



DISTRICT OF
OAK  BAY

2025-2029 Financial Plan

We acknowledge that the land on which we live and work is the traditional territory of the Coast and Straits Salish Peoples. Specifically, we recognize the Lekwungen people, known today as the Songhees and Esquimalt Nations, and that their historic connections to these lands continue to this day.



Table of Contents

5	Our Oak Bay
10	Financial Legislation & Policies
18	Corporate Planning
22	2025 Consolidated Financial Plan
32	Principal Issues, Economic Factors, and Short-Term Risks to the 2025 - 2029 Financial Plan
38	Council Priority Projects
44	Department Budgets
46	Corporate Administration
52	Administrative and Residential Facilities
59	Financial Services and Information Technology
66	Police Services
72	Fire and Emergency Services
80	Community Building and Planning
88	Engineering Services and Public Works
105	Parks, Recreation, and Culture
122	Operating Projects
128	Major Capital and Capital Plan Summaries
136	Organization FTE Chart
140	Revenue Discussion
152	Reserve & Debt Schedules
162	Asset Management Strategy
169	Glossary
172	Appendices
173	Appendix A: Financial Plan Bylaw
178	Appendix B: Basis of Accounting and Budgeting
179	Appendix C: 2023-2025 Budgets with Unaudited Actuals



Our Oak Bay

Oak Bay is a beautiful seaside community defined by its residential neighbourhoods, village centres with local businesses, historic character, mature tree canopy, accessible shorelines and abundance of green space. Together these features combine to make Oak Bay one of the world's most desirable communities.

The University of Victoria is partially located in the District, as is a small portion of Camosun College. Additional community landmarks include both public and independent schools, 3 golf courses, a marina, a yacht club and a luxury boutique hotel.

The Corporation of the District of Oak Bay was incorporated in 1906 in the Province of British Columbia, Canada. With a population of approximately 18,000, it forms part of the Greater Victoria urban area, and, along with 12 other municipal governments, comprises the Capital Regional District.

The municipality is bordered by the Strait of Juan de Fuca to the south, Haro Strait to the east, the District of Saanich to the north and north-west, and the City of Victoria to the south-west. Along with other adjoining bodies of water, the Strait of Juan de Fuca and Haro Strait were officially renamed the Salish Sea in 2010; however the old names are also still in use.

Oak Bay occupies an area of 10.53 km² (4.07 sq. miles) and the population density is 1710.3 per km².

The municipality operates under the provisions of the Province of British Columbia *Local Government Act*, which sets out all powers, duties and functions for municipal governance across the Province.

Oak Bay falls within the Provincial BC Electoral District of Oak Bay/Gordon Head, and the Federal Elections Canada District of Victoria.



Oak Bay at a Glance



2.3

Average Household Size



17,990

Population



49.7

Average Age



106

Properties included
in the Community
Heritage Registry



\$93,000

Median after tax income



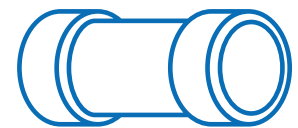
7,807

Private dwellings



\$61.7M

Property taxes levied

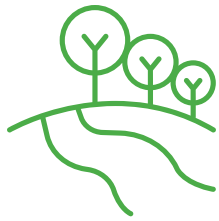


688m

Water mains replaced

430m

Storm mains replaced



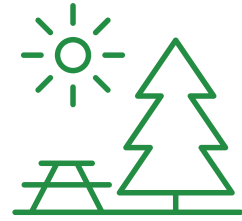
76+

Hectares of
Total Park Space



10,000+

Urban Forest Trees



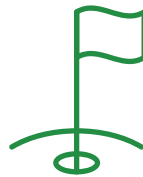
300

Benches and
Picnic Tables



5

Recreation Facilities



3

Golf courses



11

Playgrounds



Message from the Mayor



Dear Oak Bay Resident and Taxpayer,

Oak Bay Council and staff continue to work to provide services as diverse as policing, fire, sewers, roads, recreation, housing, deer, parks, garbage, sidewalks, water, and more; our property taxes make up approximately 59% of the District's revenue to pay for these essential services. Every year we work to keep costs down while addressing historic systemic funding shortfalls and meeting service expectations. Council's responsibility is to both current and future residents.

The 2025 Budget and tax levy is driven by foundational work to ensure the long-term health of our community, in particular core infrastructure. A significant increase in capital work is included in the Financial Plan to address this demand, but other budget factors include inflation, insurance, wage increases, and impacts of new regulatory requirements from the Federal and Provincial governments. You can find out more information at www.oakbay.ca/budget.

While the condition of our infrastructure is a priority, so is the health and liveability of our community. Recent equipment upgrades in our recreation centres have allowed high-efficiency technologies to be implemented, reducing operational costs and environmental impact as well as extending the life of our facilities. Council also continues to invest in pedestrian and cycling infrastructure to support transportation and accessibility improvements.

This year's budget continues to respond to Provincial initiatives, including housing. The Provincial Housing Target Orders, zoning changes required under Bill 44, and other initiatives are driving a considerable increase in our Community Building and Planning department. In 2025 the focus is on refreshing our Official Community Plan (OCP). This work will help determine the form and character of our community through the next 20 years, so please participate in the OCP process.

Thank you for being active participants in this community we all love. Whether through volunteering, attending Council meetings, or participating in our public engagement platform connect.oakbay.ca. Council benefits greatly from public input on issues – we encourage everyone to be informed and involved.

While tax season can be challenging, our commitment is that Council and Staff will efficiently steward your local tax dollars. With good planning and financial management, we are working to build the community for current and future generations to afford and enjoy.

Yours truly,

A handwritten signature in blue ink, reading "Kevin Murdoch".

Kevin Murdoch, Mayor, District of Oak Bay



Financial Legislation & Policies





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Corporation of the District of Oak Bay
British Columbia**

For the Fiscal Year Beginning

January 01, 2024

Christopher P. Morill

Executive Director

Financial Planning Legislation

Much of the District's financial planning process is guided by the *Community Charter S. 165*. The *Charter* requires the District to adopt a *Five-Year Financial Plan Bylaw* before May 15 annually.

Such a Bylaw must:

1. Set out proposed expenditures, funding sources, and transfers between funds
2. Set policy and objectives related to identified funding sources, distribution of property taxes and the use of permissive tax exemptions
3. Disclose amounts for specific expenditures such as debt interest, debt principal, and capital expenditures
4. Disclose amounts for specific funding sources such as property taxes, parcel taxes, and fees
5. Disclose the use of, and transfer to, specific reserves
6. Council may amend the Financial Plan at any point during the year but will only do so if authorized expenditure limits are likely to be exceeded

Balanced budget: Current revenues, including transfers from reserves, must be sufficient to support current expenditures, including transfers to reserves. Expenditures include those of a capital nature and debt principal.

Example Balanced Budget	
Revenues	\$1,000,000
Operating expenses	(900,000)
Accounting surplus	100,000
Add: transfers from reserves	50,000
Less: Capital expenditures	(60,000)
Less: Debt principal payments	(10,000)
Less: Transfers to reserves	(80,000)
Balanced budget:	-

Notice that an accounting surplus differs significantly from a budgetary surplus. A balanced budget includes expenditures that are not considered expenses under Public Sector Accounting Standards such as capital expenditures and debt principal payments.

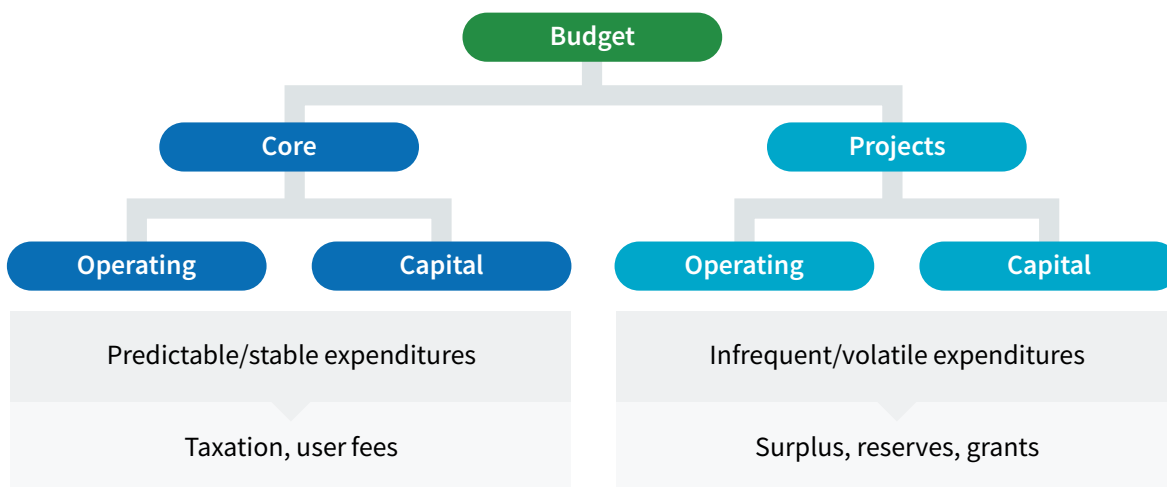
Financial Planning Policy and Best Practice

Council sets financial planning guidelines each year after considering economic conditions, service delivery challenges, infrastructure commitments and financial management strategies. Guidelines provide overall direction for Staff as they develop the financial plan.

The District follows the following budget preparation practices:

1. Service Level Approach: Staff prepare the budget to deliver community services at the standards directed by Council and legislation. Staff do not adjust service levels unless directed by Council or external regulation. Staff describe the financial impact of service-level decisions so that Council can be empowered to make decisions with all available information. Furthermore, Staff fund and deliver services in the most cost-effective manner.

2. Alignment of Funding Sources: Staff recommend aligning expenditure funding sources as follows: Predictable, stable, and ongoing expenditures should be funded using predictable, stable revenues such as property taxes and user fees. Infrequent, volatile, or less predictable expenditures should be funded using reserves or debt. This will help avoid fluctuations in taxation to pay for fluctuating one-time expenditures. Reserve balances should be maintained with annual budget transfers so funds are available for large, infrequent expenditures.



3. Carryover of Project Budget: The Five-Year Financial Plan authorizes expenditures over the five years. Thus, on January 1, 2025, Staff are authorized to continue spending under the 2025 – 2029 Financial Plan.

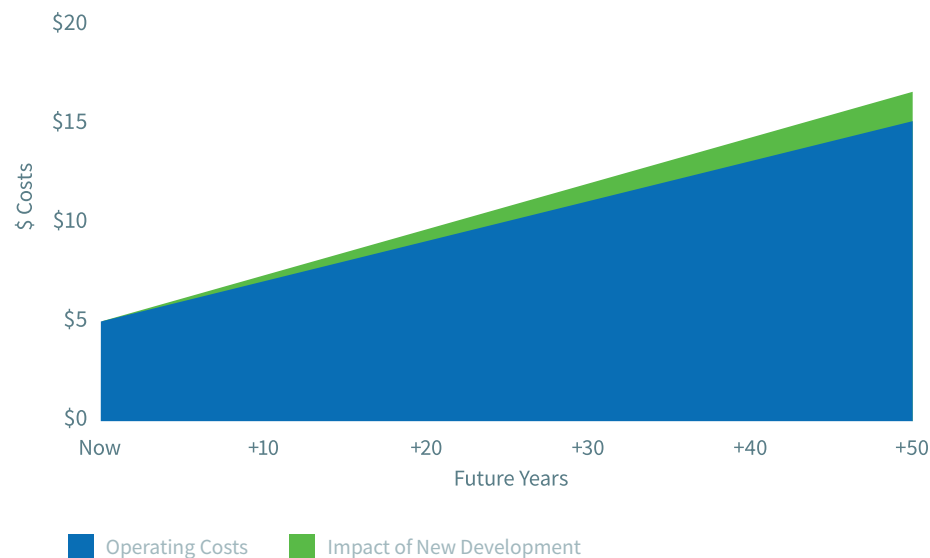
4. Life-Cycle Costing: Staff will integrate annual life-cycle costs into the Financial Plan when new capital expenditures are approved. Life-cycle costs include the additional operating costs to maintain the asset and as annualized asset replacement contributions.

5. Financial Plan Bylaw Transparency: The Financial Plan Bylaw is summarized on a high level to maximize operational flexibility while retaining expenditure authorization. The published Financial Plan document will not form part of the Bylaw but will expand the Bylaw detail for transparency.



6. Revenue from New Development Taxation (NDT): NDT revenue is derived from new buildings or newly subdivided lots and are considered taxation revenue from assessed values that did not exist in the previous year. As the District develops, so will the pressure on existing services and infrastructure required to serve new citizens. The District will use NDT revenue to fund the incremental costs of new development including expanded operating expenses, as well as infrastructure maintenance and replacement. It is recommended that the District not use NDT revenue to reduce the tax burden for existing citizens, as this is unsustainable and will result in sharper future tax increases and intergenerational funding inequity.

Cost of Service Delivery



Financial Planning Policy and Best Practice Cont'd

Sustainable Procurement Policy

The authority to make purchasing decisions, and to bind the Corporation contractually rests with Council unless delegated by bylaw. The District's "*Delegated Authority of Administrative Functions Bylaw, 2004*" delegates this authority to specific staff within limits.

This bylaw was amended in 2019 to grant this authority to specific Managers and Directors, as well as the Chief Administrative Officer. The District's purchasing bylaw refers to a recently adopted (2019) Sustainable Procurement Policy which sets purchasing limits and processes for Staff. Additionally, the policy outlines procedures for asset disposal and emergency expenditures. This policy complies with Municipal, Academic Institution, Schools, and Hospital (M.A.S.H) sector trade requirements and purchasing case law.

Reserve Fund Bylaw and Reserves and Surplus Policy

The *Community Charter* empowers Council to establish, by Bylaw, reserve funds. These reserve funds may not be spent except for the specified reserve fund purposes, as outlined by the Bylaw. Use of funds is authorized via the annual Financial Plan Bylaw. In early 2020, Council adopted the "*Reserve Funds Bylaw, 2020*" which consolidated the already established reserve funds, and repealed 10 historical reserve fund Bylaws in the process.

The nine reserve funds specified in this Bylaw include:

1. Machinery and Equipment
2. Fire Machinery and Equipment
3. Heritage
4. Land Sale
5. Park Acquisition
6. Capital Works
7. Alternative Transportation
8. Village Parking
9. Growing Communities Reserve Fund

For more information on fund balances and purposes, please see the Capital Plan section of this Financial Plan.

The District adopted the Reserves and Surplus Policy in 2018 and most recently amended in 2023. This Policy outlines general objectives of reserves and good reserve background information.

Investment Policy

In early 2020, the Council adopted the District's Investment Policy, 2020, wherein section 183 of the *Community Charter* lists the security types that the District may invest in.

These securities include:

1. Securities of the Municipal Finance Authority (MFA)
2. Pooled investment funds under Section 16 of the Municipal Finance Authority Act
3. Securities of Canada or of a province
4. Securities guaranteed for principal and interest by Canada or by a province
5. Securities of a municipality, regional district, or greater board
6. Investments guaranteed by a Chartered bank
7. Deposits in a savings institution, or non-equity membership shares of a credit union

The Policy sets diversification limits and articulates investment objectives in the following order:

1. Preservation of capital
2. Liquidity
3. Return on investment

Asset Management Policy

In 2025, Council adopted the District's Asset Management Policy. The Policy captures Council's direction regarding asset management practices and infrastructure renewal in the District, with the fundamental aim of an asset management approach focused on the development of a plan and execution of a framework that ensures sustainable service delivery. Some of the guiding principles found in the Policy include:

- Sustainable service delivery
- Sustainable service delivery may require innovative solutions but will leverage lessons learned in other communities

Expense Reimbursement Policy

At the Regular Council Meeting on October 26, 2020, the District adopted its new Travel and Expense Reimbursement Policy. This Policy governs reimbursement for staff travel and accommodation for work-related purposes. The Policy objective is to ensure travel is appropriately authorized, care has been exercised to minimize costs, and employees are fairly reimbursed for out-of-pocket expenses.

Department Budget Transfer Policy

At the Regular Council Meeting on October 26, 2020, the District adopted its new Department Budget Transfer Policy. This Policy governs the use of authorized expenditures within department operating and capital budgets.

Property Tax Exemption Policy

Section 165 of the Community Charter requires the District to set out the objectives and policies related to the use of permissive tax exemptions in its annual *Financial Plan Bylaw*. The following is an excerpt from the *Financial Plan Bylaw 2019, No. 4727*:

“The objective being to distribute tax burden fairly among properties receiving municipal services, Council makes very little use of its authority to grant permissive tax exemptions. The Policy to date has been to grant permissive exemptions only for land and improvements appurtenant to property already exempted by statute (e.g., churches), portions of municipal land leased or licensed to non-profit organizations providing a service complementary to municipal services, and in one case, an institution of childhood learning not statutorily exempt.”

Grant in Aid Policy

In 2015, a *Grant Policy* working group was brought together to work on a policy to provide Council with guidance on the evaluation of grant in-aid applications. Council adopted the Policy in 2015. Some of the Policy’s features can be summarized as follows:

- Grants should align with the OCP and strategic priorities
- Grants should primarily benefit Oak Bay residents
- Grants should not subsidize services normally funded by other levels of government
- One-time grants are given preference over recurring
- Grants should not be provided to an individual

Whistleblower Policy – Reporting, Investigation, and Protection

At the Regular Meeting of Council of February 10, 2020, Council adopted the District’s *Whistleblower Policy*. The purpose of the Policy is to facilitate the disclosure of wrongdoing that is contrary to the public interest. A *Whistleblower Policy* encourages a culture where wrongdoing can be addressed quickly and appropriately.

Corporate Planning

Council Priority Plan 2022-2026

In 2022, Council approved the 2022-2026 Council Priorities Plan. The Council Priorities Plan is implemented through Council decisions and Staff actions. All actions are undertaken under the District's legislated mandate.

Each year, Council decides which projects to fund to advance priority themes. Council's decisions are then reflected in the Five-Year Financial Plan. Funded projects are listed in the Council Priorities Plan and progress is reported bi-annually. Both the Council Priorities Plan and bi-annual progress reports are provided on the District's website.

The District's annual budget cycle provides Council with the ability to either confirm or adjust priorities within the context of the annual budget financial impacts.



Housing

Enable creation of more diverse and affordable housing that is responsive to current and future community/regional needs and climate change imperatives



Livability

Invest in infrastructure, facilities, and natural assets and services to preserve or improve long term financial and community value/livability



Transportation

Advance low and no carbon, accessible, and active transportation mobility infrastructure and services



Climate Change & Environment

Proactively mitigate and adapt to climate change, and preserve and enhance the environment



Diversity & Inclusion

Cultivate diversity and inclusion and ensure a sense of community belonging and safety for people of all identities, ages, and backgrounds



Truth & Reconciliation

Advance Truth and Reconciliation with local Indigenous peoples based on respect and desire for shared prosperity

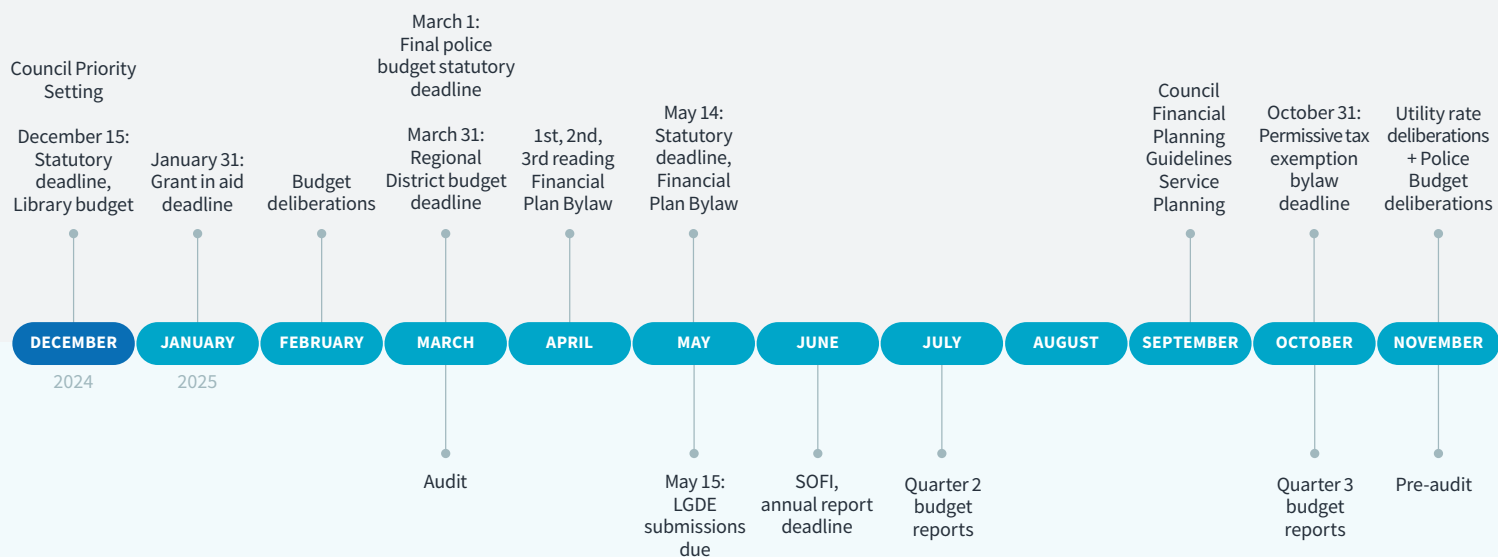
Service Delivery Cycle

Aspire	Official Community Plan Vision	vibrant, safe, sense of community, high-quality, charming, natural, vibrant, well-conserved, dynamic, distinct, resilient, sustainable, protective, adaptive, diverse, active, collaborative	
	Council Priorities	<div> Housing</div> <div> Livability</div> <div> Transportation</div> <div> Climate Change & Environment</div> <div> Diversity & Inclusion</div> <div> Truth & Reconciliation</div>	
Align	Budget	through the budget process, Council approves the funds required to deliver on Council priorities and ongoing service responsibilities – this constitutes preliminary project approval for listed projects and authorizes staff to start planning how the work will be completed	
	Council Priorities Plan	the Council Priorities Plan identifies timing of funded projects to be carried out to deliver on Council’s priorities (reflecting budget approvals)	
	Project Sign-Off	staff check in with Council for approval of key proposed milestones, plans for public/stakeholder input, and Council touchpoints before starting work on most Council Priority Plan projects – Council Project Sign-Off authorizes the project to fully proceed; prior to commencing project work, staff prepare Project Charters	
Act	Mission	provide for good government	Delivered by staff through ongoing core services, Council Priority projects, and in response to Council Resolutions.
		provide services, laws etc. for community benefit	
		steward public assets	
		foster economic, social and environmental well-being	
Achieve	Quarterly Updates	Q2 Update (reporting on Q1 and Q2 progress on Council Priorities, Council Resolutions, and budget performance)	
		Q4 Update (reporting on Q3 and Q4 progress on Council Priorities)	
	Annual Report	previous year departmental highlights	
		metrics (key performance indicators)	
		Statement of Financial Position	
		Financial Information Act reports	

Financial Planning and Reporting Timeline

The Districts Financial Planning and Reporting Timeline aligns key milestones.

Financial Planning



Financial Reporting

2025 Consolidated Financial Plan

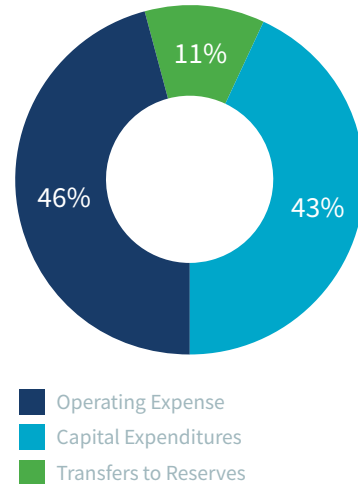




2025 Consolidated Financial Plan

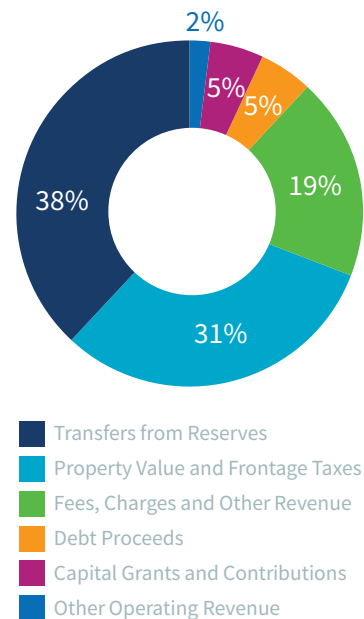
2025 Consolidated Expenditures

Description	2025 Amount
Operating Expense	\$60,656,913
Capital Expenditures	\$56,942,157
Transfers to Reserves	\$14,315,663
Total	\$131,914,733



2025 Consolidated Funding

Description	2025 Funding
Transfers from Reserves	\$49,923,277
Property Value and Frontage Taxes	\$40,866,019
Fees, Charges and Other Revenue	\$24,930,501
Debt Proceeds	\$6,600,000
Capital Grants and Contributions	\$6,430,066
Other Operating Revenue	\$3,164,870
Total	\$131,914,733



Consolidated Financial Plan – Year Over Year Change with 2024 Forecast

The following tables provide the balanced 2025 financial plan for operating and capital expenditures. This structure aligns with the legislated five-year financial plan bylaw.

Revenue	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Variance Notes
Property Value Taxes	\$36,021,518	\$36,013,400	\$40,303,147	\$4,289,747	11.9%	See executive summary beginning on Page 29
Boulevard Frontage Taxes	268,647	268,400	289,872	21,472	8.0%	Cost recovery
Grants in Lieu of Taxes	75,427	68,000	75,000	7,000	10.3%	Expected total based on notices
1% Utility Revenue	230,842	230,800	232,170	1,370	0.6%	Expected total based on notices
Property Tax Penalties & Interest	277,956	215,600	273,000	57,400	26.6%	Increased activity resulting in higher fees revenue
Grants (Operating)	511,832	528,000	357,700	-170,300	-32.3%	Grants estimates
Grants (Capital)	1,928,989	7,441,900	6,430,066	-1,011,834	-13.6%	Grants estimates
Developer Contributions	33,000	-	-	-	0.0%	Draft bylaw; estimate after adopt
Investment Income	3,077,892	2,501,500	2,250,000	-251,500	-10.1%	Bank of Canada rate decreases
Miscellaneous Revenue	134,491	11,300	11,100	-200	-1.8%	Virtually no change
Municipal-Regional District Tax	225,236	300,000	250,000	-50,000	-16.7%	Estimate based on experience
Facilities Dept. Revenue	329,519	334,900	358,980	24,080	7.2%	Estimate based on agreements
Finance Dept. Revenue	58,798	59,000	60,250	1,250	2.1%	Estimates and prior year
Building & Planning Dept. Revenue	1,467,644	1,082,500	1,409,000	326,500	30.2%	Anticipated higher volumes of development activity

Year Over Year Change with 2024 Forecast Continued

Revenue	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Revenue
Engineering Dept. Revenue	\$45,115	\$22,100	\$10,000	-\$12,100	-54.8%	Revised based on experience
Public Works Dept. Revenue	1,862,819	1,866,700	2,099,635	232,935	12.5%	Increase activity levels
Sewer Utility Fees	4,311,946	4,401,900	4,890,250	488,350	11.1%	Fee increases to recover new maintenance and CRD fees.
Water Utility Fees	5,101,939	5,853,600	6,490,582	636,982	10.9%	Fee increases to recover new maintenance and including CRD bulk water.
Parks & Recreational Dept. Revenue	9,656,302	8,794,100	9,600,704	806,604	9.2%	Increased activity levels expected
Total Revenue	\$65,619,912	\$69,993,700	\$75,391,456	\$5,397,756	7.7%	



Year Over Year Change with 2024 Forecast Continued

Operating Expenses	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Revenue
Corporate Administration	\$3,305,716	\$4,314,400	\$4,218,923	-\$95,477	-2.2%	Slight decrease due to project completion
Oak Bay Tourism	269,154	300,000	250,000	-50,000	-16.7%	Based on Council approved Budget
Facilities	503,270	360,900	392,920	32,020	8.9%	Inflation on building maintenance
Finance & IT	2,245,106	2,373,400	2,385,969	12,569	0.5%	Increase in staffing and finance systems
Policing	6,090,430	6,137,400	6,788,300	650,900	10.6%	Increase in staff, pay ladder and contracts
Fire Protection	5,637,976	5,602,700	5,864,229	261,529	4.7%	Increase in pay ladders, and inflation
Building & Planning	2,037,324	4,774,600	3,821,237	-953,363	20.0%	Increase in staffing offset by opex project decrease with completion of projects
Library	1,288,672	1,287,600	1,309,570	21,970	1.7%	Increase per GVPL Board Budget
Engineering & Public Works	5,936,657	6,529,600	7,193,626	664,026	10.2%	Increase due to maintenance crew, per council approval
Sewer Utility	3,356,788	3,784,900	4,306,402	521,502	13.8%	Increase due to maintenance crew, per council approval
Water Utility	4,054,026	4,221,600	4,704,742	483,142	11.4%	Increase due to maintenance crew, per council approval
Parks & Recreation	15,505,236	15,780,900	16,177,553	396,653	2.5%	Increased program activities
Fiscal	177,701	155,600	186,500	30,900	19.9%	Consistent

Year Over Year Change with 2024 Forecast Continued

Operating Expenses	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Revenue
Contingencies	\$134,022	\$927,900	\$2,091,562	\$1,163,662	125.4%	Contract and agreement contingent obligations – estimate
Major Crimes Contingency	-	940,000	965,380	25,380	2.7%	Major crimes operating expenditure placeholder, activated in case of event only
Total Operating Expenses	\$50,542,078	\$57,491,500	\$60,656,913	\$3,165,413	5.5%	Overall increase due to inflation, contract estimates and new staffing and new activity
Add						
Transfers from reserves	16,234,060	50,145,500	49,923,277	-222,223	-0.4%	Transfers from reserve as previously approved by council and carried forward
Debt Proceeds	-	-	6,600,000	6,600,000	-	Planned debt borrowing to balance asset replacement
Deduct						
Capital Expenditures	-17,316,349	-49,584,800	-56,942,157	-7,357,357	14.8%	Planned five year capital expenditures, increased spend due primarily to carry forward of work
Transfers to Reserves	-13,062,900	-13,062,900	-14,315,663	-1,252,763	9.6%	Transfers to reserve as per lifecycle or plan or as approved by council
Consolidated Total	\$932,645	\$0	\$0	\$0	\$0	

Operating costs include special operating projects.

