



Town of
Sidney



**Annual Report
2010**

Town of Sidney Annual Report 2010



Image credits

We wish to thank community and staff members for their photographic contributions that capture the beauty and spirit of the Town of Sidney.

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This document was a collaborative effort of the Corporate Services and Administration departments of the Town of Sidney with contributions from across the organization.

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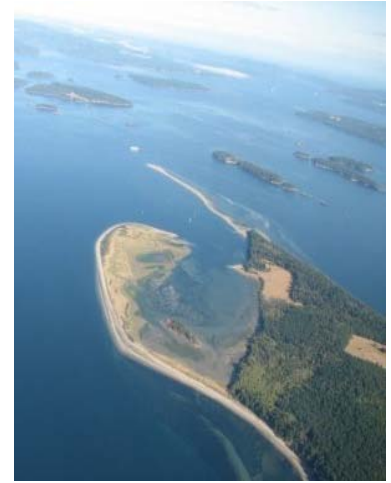
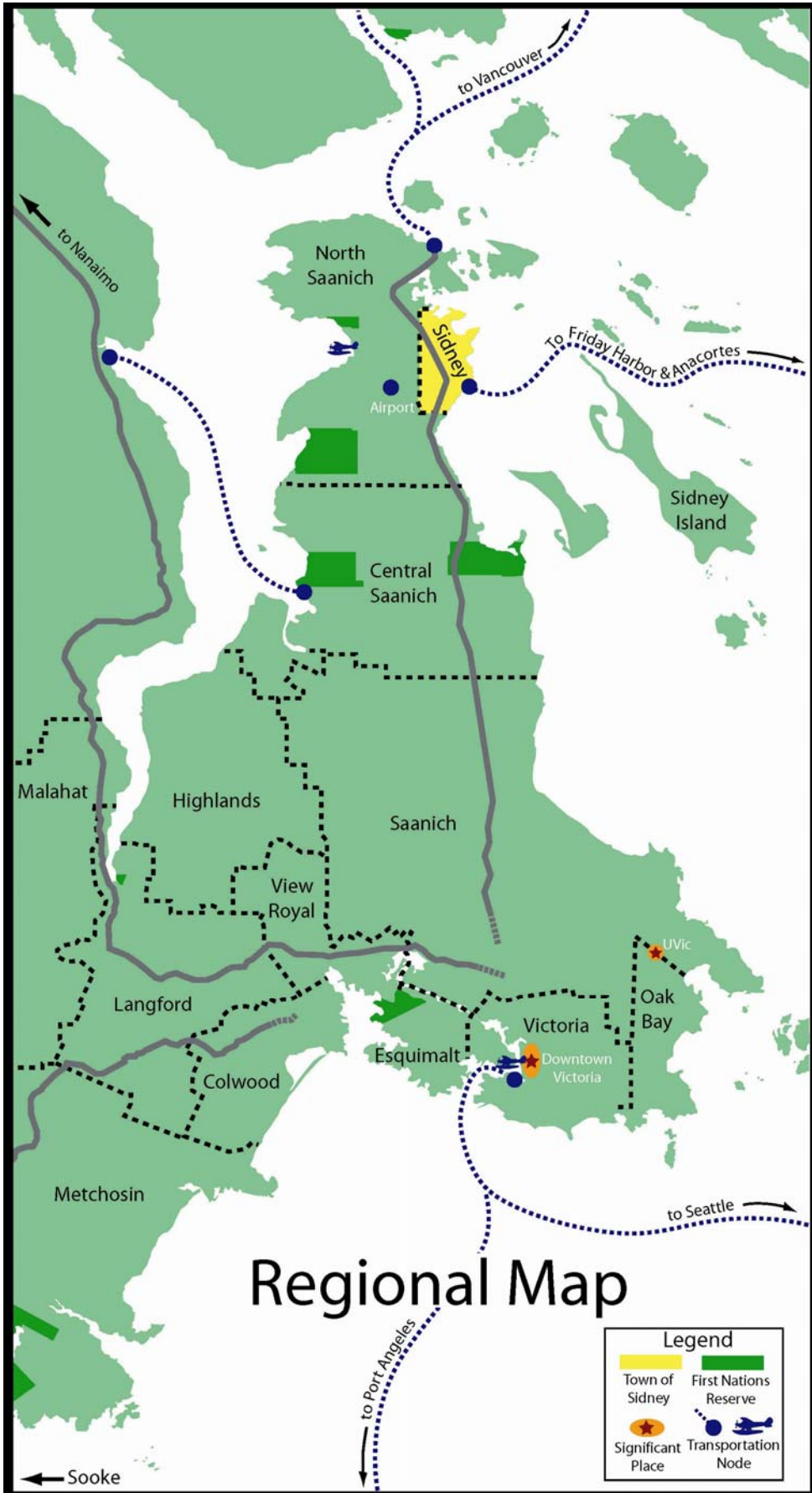
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Sidney and the Region



The Official Coat of Arms

In 1998 changes were made (below) to the original Coat of Arms to include Bufflehead ducks and Arbutus leaves as “supporters” to represent the natural environmental of Sidney.



