the Whole, within two weeks of the advisory committee meeting where the recommendation was adopted."

BACKGROUND:

Since its inception in 2016, the Accessibility Working Group (AWG) has raised a number of issues. An update of on outstanding issues/recommendations are noted below:

1. Curb cuts & detectable warning for individuals who are blind when curb cut is "no lip" - December 2015 AWG motions:

- That truncated dome mats be installed on all new curb cuts, and that the City retrofit all existing 'no lip' curb cuts on an immediate basis.
- That funds from the Accessibility Reserve Fund be used to immediately retro-fit all no-lip curb cuts with truncated domes.
- That the City of Victoria Subdivision and Development Servicing Bylaw be updated to reflect a 10mm curb lip.

A truncated dome pilot, utilizing Accessibility Reserve funds, was approved by City Council – installations at 7 trial locations, including a trial of stainless-steel buttons/domes that replicate the preformed truncated dome mat pattern, are to be completed in 2018.

Any decision to make adjustments to existing no-lip curb cuts would be best determined upon completion of the trial period.

Staff have a series of amendments proposed for the City of Victoria Subdivision and Development Servicing Bylaw, including amending SD C9a and SD C9b to require a 10mm curb lip for all wheelchair ramp installations. In the interim, wheelchair ramps that are part of capital construction, maintenance, and development-related improvements, are being installed with a 10mm lip.

2. On-line accessibility survey

An on-line survey to collect comments/feedback on accessibility concerns in the City was completed in May 2017, with approximately 200 responses received. A preliminary report of the findings was presented to AWG in November 2017, however no further analysis has taken place.

Staff have shared the preliminary report with Parks and Recreation staff working on the Crystal Pool project, to assist them with their analysis, and are recommending the results of the survey be shared with the consultant recently retained to develop the City's Accessibility Framework.

3. **Accessibility of David Foster Harbour Pathway**

AWG has requested they be consulted when further development of the pathway is being planned.

Staff will include AWG members, in conjunction with other stakeholders, in the consultation process for the planning process, currently scheduled for 2019.

4. **Portable ramps at heritage building entrances**

AWG expressed interest in determining with actions the City can offer to businesses to promote accessibility, subsequently supporting a presentation by a youth accessibility advocate in April 2017 for similar improvements at downtown businesses.

While City assistance to individual businesses is not permitted, the recently-launched Rick Hansen Foundation Accessibility Certification (RHFAC) is a LEED-style rating system that evaluates the accessibility of commercial, institutional, and multi-unit residential buildings and sites. Once rated, these organizations can apply for funding of up to \$20,000 to complete an accessibility improvement project.

5. **Accessible Pedestrian Signals**

Accessible Pedestrian Signals are Audible Pedestrian Signals with enhanced features (locator tones/vibro-tactile pushbuttons) intended to provide improved accessibility for users. AWG recommended a review of an Accessible Pedestrian Signal position statement, including recommendations for implementation.

Staff recommended trial installations of Accessible Pedestrian Signals, which was subsequently approved by Council in January 2017. Installations at the locations, as well as additional installations directed by Council to complete all outstanding requests for pedestrian signal upgrades, are scheduled for completion by the end of 2018.

6. **Accessible public consultations**

AWG developed and approved a checklist in March 2017, to be used by staff for evaluating venues for public consultation events.

Engagement staff refer to the checklist when considering venues and select venues that meet as many of the criteria as possible when determining where to hold public engagement events. Engagement sessions continue to be held in locations not meeting all items noted on the checklist, as there are very few locations of a suitable size and location available that meet all the criteria. All City engagement projects include an opportunity to provide feedback in writing or online; however, it is recognized that online participation is not a complete substitute for in-person participation and interaction with other members of the public.

The checklist was used in July 2018 to help determine an accessible meeting space for AWG – while the meeting location at Save-On-Foods Memorial Centre was deemed to be an acceptable meeting location, issues arose with the location (room temperature, doors locked after hours, access issues given distance from downtown/transit).

7. **Timing of audible signals in downtown do not last as long as visual walk signal**

AWG expressed concerns that audible tones at some traffic signals do not last as long as the entire 'walk' phase.

Some early installations of audible pedestrian signals downtown had a short phase for the audible tone; however, the recommended practice is to have the audible phase match the entire walk phase - this was confirmed at all signals downtown, as part of regular signal controller maintenance.

8. **Accessibility of Royal Athletic Park**

In July 2016 frontage and plaza improvements were being considered for construction in 2018. At that time, staff provided a commitment to apply a disability lens to the upgrades; however, no improvements are currently proposed.

Recreation staff indicated an accessibility audit of Royal Athletic Park was being considered; however, this has yet to be scheduled, and is not currently contemplated as part of the 2019 workplan.

9. **City Hall is not accessible due to Environmental and allergy related concerns**

This item, following a July 26/18 Council motion, is being addressed separately in this Appendix.

10. **Children with Allergies and Crystal Pool activities**

Information regarding contacts and procedures for accommodating children with allergies in recreation programs, including online location of forms in all recreation guides, was originally recommended by AWG in 2016. While some improvements re: accommodation and reference to forms were incorporated into the 2018 Active Living Guide, concerns remain that children may not be accommodated in recreation programs. The Fall 2018 Active Living Guide does not contain a notice about special needs registration or help.

Recreation staff have planned improvements as part of the 2018 Q4 Work Plan that will address these items, and reference current processes and procedures.

11. **Cook Street Activity Centre entrance and washroom accessibility**

Front entrance modifications at the Cook Street Activity Centre were identified as an upcoming project in 2017 – while a grant application for support funding was unsuccessful, the improvements to the front entrance, as well as automatic door openers for the washroom entrances were made using Facilities capital funding.

Following an AWG meeting held at the Cook Street Activity Centre in April 2018, AWG members recommended the washroom stalls be made more accessible; however, this project has not been identified as a priority improvement for capital funding.

12. **Angle of bus ramps is a safety concern for wheelchair users**

AWG recommended sidewalks in front of Centennial Square and on the west side of Douglas Street adjacent the Bay Centre be improved for wheelchair access to BC Transit.

In April 2018, Council approved not to proceed with sidewalk modifications. Staff noted that upgrades to BC Transit's fleet over the next two years will reduce risks associated with the concern raised, with more buses equipped with adaptable ramps come on-stream. Accessibility improvements along the Douglas Street frontage could also be included in future redevelopment of Centennial Square.

13. **Vic West Dog Park**

AWG echoed a resident concern about inaccessibility to the fenced dog park and gravel pathway in Vic West Park.

While no physical changes are currently contemplated for this area, staff will evaluate and consider these items in future upgrades to the area.

14. **Accessibility of City website & documents**

AWG noted a number of accessibility-related issues with the City's website and documents. Staff had initial website consultation with AWG in May 2018, to identify user issues.

The consultant developing the Accessibility Framework will be providing guidance on best practices for this issue.

15. **Crossing over bike lane to bus stops on Pandora unsafe for blind pedestrians**

Nov 2017 Motion: That signage be painted on the bike lane surface on either side of the marked crosswalks to the bus stops on Pandora reminding cyclists they need to stop, and if required, that Accessibility Reserve funds be used for this project.

This work was completed in the last week of August 2018. Staff will continue to monitor, and consider further actions, if appropriate.

16. **Emergency planning for persons with disabilities**

AWG members participated in an Emergency Planning session in Feb 2017; however, persons with environmental barriers are unable to attend these City-sponsored sessions, as they have only been held either at City Hall or other venues which do not have a scent-reduction or pet-free policy.

This issue is part of the larger issue of access to City Hall, and other City-owned buildings, noted in item #9.

17. **Single point of contact at City Hall for accessibility concerns**

The Engineering and Public Works Department staff liaison to the Accessibility Working Group is currently identified as the contact for AWG members to raise accessibility issues. All accessibility concerns identified by AWG members are directed to this staff position, who re-directs issues as required.

The Accessibility Framework project will identify best administrative practices for addressing these types of issues, to improve customer service, and maximize efficiencies.

18. **Active Living Guide is not accessible to persons who use screen readers**

This item is included in the overall accessibility concern raised in #14.

19. **City list of requested audible signals**

Previously noted in #5. Council approved \$70,000 to install remaining 6 requested intersections – the work is to be completed in 2018.

20. **Balancing accessibility concerns with pollinator habitat**

In November 2017, Council directed staff to work with the Accessibility Working Group and Urban Food Table and to report back, in the context of the Parks and Open Spaces annual update, on options for balancing accessibility considerations with pollinator habitat, including in the vicinity of playgrounds. Staff met with the Accessibility Working Group (AWG) and Urban Food Table (UFT) in a joint meeting in March 2018.

In July 2019, Staff presented the 2017/2018 Parks and Open Spaces Annual Progress Report to Council. The report outlined actions that the City can take in an effort to balance accessibility considerations with the management of the City's natural habitats, including a focus on Public Education and Plant Selection. The AWG has proposed that the Public Education action may not be effective or considered a priority and has expressed a willingness to work further with the Parks staff on this issue.

In the upcoming quarter staff will continue to engage with both AWG and UFT on this important aspect of the City's stewardship of public spaces for the enjoyment of all citizens.

21. **Crystal Pool upgrade/rebuild**

The Crystal Pool project team attended AWG in March 2018 for input. Following the meeting, the Chair of AWG wrote a Consultation Report, requesting continued consultation, along with specific recommendations to improve accessibility. A second consultation meeting with AWG occurred in July 2018. At that meeting, the project team, including the Rick Hansen Foundation, provided an update on the schematic design of the facility, addressed the specific recommendations by the AWG and committed to sharing the RHF Professional Certification Handbook with the group.

The Project Team will continue to engage the AWG with another consultation before final designs are developed.

22. **Accessible City managed parking**

Following an April 2018 Victoria Disability Resource Centre (VDRC) Parking Committee presentation titled "Designated On-Street Parking for Persons with Disabilities", AWG passed the following motion:

- The AWG recommends to Council that it direct staff to prepare a 2019 budget submission for a one-time expense for a consultant to undertake a comprehensive study of accessible parkade and street parking in the City of Victoria to develop recommendations for bringing spaces up to CSA Standard B651 or another equivalent standard and ensuring that their numbers and locations are adequate to meet existing need, recognizing that all designated spaces are not available for use at all times, and include plans for expansion to meet future needs. Recommendations may be in the form of a multi-year plan and include other options for increasing the supply of accessible parking for people with accessible parking permits who do not need additional space to enter and exit their vehicles.

At the August 2018 AWG meeting, the VDRC Parking Committee presented additional recommendations re: accessible parking. The AWG passed a motion in support of these recommendations.

At the July 12, 2018 Council meeting, the following motion was approved:

- That Council direct staff to report back to Council with a scope of work, anticipated timelines and estimated costs associated with a review of barrier-free parking needs in the City of Victoria. This review shall provide recommendations for potential regulations and guidelines that could be adopted by the City.

At the August 2018 AWG meeting staff advised they will be reviewing the VDRC Parking Committee report in September, to identify any short-term actions that can be accommodated within existing work plans and budgets. Staff will bring forward any recommended changes in policy and/or major capital programs for Council's consideration, following completion of their review.

23. **Impact Statements in staff reports to Council**

A January 26, 2017 Council motion directed staff to include accessibility impacts on all reports to Council. AWG has raised the concerns that, since that direction was given, numerous staff reports have not contained any accessibility impact statement, incorrectly stated that there were no accessibility impacts, did not fully report the concerns/recommendations made by AWG, or neither contained the results of serious accessibility analysis nor concrete plans for conducting consultation and analysis of accessibility implications. AWG has recommended that the full breadth of disabilities be considered for all types of City decisions, including policies, services, information and technology, as well as those for infrastructure and facilities. For some projects, AWG provides written reports to departments on accessibility implications of their initiatives.

AWG members have indicated they are willing to assist in the development of policy and guideline materials to provide consistency in providing accessibility impact statements for staff reports, and have passed a motion that Council direct staff, in consultation with the AWG, to develop a policy and guidance material to implement Council's January 26, 2017 direction regarding Accessibility Impacts statements in staff reports to Council.

The consultant developing the Accessibility Framework will be providing guidance on best practices for this, and other policy issues.

24. **AWG governance and membership**

The original AWG Terms of Reference (TOR) were for one year only, expiring in the fall of 2016. No new Terms of Reference have been developed to date. AWG have also asked for new members to be appointed (current members are over burdened with AWG responsibilities) - a decision on this has been deferred pending reassessment of the TOR. The AWG has only 7 members (the original TOR allows up to 12 members). AWG has also offered to draft the revised TOR and provided feedback on the Clerk's proposed guidelines in 2017.

One of the tasks required of the consultant developing the Accessibility Framework is the review of / assessment of the Terms of Reference for the Accessibility Working Group.

FINANCIAL AND HUMAN RESOURCE IMPLICATIONS:

A number of these issues included in this report are provided for information, with no further action required at this time. All items identified, however, will be forwarded to the consultant developing the Accessibility Framework, for consideration in their work. Upon completion of the Accessibility Framework, financial and human resource implications associated with these items will be brought forward for Council's consideration. Timeline for completion of the Accessibility Framework is Q1 of 2019.

2019 Financial Plan

Supplementary Budget Requests

Asset Management

BACKGROUND:

- Victoria owns and manages over \$2 billion in physical assets (i.e. infrastructure) including water, sewage, drainage, transportation, parks, buildings and vehicles.
- The Community Charter states that one of the four purposes of a municipality is to “provide for stewardship of public assets of its community”.
- Asset Management is an integrated corporate-wide approach for stewarding existing and new assets in order to maximize their value, reduce risks and provide sustainable levels of service to the community.

ISSUE TO SOLVE:

- The City requires additional staff capacity to develop, implement, and support the corporate asset management program.

BENEFITS:

- Staff productivity, streamlined business processes, improved financial reporting and evidence-based decision making are expected to be realized. The ultimate goal of the City's asset management program is to realize sustainable service delivery.

2019 Supplemental Requests Ongoing:

- | | |
|-------------------------------|-----------|
| • Asset Management Technician | \$ 85,500 |
| • Business Analyst | \$102,000 |
| • Work Order Administrator | \$ 92,500 |



Managing Growth and New Development

BACKGROUND:

- There has been steady growth in development activity over the past few years.
- Since June 2017, there has been a 33% increase in the number of complex/large scale development proposals either currently being processed or that are in the preliminary planning phases.
- The change in City regulations regarding garden suites has resulted in one staff spending approximately 50% of their time on these files, compared to 80 hours/year was spent on this function in previous years.

ISSUE TO BE SOLVED:

- The strong development market and the introduction of new streamlined processes, such as the delegated garden suite approval process has increased the work loads for staff.