2025 Executive Summary

The following table summarizes the year over year change in the annual plan:

	2025 Budget (\$Millions)	2024 Budget (\$Millions)	\$ Increase	% Increase
Operating Revenues	\$75.4	\$70.0	\$5.4	7.7%
Operating Expenses	(60.7)	(57.5)	(3.2)	5.6%
Transfers from Reserves	49.9	50.2	0.3	(0.6%)
Capital Expenditures	(56.9)	(49.6)	(7.3)	14.7%
Debt Proceeds	6.6	-	6.6	100.0%
Transfers to Reserves	(14.3)	(13.1)	(1.2)	9.2%
Total	\$ -	\$ -	\$ -	- %

Discussion of budgetary trends:

Operating expenditures include core operating costs, council priority project costs, new budget request costs and operating project costs. Adjustments to core operating costs include forecasted activity levels based on maintaining service levels and analysis and consideration against 3-year average historical spend levels (new in 2025).

In 2025, operating expenditures increased by \$3.2 million or 5.6% compared to 2024. The cost drivers for this increase are:

- + \$1.1 million wage contract and agreement indexing obligations
- + \$0.7 million increase in Police Board Policing costs
- + \$0.4 million increase in Parks Recreation and Culture due activity levels and inflation
- + \$0.7 million increase in engineering and public works, +\$0.5 million in sewer utility, +\$0.5 million in water utility costs to cover inflation index and addition of new maintenance crew
- - \$0.9 million reduced operating project total costs, with completion of projects

The increase in operating expenditures funds inflationary increases as well as direct adjustments to service capacity.

Council approved staffing capacity adjustments for implementation in 2025 in the following areas:

- + 1 FTE Traffic Enforcement Officer in the Policing, Community Support Team
- + 6 FTE Water, Sewer, Storm Infrastructure Maintenance operations
- + 1 FTE Procurement to optimize buying activities heightened activity levels, capital
- + 1 FTE Financial Services lead to support heightened activity levels, capital, debt, grants
- + 1 FTE Human Resources capacity to support Health, Safety and Wellness programming in illness leave, attendance management and early return to work planning.
- + 0.5 FTE Parking Compliance support in Bylaw and Parking enforcement
- + 1.0 FTE Planning Function capacity to address increased application volumes
- +/- 1.0 FTE Conversion of existing Facilities Management position (PRC) to planning role

Capital Expenditures:

Budgeted capital expenditures have increased by approximately \$7.3 million (14.7%) primarily as a result of carry forward projects from 2024 still either underway or yet to start. Budget approval for capital projects are typically “front-loaded” meaning they receive full funding in the first year of approval.

The district has begun work on deferred infrastructure replacement and has several major facility replacement projects underway in the five-year plan. The district has invested in staffing and related support to deliver on these higher capital activity levels, including some investments planned for 2025. As capacity is implemented, capital output is expected to more closely align with planned expenditure levels.

Reserve transfers: The District is rapidly increasing its utility and tax funded transfers reserve to support forthcoming capital expenditures. The District’s Sustainable Infrastructure Replacement Plan (SIR Plan) estimates that \$12.8M is the annual sustainable transfer. This figure is now estimated to be approximately \$15.7M after the BC Highways Construction Cost Index has been applied.

Debt Proceeds: The District’s Sustainable Infrastructure Replacement Plan (SIR Plan) anticipates funding infrastructure replacement works through a combination of reserves and debt funding. Debt funding is an effective tool to align payment overtime to current and future ratepayers. Debt proceeds in 2025 are required to balance replacement work in both the Storm Sewer Rehabilitation program and Road Reconstruction Program. Debt proceeds result in principal and interest payments funded from annual revenues incrementally over future years.

Revenues:

Revenues are budgeted to increase by \$5.4M or 7.7%.

This is largely due to a combination of factors:

- \$4.1 million or 11.4% increase in property taxation, increases driven by various factors listed in the table below.
- \$0.8M or 9.2% increase in Parks, Recreation, and Culture (PRC) revenues due primarily to forecasted recreational activity. PRC financial performance is discussed in the Revenue Discussion section of this document.
- \$0.6 million or 10.9% increase in water utility revenue and \$0.5 million or 11.1% increase in sewer utility revenue. Both Water and Sewer Utility Fee revenue increased to fund the additional staffing capacity to deliver higher levels of operating and maintenance activities. Water Utility fees increased by
- \$0.3 million or 30.2% increase in Building and Planning revenues due to higher levels of development and permit applications.

Overall, the Financial Plan results in a 11.5% tax increase, (or \$459 to the median residential property) for 2025:

Reason for tax increase	\$ Amount	Tax increase %	\$ Increase to Median Residential Property
Contract & Agreement Obligations	\$2,190,000	6.1%	\$244
Infrastructure	720,000	2.0%	80
New Budget Requests	603,987	1.7%	67
Police Services	504,544	1.4%	56
Fire Staffing Capacity	123,750	0.3%	14
Inflationary Adjustments	192,466	0.5%	21
Active Transportation	205,000	0.6%	23
Other One-Time Costs	162,000	0.4%	18
Non Market Change Credit	-167,000	-0.5%	19
Surplus Transfer	-412,000	-1.1%	46
Total Change in Taxation	\$4,122,747	11.5%	\$459

Principal Issues, Economic Factors, and Short-Term Risks to the 2025 – 2029 Financial Plan





Principal Issues, Economic Factors, and Short Term Risks

This 2025 – 2029 Financial Plan has been prepared by combining known economic conditions with existing Council direction. Note that the Financial Plan authorizes overall organizational spending authority for Council envisioned service levels. The Financial Plan is not a spending forecast as authorized spending often exceeds actual spending. *The leadership team have identified several risks that may impact future financial results:*

1. Infrastructure replacement

The District's recently published draft SIR Plan estimates that approximately \$297M (2021 dollars) worth of the District's assets are past their recommended useful life. The Plan recommends accelerated capital replacement output by three-five times per year, estimated to be an additional \$30-60M over the life of this Financial Plan. Council approved accelerated capital output on June 27, 2022, to help address the backlog of infrastructure replacement.

A significant increase in capital output is funded in the draft 2025-2029 Financial Plan. Although reserve contributions continue to escalate at a fast pace, overall reserve balances are forecasted to drop significantly due to increased capital output. Despite a significant increase in funding for core infrastructure replacement forecasts, the District remains below estimated sustainable output targets. Funding levels are approaching sustainable levels, however capacity for capital output is still maturing.

2. Parks, Recreation and Culture (PRC) Fee Recovery

The pandemic had a significant impact on the District's PRC revenue due to ongoing Government regulations that restricted capacity and reduced overall demand. PRC revenues are rebounding but still fall short of pre-pandemic levels.

Patronage levels are forecasted to continue to increase in 2025. Currently, fees are forecasted to recover 60% of operating expenses, an increase of 2% higher recovery over 2024. While increasing, fees are still not sufficient to meet the historical recovery rate of 69-70%. After incorporating 2024 results, COVID funding will now be completely drawn down in 2025 instead of 2024. Net of COVID funding and fee revenue, additional funding of \$76K is required resulting in an impact of 0.2% on the 2025 tax increase.

3. Workforce Labour Shortages

Low unemployment rates locally continue to make filling positions difficult resulting in short term plan variances and more demand on existing staff. Unemployment in August 2024 was 3.3%, the lowest in Canada and trending down from the 2024 high in March of 4.8% and lower than the 3.5% compared to same month in 2023. The Daily Labour Force Survey for August 2024 is included for reference in Attachment 3. As the District endeavors towards sustainable service delivery, balancing price escalation and staff capacity annually is foundational to achieving this.

The District is currently experiencing the impacts of workforce labour shortages. It is estimated that District job posting volume increased by over 44% from 2021 to 2022 and by over 175% since 2020. Labour shortages have a negative impact on a Department's ability to deliver community services.

These workforce challenges currently reduce the District's ability to offer a greater volume of recreational programming. This has had a negative impact on the District's ability to recover to pre-pandemic recreational financial performance.

4. Inflation

While the local inflation rate has slowed in recent months with the average annual inflation in August 2024 at 2.7%; there still remains a complex economic environment facing the District. BC is experiencing persistently higher inflation than the rest of Canada in August, with BC at 2.4% ahead of the next highest Ontario and Alberta at 2.1% and 2.0% respectively.

Growth of non-discretionary cost pressures in excess of inflation (previously referred to as forced growth) continue to place pressure on base budgets. Price increases for items such as insurance, utility rates and materials continue to outpace average annual inflation over multiple years.

5. Increased Regulation

Municipalities in British Columbia continue to be financially impacted by the effects of new senior government regulation. Some recent examples are outlined below:

- **Housing Target Orders:** On September 26, 2023 the District and 9 other BC municipalities received a Housing Target Order from the Provincial Minister of Housing. This Order identifies the amount of new housing units that the Province is requiring the District to facilitate being constructed within the next 5 years. In November 2023, the Province introduced a range of new legislation to implement the Homes for People Plan. These changes articulate very specific solutions to create housing options which require Official Community Plan and Zoning Bylaw changes in short order by all affected municipalities. Council authorized a series of Council Priority projects to meet the requirements of the Housing Target Order and the new legislation. Over \$2M has been allocated from the Growing Communities Fund for these projects. The long term, ongoing impacts of the new regulations is unknown but it is expected that staffing will need to be in place to facilitate land-use approvals envisioned by the updated Official Community Plan and Zoning Bylaw.

- **Accessibility:** The Accessible British Columbia Act (the Act) aims to improve accessibility in British Columbia (BC) by introducing new accessibility requirements for government and prescribed organizations. Covered organizations must establish an accessibility committee composed of members that reflect the diversity of persons with disabilities in BC, and local governments must develop and implement an accessibility plan that incorporates principles of inclusion, adaptability, diversity, collaboration, self determination, and universal design. The Act also requires local governments to establish a process for receiving public feedback on their accessibility plans and any barriers to accessibility.
- **WorkSafeBC expanded benefits:** Over several years, WorkSafeBC has been increasing industry premiums, increasing maximum benefits and expanding the scope of coverage. This has resulted in sharp rise in premiums paid.
- **Mandatory asset management data reporting LGDE:** Local governments in British Columbia must report asset management data via the LGDE system. The reporting covers five sections: Organizational Asset Management (which evaluates governance, risk management, strategy, financial planning, and asset inventory), Asset Management Progress by Asset Type (tracking maturity for each infrastructure category through items like asset plans, risk registers, inventories, and long-term financial plans), and three internal-only sections—Physical Condition, Capacity vs. Demand Utilization, and Functionality—that provide insight into asset health and service capacity. This information aids long-term capital planning and supports provincial sustainable service goals.
- **Accounting Standards:** In Canada, new regulations require municipalities to follow stricter accounting standards, such as those from the Public Sector Accounting Board (PSAB), with additional rules taking effect in 2026. These changes introduce full accrual accounting and clearer reporting on assets, liabilities, and long-term obligations, leading to more consistent financial reporting, better decision-making, and increased public trust.

6. Investment Yields & Reserve Balances

The District has improved investment returns since 2019 due to increased reserve balances, increased portfolio performance and increased market yields. Market yields are expected to moderate in the coming years and the District's reserve balances are forecasted to decline significantly. The Financial Plan integrates reduced investment returns however, the magnitude of reduced investment returns will depend on the rate of capital output which utilizes the District's reserves as the primary funding source.



Council Priority Projects

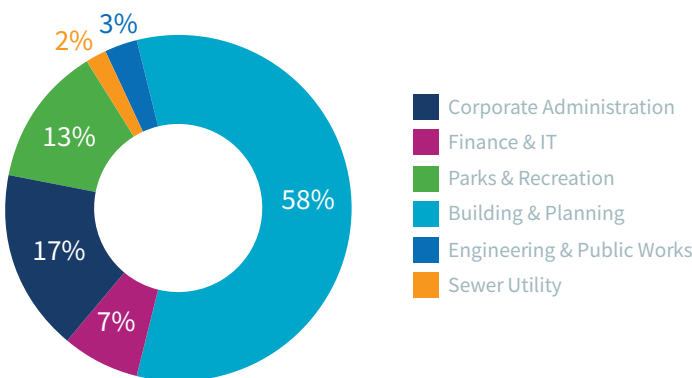


Council Priority Projects

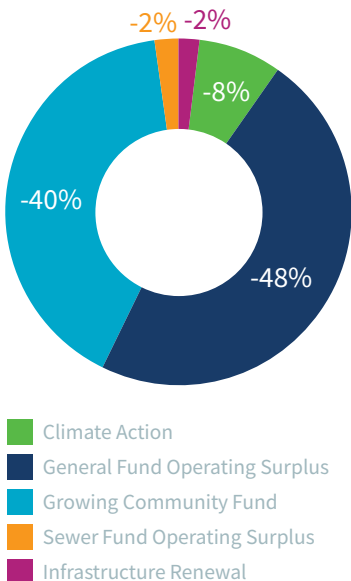
Council Priorities Projects are identified in the Council Approved 2022-2026 Council Priority Plan. Council Priority Project progress is recorded and tracked in the Council Priorities Plan and revised at annual Council check ins in December each year.

The 2022-2026 Council Priorities Plan was reviewed and initiatives confirmed at a Special Council Meeting on December 2, 2024.

The graph below displays the total initiative and other project costs by department within the proposed 2025-2029 Financial Plan.



The total funding for these projects is coming from grants and surplus. The distribution of the funding is shown in Graph below.



Transfers from reserves	Special Initiatives Budget
Capital Renewal Reserves	
Infrastructure Renewal	- \$75,000
Operating Reserves	
Climate Action	- 344,800
General Fund Operating Surplus	- 2,183,424
Growing Communities Fund	- 1,860,387
Sewer Fund Operating Surplus	- 70,000
Total	- \$4,533,611

Council Priority Projects – Housing Directives

The projects listed below are based on Council approval initiatives and are updated for work complete to date or still to complete. These projects are subject to change based on provincial regulations.

Council Priorities - Housing Directives	2025	2026	2027	2028	2029	Total
SP046 CPP80 ACC and DCC Bylaws	\$30,000	-	-	-	-	\$30,000
SP047 CPP72 Zoning-Infill Housing	10,000	-	-	-	-	10,000
SP053 CPP53 5-year Review of OCP	398,000	-	-	-	-	398,000
SP055 HAP-Additional Staffing	75,000	75,000	-	-	-	150,000
SP056 CPP76 Pre-zoning to Implement OCP	100,000	-	-	-	-	100,000
SP058 CPP78 Development Processes (Provincial triggered)	190,981	-	-	-	-	190,981
SP059 CPP79 Respond to increased developm	58,500	-	-	-	-	58,500
SP060 CPP81 Reserve for Future Projects	200,000	200,000	160,000	-	-	560,000
SP061 HAP project management	317,906	-	-	-	-	317,906
SP062 HAP Contingency	150,000	-	-	-	-	150,000
Council Priorities - Housing Directives Total	\$1,530,387	\$275,000	\$160,000	-	-	\$1,965,387

Other Council Priority Projects

The projects listed below are based on Council approval initiatives and are updated for work complete to date or still to complete.

Council Priorities - Special Initiatives	2025	2026	2027	2028	2029	Total
SP004 CPP9 Village area plans	\$ -	\$300,000	\$ -	\$ -	\$ -	\$300,000
SP018 CPP14 PRC Master Plan	140,000	140,000	-	-	-	280,000
SP042 CPP25 Asset Management Plan	130,655	100,000	-	-	-	230,655
SP051 CPP45 Accessibility	25,000	-	-	-	-	25,000
SP076 CPP18 Options-Off-leash Dog Park	48,000	-	-	-	-	48,000
SP078 CPP35 Community Climate Action Plan	-	125,000	-	-	-	125,000
SP079 CPP36 Energy Plan-Municipal Ops	60,000	-	-	-	-	60,000
SP081 CPP52 Options Analysis for Marina	60,000	182,596	-	-	-	242,596
SP082 CPP53 GHG & Energy Red'n-Building Program	57,250	50,050	-	-	-	107,300
SP083 CPP54 Sitchanalth Willows Share Kn	10,000	-	-	-	-	10,000
SP084 CPP70 Uplands Park Management Plan	-	-	270,000	-	-	270,000
SP086 CPP47 Songhees & Esquimalt-Turkey Head	140,000	-	-	-	-	140,000
SP182 CPP82 Heritage Prop Maintenance Standard	-	25,000	-	-	-	25,000
SP186 CPP86 Heritage Designates Incentives	-	25,000	-	-	-	25,000
Council Priorities Total	\$670,905	\$947,646	\$270,000	\$ -	\$ -	\$1,888,551

The following Council Priorities are included in the capital budget due to the nature of the work:

- #27 Prepare Active Transportation Program based on increased levels of funding / determine how network can be fully constructed
- #34 Develop an erosion prevention program for McNeill Bay
- #55 Outline options to advance the vision for the Bowker at Bee Street area as shared in the Friend of Bowker Creek correspondence, including a public engagement component.



Department Budgets





Corporate Administration

Administration consists of the Chief Administrative Officer (CAO), the Director of Corporate Services (DCS), the Deputy DCS, the Director of Strategic Initiatives, the Deputy Director of Strategic Initiatives, the Director of Human Resources, a Manager of Occupational Health, Safety and Wellness, a Manager of Communications, Communications Specialist, the Executive Assistant to the CAO, and the Mayor, *(as well as two administrative support staff)*. The CAO is the general manager for the Corporation, providing guidance and direction to all operating departments, and is the principal advisor to Council. The DCS works closely with Council, is the main link between Council and the public, and is the contact for information on all Council matters. The DCS is also the custodian of municipal records and is responsible for requests submitted under the *BC Freedom of Information and Protection of Privacy Act*

Performance Measures and Statistics

Performance Measure	2022 Actual	2023 Actual	2024 Actual
Meetings of Council Supported	63	53	57
Meeting minutes posted on time (adopted at next Council meeting)	63	53	74
# FOIPPA requests	19	18	34
FOI requests within statutory deadlines	19	17	32
Bylaws reviewed	25	21	33
Special Events Permits Issued	24	17	22
Block Party Permits Issued	20	25	28
Total web pages viewed	2.9M	2.2M	1.49M
# Social Media posts	833	820	1,049
# Social Media followers	4,011	4,693	5,308
Volunteer Hours Contributed to Archives	100	112	489
District-wide FTE (budget)	260.03	288.57	298.10
District-wide Job Postings (including auxiliary and regular)	143	137	124
Archives Research Inquiries conducted	144	149	202
Archives Program (school programs, history talks, special events)	60 (2)	60 (2)	4
Archives Collections Acquired	15	9	6



Staffing History and Forecast

Position	2023 FTEs	2024 FTEs	2025 FTEs	Change
Chief Administrative Officer	1.00	1.00	1.00	-
Director of Corporate Services	1.00	1.00	1.00	-
Director of Strategic Initiatives	1.00	1.00	1.00	-
Deputy Director of Strategic Initiatives	1.00	1.00	1.00	-
Deputy Director of Corporate Services	1.00	1.00	1.00	-
Director of Human Resources	1.00	1.00	1.00	-
Manager of Occupational Health and Safety	1.00	1.00	1.00	-
Communications Specialist	2.00	2.00	2.00	-
Executive Assistant to the Mayor & CAO	1.00	1.00	1.00	-
Legislative Assistant	2.00	2.00	2.00	-
Human Resources Advisor	1.00	1.00	2.00	+1.00 ¹
Audio Visual Technician	0.14	0.14	0.14	-
Archivist	0.50	0.50	0.50	-
Total	13.64	13.64	14.64	-

Note: 1. position offset by \$100K reduction in ongoing consulting costs for occupational accommodation and workplace investigations. Net cost to be funded from taxation \$24k along with related set up and ongoing software costs.

2024 Highlights

- Obtained technical and financial analyses for the Turkey Head (Spewhung Point) site
- Obtained condition survey for marina docks
- Issued RFP and awarded contract for Animal Control Services for 2024-29
- Sought external grant funding for Council Priority and Capital Plan projects
- Led internal operational effectiveness project
- Developed organizational service level metrics
- Obtained resident input through Annual Questionnaire (with new survey software)
- Supported Council's annual review of priorities
- Launched new online engagement platform for Connect Oak Bay
- Developed and implemented flexible work arrangements policy/program
- Conducted staff training and development needs assessment
- Arranged annual long service recognition awards event
- Facilitated Workplace Violence Prevention and De-escalation training for staff
- Delivered forklift certification training for staff
- Developed & delivered respectful workplace training
- Established Accessibility Advisory Committee and held inaugural meeting
- Completed and delivered Accessibility Plan to Council
- Facilitated Elector Assent Process for the Business Improvement Area Bylaw
- Ongoing Records Management Project to standardize the District's record system
- Launched new online engagement platform for Connect Oak Bay

2025 Planned Accomplishments

- Extend lease for 1531 Hampshire Rd.
- Undertake First Nations, business partner and community engagement re: next steps for Turkey Head (Spewhung Point)
- Obtain geotechnical/seismic evaluation for Turkey Head (Spewhung Point)
- Develop relationship agreement with First Nations
- Develop Mission/Vision/Values for District operations
- Deliver IAP2 engagement training sessions for Council and staff
- Update Communications and Engagement Framework and Toolkit
- Develop Communications and Engagement Policy
- Complete website refresh (including new District Intranet)
- Support Council's bi-annual review of priorities
- Develop and implement graduated return to work program
- Facilitate bi-annual orientation day for new staff
- Conduct employee survey
- Participate in IAFF and CUPE collective bargaining
- Initiate staff performance feedback and review program
- Ongoing Records Management Project to standardize the District's records system
- Establish an Implementation Plan for the Accessibility Plan

Corporate Administration Operating Budget

Overall, the Corporate Administration Department's operating budget requires a 8.0% (\$269,723) funding increase to support core service delivery in support of Councils direction and service delivery across operating departments. The operating budget includes new budget request items.

Operating Expense Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
Council	\$266,141	\$276,600	\$294,363	\$17,763	6.4%	\$ -
Corporate Administration	1,512,014	1,667,100	1,702,036	34,936	2.1%	557,000
Human Resources	523,057	579,400	750,908	171,508	29.6%	-
Communications	174,319	209,300	246,260	36,960	17.7%	-
Risk Management	412,336	381,800	388,600	6,800	1.8%	-
Grants & Fee for Service	191,238	226,000	230,500	4,500	2.0%	-
Archives	45,008	52,000	49,256	-2,744	-5.3%	-
Total	\$3,124,114	\$3,392,200	\$3,661,923	\$269,723	8.0%	\$557,000



The following special initiatives are operating projects delivered by Corporate Services. The projects include both Council Priority Projects and regular operating projects within each department. All projects reflect Council direction and in some cases are a carry forward of work underway.

Special Initiatives	2025
Council Priorities	
SP051 CPP45 Accessibility	\$25,000
SP081 CPP52 Options Analysis for Marina	60,000
SP083 CPP54 Sitchanalth Willows Share Kn	10,000
SP086 CPP47 Songhees & Esq malt-Turkey Head	140,000
Council Priorities Total	\$235,000
Other Projects	
SP009 Human Resource Plan implementation	62,600
SP023 Occupational Disability Claims Management	100,000
SP033 First Nations Truth & Reconciliation	50,000
SP038 Communications Needs Assessment	5,000
SP066 Other contingency	25,000
SP701 Victoria Cougars Centennial Stanley Cup Event	79,400
Other Projects Total	\$322,000
Total	\$557,000

The following table provides a reconciliation of the operating budget cost drivers:

Reasons for Increase	Amount	% Increase	Tax Impact (%)	Tax Impact (\$)
2024 Base Budget	\$3,392,200			
+ Inflationary Increase	\$98,515	2.9%	0.3%	\$10.97
+Additional Staffing Support	\$124,208	3.7%	0.3%	13.83
+Recruitment Software	\$30,000	0.9%	0.1%	3.34
+Long Service Award	\$5,000	0.1%	0.0%	0.56
+Communications Consultant	\$12,000	0.4%	0.0%	1.34
Total New Operating Items	\$269,723	8.0%	0.7%	\$30.03
= 2025 Corporate Administration	\$3,661,923	8.0%		

Corporate Administration Capital Budget

Corporate Administration Capital Plan

Capital Purchase/ Project	Asset Type	2025	2026	2027	2028	2029
EDRM System	Equipment	\$235,330	\$ -	\$ -	\$ -	\$ -
Website Upgrade	Equipment	66,000	-	-	-	-
Total Corporate Admin Capital		\$301,330	\$ -	\$ -	\$ -	\$ -

Electronic Document Management System (EDMS)

An EDMS will efficiently and systematically manage the District's electronic and paper documents throughout the life cycle of the document (*from creation to destruction*). Records will be shared with all individuals who need access, and it will support the automatic enforcement of consistent policies and styles across the District, as well as ensure that Oak Bay is following Provincial and Federal legislation. As the EDMS project progresses and electronic records are more readily accessible, it will allow the District to reduce the physical space required to store paper documents and physical records and will keep vital records safe from physical hazards like fire, floods, or other damage.

Website Upgrade

Upgrading of the website to refresh the look and feel, improve navigation, and optimize search capabilities, as well as provide for content management functionality.

Administrative and Residential Facilities

The District owns, operates, and maintains several administrative buildings including:

- Municipal Hall,
- 1538 Monterey Ave,
- 1423 Hampshire Ave,
- 1531 Hampshire Ave,
- Tod House, and
- Oak Bay Marina lands.

The budget below includes a modest transfer to reserve budgets. This funding accumulates in a capital reserve until such time that these reserves are required to fund capital maintenance. Capital expenditures are much larger, more expensive, and prolong the building or building component life.

This operating budget does not include the facility operating costs of the Police, Fire, Parks, Recreation and Culture, and Public Works facilities.

2024 Accomplishments

- Site Preparation and Install of Garage Structure for the new Fire Department Ladder Truck
- Added infrastructure and six new high capacity Level 2 chargers at the Oak Bay Police Station & Fire Hall to support EV Fleet vehicles
- In cooperation with the Police and Fire Departments, began the Public Safety Building Feasibility Study
- In cooperation with Parks, Recreation, and Culture, completed the Carnarvon Park Master Plan Refresh and Main Building Optional Analysis phase of the Carnarvon Park redevelopment
- Completed design on the Fire Hall Washroom Renovations
- Completed the Architectural design of the Municipal Hall Exterior Public Washroom Renovations
- Completed the Municipal Hall Space Optimization project. Renovated the Municipal Hall payroll offices to improve privacy and confidentiality. Relocated the Engineering department, Information Technology, and Facilities and Asset Management departments to create more available space on the main floor
- Reduced Municipal Hall Gas usage by 37% and Electricity Usage by 25%
- Improved the facilities condition index on Municipal Hall, the Oak Bay Library, and Tod House through improved maintenance and structured system renewals
- Renewed the Hampshire Apartments common areas and apartment exhaust fans



2025 Planned Accomplishments

- Improve the District's Asset Management Maturity level by completing a detailed facilities condition assessment on all Municipal Buildings, enter all data into an Asset Management database, and begin lifecycle cost budgeting
- In cooperation with Parks, Recreation, and Culture commence the detailed design of the Carnarvon Park Master Plan program, including the new main building and park amenities
- In cooperation with the Police and Fire Departments, complete the Public Safety Building Feasibility study
- In partnership with Public Works, renovate the main office building to improve space utilization, energy efficiency, health and safety, and gender neutrality. This is part of asset management renewals to improve the Facilities' Condition Index
- In cooperation with Police and Fire, improve access and signage to the Fire Fighter's parking lot to increase security and safety around emergency services' vehicles and training areas
- Renew Police station interior lighting to reduce energy usage
- Minor renovations to Police Station furniture to improve ergonomics
- Construct the Fire Hall new washrooms and dormitory partitions
- Construct the renovations for the Municipal Hall exterior public washrooms
- In cooperation with Strategic Initiatives, complete a Seismic and Geotechnical analysis of the Turkey Head (Spewhung) parking lot area
- Conduct an Engineering study for the replacement of the Oak Bay Library HVAC unit that is at the end of its operational life
- Conduct an Engineering study to determine the effectiveness of replacing the Municipal Hall Gas boilers with an energy efficient Heatpump system
- In partnership with the Regional District, add to the District's public EV charging capacity
- In partnership with BC Hydro explore the opportunity to install a public DC Fast Charger station within the District
- In cooperation with Public Works and Engineering, begin a Business Analysis to identify regulatory requirements of the Public Works yard, for a future feasibility study
- Initiate a cross department Asset Management Community of Practice to explore strategic and tactical initiatives to improve the District's asset management maturity
- In cooperation with Planning – Climate Action initiate a District wide EV Fleet infrastructure study
- Partnering with Police and the Fire Department, install an Emergency Generator for fleet EV charging to reduce operational risks in converting the Public Safety fleet fully to electric vehicles

Administrative Facilities

Overall, the Facilities operating budget requires a 30.5% (\$7,940) increase to support core service delivery in support of Council's direction and service delivery.