Shoal Harbour, particularly Roberts Bay, is the Bufflehead’s primary winter habitat and they symbolize Sidney’s position by the sea. The Bufflehead was also selected for vivacity and boundless energy. The Arbutus grows only in a small area along the Southern BC coast and was a natural choice to present the flora of Sidney. The new coat of Arms incorporates portions of the old Coat of Arms.

In 1969 Council formally accepted the Town’s first coat-of-arms (right) consisting of a shield centered with the Sloop HMS Plumper.

On the upper left and right of the shield were two arrow heads with clasped hands between them. Above the shield was a flaming beacon and below it on a curved scroll the motto “HARUS EXCLARRET NOS” (let the beacon enlighten us).

The arrowhead on the upper right was Sashish while on the left, the blue barbed arrowhead was from the Sidney family’s coat-of-arms. The clasped hands between them symbolizes the friendship between the First Nations and the settlers. The beacon represents the one that formerly marked the rocks off Sidney and after which Beacon Avenue was named. A beacon can also signify knowledge and enlightenment.



History of Sidney

The Saanich People have lived on the peninsula for thousands of years, and prior to European contact, had winter villages throughout the region.

In 1852, the Hudson's Bay Company obtained two large tracts of forested land from the Saanich People. The area was then roughly surveyed by Joseph D. Pemberton, becoming known as North and South Saanich Districts. The first white settlers to make residence at North Saanich were John and Mark Coles in 1857.



Within a few months after the advent of the Fraser River gold rush excitement in April 1858, the majority of the North Saanich District was spoken for by gold miners, settlers and speculators. Among them were William & Charles Reay, Donald Fraser, William Booth, and Octavuis Ommaney who purchased land which is now part of the Town of Sidney.

Some debate has arisen over the bestowing of the name of Sidney in the area. There is little doubt that Sidney Island (previously known as Sallas Island) and Sidney Channel were re-named after Lieutenant Frederick William Sidney (later Captain) who was a member of the Hydrographic Service of the Royal Navy. The question is who bestowed his name on the Island. Traditionally it has been believed that Captain George Henry Richards, of the *H.M.S. Plumper*, a friend and colleague of Lt. Sidney named them after charting the area in 1859.

Alternatively, the British Admiralty state that their findings show that Captain Henry Kellet in command of the *H.M.S. Herald* with its tender the *H.M.S. Pandora* under the command of Lt. Com. James Wood had conducted surveys in the area during 1846 to 1848, and that there is "very little doubt" they were responsible for re-naming the island. Until recently, this view was received with reservation, as no undeniable supportive evidence was provided. With the locating of the Admiralty Chart of 1847 (printed 1850), there is now no question that the name change from Sallas Island to Sidney Island occurred many years previous to Captain Richards arrival in the area.

In 1891, fifty acres of land owned by the Brethour family was subdivided in lots and registered as the Township of Sidney. By the close of 1892, there was a general store, a post office, a boat building shop and a hotel. The name "Sidney" apparently came about when Julius Brethour, who became the first president of the Victoria and Sidney Railway, was asked the question concerning a name for the site. "Brethour, looking across the water from the rude settlement, saw Sidney Island directly opposite, 'It will be called Sidney', said Mr. Brethour." Sidney continued to grow as pioneer families moved into the area, and businesses flourished.

Transportation played a major role in the success of the peninsula, with rail and sea links to Victoria and the mainland, and more recently with Victoria International Airport established on the border of Sidney. Sidney was incorporated as a village on September 30th, 1952, and has enjoyed steady growth, and is now a town with a population in excess of 11,000 people.

Sidney Community



Sidney has been described as a complete community comprised of:

- A dense mix of businesses;
- A wide choice of affordable housing;
- Readily available and well-distributed public services;
- Public open space; and
- A mix of housing, employment, services and recreation opportunities in close proximity to each other.

In addition, it is:

- Walkable;
- Transit focused;
- Safe;
- Socially diverse; and
- Cycling friendly.