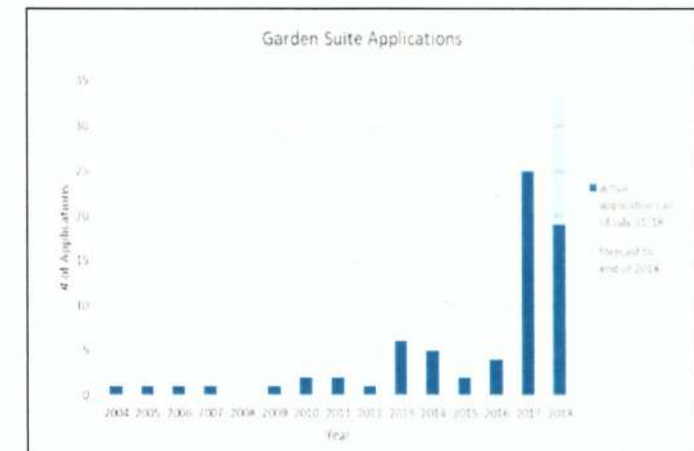
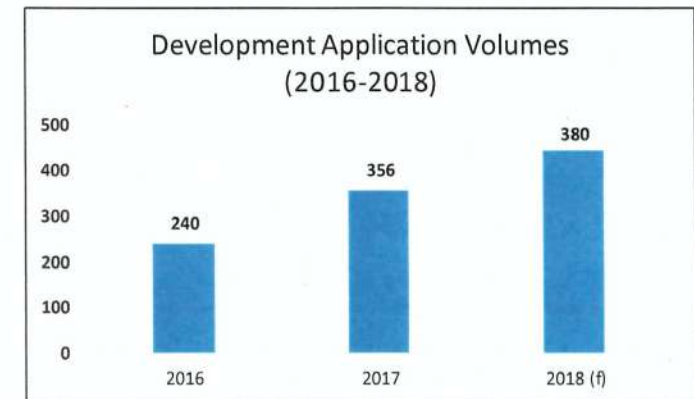
BENEFITS:

- Additional resources will help with maintaining current service levels.

2019 Supplemental Requests

One Time:

- | | |
|------------------------------------|-----------|
| • Secretary - Planning | \$ 72,500 |
| • Secretary - Legislative Services | \$ 72,500 |
| • Planner - Development Services | \$107,250 |
| • Planner - Parks | \$107,250 |



Service Improvement and Corporate Initiatives

BACKGROUND

- The City of Victoria has a Corporate Plan to address a number of organization-wide pinch points as well as establish more modern and efficient process to improve efficiency and increase customer service to citizens.

ISSUES TO BE SOLVED:

- There are currently multiple avenues for the public to contact the City, which sometimes results in duplicate requests being addressed by different staff or in some cases not at all (dropped calls).
- A lack of internal processes and staff training related to planning, budgeting, and reporting performance best practices is causing internal churn.

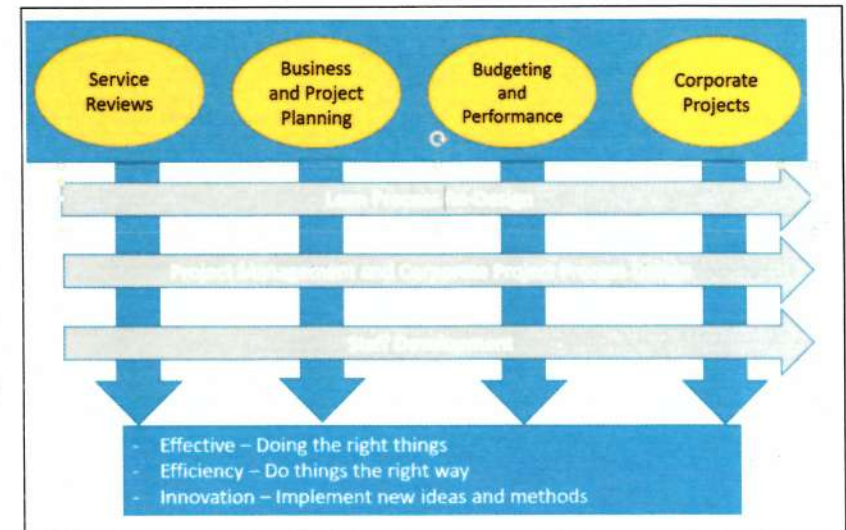
BENEFITS:

- A number of operational inefficiencies can be eliminated through the creation of positions focused on process improvements in internal operations and work flow, as well pro-active improvements as re-design of planning, budgeting and reporting functions.
- Focused resources on service improvements is intended to “free up” staff time to take on priority projects.

2019 Supplemental Requests

Ongoing:

- Service Improvement Staff (3) \$380,000



Managing Public Green Spaces - Sheltering

BACKGROUND:

- The Overnight Sheltering Program responds to demands associated with outdoor sheltering in parks.
- Costs include extended hours at select washrooms, security patrols and cleaning support in parks.

ISSUE TO BE SOLVED:

- City staff and police have observed an increased level of sheltering activity in City parks over the past year. As of October 2018, the City is receiving an average of 304 calls-for-service per month, compared to 267 and 238 in 2017 and 2016 respectively.

BENEFITS:

- Funding for continuing the service associated with the will reduce risks to the health and safety of those sheltering, other park users and City staff, as well as reduce damage to vegetation and ecosystems.



2019 Supplemental Requests

On-Going

- Overnight Sheltering – Support & Clean Up \$362,000

Recruitment and Retention

BACKGROUND:

- The number of posted vacancies has steadily increased over the past few years and expected to continue due to retirements and internal movements.
- The City has experienced a 29% increase in sick leave hours since 2014. The number of Worksafe BC (WSBC) claims is declining, but the average duration of time loss claims is increasing.

ISSUE TO BE SOLVED:

- The increasingly tight labour market is resulting in multiple postings to fill vacant positions.
- Return ill and injured workers to work as soon as possible.

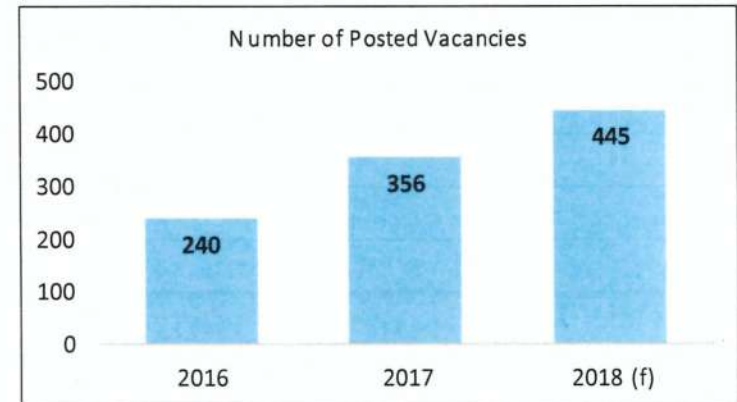
BENEFITS:

- Additional support for recruitment will maintain current service levels.
- The retention of a disability coordinator is expected to achieve significant cost savings both in terms of managing absenteeism and lower WCB premiums.

2019 Supplemental Requests

Ongoing:

- | | |
|--------------------------|-----------|
| • Disability Coordinator | \$128,500 |
| • Talent Specialist | \$ 96,500 |



Youth Initiatives

BACKGROUND:

- A Youth Strategy has been adopted to better engage and include youth in community and local government initiatives.
- The Youth Leaders in Training (YLIT) is an employment readiness program for youth that helps individuals gain skills in the fields of childcare, recreation and education.

ISSUE TO BE SOLVED:

- Implementation of the Council approved Youth Strategy, including a hiring strategy and recruitment brochure, as well as curriculum development to engage youth on what the City does, how decisions will impact them and how they can affect change in their community.
- External grant funding for the Youth Leaders in Training Program has been eliminated.

BENEFITS:

- Fulfill commitments in the Youth Strategy and continuation of the highly successful YLIT Program.

2019 Supplemental Requests

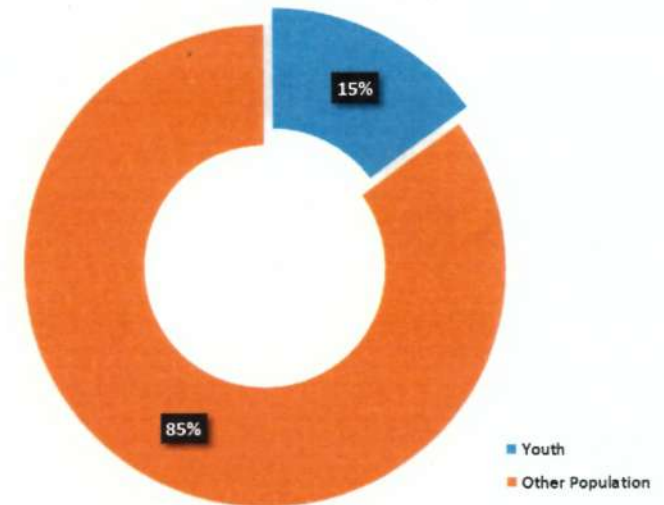
Ongoing:

- Youth Leaders in Training Program \$20,000

One Time:

- Youth Strategy Coordinator \$30,000

Percentage of Youth (Ages 12 - 24) in the City of Victoria



Appendix C

ENGAGEMENT SUMMARY

Pre-Budget Engagement with Neighbourhood Associations

April-May 2018

Introduction

Public consultation on the 2019 Financial Plan was expanded this year to include a new, early phase of engagement with neighbourhood associations, as directed by Council.

The focus of the pre-budget engagement was two-fold:

1. Increase public understanding of the City's financial planning process.
2. Review the Transportation Capital Plan and gather local insights and emerging needs in their local area, such as pedestrian signals, lights, local streets, major streets and crosswalks.

Transportation was selected by City staff as the topic area for this year's pre-budget consultation because the Transportation Capital Plan includes a detailed listing and schedule of planned transportation projects, by neighbourhood, for each of the next three years.

The priority and timing of these projects is determined by a comprehensive technical assessment process.

Early engagement to review these priorities and the tentative three-year implementation schedule provided a valuable opportunity to gain timely local insight on what residents are seeing on the ground right now in their neighbourhood, including such things as changes to local travel patterns, the condition of transport infrastructure and evolving community transport needs. This hyper-local input will add another layer of information to assist City transportation staff in their ongoing review, assessment and ranking of annual priority projects to include in the Transportation Capital Plan.

How We Engaged

During April and May 2018, City staff from the Neighbourhoods Team and the Transportation section of Engineering and Public Works presented to each of the 12 neighbourhood associations during their regularly scheduled monthly meetings:

Date	Organization
April 3	South Jubilee
April 4	North Park
April 9	Fairfield Gonzales
April 11	Fernwood
April 11	Rockland
April 11	James Bay
April 17	Downtown
April 23	Burnside Gorge
April 24	North Jubilee
April 24	Vic West
May 7	Hillside Quadra
May 14	Oaklands

The budget presentations covered the following topics:

- Difference between operational and capital budgets; sources of revenue.
- A review of the City's financial planning and budgeting lifecycle, including the opportunities for public input.
- A primer on the various City plans (e.g. Parks and Open Spaces Master Plan), assessments (e.g. crosswalk, facilities, and parks assets) and strategies (e.g. wayfinding) that inform the development of the annual budget and five year financial plan.
- A graphic summary of 2018 capital projects was shown, including those specific to the neighbourhood.
- The presentation then focused on 2019 transportation projects and sought input on any new information or emerging needs that the Engineering and Public Works Department should be aware of when planning the 2019 capital budget.
- The transportation themes discussed were: crosswalks, sidewalks, pedestrian signals, bus shelters and neighbourhood transportation management (e.g. traffic calming). An overview was provided for each category describing the amount of inventory, related processes and plans, and specific projects tentatively planned in each of the next 3 years.

What We Heard

Following are highlights of the key themes and information provided by each neighbourhood:

General Comments about the Budget Planning Process

Fernwood:

- How do we incorporate "aspirational ideas" into planning projects for our neighbourhood?
- The City needs to understand that volunteer capacity to support planning in the neighbourhood is limited.

Downtown Harris Green:

- The budget engagement was good and is helpful in identifying possible gaps in projects in future capital budgets
- The Downtown Residents Association (DRA) is interested in determining an approach for the neighbourhood association to best provide input into the budget process and will consider setting up an ad hoc committee of the DRA to discuss.

Fairfield Gonzales:

- Appreciate the engagement process and find it very valuable.
- Having staff available to answer specific questions about transportation planning and decision-making process is good.
- Need to devote an entire meeting in order to have a more fulsome discussion. There wasn't enough time for this as part of a regular meeting agenda.

North Park:

- It would be beneficial to have the online city map (VicMap) regularly updated with project information.
- Would be helpful to have monthly neighbourhood updates include regular budget updates and the current list of capital projects.
- Provide clear information on the ways residents can influence and provide input into the budget process.

Rockland:

- The budget explanation was helpful

South Jubilee:

- General feedback from residents was positive
- Presentation attendees were also interested in discussing the local area planning process and how transportation issues would be addressed in this

Vic West:

- The information session was very helpful in understanding the process and how we can provide input
- Interest in a greater proportion of projects going to neighbourhoods like Vic West, which is growing in density and increasing the tax base

James Bay:

- Appreciate City efforts in educating about budget and gathering resident feedback
- Like that they can create relationships with City staff who work directly on projects
- Future budget engagement sessions should have a dedicated meeting
- Need more time for discussion and questions/feedback

Comments about Transportation

Overall, the conversations with neighbourhood associations prompted identification of additional areas of concern in the community and the need for additional data to accurately quantify and qualify issues. Data collection is being coordinated with existing neighbourhood requests currently on file with Transportation staff. This detailed information will be used to inform the project assessment and prioritization process for the Transportation Capital Plan in 2019-2022.

Feedback also identified a number of initiatives that could be immediately incorporated into already planned 2018 transportation capital work, as well as moving forward the scheduling of other projects.