Operating Revenue Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change
Lease Revenue	-\$327,192	-\$334,900	-\$358,980	-\$24,080	7.2%
Total	-\$327,192	-\$334,900	-\$358,980	-\$24,080	7.2%

Operating Expense Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change
Maintenance - 1538 Monterey	\$3,757	\$6,500	\$6,500	\$ -	0.0%
Maintenance - 1423 Hampshire	31,003	36,000	36,000	-	0.0%
Maintenance - 1531 Hampshire	742	5,400	5,400	-	0.0%
Maintenance - Athlone Court	105,404	110,700	114,020	3,320	3.0%
Maintenance - Tod House	10,157	8,400	8,400	-	0.0%
Maintenance - Municipal Hall	155,769	100,400	129,100	28,700	28.6%
Foreshore Lease	149,750	75,100	75,100	-	0.0%
Maintenance - Oak Bay Marina	18,753	18,400	18,400	-	0.0%
Total	\$475,335	\$360,900	\$392,920	\$32,020	8.9%
Net Operating Budget	\$148,143	\$26,000	\$33,940	\$7,940	30.5%

The following table provides a reconciliation of the operating budget cost drivers:

Reasons for Increase	Amount	% Increase	Tax Impact (%)	Tax Impact (\$)
2024 Base Budget	\$360,900			
+ Inflationary Increase	10,827	3.0%	0.0%	\$1.21
+Transfer to Marina Reserve	11,300	3.1%	0.0%	1.26
+Work Stations	24,000	6.7%	0.1%	2.67
-Other savings	-14,107	-3.9%	0.0%	(1.57)
Total New Operating Items	\$32,020	8.9%	0.1%	\$3.56
= 2025 Facilities	\$392,920	8.9%		

1538 Monterey Avenue

This property was purchased in 2016 using funds in the District's Land Sale Reserve. Long-term use of the property will be explored when the District undertakes a Village Area Planning process. This property is currently vacant and only reactive maintenance and repairs are being done.

1423 Hampshire Rd & 1442 Monterey Avenue

The District owns the building at 1442 Monterey Avenue, which is used as a branch of the Greater Victoria Public Library, the Monterey Recreation Centre, and several residential units (1423 Hampshire portion). The District contracts with a property management company to manage the residential tenancy in the building. Most building systems for the library and apartments have reached end of life and capital renewals will be increasing over the next few years. These capital renewals and upgrades will extend the life of the asset, improve energy efficiency, and improve the building's Facility Condition Index (FCI)

1531 Hampshire Road

This property was purchased by the District in 1990, and in 2025 the District signed lease agreements with the Inter-Cultural Association of Greater Victoria for residential use of the property. The terms of the lease require the tenant to pay for routine interior maintenance and utilities. The District has established a maintenance budget for contingency purposes. Furthermore, an unspent maintenance budgets will be transferred to a facilities capital reserve at year end.

Tod House

In 2008, the Province gave its 50% share of the Tod House heritage property to the District. Concurrently, the Province registered a "Possibility of Reverter" against the property, which states that the Province has granted its interest to the District *"for so long as the land is used for the specific purpose of managing the Tod House Heritage Site"*.

Oak Bay Marina

The Oak Bay Marina lands and facilities are primarily owned by the District of Oak Bay, but also include lands covered by water and foreshore leased from the Province. The District signed a five-year lease with the Oak Bay Marine Group for 2023-2027 which no longer includes the Restaurant area.

Facilities Capital Budget

Facilities Capital Plan

Capital Purchase/Project	2025	2026	2027	2028	2029
Administrative Facilities					
A0006 Marina Structural Repairs	\$1,652,000	\$392,000	\$223,900	\$223,900	\$223,900
A0009 Municipal Hall External Washrooms	100,000	-	-	-	-
B0000 Facilities General Capital Program	500,000	500,000	500,000	500,000	500,000
B1000 Public Works Building Office Renewal	250,000	300,000	-	-	-
B2302 Recycle Yard Fence Improvements	85,000	-	-	-	-
B2303 Public Works Heat-Air Exchanger	30,000	-	-	-	-
B2308 Public Works Feasibility Study	125,000	-	-	-	-
F0004 Fire/Police Emergency Generator	300,000	-	-	-	-
F2206 Fire Hall/Police Station Feasibility Study	125,000	25,000	50,000	75,000	75,000
F2301 Fire Hall Washroom Renewal Space	180,000	-	-	-	-
F2307 Public Safety Building	215,000	1,000,000	20,000,000	15,000,000	7,000,000
L0001 Library HVAC Replacement	400,000	-	-	-	-
Total	\$3,962,000	\$2,217,000	\$20,773,900	\$15,798,900	\$7,798,900

Marina Structural Repairs

The District-owned (and leased out) Marina buildings need ongoing maintenance to keep them operational. The Marina facilities are currently leased to Oak Bay Marine Group Ltd.

A recently completed draft Facility Condition report identifies capital maintenance needs of the facility. Capital maintenance has been deferred until 2025. It is unlikely that these capital maintenance items will occur until further decisions are made about the future of Turkey Head.

Municipal Hall Exterior Washrooms

Gutting of the two washrooms and concrete floor removal and replace all under-slab plumbing. Reconstruction of the washrooms would utilize highly durable vandalism resistant fixtures, materials, and finishes as well as upgrade the washrooms to the most current barrier free accessibility standards such as auto-door openers and hands-free fixtures.

Facilities General Capital Program

The general capital program for maintenance on existing facilities is funded by the infrastructure renewal reserve.

Public Works Building Office Renewal

(new)

Improving the office space furniture with more modern new items, adding another meeting room, making better use of the second floor space and completing additional office space for staff who will be involved in the Preventative Maintenance program. This space will allow installation of computers for outside staff giving greater access District Asset information and to update their work information daily.

Recycle Yard Fencing

To upgrade the fence at the Public Works Recycle area to a sound dampening concrete fence and rebuild the retaining wall.

Public Heat / Air Exchange

A new Public Works Heat/Air Exchanger is being installed to replace the existing unit that is well past end-of-life.

Facilities Feasibility Studies

(new)

Emergency Generator for Police and Fire EV Fleet. A dedicated, ground mounted 100kW to 150kW diesel generator for emergency power to the Police/Fire fleet EV chargers as well as providing emergency power to the Ladder Apparatus Garage. Risk mitigation for the EV Fleet during long term power outages in the event of a disaster impacting the local Hydro power supply. Price includes civil work and concrete base pad, underground conduit, and automatic transfer switch. Generator can be relocated to the new Public Safety Building, so long term capital cost is protected. Lifecycle costing is approximately \$500 per year for maintenance (plus any fuel used).

Public Safety Building – Design & Build

Early stages of scoping and estimating a combined facility to house both Fire and Police detachments, with consideration of an emergency operations center. Conceptual or Class D estimates have not been produced. The budgets represent an estimate for planning purposes, estimates will be revised upon initial scoping and again in later in the design stage.

Firehall Washrooms

To redesign the Firehall washroom within the existing footprint for the creation of a single gender-neutral shower/change area, single gender-neutral toilet and sink, and a single gender-neutral toilet, sink, and shower/change area (resulting in two people able to shower and keep one toilet and sink available as each is self-contained and private/secure).

Library HVAC Replacement

(new)

In co-ordination with the Monterey Recreation Centre Roofing Replacement project (anticipated to be in 2025 or 2026), renew the Library RTU which is past the end of its life and at risk of failure, with an energy efficient heatpump and DDC control systems. Replace the Apartment corridor pressurization fan with a Heatpump system to manage tempering the Air (heating and cooling). Note: the Engineering assessment work is already underway to assist in refining overall scope and budgets.

Financial Services and Information Technology

The Finance department is responsible for the systems and processes that supporting the financial well-being of the District, providing advice and information to Council, staff, and the public. This department coordinates expenditures through procurement, the annual budget process, prepares financial statements and reports, and administers property taxation, utility billing, accounts payable, accounts receivable, and payroll, as well as insurance, risk management and asset management. It also secures and manages debt and ensures that cash flow is managed so that funds are available to fulfill the Five-Year Financial Plan.

The department is entrusted with ensuring financial resources are available for long-term infrastructure replacement based on Council direction and is also responsible for delivery of front counter service.

The Information Technology division is responsible for a wide variety of IT support including:

- Network design
- End-user training and support
- Network security
- Software implementation
- Business Analysis

The division also maintains and replaces a large inventory of IT hardware including PCs, printers, mobile devices, and phone hardware.



Staffing History and Forecast

Position	2024 FTEs	2025 FTEs	Change
Director of Finance and Asset Management	1.00	1.00	-
Deputy Director of Financial Services	1.00	1.00	-
Manager of IT Projects	0.33	0.33	-
Program Manager – Facilities/Asset Management	1.00	1.00	-
Accountant	1.00	1.00	-
Assistant Accountant	0.00	0.00	-
Financial Analyst	1.00	1.00	-
Payroll Coordinator	1.00	1.00	-
Payroll Clerk	1.00	1.00	-
Accounts Payable Clerk	0.75	0.75	-
Utility Billing Clerk	0.00	0.00	-
Tax Clerk	1.00	1.00	-
Accounting Clerk	0.50	0.50	-
Treasury Clerk	1.00	1.00	-
Information Technology Technician	1.33	1.33	-
Procurement Manager	-	1.00	+1.0
Senior Financial Advisor	-	1.00	+1.0
Total	11.91	13.91	+2.0

Performance Measures and Statistics

Performance Measure	2023 Actual	2024 Actual
\$ Property Taxes Levied	\$57.6M	\$61.7M
# Taxable Folios	6,941	6,890
# Home Owner Grants Claimed	4,263	4,360
# Tax Deferment Applications	1,308	1,399
# Cash Receipts/Bank Transactions	29,295	31,250
# T4s and T4As Issued	805	805
# Accounts Payable Invoices	10,877	12,500
\$ Investment Returns	\$2,904,000	\$3,077,892
Distinguished Budget Report	Awarded	Awarded
Canadian Award For Financial Reporting	Awarded	Awarded
Helpdesk Tickets	915	845
Amount of Data	24.5 Terabytes	24.76 Terabytes
Email Boxes	331	318
Email Storage	1.4TB	1.5TB
Network uptime	Hall: 99.97% Public Works: 100% OBRC: 100% NLC: 99.92% Henderson: 100% Windsor: 99.95% Tempest: 99.93%	Hall: 99.98% Public Works: 100% OBRC: 100% NLC: 99.92% Henderson: 100% Windsor: 99.99% Tempest: 99.93%

2024 Accomplishments

- Introduced new Asset Retirement Obligation Financial Report standards
- Completed Phase 1 Comprehensive Asset Management Plan project
- Completed recommendations phase of Utility Billing Process Review
- Achieved Government Finance Officer's Association's Distinguished Budget Report
- Achieved Canadian Award for Financial Reporting
- Completed scoping phase of asset management software project
- Replaced Network Switches and implement System Security Measures
- Completed implementation of Development Cost Charge and Amenity Cost

2025 Planned Accomplishments

- Advance Phase 2 Comprehensive Asset Management Plan (Data, Inventory, EAM etc.)
- Support development of DCC/ACC Implementation Guide and CAC Policy evaluation
- Reserve Bylaw Updates
- Debt Policy/Program Development
- Procurement Policy Revisions (Tariff's) and Authorization Limits
- Implement Utility Billing process review recommendations
- Cyclical General Ledger Data Clean Up and Reporting
- Implement Financial planning software solution

Finance and Information Technology Operating Budget

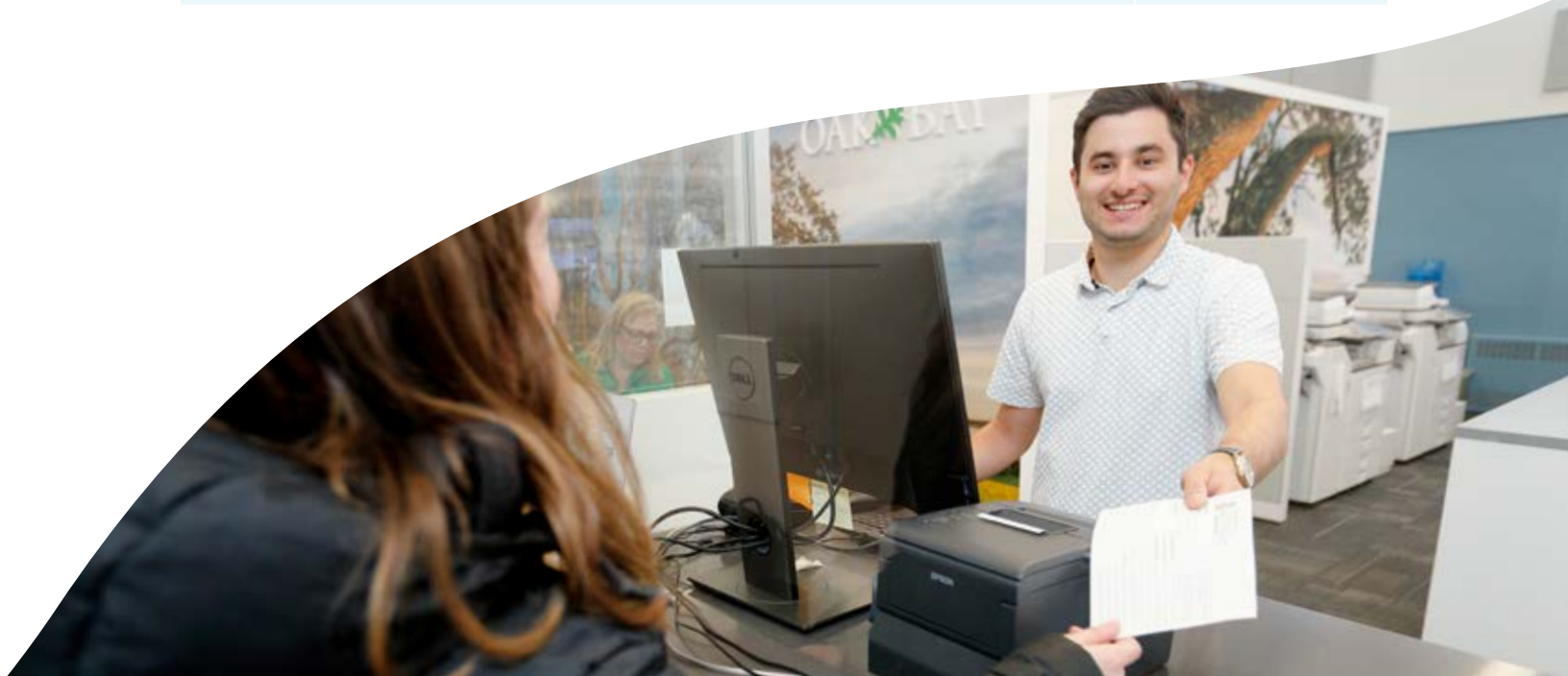
Operating Revenue Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
NSF Fees	-\$827	-\$1,000	-\$1,000	\$ -	0.0%	\$ -
Parking & MTI Fines	-29,553	-23,300	-26,500	-3,200	13.7%	-
School Tax Commission	-17,778	-17,700	-17,750	-50	0.3%	-
Tax Certificates & Info Requests	-10,640	-17,000	-15,000	2,000	-11.8%	-
Total	-\$58,798	-\$59,000	-\$60,250	-\$1,250	2.1%	\$ -

Overall, the Finance Department's operating budget requires a 7.8% (\$155,664) funding increase to maintain existing service levels and invest in financial system renewal projects. Financial system renewal will include enhancement of capital and grant tracking and financial plan software functionality.

Operating Expense Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
Finance General	\$1,267,377	\$1,306,000	\$1,424,922	\$118,922	9.1%	\$165,655
Information Technology	716,704	699,000	735,992	36,992	5.3%	-
Parking Enforcement	53,831	58,400	59,400	1,000	1.7%	-
Total	\$2,037,912	\$2,063,400	\$2,220,314	\$156,914	7.6%	\$165,655
Net Operating Budget	\$1,979,114	\$2,004,400	\$2,160,064	\$155,664	7.8%	\$165,655

The following special initiatives are operating projects delivered by Finance and IT. The projects include both Council Priority Projects and regular operating projects within in each department. All projects reflect Council direction and in some cases are a carry forward of work underway.

Special Initiatives	2025
Council Priorities	
SP042 CPP25 Asset Management Plan	\$130,655
Council Priorities Total	\$130,655
Other Projects	
SP019 Network security audit	\$35,000
Other Projects Total	\$35,000
Total	\$165,655



The following table provides a reconciliation of the operating budget cost drivers:

Reasons for Increase	Amount	% Increase	Tax Impact (%)	Tax Impact (\$)
2024 Base Budget	\$2,063,400			
+ Inflationary Increase	\$66,815	3.2%	0.2%	\$7.44
+Additional Staffing Support	\$64,956	3.1%	0.2%	7.23
+Additional Consultancy	\$35,000	1.7%	0.1%	3.90
+Budgeting Software	\$20,000	1.0%	0.1%	2.23
-Other savings	-\$29,857	-1.4%	-0.1%	(3.32)
Total New Operating Items	\$156,914	7.6%	0.4%	\$17.47
= 2025 Finance & IT	\$2,220,314	7.6%		

Finance and IT Capital Budget

Financial & Information Technology Capital Plan

Capital Purchase/Project	2025	2026	2027	2028	2029
Finance, IT, & Parking					
I0002 IT Network & Other IT Hardware	\$45,724	\$250,588	\$36,688	\$17,348	\$77,688
I0003 PC Hardware Replacement	206,523	83,887	65,724	86,937	133,687
I0006 IT Project Mgmt-Division Projects	170,000	170,000	170,000	170,000	170,000
I0009 New PC Hardware	20,000	-	-	-	-
I0010 Desktop Phone Replacement	60,000	-	-	-	-
I2301 Asset Management Software	100,000	100,000	50,000	-	-
Total	\$602,247	\$604,475	\$322,412	\$274,285	\$381,375

PC Hardware Replacement

The Information Technology (IT) Division deploys and maintains over 250 pieces of hardware for over 300 users. This inventory is valued at nearly \$250,000 and does not include printers or network hardware. Staff have established annual reserve contributions so that the financial impact of hardware replacement is not volatile. In 2020, the PC Hardware Replacement program was accelerated, funded primarily by savings in the Network Hardware replacement capital program. This was necessary to support a shift to remote working, as well as security patching and a unified support model.

IT Project Management Division

The IT Project Management Division was created in late 2020. Most costs incurred in this division are for staffing and the remainder is for software acquisition and consulting. The leadership team is responsible for prioritizing the activities in this division, as it is intended to support corporate operations and Council strategic goals.

New PC Hardware for new Employees

The District recently renovated a portion of the Public Works Yard building second floor and enabled Wi-Fi and other IT services. This will provide computers for a shared workspace to be utilized by public works employees who previously did not have access to computers on a regular basis. to perform maintenance functions, work orders, and access as-built information.

Desktop Phone Replacement

To replace existing desktop phone system that at end of life and replacement equipment is no longer available.

Asset Management Software Implementation

In conjunction with the Comprehensive Asset Management Plan, this project would fund a scoping and implementation of Asset Management Software. An organization's asset management needs are unique and complex and must be harmonized with other Enterprise Resource Planning software and existing service levels. Asset Management software will likely require additional staffing resources to maintain. Council will therefore be consulted prior to implementation.

Police Services

The Oak Bay Police Department (OBPD) has served the residents of Oak Bay since 1906, contributing to Oak Bay's reputation as one of Canada's safest communities. The members of the OBPD are committed to partnerships with the wider community, leading to the sharing in the delivery of police services. The Department pledges to treat all people equally and with respect, and to uphold the Canadian Charter of Rights and Freedoms: to serve, protect, and work with the community and other agencies to prevent and resolve problems that affect community safety and quality of life.

Staffing History and Forecast

Position	2024 FTEs	2025 FTEs	Change
Chief Constable	1.00	1.00	-
Deputy Chief Constable	1.00	1.00	-
Sergeant	6.00	5.00	-1.00
Constable	13.00	15.00	+2.00
Total Strength	21.00	22.00	+1.00
Civilian Support Staff	4.00	4.00	-
Reserve Constables	4.00	4.00	-

Performance Measures and Statistics

Offence	2022	2023	2024
Robbery	0	1	0
Assaults	17	31	24
Sexual Assaults	9	12	11
Utter Threats	14	15	15
Break and Enter – Business	14	11	5
Break and Enter – Residence	25	17	16

Performance Measures and Statistics Continued

Offence	2022	2023	2024
Break and Enter – Other	10	12	1
Theft of Motor Vehicle	2	7	8
Theft from Motor Vehicle	45	39	26
Theft of Bike	28	28	10
Theft Under \$5,000	87	61	57
Fraud	55	58	43
Mischief	137	119	152
Cause Disturbance	19	18	19
Counterfeit Currency	0	0	1
Trespass at Night	0	1	2
Breach/Bail Violations	24	16	12
Drug Possession	3	1	0
Impaired Drivers (CC and 90-day IRP)	14	10	8
Bylaw Infractions	195	206	158
Parking Violations	98	63	106
Collisions	105	94	106
Assist Public	685	632	740
Lost and Found	276	309	239
Suspicious Person	402	347	317
False Alarms	163	224	165
Liquor Offenses	15	29	11
Property Check Program	105	120	125
Violation Tickets/Warnings Issued	866	829	760

Police Metrics	2022	2023	2024
Pedestrian Injury Collisions	6	2	3
Total Injury Collisions	19	16	14
Total Number of Collisions	105	94	106
Number of Injured Cyclists	5	5	5

2024 Accomplishments

- Developed and delivered educational presentations on fraud awareness and prevention
- Develop a Bait Bike Program and Operational Plan to prevent and curb bicycle thefts
- Developed and delivered community presentations on online safety and healthy relationships
- Facilitated and promoted Gang Awareness Presentation to parents and students
- Enrolled all OBPD Sergeants in additional leadership training
- Completed Fair and Impartial Training Course for all employees
- Purchased two more electric marked/operational police vehicles to replace others in the fleet
- Purchased an automated license plate reader to support traffic safety enforcement work in the community
- Trained all employees and implemented the Digital Evidence Management System (DEMS)
- Expanded the Coffee with a Cop Program to additional locations in the community
- Continued participation and support of the Regional Youth Police Camp
- Attended at the Oak Bay Teen Center every Tuesday and Thursday at lunchtime during the school year
- Targeted High Speed Traffic Enforcement and delivered road and bicycle safety presentations

2025 Planned Accomplishments

- Negotiate a new Collective Agreement
- Acquired a fifth fully marked electric operational police vehicle
- Establish and fully staff the Community Support Team which includes a School Liaison Officer and Traffic/Road Safety Officer
- Continue participation and support of the Regional Youth Police Camp
- Significant decreases in residential break and enters and pedestrian injury collisions
- Have all our female OBPD police officers attend the Women in Policing Conference
- Expand Oak Bay Rec Teen Center youth connection opportunities to include after school time
- Complete bicycle patrol training for all interested OBPD Officers
- Launch “Project Sea Watch” to improve safety, education and connection with our Marine community members
- Implement a new, more efficient scheduling system to track training, leave and overtime
- Provide ongoing leadership training and development opportunities to all members of our team
- Continue road safety education programs and initiatives including high-speed traffic enforcement and distracted driving and impaired driving campaigns

Oak Bay Police Department Operating Budget

Overall, the Police Department's operating budget requires a 10.3% (\$652,700) funding increase to maintain existing service levels, increase force +1 FTE and fund operating agreement obligations. The Provisional Police Budget was approved by Council on November 12, 2024 and is reflected below.

Operating Expense Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change
Community Program	\$20,129	\$17,100	\$22,100	\$5,000	29.2%
Integrated Units	210,080	186,700	510,000	323,300	173.2%
Police Administration	760,746	787,200	796,300	9,100	1.2%
Police Board	7,381	\$12,000	12,000	-	0.0%
Police Building Maintenance	52,617	74,900	77,600	2,700	3.6%
Protective Services	4,972,715	4,990,100	5,314,200	324,100	6.5%
Transfer to Capital Reserve	16,350	21,800	25,100	3,300	15.1%
Transfer to Major Crimes Reserve	63,675	84,900	84,900	-	0.0%
Transfer to Police Vehicle Reserve	58,350	77,800	77,800	-	0.0%
Transfer to reserve for Retirement	-	8,400	6,900	-1,500	-17.9%
Vehicle Maintenance	66,727	69,400	56,100	-13,300	-19.2%
Total	\$6,228,770	\$6,330,300	\$6,983,000	\$652,700	10.3%

The following table provides a reconciliation of the operating budget cost drivers:

Reasons for Increase	Amount	% Increase	Tax Impact (%)	Tax Impact (\$)
2024 Base Budget	\$6,330,300			
+ Inflationary Increase (Others)	\$69,326	1.1%	0.2%	\$7.72
+ Additional Staffing Support	230,346	3.6%	0.6%	25.64
+Increase in ICS and VIMCU contracts	93,484	1.5%	0.3%	10.41
+Increase in E-Comm/Major Crimes contract	91,524	1.4%	0.3%	10.19
+Increase in Training	61,050	1.0%	0.2%	6.80
+Increase share in ERT	76,970	1.2%	0.2%	8.57
+Additional vehicle replacement reserve	30,000	0.5%	0.1%	3.34
Total New Operating Items	\$652,700	10.3%	1.8%	\$72.67
= 2025 Police	\$6,983,000	10.3%		

Police Department Capital Plan

Capital Purchase/Project	2025	2026	2027	2028	2029
Oak Bay Police Department					
P0001 Police Vehicle Replacement	\$109,000	\$113,000	\$ -	\$113,000	\$88,000
P0002 Police Computer Equipment Replacement	76,350	114,000	25,000	194,000	21,500
P0003 Police Traffic Enforcement Equipment	-	24,000	-	-	-
P0004 Police Building Repairs	147,000	-	-	-	-
P0005 Police Firearms	29,000	-	49,000	-	-
Total	\$361,350	\$251,000	\$74,000	\$307,000	\$109,500

Police Vehicle Replacement

The Police Department maintains a small fleet of patrol vehicles and administrative vehicles. The replacement cycle of these vehicles ranges from 6 to 10 years. The department is reviewing options for deploying reduced emission vehicles. Total cost of the vehicles includes manufacturing and transportation as well as outfitting with equipment and branding.

Police Computer Equipment Replacement

IT for the District's police force is managed by the Saanich Police Department (SPD). The SPD advises an IT equipment replacement plan, including equipment expenditures forecasted to be approximately \$430,850 over the next five-years.

Traffic Enforcement Equipment

The Police Department maintains a small annual budget to replace traffic enforcement equipment to meet the priority of Traffic Safety.

Police Building Repairs

The Police Department operates out of an aging facility and plans for pending maintenance work and building enhancements to allow for safe and efficient use of space.

Police Firearms

(new)

In consultation with our Use of Force/ Firearms Training Team and Sergeants, requesting funding for thirty red dot sights for our operational pistols. Red dot sights work by projecting a small, illuminated dot onto a lens, which the user uses to aim. Oak Bay Police are currently using this type of sight on three of our less lethal firearms (Bean Bag Shot Guns). Expect improved accuracy and increased confidence and performance.

Red dot sights improve accuracy by allowing officers to aim more precisely (especially in high stress situations), swifter target acquisition, enhanced focus, and versatility in various lighting conditions.



Fire and Emergency Services

The Oak Bay Fire Department was established in 1937, enacted by Bylaw 848. The Fire Hall is located at 1703 Monterey Avenue. At present, the Fire Department employs 31 career firefighters and two support personnel. Oak Bay Fire Department is a direct provider of emergency and non-emergency services to the following:

- Residents of the District of Oak Bay
- Businesses and customers located within the District of Oak Bay
- Persons attending and working at the University of Victoria
- Residents of the panhandle area of the District of Saanich (automatic response area). Other municipal departments (e.g., Police, Public Works, Parks Department plus Administration)
- Mutual aid partners: Saanich Fire Department, Victoria Fire Department, and Esquimalt Fire Department

The Fire Department is staffed 24 hours, seven days a week with a minimum of five firefighters on duty. The Fire Chief is the Department Head and normally works Monday to Friday.

The Fire Prevention Division works a similar weekday shift. The Fire Department is also the after-hours Public Works and Parks dispatch for emergencies such as: flooding from a broken water line, a serious sewer leak, or municipal trees fallen across a public road or path.



Performance Measures and Statistics

Performance Measure	2022	2023	2024
Response to Requests for Assistance	1,304	1382	1481
• Medical	544	803	662
• Fire and Other	760	579	819
Number of Reportable Fires to the Office of the Fire Commissioner	16	27	29
Fire related injuries - civilian	5	1	1
Fire and Life Safety Inspections	415	672	672
Fire related fatalities	0	0	0
University of Victoria			
• Response to Requests for Assistance	83	74	84

Staffing History and Forecast

Position	2024 FTEs	2025 FTEs	Change
Fire Chief	1.00	1.00	-
Deputy Fire Chief	1.00	1.00	-
Assistant Chief	4.00	2.00	-2.00
Captain	1.00	1.00	-
Lieutenant	4.00	4.00	-
Firefighter	19.00	22.00	+3.00 ¹
Emergency Program Manager	1.00	1.00	-
Fire Clerk	1.00	1.00	-
Total	32.00	33.00	+1.00

1. Notes: Council approved a 0.75% tax increase or approximately \$247,500 in funding for new staffing at the February 12th, 2024 Council meeting that was later amended on March 24, 2025 to reduce funding to \$123,750. This new staffing funding will be allocated as it is operationalized. The work force plan implementation is on plan.

2024 Accomplishments

- Completed recruit competitions for Firefighters and Emergency Program Manager
- Onboarded 5 recruit firefighters and 1 Assistant Chief
- Placed Ladder Truck storage structure into service
- Developed new driver/operator training program for fire fleet
- Placed new Ladder and Engine into operational service
- Implemented firefighter provincial minimum training standard
- Purchased Department Hybrid Duty Chief Vehicle
- Implemented BCEHS scope of practice changes to increase medical response service levels
- Developed Site Plan Requirements for Special Event /Film Circus Permits
- Developed updated commercial cooking operations requirements for District use
- Completed Community Risk Assessment
- Updated Emergency Program Bylaw
- Developed District Emergency Management Training Plan
- Developed EMCR Indigenous Engagement Requirement (IER) to participate in a regional approach

2025 Planned Accomplishments

- Complete Fire Fighter Recruit Competition
- Implement updated Department Resource Allocation Plan (RAP) to support Right Sized Response
- Complete FD Succession Planning Expression of Interest
- Support development of Public Safety Building Feasibility Study
- Replace Fire Prevention pickup with a Hybrid vehicle
- Review and update Fire Department and Emergency Program website content
- Complete Fire Station improvements for washrooms, training room, offices, dorms, and turn-out gear cleaning
- Co-Host Regional Emergency Preparedness Fair
- Initiate Emergency Management Planning Committee to support District emergency management
- Update Municipal Emergency Response Plan



Fire Protection Operating Budget

Overall, the Fire Department's operating budget requires a 4.7% (\$265,029) funding increase to maintain existing service levels and implement the workforce plan.