Sidney Facts:

- Date of Incorporation: 1985;
- Population: 11,315 (2006 Census);
- Area: 7 square kilometres;
- Labour Force: Industrial, Retail, Healthcare;
- Climate: Mediterranean with year round mild temperatures and moderate rainfall;
- Native mammals: mink, otter, raccoon, black-tailed deer, and deer mouse; and
- Non-native mammals: cottontail rabbit, grey squirrel.

Mayor's Message



On behalf of Council, it is my pleasure to present the 2010 Annual Report for the Town. Sidney is a great community and, as a Council, we are committed to working together to build a strong and positive future for our Town.

Throughout 2010, we endeavoured to preserve and enhance the overall quality of life for our citizens and community partners, while still maintaining an awareness of the economic stress our residents and businesses faced. Being a small community, with a limited tax base, presents challenges; however, we will continue to provide the best possible service at the lowest possible cost to our taxpayers. We are proud of the Town's high standard for service delivery and will work hard to sustain this.

In order to better communicate with you on a regular basis, we have made significant changes to our community newspaper, *Town Talk*. It has been given a much brighter and attractive appearance and has also been expanded to six pages in order to provide more information to our readers. I have also hosted two very successful *Mayor's Open Doors* which allow members of the community to bring their concerns and suggestions directly to me. These will be continued and I look forward to meeting with more of you.

A focus in 2010 was to find a solution in order to provide attainable housing for young people and families, thereby creating a balanced community in terms of demographics. This is needed to ensure that our business and service sectors can provide the services that a large and aging population requires. This continues to be an area of concern and we are currently working with the CRD and other community partners on potential solutions.

We are very pleased with the new Community Development Commission and Healthy Community Commission and the active role they are taking. The Community Development Commission formed working groups which are focused on selected themes and directions and are successfully developing a number of strategies to enhance the economic vitality of our Town. The Healthy Community Commission is taking a lead role in access awareness, safety and traffic issues and is also acting as a consultation point for special interest health groups such as Autism and Crystal Meth. Our other new committees – Protective Services, Parks and Infrastructure and Administration and Finance – are also contributing to the work of the Town.



Mayor's Message (continued)

In September it was a distinct honour to pay tribute to the 443 Maritime Helicopter Squadron as they exercised their "Freedom of the Town" by marching through the streets with colours flying, bayonets fixed and drums beating. Freedom of the Town is a symbol of the trust and friendship that develops between a military unit and the residents of a municipality. The Town's relationship with the Squadron goes back to the early 1940's and is one we value and want to foster. We appreciate their courage and dedication in defending our country and it is reassuring to know that they are based out of the Victoria International Airport.

I extend thanks to the many volunteers in our community who commit so much of their time, expertise and energy and are a major strength in all of our accomplishments. A perfect example of this is the impressive years of service of two volunteers who retired in 2010 from our Fire Department – Deputy Chief, Len Harman, with 30 years and Jack Shrieves with 20 years. I would also like to take this opportunity to mention how much many of us will miss our Town Crier and very well respected community volunteer, Bert Stevens, who passed away in 2010.

Thank you to all members of Council for their leadership and vision as well as our dedicated team of staff for the important role they have played in the achievement of the 2010 results.

I hope you enjoy reading our Annual Report which highlights information on the efforts and accomplishments undertaken on your behalf during 2010. I thank you for the confidence you have placed in me as Mayor. I am always open to comments from you about our Town, please feel free to contact me at any time.

Sincerely,



Larry Cross
Mayor



Mayor and Council 2008 - 2011

The Town of Sidney is governed by an elected Council consisting of a Mayor and six Councillors. The current Council was elected in November 2008 for a three-year term. Elections are held the third Saturday of November every third year. The next election is November 19, 2011.



Back row (left to right): Sergeant Wayne Conley, Councillor Mervyn Lougher-Goodey, Councillor Steve Price, Judge Brian Neal, Councillor Kenny Podmore, Councillor Cliff McNeil-Smith, Town Crier Bert Stevens

Front row (left to right): Councillor Marilyn Loveless, Mayor Larry Cross, Councillor Jeannette Hughes

Council meetings are held at 7:00 p.m. on the second and fourth Monday of each month and Committee of the Whole meetings on the first and third Monday of each month. This schedule may vary, especially in the summer months, so please check with Administration to confirm meeting dates and times. The public is welcome to attend all sessions.