Following is a summary of Transportation input and how this feedback is being addressed as part of 2019 and ongoing planning:

TRANSPORTATION – WHAT WE HEARD	NEXT STEPS
FERNWOOD	
<p>We have a lot of streets in Fernwood where there are only sidewalks on one side or where there are no sidewalks at all, as well as many narrow sidewalks and/or sidewalks that are impeded by encroaching bushes, are badly cracked, or are routinely interrupted by sign posts and poles. These things combine to make the neighbourhood inaccessible to people with mobility issues.</p>	<p>The City's Pedestrian Master Plan (PMP) prioritizes new sidewalk installations, which would eliminate gaps in the pedestrian network. Parks staff will attend to vegetation encroachment complaints, upon receipt. As per City policy, Hydro poles upgrades/new installations are located to provide a minimum of 1.5m clear sidewalk space. A Sidewalk Condition Assessment study is currently underway to prioritize sidewalk replacement work.</p>
<p>There are no crosswalks that lead to the main entrance of Vic High across Fernwood Road. The one crosswalk at Fernwood and Gladstone is inadequate for a school of that size. There should also be pedestrian markers at the main entrance because that is where the foot traffic is going to go.</p>	<p>A new crosswalk at Fernwood/Grant, adjacent Vic High and a bus zone, was incorporated into a planned 2018 capital project.</p>
<p>There should be a pedestrian crossing on Fernwood from Gower Park (where there is a pedestrian walkway connecting the dead end of Pembroke to Fernwood. Currently, if you are walking, you pop out of the park and there is nowhere marked to get across the road. With a crosswalk people could conveniently continue the path.</p>	<p>This location has been added to the list of intersections to be evaluated for crosswalks. People can legally cross Fernwood Road at this location.</p>

In addition to current walking patterns, please consider where people would walk if conditions were better - specifically around George Jay and Vic High schools.	Pedestrian traffic generators, such as these schools, is one of the criteria considered when prioritizing sidewalk installations.
Beyond what's sufficient, please consider what will accommodate natural walking tendencies - diagonal crosswalks, etc.	Some flexibility in the alignment of crosswalk markings, while still complying with the Motor Vehicle Act regulations relative to legal crossing points, can be examined when installing new crosswalks.
The congestion in north/south vehicle corridors (Blanshard Street, Cook Street, Shelbourne Street) are pushing serious traffic volumes down Fernwood Road. As pedestrian infrastructure could affect the flow of traffic, now is the time to have a conversation about what an ever-busier Fernwood Square can and should expect in vehicle through-traffic.	Updated traffic data (volumes/speed) on Fernwood Road will be collected in advance of the Local Area Planning process.
The Vining Street and Fernwood Road intersection is very dangerous and needs to be addressed as a priority.	Fernwood/Vining intersection collision history does not indicate an ongoing collision pattern. Intersection sightlines were confirmed to be appropriate.
Transportation capital projects in one area are affecting traffic patterns in residential areas.	Short-term traffic diversion due to capital construction projects can occur on occasion but can be addressed through traffic management plan adjustments during the construction process. The planning stage for capital construction projects that impact capacity are reviewed to determine what impacts may result, and mitigation measures are incorporated into the overall project.
Historic number of street closures have put increased traffic pressure on side streets when cars are navigating from one side of the neighbourhood to the other. This has increased to unsafe levels on some residential streets in the neighbourhood (particularly Ridge and Centre Roads).	A discussion and quantification of existing traffic volume impacts can be part of the Local Area Planning process. Safety reviews of Ridge Street and Centre Road have not revealed correctable traffic collision issues, or chronic speeding.
As a result of the creation of the Pandora Avenue bike lane, we are now seeing more cars avoiding the light at Pandora Avenue and Cook Street by cutting across Chambers Street and turning left onto Caledonia Street. The intersection at Caledonia and Chambers, in particular, has restricted visibility creating unsafe conditions when cars are attempting to turn left from Caledonia onto Chambers, and also turning left from Chambers onto Caledonia.	Pandora/Cook signal timing adjustments are expected, following completion of the downtown signal timing review (2018 study, 2019 implementation)

Fernwood Road is much busier. Deliberate steps need to be taken to calm traffic in the 30 km zone approaching Fernwood Road at Gladstone Avenue from both directions.	Requests for enforcement of the current 30kmh zone have been forwarded to VicPD. Aesthetic treatments at the Fernwood/Gladstone intersection can reinforce the location as a neighbourhood hub, and moderate vehicle speeds. Discussions should be incorporated into the Local Area Planning process.
Gladstone Avenue is also much busier with cars sometimes moving too quickly either leaving or entering Fernwood Village. Some sort of traffic calming at Stanley Avenue would help – either a roundabout, speed humps or a four way stop.	Updated traffic data (volumes/speed) on Gladstone Avenue will be collected in advance of the Local Area Planning process.
DOWNTOWN HARRIS GREEN	
The lack of a crosswalk crossing Government Street at Herald Street is a concern.	A new traffic signal is planned for Government/Herald (2021 or 2022)
Surprise that there are not crosswalks planned for 2019	It was noted by City staff at the meeting that several mid-block crosswalks have or will be installed in 2018-2019 with the bike lane system in the downtown core.
ROCKLAND	
Crosswalk in the 1 km stretch between Oak Bay Avenue and Richardson Street. At Richmond Avenue by Glenlyon Norfolk School there is currently nowhere to safely cross a busy Richmond Avenue.	A new crosswalk proposed in 2019 Capital Plan to be installed at Richmond/Brighton
A crosswalk should be added at Joan Crescent and Craigdarroch Road near the intersection with Fort Street. There is heavy vehicle traffic, especially in tourist months. Lots of pedestrians, tourists, children, cyclists move through this area.	This location has been added to the list of intersections to be evaluated for crosswalks. People are legally able to cross at this location.
Add a crosswalk at Richmond Road near Oak Shade Lane.	This location has been added to the list of intersections to be evaluated for crosswalks. People can legally cross Richmond Road at this location.
Sidewalk and traffic calming (speed hump) on Gonzales Avenue (the hilly part). This stretch of road is well used by vehicles, walkers and runners, but it is long, narrow, steep and poorly lit.	The City's Pedestrian Master Plan (PMP) prioritizes new sidewalk installations, which would eliminate gaps in the pedestrian network.
Sidewalk improvement at the intersection of Gonzales Avenue and Rockland Avenue is a priority. There are currently letdowns at each corner of that intersection, but they are narrow and actually face out onto Rockland as opposed to across Gonzales. The letdowns should be widened to solve the problem.	Updates to the pedestrian ramps at the Gonzales/Rockland intersection have been added to the list of maintenance upgrades throughout the City.

Sidewalk improvements are needed at Rockland Avenue, between Manor Road and Moss Street. No sidewalk on NW side of road.	The City's Pedestrian Master Plan (PMP) prioritizes new sidewalk installations, which would eliminate gaps in the pedestrian network.
Sidewalk improvements needed on Manor Road between Rockland Street and Craigdarroch Avenue. Sidewalk does not extend for the whole of Manor.	The City's Pedestrian Master Plan (PMP) prioritizes new sidewalk installations, which would eliminate gaps in the pedestrian network.
Traffic calming measures should be implemented on Rockland Avenue. Vehicles speeding in area frequented by pedestrians, cyclists, tourists and wildlife. Implement a 30-km-wide zone.	A 30kmh zone exists on Rockland Avenue between Moss Street and Oak Bay Avenue. 2018 data indicates 85% of all traffic is travelling 40kmh or less.
Traffic calming (speed hump) on Joan Crescent by Castle View daycare. Heavy vehicle traffic, especially in tourist months. Lots of pedestrians, tourists, children, cyclists. Road narrows dangerously during this period due to illegal parking and increased tourist traffic.	The road geometry and presence of parking encourages slower vehicle speeds. Large vehicles/buses are currently not permitted to use Joan Crescent.
Traffic calming (speed hump, speed board, traffic island on Rockland Avenue between Joan Cres and Manor. There is only the sidewalk on the Government House side of Rockland Ave. This area has a lot of pedestrians, cyclists, tourists.	The City's Pedestrian Master Plan (PMP) prioritizes new sidewalk installations, which would eliminate gaps in the pedestrian network.
Traffic calming (traffic circle) at Craigdarroch and Joan Crescent. This intersection is uncontrolled in all directions. Joan Crescent is used as a shortcut between Rockland Avenue and Fort Street; speeding is an issue.	2015 speed data indicates 85% of all traffic is travelling 37kmh or less.
NORTH PARK	
General comments that motorists are not waiting for pedestrians to clear crosswalks.	While engineering plays a significant role in transportation, education, encouragement, enforcement and evaluation are also key components. Education and enforcement efforts are required to improve driver/pedestrian interactions.
Fisgard and Quadra Street intersection needs a pedestrian crossing button.	Pedestrian improvements were made in 2018 at the Fisgard/Quadra signal.
Leading Pedestrian Interval (LPI) lights give pedestrians lead time over motorists going the same direction – this would be useful to apply here.	Various traffic signal phasing configurations are considered when evaluating intersection upgrades.
Some pedestrian signals do not provide adequate time for seniors to cross – Hillside and Blanshard, in particular.	Proposed for 2019, clearance/'don't walk' times at traffic signals will be extended, in recognition of slower walking speeds.
Cook Street traffic is calmer following the street improvements in North Park Village; Quadra Street seems quicker.	Updated traffic data on Quadra Street corridor can be collected in 2019 to properly evaluate concerns.

SOUTH JUBILEE	
General consensus among attendees that a planned crosswalk on Bouchier Street at Redfern Park is not necessary.	Further neighbourhood consultation confirmed a marked crosswalk at this location was preferred – installed as a 2018 Capital project.
Oak Bay Avenue between Richmond Avenue and Foul Bay Road needs a crosswalk, suggestion at Redfern Street to Red Barn Market.	This location has been reviewed, and a marked crosswalk is not warranted/recommended at this time. The Local Area Planning process/Oak Bay Avenue corridor study may result in re-positioned crosswalks on Oak Bay Avenue between Richmond Road and Foul Bay Road.
Request for speed reader boards. Staff noted that speed reader boards are being deployed in each neighbourhood as close as possible to locations requested by neighbourhoods.	Speed reader boards are planned for 2019 for all neighbourhoods, adding to the 2018 acquisition.
VIC WEST	
The section of Wilson Road at Walker Street has a posted speed limit of 50 km/h, whereas the rest of Wilson is 30 km/h. As a result, motorists often dangerously accelerate through this area.	The existing 30kmh zone between Catherine Street and Dalton Street was installed to reflect the narrower, curvilinear road alignment. 2014 and 2018 data collected on Wilson Street near Walker Street indicates more than 85% of all traffic is travelling below the posted speed limit.
It was noted that many older curb cuts are difficult for wheelchairs to navigate.	An accessible construction standard for wheelchair ramps is used for all maintenance and capital construction work – over time, older-style ramps will be replaced with the new standard. Currently, curb returns on major streets and other high demand pedestrian areas are prioritized.

JAMES BAY	
Light shields on LED lights are needed at the corner of Marifield and St. Andrews. Apparently there are two street lights creating quite a bit of light pollution.	This concern has been forwarded to the Electrical Shop at Public Works for review/action as required. As street lighting is intended to illuminate public space, light shields on street light luminaires are considered where the lighting impacts private property.
Suggestion that more needs to be done for traffic calming on Dallas Road.	Proposed alignment changes implemented following installation of the sewage treatment forcemain on Dallas Road will have an impact on driver behaviour. Post-construction monitoring/data collection will be required to evaluate the impacts and will guide future Local Area Planning discussions for the James Bay neighbourhood.
It was noted that the amount of traffic in James Bay, especially in summer season with cruise ships, is having an impact on livability.	Data collection efforts in advance of James Bay Local Area Planning will inform discussions on this issue.
HILLSIDE QUADRA	
Topaz Avenue has become a major area of shortcutting. Suggestions for stop signs at some of the cross streets as an easy way to slow traffic.	Data collection efforts in advance of Hillside/Quadra Local Area Planning will inform discussions on this issue.
Add a crosswalk at Topaz Avenue and Fifth Street since this is the route many children walk to school.	This location has been added to the list of intersections to be evaluated for crosswalks. People can legally cross Topaz Avenue and Fifth Street at this location. A broader conversation on safe walking routes to Quadra School is recommended, following data collection efforts planned for the Hillside/Quadra Local Area Planning process.
Glasgow Avenue, between Finlayson and Tolmie: People are using it to avoid the light at Quadra and Finlayson Street and as a major connector to the Shelbourne Valley.	Data collection efforts in advance of Hillside/Quadra Local Area Planning will inform discussions on this issue.
A crosswalk in Quadra Village between Hillside Avenue and Kings Road should be added. There are many instances of pedestrians crossing between the lights. While the "planters" have refuge points, these may not be the safest options for people with limited mobility or strollers.	A mid-block marked crosswalk is not recommended at this location, given traffic volumes and speeds on this arterial street.

<p>The area between Finlayson Street and Tolmie Avenue, on the east and west sides of Quadra Street, is subject to large amounts of cut-through traffic at peak times of regular school and work days. With residential parking on both sides of the street, the streets become quite narrow and only allow a single vehicle to pass at any one time, causing bottlenecks. And if there happens to be no bottlenecking at a particular time, traffic then speeds through the area in order to skip the light at Quadra and Finlayson Streets. This is observed daily.</p>	<p>Data collection efforts in advance of Hillside/Quadra Local Area Planning will inform discussions on this issue. A review of signal operations at the Quadra/Finlayson traffic signal is on file with staff, to determine if further traffic efficiencies during peak periods can be achieved.</p>
<p>There were also concerns expressed about cut-through traffic (and speed) on Jackson Street, particularly near the park and daycare where there are no signs indicating "playground zone" or 30 km/h speed limit.</p>	<p>Data collection efforts in advance of Hillside/Quadra Local Area Planning will inform discussions on this issue.</p>
<p>It is difficult to exit onto Finlayson during times of peak traffic. There is a need for a crosswalk at Jackson/Finlayson and questions about the timing of the traffic light at the intersection of Finlayson and Quadra where west-bound traffic on Finlayson, turning left onto Quadra, cannot turn on a green light due to sequencing.</p>	<p>Data collection efforts in advance of Hillside/Quadra Local Area Planning will inform discussions on this issue.</p>
<p>Recommendation to add Topaz Avenue and Fifth Street to the list of streets without curbs and gutters. Topaz, in the block leading up to the Sikh Temple, does not have gutters and curbs on one southern portion of the block, and Fifth Street in the 2500 block is missing curbs and gutters from the east side of the street.</p>	<p>The City's Pedestrian Master Plan (PMP) prioritizes new sidewalk installations, which would eliminate gaps in the pedestrian network.</p>



Finance



Operating Budget: pages 336-345, 349-377
Capital Budget: pages 731, 747-748, 776

Finance



Overview

- Safeguard the City's financial assets and plan to ensure the financial stability and viability of the City
- Financial reporting and implementation of financial management policies
- Provide financial information and advice to Council, City departments and the general public
- Manage Parking Services



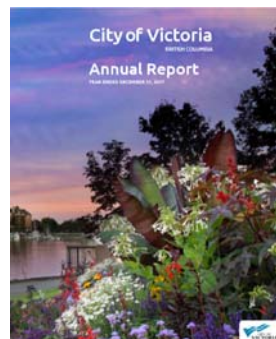
2019-2022 Draft Financial Plan

Finance



Core Services

- Financial Planning
- Accounting Services
- Revenue Services
- Supply Management
- Parking Services
 - Five parkades, three surface parking lots, and nearly 2,000 on-street parking spaces downtown



2019-2022 Draft Financial Plan

Finance

Key Initiatives and Major Projects

- Coastal Communities Social Procurement Initiative
- Support Fire Station #1 Replacement