Operating Expense Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
Emergency Program	\$130,848	\$152,000	\$151,460	-\$540	-0.4%	\$ -
Fire Administration	780,461	750,200	772,130	21,930	2.9%	18,500
Fire Hall	53,195	40,300	50,600	10,300	25.6%	-
Fire Prevention	153,711	160,600	167,052	6,452	4.0%	-
Fire Vehicles & Equipment	168,628	93,800	98,500	4,700	5.0%	-
Suppression / Rescue	4,306,879	4,316,000	4,538,187	222,187	5.1%	-
Training & Staff Development	44,254	67,800	67,800	-	0.0%	-
Total	\$5,637,976	\$5,580,700	\$5,845,729	\$265,029	4.7%	\$18,500
Net Operating Budget	\$5,637,976	\$5,580,700	\$5,845,729	\$265,029	4.7%	\$18,500

The following special initiatives are operating projects delivered by Corporate Services. The projects include both Council Priority Projects and regular operating projects within in each department. All projects reflect Council direction and in some cases are a carry forward of work underway.

Special Initiatives	2025
Other Projects	
SP065 Community Emergency Prep Survey	\$18,500
Other Projects Total	\$18,500
Total	\$18,500

The following table provides a reconciliation of the operating budget cost drivers:

Reasons for Increase	Amount	% Increase	Tax Impact (%)	Tax Impact (\$)
2024 Base Budget	\$5,580,700			
+ Inflationary Increase	\$141,279	2.5%	0.4%	\$15.73
+Additional Staffing Support	123,750	2.2%	0.4%	13.77
Total New Operating Items	\$265,029	4.7%	0.8%	\$29.50
= 2025 Fire	\$5,845,729	4.7%		

At the January 16, 2023 Committee of the Whole, Council received a presentation of the Oak Bay Fire Master Plan. The Plan outlined Organizational Model Options which, if implemented, will have future staffing impacts. The following resolution was adopted at the same meeting “THAT staff report back to a future Council meeting with an impact analysis and a phased in implementation plan based on the Consultant’s recommendation to move to Organizational Model Option 3 (Section 10)”.

Council subsequently approved a 0.75% tax increase or approximately \$247,500 in funding for new staffing at the February 12, 2024 Council meeting for 2024. Council subsequently approved the following funding increases for 2025-2028:

	2024	2025	2026	2027	2028	2029
\$ funding increase	\$247,500	\$123,750	\$184,800	\$184,800	\$184,800	\$184,800
% tax increase (based on 2023 taxes)	0.75%	0.38%	0.56%	0.56%	0.56%	0.56%

Fire Department Capital Plan

Capital Purchase/Project	2025	2026	2027	2028	2029
Fire Department					
F0012 Thermal Imaging Equipment	\$ -	\$50,000	\$ -	\$ -	\$ -
F0015 Structural Training Equipment	40,000	-	-	-	-
F2201 Gas Detection Equipment	-	-	60,000	-	-
F2204 Electric/Hybrid Pickup Truck	115,000	-	-	-	120,000
F2205 Mobile Data Terminals	40,000	-	-	-	-
F2302 Fire Personal Equipment	10,500	139,000	60,000	60,000	450,000
F2304 Training Room Modernization	30,000	-	-	-	-
F2309 Technical Rescue Equipment	-	-	55,000	-	-
F2401 Vehicle Extraction Equipment	-	-	-	40,000	-
F2502 Digital/LED Fire Extinguisher Training	25,000	-	-	-	-
F2503 Fire Hall Kitchen Improvements	30,000	-	-	-	-
F2601 Wildland Fire Response Equipment	-	35,000	-	-	-
F2602 Battalion Replacement	-	270,000	-	-	-
Total	\$290,500	\$494,000	\$175,000	\$100,000	\$570,000

Thermal Imaging Equipment

(new)

Specialized camera devices that allow firefighters to detect heat patterns and visualize temperature variations in environments that may be otherwise obscured by smoke, darkness, or other challenging conditions. It can be used to help locate fire sources and hot spots, locating victims, navigating in low visibility environments, and identifying areas of risk

Structural Training Equipment

(new)

Customizable equipment such as moveable walls, props, etc used to create a simulated environment for firefighters to practice interior search and rescue skills in an unfamiliar environment. This equipment will be used in the Ladder Storage structure in conjunction with a smoke machine supporting a dual purpose use of this space.

Gas Detection Equipment

(new)

Specialized devices to detect hazardous gases and toxic vapors in the environment during fire or emergency situations.

Equipment also includes required testing and calibration equipment.

Electric / Hybrid Truck

The Fire Prevention Division requires a replacement vehicle that can support routine inspections, operations and investigations. A suitable all wheel drive hybrid vehicle will be researched that can also be equipped with an emergency response package to support surge events.

Mobile Data Terminals

Replacement of existing Mobile Data Terminals on Fire Apparatus as needed, as they are at the end of their service life. These Data Terminals provide critical information regarding location, nature, and details of emergency calls and are integral to the computerized dispatch of fire apparatus.

Fire Personal Protective Equipment

This capital program includes thermal imaging, gas detection, technical rescue, vehicle extrication and general fire personal protective equipment (PPE). The department produces and maintains a 10+ year capital plan for its apparatus and PPE and funds replacement via the Fire Machinery and Equipment Reserve.

Training Room Modernization

Add technical equipment to support department training activities that are heavily reliant on hardware, web-based software, online fire service related curriculum, and the departments Incident Command System interactive training platform. Updating will provide for virtual learning opportunities and communications with our neighboring departments (i.e., Mutual Aid partners) that we have not previously had the ability to support.

Technical Rescue Equipment

(new)

Equipment is essential equipment that firefighters wear into high heat environments such as turn out gear, helmets and structural boots, etc. Equipment has a maximum lifespan of 10 years, operationally a surplus inventory of spare gear is required to support cleaning and repair periods.

Fire Hall Kitchen Improvements

The fire hall kitchen requires improvements to replace countertops, cabinet doors etc. to prolong the life of the kitchen until a new public safety building is constructed. The kitchen is utilized by up to 12 staff day and night, 365 days a year.

Vehicle Extraction Equipment

(new)

Tools (aka, Jaws of Life) used by firefighters to rescue victims trapped inside vehicles after accidents that include heavy duty hydraulic equipment used to cut and displace the damaged vehicles, high pressure air bags used to raise vehicles or other heavy objects trapping a person and associated hand tools and equipment that works in conjunction with this equipment.

Digital/LED Extinguisher Training Equipment

Digital/LED fire extinguisher training system that supports 2 council priority themes (Climate Change and Environment/Diversity and inclusion) by supplying an environmentally safe alternative for fire extinguisher training for all citizens including people with accessibility and mobility challenges. This system is safe and environmentally friendly for all users, can be delivered indoors and requires only one staff member to deliver the training.

Wildland Fire Response Equipment

Funding is required to enhance OBCD's wildland fire fighting capacity and establish new post disaster capabilities and equipment for our community. Funding will enable the purchase of wildland fire fighting equipment/tools that will ensure a reliable water supply and enhanced suppression capabilities for wildland fires located in District parks, trail systems, beaches and grassy areas. This portable pump and bladder system will also ensure that our rolling stock (Engine apparatus) will be positioned outside the areas of greatest risk during a wildland event.

Battalion Replacement

Purchase of a 4 Wheel Drive Medic/Squad response vehicle to allow for a "Right Size Response" for the District, improve service to the community, ensure there is a staffed response for concurrent calls and enable a more efficient use of personnel and apparatus.

Community Building and Planning

The Community Building and Planning Department works with Council and the community to create long-range plans and policies that support our economic, environmental, heritage, and social goals to ensure a safe, healthy, and sustainable lifestyle for the residents of Oak Bay. The department is responsible for long-range land use planning initiatives and projects, and for processing Development Applications and Building Permits.

The department undertakes the following functions and activities:

- Develops plans, policies and programs that support Council Priority Projects related to the Official Community Plan, Zoning Bylaw, and Building Bylaw
- Manages and processes building permits and development applications including: Board of Variance applications, Development Permits, Development Variance Permits, Heritage additions, Heritage Alteration Permits, Heritage Revitalization Agreements, Official Community Plan amendments, rezoning proposals, siting and design submissions, and subdivision proposals
- Provides technical and administrative support to the Advisory Design Panel, Advisory Planning Commission, Board of Variance, and Heritage Commission
- Reviews and issues business licenses for businesses operating within the District of Oak Bay
- Provide Bylaw Compliance services, including oversight of contracted parking enforcement and animal control



Performance Measures, Statistics and Service Levels

	2022	2023	2024
Bylaw Enforcement			
• Complaints Received	273	336	350
• Site Investigations	260	315	325
• Property Violation MTIs	1	5	3
• Tree Protection MTIs	1	5	3
Building Inspections	2,146	2,161	2,150
Properties on Heritage Register	107	107	107
Community Engagement	-	0	3

Permit Type	2022	2023	2024
Residential			
• Single Family Dwelling	216	196	123
• Multi Family Dwelling	26	17	20
Commercial	7	14	10
Institutional	11	8	6
Accessory Buildings	1	20	14
Accessory Structures	5	3	5
Demolition	27	14	18
House Move	5	3	4
Plumbing	223	202	189
Irrigation	43	31	18
Wood Burning Appliances	0	3	1
Blasting	10	6	6
Signs	2	3	4
Renewal	19	21	12
Secondary Suites (Residential)	4	28	25
Total	599	569	455

Application Type	2022	2023	2024
Board of Variance	3	4	4
Covenant Amendment	1	3	3
Development Permit	3	8	6
Development Variance Permit	9	19	15
Heritage Addition	1	2	0
Heritage Alteration Permit	4	6	1
Heritage Revitalization Agreement	-	4	2
OCP Amendment	-	1	3
Siting and Design	11	12	14
Subdivision	4	1	6
Zoning	2	6	8
Total	38	66	62



Staffing History and Forecast

Position	2024 FTEs	2025 FTEs	Change
Director of Community Building and Planning	1.00	1.00	-
Deputy Director of Community Building and Planning	1.00	1.00	-
Building Official II	1.00	1.00	-
Senior Planner	1.00	1.00	-
Senior Planner – Climate Action	1.00	1.00	-
Planner	3.00	4.00	+1.00 ¹
Building Official/Plans Examiner	1.00	1.00	-
Plan Checker	1.00	1.00	-
Bylaw Compliance Officer	1.00	1.00	-
Building/Engineering Licensing Clerk	0.50	0.50	-
Building and Planning Clerk	2.30	2.80	+0.50
Total	13.80	15.30	+1.50¹

Notes: 1. Planner position is to be funded from new Development revenues and thus have no property tax impact.

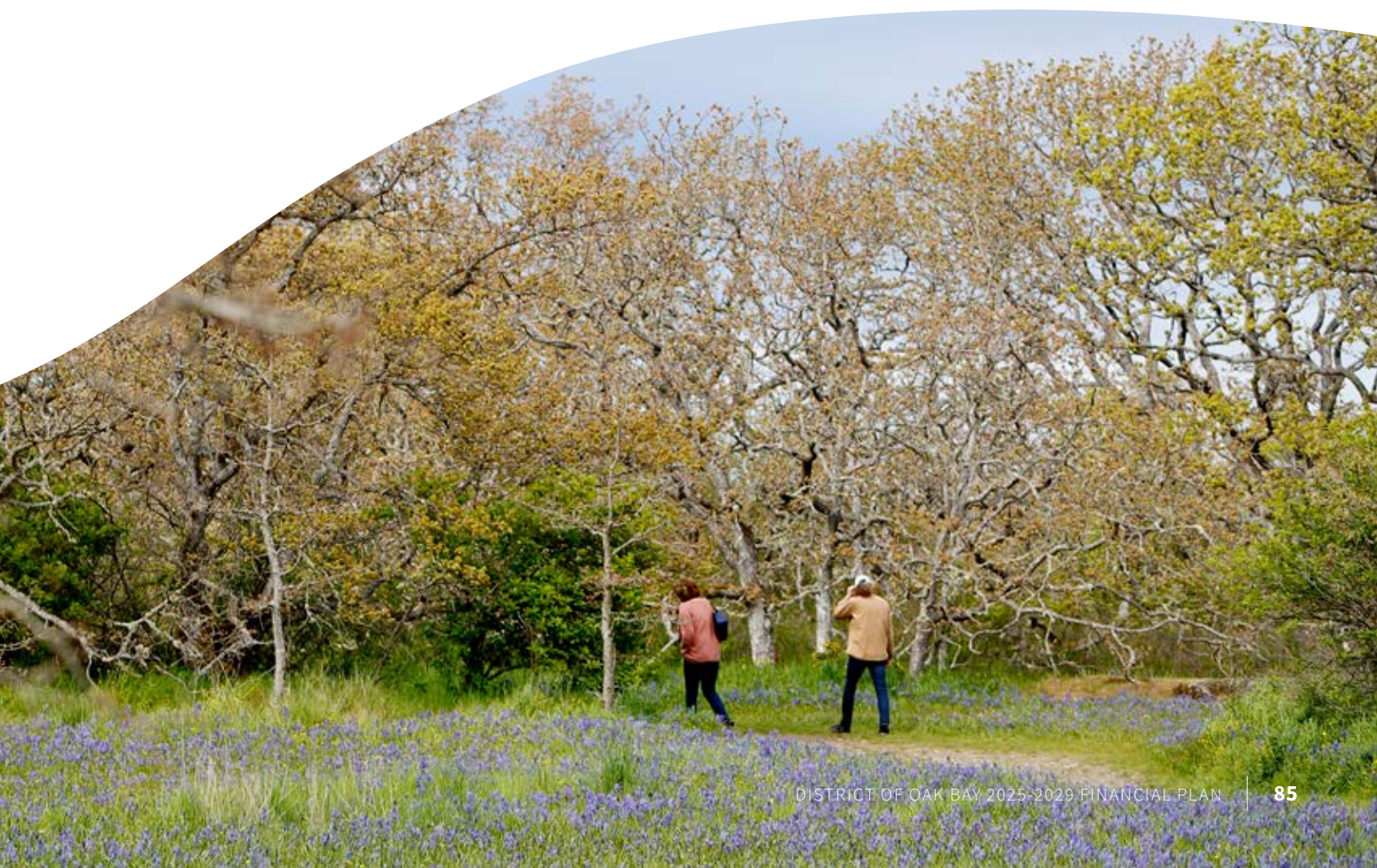
2024 Accomplishments

- Actioned the Housing Action Program Council Priority Projects in response to Provincially legislated changes
- Implemented Infill Housing Program and updated Zoning Bylaw to meet Small Scale Multi Unit (SSMU) housing requirements
- Developed Amenity Cost Charges and Development Cost Charges programs
- Completed Interim Housing Needs Report
- Reported on housing completions in response to the Housing Target Order
- Started mandated Five-Year review of the Official Community Plan, combined with Zoning Bylaw changes
- Started Optimize Development Processes project
- Mobilized additional resources for process and systems changes for housing
- Completed a Home Based Business review
- Participated in CRD Climate Action Roundtable, CSPC Regional Household Affordability and Prosperity project; CRD Bowker Creek Initiative, CRD Development Planners Advisory Committee.
- On-boarded a new Senior Planner – Climate to support Climate Action initiatives
- Introduced Zero Carbon Step Code and updated Energy Step Code provisions in the Building Bylaw
- Prepared changes in support of GHG reduction measures for new construction
- Expanded implementation and facilitation of climate action initiatives
- Prepared recommendations for the Allan Cassidy Design Awards – 2023
- Completed consultation regarding Blasting Regulations amendments
- Implemented and prepared incremental process improvements for development processes:
- Implemented Plumbing Permits eApply options (in partnership with Finance Department)
- Implemented e-Inspections for all Building Permits
- Reported on options for staff delegated approval for minor variances
- Consolidated direction and oversight of parking compliance and animal control services to the department



2025 Planned Accomplishments

- Action the Housing Action Program Council Priority Projects in response to Provincial legislative changes:
 - Finalize and implement the Amenity Cost Charges and Development Cost Charges programs
 - Complete mandated Five-Year review of the Official Community Plan for 20 year housing need
 - Complete mandated Zoning Bylaw changes for 20 year housing need
 - Respond to mandated Provincial Advisor review process regarding housing actions
 - Advance Optimize Development Processes project
 - Report on Housing Target Order progress
- Start Climate Action Plan (community)
- Start Climate Action Plan (corporate)
- Expand implementation and facilitation of climate action initiatives
- Complete Allan Cassidy Design Awards – 2023
- Complete Blasting Regulations amendments
- Participate in CRD Climate Action Roundtable, CSPC Regional Household Affordability and Prosperity project; CRD Bowker Creek Initiative, CRD Development Planners Advisory Committee.
- Implement other eApply options for Building Permit types
- Complete Home Based Business review in conjunction with OCP review
- Develop miscellaneous bylaw and policy updates to address outdated regulation or in response to operational challenges



Building and Planning Operating Budget

Overall, the Building and Planning Department's operating budget requires a 19.0% (\$176,800) funding decrease to maintain existing service levels and meet forecasted development activity.

Operating Revenue Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
Building Permits	-\$1,150,697	-\$800,000	-\$1,100,000	-\$300,000	37.5%	\$ -
Business Licenses	-99,861	-96,000	-96,000	-	0.0%	-
Development Permits	-41,750	-87,000	-43,000	44,000	-50.6%	-
Dog Licenses	-67,873	-64,000	-64,000	-	0.0%	-
Other Fees & Permits	-88,691	-33,500	-86,000	-52,500	156.7%	-
Subdivision Fees	-18,300	-2,000	-20,000	-18,000	900.0%	-
Total	-\$1,467,172	-\$1,082,500	-\$1,409,000	-\$326,500	30.2%	\$ -

Operating Expense Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
Animal Control	\$87,237	92,400	\$94,200	\$1,800	1.9%	\$ -
Bylaw Enforcement	224,511	224,200	203,700	-20,500	-9.1%	-
Climate	20,228	176,100	172,500	-3,600	-2.0%	-
Deer Management	-	51,700	13,000	-38,700	-74.9%	-
Heritage Commission	7,569	11,500	11,100	-400	-3.5%	-
Inspections	310,525	323,200	429,500	106,300	32.9%	-
Planning	988,355	1,134,800	1,239,600	104,800	9.2%	1,657,637
Total	\$1,638,424	\$2,013,900	\$2,163,600	\$149,700	7.4%	\$1,657,637
Net Operating Budget	\$171,252	\$931,400	\$754,600	-\$176,800	-19.0%	\$1,657,637

The following special initiatives are operating projects delivered by Building & Planning. The projects include both Council Priority Projects and regular operating projects within in each department. All projects reflect Council direction and in some cases are a carry forward of work underway.

Special Initiatives	2025
Council Priorities	
SP079 CPP36 Energy Plan-Municipal Ops	\$60,000
SP082 CPP53 GHG & Energy Red'n-Bldg Prog	57,250
Council Priorities Total	\$117,250
Council Priorities - Housing Directives	
SP046 CPP80 ACC and DCC Bylaws	\$30,000
SP047 CPP72 Zoning-Infill Housing	10,000
SP053 CPP53 5-year Review of OCP	398,000
SP055 HAP-Additional Staffing	75,000
SP056 CPP76 Pre-zoning to Implement OCP	100,000
SP058 CPP78 Dev't Processes (Prov trigd)	190,981
SP059 CPP79 Respond to increased developm	58,500
SP060 CPP81 Reserve for Future Projects	200,000
SP061 HAP project management	317,906
SP062 HAP Contingency	150,000
Council Priorities - Housing Directives Total	\$1,530,387
Other Projects	
SP027 CoolKit Program (CCAWG Recommend	10,000
Other Projects Total	\$10,000
Total	\$1,657,637

The following table provides a reconciliation of the operating budget cost drivers:

Reasons for Increase	Amount	% Increase	Tax Impact (%)	Tax Impact (\$)
2024 Base Budget	\$2,013,900			
+ Inflationary Increase	21,627	1.1%	0.1%	\$2.41
+ Additional Staffing Support	166,773	8.3%	0.5%	18.57
- Decrease Deer Management	-38,700	-1.9%	-0.1%	-4.31
Total New Operating Items	\$149,700	7.4%	0.4%	\$16.67
= 2025 Building & Planning	\$2,163,600	7.4%		

Engineering Services and Public Works

The Engineering and Public Works Department is responsible for the District's key infrastructure services, including water distribution, wastewater collection, solid waste collection, and transportation. Under the guidance of Council, the department is committed to developing and renewing Oak Bay's municipal infrastructure and utilities in sustainable ways to meet the community's present and future needs. The team accomplishes this through the following major functions:

- Planning and design of municipal engineering services
- Monitoring infrastructure asset management through asset data collection, analysis, planning, and prioritization
- Managing and supporting capital projects
- Coordinating construction projects to install, rehabilitate, or renew storm drains, sanitary sewers, and water mains
- Completing construction projects to resurface or replace sidewalks and roads
- Implementing construction projects that deliver safer streets for pedestrians, cyclists, and drivers
- Providing daily operations and maintenance of infrastructure such as sewers, roads, sidewalks, water distribution, traffic control, and street lighting



Performance Measures, Statistics and Service Levels

Performance Measure	2023	2024	2025 Forecast
Water Mains Replaced	532m	688m	2,717m
Storm Mains Installed	-	1700m	1900m
Storm Mains Replaced (conventional)	382m	136m	1,030m
Sanitary Sewer Main Replaced	813m	0m	430m
New Fire Hydrants	3	3	18
Catch Basins Replaced	26	29	72
Road Rehabilitation Completed	28,552m ²	2,922m ²	4,550m ²
Sidewalk Replaced	200m	4170m	750m
Curb Drops Installed	2	18	2 to 4

Staffing History and Forecast

Position	2024 FTEs	2025 FTEs	Change
Engineering	10.50	10.50	-
Public Works ¹	35.75	41.75	+6.00
Total	46.25	52.25	+6.00

Notes: 1. Consistent with the State of the Infrastructure Part 2 report, presented to Council at COTW in October 2024, Engineering and Public Works is seeking additional staff to maintain critical infrastructure in the water, sewer, and storm networks.

2024 Accomplishments

- Delivered major capital works projects as per the 2024 Engineering Capital Works Plan through the issuance of tenders for multiple capital projects and project management oversight to administer Master Municipal Construction Documents (MMCD) contracts
- Hired a Utility Maintenance Coordinator to improve operational efficiency between Engineering and Public Works
- New storm sewer construction commenced at the Humber catchment in Uplands.
- Initiated the replacement of water mains in the Humber catchment, including those on Norfolk, Exeter, and Ripon
- Delivered the State of the Infrastructure report (1 and 2) to Council, providing a comprehensive overview of the current critical status and future needs of infrastructure and Staffing levels.
- Replaced streetlights across the Humber catchment, enhancing safety and infrastructure.
- Initiated procurement for replacement of damaged and poor-condition streetlights throughout the District
- Finalized key reports and studies, including the Storm Water Master Plan, Pavement Condition Assessment, Pavement Condition Assessment, and North Oak Bay Water Pressure Zone Consolidation
- Developed a preliminary layout at the Haro Road Soil Transfer Site, optimizing storage and operational efficiency
- Initiated improvements at the Public Works yard with the replacement of damaged fill bunkers, fuel tanks, and the installation of stormwater management systems.
- Identified and prioritized Active Transportation Plan projects for future development through a Strategy Update
- Entered into a maintenance agreement with the District of Saanich to address cross-boundary responsibilities on Foul Bay Road
- Advanced the maintenance management program at Public Works, improving planning and replacement of aging infrastructure
- Provided asset management tracking and reporting support to the Finance department.
- Supported the Next Generation 911 (NG911) program by providing GIS data to enhance emergency response capabilities
- Support Planning development reviews for site servicing

2025 Planned Accomplishments

- Create a 2025 Engineering Capital Works Plan and present to Council
- Capital Project planned activities in 2025:
 - Uplands Combined Sewer Separation & Watermain Replacements construction
 - Estevan Phase 1 stormwater upgrades
 - McNeill Avenue Underground Utility upgrades and Active Transportation Design (Phase 1 and 2) and Construction (Phase 1)
 - Florence Rd. Underground Utility Upgrades and Surface Improvements
 - Cadboro Bay Road and Thompson Avenue watermain and surface improvements construction and close-out
 - Henderson and Haultain Active Transportation Cycling Facilities completion of detailed design
 - Topp Avenue storm upgrades construction
 - Cadboro Bay Road storm main re-routing design
 - Finalize design for Estevan Phase 2 stormwater upgrades
 - Currie Road Sanitary sewer upgrades
- Capital Project Delivery – Training and Procedures
 - Manage Delivery of Planned Capital Projects, through project initiation, planning, procurement, design and construction. Continue to work closely with District's teams (Public Works, Planning, etc.), consultants and contractors to manage design reviews, schedule and budget.
 - Advance development of Oak Bay Engineering Standard Procedures and Specifications to support effective risk transfer
 - Enhance Engineering Specifications for MMCD Contracts and Public Works
 - Update Professional Practice Management Plan
 - Advance project management framework policy document that defines best practices and procedures for capital project delivery in Oak Bay
- Continue to advance maintenance management program at Public Works, specifically:
 - Create an operational guideline for valve maintenance to improve planning and replacement of aging valves in the water system
 - Enhance maintenance plan for water quality
 - Enhance preventative maintenance procedures for pump stations to assess performance and to maintain service
- Continue to repair high priority roads and sidewalk defects and respond to drainage, sewage, water, and street lighting issues, such as watermain breaks
- Review plans for new developments, subdivisions, and land use changes to ensure they comply with engineering specifications and bylaws
- Support a development review process initiated by the Planning Department to reduce administrative time and approval times for development applications
- Support the corporate asset management strategy with the Finance Department
- Support the Communications Department to improve communication and coordination of capital project delivery and operations

Engineering and Public Works Operating Budget

Overall, the Engineering Services Department's operating budget requires a 9.6% (\$440,691) funding increase to maintain existing service levels and invest in continuity of the infrastructure maintenance function.

Operating Revenue Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
Engineering Fees	-\$19,156	-\$15,000	\$ -	\$15,000	-100.0%	\$ -
Solid Waste Fees	-1,862,819	-1,866,700	-2,099,635	-232,935	12.5%	-
Street Occupancy & Boulevard Fees	-5,482	-7,100	-	7,100	-100.0%	-
Total	-\$1,887,457	-\$1,888,800	-\$2,099,635	-\$210,835	11.2%	\$ -

Operating Expense Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
Drainage	\$621,319	\$552,600	\$928,555	\$375,955	68.0%	\$ -
Engineering Administration	1,517,411	1,642,400	1,643,700	1,300	0.1%	75,000
Events	104,523	119,400	119,400	-	0.0%	-
Graffiti Removal & Beautification	-	126,000	126,000	-	0.0%	-
Leaf Pickup Program	266,699	262,900	283,310	20,410	7.8%	-
Noxious Weed Program	2,778	6,800	7,050	250	3.7%	-
Other Public Works	-86,125	244,300	244,300	-	0.0%	-
Road Repair	595,700	664,800	695,400	30,600	4.6%	-
Safety Program	41,786	34,300	44,300	10,000	29.2%	-
Signs and Traffic Signals	198,437	237,700	239,390	1,690	0.7%	-
Snow Removal	65,287	97,000	101,920	4,920	5.1%	-
Solid Waste	1,705,620	1,675,900	1,871,531	195,631	11.7%	-
Stores	142,137	140,300	140,300	-	0.0%	-
Street Cleaning	148,120	138,000	145,040	7,040	5.1%	-
Street Lighting	309,664	285,500	288,950	3,450	1.2%	-
Yard & Building	180,415	239,200	239,480	280	0.1%	-
Total Operating Expenses	\$5,661,854	\$6,467,100	\$7,118,626	\$651,526	10.1%	\$75,000
Net Operating Budget	\$3,774,397	\$4,578,300	\$5,018,991	\$440,691	9.6%	\$75,000

The following special initiatives are operating projects delivered by Engineering and Public Works. The projects include both Council Priority Projects and regular operating projects within in each department. All projects reflect Council direction and in some cases are a carry forward of work underway.

Special Initiatives	2025
Other Projects	
SP037 Storm Sewer Master Plan	\$75,000
Other Projects Total	\$75,000
Total	\$75,000

The following table provides a reconciliation of the operating budget cost drivers:

Reasons for Increase	Amount	% Increase	Tax Impact (%)	Tax Impact (\$)
2024 Base Budget	\$6,467,100			
+ Inflationary Increase	169,731	2.6%	0.5%	\$18.89
+ Increase in garbage contract	147,500	2.3%	0.4%	16.42
+Additional Staffing Support	181,723	2.8%	0.5%	20.23
+Additional equipment pool	105,072	1.6%	0.3%	11.7
+Additional storm sewer repairs & supplies	37,500	0.6%	0.1%	4.17
+Additional Safety training	10,000	0.2%	0.0%	1.11
Total New Operating Items	\$651,526	10.1%	1.8%	\$72.53
= 2025 Engineering & Public Works	\$7,118,626	10.1%		

Sewer Utility Fund

The District currently owns and operates a large inventory of infrastructure that provides sanitary sewer services. According to the District's recently published Sustainable Infrastructure Replacement Plan, the total replacement cost of the District's water assets exceeds \$137M. The District is increasing its transfer to reserve for infrastructure replacement budget at a rate of \$57,523 per year (or a 2.5% utility rate increase). The Sewer Utility Fund 2025 Operating Budget was approved by Council December 9, 2024.