Mayor and Councillors: Portfolios

Mayor Larry Cross

CRD Board of Directors
CRD Hospital District Board
Administrative & Finance Committee
Community Development Commission
Healthy Community Commission
First Nations
Greater Victoria Labour Relations Association
MPS Joint Finance Steering Committee
Peninsula Community Task Force
Peninsula Recreation Commission
Harbours and Waterfront Committee
McTavish Road Interchange Task Force
Highway 17 Joint Steering Committee

Councillor Jeannette Hughes

Healthy Community Commission
Beacon Community Services
MPS Joint Finance Steering Committee
Society of Saanich Peninsula Museums
Vancouver Island Regional Library

Councillor Mervyn Lougher-Goodey

Advisory Planning Commission
Regional Water Supply Commission
Saanich Peninsula Water Commission
Saanich Peninsula Wastewater Committee
Administration & Finance Committee
McTavish Road Interchange Task Force
MPS Joint Finance Steering Committee

Councillor Marilyn Loveless

Healthy Community Commission
Parks and Infrastructure Committee
CRD Arts Committee
Saanich Peninsula Water Commission
Saanich Peninsula Wastewater Committee
School District No. 63
Peninsula Agriculture Commission
Community Arts Council
Sister Cities Association

Councillor Cliff McNeil-Smith

Community Development Commission
Administration & Finance Committee
Peninsula Recreation Commission
CREST
Peninsula Community Task Force
Emergency Measures Executive
Memorial Park Society
Shaw Ocean Discovery Centre

Councillor Kenny Podmore

Saanich Peninsula Chamber of Commerce
Sidney Business Association
Parks and Infrastructure Committee
Protective Services Committee
Peninsula Celebrations Society
Sidney/North Saanich Ball Facility

Councillor Steve Price

Victoria Airport Consultative Committee
Protective Services Committee
Harbours and Waterfront Committee
CRD Solid Waste Advisory Committee
CRD Climate Action Steering Committee
Regional Housing Trust Fund Commission
Highway 17 Joint Steering Committee
Sidney/North Saanich Ball Facility Committee
First Nations Liaison

Message from the Chief Administrative Officer



I am very pleased to report to the community on a number of matters of interest that were initiated or completed in the past year.

Sidney Ferry Terminal

On mutual consent, the Town and BC Ferries agreed to dissolve the lease agreement respecting the Sidney Ferry Terminal. By year end, significant progress had been made in working toward a direct lease and operating agreement with Washington State Ferries. It is anticipated that this new partnership arrangement will reinforce the high value placed on the Sidney to Anacortes international ferry service provided by the Washington system.

Shaw Ocean Discovery Centre

Celebrating its first anniversary in June, the Shaw Ocean Discovery Centre announced attendance levels well in excess of projections, and by year-end was looking forward to welcoming visitor number 200,000. The Centre has emerged as a key element in planning to attract visitors and tourists to discover our lovely little town and the Saanich Peninsula.

Parkland Improvements

The Lochside waterfront promenade park improvement project was substantially completed in late 2010. With its serpentine pathway meandering through new gardens and a boardwalk feature, the project has been very well received by residents and visitors. The community is anticipating the redevelopment of Iroquois Park which is to be underway early in 2011. This project will feature the Sidney-by-the-Sea Rotary Club spray park, a playground, a multi-use play court, a new washroom/concession building, and a new community building that will house the Lions Club Food Bank. The heritage apple tree grove will be retained and the pond area is to be rehabilitated and improved. We look forward to opening the new and improved Iroquois Park in 2012. A project associated with the Iroquois Park work will be the construction of a simple traffic circle at 5th Street and Ocean, replacing the current offset 2-way stop configuration. This will create a more efficient flow of traffic as well as an attractive landscaping feature to compliment all of the other improvements along the 5th Street/Lochside Drive corridor.

Visitor Information Services

Through the leadership of Mayor Cross and John Treleaven, the President of the Saanich Peninsula Chamber of Commerce, the Town entered into an agreement with the Chamber to manage and operate the Town's Visitor Information Centre in Bevan Park. This brings the Sidney operation into the approved provincial tourist information centre system. We look forward to a long-lasting partnership with the Chamber on this initiative as well as working together on a range of opportunities and programs all aimed at enhancing and building the economic well-being of our businesses and residents.

Beacon Wharf

Early in 2010, an engineering analysis of the Beacon Wharf recommended a number of remedial measures to strengthen the structure and extend its useful life. The Town acted immediately to restrict vehicles from the wharf, a measure which is consistent with Town policy and reinforces the pedestrian friendliness of Sidney. Council and staff are contemplating options for the longer-term to either rebuild or replace the structure.