2019-2022 Draft Financial Plan

Finance

Budget Summary




Budget Summary	
2019 Base Expenditures	13,142,186
2019 One Time Expenditures	-
2019 Proposed Expenditures	13,142,186
2018 Base Expenditures	12,472,096
2018 One Time Expenditures	30,000
2018 Approved Expenditures	12,502,096
Base Budget Change	670,090
Change by %	5.37%
2019 Base Revenues	17,664,261
2019 One Time Revenues	-
2019 Proposed Revenues	17,664,261
2018 Base Revenues	16,962,663
2018 One Time Revenues	30,000
2018 Approved Revenues	16,992,663
Base Budget Change	701,598
Change by %	4.14%
2019 FTE	83.26
2018 FTE	83.26
Change	0.00
Change by %	0.00%

Operating Budget: pages 336-345, 349-377
Capital Budget: pages 731, 747-748, 776




2019-2022 Draft Financial Plan



Information Technology

Operating Budget: pages 346-348
Capital Budget: pages 739-741



Information Technology

Overview

- Deliver and manage the city's information technology including hardware, systems and applications
- Manage the lifecycle of corporate information which encompasses physical and electronic records as well as the archives



Information Technology

Core Services

Infrastructure

- Network and Security
- Servers and Storage
- Application management (JD Edwards, Tempest, FDM, etc)

Helpdesk

- Client support
- PCs, laptops and mobile phones

Business Solutions

- Business Analysis and IT Project Management
- Application Development

Information Management

- Records Management and Archives



2019-2022 Draft Financial Plan

Information Technology

Key Initiatives and Major Projects

- Online Business Licensing
- Online Permits
- Digital Plans Review
- Development Monitoring Program
- Performance Measures Database and Dashboard
- GIS Infrastructure upgrades and enhancements
- Business Intelligence Reporting
- Fire Solution Upgrades



2019-2022 Draft Financial Plan

Information Technology

Budget Summary

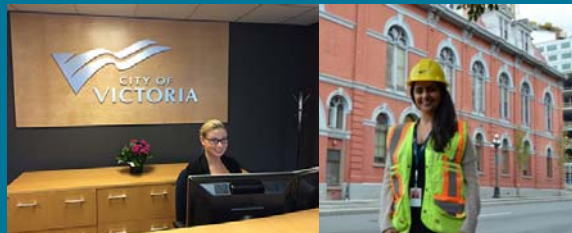


Budget Summary	
2019 Base Expenditures	3,767,752
2019 One Time Expenditures	-
2019 Proposed Expenditures	3,767,752
2018 Base Expenditures	3,659,063
2018 One Time Expenditures	-
2018 Approved Expenditures	3,659,063
Base Budget Change	108,689
Change by %	2.97%
2019 FTE	19.00
2018 FTE	19.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 346-348
Capital Budget: pages 739-741



2019-2022 Draft Financial Plan



Human Resources



Operating Budget: pages 378-391



Human Resources



Overview

- Work in partnership with other program areas to create a high performing culture that supports our people to deliver the City's strategic and operational plans.
- Support the creation of an effective safety climate and culture, to reduce risks of illness and injury and support employee health and wellness.



2019-2022 Draft Financial Plan

Human Resources



People and Process Management

- Recruitment / Staffing
- Workforce / Succession Planning
- Compensation & Classification
- Learning & Development
- Employee & Labour Relations
- Organizational Development / Change Management
- HR Information Systems & Records
- Legislative & Regulatory Compliance



2019-2022 Draft Financial Plan

Human Resources



Health, Safety and Wellness

- Safety Management Systems
 - Hazard assessments, safety inspections, accident investigations, safe job procedures, training
- Claims Management: WorkSafe BC and LTD
- Duty to Accommodate and Return to Work programs
- Employee and Family Assistance Program



2019-2022 Draft Financial Plan

Human Resources



Key Initiatives and Major Projects

- Employee and Family Assistance Program
- People + Performance
- Corporate Learning Needs Assessment
- Employee Orientation Program
- Inclusionary Policy
- Living Wage Employer



2019-2022 Draft Financial Plan

Human Resources



Budget Summary

Budget Summary	
2019 Base Expenditures	1,892,286
2019 One Time Expenditures	
2019 Proposed Expenditures	1,892,286
2018 Base Expenditures	1,907,385
2018 One Time Expenditures	94,000
2018 Approved Expenditures	2,001,385
Base Budget Change	(15,099)
Change by %	-0.79%
2019 Base Revenues	-
2019 One Time Revenues	-
2019 Proposed Revenues	-
2018 Base Revenues	-
2018 One Time Revenues	34,000
2018 Approved Revenues	34,000
Base Budget Change	-
Change by %	0.00%
2019 FTE	11.00
2018 FTE	11.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 378-391



2019-2022 Draft Financial Plan

Real Estate



**Operating Budget: pages 500-510,
160-161 (VCC Retail Stores)**



Real Estate



Overview

- Administer all aspects of the City's strategic real estate program and holdings including managing the City's active revenue portfolio of commercial properties
- Seek to maximize the City's returns from its property holdings
- Ensure the City has the appropriate real estate portfolio to meet its current and long terms needs



2019-2022 Draft Financial Plan

Real Estate



Core Services

Strategic Real Estate Services

- Manage all aspects of the City's real estate holdings based on an established real estate strategy as approved by Council and based on a triple bottom line return perspective
- Provide strategic direction related to real estate transactions involving City interests and seek projects in furtherance of the City's Strategic Priorities

Program Operations & Interdepartmental Business Services

- Ongoing property & tenant management of commercial and non-commercial leased/licensed assets and management of related revenue and expenditure programs with a goal of improving net returns
- Identify and secure land related solutions that meet the operational business requirements for City business units (e.g. park land fee simple acquisition, PW utility Statutory Rights of Way, Harbour Pathway acquisitions etc.)



2019-2022 Draft Financial Plan

Real Estate



Core Services (cont.)

Strategic Partnership Development

- Work with external stakeholders, including governments, school district, non profits and developers to identify opportunities to leverage City real estate holdings in furtherance of City priorities



2019-2022 Draft Financial Plan

Real Estate



Key Initiatives and Major Projects

- Leading real estate components of current projects in support of the following strategic initiatives:
 - Affordable housing projects (373 units)
 - Affordable childcare projects
 - Harbour pathway acquisitions and downtown harbor park land securement projects
 - Post Disaster Emergency Services project
 - Economic development project
- Development of formal Real Estate Strategic Plan & land inventory database
- Identify upcoming capital projects and work with other departments to review real estate implications and opportunities



2019-2022 Draft Financial Plan

Budget Summary Real Estate



Budget Summary	
2019 Base Expenditures	1,581,850
2019 One Time Expenditures	-
2019 Proposed Expenditures	1,581,850
2018 Base Expenditures	1,576,943
2018 One Time Expenditures	170,000
2018 Approved Expenditures	1,746,943
Base Budget Change	4,907
Change by %	0.31%
2019 Base Revenues	1,815,919
2019 One Time Revenues	-
2019 Proposed Revenues	1,815,919
2018 Base Revenues	1,751,085
2018 One Time Revenues	170,000
2018 Approved Revenues	1,921,085
Base Budget Change	64,834
Change by %	3.70%
2019 FTE	3.00
2018 FTE	3.00
Change	0.00
Change by %	0.00%

**Operating Budget: pages 500-510,
160-161 (VCC Retail Stores)**

* This summary does not include Business Unit 5970 -VCC Retail Stores (2019 revenues of \$321,619 and \$94,985 in expenditures)
 ** Base expenditures include an annual repayment to the Building &Infrastructure Reserve (2019 - \$487,141) for 812 Wharf Street



2019-2022 Draft Financial Plan



Legislative Services



Operating Budget: pages 398-407



Legislative Services



Overview

- Provide legislative, policy, administrative and regulatory expertise and services to City Council and City departments to ensure that the City conducts its business in a manner consistent with City bylaws and provincial legislation.
- Corporate Officer functions, including maintaining and providing access to official records, executing documents and accepting service of documents on the City.
- Manages the preparation of Council and Committee meeting agendas
- Facilitates the webcasting of Council and Committee meetings.



2019-2022 Draft Financial Plan

Legislative Services



Legislative Functions

- Administrative support and governance advice to Council and Council Committees
- Maintain official records of Council and Committees of Council
- Policy development and analysis
- Maintain, consolidate and revise City bylaws
- Administer civic elections and referenda
- Manages the consultation process for Provincial Cannabis retail License referrals
- Coordinate and assist with Freedom of Information requests and privacy impact assessments as required under the *Freedom of Information and Protection of Privacy Act*



2019-2022 Draft Financial Plan

Legislative Services



Budget Summary

Operating Budget: pages 398-407

Budget Summary	
2019 Base Expenditures	1,814,704
2019 One Time Expenditures	-
2019 Proposed Expenditures	<u>1,814,704</u>
2018 Base Expenditures	1,972,544
2018 One Time Expenditures	228,575
2018 Proposed Expenditures	<u>2,201,119</u>
Base Budget Change	(157,840)
Change by %	-8.00%
2019 Base Revenues	35,000
2019 One Time Revenues	-
2019 Proposed Revenues	<u>35,000</u>
2018 Base Revenues	35,000
2018 One Time Revenues	228,575
2018 Approved Revenues	<u>263,575</u>
Base Budget Change	-
Change by %	0.00%
2019 FTE	12.88
2018 FTE	12.88
Change	0.00
Change by %	0.00%



2019-2022 Draft Financial Plan



Victoria Fire Department



Operating Budget: pages 532-572
Capital Budget: pages 742-746



Fire and Emergency Management

Overview

- Responsible for the strategic direction and delivery of core fire and emergency response for the City of Victoria, integration of “supported” servicing with other first responder agencies.
- Legislated requirement for fire inspections of all commercial and public occupancy buildings in addition to fire and life safety education, community programming and school liaison.
- Ensuring compliance with industry standards, licensing and progressive specialized training programs
- Effective Response Force Planning (locally, regionally) based on risk, hazards and occupancies
- Fire Station Planning and Response Programming
- Corporate and departmental business continuity preparation, economic recovery and developing strategy for recovery from potential impact of events
- Emergency Management and effective emergency preparedness education for citizens, corporate and region



2019-2022 Draft Financial Plan

Fire and Emergency Management

Fire Prevention and Suppression

- Fire suppression
- Technical rescue, including technical high angle rope rescue, confined space
- Medical first responder
- Fire prevention, inspection, investigations, Community Fire and Life Safety education, Emergency Preparation education, school liaison, retirement homes, neighbourhood groups
- Marine firefighting, rescue and environmental support response
- Regional hazmat
- Regional tower crane rescue services
- Internal and regional fire apparatus repair, maintenance and specialized equipment inspections, repair and maintenance, including marine
- Firefighter Health & Safety; Cancer Awareness; Mental Health Resilience



2019-2022 Draft Financial Plan

Fire and Emergency Management

Emergency Management

- Emergency Operations Centre
- Emergency Social Services
- Community preparedness and education
- Corporate and neighbourhood training including GIS and UAV (drone) operations, Connect and Prepare
- Neighbourhood Liaison Educational Programming
- Collaboration of Emergency Preparedness with Fire and Life Safety Education



2019-2022 Draft Financial Plan

Fire and Emergency Management

Key Initiatives and Major Projects

- Fire Station # 1 Replacement
- Regional Fire Dispatch and Emergency Services Communications
- Effective Response Force based on risk, hazards and occupancy
- Continued renewal of Emergency Management Programming
- Urban Search and Rescue
- Increased focus on Firefighter Health & Safety



2019-2022 Draft Financial Plan

Fire and Emergency Management

Budget Summary

Budget Summary	
2019 Base Expenditures	17,494,340
2019 One Time Expenditures	96,000
2019 Proposed Expenditures	17,590,340
2018 Base Expenditures	
2018 Base Expenditures	17,082,129
2018 One Time Expenditures	49,750
2018 Approved Expenditures	17,131,879
Base Budget Change	412,217
Change by %	2.41%
2019 Base Revenues	
2019 Base Revenues	81,000
2019 One Time Revenues	96,000
2019 Proposed Revenues	177,000
2018 Base Revenues	
2018 Base Revenues	79,000
2018 One Time Revenues	49,750
2018 Approved Revenues	128,750
Base Budget Change	2,000
Change by %	2.53%
2019 FTE	
2019 FTE	124.09
2018 FTE	124.09
Change	0.00
Change by %	0.00%

Operating Budget: pages 532-572
Capital Budget: pages 742-746



2019-2022 Draft Financial Plan



Parks, Recreation and Facilities



Operating Budget: pages 408-499
Capital Budget: pages 681-689, 718-730, 732-733, 753



Parks, Recreation and Facilities



Overview

- Manage the inventory of parks, open spaces and buildings to enable diverse opportunities for recreation and sport, arts and culture, as well as City services and administration.
- Working with residents, a focus is maintained on initiatives that support a safe, vibrant and inclusive community.



Growing Food in the City Lettuce Turnip the Beet



2019-2022 Draft Financial Plan

Parks, Recreation and Facilities



Parks

- Manage 500 acres of park and open spaces, including:
 - 137 parks and open spaces
 - ~33,000 City-owned trees
 - Play spaces, sport fields and courts, dog off-leash areas
 - Historic cemeteries, public plazas
 - Horticultural displays and natural areas
- Design and construct park spaces and features
- Participate in development permit review, tree preservation, community garden applications, and public realm projects
- Guiding documents include Parks and Open Spaces Master Plan, Urban Forest Master Plan, as well as site specific plans/guidelines



2019-2022 Draft Financial Plan

Parks, Recreation and Facilities

Recreation

- Manage programs and services delivered through recreation facilities, including Royal Athletic Park, Crystal Pool and Fitness Centre, and other parks
- Administer the *Leisure Involvement for Everyone* (LIFE) program, which reduces financial barriers for residents
- Deliver community programs at Save-On-Foods Memorial Centre
- Administer bookings for City sport facilities
- Liaise with numerous community stakeholders to deliver affordable, accessible programs



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Parks, Recreation and Facilities

Facilities

- Maintenance and janitorial services for the City's inventory of 109 buildings and parking lots, totaling 1.9 million square feet of floor space
- Planning and management of facility-based capital projects
- Long-term planning and analysis of building use and systems
- Management of corporate security



2019-2022 Draft Financial Plan

Parks, Recreation and Facilities



Key Initiatives and Major Projects

- Crystal Pool and Wellness Centre Replacement Project
- Songhees Park Expansion Plan
- Central Park Renewal Plan
- Topaz Park Improvements - Design
- Facilities Master Plan



2019-2022 Draft Financial Plan

Parks, Recreation and Facilities



Budget Summary

Budget Summary

2019 Base Expenditures	21,803,731
2019 One Time Expenditures	100,000
2019 Proposed Expenditures	21,903,731
2018 Base Expenditures	21,184,615
2018 One Time Expenditures	676,795
2018 Approved Expenditures	21,861,410
Base Budget Change	619,116
Change by %	2.92%
2019 Base Revenues	2,914,750
2019 One Time Revenues	100,000
2019 Proposed Revenues	3,014,750
2018 Base Revenues	2,679,151
2018 One Time Revenues	372,795
2018 Approved Revenues	3,051,946
Base Budget Change	235,599
Change by %	8.79%
2019 FTE	179.74
2018 FTE	179.74
Change	0.00
Change by %	0.00%

Operating Budget: pages 408-499

Capital Budget: pages 681-689, 718-730, 732-733, 753



2019-2022 Draft Financial Plan



Legal Services

Operating Budget: pages 392-396



Legal Services



Overview

- Legal Services' lawyers provide timely, accurate and practical legal advice and services to Council and staff to assist in the management and mitigation of risks to the City and to assist in securing and enforcing the City's legal rights and interests.
- City's in-house lawyers represent the City in legal proceedings before the Courts and administrative boards and tribunals.