Operating Revenue Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
Municipal Consumer Utility Fees	-\$1,345,451	-\$1,601,500	-\$1,813,175	-\$211,675	13.2%	\$ -
Municipal Property Taxation	-686,400	-686,400	-777,075	-90,675	13.2%	-
Regional Consumer Utility Fees	-2,943,656	-2,787,400	-3,063,724	-276,324	9.9%	-
Sewer Utility Penalties	-22,839	-13,000	-13,351	-351	2.7%	-
Total	-\$4,998,346	-\$5,088,300	-\$5,667,325	-\$579,025	11.4%	\$ -

Operating Expense Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
Inflow & Infiltration	\$ -	\$23,300	\$23,929	\$629	2.7%	\$ -
Regional Collection And Treatment	2,785,400	2,787,400	3,063,724	276,324	9.9%	-
Sewer Administration	92,381	\$92,000	94,484	2,484	2.7%	70,000
Sewer Collection & Repair Program	468,898	812,200	1,054,265	242,065	29.8%	-
Transfers to reserve for capital	1,373,050	1,373,400	1,430,923	57,523	4.2%	-
Total	\$4,720,078	\$5,088,300	\$5,667,325	\$579,025	11.4%	\$70,000
Net Operating Budget	\$278,268	\$ -	\$ -	\$ -	0.0%	\$70,000

Notes: See "2025 Municipal and Regional Sewer Rates" Report on December 9, 2024 Council agenda.

The following special initiatives are operating projects delivered by Corporate Services. The projects include both Council Priority Projects and regular operating projects within in each department. All projects reflect Council direction and in some cases are a carry forward of work underway.

Special Initiatives	2025
Other Projects	
SP067 Uplands Sewer Separation Conn Grant	\$70,000
Other Projects Total	\$70,000
Total	\$70,000

Water Utility Fund

The District also currently owns and operates a large inventory of infrastructure providing water services. According to the District's SIR Plan, the total replacement cost of the District's water assets exceeds \$168M. The District is increasing its transfer to reserve for infrastructure replacement budget at a rate of \$138,840 per year (or a 2.5% utility rate increase). The District purchases its bulk water from the Capital Regional District. Bulk water costs represent approximately 50% of the District's water utility costs and are expected to rise considerably over the next five years. The Water Utility Fund 2025 Operating Budget was approved by Council December 9, 2024.

Operating Revenue Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change
Consumer Charges	-\$4,969,782	-\$5,531,400	-\$6,152,382	-\$620,982	11.2%
Final Reading Charges	-7,175	-6,200	-6,200	-	0.0%
Penalties	-23,151	-16,000	-17,000	-1,000	6.3%
Total	-\$5,000,108	-\$5,553,600	-\$6,175,582	-\$621,982	11.2%

Operating Expense Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change
Safety program	\$50,633	\$34,700	\$35,636	\$936	2.7%
Backflow prevention	25,313	24,500	25,373	873	3.6%
Collection	249,966	215,500	221,991	6,491	3.0%
Maintenance & Valve Turning	1,174,136	1,130,300	1,484,488	354,188	31.3%
Pumping	15,038	9,800	10,065	265	2.7%
Transfers to Reserves - Water	999,000	1,332,000	1,470,840	138,840	10.4%
Water Administration	141,104	\$110,500	113,483	2,983	2.7%
Water Purchased	2,397,835	2,696,300	2,813,706	117,406	4.4%
Total	\$5,053,026	\$5,553,600	\$6,175,582	\$621,982	11.2%
Net Operating Budget	\$52,917	\$ -	\$ -	\$ -	0.0%



Engineering and Public Works Capital Plan

Capital Purchase/Project	2025	2026	2027	2028	2029
Engineering & Public Works					
E0002 Active Transportation Program	\$832,000	\$864,600	\$897,900	\$931,800	\$966,980
E0004 Road Reconstruction Program	6,275,000	3,500,000	3,500,000	3,500,000	3,500,000
E0007 Storm Sewer Rehabilitation	5,800,000	3,500,000	3,500,000	3,500,000	3,500,000
E0021 Sidewalk Replacement Program	510,000	520,200	530,600	541,200	552,000
E0037 Street & Intersection Pole Replacement	900,000	750,000	750,000	750,000	750,000
E2202 Foreshore Infrastructure	-	-	-	-	-
E2203 McNeill Bay/ McMicking Pt Foreshore	1,369,100	-	-	-	-
E2302 Elect Streetlight Kiosks Uplands/Rutland	60,000	-	-	-	-
E2309 Uplands Sewer Separation	9,250,000	-	-	-	-
E2310 Active Transportation- New Infrastructure	832,800	824,200	815,600	900,000	950,000
E2311 Bowker Creek Walkway Railings	250,000	-	-	-	-
E2401 Beach Access Stair Rehabilitation	360,000	360,000	360,000	360,000	360,000
E2421 Haro Rd Soil Transfer Site	1,500,000	-	-	-	-
E2423 Underground Fuel Tank Replacement	650,000	-	-	-	-
E2424 Uplands (Humber) Streetlight Replacement	3,962,000	-	-	-	-
E2429 Firefighters Park Sidewalk Upgrade	75,000	-	-	-	-
E2431 Equip to Support Enhanced Maintenance	550,000	-	-	-	-
V0000 PW Vehicle and Equipment Replacement	1,470,000	500,000	500,000	500,000	500,000
Total	\$34,645,900	\$10,819,000	\$10,854,100	\$10,983,000	\$11,078,980

Active Transportation Program

Starting in 2024, the Active Transportation Program and the program formally referred to as the Transportation Safety Improvement have been combined. These programs were for primarily replacing existing transportation assets with improved infrastructure such as bicycle lanes, pathways, pedestrian-friendly infrastructure, crosswalks, traffic calming initiatives, intersection improvements, and other safety related capital works. This program is funded by the infrastructure renewal reserve since it replaced existing infrastructure.

On March 25th Council meeting, Council created a new Active Transportation focusing on new infrastructure as envisioned in the 2023 Oak Bay Active Transportation Strategy. Council established a tax increase to fund this program on an ongoing basis. As tax funding builds up over five years, the Financial Plan also utilizes the Growing Community Fund Reserve and Capital Works Reserve (Active Transportation line).

Road Reconstruction Program

To develop a sustainable road surface rehabilitation program that achieves a specific service level while maintaining best value for money. This program funds capital maintenance works conducted by Public Works as well as major projects managed by the Engineering division. Several Engineering capital programming staff are partially funded by this program budget as well.

Storm Sewer Rehabilitation

This program captures the refurbishment or replacement of Storm Sewer Mains that have reached end of service life. and funds capital maintenance works conducted by Public Works as well as major projects managed by the Engineering division. Several Engineering capital programming staff are partially funded by this program budget as well.

Sidewalk Replacement Program

This program is funded by the infrastructure renewal reserve and is designed to replace existing sidewalks excluding construction of sidewalk in areas that currently do not have sidewalk.

Street and Intersection Pole Replacement Program

This project will identify and replace end of life-span electrical poles, and to develop plans to replace larger contiguous areas of aged poles.

Foreshore Infrastructure

The natural areas along the foreshore of the District—including Willows Beach, Oak Bay, McNeill Bay, and others — are extremely popular for walkers. The metal railings used for pedestrian safety in these areas are exposed to the elements, especially salt-water spray, resulting in accelerated corrosion and failure. As part of an ongoing safety program, the District conducts periodic maintenance to refurbish or replace these railings. This annual program also addresses minor repairs to stairs and other foreshore access points.

McNeill Bay/McMicking Point Foreshore Erosion Mitigation

This project includes two separate studies identifying options for the mitigation of ocean erosion on McNeill Bay and McMicking Point, incorporating considerations from the new Sea Level Rise Study. The construction costs are unknown at this time and will be better defined once detailed design work is complete. This new infrastructure would require an increase in the ongoing operating budget.

Electrical Street Light Kiosks – Uplands and Rutland

The Uplands streetlighting system power supply connects from BC Hydro to Oak Bay at two underground vaults that do not meet current standards. Replacing these two vaults with above ground kiosks will meet today's standards.

Uplands Sewer Separation

The Uplands neighbourhood currently has a single sewer system that accommodates both sanitary sewage and stormwater flows. During heavy rainfall, the storm water volume exceeds the capacity of the system and a combination of stormwater and raw sewage discharges into the shallow ocean waters at the Rutland Road and Humber Road pump stations. Separating combined sewers and eliminating overflows at the Humber and Rutland pump stations is necessary under BC's Municipal Wastewater Regulation. In October 2016, Council committed to a plan to separate combined sewers in the Uplands. The plan involves constructing approximately 5km of new storm mains, progressively diverting stormwater flows from homes and catch

The District has submitted a third application to the Investing in Canada Infrastructure Grant Program (ICIP). This program provides up to 73.33% of funding for eligible projects. This application was successful in securing grant funding for 73.33% the submitted Class B estimate, or approximately \$6,481,600.

At the February 20, 2024 Council meeting, Council awarded the contract for the Uplands Sewer Separation & Watermain Replacement Humber and Ripon Outfalls Project. As a result the following project budget has been established:

	Construction	Contract Administration	Contingency	Total
Humber Catchment Sewer Separation	\$8.53M	\$0.54M	\$1.36M	\$10.43M
Road Work	0.45M	0.09M	0.08M	0.62M
Total	\$8.98M	\$0.63M	\$1.44M	\$11.05M

Bowker Creek Walkway Railings

Replacement of 450 metres of chain railings along the Bowker Creek walkway with a metal three-bar railing.

Beach Access Stair Rehabilitation

(new)

The District has approximately 40 sets of stairs to provide public access to the waterfront throughout the District. Many of these stairs are in poor condition and are in need of repairs to ensure they continue to provide safe access and limit the risk of injury to a user. In 2024 Engineering and Public Works received an assessment report that identified \$1.8M of maintenance activities required over the next 5 years, this request will allow these high priority activities to be completed.

Haro Road Soil Transfer Site

Due to new soil testing/handling/disposal regulations from the Province of BC, the District must sample and test soil from excavations before either re-using or transporting to a soil remediation or disposal business. For urgent excavations and services, pre-testing is not practical as is the case for Capital Projects. The Haro Road site will allow us to store soil for sampling, and then to group soil with similar characteristics for hauling back to the excavation for reuse or as a full load to a disposal business. This is more cost effective than sending partial loads.

This site will be used for excavated material from Sanitary Sewer, Storm Drain, Water Works and Roads projects - Capital and Operating, and from paid services.

Underground Fuel Tank Replacement

(new)

The Oak Bay Public Works Yard has an underground fuel tank for the refueling of vehicles in the municipal fleet. Due to its age and condition, the tank is due to be taken out of service and replaced with above ground fuel storage.

Uplands (Humber) Streetlight Replacement Program

At the December 11, 2023 Council meeting, Council provided direction to proceed with streetlight replacement in the Humber catchment of the Uplands to meet current code which includes conduit, junction boxes and wiring. There are 142 fixtures that must be replaced in total in this phase. It is being planned to take place in conjunction with the sewer project to reduce costs.

Firefighters Park Sidewalk Upgrade

(new)

The sidewalk on St. Ann does not extend through the parking area at Firefighters' Park. This program seeks funds to add a sidewalk to convey pedestrians from St. Ann Street to the playground at Firefighters' Park. The sidewalk will consist of approximately 30 m of concrete sidewalk, transitioning to a chip trail or gravel trail once it enters the park area.

PW Vehicle and Equipment Replacement

(new)

This is an ongoing annual program to replace vehicles and other pieces of fleet equipment that are past their useful lives.

Sewer Utility Capital Plan

Capital Purchase/Project	2025	2026	2027	2028	2029
Sewer Utility					
S0001 Sewer Manholes	\$59,500	\$61,000	\$61,000	\$61,000	\$61,000
S0002 Sewer Main Rehabilitation	3,525,000	3,000,000	3,000,000	3,000,000	3,000,000
Total	\$3,584,500	\$3,061,000	\$3,061,000	\$3,061,000	\$3,061,000

Sewer Main Rehabilitation & Manhole Replacement

As part of sanitary sewer asset management, Engineering Services replace or refurbish portions of the approximately 100 km of sanitary sewer mains. The aim of this work is to install new pipe or extend the life span of an existing pipe for another 50-70 years. There are 1,316 sewer manholes or utility access holes. District staff either refurbish, replace, or install new manholes on a regular basis to ensure the sanitary sewer system can be maintained and operated effectively.

Water Utility Capital Plan

Capital Purchase/Project	2025	2026	2027	2028	2029
Water Utility					
E2419 Uplands Watermain	\$2,500,000	\$ -	\$ -	\$ -	\$ -
W0002 Watermain & Hydrant Replacement	3,250,000	2,600,000	2,600,000	2,600,000	2,600,000
W0009 New Water Service Connections	315,000	330,800	347,300	364,700	382,900
W2101 North Oak Bay Pump Stn Consolidati	200,000	6,000,000	-	-	-
W2102 Water Dist Syst Remote Monitoring	100,000	-	-	-	-
W2103 Water Dist Syst Studies & Capital	226,000	-	-	-	-
Total	\$6,591,000	\$8,930,800	\$2,947,300	\$2,964,700	\$2,982,900

Uplands Watermain Replacement

In June 2022, Council approved initiation of the next stages of the Uplands Sewer Separation Project. The focus of the first phase is construction of the Humber and Ripon sub-catchment areas. Starting in January 2023, staff began developing how the project would be undertaken and finalizing the plans. In conjunction with this, a review was undertaken of other infrastructure in the phase one area. As a result, it was determined that several watermains in the area needed to be replaced including on Exeter (this was already in the design stage), Norfolk, and Ripon Roads. The first two were in poor condition, have had leaks and Norfolk is asbestos cement pipe. The last was determined by modeling to be undersized and needed to be replaced with a larger diameter pipe. Also, the streetlight network required replacement due to its age, ongoing maintenance issues and concerns as to it surviving construction of the other underground networks in this project. As part of a comprehensive planning approach, it was determined that all the underground work should be undertaken as part of the same tender to take advantage of one contractor being on site and to combine surface restoration work.

On the February 20, 2024 Council meeting, Council awarded the contract for the Uplands Sewer Separation & Watermain Replacement Humber and Ripon Outfalls Project. As a result the following project budget has been established:

	Construction	Contract Administration	Contingency	Total
Uplands Watermain	\$2.96M	\$0.18M	\$0.47M	\$3.61M

Watermain and Hydrant Replacement

A portion of the District's 115 km of water main are rehabilitated or replaced each year as part of the Water Distribution System Master Plan that addresses the maintenance backlog and sustains the current levels of service for water distribution.

The District has 494 hydrants to service firefighting needs. Each year, hydrants are replaced, or new hydrants installed as part of the annual capital refurbishment plan, which falls within the Water Distribution Master Plan.

North Oak Bay Pump Station Consolidation and Water Main Upgradest

This multi-year project comes from a major recommendation from the Water Supply System Master Plan. Currently in the options analysis/project definition phase, the aim of the project is to define a consolidation and renewal program of several pump stations and mains in North Oak Bay.

Water Distribution System Remote Monitoring System

This project would include the installation of new Supervisory Control and Data Acquisition remote monitoring equipment at the Pressure Reducing Valves at Lansdowne and Middowne stations to properly monitor and control water pressure in several of Oak Bay's pressure zones and identify water losses. This work will include longer-term options analysis and costing for system-wide remote monitoring upgrades.

Water Distribution System Studies and Capital Projects

There are new projects that will require funding to pursue, as part of the water distribution system capital improvement program. The water distribution system capital improvement program is a result of the District's Water Master Plan that was completed in 2020.

Parks, Recreation, and Culture

Oak Bay Parks, Recreation, and Culture (PRC) creates opportunities for citizens to gather, learn, exercise, and grow for improved health and wellness. PRC operates four recreation centres including two food services outlets and a teen centre, Windsor Park Pavilion and maintains 29 park spaces that include natural areas, playing fields, beach access, trails, gardens, playgrounds, and a par 3 golf course. In addition to park spaces, our parks team maintains public irrigated boulevards, municipal hedging, 10,000+ trees, and 300 benches and picnic tables. Oak Bay recreation services include a myriad of programs, camps, lessons and licensed daycare available throughout the year for residents of all ages and abilities. The Culture division supports concerts, studio tours, the Arts Alive Annual Sculpture program, painted pianos, and film permitting.



Performance Measures, Statistics

	2019	2020	2021	2022	2023	2024
Financial recovery rate (Actual)	69.7%	46.9%	51.9%	59.2%	61.4%	61.8%
Financial recovery rate (Budget)	63.5%	65.6%	39.2%	53.3%	56.1%	56.1%

Performance Measure	2021	2022	2023	2024
Total visits	998,934	1,242,832	1,379,080	1,424,795
Trees planted on municipal property	88	152	216	221
Calls for Service – Trees – Received	701	428	378	444
Calls for Service – Trees – Completed	467	329	290	281
Tree Permits for Private Property	437	476	263	270
Trees removed for Construction (over 30 cm diameter)	54	101	130	62
• Trees Replanted (As per Tree Protection Bylaw)	85	173	184	97
Trees Removed from Private lands (dead, diseased, or dying)	234	130	146	130
• Trees Replanted (as per Tree Protection Bylaw)	200	162	142	131
Municipal Trees Removed on Public Lands (dead, diseased, dying)	110	130	93	103
• Coolkit Trees replanted on Private Lands	143	162	216	62
Friends of Uplands Park Education and Stewardship Events				
• Total Participants	2,008	3,590	4,096	3,985
Public School Volunteer Hours				
• Uplands Park, Trafalgar, and Walbran Park	1,919	2,953	2,517	2475
• Anderson Hill	793	552	548	590
• Native Plant Garden	75	75	80	66
• Brighton Walkway	278	150	130	98
• Green Team at Uplands and Anderson Hill Parks	240	126	298	160
• Kitty Islet/McNeill Bay	555	470.5	129	751
Total biomass removed from nature area parks				
• Chipped (cubic yards)	620	80	N/A	N/A
• Unchipped (cubic yards)	3,100	1,875	2,700	1,229

Staffing History and Forecast

Position	2024 FTEs	2025 FTEs	Change
Auxiliary Staff	82.0	82.0	0.00
Regular	73.5	73.5	0.00
Total	155.5	155.5	0.00

2024 Accomplishments

- An Economic Analysis Report was completed and presented to Council November 2024. The PRC operational budget continues to show progress towards a post-pandemic recovery with 2024 budget projections showing recovery rates near 2019 levels. The implementation of the recommendations from the Economic Analysis Report will continue to support the financial sustainability of the department into the future
- Approval by Council of the concept design and purpose of a new building at Carnarvon Park as recommended in the Carnarvon Park Master Plan
- A newly funded Arborist position in Parks was approved and hired, and by converting auxiliary hours, Recreation and Culture has a new Inclusion Programmer to support the inclusion of children in licensed care, holiday camps and other department programs and a Tennis and Pickleball Programmer to support the significant growth in this program area over the last 7 years
- Installation of sections of floating boardwalk at Uplands Park to improve inclusivity and winter walking opportunities while protecting sensitive ecosystems and endangered plant species has been started
- Replaced and upgraded playground equipment at Henderson Kiwanis Park and Windsor Park (in progress)
- Implemented Year 3 of the CoolKit program with the successful mobilization of Oak Bay residents to take tangible climate actions (e.g. free tree program)
- Received \$7,500 BC Hydro grant for tree purchases and \$20,000 additional funding for Priority Places to protect critical environments for rare and endangered plants
- Approval of new software and online application process for Licensed Care programs to improve accessibility and efficiency for families
- Installed new hearing assistive technology at the Monterey Recreation Centre
- Successful application (year 2) to Canada Summer Jobs (federal funding) to support youth employment opportunities in leading summer camps and providing summer Parks support
- Hosted Year 2 of Pride Swim in June

2024 Accomplishments Continued

- New partnership agreement with the Friends of Monterey Centre Society (previously Monterey Recreation Activities Association - MRAA) to enable the Society to focus on fundraising and social opportunities that support older adults at Monterey Recreation Centre. The Society's shift in purpose resulted in the society asking the District to take on the management and delivery of the 30+ Clubs previously operated by the MRAA
- Organized the 25th Anniversary of the Oak Bay Artists' Studio tour with a record number of attendees who visited Monterey Recreation Centre and home studios
- Displayed 7 sculptures in the Arts Alive Annual Exhibition, installed the donated sculpture 'Together' at Windsor Park Rose Garden and purchased Arts Alive People's Choice 'Copper Finch' 2023
- One new painted piano was created by young emerging local artists
- Held 5 free outdoor music concerts at Willows Beach
- Installed a temporary Story Walk program at Henderson Rec Centre Chip Trail by local author/artist Helen Stewart
- First time participating in BC Arts & Culture Day with new Window Poems featuring 10 local writers and 5 afterschool care children
- Issued 9 film permits
- New Department logo and interior facility signage is now underway
- The 3-week arena shutdown in June provided the opportunity to install a new scoreboard and build a new play area in the arena lobby and the 8-week pool shutdown saw the replacement of the natatorium dehumidification system which has improved conditions in the space for staff and patrons while preserving the longevity of the current infrastructure. The project included technologies (supported by a significant grant from FortisBC) that reduce the equipment's carbon footprint by using cleaner forms of energy to reclaim and re-distribute waste heat. Much needed renovations were made to the sauna, lifeguard staff room and a refresh of some theme elements in the natatorium



2025 Planned Accomplishments

- Initiate the development of a Parks, Recreation and Culture Master Plan beginning with the selection of consultants and implementation of a broad communication and community engagement strategy to identify community needs
- Installation of Light enhancements for the Rugby Practice Field at Windsor Park
- Replace and upgrade playground equipment at Lafayette Park and Quimper Park playgrounds
- Completion of the Uplands Boardwalk and Sign enhancement at Uplands Park
- Enhance furniture and technology in Windsor Park Pavillion and construct the Windsor Park Bike and Stroller shelter
- Purchase new Deep Tine Aerator machine for aerating fields
- Implement Year 4 of the CoolKit Program as per the recommendations from the final report
- Planning and host support for Victoria Hockey League Society's 'Century Celebration' of the Victoria Cougars winning the Stanley Cup in 1925. This two-day event will be held on the Bee Street parking lots and inside Oak Bay Recreation Centre. The event will host a temporary ice rink, two temporary ball hockey rinks and a large festival tent for entertainment, displays, merchandise, use of the indoor ice rink and other spaces, and the hosting of the Official Stanley Cup on Sunday
- Installation of free menstruation holders and products in all recreation facilities to support accessibility and inclusion
- Completion of Island Health Safety and Resiliency grant to improve staff resilience, mental wellbeing and confidence, and improve accessibility of recreation for community members affected by the toxic drug crisis and mental health issues
- Gradual re-opening of childcare spaces in the Licensed Care before and afterschool programs with new employees
- Install 2 permanent artworks (Copper Finch and Japanese Maple) and 3 large bronze information plaques to accompany the Staqeya sculpture at Cattle Point
- Creation of 3 new painted pianos
- 9th Arts Alive Annual Exhibition
- New community artwork display gallery at Henderson Recreation Centre
- Replace and upgrade street and building signage at the three recreation centres, with additional funding requested for large pylon signs on Cadboro Bay and Cedar Hill X Roads
- Facility-wide 5 week shut down at Monterey Recreation Centre (first since 2000) to renovate the main reception area, refurbish various facility areas, and make improvements to electrical and mechanical systems due for lifecycle replacement
- Multiple lifecycle replacements of HVAC equipment at other recreation facilities to expand capacities, convert to cleaner forms of energy or reduce existing energy use, modernize, and streamline processes with new technologies available
- Review and restructure the Facilities Maintenance department to better support the needs of existing OBPRC facilities, and future Carnarvon Park facility

Parks, Recreation and Culture Operating Budget

Overall, the Parks, Recreation and Culture Department's operating budget net expense is a (3.8%) (-\$250,951) funding decrease to maintain existing service levels. This is primarily driven by increased program activity and revenues.

Operating Revenue Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
Aquatics	-\$1,380,785	-\$1,309,000	-\$1,501,300	-\$192,300	14.7%	\$ -
Arena	-936,315	-927,900	-982,194	-54,294	5.9%	-
Cultural Events	-28,464	-47,500	-35,000	12,500	-26.3%	-
Food Services	-390,485	-311,000	-415,300	-104,300	33.5%	-
Henderson	-1,168,255	-1,113,000	-1,086,180	26,820	-2.4%	-
Henderson Fitness	-441,430	-361,900	-416,641	-54,741	15.1%	-
Indoor Sports Field	-409,566	-454,000	-418,227	35,773	-7.9%	-
Licensed Care	-1,060,967	-1,048,300	-1,082,374	-34,074	3.3%	-
Monterey Centre	-991,009	-741,600	-848,078	-106,478	14.4%	-
OBRC Fitness	-961,517	-861,700	-924,005	-62,305	7.2%	-
Par 3 Golf	-331,974	-263,500	-294,661	-31,161	11.8%	-
Sailing	-80,012	-32,000	-80,000	-48,000	150.0%	-
Tennis	-1,056,463	-996,800	-1,062,505	-65,705	6.6%	-
Tree Cutting & Planting	-69,250	-\$50,000	-52,500	-2,500	5.0%	-
Youth Centre	-60,135	-52,500	-70,965	-18,465	35.2%	-
Carnarvon & Windsor Rental	-68,985	-66,800	-68,804	-2,004	3.0%	-
Field & Park Permits	-75,260	-64,000	-65,770	-1,770	2.8%	-
HSP Grant	-68,000	-50,000	-151,200	-101,200	202.4%	-
Library Board	-3,400	-1,600	-	1,600	-100.0%	-
Reception Product Sales	-43,936	-41,000	-45,000	-4,000	9.8%	-
Total	-\$9,626,207	-\$8,794,100	-\$9,600,704	-\$806,604	9.2%	\$ -

Operating Expense Category	2024 Forecast	2024 Budget	2025 Budget	\$ Change	% Change	Special Initiatives
Administration	\$2,333,706	\$ 2,561,000	\$2,559,060	-\$1,940	-0.1%	\$194,000
Aquatics	1,146,013	1,123,600	1,255,372	131,772	11.7%	-
Arena	335,277	337,200	366,431	29,231	8.7%	-
Benches	11,509	18,900	19,102	202	1.1%	-
Boulevard Maintenance	279,553	388,700	354,844	-33,856	-8.7%	-
Building Maintenance-OBPR	3,139,155	2,910,800	3,089,457	178,657	6.1%	-
Cultural Events	112,558	120,300	141,308	21,008	17.5%	-
Field Maintenance	172,904	223,400	211,064	-12,336	-5.5%	-
Food Services	435,565	391,700	449,229	57,529	14.7%	-
Henderson	1,303,496	1,322,200	1,286,201	-35,999	-2.7%	-
Henderson Fitness	311,924	273,200	306,760	33,560	12.3%	-
Indoor Sports Field	167,859	182,200	170,420	-11,780	-6.5%	-
Invasive Species Removal	101,347	101,200	155,367	54,167	53.5%	-
Lawn & Garden	298,228	286,800	249,899	-36,901	-12.9%	-
Leaf Clearing	48,318	44,500	35,584	-8,916	-20.0%	-
Licensed Care	827,603	772,300	861,336	89,036	11.5%	-
Monterey Centre	1,211,173	1,178,700	1,193,724	15,024	1.3%	-
OBRC Fitness	365,622	292,700	341,880	49,180	16.8%	-
Par 3 Golf	207,271	241,100	220,779	-20,321	-8.4%	-
Playgrounds	828,555	746,200	796,931	50,731	6.8%	-
Public Works	28,911	27,400	24,393	-3,007	-11.0%	-
Sailing	80,815	31,800	70,150	38,350	120.6%	-
Small Buildings	250,450	259,200	246,220	-12,980	-5.0%	-
Tennis	621,982	603,600	654,225	50,625	8.4%	-
Tree Cutting & Planting	784,913	889,000	808,774	-80,226	-9.0%	-
Youth Centre	97,716	100,200	115,043	14,843	14.8%	-
Total Operating Expenses	\$15,502,423	\$15,427,900	\$15,983,553	\$555,653	3.6%	\$194,000
Net Operating Budget	\$5,876,216	\$6,633,800	\$6,382,849	-\$250,951	-3.8%	\$194,000

The following special initiatives are operating projects delivered by Parks Recreation and Culture. The projects include both Council Priority Projects and regular operating projects within in each department. All projects reflect Council direction and in some cases are a carry forward of work underway.

Special Initiatives	2025
Council Priorities	
SP018 CPP14 PRC Master Plan	\$140,000
SP076 CPP18 Options-Off-leash Dog Park	48,000
Council Priorities Total	\$188,000
Other Projects	
SP068 Cool It! BC Sustainable Energy Association	6,000
Other Projects Total	\$6,000
Total	\$194,000

The following table provides a reconciliation of the operating budget cost drivers:

Reasons for Increase	Amount	% Increase	Tax Impact (%)	Tax Impact (\$)
2024 Base Budget	\$15,427,900			
+ Inflationary and Program Increase	454,103	2.9%	1.3%	\$50.55
+Additional Invasive Species Removal	53,800	0.3%	0.2%	5.99
+Increase in Sailing contract	47,750	0.3%	0.1%	5.32
Total New Operating Items	\$555,653	3.6%	1.5%	\$61.86
= 2025 Parks and Recreation	\$15,983,553	3.6%		

Parks, Recreation and Culture Capital Plan

Capital Purchase/Project	Asset Type	2025	2026	2027	2028	2029
Total Facilities Program		\$3,764,680	\$2,823,400	\$13,782,900	\$12,808,500	\$2,603,500
Total Vehicle & Equipment Replacement Program		\$1,926,220	\$452,800	\$2,558,400	\$267,100	\$391,000
Total Parks & Playground Replacement Program		\$837,430	\$1,670,000	\$325,000	\$125,000	-
Public Art	Land Impr.	\$75,000	\$20,000	\$20,000	\$20,000	-
Total Parks, Recreation, and Culture Capital Plan		\$6,603,330	\$4,966,200	\$16,686,300	\$13,220,600	\$2,994,500
PRC Facilities Program						
Capital Contingency	Building	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
OBRC Facilities Maintenance	Building	426,450	238,600	84,500	105,400	356,500
Indoor Sports Field Turf Replacement	Building	-	-	222,000	-	-
OBRC Parking Lot Rehabilitation Options	Land Impr.	89,130	-	-	-	-
Monterey Building Maintenance	Building	507,200	51,700	45,700	7,000	222,000
Parks Facilities	Building	38,700	-	-	-	-
Carnarvon Park Building & Park Design and Build	Building	900,000	1,900,000	12,200,000	12,000,000	1,900,000
Field Lighting	Building	18,000	-	-	-	-
OBRC Fire Alarm System	Building	130,200	-	-	-	-
E-Bike Shelter	Building	50,000	-	-	-	-
Monterey Roof	Building	1,530,000	-	-	-	-
Henderson Court Resurfacing	Building	-	300,000	-	-	-
Fitness Centre Renovation	Building	-	200,000	1,000,000	-	-
Henderson Building Maintenance	Building	-	58,100	155,700	4,100	50,000
Switchgear & Breaker Panels	Building	-	-	-	242,000	-
Tennis Bubble Rotating Door	Building	-	-	-	375,000	-
Total Facilities Program		\$3,764,680	\$2,823,400	\$13,782,900	\$12,808,500	\$2,603,500

Oak Bay Recreation Centre (OBRC) Facilities Maintenance

This capital budget includes replacement of lighting, HVAC, pool water treatment equipment and other various components of the building envelope.