At Town Hall we are optimistic that the economic renewal of 2010 will continue into next year and beyond. As always, if you have any questions or comments on the Town's programs or services, give us a call or send an email, drop into the office or have a look at our website www.sidney.ca.

Sincerely,

A handwritten signature in blue ink, appearing to read "Murray Clarke".

Murray Clarke
Chief Administrative Officer

Message from the Director of Corporate Services

I am pleased to present the Town of Sidney's audited consolidated financial statements for the year ended December 31, 2010. The statements are the responsibility of the Town of Sidney's management and have been prepared pursuant to Sections 98 and 167 of the Community Charter and in accordance with generally accepted accounting principles approved by the Public Sector Accounting Board (PSAB).

The financial statements have been audited by KPMG LLP who have expressed in their opinion that these statements present fairly, in all material aspects, the financial position of the Town as at December 31, 2010 and the results of operations for 2010. The Town maintains a system of internal accounting controls designed to safeguard the assets of the corporation and provide reliable financial information. The statements have been reviewed by the Finance and Administration Committee and accepted by Council.



Financial Results

The financial results for 2010 reflect a continued commitment to sound financial management. Operating revenues and expenditures were in line with budgeted expectations and resulted in a modest surplus. As per Council direction, while a portion of the surplus is allocated to fund operations in the subsequent year, it is predominantly allocated to fund one time items that address the Town's strategic priorities, in particular, a number of capital projects.

At December 31, 2010 the Town had an accumulated surplus from operations of close to \$3.6 million, in addition to reserves of \$4.0 million. Net investment in tangible capital assets, such as roads and underground infrastructure increased by over \$1 million in 2010. Cash balances increased by \$1.0 million and the Town's net long term debt for the acquisition of capital assets increased by \$1.1 million. The Town's debt remains at a very modest level.

Sidney's prudent approach to financial management is reflected in the increasing financial assets level, low long term debt and commitment to contributions to reserves. This approach will ensure that the Town of Sidney remains on a sustainable financial foundation into the future.

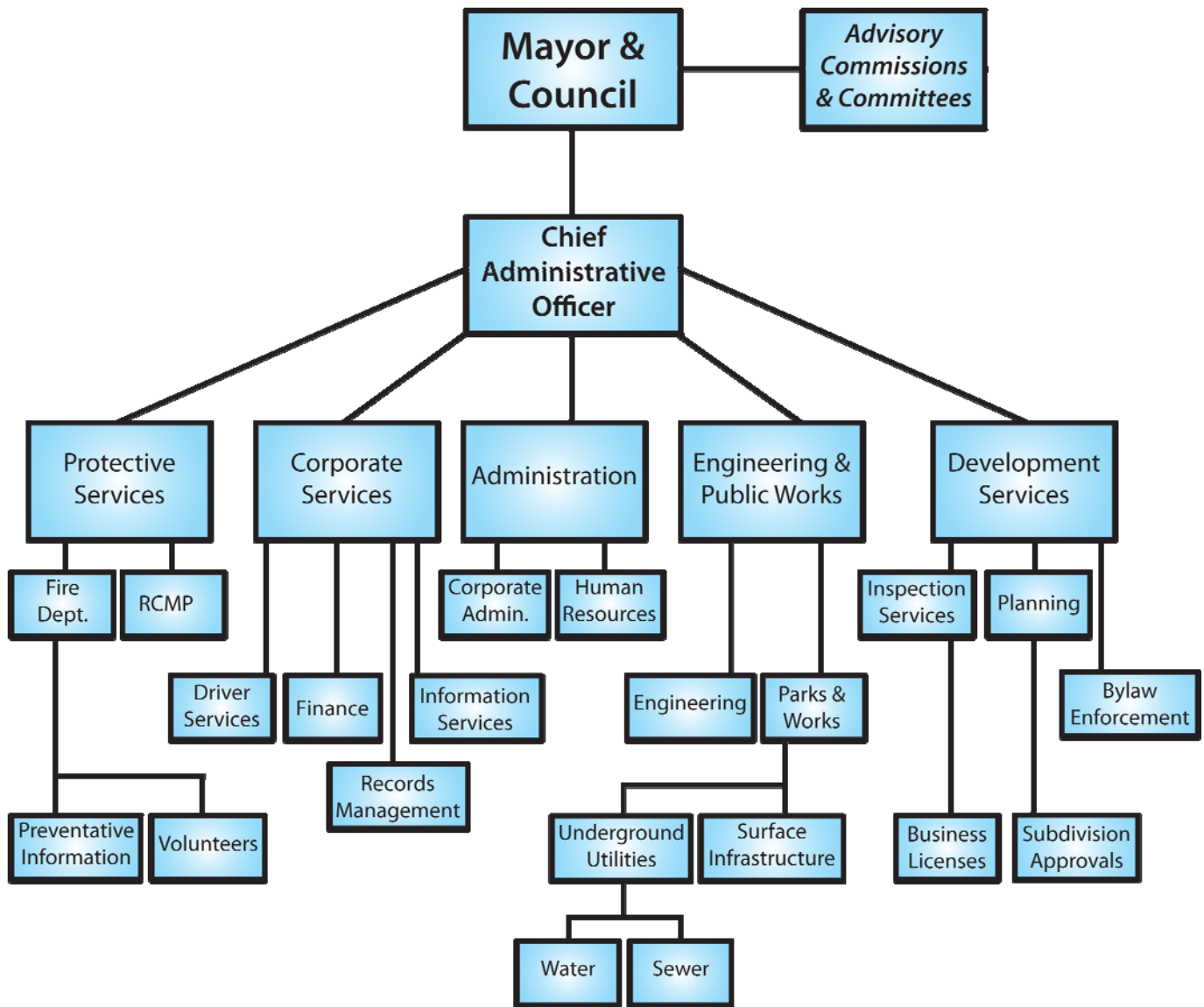
In closing, I would like to take this opportunity to convey my appreciation to everyone who contributed to the efficient operation of the Town's financial processes and the preparation of this Annual Report.