2019-2022 Draft Financial Plan

Legal Services



Core Services

- Provide legal advice to Council, City Manager, and City staff
- Assist in management of risks to the City of Victoria
- Negotiate, prepare and oversee execution and administration of contracts, leases and agreements authorized by Council
- Provide legal services related to land use and development projects
- Represent the City in legal proceedings
- Assist in enforcement of City bylaws
- Monitor legal developments and advise the City on any measures required to adapt to the evolving laws
- Provide regular training and updates to City staff on legal issues that affect their operations



2019-2022 Draft Financial Plan

Legal Services



Budget Summary

Budget Summary	
2019 Base Expenditures	755,466
2019 One Time Expenditures	-
2019 Proposed Expenditures	<u>755,466</u>
2018 Base Expenditures	753,946
2018 One Time Expenditures	-
2018 Approved Expenditures	<u>753,946</u>
Base Budget Change	1,520
Change by %	0.20%
2019 FTE	4.00
2018 FTE	4.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 392-396



2019-2022 Draft Financial Plan

VIC PD Budget Presentation

Operating Budget: pages 622-651
Capital Budget: pages 778-787



Engineering & Public Works



Operating Budget: pages 184-334
Capital Budget: pages 660-670, 674-677, 694-705, 708-709, 711, 749-752, 758-775



Engineering and Public Works



Overview

Manage and deliver essential City services via utilities, transportation and public realm infrastructure and systems.

Public Works:

- Construction, operations, and maintenance of utility, public realm, transportation, mobility, waste, emergency and safety services/infrastructure.

Engineering:

- Design, specification and management of the City's underground and structural assets.
- Management of the City's Climate Action, waste, and asset management programs.

Transportation:

- Design, specification and management of transportation and mobility assets, infrastructure and networks.



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Engineering and Public Works



Public Works

- **Underground Utilities** - sewer, water and storm systems
- **Fleet Management** - acquisition, operations and maintenance of 300+ fleet vehicles and power equipment/tools
- **Surface Infrastructure** - public realm equipment/furniture, road markings, signs, paint, fabrication and carpentry
- **Streets** - roads, sidewalks, retaining walls, bridges, electrical & traffic signals
- **Sanitation and Street Cleaning** - collection programs (residential garbage and kitchen scraps), yard waste programs, street cleaning, waste bin collection
- **Support Services** – administration, departmental safety and emergency management, traffic control, special events support, after hours emergency and service response



2019-2022 Draft Financial Plan

Engineering and Public Works



Engineering

- **Underground Utilities** - design, planning and management
- **Land Development** - processing of land development applications for subdivisions and strata permits, frontage and right of way construction permits
- **GIS and Surveying** - management of assets geo-spatial systems and information
- **Climate Action** - management of municipal and corporate greenhouse gas reduction programs



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Engineering and Public Works



Engineering

- **Sustainability and Asset Management** - management of corporate systems and tools to support the sustainable management of all City assets (location, condition, life-cycle management, replacement, disposal)
- Design/implementation of sustainable City waste management programs
- **Engineering General** - management of all City structural, environmental and geotechnical programs/projects



2019-2022 Draft Financial Plan

Engineering and Public Works



Transportation

- **Transportation Planning and Development** - planning, design and management of mobility programs including:
 - commercial/private/public development
 - transit & active transportation
 - sustainable mobility, accessibility
 - motor vehicle and logistics
 - parking systems
- **Transportation Operations and Construction** - management of transportation operations, safety systems, right of way use/management and construction activities.



2019-2022 Draft Financial Plan

Engineering and Public Works



Key Initiatives and Major Projects

- Bicycle Master Plan Implementation
- David Foster Harbour Pathway Improvements and long term plan
- Gate of Harmonious Interest Renewal
- Sidewalk Condition Assessment/Project Prioritization
- Pavement Condition Assessment/Project Prioritization
- Utility (Water, Sanitary, Storm) Master Plans Implementation
- Point Ellice Bridge Rehabilitation
- Pathway and Public Realm Improvements
- Accessibility Framework
- Sustainable Mobility Strategy
- Zero Waste / Sustainable Waste Management Strategy
- Cartograph Implementation (Asset & Operations Management System)
- Climate Action Program delivery



2019-2022 Draft Financial Plan

Engineering and Public Works Budget Summary



Budget Summary	
Engineering and Public Works excluding Utilities	
2019 Base Expenditures	18,270,860
2019 One Time Expenditures	60,000
2019 Proposed Expenditures	18,330,860
2018 Base Expenditures	17,887,773
2018 One Time Expenditures	1,614,359
2018 Approved Expenditures	19,502,132
Base Budget Change	383,087
Change by %	2.14%
2019 Base Revenues	4,032,481
2019 One Time Revenues	60,000
2019 Proposed Revenues	4,092,481
2018 Base Revenues	4,002,002
2018 One Time Revenues	929,859
2018 Approved Revenues	4,931,861
Base Budget Change	30,479
Change by %	0.76%
Operating Budget: pages 184-334 Capital Budget: pages 660-670, 674-677, 694-705, 708-709, 711, 749- 752, 758-775	

Utilities	
2019 Base Expenditures	34,950,525
2019 One Time Expenditures	-
2019 Proposed Expenditures	34,950,525
2018 Base Expenditures	34,413,454
2018 One Time Expenditures	-
2018 Approved Expenditures	34,413,454
Base Budget Change	537,071
Change by %	1.56%
2019 Base Revenues	34,950,525
2019 One Time Revenues	-
2019 Proposed Revenues	34,950,525
2018 Base Revenues	34,413,454
2018 One Time Revenues	-
2018 Approved Revenues	34,413,454
Base Budget Change	537,071
Change by %	1.56%
2019 FTE	279.72
2018 FTE	279.72
Change	0.00
Change by %	0.00%
Operating Budget: pages 184-334 Capital Budget: pages 660-670, 674-677, 694-705, 708-709, 711, 749- 752, 758-775	



2019-2022 Draft Financial Plan



Business and Community Relations



Operating Budget: pages 102-163
Capital Budget: pages 738, 755



Business and Community Relations

Overview

- Provides management and support to the Economic Development, Victoria Conference Centre, Arts Culture and Events Division, and Neighbourhoods Team to increase and support associations and groups to increase community economic development and vibrancy in Victoria.
- Contributes toward Victoria's economic health by making it easier to start a business in Victoria and works with business and community stakeholders to attract and retain business in the City.



2019-2022 Draft Financial Plan

Business and Community Relations

Arts, Culture and Events

- Special event liaison and permitting
- Film permitting, Film Commission liaison and coordination support
- Festival Investment Grant program
- Festival equipment loan coordination and maintenance
- Public art commissioning and maintenance
- Poet Laureate and Youth Poet Laureate programs
- Marketing and promotional support for programming and festivals
- Community development support to arts and culture organizations



2019-2022 Draft Financial Plan

Business and Community Relations

Neighbourhood Outreach

- Support community building by working with neighbourhood organizations and residents and to support community development projects and activities to build capacity
- Provide interdepartmental linkage between neighbourhood associations and City staff on initiatives and emerging issues
- Assist neighbourhood associations, groups and residents improve their understanding of, access to, and engagement with the City
- Administer the *My Great Neighbourhood Grant program*



2019-2022 Draft Financial Plan

Business and Community Relations

Economic Development

- Streamline processes and barriers within City Hall for Businesses
- Provide customer service to new and established businesses with the Business Hub
- Support innovation, creativity and collaboration between the City, community, and business stakeholders to increase business investment in Victoria with focus on the six engines:
 - advanced education/research & development
 - ocean & marine
 - experiential tourism
 - government
 - technology
 - entrepreneurship/start-ups & social enterprise



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Business and Community Relations

Victoria Conference Centre

- Sell, manage and service conferences, special events, meetings, and trade and consumer shows
- Work with Destination Victoria to market Victoria to domestic and international conference event planners
- Liaison for destination management and business development with business, tourism and hospitality industry partners
- Providing high quality convention services and providing sustainable and energy efficient facilities.



2019-2022 Draft Financial Plan

Business and Community Relations

Key Initiatives and Major Projects

- Business Hub operation
- CityStudio
- Trade Missions
- Talent Attraction Initiative
- My Great Neighbourhood Grant program
- City Hall 101 Education program
- Arts and Culture Master Plan implementation



2019-2022 Draft Financial Plan

Business and Community Relations

Budget Summary

Budget Summary	
2019 Base Expenditures	6,118,044
2019 One Time Expenditures	15,000
2019 Proposed Expenditures	6,133,044
2018 Base Expenditures	5,916,191
2018 One Time Expenditures	636,155
2018 Approved Expenditures	6,552,346
Base Budget Change	201,853
Change by %	3.41%
2019 Base Revenues	4,580,779
2019 One Time Revenues	15,000
2019 Proposed Revenues	4,595,779
2018 Base Revenues	4,193,655
2018 One Time Revenues	416,155
2018 Approved Revenues	4,609,810
Base Budget Change	387,124
Change by %	9.23%

VCC Event Costs Paid by Clients	
2019 Base Expenditures	3,460,000
2019 One Time Expenditures	-
2019 Proposed Expenditures	3,460,000
2018 Base Expenditures	3,460,000
2018 One Time Expenditures	-
2018 Approved Expenditures	3,460,000
Base Budget Change	-
Change by %	0.00%
2019 Base Revenues	3,460,000
2019 One Time Revenues	-
2019 Proposed Revenues	3,460,000
2018 Base Revenues	3,460,000
2018 One Time Revenues	-
2018 Approved Revenues	3,460,000
Base Budget Change	-
Change by %	0.00%
2019 FTE	25.91
2018 FTE	25.91
Change	0.00
Change by %	0.00%

Operating Budget:
pages 102-163

Capital Budget:
pages 738, 755



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Engagement



Operating Budget: pages 174-183



Engagement



Overview

- Encourage civic participation in City government
- Foster a culture of engagement and communications throughout the organization
- Strategic communications to support City services and programs



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Engagement



Public Participation

- Work with City departments and the community to create and implement engagement plans that support the development of public policy, programs and services and build social capital
- Work with departments to plan, implement and monitor ongoing, proactive outreach and relationship-building between the City, citizens, businesses and community organizations



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Engagement



Communications Services

- Owned Media – Victoria.ca, social media channels, apps and City Hub internal website
- Earned Media – announcements, story development, media enquiries
- Graphic Design and Digital Content
- Advertising and Marketing Materials
- Public awareness and social marketing – CONNECT print and e-newsletters
- Video Production and Photography – project specific



2019-2022 Draft Financial Plan

Engagement



Internal Communications

- Employee Engagement – support activation of a high-performing workplace
- Employee Hub Maintenance – internal portal for employees to access job and work-related information



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Engagement



Key Initiatives and Major Projects

- Public engagement for more than 21 strategic policy and program initiatives in 2018
- Participatory Budgeting
- Engagement Summit (Annual)
- Public awareness and social marketing campaigns – Victoria Votes 2018, BYO Bag Victoria, financial plan, climate leadership, emergency preparedness, and more
- Open Data Portal



2019-2022 Draft Financial Plan

Engagement



Budget Summary

Budget Summary	
2019 Base Expenditures	1,455,396
2019 One Time Expenditures	-
2019 Proposed Expenditures	1,455,396
2018 Base Expenditures	1,420,219
2018 One Time Expenditures	223,143
2018 Approved Expenditures	1,643,362
Base Budget Change	35,177
Change by %	2.48%
2019 Base Revenues	-
2019 One Time Revenues	-
2019 Proposed Revenues	-
2018 Base Revenues	-
2018 One Time Revenues	54,143
2018 Approved Revenues	54,143
Base Budget Change	-
Change by %	0.00%
2019 FTE	12.00
2018 FTE	12.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 174-183



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Greater Victoria Public Library

Operating Budget: pages 618-621



Sustainable Planning & Community Development

Operating Budget: pages 512-530



Sustainable Planning & Community Development

Overview

- Committed to supporting quality development and economic health of the City.
- Balancing economic prosperity, social development and environmental sustainability.



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Sustainable Planning & Community Development

Community Planning

- City-wide and local area planning
- Policy and regulatory initiatives such as Official Community Plan (OCP) implementation and Zoning Bylaw updates
- Heritage policy and programs
- Housing policy and administration of the *Housing Reserve Fund*
- Urban design and public realm planning



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Sustainable Planning & Community Development

Development Services

- Zoning / Rezoning Applications
- Development and Variance Permits
- Heritage Alteration Permits and Heritage Designations
- Tax Incentive Program Applications
- Development Agreement monitoring and administration
- Support to *Community Association Land Use Committees*
- Heritage Advisory Panel
- Advisory Design Panel
- Board of Variance



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Sustainable Planning & Community Development

Permits and Inspections

- Issue permits for and inspect construction to ensure compliance with the BC Building Code, Plumbing Code and Canadian Electrical Codes
- Processing and administration of building, plumbing, electrical and sign permits as well requests for property information and archived building records
- Support Climate Leadership Plan through Step Codes
- Liquor license permit applications



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Sustainable Planning & Community Development

Key Initiatives

- Local Area Planning
- Downtown Core Area Plan Implementation
- Victoria Housing Strategy and Housing Summit
- Ship Point Master Plan
- Visual Victoria
- Centennial Square Action Plan
- Heritage Program
- Development Application Process Improvements
- CALUC Check-In Meetings, Support and Process Refinements



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Sustainable Planning & Community Development

Budget Summary

Budget Summary

2019 Base Expenditures	5,059,424
2019 One Time Expenditures	169,403
2019 Proposed Expenditures	5,228,827
2018 Base Expenditures	4,994,273
2018 One Time Expenditures	1,472,587
2018 Approved Expenditures	6,466,860
Base Budget Change	65,151
Change by %	1.30%
2019 Base Revenues	3,103,750
2019 One Time Revenues	169,403
2019 Proposed Revenues	3,273,153
2018 Base Revenues	2,928,750
2018 One Time Revenues	1,089,990
2018 Approved Revenues	4,018,740
Base Budget Change	175,000
Change by %	5.98%
2019 FTE	43.43
2018 FTE	43.43
Change	0.00
Change by %	0.00%

Operating Budget: pages 512-530



2019-2022 Draft Financial Plan

Corporate

Operating Budget: pages 574-617



Corporate

Core Services/Service Areas

- Grants
- Taxation
- Insurance
- Debt
- Reserves



2019-2022 Draft Financial Plan

Corporate

Budget Summary

Budget Summary	
2019 Base Expenditures	49,651,021
2019 One Time Expenditures	-
2019 Proposed Expenditures	49,651,021
2018 Base Expenditures	48,147,067
2018 One Time Expenditures	1,791,542
2018 Approved Expenditures	49,938,609
Base Budget Change	1,503,954
Change by %	3.12%
2019 Base Revenues	23,926,371
2019 One Time Revenues	-
2019 Proposed Revenues	23,926,371
2018 Base Revenues	27,906,769
2018 One Time Revenues	51,814
2018 Approved Revenues	27,958,583
Base Budget Change	(3,980,398)
Change by %	-14.26%

Operating Budget: pages 574-617



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Council

Operating Budget: pages 82-85



Council

Budget Summary

Budget Summary

2019 Base Expenditures	657,999
2019 One Time Expenditures	-
2019 Proposed Expenditures	657,999
2018 Base Expenditures	614,595
2018 One Time Expenditures	-
2018 Approved Expenditures	614,595
Base Budget Change	43,404
Change by %	7.06%

Operating Budget: pages 82-85



2019-2022 Draft Financial Plan

City Manager

Operating Budget: pages 86-95



City Manager's Office

Overview

- Provides leadership across the organization to support the goals and objectives of the City through staff and Council support and through the engagement with business and community stakeholders.