Oak Bay Recreation Centre Parking Lot Rehabilitation Options

This budget is for upper parking lot repair until the Bowker Creek plan is developed as a Council Priority project.

Monterey Building Maintenance

This capital budget includes updating the reception area, refurbishing finishes, replacement or updating of various lighting, doors, and maintenance items.

Parks Facilities

This capital budget includes the Anderson Hill Park kiosk

Carnarvon Park Building Design and Build

(updated pricing)

This project involves demolition of the old building and construction of a new two-story building, as recommended in the Carnarvon Park Master Plan. The building design would likely be started in 2024 or 2025.

Field Lighting

The first phase of improving the lighting for sports field usage is focused on Windsor Park and improving the ability of sports users to practice on previously unlit or poorly lit sections of the field. Future planning is underway to improve field lighting at both Carnarvon and Henderson fields, however, further assessment of infrastructure needs at those parks is required.

OBRC Fire Alarm System

Replacement of the fire alarm system currently in service at the OBRC. This is a lifecycle project for a system that was installed in 2003 and is no longer supported in its current format.

E-Bike Shelter - OBRC

Renovation and expansion of the existing bike shelter, area and the addition of charging stations for e-bikes.

Monterey Roof

2025 will consist of the consulting, design and tendering for the removal and replacement of all the roofing, gutter, and downspout systems at the Monterey Recreation Centre in 2026. Key upgrades are to add tie-in points and guardrails to protect staff and contractors on the roof.

Henderson Court Resurfacing

Part of a preventative maintenance plan to maximize the lifecycle of district assets and continue to provide safe and enjoyable experiences for users. A silica-injected paint will preserve the lifespan of the courts and improve the overall appearance and value to our users.

Fitness Centre Renovation

Capital maintenance to the gym floor, chimney removal, millwork, and window replacement.

Henderson Building Maintenance

Capital maintenance to the gym floor, chimney removal, millwork, and window replacement at Henderson Recreation Centre.

Switchgear & Breaker Panels

Lifecycle replacement of the electrical switchgear for the Oak Bay Recreation Centre that has exceeded typical lifecycle of 25-30 years.

Capital Purchase/Project	Asset Type	2025	2026	2027	2028	2028
PRC Vehicle & Equipment Replacement Program						
Parks Equipment	Equipment	\$220,000	\$ -	\$ -	\$ -	\$ -
OBRC General Equipment	Equipment	582,640	287,200	369,400	96,500	268,000
Henderson General Equipment	Equipment	66,000	-	12,100	85,000	30,000
Monterey General Equipment	Equipment	68,250	25,600	101,900	85,600	93,000
OBRC Air Unit	Equipment	372,670	-	-	-	-
OBRC Cardio/Strength Equipment Replacement	Equipment	41,660	-	500,000	-	-
Audio Paging Systems	Equipment	200,000	-	-	-	-
Boiler #2 Replacement & Upgrades (OBRC)	Equipment	175,000	-	-	-	-
Recreation Software RFP	Equipment	150,000	-	-	-	-
Solar System (OBRC)	Equipment	-	70,000	700,000	-	-
Motor Control Centres (OBRC)	Equipment	-	70,000	700,000	-	-
Heat Recovery Ventilators	Equipment	-	-	175,000	-	-
Learn Pool Spray Toy Replacement	Equipment	50,000	-	-	-	-
Total		\$1,926,220	\$452,800	\$2,558,400	\$267,100	\$391,000

Parks Equipment

Replacement of a flagpole, a field verticutter, and the implementation of a tree inventory system.

Oak Bay Recreation Centre General Equipment

This capital budget includes the replacement of HVAC, floor scrubbers, dining room furniture, patio deck replacement, and kitchen exhaust system equipment.

Henderson General Equipment

This capital budget includes the replacement of a bouncy castle, a boiler, heating circulation pumps, and a water heater.

Monterey General Equipment

This capital budget includes the furnaces, dishwasher, hot water heating and fire alarm sprinkler systems.

Oak Bay Recreation Centre Air Unit

This project involves the replacement of arena area HVAC and increasing the capacity of cooling equipment of fitness area at the Oak Bay Recreation Centre.

Oak Bay Recreation Centre Cardio Equipment Replacement

This capital budget fund involves the lifecycle replacement of all cardio equipment, which includes treadmills, steppers, stationary bikes (i.e., recumbent), elliptical trainers and hand ergometers.

Audio Paging Systems

(new)

This project is the replacement and upgrade of the audio (i.e. music) and paging systems for the Oak Bay Recreation Centre. User needs, paging system requirements and the front-end interfaces required to work with modern devices are constant sources of feedback from public and staff, indicating the need for a ground up design and implementation.

Boiler #2 Replacement and Upgrade

This project is the replacement of the secondary boiler at the OBRC. The project would ideally be a redesign of the boiler system to tie into existing and future energy saving considerations. A new high efficiency boiler would be put in its place, tied into current and future heat reclaim and energy saving initiatives. The existing boiler #1 would then become the standby system for emergencies.

Recreational Software RFP

This is the lifecycle update of the software PRC uses for managing operations and membership, processing payment and program coordination.

Solar System

This project would involve the removal, disposal, and replacement of the solar system on the roof above the aquatic area of the OBRC.

Motor Control Centres

Replacement of the Motor Control Centers (MCC) for the OBRC. This is a lifecycle project for a system installed in 1973 and are critical pieces of the electrical distribution system for the OBRC.

Heat Recovery Ventilators

Lifecycle replacement of the Heat Recovery Ventilators (HRV's) that service the Fitness Centre of the Oak Bay Recreation Centre. The HRV's are the primary source of air handling for the fitness centre, meeting the necessary cooling, heating, and fresh air requirements for the associated spaces.

Replace Learner Pool Spray Toy

The project is the replacement of the existing sculpture/spray feature affectionately named "Robbie the Dinosaur". It will include all the necessary mechanical and architectural work required to incorporate a new spray feature that is aligned with future theme designs of the OBRC Natatorium.

Capital Purchase/Project	Asset Type	2025	2026	2027	2028	2029
PRC Parks & Playground Program						
Henderson/ Kiwanis Park Playground Equipment	Land Impr.	\$62,460	\$ -	\$ -	\$125,000	\$ -
Windsor Playground	Land Impr.	159,000	-	-	-	-
Parks and Playground Program	Land Impr.	-	-	-	75,000	-
Uplands Park Boardwalk & Signage	Land Impr.	55,970	-	-	-	-
Lafayette Park Playground Equipment	Land Impr.	160,000	-	-	-	-
Water Fountain Replacement	Land Impr.	120,000	-	-	-	-
Quimper Park and Playground	Land Impr.	210,000	-	-	-	-
Carnarvon Splash Park and Playground	Land Impr.	-	1,500,000	-	-	-
Firefighters Park and Playground	Land Impr.	-	170,000	-	-	-
Willow's Park and Playground	Land Impr.	-	-	325,000	-	-
Preliminary Creek & Waterway Design	Land Impr.	70,000	-	-	-	-
Total		\$837,430	\$1,670,000	\$325,000	\$125,000	\$ -

Henderson/Kiwanis Park Playground Equipment

This is for replacement of the small playground directly behind the Henderson Recreation using the same footprint. Increased funding relates to funding external project management and installation rather than in-kind.

Windsor Playground Equipment

Replacement of the playground equipment at Windsor Park using the same footprint. Increased funding relates to funding external project management and installation rather than in-kind. This project was started in 2024 and will be completed in Q1 2025.

Parks and Playground Program

PRC is continuing the program to update and replace playground equipment in the District's Parks following the District's Playground Replacement Policy adopted in October 2023. As such, playground equipment will be selected and replaced to improve accessibility, safety and the play experiences of children and youth.

The goal is to replace a minimum of one playground per year until all playgrounds have been upgraded. The following is the proposed order of playgrounds to be replaced:

1. Kiwanis Henderson Park – February 2024
2. Windsor Park - 2024
3. Lafayette Park – 2025
4. Quimper Park – 2025
5. Firefighter's Park – 2026
6. Carnarvon Park Splash Pad and Playground – 2026**
7. Willow's Park – 2027

**Note: The replacement and upgrade of the Carnarvon Park Splash Park is to be scheduled and completed with the replacement of the building at Carnarvon Park as the mechanical controls for the splash park will be located within the building structure.

Uplands Park Boardwalk

(new)

Addition of accessible, floating boardwalk to the most wet and muddy sections of the primary loop trail system in Uplands Park. The additional boardwalks, coupled with some areas of gravel screenings will formalize a loop trail system in Uplands Park and improve the abilities of user to complete the full loop through the Winter months while protecting endangered flora in the park.

Lafayette Park Playground Equipment

Replacement of the playground equipment at Lafayette using the same footprint. Increased funding relates to funding external project management and installation rather than in-kind.

Water Fountain Replacement

(new)

The first phase of this project is proposed for 2025 and is focused on replacing and upgrading the water fountains in Parks along Beach Drive with a focus on Willows Park in particular. Further amenities may be added such as improved water access for dogs and pets and misting stations for extreme heat events.

Quimper Park Playground Equipment

(increased funding requested)

Replacement of the playground equipment at Quimper using the same footprint. Increased funding relates to funding external project management and installation rather than in-kind.



Operating Projects





Operating Projects

The following projects are part of core service delivery and are contained within departmental operating budgets. The following is a listing of all of the operating projects and the project descriptions.

Other Projects	2025	2026	2027	2028	2029	Total
SP009 Human Resource Plan implementation	\$62,600	\$ -	\$20,000	\$ -	\$ -	\$82,600
SP013 Marina lease negotiation	-	15,173	-	-	-	15,173
SP019 Network security audit	35,000	-	40,000	-	-	75,000
SP023 Occupational Disability Claims Management	100,000	-	-	-	-	100,000
SP027 CoolKit Program (CCAWG Recommendation)	10,000	10,000	-	-	-	20,000
SP033 First Nations Truth & Reconciliation	50,000	-	-	-	-	50,000
SP037 Storm Sewer Master Plan	75,000	-	-	-	-	75,000
SP038 Communications Needs Assessment	5,000	-	-	-	-	5,000
SP063 Natural Assets & Green Infrastructure	-	-	50,000	-	-	50,000
SP065 Community Emergency Prep Survey	18,500	-	-	-	-	18,500
SP066 Other contingency	25,000	-	-	-	-	25,000
SP067 Uplands Sewer Separation Conn Grant	70,000	-	-	-	-	70,000
SP068 Cool It! BC Sustainable Energy Ass	6,000	8,000	-	-	-	14,000
SP701 Victoria Cougars Centennial Stanle	79,400	-	-	-	-	79,400
Other Projects Total	\$536,500	\$33,173	\$110,000	\$ -	\$ -	\$679,673

Project Descriptions

Human Resource (HR) Plan Implementation

The purpose of the HR plan is to ensure that the District of Oak Bay has adequate human resources to meet the District's strategic goals and to deliver on Council's priorities. The various initiatives of the plan will focus on HR planning, attracting, and retaining great staff, as well as promoting performance excellence and a commitment to employee safety and wellness.

The HR Plan consists of projects such as:

- Employee Engagement
- Performance Feedback and Evaluation
- Health and Wellness
- Recognition
- Policy Review
- Occupational Health and Safety

Marina Lease Negotiations and Related Feasibility and Facility Studies

The District of Oak Bay's lease with the Province for the foreshore/aquatic crown lands occupied by Oak Bay Marina expired in December 2022. The Oak Bay Marina's lease with the District of Oak Bay also expired in December 2022.

Network Security Audit

This audit will identify potential security vulnerabilities and provide recommendations to ensure the District's systems are protected to industry standards.

Occupational Disability Claims Management

The objective of the project is to improve occupational health and safety, reduce productivity loss and reduce WorkSafeBC premiums.

CCAWG Recommendation – Coolkit Program

The Coolkit program has been developed through the University of British Columbia (UBC) Forestry program to function as a toolkit to engage with community residents. Its focus is on impacting climate change and urban forestry; with an overall intent to engage the community in a conversation around climate action, to lead to positive action on both public and private lands. The program is designed to involve everyone from individual residents, their families, and communities, to organizations and local governments in determining what climate action they should focus on. One core element focuses on urban forestry; however it also includes items such as urban food gardens, home improvements, car-pooling, and other local forms of active transportation. The program is designed to be applicable at the neighbourhood level to achieve the greatest impact.

Natural Assets and Green Infrastructure Scoping

To explore incorporating municipal services related to management of natural assets and green infrastructure in conjunction with the Storm Water Master Plan.

Community Emergency Preparedness Survey

The Oak Bay Emergency Program (OBEP) would like to complete a Community Emergency Preparedness Survey (CEPS) to assess the perceptions and preparedness of Oak Bay residents regarding disasters and major emergencies in their community. The results of this survey will aid in the development of a long-term strategic plan for community preparedness education and engagement with a specific focus on building community resilience.

Once a baseline of information has been obtained, and a long-term strategic plan formulated and approved, the intent will be to repeat this survey every five years. Having these two services aligned in their completion cycles will ensure the emergency program is able to utilize the most relevant hazard analysis and community-driven data possible when revising and updating the Emergency Response and Recovery Plans (ERRP).



Major Capital and Capital Plan Summaries



Major Capital and Capital Plan Summaries

2025-2029 Capital Plan Major Projects (>500K)

The five-year capital plan includes \$204 million for significant projects that comprise 93% of the total capital plan. A project is considered a major project if the total cost is equal to or exceeds \$500,000.

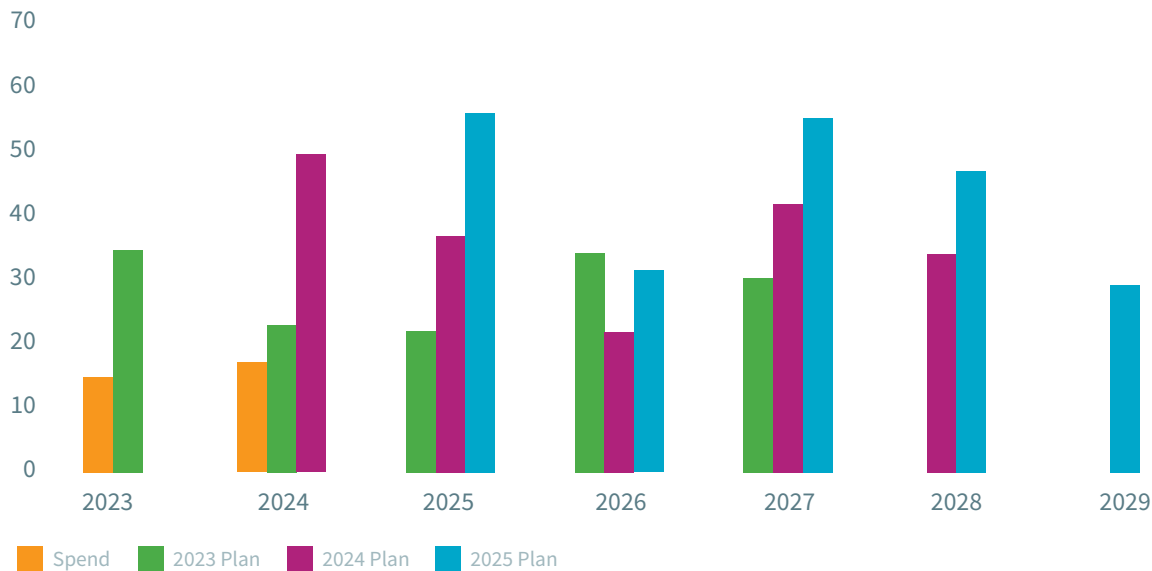
Projects by Department	% of Total	2025 Budget (\$M)	2026-2029 Budget (\$M)	Total Budget (\$M)	Funding Source
Administrative Facilities					
Marina Structural Repairs		\$1,652,000	\$1,063,700	\$2,715,700	Reserves
Facilities General Capital Program		500,000	2,000,000	2,500,000	Reserves
Public Works Building Office Renewal		250,000	300,000	550,000	Reserves
Public Safety Building		215,000	43,000,000	43,215,000	Reserves, Debt
Administrative Facilities Total	22.4%	\$2,617,000	\$46,363,700	\$48,980,700	

Projects by Department	% of Total	2025 Budget (\$M)	2026-2029 Budget (\$M)	Total Budget (\$M)	Funding Source
Engineering & Public Works					
Active Transportation Program		\$832,000	\$3,661,280	\$4,493,280	Reserves
Road Reconstruction Program		6,275,000	14,000,000	\$20,275,000	Reserves, Debt
Storm Sewer Rehabilitation		5,800,000	14,000,000	19,800,000	Reserves, Debt
Sidewalk Replacement Program		510,000	2,144,000	2,654,000	Reserves
Street & Intersection Pole Replace		900,000	3,000,000	3,900,000	Reserves
McNeill Bay/McMicking Pt Foreshore		1,369,100	-	1,369,100	Prior Year Grant, Reserves
Uplands Sewer Separation		9,250,000	-	9,250,000	Grants, Reserves
Active Transportation-New Infrastructure		832,800	3,489,800	4,322,600	Reserves
Beach Access Stair Rehabilitation		360,000	1,440,000	1,800,000	Reserves
Haro Rd Soil Transfer Site		1,500,000	-	1,500,000	Reserves, Surplus
Underground Fuel Tank Replacement		650,000	-	650,000	Reserves
Uplands (Humber) Streetlight Replacement		3,962,000	-	3,962,000	Reserves
Equip to Support Enhanced Maintenance		550,000	-	550,000	Reserves
PW Vehicle and Equipment Replacement		1,470,000	2,000,000	3,470,000	Reserves
Engineering & Public Works Total	35.6%	\$34,260,900	\$43,735,080	\$77,995,980	
Finance, IT & Parking					
PC Hardware Replacement		206,523	370,235	576,758	Reserves
IT Project Management-Division Projects		170,000	680,000	850,000	Reserves
Finance, IT & Parking Total	0.7%	\$376,523	\$1,050,235	\$1,426,758	
Fire					
Fire Personal Protective Equipment		\$10,500	\$709,000	\$719,500	Reserves
Fire Total	0.3%	\$10,500	\$709,000	\$719,500	

Projects by Department	% of Total	2025 Budget (\$M)	2026-2029 Budget (\$M)	Total Budget (\$M)	Funding Source
Parks, Recreation & Culture					
Carnarvon Park Master Plan/Design & Build		\$900,000	\$28,000,000	\$28,900,000	Grants, Reserves, Debt
OBRC Cardio/Strength Equip Replacement		41,660	500,000	541,660	Reserves
OBRC Motor Control Centres		-	770,000	770,000	Reserves
Monterey Roof		1,530,000	-	1,530,000	Reserves
OBRC Solar System		-	770,000	770,000	Reserves
Carnarvon Splash Park & Playground		-	1,500,000	1,500,000	Debt
OBRC Fitness Centre Renovation		-	1,200,000	1,200,000	Reserves
Parks, Recreation & Culture Total	16.1%	\$2,471,660	\$32,740,000	\$35,211,660	
Sewer Utility					
Sewer Main Rehabilitation		\$3,525,000	\$12,000,000	\$15,525,000	Reserves
Sewer Utility Total	7.1%	\$3,525,000	\$12,000,000	\$15,525,000	
Water Utility					
Uplands Watermain		\$2,500,000	\$ -	\$2,500,000	Reserves
Watermain & Hydrant Replacement		3,250,000	10,400,000	13,650,000	Reserves
New Water Service Connections		315,000	1,425,700	1,740,700	Utility Fees
North Oak Bay Pump Station Consolidation		200,000	6,000,000	6,200,000	Reserves, Debt
Water Utility Total	11.0%	\$6,265,000	\$17,825,700	\$24,090,700	
Total Major Projects	93.2%	49,526,583	154,423,715	203,950,298	
Total Capital Projects < \$500,000	6.8%	7,415,574	7,500,412	14,915,986	Reserves, Surplus
2025-2029 Capital Plan	100.0%	\$56,942,157	\$161,924,127	\$218,866,284	

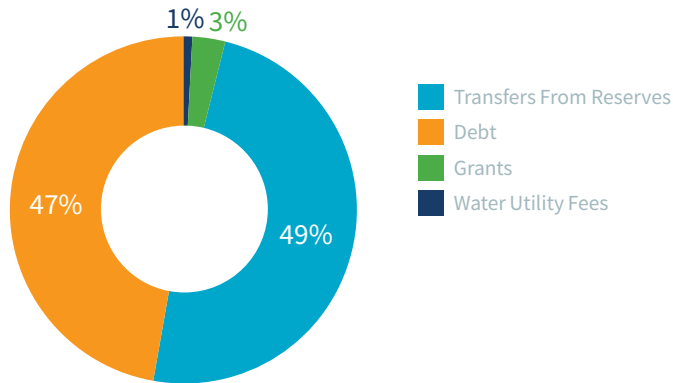
Five Year Capital Plan By Department

Capital Plan Vs Spend



Capital Budget	2025	2026	2027	2028	2029	Total
Administrative Facilities	\$3,962,000	\$2,217,000	\$20,773,900	\$15,798,900	\$7,798,900	\$50,550,700
Corporate Administration	301,330	-	-	-	-	301,330
Engineering & Public Works	34,645,900	10,819,000	10,854,100	10,983,000	11,078,980	78,380,980
Finance, IT, & Parking	602,247	604,475	322,412	274,285	381,375	2,184,794
Fire Department	290,500	494,000	175,000	100,000	570,000	1,629,500
Oak Bay Police Department	361,350	251,000	74,000	307,000	109,500	1,102,850
Parks, Recreation & Culture	6,603,330	4,966,200	16,686,300	13,220,600	2,994,500	44,470,930
Sewer Utility	3,584,500	3,061,000	3,061,000	3,061,000	3,061,000	15,828,500
Water Utility	6,591,000	8,930,800	2,947,300	2,964,700	2,982,900	24,416,700
Total	\$56,942,157	\$31,343,475	\$54,894,012	\$46,709,485	\$28,977,155	\$218,866,284

2025-2029 Capital Funding by Source



2025-2029 Capital Plan Funding Summary

Capital Funding Source	% of Total	2025	2026	2027	2028	2029	Total
Grants	2.5%	\$5,547,500	\$ -	\$ -	\$ -	\$ -	\$5,547,500
Water Utility Fees	0.8%	315,000	330,800	347,300	364,700	382,900	1,740,700
Transfers From Reserves							
Capital Renewal Reserves							
Capital Works General Fund	9.3%	10,969,127	2,475,075	2,258,312	2,295,385	2,365,375	20,363,274
Capital Works Sewer Fund	5.5%	2,703,250	2,311,000	2,311,000	2,311,000	2,311,000	11,947,250
Capital Works Water Fund	5.0%	3,250,000	1,950,000	1,950,000	1,950,000	1,950,000	11,050,000
Fire Equipment	0.7%	190,500	494,000	175,000	100,000	570,000	1,529,500
Infrastructure Renewal	25.9%	24,333,410	7,962,600	10,232,400	7,143,400	7,097,880	56,769,690
Machinery and Equipment	1.6%	1,470,000	500,000	500,000	500,000	500,000	3,470,000

2025-2029 Capital Plan Funding Summary Continued

Capital Funding Source	% of Total	2025	2026	2027	2028	2029	Total
Operating Reserves							
Growing Communities Fund	0.6%	461,400	750,000	-	125,000	-	1,336,400
General Fund Operating Surplus	0.1%	250,970	20,000	20,000	20,000	-	310,970
Sewer Fund Operating Surplus	-	-	-	-	-	-	-
Water Fund Operating Surplus	0.4%	851,000	-	-	-	-	851,000
Debt	47.5%	6,600,000	14,550,000	37,100,000	31,900,000	13,800,000	103,950,000
Capital Funding Total	100.0%	\$56,942,157	\$31,343,475	\$54,894,012	\$46,709,485	\$28,977,155	\$218,866,284



Organization FTE Chart





Workforce Planning

To deliver on Council Priorities, work force planning is undertaken by departments, in addition to other measures such as process streamlining and systems integration. Workforce planning is developed and reported to Council where departments are undergoing change or service delivery adjustments. Workforce analysis enables departments to most aptly respond to service needs.

Full Time Equivalent Chart

Table 1 lists the full-time-equivalent positions by year for 2023-2025.

Department	2023 FTEs	2024 FTEs	2025 FTEs	Change
Corporate Administration	13.64	13.64	14.64	+1.00
Financial Services	10.58	11.91	13.91	+2.00
Police Department	25.00	25.00	26.00	+1.00
Fire Services ¹	30.00	32.00	33.00	+1.00
Building and Planning	10.80	13.80	15.30	+1.50
Engineering and Public Works ²	46.25	46.25	52.25	+6.00
Parks, Recreation, and Culture	152.30	155.50	155.50	0
Total	288.57	298.10	310.60	+12.5

Note 1: Council approved a 0.75% tax increase or approximately \$247,500 in funding with approval of the Fire Serviced Workforce Plan February 12, 2024. This funding was later amended on March 24, 2025 to reduce funding to \$123,750.

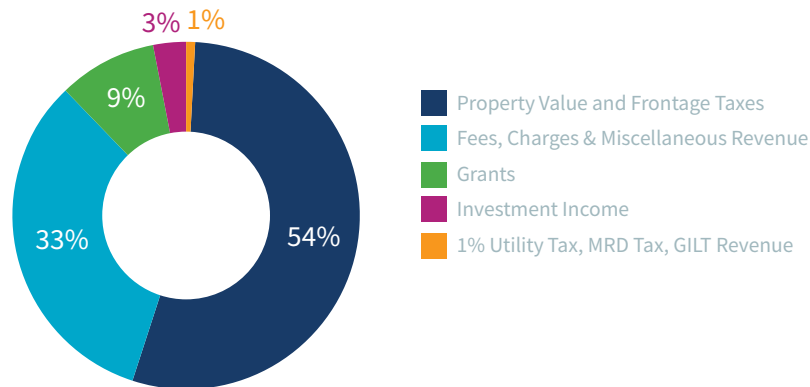
Note 2: Consistent with the State of the Infrastructure Part 2 report, presented to Council at COTW in October 2024, Engineering and Public Works is seeking additional staff to maintain critical infrastructure in the water, sewer, and storm networks.

Organizational Structure



Revenue Discussion

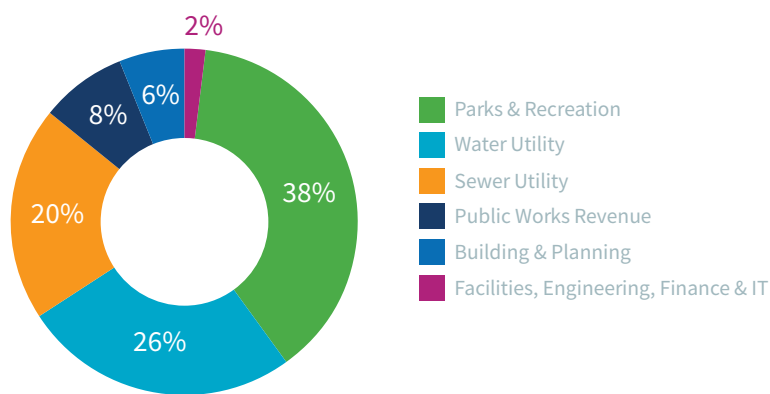
Revenue Discussion



Revenue	2024 Budget	2025 Budget	\$ Change	% Change
Property Value Taxes	\$36,013,400	\$40,303,147	\$4,289,747	12%
Fees and Charges	22,414,800	24,919,401	2,504,601	11%
Grants (Capital)	7,441,900	6,430,066	-1,011,834	-13%
Grants (Operating)	528,000	357,700	-170,300	-32%
Investment Income	2,501,500	2,250,000	-251,500	-10%
Municipal-Regional District Tax	300,000	250,000	-50,000	-17%
Boulevard Frontage Taxes	268,400	289,872	21,472	8%
1% Utility and GILT Revenue	298,800	307,170	8,370	3%
Property Tax Penalties & Interest	215,600	273,000	57,400	27%
Miscellaneous Revenue	11,300	11,100	-200	-2%
Total Revenue	\$69,993,700	\$75,391,456	\$5,397,756	8%
Debt Proceeds	\$ -	\$6,600,000	\$6,600,000	
Transfers from Reserves	\$50,145,500	49,923,277	-222,223	<1%
Total Funding From Other Sources	\$50,145,500	\$56,523,277	\$6,377,777	13%
Total Revenue and Funding From Other Sources	\$120,139,200	\$131,914,733	\$11,775,533	10%

Projected total 2025 Operating Revenue is \$75.4 million, an overall increase of 8% over the prior year. Property Taxation and User Fees, Charges & Miscellaneous Revenue comprise 54% and 33% of total operating revenue respectively.