Respectfully submitted,

A handwritten signature in black ink that reads "Valla Tinney". The signature is written in a cursive, flowing style.

Valla Tinney
Director of Corporate Services and
Financial Officer

Organizational Chart



Elected and Appointed Officials

COUNCIL

Mayor Larry Cross

Councillor Jeannette Hughes	Councillor Mervyn Lougher-Goodey
Councillor Marilyn Loveless	Councillor Cliff McNeil-Smith
Councillor Kenny Podmore	Councillor Steve Price

APPOINTED OFFICIALS

Chief Administrative Officer / Corporate Administrator	Murray Clarke
Director of Development Services	Randy Humble
Director of Corporate Services / Financial Administrator	Valla Tinney
Director of Engineering and Works	Robert Hall
Fire Chief	Dan Holder
RCMP Staff Sergeant	Dennis O’Gorman

Municipal Auditors

KPMG LLP

Municipal Solicitors

Young, Anderson

Municipal Bankers

TD Canada Trust

ADVISORY COMMITTEES 2010

Advisory Planning Commission

Mark Dickinson	Viv Harding
Ross Kembal	Mel Satok
Nicola Furlong	Susan Myer
David Hamilton	Bill Cooke
Elizabeth Martman	Debbie Gray

Community Development Commission

Britta Frombach	Lloyd Gale
Lisa Makar	Diane Thorp
Susan Simosko	Terry Stewart
Debbie Sherwood	Angus Matthews
John Treleaven	Graham Debling
Edward Connor	Lesley Nicholls
Mel Couvelier	Carolyn Stewart

Healthy Community Commission

Peter Yearwood	Dawn Nedzelski
Ted Williams	Irene Dunic
Britta Frombach	Rick Patterson
Judy Wiggins	Kelly Ward
Kerry Broome	Sgt. Wayne Conley
Jane Husband	Victoria Pelkey
John Treleaven	

Parks and Infrastructure Committee

Ray Konrath	Stanley Coe
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Protective Services Committee

Gay Helmsing	Jim McAllister
Wayne Hatt	Bill Rothery

Departmental Highlights 2010



Administration Department

The Administration Department, headed by the Chief Administrative Officer (CAO), is responsible for overseeing all municipal operations. The Department also provides administrative support to Mayor and Councillors and is responsible for all Municipal Clerk statutory duties required under the *Local Government Act* and the *Community Charter*.

The CAO makes recommendations to Council on a broad range of policy and administrative issues and is responsible for the efficient management of the Town, its officers and employees. The Department also ensures that Council's directions and policies are carried out. It is a link between public, staff and Council advising on protocol and procedural issues.

Key functions include:

- Compiling and preparing municipal agendas for Council meetings;
- Keeping minutes of Council and Committee meetings;
- Processing and coordinating all business relative to Town Council;
- Providing advice with respect to Council procedures, policies and functions;
- Publishing official notices and press releases;
- Coordinating the production of the quarterly Town Talk newsletter;
- Preparing and maintaining municipal bylaws;
- Safeguarding public documents;
- Coordinating municipal elections;
- Dealing with personnel and labour relation matters;
- Maintaining and updating the Town's strategic plan—Vision 2020; and
- Administering the Freedom of Information and Protection of Privacy Act and processing requests to access records.