Core Services

- Corporate leadership
- Mayor and Council support
- Protocol functions
- Correspondence management
- Bylaw and Licencing



2019-2022 Draft Financial Plan

City Manager's Office

Budget Summary

Budget Summary	
2019 Base Expenditures	920,477
2019 One Time Expenditures	-
2019 Proposed Expenditures	920,477
2018 Base Expenditures	905,392
2018 One Time Expenditures	-
2018 Approved Expenditures	905,392
Base Budget Change	15,085
Change by %	1.67%
2019 FTE	7.00
2018 FTE	7.00
Change	0.00%
Change by %	0.00%

Operating Budget: pages 86-95



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Bylaw Services



Operating Budget: pages 164-172

Bylaw Services

Core Services

Bylaw Enforcement

- Compliances and investigations

Licence Application Review

- Business licence reviews and compliance checks

Short Term Rental Market Strategy

- City Strategy to regulate short term rentals

Bylaw Services

Budget Summary

Budget Summary	
2019 Base Expenditures	1,860,180
2019 One Time Expenditures	-
2019 Proposed Expenditures	<u>1,860,180</u>
2018 Base Expenditures	1,798,398
2018 One Time Expenditures	-
2018 Proposed Expenditures	<u>1,798,398</u>
Base Budget Change	61,782
Change by %	3.44%
2019 Base Revenues	594,850
2019 One Time Revenues	-
2019 Proposed Revenues	<u>594,850</u>
2018 Base Revenues	587,350
2018 One Time Revenues	-
2018 Approved Revenues	<u>587,350</u>
Base Budget Change	7,500
Change by %	1.28%
2019 FTE	10.00
2018 FTE	10.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 164-172



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Supplementary Budget Requests



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Asset Management

BACKGROUND:

- Victoria owns and manages over \$2 billion in physical assets (i.e. infrastructure) including water, sewage, drainage, transportation, parks, buildings and vehicles.
- The Community Charter states that one of the four purposes of a municipality is to "provide for stewardship of public assets of its community".
- Asset Management is an integrated corporate-wide approach for stewarding existing and new assets in order to maximize their value, reduce risks and provide sustainable levels of service to the community.

ISSUE TO SOLVE:

- The City requires additional staff capacity to develop, implement, and support the corporate asset management program.

BENEFITS:

- Staff productivity, streamlined business processes, improved financial reporting and evidence-based decision making are expected to be realized. The ultimate goal of the City's asset management program is to realize sustainable service delivery.

2019 Supplemental Requests Ongoing:

• Asset Management Technician	\$ 85,500
• Business Analyst	\$102,000
• Work Order Administrator	\$ 92,500



2019-2022 Draft Financial Plan

Service Improvement and Corporate Initiatives

BACKGROUND

- The City of Victoria has a Corporate Plan to address a number of organization-wide pinch points as well as establish more modern and efficient process to improve efficiency and increase customer service to citizens.

ISSUES TO BE SOLVED:

- There are currently multiple avenues for the public to contact the City, which sometimes results in duplicate requests being addressed by different staff or in some cases not at all (dropped calls).
- A lack of internal processes and staff training related to planning, budgeting, and reporting performance best practices is causing internal churn.

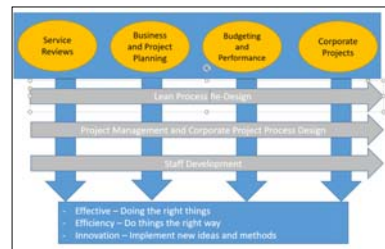
BENEFITS:

- A number of operational inefficiencies can be eliminated through the creation of positions focused on process improvements in internal operations and work flow, as well pro-active improvements as re-design of planning, budgeting and reporting functions.
- Focused resources on service improvements is intended to "free up" staff time to take on priority projects.

2019 Supplemental Requests

Ongoing:

• Service Improvement Staff (3)	\$380,000
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2019-2022 Draft Financial Plan

Managing Public Green Spaces - Sheltering

BACKGROUND:

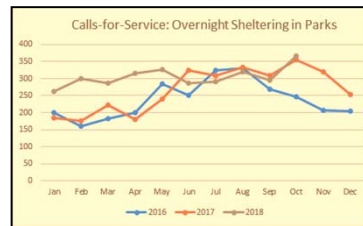
- The Overnight Sheltering Program responds to demands associated with outdoor sheltering in parks.
- Costs include extended hours at select washrooms, security patrols and cleaning support in parks.

ISSUE TO BE SOLVED:

- City staff and police have observed an increased level of sheltering activity in City parks over the past year. As of October 2018, the City is receiving an average of 304 calls-for-service per month, compared to 267 and 238 in 2017 and 2016 respectively.

BENEFITS:

- Funding for continuing the service associated with the will reduce risks to the health and safety of those sheltering, other park users and City staff, as well as reduce damage to vegetation and ecosystems.



2019 Supplemental Requests

On-Going

- Overnight Sheltering – Support & Clean Up \$362,000



2019-2022 Draft Financial Plan

Recruitment and Retention

BACKGROUND:

- The number of posted vacancies has steadily increased over the past few years and expected to continue due to retirements and internal movements.
- The City has experienced a 29% increase in sick leave hours since 2014. The number of Worksafe BC (WSBC) claims is declining, but the average duration of time loss claims is increasing.

ISSUE TO BE SOLVED:

- The increasingly tight labour market is resulting in multiple postings to fill vacant positions.
- Return ill and injured workers to work as soon as possible.

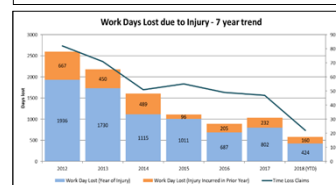
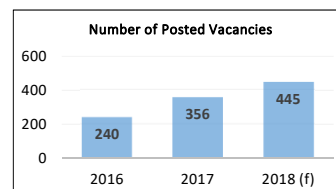
BENEFITS:

- Additional support for recruitment will maintain current service levels.
- The retention of a disability coordinator is expected to achieve significant cost savings both in terms of managing absenteeism and lower WCB premiums.

2019 Supplemental Requests

Ongoing:

- Disability Coordinator \$128,500
- Talent Specialist \$96,500



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Youth Initiatives

BACKGROUND:

- A Youth Strategy has been adopted to better engage and include youth in community and local government initiatives.
- The Youth Leaders in Training (YLIT) is an employment readiness program for youth that helps individuals gain skills in the fields of childcare, recreation and education.

ISSUE TO BE SOLVED:

- Implementation of the Council approved Youth Strategy, including a hiring strategy and recruitment brochure, as well as curriculum development to engage youth on what the City does, how decisions will impact them and how they can affect change in their community.
- External grant funding for the Youth Leaders in Training Program has been eliminated.

BENEFITS:

- Fulfill commitments in the Youth Strategy and continuation of the highly successful YLIT Program.

2019 Supplemental Requests

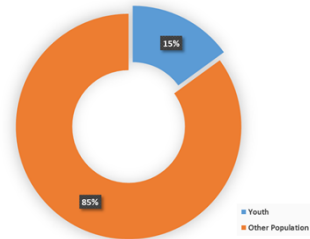
Ongoing:

- Youth Leaders in Training Program \$20,000

One Time:

- Youth Strategy Coordinator \$30,000

Percentage of Youth (Ages 12 - 24) in the City of Victoria



2019-2022 Draft Financial Plan

Recommendations



1. Direct staff to include the employer health tax with funding from a tax increase (1.45%).
2. Direct staff to bring forward the Five-year Financial Plan Bylaw, 2019 to the December 13, 2018 Council meeting for consideration of first reading prior to commencing public consultation.
3. Direct staff to bring forward bylaws outlining solid waste, sewer utility, water utility and stormwater utility user fee increases to a December 7, 2018 Special Council meeting for consideration of first, second and third readings and subsequently to the December 13, 2018 Council meeting for adoption to authorize implementation of new rates on January 1, 2019.



2019-2022 Draft Financial Plan

Recommendations



4. Approve the following allocations of new property tax revenue from new development:
 - a. \$500,000 to the Buildings and Infrastructure Reserve as per the Financial Sustainability Policy
 - b. Direct staff to bring forward options for the use of the remainder upon completion of public consultation
5. Direct staff to bring forward options for the use of 2018 surplus upon completion of public consultation.
6. Direct staff to bring forward options for funding items Council previously referred to the 2019 financial planning process outlined in Appendix A upon completion of public consultation.



2019-2022 Draft Financial Plan

Recommendations



7. Direct staff to bring forward options for funding supplementary budget requests upon completion of public consultation.
8. Approve the direct-award grants as outlined in this report.
9. Direct staff to bring forward options for funding increased grant requests upon completion of public consultation.
10. Approve adding 0.5 FTE utility position to address new regulations funded through existing budgets.



2019-2022 Draft Financial Plan



2019 POLICE PROVISIONAL BUDGET

BACKGROUND:

The 2019 Provisional Budget was approved by the Police Board September 18th, 2018. In accordance with the provisions of the *Police Act* and Framework Agreement the provisional budget will be presented to the councils for the City of Victoria and Township of Esquimalt. Both councils must approve the budget before final adoption by the Police Board.

Any additional resource requirements, approved by the Police Board, outside of existing core operations have been identified for presentation purposes as separate line items in the 2019 Provisional Budget.

Budget Targets

The City of Victoria's council provides direction that their core budget increase must be no more than inflation plus 1%. The Township of Esquimalt does not provide specific guidance to the Police Board, but follows similar budgetary restrictions. Additionally Esquimalt relies on the amounts receivable for payments in lieu of taxes in making budget decisions. As of September 2018 Consumer Price Inflation (CPI) in Victoria is 2.48% versus the same time last year. Inflation plus 1% would therefore be 3.48%. The Police Board, in determining the provisional budget has given this input due consideration. The impact of the provincially mandated Employers' Health Tax has been treated as a separate item.

Employers' Health Tax

2019 will see the implementation of the 1.95% Employers' Health Tax. This represents a significant cost for most municipalities in the Province. For the purposes of budget presentation this is presented as a separate item in the 2019 provisional budget. These amounts may already be included in costs identified within the City of Victoria's budget for the implementation of the Employers' Health Tax.

2019 Proposed Budget

The 2019 Budget has been developed using the principles of Zero Based Budgeting, an approach to planning and decision-making where every budget request must be approved. Budget items that were approved in the previous fiscal year are not therefore carried forward, and expenditures must be justified in the budget process. The budget for salaries and benefits are based on current staffing levels but for all other operating expenditures managers need to build a budget from the ground up, building a case for their spending as if no baseline existed to start with. Annual work plans are prepared for each unit and submitted to the Chief and Deputies.

Operating Budget:

The Core budget can be defined as the budget that is required to maintain existing operations without any additional staffing resources. This does not necessarily mean operations can be maintained without additional staffing in the medium term, but treats additional resource requests as a separate line item in the budget. Similarly any requests to increase service levels or implement improvements with resource requirements attached are identified separately. Any additional resources approved by the Board to be included in the Provisional Budget are, although identified separately, subsequently considered part of the provisional budget for presentation to councils.

Extraordinary Items:

The Core budget includes expenditures that are either significant, one-time, contractually obligated, or as a result of external legislation or processes. The most significant cost drivers have been disclosed below to demonstrate the impact of these costs on the provisional budget.

Transition to Regional Communications Centre

In 2019 the Communications Centre will transition over to a Regional Communications Centre, under the administration of E-Comm. The transition is expected to occur towards the end of January 2019. The budget has been amended to reflect the fact that Communications Centre staff will be managed through VicPD for the first month of the year, then transition over to a contract for service with E-Comm thereafter.

The transition to a Regional Communications Centre will provide operational efficiencies, greater levels of support and a greater safety net for peak times and seasons. It will also better prepare us for Next Generation 9-1-1 services. Additionally we expect to see some savings on an annual basis through pooling of services. For 2019, however, there will be some one-time transitional costs, including the costs associated with transitioning staff over to the new service model for both VicPD and E-Comm. The budget has been prepared on the basis of VicPD's costs being absorbed in the 2019 Budget, and E-Comm's being spread out over three years.

The five year forecast below is based on current assumptions, recognizing that the final costs may vary slightly between now and the transition date. Additional costs for the implementation of Next-generation-911 are not yet estimated. The financial impact of this significant change will be reduced through pooling of those costs through the Regional Communications Centre.

Regional Communications Centre Costs - Five Year Forecast

	2019	2020	2021	2022	2023	Accum.
Expected Costs - Regional Communications Centre						
E-Comm Contract ¹	2,720,000	2,970,617	3,030,030	3,090,630	3,152,443	14,963,720
One-Time Transition Costs	55,000	55,000	55,000	-	-	165,000
VicPD Costs ²	259,667	100,000	102,000	104,040	106,121	671,828
Total Costs	3,034,667	3,125,617	3,187,030	3,194,670	3,258,564	15,800,548
		3.00%	1.96%	0.24%	2.00%	
Current Delivery Model³	3,260,090	3,325,292	3,391,798	3,459,634	3,528,827	16,965,641
Expected Net Savings	225,423	199,675	204,768	264,964	270,263	1,165,093

1. Assumes inflation rate of 2% per year. Based on estimates from E-Comm. Actuals could vary.

2. 2019 costs adjusted based on Jan 22, 2019 transition date to Regional Communications Centre.