User Fees



Department	2024 Budget	2025 Budget	\$ Change	% Change
Parks & Recreation	\$8,794,100	\$9,600,704	\$806,604	9%
Water Utility	5,853,600	6,490,582	636,982	11%
Sewer Utility	4,401,900	4,890,250	488,350	11%
Public Works Revenue	1,866,700	2,099,635	232,935	12%
Building & Planning	1,082,500	1,409,000	326,500	30%
Facilities	334,900	358,980	24,080	7%
Finance & IT	59,000	60,250	1,250	2%
Engineering Revenue	22,100	10,000	-12,100	-55%
Total Department Revenue	\$22,414,800	\$24,919,401	\$2,504,601	11%

Section 194 of the Community Charter enables Council to impose a fee for all or part of a municipal service. In general, user fees are charged when the benefit of a service accrues to identifiable individuals, and taxes are levied when the benefit of a service accrues broadly to the public. Council has the authority to vary the mix and imposition of taxes and user fees as appropriate. Below are some of the user fees that the District levies:

- **Parks, Recreation and Culture Fees**

Oak Bay's Parks, Recreation and Culture services are partially funded by tax and partially by fees and charges. The fees and charges primarily are within the recreation and are established to fund the operation and maintenance of recreational facilities. All fees are structured to recover costs. The following fees are currently in place by way of bylaw:

- **Facility User Fees:** The District imposes user fees for access to its recreational facilities, which include community centers, sports fields, tennis courts, aquatic facilities, and other spaces.
- **Passes & Memberships:** Passes and memberships allows users to pay a flat rate for unlimited or extended access to Oak Bay's recreational facilities. The following pass types help in managing the operational costs and demand:
 - › **Aquatic Passes:** Includes options for both individual and family access to the pool for unlimited swims within a specified period (e.g., monthly, quarterly, or annual). These passes are available for residents and non-residents.
 - › **Fitness Passes:** Provide unlimited access to fitness centers and group fitness classes for individuals or families for a specified term.
 - › **Seasonal Passes:** Offered for specific facilities, such as outdoor sports fields (e.g.: golf courses) or tennis courts, allowing for unlimited access for the duration of the season.
 - › **Multi-Facility Passes:** A combined pass that provides access to several facilities, such as the pool, fitness center, and community halls, at a discounted rate compared to purchasing individual passes for each facility.
- **Program Registration Fees:** In addition to facility use, users are required to pay *registration fees* for certain programs held within these facilities, such as fitness classes, swimming lessons, and seasonal camps.

- **Engineering & Public Works**

- **Sewer User Fees:** The District levies a sewer user fee to recover 70% of the costs to maintain the municipal sanitary sewer conveyance system. Property taxes on all properties recovers the remaining 30% of such costs. Sewer consumption is based on 60% of water consumption in calculating the rates and charging users.
- **CRD Sewer User Fee:** The District levies a user fee to recover 100% of the operating costs related to providing regional sewer service, including the Core Area Wastewater Treatment Plant. At the Regular Meeting of Council on November 9, 2020, Council elected to recover the regional sewer operating costs via a sewer user fee and the regional sewer debt and capital costs via a property tax levy.
- **Water User Fee:** The District levies a water consumption charge and a fixed user fee to recover 100% of the costs related to the provision of retail water. Most of the costs relate to the purchase of bulk water from the Capital Regional District for distribution to District citizens. The fixed fee recovers 35%, while the consumption fee recovers 65%. For properties with two or fewer units, the fixed fee is \$0.86 per day or \$313.90 per year.

- **Solid Waste User Fee:** The District levies a solid waste fee under the District’s Refuse Collection and Disposal Bylaw. The solid waste fee funds various services (described below). The District’s solid waste fee revenue exceeds the solid waste division’s direct costs and funds solid waste service infrastructure replacement and general District overhead.

The District amends utility and solid waste user fee bylaws in Fall each year to come into effect for January of the following year. All other fees and charges are amended if applicable upon annual approval of the financial plan.

Recreation Recovery %

The pandemic had a significant impact on the District’s Parks, Recreation, and Culture (PRC) revenue due to ongoing Government regulations that restricted capacity and reduced overall demand. PRC revenues are rebounding but still fall short of pre-pandemic user fee recovery rates. The District has been utilizing COVID-19 Restart grant proceeds to offset the impact of revenue losses. This practice has reduced the need to increase taxes to maintain PRC service levels.

Patronage levels are forecasted to continue to increase in 2025. Currently, forecasted fees are expected to recover 60%, an increase of 3% higher recovery over 2024. While fees revenue is improving, the trend is not yet on track to recover to the historical recovery rate between 68-70%.

After incorporating 2024 forecasts, COVID funding will now be completely drawn down in 2025 instead of 2024. Net of COVID funding and fee revenue, additional funding of \$26K is required. This results in an impact of 0.07% of the 2025 tax increase.

Recreation recovery rates (2024 actual vs 2024 Budget; 2025 Budget \$ and %)

Description	2024 Actual \$	2024 Budget \$	Difference \$	Actual Recovery %	Budget Recovery %	2025 Budget \$	Budget Recovery %	Budget Change \$
Fees	9,626,207	8,794,100	832,107	62%	57%	9,600,704	60%	806,604
Tax	5,457,200	5,457,200	-	35%	35%	5,482,849	34%	25,649
Reserve	498,360	1,176,600	(678,240)	3%	8%	900,000	6%	276,600
Expenses	(15,581,767)	(15,427,900)	(153,867)	100%	100%	(15,983,553)	100%	(555,653)
Net	-	-	-	-	-	-	-	-

Five-year forecast recovery rates for fees and taxation

Description	2025 \$	Recovery %	2026 \$	Recovery %	2027 \$	Recovery %	2028 \$	Recovery %	2029 \$	Recovery %
Fees	9,600,704	60%	9,734,696	60%	9,929,714	60%	10,128,606	60%	10,331,344	60%
Tax	5,482,849	34%	6,595,526	40%	6,698,251	40%	6,833,694	40%	6,972,038	40%
Reserve	900,000	6%	-	0%	-	0%	-	0%	-	0%
Expenses	(15,983,553)	100%	(16,330,222)	100%	(16,627,965)	100%	(16,962,300)	100%	(17,303,382)	100%

Taxation

Property value tax is the principal source of revenue for most local governments. It is a tax levied on the value of land and improvements (i.e., building and fixtures). Municipalities levy property value taxes based on tax revenue needs set out in their annual budget (financial plan). Property value taxes are calculated by applying a set tax rate against the assessed value of a property. Municipal tax rates are annually set by Council, and the assessed values are set independently by BC Assessment.

Tax Stability, Predictability, Collectability

In most years, taxation revenue is predictable and stable with the District's tax base being 96% residential. Therefore, disruptions in non-residential assessments would not interfere with tax revenues enough to significantly impact the predictability of tax revenues overall. In fact, a uniform and significant reduction in assessed values would be unlikely to disrupt such revenues.

The British Columbia legislated model of property taxation administration Municipal finance reform.

Boulevard Frontage Taxes

The District levies a boulevard frontage tax subject to the "*Boulevard Frontage Tax Bylaw, 1982*". Properties identified in this Bylaw pay a tax based on taxable frontage. The District's Park's crew maintains the boulevards adjacent to these properties.

The District has an administrative policy of setting its boulevard tax revenue budget to recover approximately 75% of the boulevard maintenance costs. Staff have increased the boulevard maintenance budget significantly to regain the 75% policy objective.

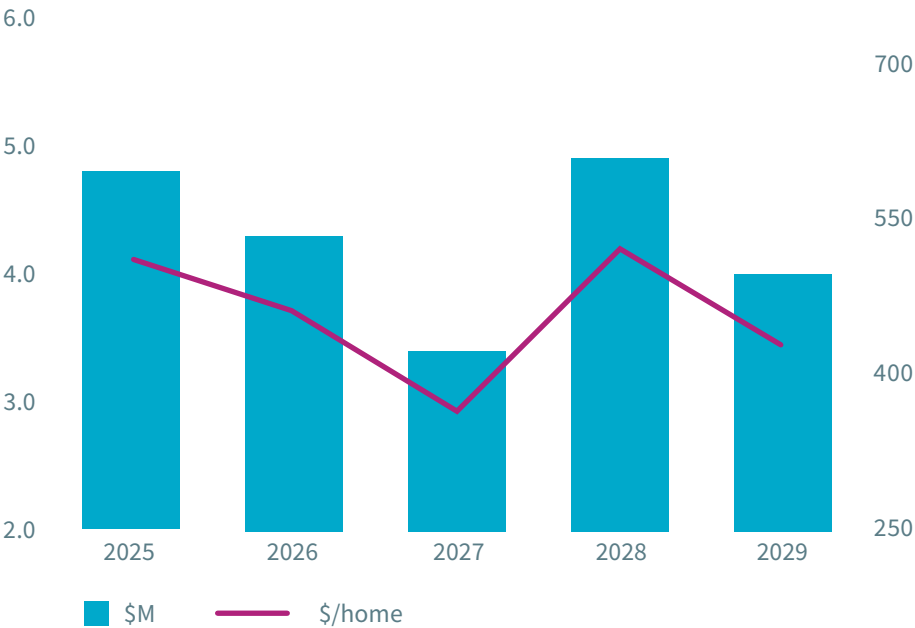
The 2025 Boulevard Frontage Taxes is \$289,872, and increase of 8.0%.

Permissive Tax Exemptions

The objective being to distribute the tax burden fairly among properties receiving municipal services, Council makes very little use of its authority to grant permissive tax exemptions. The policy to date has been to grant permissive exemptions for land and improvements appurtenant to property already exempted by statute (e.g., churches). These exemptions have also been extended to portions of municipal land leased, or licensed to a non-profit organization providing a service complementary to municipal services, and in one case, an institution of childhood learning not statutorily exempt.

Five Year of Taxation Revenue

\$ Increase in Revenue and \$ Cost per Median Home



	2024	2025	2026	2027	2028	2029	average
Tax increase	8.9%	11.5%	10.5%	7.5%	10.1%	7.5%	9.6%
Tax increase \$ to median residential property	\$318	\$459	\$461	\$366	\$525	\$431	\$436



Objectives and Policies

As required by the LGA, District objectives and policies are confirmed by Council and form part of the Council approved bylaw. See Schedule A for more information.

Relationship between Assessments and Taxation

Municipalities use assessed values to apportion property taxes to individual taxpayers. For instance, if a taxpayer's assessment represents 5% of the entire taxable assessment base, that taxpayer will pay 5% of the municipal property tax budget. A common misconception is that a significant increase in assessed value will necessarily result in a significant increase in property taxes. It is more important for a taxpayer to consider the assessed value in relation to the average assessment increase. It is possible for one's assessment to decrease while taxes increase and vice versa.

Assessment Change	Property Tax Impact
Higher Average assessment increase/decrease	Individual % tax increase % > Total District % tax increase %
Average assessment increase/decrease	Individual % tax increase % = Total District % tax increase
Lower than average assessment increase/decrease	Individual % tax increase < Total District % tax increase

The 2025 Completed Assessment Roll included a (0.43)% decrease in residential property values. The property tax increase for 2025 is 11.45%, which means that for properties with an assessment change above (0.43)% will incur a tax increase greater than 11.45% increase for municipal portion of taxes levied.

Grant in Lieu of Taxes

Federal Payment in Lieu of Tax: Federally owned properties are generally exempt from taxes under section 125 of the federal *Constitution Act, 1867*. Federal properties may, however, be subject to a payment in lieu of taxes according to the federal *Payments in Lieu of Taxes Act*. Two such federally owned, tax exempt properties in the District pay a payment in lieu of tax, and they are; (1) Turkey Head Breakwater, and (2) Trial Island Lighthouse.

Federal grant in lieu payments are generally equivalent to the amount of taxation that would have been due had the properties not been exempt.

Grant in Lieu of Taxes, University of Victoria:

The University of Victoria (Uvic) is exempt from taxes pursuant to section 54 of the *University Act*. The University is situated partially in the District of Oak Bay and partially in the District of Saanich. The Ministry of Advanced Education, Skills and Training distributes an annual grant in lieu of taxes to local governments with universities. The funds are apportioned based on the proportional assessed value of university property within the municipality. The total grant fund budget has not changed in many years, with the actual value of the UVic property within Oak Bay assessed at \$410.8M. The grant in lieu of taxes is equivalent to approximately 2.0% of the taxation revenue that would be due on \$410.5M of taxable assessment. The foregone taxes demonstrate the District's significant investment in post-secondary education.



1% Utility Revenue

1% Utility Revenue: Pursuant to Section 644 of the *Local Government Act* and the *Hydro and Power Authority Annual Grants Order*, utility companies must pay each municipality 1% of the revenues earned within that municipality in the preceding year. Since this revenue is based on prior year financials and amounts remitted to the District, the budget is very accurate.

Municipal Regional District Tax (MRDT)

The Municipal and Regional District Tax (MRDT) is a tax of up to 3% on the purchase of accommodation imposed in specific geographic areas of the Province (*designated accommodation areas*) on behalf of municipalities, regional districts, or eligible entities. The District is a designated accommodation area according to the *Designated Accommodation Area Tax Regulation 93/2013*.

Funds raised through the MRDT must be used for a prescribed purpose, such as tourism marketing or sport hosting marketing. As such, MRDT funds raised in the municipality of Oak Bay are used to fund Oak Bay Tourism.



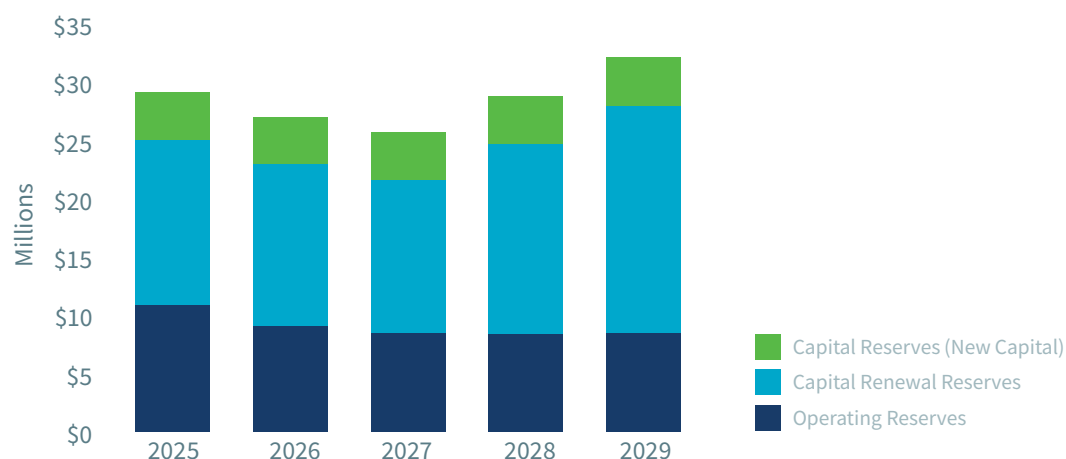


Reserve & Debt Schedules

Reserve Projections

Reserve balances for 2025 are expected to be reduced from \$64M to \$33M in 2029, should the District proceed with full authorized capital expenditures. Over the five-year period the total reserve contributions are forecasted to be approximately \$83M. Total capital expenditures funded by reserves over the five year period are forecasted to be approximately \$108M.

Projected Reserve Balances



Reserve	2024	2025	2026	2027	2028	2029
General Fund						
Operating Reserves	\$12,082,272	\$6,171,182	\$4,252,163	\$3,802,663	\$3,771,963	\$3,886,263
Capital Renewal Reserves	34,366,004	9,032,167	9,861,343	9,806,250	13,856,380	17,515,122
Capital Reserves (New Capital)	4,058,861	4,058,861	4,058,861	4,058,861	4,058,861	4,058,861
Total General Fund Reserves	\$50,507,137	\$19,262,210	\$18,172,367	\$17,667,774	\$21,687,204	\$25,460,246
Sewer Fund						
Operating Reserves	\$2,162,195	\$2,092,195	\$2,092,195	\$2,092,195	\$2,092,195	\$2,092,195
Capital Renewal Reserves	5,894,833	4,622,506	3,807,506	3,060,106	2,382,906	1,778,586
Total Sewer Fund Reserves	\$8,057,028	\$6,714,701	\$5,899,701	\$5,152,301	\$4,475,101	\$3,870,781
Water Fund						
Operating Reserves	\$3,653,244	\$2,802,244	\$2,802,244	\$2,802,244	\$2,802,244	\$2,802,244
Capital Renewal Reserves	2,544,504	765,344	439,994	275,824	280,504	461,994
Total Water Fund Reserves	\$6,197,748	\$3,567,588	\$3,242,238	\$3,078,068	\$3,082,748	\$3,264,238
Total Reserves	\$64,761,913	\$29,544,499	\$27,314,306	\$25,898,143	\$29,245,053	\$32,595,265

Detailed Listing (Forecast)

	2024	2025	2026	2027	2028	2029
Operating Reserves						
General Fund Operating Surplus	\$3,567,605	\$1,614,132	\$806,363	\$406,363	\$386,363	\$386,363
Sewer Fund Operating Surplus	2,162,195	2,092,195	2,092,195	2,092,195	2,092,195	2,092,195
Water Fund Operating Surplus	3,653,244	2,802,244	2,802,244	2,802,244	2,802,244	2,802,244
Growing Communities Fund	4,690,076	2,803,289	1,778,289	1,618,289	1,493,289	1,493,289
Climate Action	845,592	555,242	377,192	392,192	407,192	422,192
Major Crimes	1,078,999	198,519	290,319	385,819	485,119	584,419
COVID-19 Restart Grant Reserve	900,000	-	-	-	-	-
Financial Stability Reserve	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Operating Reserves	\$17,897,711	\$11,065,621	\$9,146,602	\$8,697,102	\$8,666,402	\$8,780,702
Capital Renewal Reserves						
Fire Equipment	\$79,187	\$239,787	\$114,887	\$327,687	\$635,087	\$492,687
Machinery and Equipment	1,651,460	614,560	570,060	543,560	535,760	547,460
Capital Works - General Fund	11,639,145	2,358,918	1,856,873	1,858,942	2,126,309	2,386,829
Capital Works - Sewer Fund	5,894,833	4,622,506	3,807,506	3,060,106	2,382,906	1,778,586
Capital Works - Water Fund	2,544,504	765,344	439,994	275,824	280,504	461,994
Infrastructure Renewal	20,382,932	5,194,322	6,683,417	6,428,198	9,899,369	13,416,060
Tod House Trust	124,953	136,253	147,779	159,536	171,528	183,759
Legacy Trust	488,327	488,327	488,327	488,327	488,327	488,327
Total Capital Renewal Reserves	\$42,805,341	\$14,420,017	\$14,108,843	\$13,142,180	\$16,519,790	\$19,755,702
Capital Reserves (New Capital)						
Heritage	\$2,436,981	\$2,436,981	\$2,436,981	\$2,436,981	\$2,436,981	\$2,436,981
Village Parking	1,042,930	1,042,930	1,042,930	1,042,930	1,042,930	1,042,930
Land Sale	41,758	41,758	41,758	41,758	41,758	41,758
Parks Acquisition	519,382	519,382	519,382	519,382	519,382	519,382
Tax Sale Property	1,993	1,993	1,993	1,993	1,993	1,993
Alternative Transportation Infrastructure	15,817	15,817	15,817	15,817	15,817	15,817
Total Capital (New Capital) Reserves	\$4,058,861	\$4,058,861	\$4,058,861	\$4,058,861	\$4,058,861	\$4,058,861
Total Reserves	\$64,761,913	\$29,544,499	\$27,314,306	\$25,898,143	\$29,245,053	\$32,595,265

Note: Reserve projections do not include use of Major Crimes Reserve despite the draft budget authorizing expenditures from this reserve.

2025 Changes In Reserves

	2025 Opening	2025 Transfer In	2025 Transfer From	2025 Ending
Operating Reserves				
General Fund Operating Surplus	\$3,567,605	\$ -	\$(1,953,473)	\$1,614,132
Sewer Fund Operating Surplus	2,162,195	-	(70,000)	2,092,195
Water Fund Operating Surplus	3,653,244	-	(851,000)	2,802,244
Growing Communities Fund	4,690,076	-	(1,886,787)	2,803,289
Climate Action	845,592	15,000	(305,350)	555,242
Major Crimes	1,078,999	84,900	(965,380)	198,519
COVID-19 Restart Grant Reserve	900,000	-	(900,000)	-
Financial Stability Reserve	1,000,000	-	-	1,000,000
Total Operating Reserves	\$17,897,711	\$99,900	\$(6,931,990)	\$11,065,621
Capital Renewal Reserves				
Fire Equipment	\$79,187	\$4 51,100	(\$190,500)	\$339,787
Machinery and Equipment	1,651,460	433,100	(1,470,000)	614,560
Capital Works - General Fund	11,639,145	1,688,900	(10,969,127)	2,358,918
Capital Works - Sewer Fund	5,894,833	1,430,923	(2,703,250)	4,622,506
Capital Works - Water Fund	2,544,504	1,470,840	(3,250,000)	765,344
Infrastructure Renewal	20,382,932	9,119,800	(24,408,410)	5,094,322
Tod House Trust	124,953	11,300	-	136,253
Legacy Trust	488,327	-	-	488,327
Total Capital Renewal Reserves	\$42,805,341	\$14,605,963	\$(42,991,287)	\$14,420,017
Capital (New Capital) Reserves				
Heritage	\$2,436,981	\$ -	\$ -	\$2,436,981
Village Parking	1,042,930	-	-	1,042,930
Land Sale	41,758	-	-	41,758
Parks Acquisition	519,382	-	-	519,382
Tax Sale Property	1,993	-	-	1,993
Alternative Transportation Infrastructure	15,817	-	-	15,817
Total Capital (New Capital) Reserves	\$4,058,861	\$ -	\$ -	\$4,058,861
Total Reserves	\$64,761,913	\$14,705,863	\$(49,923,277)	\$29,544,499

Individual reserve fund projections are outlined below:

Name	Description
Climate Action Reserve	The District was a signatory of the BC Climate Action Charter. Under the Charter, the District commits to becoming carbon neutral in corporate operations by measuring and reporting progress and creating a more energy-efficient community. As a signatory, the District was eligible to receive 100% of the carbon taxes paid during the year as a rebate (CARIP Grant). Proceeds from this rebate have been transferred to the District's Climate Action Reserve since 2012. In May of 2021, the Provincial Government announced this program would be wrapping up in 2021, with 2020 as the last reporting period.
CARIP Grant	<p>The CARIP Grant was replaced with the LGCAP Grant. The LGCAP provides funding for local governments to plan and implement climate action that will reduce emissions, create new opportunities for people in the clean economy, and prepare communities for future climate impacts. As part of the program, recipients of funding will be required to report on their actions. Proceeds from this grant were being transferred to the District's Climate Action reserve, much like the previous CARIP Grant funds.</p> <p>At the September 25, 2023 Council meeting Council resolved to add the "Implementation of Climate and Sustainability-Related projects and Programs" as a priority project in the Council Priority Plan. This included the creation and funding of a full time climate position. This position is funded by the Local Government Climate Action Program grant.</p>
Major Crimes Reserve	Annually, the Police Board budgets for a transfer to the major crime reserve. These funds are set aside pursuant to the annual budget request from the Police Board. Specific provision in the District's Reserve and Surplus Policy relate to the use of these funds.
Fire Machinery and Equipment Reserve Fund	The Fire Machinery and Equipment reserve fund was originally established pursuant to Bylaw No. 3773, " <i>Fire Machinery and Equipment Depreciation Reserve Fund Bylaw, 1993</i> ". This bylaw was repealed and replaced by Bylaw No. 4747, the " <i>Reserve Funds Bylaw, 2020</i> ". Money in this fund, and interest earned on it, shall only be used for extending the useful life, upgrading, or replacing fire machinery and equipment.
Heritage Reserve Fund	Money in this fund and interest earned on it shall only be used for land development projects and other capital projects designed to augment land development projects. The principal proceeds in this reserve were generated from the net profit from the Municipality's development of the Wessex Close subdivision in 1980-81.
Machinery and Equipment	<p>The Machinery and Equipment reserve fund was originally established pursuant to Bylaw No. 2074, "<i>Reserve for Machinery and equipment Bylaw</i>" and Bylaw No. 3773, the "<i>Machinery and equipment Depreciation Reserve</i>". These bylaws were repealed and replaced by Bylaw No.4747, the "<i>Reserve Funds Bylaw, 2020</i>". Money in this fund, and interest earned on it, shall only be used for extending the useful life, upgrading, or replacing machinery and equipment.</p> <p>Much of the District's fleet is due for replacement—and will be replaced in the next five years, however, reserve funding levels are believed to be sustainable for the long term.</p>

Name	Description
Parks Acquisition Reserve Fund	Under Section 510 of the <i>Local Government Act</i> , an owner of land being subdivided into three or more lots must either provide park land or pay cash in lieu. Section 188 of the Community Charter requires that such payments be credited to a statutory reserve fund. This reserve fund may only be used for the purpose of acquiring new park lands.
Capital Works Reserve Fund	This reserve fund was originally established through Bylaw no. 3775, the “ <i>Capital Works and Equipment Reserve Fund Bylaw</i> ”. This bylaw has since been repealed, and replaced with Bylaw No. 4747, the “ <i>Reserve Fund Bylaw, 2020</i> .” The primary purpose of the Capital Works Reserve Fund is to provide a means of financing major repairs or replacement of physical assets while moderating tax increases. Annual contributions for water main replacement and sewer rehabilitation are directed to this reserve, among other transfers.
Village Parking Reserve Fund	Section 525 of the Local Government Act permits a local government to collect a payment in lieu of off-street parking as a condition of a building permit. These payments must be placed in a reserve. Such payments were deposited to the District’s Village Parking Reserve, established under Bylaw No. 3631, the “ <i>Parking Reserves Fund Establishment Bylaw, 1989</i> ”.
Alternative Transportation Infrastructure Reserve Fund	After the establishment of the District’s Village Parking Reserve, legislation was enacted to allow Council to use the reserve for transportation infrastructure supporting walking, bicycling, and public transit, in addition to the provision of new off-street parking. The District then created its Alternative Transportation Infrastructure reserve pursuant to Bylaw No. 4422, the “ <i>Alternative Transportation Infrastructure Reserve Fund Establishment Bylaw, 2008</i> ”.
Infrastructure Renewal Reserve	<p>This reserve was established by administrative practice and not by bylaw. The District established this reserve through budget deliberations in 2017. The Municipality receives approximately \$800k in gas tax funds via the Union of BC Municipalities on an annual basis. These funds are deposited into the infrastructure renewal reserve. Furthermore, the annual Financial Plan allocates property tax funded transfers to this reserve. In 2019, Council directed that property taxes be increased by 2% per year so that an annual transfer could be established.</p> <p>The Infrastructure Renewal Reserve is composed of three parts, each of which have different intended uses:</p> <ul style="list-style-type: none"> • Property tax funded portion: this portion is limited only by Council direction in the Financial plan, • Community Works Fund (gas tax) funded portion: This portion is limited to infrastructure classes detailed in the Canada Community-Building Fund agreement, and • Uplands Sewer Separation Portion: See Uplands Sewer Separation Gas Tax Reserve Fund discussion below.
Legacy Trust	The Legacy Trust consists of various bequests made to the Municipality for specific purposes, such as improvements to the Seniors’ Activity portion of the Monterey Centre or the Public Art Fund.

Name	Description
Tod House Trust	<p>The Tod House Trust was established to fund repairs to the historic residence at 2564 Heron Street, which was jointly owned by the Municipality and the Province. In 2008 the Province gave its share to Oak Bay, but only “for so long as the land is used for the specific purpose of managing the Tod House Heritage Site”. Correspondence with the Province suggests that if the property use were to change, the District will pay to the Province 50% of the market value of the property at the time that its use changed. The Trust is built up from the net rental revenue.</p> <p>In 2022, the Trust fund balance was used to fund capital renovations on the building. Annual net rents (rental income less annual maintenance) are deposited to the credit of this Trust fund.</p>
Upland Sewer Separation Gas Tax Reserve Fund	<p>The District has accumulated and set aside \$6.1M in gas tax funds specifically for the Uplands sewer separation project. These funds were classified as a liability in the District’s financial statements due to the public nature of the commitment to this specific project until December 13, 2021. At the December 13, 2021 Regular Meeting of Council, Council adopted the following resolutions:</p> <p><i>“THAT the Gas Tax funds dedicated to the Uplands Sewer Separation Project, found in Note 3 of the District’s Financial Statements be disencumbered and be made available for general infrastructure expenditures per the terms of the 2014 - 2024 Community Works Agreement; AND FURTHER THAT Council direct staff to dedicate a portion of its property tax funded Infrastructure Renewal Reserve to the Uplands Sewer Separation Project (subject to Provincial grant approval) in the 2022-2026 Financial Plan.”</i></p> <p>Subsequent to this resolution, funds in the Uplands Sewer Separation Gas Tax Reserve were transferred to the District’s Infrastructure Renewal Reserve and were made available for general infrastructure renewal. A portion of the District’s other funds in the Infrastructure Renewal Reserve has been dedicated to the Uplands Sewer Separation project in the 2025-2029 Financial Plan.</p>
Growing Communities Reserve Fund	<p>On February 10, 2023, the Province of BC announced the new Growing Communities Fund (GCF) – a one-time total of \$1 billion in allocated grant funding for all BC</p>

Debt Funding Strategy

Responding to a state of aged infrastructure, the District has taken steps to increase the level and pace of capital replacement. Infrastructure replacement projections anticipate \$470 million in capital requirements over the next 25 years, with many of these assets expected to service the community for over 30 years.

To help fund this work, the District has taken significant steps to increase reserve contributions substantially between 2019 and 2030, targeting sustainable annual funding levels. But additional financing strategies are needed to meet cashflow requirements and better match the costs of infrastructure to the residents who will rely on those assets in the future. As such, the infrastructure replacement plans will also need to utilize borrowing to fund this work. The District is currently developing a debt management policy as part of the District's financial management strategies with the intention of ensuring responsible, cost-effective borrowing practices.