Corporate Services

As a service department, Corporate Services' main focus is on assisting the public and helping other departments accomplish their goals. The public's main interaction is through telephone reception and at the front counter. We strive to provide excellent, timely and friendly customer service. Corporate Services includes the following functional areas:

- Finance
- Driver Services
- Information Technology
- Records Management
- Risk Management (Insurance)

Finance

As a department, the responsibility and authority is derived from legislation mandated by the British Columbia Community Charter, Local Government Act, Provincial and Federal Statutes and Municipal by-laws. From a corporate perspective, the department strategy is to support the administrative and financial needs of the Municipality, thereby enhancing the quality of service to the public. Our objective is to provide timely and accurate financial information to facilitate the decision-making needs of Council, senior management, and external stakeholders and provide analysis and business advice to departments.

Driver Services

The Driver Services section of Corporate Services provides local services for residents of the Peninsula. As appointed agents, staff at the 9884 Third Street office provide a wide variety of driver licencing and ICBC Auto plan services, products and information.

Information Technology

Information Services provides technical leadership, solutions, service and support for all the Town's integrated hardware, software, wireless and telephone systems at four locations; the Town Hall, Driver Services, Fire Department and the Public Works Yard.

Records Management

The Records Management Division is responsible for ensuring appropriate retention and effective retrieval processes for all Town records.

Risk Management

Risk Management ensures that the financial stability of the Town is protected against the effects of accidental loss, by developing and maintaining information related to losses, claims, insurance premiums and other risk-related costs.



Corporate Services (continued)

Corporate Services – 2010 Highlights

Some of our accomplishments over the past year include:

- Comprehensive review of existing reserve funds and development of a new reserve funds establishment bylaw.
- Updated financial policies and procedures with respect to security deposits.
- Continued implementation of improved records management processes, as part of a multi-year project to transition the Town's records management processes to current technology and best practices.
- Improved technological tools available at the Town's Emergency Operations Centre.
- Implemented internal staff and guest wireless access for the Town Hall and Fire Department.

Over the coming year we will be focusing on the following goals:

- Continue implementation of asset management software and development of new business processes to allow life cycle costing of all Town capital assets.
- Implement upgrades to the Town's budget software to better integrate capital and operating budgets.
- Comprehensive risk management policy review to mitigate risk and ensure adherence to best practices.
- Identifying solutions to ensure effective electronic records management.
- Update the Town's purchasing policy to incorporate new best practices for green and sustainable purchasing.
- Implement a downtown core wireless network from the ocean to Highway 17.
- Develop a cluster server network and storage infrastructure for high availability.



Development Services

The Development Services Department provides service in the areas of municipal planning, building permits and inspections, business licensing and bylaw enforcement. The Department is committed to the delivery of a broad range of high quality services to residents, businesses and the development community by responding to all inquiries quickly, efficiently and accurately. Department staff have an open door policy and welcome face-to-face meetings to further communicate the goals, policies and guidelines contained within the Town's Official Community Plan, Zoning Bylaw, and other applicable bylaws.

Planning

Planning combines the functions of current planning, long-range policy planning, and project management. Land use, review of new development proposals and the administration of the Zoning Bylaw work together with the implementation of the Official Community Plan to bring a comprehensive approach to addressing issues of community growth and sustainability in Sidney.

Building Permits and Inspections

Building Permits and Inspections is responsible for monitoring building construction in the Town of Sidney by ensuring compliance with the BC Building and Fire codes. To promote health, life-safety and fire prevention throughout the community, Building Permit and Inspection personnel work closely with developers, other agencies and the Fire Department. Functions include plan review, issuance of permits, and inspection of premises for code compliance prior to the issuance of occupancy approval. Staff also work with developers to implement "Construction Management Plans" to facilitate project efficiency with emphasis on public safety with minimal disruption to the surrounding neighbourhood. Building Officials are available to assist the public with any queries at the counter and on the phone. Additional duties include Bylaw Enforcement, inspections of secondary suites as well as the issuance of Business Licenses. In 2010, 243 permits were issued by Building Officials, with a combined total construction value of \$29,169,705.00.