2020 onwards is based on assumption that certain functions will not transition, requiring VicPD staffing

3. Forecast costs if there had been no transition to the Regional Communications Centre

Significant Cost Drivers for 2019

Extraordinary Expenditures:

1. *Employers' Health Tax - \$690,000 (1.28%)*

The Employers' Health Tax (EHT) will be implemented in 2019 in addition, for that year to 50% of MSP premiums still being in place. In the longer term, benefits costs will increase with the EHT in comparison to MSP premiums. For 2019 the reassessed impact on the operating budget will be an increase of \$690,000, representing a 1.28% increase in the overall budget. This amount is slightly lower than original estimates, due to the expected reduction of civilian staffing levels at the end of January as the Communications Centre staff transition to E-Comm.

Employers' Health Tax - Five Year Forecast

	2019	2020	2021	2022	2023
Employers' Health Tax ¹	650,000	666,250	682,906	699,979	717,478
MSP Premiums	40,000				
Total	690,000	666,250	682,906	699,979	717,478
		-3.44%	2.50%	2.50%	2.50%

1. Adjusted for expected wage inflation

2. *Increases to recruitment and equipment costs - \$154,000 (0.29%)*

The budget request for these line items will allow us to provide sufficient training in anticipation of the retirements we expect in January 2019. Additionally, due to the demographics of our employees, we expect a significant number of police officer retirements consistently over the next ten years. Historically we have been successful in attracting "exempt" (fully qualified) officers, for a third of our vacant positions. This comes with a higher salary cost, but lower training costs and a significantly faster deployment timeline.

Costs for recruitment in either case are expensive. Based on an assessment by Mercer (Canada) Ltd. we can expect our attrition rate to remain high for the next 10 years. The current operating budget is insufficient to hire, train and equip the number of new officers we will need to maintain our authorized strength. The exact number of retirements may vary from the forecast, but we should be prepared for an average of 10-11 retirements each and every year for the next 10 years.

New recruits incur the following costs to the organization:

- Advertising
- Background checks
- Training
- Equipment
- Uniforms

3. *Retirement Obligations - \$300,000 (0.56%)*

The 2018 budget for retirement obligations was \$400,000. Historically this budget line item has been as high as \$800,000/annum, but had been reduced in previous budget years. These costs are related to contractually obligated payouts under union collective agreements. In 2018 we expect the actual costs to be closer to \$875,000. An actuarial 10 year forecast of the retirement payout amounts under our collective agreements indicates the average annual payout will be in the \$800-900,000 range. We therefore need to significantly increase our annual budget line item to previous amounts and properly fund expected retirements. As a result the provisional budget for retirement payouts has been increased from \$400,000 to \$700,000. Without these additional funds, reserves would be depleted in the next 8-10 years.

Based on an analysis from Mercer (Canada) Ltd. it is not recommended to draw down on the reserve and that \$800,000, adjusted annually for inflation, would provide sufficient funds to meet our obligations and sufficiently fund the EBO Reserve within a twenty year span. In future years the retirement payout line item will need to be increased again to meet this target. The amounts budgeted for 2019 are sufficient to meet projected current year obligations only.

4. *One-time transition costs to Regional Communications Centre - \$55,000 (0.10%)*

We expect the Communications Centre to transition over to the Regional Communications Centre at the end of January, 2019. The budget has been prepared based on this timeline. The long term impact will be positive for the Department. In 2019, however there will be some one-time transitional costs that represent a net cost for the Department. This includes costs for E-Comm to transition and implement resources, of which Victoria and Esquimalt's portion will be approximately \$170,000. It also includes an estimate for our expenditures in relation to an adjustment plan that would be required under Section 54 of the Labour Relations Code. To mitigate the financial impact of these costs on the Department, we have requested from E-Comm these costs be spread out over a three year period. The budget has been amended to reflect this.

5. *Changes to Bail Hearing Process - \$25,000 (0.05%)*

An estimate has been included for increases for salaries and benefits of Records staff for statutory holidays to adequately staff for the changes in the bail hearing process. These

changes will require greater availability of staff on weekends and statutory holidays. In the short term the impact on operations is likely to be minimal. We may, however, need to reassess the impact on operations for the 2020 budget process.

Ordinary (on-going) Expenditures

1. *Estimated Pay Increments - \$842,724 (1.56%)*

The Collective Agreement with the Victoria City Police Union will expire at the end of 2018. A new contract with CUPE is expected shortly that will run to the end of 2020. The budget has been prepared based on management estimates for pay increments.

There is an overall decrease in salaries and benefits, representing the transition of the Communications Centre staff to the Regional Communications Centre at the end of January 2019. There is also a corresponding increase in the professional services line item, representing the contractual obligations for the Regional Communications Centre from that point on.

2. *Capital Funding - \$100,000 (0.19%)*

Over the last few years we have deferred significant replacements of IT and Fleet capital pending a review of the capital needs. Our current contribution levels to the capital reserves are insufficient to meet the replacement needs of our existing infrastructure. A review of IT capital has been made by the Manager of IT, prioritizing the needs of the organization and pooling of the fleet will soon be implemented. The increase of \$100,000 represents the amount required to meet our minimum replacement requirements. Future years will require further increases to ensure the capital reserves are adequately funded. The impact on the 2019 budget has been offset by the reduction of the automotive repairs and maintenance budget, after careful consideration of average maintenance costs over the last five years.

A recent review of the Fleet and IT capital requirements indicates that vehicle replacement costs will remain high for the next three years, but will decline in the fourth year as we see the benefits of vehicle pooling and a more efficient use of our fleet. IT costs will remain significant as our storage and processing requirements increase, and an overall increase in capital funding will be required to maintain the sustainability of our capital reserves.

An increase in the capital expenditure budget line to \$1.256 million, increasing annually for inflation, will allow us to sustain a capital reserve fund balance of approximately \$750,000.

3. *Increases to Medical/Dental Benefits - \$126,525 (0.23%)*

In 2018 we saw an increase of 7% to medical benefit premiums, and 10% to dental premiums. In 2019 we can expect a further 10% increase in dental premiums and yet to be determined increases in medical premiums. This is a result of increases in the costs for insurance providers to provide this coverage and does not represent a significant change to

the benefits plan itself. Increases in medical costs continue to outstrip consumer price inflation and this trend is likely to continue in the short term.

4. Integrated Units - \$138,895 (0.26%)

Most Integrated Unit Budgets reflect adjustments for inflation or personnel movements. The exception is the Greater Victoria Emergency Response Team, where an increase has been deemed necessary to increase the number of monthly training hours from twenty to forty.

Other Items or Adjustments of Note:

In 2018 six officers were reassigned from School Resources, Reserves, Community Services Division and Analysis & Intel to increase the numbers at the front line. The 2019 budget reflects these staff movements. The request for the additional six Patrol officers is under review by the Province. At this time the six additional officers, requested for the 2018 budget, have not been included in the proposed 2019 core budget. The costs, should they be approved, have been disclosed below.

It is difficult to determine with any level of certainty the level of special duties revenues and expenditures in any given year. Traditionally we have budgeted for net amounts. This causes exceptions for financial reporting. For 2019 an estimated has been made for special duties revenues and expenditures based on historical averages in order to reduce the effect this has on financial analysis throughout the year.

Additional Resources

A Business case for each of the additional resources identified in the 2019 Provisional Budget has been prepared.

Mental Health Integration:

In 2017 a pilot project was approved for 2 additional officers for an expansion of Mental Health Integration program. The cost for these officers has been included in both the 2018 and 2019 budget numbers as a separate item for comparative purposes. In 2017 and 2018 the City of Victoria funded the positions from surplus. The Department is working with academia to perform an evaluation of the project with the intent that, if deemed successful, permanent funding for the positions would be requested in the 2020 Budget process. Funds are requested to continue the pilot project in 2019 subject to the results of this evaluation.

Additional Items to Improve Service Levels:

Whereas the Core budget represents the cost to maintain existing staffing levels, additional resource requests represent increases to resources that would either enhance service levels or

maintain service levels in consideration of long term growth within the communities. Although it is the practice of the municipalities to present any increases as 'supplemental requests' the Board, on recommendation from the Chief, has included these amounts in the provisional budget to ensure an adequate and effective level of policing and to generally maintain law and order within the jurisdiction. They have been itemized in the provisional budget for disclosure and presentation purposes.

Information Management Strategy:

In 2017 an Information Management (IM) Strategy was developed with the assistance of an outside consultant. The Department is now implementing this strategy. An additional resource request has been included in the 2019 budget for an analyst position in line with the Information Management Strategy. A business case has been developed in support of this position.

Operational Support (Service Desk):

2019 will see the first phase of a Service Desk function, building on the existing IT service desk model to expand services to front line officers. This will both improve access to administrative services and reduce the amount of time engaged by officers in administration, freeing up front line resources for policing. The first phase will be funded through savings realized through the pooling of radios, with no additional net cost. A business case has been developed in support of this function. Future expansions of this function will depend on an evaluation of the first phase.

Integrated Team Approach to Records:

A review of the Records Section was performed by CGI Canada in 2018, resulting in recommendations to implement a team based approach for the Records Section. This will result in greater symmetry between front line officers and the Records Section, as well as eliminate some of the time spent by front line officers on administrative work. This initiative will be implemented in early 2019.

Provisional Core Budget:

The following is an overview of Police Department's provisional 2019 budget:

Victoria Police Department 2019 Proposed Budget Allocation of Provisional Budget

	2018	2019	Increase	
			\$	%
Operating Budget Based on Funding Formula				
Operating Budget Before Adjustments	53,631,388	55,623,760	1,992,372	3.70%
Pilot - Mental Health Integration	253,898	262,210	8,312	0.02%
	53,885,286	55,885,970	2,000,684	3.71%
Additional Officers ¹	-	307,660	307,660	0.57%
Research Analyst	-	102,125	102,125	0.19%
Total Operating Budget Based on Funding Formula	53,885,286	56,295,755	2,410,469	4.47%
Optional Resources Under Framework Agreement				
Special Duties Funding (Esquimalt)	23,520	24,108	588	0.00%
Special Duties Funding (Victoria)	-	139,892	139,892	0.26%
	53,908,806	56,459,755	2,550,949	4.73%
Changes to Provincially Mandated Expenditures				
Employers' Health Tax	-	690,000	690,000	1.28%
Total 2019 Provisional Budget	53,908,806	57,149,755	3,240,949	6.01%

Cost Allocation Formula

Esquimalt (14.7%)

Victoria (85.3%)

1. Request for 12 positions, 6 Patrol Officers under Provincial Review (2018 Budget), 4 Community Response Team Members, 1 Esquimalt Traffic Officer, 1 Cybercrime Coordinator. Phased in over 3 years.

POLICE OPERATING BUDGET – COST DRIVERS

Victoria Police Department 2019 Provisional Core Budget (Excluding Additional Resources) Significant Cost Drivers

		Amount	%	Accum.
2018 Net Budget		53,908,806		
Ordinary (On-Going) Increases				
Estimated Pay Increments - Collective Agreements	842,724		1.56%	1.56%
Body armour program for jailers	5,000		0.01%	1.57%
CEWs - increase to number, testing and replacement	20,000		0.04%	1.61%
Two Factor Authentication	29,000		0.05%	1.66%
Increases to legal services budget	26,000		0.05%	1.71%
Integrated Units	138,895		0.26%	1.97%
Reductions in fleet maintenance	(110,000)		-0.20%	1.51%
Fuel and oil	30,000			
Other net expenditures ¹	<u>259,128</u>	1,240,747	0.48%	2.30%
Extraordinary (On-Going) Increases				
Statutory Holiday Pay - Changes to bail hearing process	25,000		0.05%	2.35%
Recruitment costs (professional, training, travel, advertising)	117,000		0.22%	2.56%
Supplies and uniforms (expected recruitments)	37,000		0.07%	2.63%
Increases to Medical/Dental Benefits	<u>126,525</u>	305,525	0.23%	2.87%
Extraordinary (One-Time) Increases				
Transition Costs - Regional Communications Centre	<u>55,000</u>	55,000	0.10%	2.97%
Increases for Expenditures with Dedicated Reserves				
Capital Funding	100,000		0.19%	3.16%
Retirement Payouts	<u>300,000</u>	400,000	0.56%	3.71%
Total Excluding Employers' Health Tax		<u>55,910,078</u>		3.71%
Externally Legislated Increases				
Employers' Health Tax		690,000	1.28%	4.99%
2019 Core Budget (Excluding Additional Resources)		<u>56,600,078</u>		4.99%

1. SALARIES AND BENEFITS:

Police

Budgets are prepared based on authorized strength and the staff allocated to each unit or division at the time the budget is prepared. Movements of personnel occur throughout the year to meet operational requirements, causing variations from year to year between units. The current collective agreement expires December 31, 2018. Budgets were estimated based on projected outcomes.

CUPE:

The collective agreement with CUPE expired December 31, 2016 and a tentative agreement has been reached, extending to December 31, 2020. Budgets were estimated based on the tentative settlement.

Exempt:

The Police Board's Terms of Employment govern compensation for exempt staff. Budgets were prepared based on estimates.

Benefits:

Benefits include CPP, EI, Pension, Extended Health, Dental, Group Life Insurance and WCB premiums. The benefits as a percentage of salaries, has been increased to 25%. The Employers' Health Tax of 1.95% is shown as a separate line item.

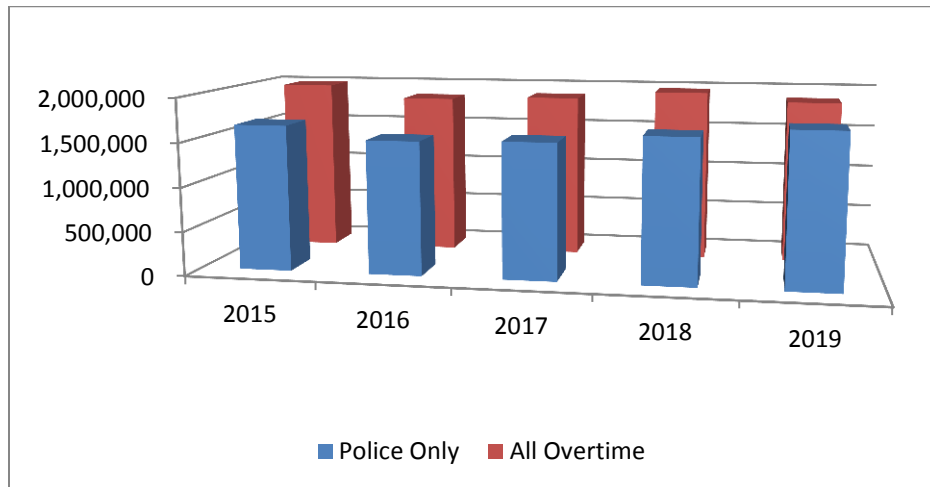
2. OVERTIME:

The increase in overtime is a result of the changes to the presentation of the Special Duties budget for revenues and expenditures. Once adjusted for this change in presentation, total overtime budget has decreased by approximately \$94,500. The most significant changes in overtime are:

- Communications Centre – reduction of \$224,600 (Regional Comm. Centre)
- Records Section – increase of \$25,000 for changes to bail hearing processes
- VIIMCU – increase of \$50,000 to ensure adequate resourcing of major case files

The remainder of the increase is related to ordinary increases for Patrol and other operational divisions.