Already contained within legislation, the *Community Charter* and *Municipal Liabilities Regulation* establishes debt limits for the District. The maximum amount of debt that may undertake is subject to the liability servicing limit. Annual debt servicing costs are to be no greater than 25% of the annual controllable sustainable revenues. While this maximum limit exists, borrowing at these levels introduces a high degree interest rate risk for the District. Prudent financial management practices recommend debt borrowing as a means of magnifying investment, but those levels be kept below this limit.

The District currently holds no outstanding debt.

The table below shows forecasted borrowing implications per the 2025 -2029 Financial Plan. Municipal long-term borrowing in BC must occur through the Municipal Finance Authority (MFA). MFA provides debenture debt over various optional terms (5, 10, 15, 20, 25 and 30 years) at prevailing rates at the time of issue. Most commonly, the MFA will issue an initial 10-year term, with 5-year renewals thereafter for the remaining amortization period.

MFA provides an indicative rate table for municipalities to use in financial planning for borrowing. The following is the indicative rates by term as of February 1, 2025:

Indicative Lending Rate	
5 years*	3.04%
10 years**	3.72%
15 years	4.13%
20 years	4.30%
25 years	4.30%
30 years	4.30%

Based on MFA indicative rates and debt terms selected on Government Finance Officers Association best practices, the following borrowing is incorporated into the five year plan:

5-Year Financial Plan Projected Borrowing

Debt Funding by Project	2025	2026	2027	2028	2029	Total
Road Reconstruction Program (15 Years; 4.13%)	\$3,450,000	\$2,450,000	2,450,000	2,450,000	2,450,000	13,250,000
Storm Sewer Rehabilitation (15 Years; 4.13%)	3,150,000	2,450,000	2,450,000	2,450,000	2,450,000	12,950,000
North Oak Bay water Main (15 Years; 4.13%)	-	5,250,000	-	-	-	5,250,000
Carnarvon Park Building (25 Years; 4.30%)	-	1,900,000	12,200,000	12,000,000	1,900,000	28,000,000
Carnarvon Park Splash Park (25 Years; 4.30%)	-	1,500,000	-	-	-	1,500,000
Public Safety Building (25 Years; 4.30%)	-	1,000,000	20,000,000	15,000,000	7,000,000	43,000,000
Total Operating Reserves	\$6,600,000	\$14,550,000	\$37,100,000	\$31,900,000	\$13,800,000	\$103,950,000

Based on these borrowings the projected debt servicing costs, comprising of both principal and interest, are as shown in the following table:

5-Year Projected Debt Servicing Cost, Debt Servicing % & Tax Increase %'s

Incremental Impact of Borrowing	2025	2026	2027	2028	2029
Total Annual Principal & Interest	-	\$955,738	\$2,389,769	\$5,430,266	\$8,061,658
% of Revenue (Max 25%)	-	1.5%	3.6%	8.0%	11.5%
\$ Increase in Principal & Interest	-	\$955,738	\$1,434,032	\$3,040,497	\$2,631,392
% Tax Impact	-	2.5%	3.2%	6.3%	4.9%

Upon approval of the 2025-2029 Financial Plan, loan authorization bylaws will be advanced for Council approval and subsequent to that approval by the Inspector of Municipalities. The first \$48 million will not require elector approval, however all subsequent loan authorizations will be subject to a referendum or alternative approval process.





Asset Management Strategy





Asset Management Strategy

The District has invested significant effort to intervene on the Districts historical asset management practices to adopt industry standard sustainable service delivery principles and practices.

Largely, the program strategy remains focused on expanding revenue and organizational capacity to adopt sustainable lifecycle costs and replacement plans. Significant progress has been made in:

- Organizational capacity, implementation of capital planning and project delivery capacity
- Master planning for the municipal replacement and with completion of the Development Cost Charge (DCC) and (ACC) Amenity Cost Charge Programs, planning for anticipated growth-related asset investment.
- Funding capacity, executed on 3 years of the council approved 6-8 year funding strategy to grow dedicated asset funding and share costs with developers in completion of the DCC and ACC programs.

Objectives:

1. Master plans for all major asset systems, Council guided service levels
2. Target funding levels based on lifecycle cost costing
3. Support organizational capacity to sustainably maintain asset infrastructure

1. Master plans

Assets	Services	Plans
Natural	Recreation, health	Urban Forest Strategy
Road	Transportation	Pavement Management Program
Parks	Parks, Trails, Playgrounds	Parks, Rec and Culture Master Plan (2023)
Sanitary Sewer	Sanitary Sewer conveyance and treatment	Sewer Master Plan (2021)
Drainage	Storm water conveyance and quality assurance	Asset Management Report (2016) Storm Sewer Master Plan (2023)
Water	Water Conveyance and Quality Assurance	Water Master Plan (2019)
Vehicles and Equipment	Support of all capital services	Vehicle and Equipment Replacement Plans
Buildings	Recreation, Policing, Fire, Administration	Building Asset Management Plan (2016) Facilities Master Plan (2021/22) Carnarvon Park Master Plan

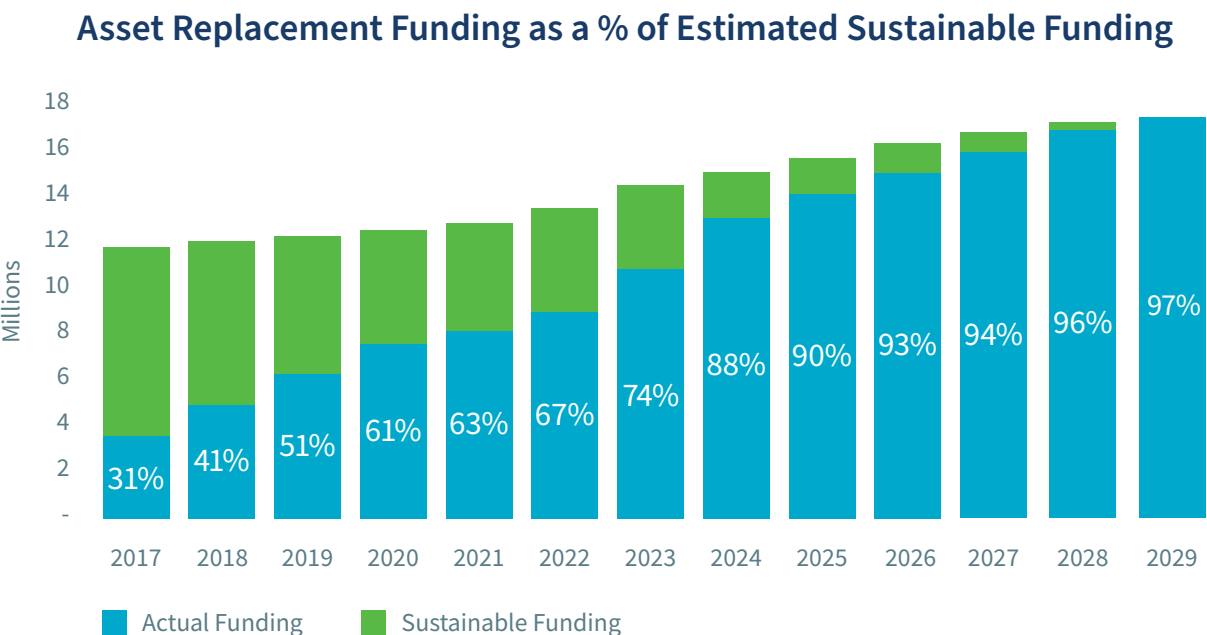
2. Target funding levels based on lifecycle cost costing

This District has made significant progress toward ensuring sustainable asset replacement is supported by permanent, predictable revenue (taxation and utility fees). The District increased annual funding over 3 years, of a 6- 8 year plan. Overall, this will result when completed in annual reserve transfers to address the existing and historical asset commitments.

Annual Asset Replacement Funding Progress – Five-Year Forecast

The 2025-2029 Financial Plan continues to increase asset replacement funding based on the Districts Sustainable Infrastructure Replacement Plan. Sustainable infrastructure replacement funding to maintain existing assets is estimated to be \$15.7 million in 2025. The District has made significant progress in closing the infrastructure funding gap since 2017. In 2017, funding levels were estimated to be at approximately 31% of sustainable levels. The draft Financial Plan closes this estimated funding gap to 97% by 2029. After which funding levels will remain in place and be regularly evaluated as per the asset management and reservice Policies.

The SIRP lays out the increase in funding required to align with lifecycle replacement cost existing assets. As master plans, conditions and risk assessments and 20-year capital plan are completed, sustainable funding targets are subject to change to incorporate the Council directed service levels of the Districts asset systems.



Year	Funding Level (\$millions)	Estimated Sustainable Funding (\$millions)	% Sustainability	Estimated Funding Shortfall (\$millions)
2017	\$3.7	\$11.8	31%	\$8.1
2018	\$5.0	\$12.1	41%	\$7.1
2019	\$6.3	\$12.3	51%	\$6.0
2020	\$7.6	\$12.5	61%	\$4.9
2021	\$8.1	\$12.8	63%	\$4.7
2022	\$9.0	\$13.5	67%	\$4.5
2023	\$10.7	\$14.4	74%	\$3.7
2024	\$13.3	\$15.1	88%	\$1.8
2025	\$14.1	\$15.7	90%	\$1.6
2026	\$15.1	\$16.3	93%	\$1.2
2027	\$15.9	\$16.9	94%	\$1.0
2028	\$16.9	\$17.6	96%	\$0.7
2029	\$17.6	\$18.3	97%	\$0.7

3. Support organizational capacity

Sustainable capital investment means the District is replacing its assets at the same rate as to meet community needs. Target levels of capital renewal are based on a complex suite of planning variables which see in many cases spurts of investment on assets. Council plays a key role in achieving this objective by supporting capacity and performance in this regard.

As an example, if a water main is expected to last 80 years, organizational capacity should be designed to replace the asset based on the lifecycle and risk assessment.

Council has made significant investment in support organizational capacity by adding new functions and staff to deliver on replacement plans. The State of the Infrastructure reports 1 and 2 are examples where Staff are developing and executing on capacity improvements.

The organization is currently wholistically assessing capacity as it enters Phase 2 of the Asset Management Strategy which targets renewing processes and tools to optimize capacity and integrating a more frequent and dynamic interaction on asset service levels. Council can expect to see capacity recommendations from Staff throughout the year in governance decisions and in the financial plan requests.



Glossary

Accounting Surplus: An accounting surplus is revenues less expenses. It does not include expenditures made for capital, on debt principal, or transfers to or from reserves. Local governments may budget for an accounting surplus or deficit but not a budget surplus or deficit. See the definition of a balanced budget.

Accrual: An accounting method measuring the financial performance and position of an organization by recognizing economic events when they happen, regardless of when the related cash changes hands. For instance, revenue is recognized in the financial statements when earned, not when received.

Accumulated Surplus: The accumulated surplus is a pool of accumulated funds resulting from all historical budgetary surpluses. Budgetary surpluses result in funds remaining in accumulated surplus (unappropriated) or transferred to reserve (appropriated).

Appropriated: When a fund is appropriated, it is subject to certain restrictions on what the fund can be used for.

Approval of the Electors: Approval of the electors is required when a local government decision may have a significant impact on the community over the longer term. Some examples are: (1) Long-term borrowing (loan authorization) for municipalities, (2) Disposal of certain utilities other than a water or sewage system, (3) Exchange or other disposal of parkland, (4) Liabilities under some types of agreement, or (5) Removing the reservation or dedication from property.

Approval-free Liability Zone: The approval-free liability zone is 5% of controllable and sustainable municipal revenue. Once the total annual cost of servicing liabilities exceeds the 5% approval free limit, all subsequent borrowing must receive elector approval.

Audit: A financial audit is an independent examination of an organization's financial statements to ensure accuracy and compliance with accounting standards and regulations. It involves verifying financial records, assessing internal controls, and evaluating accounting policies. The goal is to provide assurance that the financial statements are free from material misstatement.

Balanced Budget: A financial plan where the sum of current revenue, transfers from reserves, and debt proceeds, equals the sum of current operating expenditures, debt principal payments, and capital expenditures.

Capital Asset: An asset that has physical substance, is used to supply a service, lasts longer than a year, and is not for sale in the ordinary course of operations.

Capital Expenditure: The expenditure of monies for the purchase or construction of a capital asset.

Deferred Revenue: Refers to payments received in advance for services which have not yet been performed. The most common form of deferred revenue in municipal accounting consists of Development Cost Charges that are advanced payments for future capital services needed because of growth.

Financial Plan: This term is used interchangeably with “budget” but will also usually refer to the five-year budget bylaw.

Forced growth: Increased costs the District must incur to continue to provide existing services at the same service level. For instance, collective agreement increases, inflation, and contractual increases are forced growth factors. Forced growth is not increases to service delivery costs resulting from elective changes or enhancements to existing programs.

Fund: A pool of money set aside for a specific purpose.

FTE (Full Time Equivalent): A statistic to compare staffing levels between departments, organizations, or years. It is calculated by dividing the total number of hours that one full-time staff member would work during a year.

LGDE (Local Government Data Entry): The LGDE forms provide a standardized financial measure of local government activities over the previous fiscal year. Local governments must annually submit their forms by May 15 to the Ministry of Municipal Affairs and Housing. These forms are a standardized presentation of a local government's financial position and activities, such as assets, liabilities, revenue, and expenditures over the course of the previous fiscal year (based on the audited financial statements).

Life-Cycle Costs: Full life-cycle costs refer to the total costs incurred by a piece of capital during the entirety of its useful life. For instance, full life-cycle costs would include the acquisition or construction cost, maintenance costs, and the cost of ongoing annual repairs and maintenance for continued provision of the capital service.

Liability: Liabilities are present obligations a reporting entity has to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefit.

Municipal Finance Authority (MFA): The Municipal Finance Authority of British Columbia (MFA) was created in 1970 to contribute to the financial wellbeing of local governments throughout BC. The MFA pools the borrowing and investment needs of BC communities through a collective structure and can provide a range of low cost and flexible financial services to clients equally, regardless of the size of the community. The MFA is independent from the Province of British Columbia and operates under the governance of a Board of Members appointed from the various Regional Districts within the province.

New Construction Taxation Revenue: Taxation revenue resulting from taxable land or buildings not subject to taxes in the previous year. For example, newly built taxable buildings, previously exempt taxable property, newly subdivided land, or valuation increase due to zoning amendments.

Official Community Plan: Under the *Local Government Act* Section 471, an OCP is a statement of objectives and policies to guide decisions on planning and land use management within the area covered by the plan, respecting the purposes of local government.

Operating Costs: Expenses which are related to the operation of a business, or related device, component, piece of equipment, or facility.

Reserve Fund: A fund established by bylaw for a specific purpose. Monies placed in a reserve fund can only be used for the purpose for which the reserve was established.

Revenue: Income from business services and fees.

Service Plans: These plans depict the operating costs/revenues and related performance measures of a District Department.

RFP: A Request For Proposal is issued at an early stage in a procurement process, where an invitation is presented for suppliers to submit a proposal on a commodity or service.

SOFI (Statement of Financial Information): The SOFI is a financial statement prepared pursuant to the *Financial Information Act*. The SOFI contains audited financial statements, as well as other mandated schedules including the schedule of remuneration and expenses, and the schedule showing payments made for the provision of goods or services.

Special Initiatives: One-time operating projects outside the normal course of work performed by staff.

Sustainable infrastructure replacement funding: This refers to the annual funding required so an asset can be replaced at the end of its useful life without borrowing.

Appendices

Appendix A: Financial Plan Bylaw

THE CORPORATION OF THE DISTRICT OF OAK BAY

BYLAW NO. 4899

A Bylaw respecting the Financial Plan
for the years 2025, 2026, 2027, 2028 AND 2029

The Municipal Council of The Corporation of the District of Oak Bay in open meeting assembled enacts as follows:

1. Schedule “A” attached hereto and forming a part of this Bylaw is hereby adopted as the Financial Plan of The Corporation of the District of Oak Bay for the calendar years of 2025, 2026, 2027, 2028 and 2029.
2. This Bylaw may be cited as the *2025-2029 Financial Plan Bylaw No. 4899, 2025*.

READ A FIRST TIME the	24th day of March, 2025.
READ A SECOND TIME the	24th day of March, 2025.
READ A THIRD TIME the	24th day of March, 2025.
ADOPTED the	14th day of April, 2025.

Mayor

Director of Corporate Services

Schedule "A" – The Corporate of the District of Oak Bay Five Year Financial Plan

Revenue	Budget 2025	Budget 2026	Budget 2027	Budget 2028	Budget 2029
Property Taxes	\$40,303,147	\$45,079,835	\$48,479,851	\$53,358,969	\$57,361,544
Parcel (frontage) Taxes	289,872	304,366	319,584	335,563	352,341
Other Taxes	95,260	91,450	87,790	84,280	80,910
Fees and Charges	11,267,932	11,710,181	12,168,422	12,643,406	
Sales of Services	1,480,180	1,488,360	1,590,583	1,692,851	13,135,605
Other Fees and Charges	10,881,539	11,149,350	11,396,093	11,648,408	1,795,163
User Fees	2,773,000	2,550,300	2,585,430	2,623,577	11,906,242
Interest	7,879,866	2,214,512	2,229,837	2,280,741	2,665,233
Grants and Other Govts.	307,760	283,160	283,360	283,570	1,896,650
Other					283,780
Total Revenue	75,278,556	74,871,514	79,140,950	84,951,365	89,477,468
Expenses					
General Municipal	36,480,423	37,103,920	37,981,966	38,464,514	39,322,083
Protective Services	17,488,546	17,255,169	17,273,840	17,695,547	18,315,939
Water	4,935,742	5,094,510	5,258,490	5,427,710	5,602,460
Sewer	4,459,702	4,494,180	4,601,410	4,711,380	4,824,130
Debt Interest	-	617,158	1,223,003	2,809,973	4,173,343
Total Expenses	63,364,413	64,564,937	66,338,709	69,109,124	72,237,955
Accounting Surplus	11,914,143	10,306,577	12,802,241	15,842,241	17,239,513
Add:					
Transfer from Reserve Funds					
Capital Works	16,922,377	6,736,075	6,519,312	6,556,385	6,626,375
Climate Action	305,350	193,050	-	-	-
COVID-19 Restart	900,000	-	-	-	-
Fire Equipment	190,500	494,000	175,000	100,000	570,000
General Surplus	2,874,473	1,018,105	538,144	120,000	100,000
Growing Communities Fund	1,886,787	1,025,000	160,000	125,000	-
Infrastructure Renewal	24,408,410	7,962,600	10,232,400	7,143,400	7,097,880
Machinery and Equipment	1,470,000	500,000	500,000	500,000	500,000
Major Crimes	965,380	1,013,649	1,064,331	1,117,548	1,173,425
Amortization & Accretion	3,210,600	3,371,300	3,539,900	3,716,900	3,902,745
Debt proceeds	6,600,000	14,550,000	37,100,000	31,900,000	13,800,000
Deduct:					
Capital Expenditures	(56,942,157)	(31,343,475)	(54,894,012)	(46,709,485)	(28,977,155)
Transfers to Reserves					
Capital Works	(4,590,663)	(5,093,680)	(5,609,811)	(6,151,232)	(6,464,065)
Climate Action	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Fire Equipment	(451,100)	(469,100)	(487,800)	(507,400)	(527,600)
Infrastructure Renewal	(9,119,800)	(9,351,695)	(9,877,181)	(10,514,571)	(10,514,571)
Machinery and Equipment	(433,100)	(455,500)	(473,500)	(492,200)	(511,700)
Major Crimes	(84,900)	(91,800)	(95,500)	(99,300)	(99,300)
Tod House Trust	(11,300)	(11,526)	(11,757)	(11,992)	(12,231)
Debt Principal	-	(338,580)	(1,166,767)	(2,620,294)	(3,888,316)
Budgetary Surplus	\$ -	\$ -	\$ -	\$ -	\$ -

Schedule “A”, continued

Objectives and Policies regarding:

- 1. Funding Sources**
- 2. Property Value Tax Distribution**
- 3. Permissive Tax Exemptions**

1. Funding Sources

1.1. Revenue from Property Value Taxes - Objectives and Policies

The Municipality has a property tax assessment base of which 98.1% of the value is in the Residential class. This concentration of property taxes within the residential class enhances the dependability of the revenue source. Property taxation is a highly dependable and easy to administer revenue source.

Fees and charges, however, may enable ratepayers to exercise choice in consumption, thereby controlling the financial impact of that choice. Such a choice does not exist within the property taxation system.

The objective of Council, therefore, is to achieve a desired balance between utilizing property taxation revenue and relying on user fee revenue. This balance considers the benefits of the revenue dependability versus the desire to restrain property taxation growth. Property taxes will be used to balance the budget after first examining the potential for sustainable revenues from other sources.

1.2. Revenue From Parcel Taxes - Objectives and Policies

A parcel tax is a tax levy on land that is not a function of the assessed value. Only in limited circumstances is a parcel tax an alternative to a property value-based tax. It can only be applied to properties receiving a particular service and cannot be used for the funding of general services.

The objective of Council with regard to the parcel taxes is to ensure that its use fairly relates to the benefits conferred by the service it funds.

Council policy to date has been to use the parcel tax only to fund the cost of maintaining boulevards on specific streets that are serviced by the Municipality. The parcel tax is based on frontage.

1.3. Revenue From Fees - Objectives and Policies

Fees and charges account for a significant portion of the District's revenue. The largest component of user fee revenue is generated from the District's recreation programs. The objective of Council is to ensure that recreation user fee revenues cover all the direct program costs at a minimum, and a portion of overhead costs if possible.

The District aims to recover 100% of its solid waste disposal and collection costs through the solid waste fee.

The Municipality also operates a water distribution system. Its objective is to cover the utility costs with a user fee based on consumption.

The Municipality's sewer system is also operated as a utility. Approximately 70% of the municipal costs are recovered via a water consumption based user fee, with the remaining funded through property taxation.

The District also levies a sewer user fee to recover 100% of the Core Area Wastewater operating costs. Core Area Wastewater debt and capital costs are funded via property taxation.

1.4. Revenue From Other Sources - Objectives and Policies

Revenue in the "Other Sources" category consists primarily of grants in lieu of taxes and developer contributions. The use of developer contributions is often specifically prescribed in an agreement or by bylaw. Grants in lieu of taxes are incorporated into revenue forecasts prior to property taxes being considered.

1.5. Proceeds From Borrowing - Objectives and Policies

The objective of Council is to maintain its long-term debt servicing costs at a manageable level by replacing infrastructure on an incremental "pay as you go" basis.

Council policy is to limit the creation of long-term debt for the financing of large capital projects which cannot efficiently be undertaken on an incremental basis, or where such an approach would not be adequate to meet requirements with respect to public safety, health or senior government regulations.

2. Property Value Tax Distribution

Non-residential properties represent a small proportion of the total tax base. Taxing other classes at a high multiple of the residential rate would be of relatively small benefit. The municipal business tax rate as a multiple of the residential tax rate, therefore, is low relative to most local governments throughout British Columbia. There is no property in the Industry class, and only a small amount in the Recreation class.

The objective of Council is to distribute future property value tax increases equitably among the classes of property after non-market change assessments have been considered.

The policy is to adjust the tax rate ratios each year so that the increase on each property class is equal after non-market change assessments have been removed.

There is one property in the Farm class. The policy is to set the Farm class tax rate to derive the same tax yield as if the property were classified as a residential assessment.

3. Permissive Tax Exemptions

The objective being to distribute the tax burden fairly among properties receiving municipal services, Council makes very little use of its authority to grant permissive tax exemptions.

The policy to date has been to grant permissive exemptions only for land and improvements appurtenant to property already exempted by statute (e.g., churches), portions of municipal land leased or licensed to a non-profit organization providing a service complementary to municipal services, and in one case, an institution of childhood learning not statutorily exempt.



Appendix B: Basis of Accounting and Budgeting

The accounting policies of the District conform to Canadian Generally Accepted Accounting Principles for local governments and the Consolidated Financial Statements are prepared as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Professional Accountants. The District uses various funds to account for its revenues and expenditures. The revenue in each fund may be spent only for the purpose specified in the fund. Each fund belongs to one of five categories: general, parks and recreation, sewer, water, or reserve. General funds are used for general government and protective services. Recreational funds are used for the day-to-day operations of the District's Parks, Recreation and Culture department. Water and Sewer funds are self-financed utilities, except for a general fund contribution to the sewer fund. Both utility funds are used for operating and capital purposes. Reserve funds accumulate revenue and interest that will be used to pay for major capital expenses in future years.

All funds, (general, sewer utility and reserves) are accounted for on the accrual basis. Sources of revenue are recognized when earned. Revenue unearned in the current period is reported on the balance sheet as deferred revenue.

Much of the District's financial planning process is guided by the Community Charter S. 165. The Charter requires the District to adopt a Five-Year Financial Plan Bylaw before May 15 annually.

Such a Bylaw must:

1. Set out proposed expenditures, funding sources, and transfers between funds
2. Set policy and objectives related to identified funding sources, distribution of property taxes and the use of permissive tax exemptions
3. Disclose amounts for specific expenditures such as debt interest, debt principal, and capital expenditures
4. Disclose amounts for specific funding sources such as property taxes, parcel taxes, and fees
5. Disclose the use of, and transfer to, specific reserves
6. Council may amend the Financial Plan at any point during the year but will only do so if authorized expenditure limits are likely to be exceeded and/or as required for tracking.

Budget must be balanced with current revenues, including transfers from reserves, sufficient to support current expenditures, including transfers to reserves. Expenditures include those of a capital nature and debt principal.

Accounting surplus differs significantly from a budgetary surplus. A balanced budget includes expenditures that are Public Sector Accounting Standards such as capital expenditures and debt principal payments.

Appendix C: 2023 - 2025 Consolidated Budgets and Actuals (Unaudited)

Revenue	Actual 2023	Actual 2024	Budget 2024	Budget 2025	YoY \$ Change	YoY % Change
Property Value Taxes	\$33,051,452	\$36,031,695	\$36,013,400	\$40,303,147	\$4,289,747	12%
Boulevard Frontage Taxes	255,671	268,647	268,400	289,872	21,472	8%
Grant In Lieu of Taxes	74,926	75,427	68,000	75,000	7,000	10%
1% Utility Revenue	236,115	230,842	230,800	232,170	1,370	1%
Property Tax Penalties & Interest	306,860	277,956	215,600	273,000	57,400	27%
Grants (Operating)	5,210,725	354,689	528,000	357,700	170,300	32%
Grants (Capital)	1,197,964	3,588,150	7,441,900	6,430,066	1,011,834	14%
Developer Contributions	-	-	-	-	-	-
Investment Income	3,651,431	3,515,891	2,501,500	2,250,000	(251,500)	-10%
Miscellaneous Revenue	68,835	53,990	11,300	11,100	(200)	-2%
Municipal-Regional District Tax	314,228	269,154	300,000	250,000	(50,000)	-17%
Facilities Dept. Revenue	368,183	343,714	334,900	358,980	24,080	7%
Finance Dept. Revenue	57,739	58,773	59,000	60,250	1,250	2%
Building & Planning Dept. Revenue	1,211,433	939,303	1,082,500	1,409,000	326,500	30%
Engineering Dept. Revenue	40,821	43,277	22,100	10,000	(12,100)	-55%
Public Works Dept. Revenue	1,805,429	1,862,819	1,866,700	2,099,635	232,935	12%
Sewer Utility Fees	4,445,723	4,153,689	4,401,900	4,890,250	488,350	11%
Water Utility Fees	5,508,303	5,263,062	5,853,600	6,490,582	636,982	11%
Parks & Recreational Dept. Revenue	9,052,036	9,654,302	8,794,100	9,600,704	806,604	9%
Total Revenue	66,857,873	66,985,380	69,993,700	75,391,456	5,397,756	8%
Operation Expenses						
Corporate Administration	3,257,115	3,337,393	4,314,400	4,218,923	(95,477)	-2%
Oak Bay Tourism	314,228	269,154	300,000	250,000	(50,000)	-17%
Facilities	287,029	437,031	360,900	392,920	32,020	9%
Finance & IT	1,957,832	2,272,602	2,373,400	2,385,969	12,569	1%
Policing	5,957,519	6,145,508	6,137,400	6,788,300	650,900	11%
Fire Protection	5,204,307	6,303,672	5,602,700	5,864,229	261,529	5%
Building & Planning	1,396,643	2,077,918	4,774,600	3,821,237	(953,363)	-20%
Library	1,227,493	1,295,239	1,287,600	1,309,570	21,970	2%
Engineering & Public Works	6,015,443	6,004,633	6,529,600	7,193,626	664,026	10%
Sewer Utility	3,543,149	3,248,258	3,784,900	4,306,402	521,502	14%
Water Utility	4,029,416	4,180,432	4,221,600	4,704,742	483,142	11%
Parks and Recreation	14,712,412	15,620,410	15,780,900	16,177,553	396,653	3%
Fiscal	130,329	199,717	155,600	186,500	30,900	20%
Debt Interest	134,378	-	-	-	-	-
Contingencies	-	134,022	927,900	2,091,562	1,163,662	125%
Major Crimes Contingency	-	-	940,000	965,380	25,380	3%
Total Operating Expenses	48,167,293	51,525,989	57,491,500	60,656,913	3,165,413	6%
Add:						
Amortization & Accretion	15,599	(23,998)	-	-	-	-
Transfers from Reserves	15,370,900	14,930,528	50,145,500	49,923,277	222,223	0%
Debt Proceeds	-	-	-	6,600,000	6,600,000	-
	15,386,499	10,890,513	50,145,500	56,523,277	6,377,777	13%
Deduct:						
Capital Expenditures	(14,872,892)	(17,765,946)	(49,584,800)	(56,942,157)	(7,357,357)	15%
Transfers to Reserves	(16,707,446)	(15,046,324)	(13,062,900)	(14,315,663)	(1,252,763)	10%
Debt Principal	(142,594)	-	-	-	-	-
	(31,722,932)	(32,812,270)	(62,647,700)	(71,257,820)	(8,610,120)	14%
Surplus or (Deficit)	2,354,148	(2,446,349)	-	-	-	-







DISTRICT OF
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