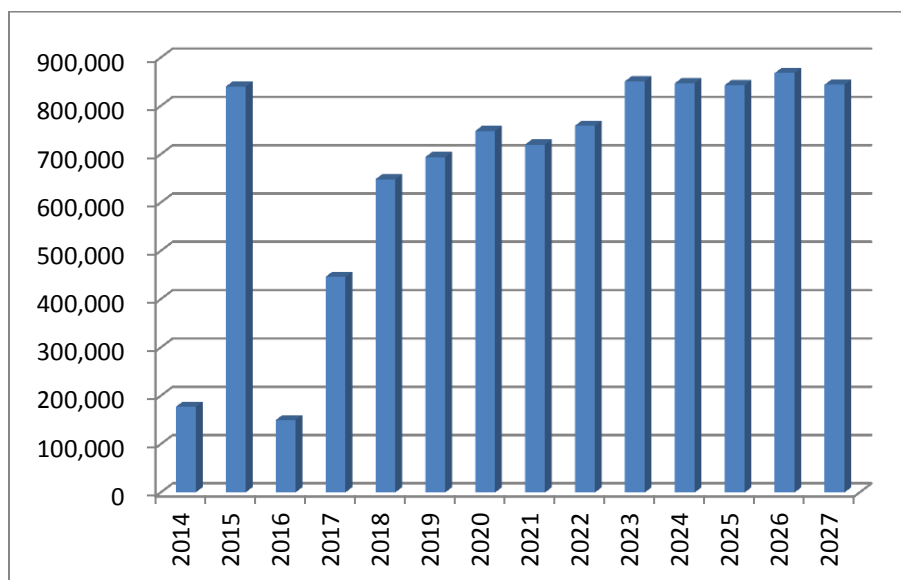
5 Year Analysis of Overtime Budget



	2015	2016	2017	2018	2019
Police Only	1,662,000	1,519,000	1,540,250	1,635,025	1,734,467
All Overtime	1,987,000	1,844,000	1,876,900	1,963,700	1,869,792

3. RETIREMENT OBLIGATIONS

Retirement obligations are tied to the collective agreements, the majority relating to obligations under the police union collective agreement. In 2019 we will have a significant amount of police officers eligible for retirement and, based on the Mercer (Canada)Ltd. report, we can expect high retirement payouts for the next few years.



4. CAPITAL PROJECTS

An analysis has been performed on the capital requests for 2019. IT requests have been prioritized based on criticality to the organization, and a 10 year fleet replacement program has been updated. The fleet replacement program will likely be refined once we start to collect and analyze data from the key tracer system, which is being implemented shortly.

Significant capital projects for 2019 include:

- Vehicles replacements of \$854,250 are based on an assessment of the kilometers, intended purpose, pooling options and general condition assessment. For 2019 this includes the replacement of;
 - 9 Patrol vehicles
 - 2 Motorcycles
 - 6 vehicles dedicated to specialty units
- Renovations to re-purpose the Communications Centre. These costs are limited to the costs for furniture, equipment and some cost sharing of the wall installations. The remainder of the costs for this project will be borne by the City of Victoria, if approved as part of their capital budgets process
- IT capital submissions include:
 - \$887,000 for critical issues
 - \$298,000 for issues that will become critical if not addressed
 - \$340,000 for issues that are important but not critical

The capital reserves balance at the end of 2018 is forecasted to be approximately \$1.644 million. The increase of annual contributions would allow us to maintain an average balance of \$750,000 over the long term. Without an increase to capital contributions of \$200,000, with annual increases to keep in line with inflation, the capital reserve will not be sustainable.

VICTORIA POLICE DEPARTMENT
Revenue Budget

Description	2018
Special Duties	
	675,200
Protective Services	
Taxi Permits	15,000
Special Occasion Permits	0
Police Reports	28,000
Records Permits and Searches (Criminal Information Checks)	<u>130,000</u>
Total Protective Services	848,200
Jail Operations	
Province	35,000
Immigration	<u>2,900</u>
Total Jail Operations	37,900
TOTAL REVENUE	886,100

For 2019, the budget presentation of Special Duties revenues and expenditures has changed slightly. Previously the budget provided for net expenditures for the majority of special duties. For 2019 onwards, the budget includes a full estimated of both revenues and expenditures for recoverable special duties.

Allocation of Operating Budget by Municipality

Victoria Police Department 2019 Provisional Budget Allocation of Operating Budget by Municipality

CITY OF VICTORIA	2018	2019	Increase	
			\$	%
Operating Budget Based on Funding Formula				
Operating Budget Before Adjustments	45,747,574	47,447,067	1,699,493	3.70%
Pilot - Mental Health Integration	216,575	223,665	7,090	0.02%
	45,964,149	47,670,732	1,706,583	3.71%
Additional Officers	-	262,434	262,434	0.57%
Research Analyst	-	87,113	87,113	0.19%
Total Operating Budget Based on Funding Formula	45,964,149	48,020,279	2,056,130	4.47%
Optional Resources Requested Under Framework agreement				
Special Duties Funding	-	139,892	139,892	0.31%
	45,964,149	48,160,171	2,196,022	4.78%
Employers' Health Tax	-	588,570	588,570	1.28%
Total 2019 Provisional Budget	45,964,149	48,748,741	2,784,592	6.06%

TOWNSHIP OF ESQUIMALT	2018	2019	\$	%
Operating Budget Based on Funding Formula				
Operating Budget Before Adjustments	7,883,814	8,176,693	292,879	3.69%
Pilot - Mental Health Integration	37,323	38,545	1,222	0.02%
	7,921,137	8,215,238	294,101	3.70%
Additional Officers	-	45,226	45,226	0.57%
Research Analyst	-	15,012	15,012	0.19%
Total Operating Budget Based on Funding Formula	7,921,137	8,275,476	354,339	4.46%
Optional Resources Requested Under Framework agreement				
Special Duties Funding	23,520	24,108	588	0.01%
	7,944,657	8,299,584	354,927	4.47%
Employers' Health Tax	-	101,430	101,430	1.28%
Total 2019 Provisional Budget	7,944,657	8,401,014	456,357	5.74%

Victoria Police Department 2019 Provisional Core Budget (Excluding Additional Resources)

Summary by Section

Section	2018	2019	Increase/(Decrease)	
	Budget	Provisional	\$	%
Expenditures				
Executive Services	3,621,350	3,877,086	255,736	7.1%
Integrated Units	2,305,142	2,444,037	138,895	6.0%
Crime Prevention Services	1,392,474	921,064	(471,410)	-33.9%
Crime Reduction Division	3,404,480	3,833,584	429,104	12.6%
Patrol Division	17,020,817	17,211,531	190,714	1.1%
K9	803,198	999,623	196,425	24.5%
Community Services Division	2,596,141	2,318,804	(277,337)	-10.7%
Investigative Services Division	5,995,413	6,594,409	598,996	10.0%
Traffic Enforcement and Crash Investigations	1,417,543	1,413,553	(3,990)	-0.3%
Communications center - 911	3,196,107	3,034,667	(161,440)	-5.1%
Centralized Corporate Costs	1,919,700	2,255,100	335,400	17.5%
Support Services	8,662,187	10,525,864	1,863,677	21.5%
Jail Operations	943,254	960,856	17,602	1.9%
TOTAL EXPENDITURES	53,277,806	56,390,178	3,112,372	5.84%
TOTAL REVENUE¹	(425,000)	(1,636,100)	(1,211,100)	285.0%
CAPTIAL TRANSFER	1,056,000	1,156,000	100,000	9.5%
EMPLOYERS' HEALTH TAX	-	690,000	690,000	N/A
Net Budget	53,908,806	56,600,078	2,691,272	4.99%

1. Includes transfer from reserve and change in presentation of special duties from net expenditure to gross revenues and expenditures

Victoria Police Department 2019 Provisional Core Budget (Excluding Additional Resources)
2019 BUDGET - Overview by Section

Section	2018	2019	Increase/(Decrease)	
	Budget	Provisional	\$	%
Expenditures				
EXECUTIVE SERVICES				
Office of The Chief Constable ²	886,342	994,789	108,447	
Executive Services, Policy and Professional Standards ¹	1,515,042	1,653,411	138,369	
Esquimalt Administration	550,832	552,610	1,778	
Police Board ²	208,670	119,900	(88,770)	
Public Affairs ³	460,464	556,376	95,912	
	3,621,350	3,877,086	255,736	7.1%
INTEGRATED SERVICES⁴				
Vancouver Island Integrated Major Crime Unit	1,029,259	1,047,172	17,913	
Diversity Unit	3,500	2,918	(582)	
Integrated Mobile Crisis Response Team	95,609	114,783	19,174	
Regional Domestic Violence Unit	188,399	184,734	(3,665)	
Crowd Management Unit	30,500	33,882	3,382	
Tactical Liaison Officer	2,758	2,836	78	
Critical Incident Scribes	493	493	-	
Explosive Ordinance Disposal	7,708	12,327	4,619	
Victoria Integrated Community Outreach Team	397,875	408,263	10,388	
Crime stoppers	57,681	61,120	3,439	
Mobile Youth Service Team	49,061	61,528	12,467	
Emergency Response Team	268,415	338,508	70,093	
Municipal Undercover Program	66,229	67,554	1,325	
Restorative Justice	40,000	40,000	-	
Crisis Negotiating	13,238	23,998	10,760	
PRIME tables	1,560	1,592	31	
Youth Camp	15,500	15,810	310	
Saanich Police Camp	11,357	-	(11,357)	
Canadian Intelligence Services British Columbia	26,000	26,520	520	
	2,305,142	2,444,037	138,895	6.0%
CRIME PREVENTION				
Community Resource Officers	598,295	655,297	57,002	
School Resource Officers ⁵	396,375	-	(396,375)	
Community Programs	99,108	101,791	2,683	
Volunteer Program ⁵	272,196	137,476	(134,720)	
Reserve Program	26,500	26,500	-	
	1,392,474	921,064	(471,410)	-33.9%
CRIME REDUCTION DIVISION				
Strike Force	1,186,503	1,314,136	127,633	
Crime Reduction Unit	1,136,662	1,019,218	(117,444)	
Analysis and Intel	653,257	512,049	(141,208)	
Operational Planning	264,538	248,181	(16,357)	
Special Duties ⁶	163,520	740,000	576,480	
	3,404,480	3,833,584	429,104	12.6%

VICTORIA POLICE DEPARTMENT		2018	2019	Increase/(Decrease)	
2019 BUDGET - Overview by Section - Continued	Budget	Provisional	\$	%	
K9	803,198	999,623	196,425	24.5%	
PATROL - PRIMARY RESPONSE DIVISION ⁵	17,020,817	17,211,531	190,714	1.1%	
FOCUSED ENFORCEMENT TEAM	2,596,141	2,318,804	(277,337)	-10.7%	
INVESTIGATIVE SERVICES DIVISION					
Detective Division - Support	1,096,835	1,082,753	(14,082)		
Special Investigations	-	750,000	750,000		
Financial Crimes	452,696	293,616	(159,080)		
Integrated Tech Crime Unit	386,357	379,456	(6,901)		
Special Victims Unit	883,676	881,222	(2,454)		
Major Crimes	1,437,515	1,507,280	69,765		
Historical Case Review Unit	175,899	154,178	(21,721)		
Behavioural Assessment and Management Unit	570,379	571,926	1,547		
Forensic Identification	992,056	973,978	(18,078)		
	5,995,413	6,594,409	598,996	10.0%	
TRAFFIC SECTION					
Traffic Enforcement and Crash Investigation	1,404,043	1,403,553	(490)		
Motorcycle Escort Team	13,500	10,000	(3,500)		
	1,417,543	1,413,553	(3,990)	-0.3%	
COMMUNICATIONS CENTER - 911 ⁷	3,196,107	3,034,667	(161,440)	-5.1%	
CENTRALIZED CORPORATE COSTS⁸	1,919,700	2,255,100.00	335,400	17.5%	
SUPPORT SERVICES					
Automotive	908,000	844,000	(64,000)		
Marine Response Unit	-	-	-		
Critical Incident Stress Management	16,200	16,600	400		
Legal Services and Freedom of Information	297,823	377,395	79,572		
Finance, Exhibit Control and Purchasing ⁹	2,753,781	3,347,470	593,689		
Human Resources, firearms and use of force training ¹⁰	1,885,296	2,529,561	644,265		
Records Management ¹¹	1,700,398	2,320,802	620,404		
Information Systems	1,100,689	1,090,036	(10,653)		
	8,662,187	10,525,864	1,863,677	21.5%	
Jail Operations¹²	943,254	960,856	17,602	1.9%	
TOTAL EXPENDITURES	53,277,806	56,390,178	3,112,372	5.84%	
Revenue					
Protective Services ⁶	(325,000)	(886,100)	(561,100)	172.6%	
Transfer from Reserves ¹³	(100,000)	(750,000)	(650,000)	650.0%	
TOTAL REVENUE	(425,000)	(1,636,100)	(1,211,100)	285.0%	
Capital Transfer¹⁴	1,056,000	1,156,000	100,000	9.5%	
Employers' Health Tax¹⁵		690,000	690,000	N/A	
NET BUDGET	53,908,806	56,600,078	2,691,272	4.99%	

VICTORIA POLICE DEPARTMENT
2019 BUDGET - Overview by Section - Continued

Notes:

1. Includes requested increase for legal and movement of police positions
2. Elimination of Board EA position, creation of Deputy Chief EA position
3. Elimination of Records Supervisor position to fund Business Analyst position
4. Subject to amendment based on Area Chief's budget meetings. Includes increase from 20 to 40 hours/month GVERT training model
5. Adjusted for reallocation of police resources to Patrol in 2018. Actual staffing levels fluctuate throughout the year as required.
6. Special Duties revenue and expenditures have been estimated based on average to reduce the number of exceptions for financial reporting
Previous to 2019 the budget consisted of the non-recoverable amount of special duties only.
7. Includes salaries and benefits for January 2019, 2019 expected contract costs for E-Comm and one-time transitional costs for 9-1-1
8. Includes \$300,000 increase to retirement payouts, necessary to meet actuarial forecast of payouts
9. Includes contingency for expected cost of living increases of \$842,724 and increases for supplies budget to meet hiring targets
10. Includes requested increases for recruitment increases and funding for average of 4 worksafe/ltd claimants based on actual experience
11. Includes proposed transfer of Exhibit Control to Records Section as part of IM re-organization (Business Case to follow)
12. Includes requested increase to auxiliary budget
13. Amounts requested by Investigative Services for potential major crimes investigation in 2019 (VIIMCU)
14. Requested increase to ensure financial viability of capital reserves
15. Employers' Health Tax initiated by the Provincial government