Development Services (continued)

<u>2010 – New Units Created</u>	
Multi-Family – NEW	72
Two-Family – NEW	8
Single-Family – NEW	18
SF - 2F (including adding a legal suite)	11
Total new units	109

<u>2010 – Permits Issued</u>	
Building Permits Issued (with construction value)	136
Plumbing permits (no construction value associated)	90
Fire department permits (no construction value associated)	17
Total Permits Issued	243
Total Construction Value	\$29,169,705

Business Licences

Businesses operating within the Town of Sidney, including home occupations, are required to hold a valid Business Licence as per Business Licence Bylaw 1668. In 2010 the Town issued 823 Business Licences, including 80 to new businesses, with a total revenue of \$91,150.00.

Bylaw Enforcement

Bylaw Enforcement services are currently staffed by one Senior Bylaw Enforcement Officer working 3 days a week. Bylaw Enforcement is responsible for the day to day administration and enforcement of the Town's bylaws. Working with other Town staff, bylaws are regularly reviewed and updated to meet current community needs.

We work closely with the RCMP to ensure the Streets and Traffic Bylaw is an effective tool to administer traffic and parking related issues.

Maintaining an acceptable community standard in both commercial and residential appearance is a priority for Bylaw Enforcement. All written complaints and requests for service are actively investigated. While voluntary compliance is always the goal, investigations can lead to fines and appearances in court by the alleged offender.

All animal control issues are handled by the CRD Bylaw Enforcement Officer who enforces the Town of Sidney Animal Licence and Control Bylaw.

The Senior Bylaw Enforcement Officer supports other departments in carrying out any required enforcement action. He also monitors parking enforcement and the dispute resolution process for Parking Violation Notices and the Municipal Ticket Informations.

Development Services (continued)

Development Services – 2010 Highlights

Development Projects

In 2010, development activity increased substantially compared to the 2009 year. In terms of construction, one notable project was the recommencement of the Bowerbank Road housing development. This project consists of 47 multi-family residential dwelling units, 11 of which include “flex” housing (i.e. dwelling units that provide the option of incorporating a legal secondary suite) for a total of 58 units.

In terms of development applications, 2010 established a renewed focus on downtown redevelopment based upon opportunities identified in the new Downtown / Downtown Waterfront Local Area Plan. These projects included the following:

- 9704 Third Street – Rezoning, Development Permit and Development Variance Permit to allow for the construction of a 3-storey, mixed-use development consisting of two ground floor commercial units fronting directly onto Third Street and four residential dwelling units situated behind the commercial component. Council approved the development on September 13, 2010.
- 9776 Fourth Street – Rezoning, Development Permit and Development Variance Permit to allow for the construction of a 4-storey, mixed-use development consisting of ground floor commercial and nine dwelling units located within the above storeys. This proposal took advantage of the Bonus Density opportunities identified in the Local Area Plan. Council approved the development on November 22, 2010.
- 10144 / 10146 Third Street – Rezoning, Development Permit and Development Variance Permit to allow for the construction of a 4-unit townhouse development. Council approved the development on November 22, 2010.
- 2440 Bevan Avenue – Rezoning, Development Permit and Development Variance Permit to allow for the construction of a 3-storey, mixed-use development consisting of ground floor commercial and sixteen multi-family dwelling units. This proposal took advantage of the Bonus Density opportunities identified in the Local Area Plan. Council approved the development on December 13, 2010.

Regarding actual construction, notable projects in 2010 included:

- 2320 Oakville Avenue – Construction of a 2.5 storey, 9-unit multi-family development, with 5 of the nine units having a legal secondary suite. Another unique aspect of the project will be the implementation of the Town’s first car-share program.
- 2035 Mills Road West – Construction of a 2 storey building in Sidney’s Industrial area for the Axys Group.
- 2320 Harbour Road – Construction of a dry boat storage yard and accessory building.

Development Services (continued)

Department Initiatives

Completion of Climate Action Plan

In 2009 the Town started developing a Climate Action Plan to reduce greenhouse gas (GHG) emissions from its corporate operations and from the community as a whole. The Town became a signatory to BC's Climate Action Charter in 2007, and this voluntary commitment requires that the Town become carbon neutral in its own operations by the year 2012. In 2008, the Province of BC passed Bill 27, which requires all municipalities in BC to set a target for GHG emission reduction within their communities. The development of a Climate Action Plan will help the Town work towards both of these new requirements. The plan was completed in the spring of 2010. The Town's Official Community Plan was amended on June 14, 2010 to incorporate policies regarding climate action and greenhouse gas emission reduction targets. The Town is working to achieve the reduction targets by implementing the policies and actions identified in the Climate Action Plan. This is an ongoing process that is continuing into 2011.

Initiation of Comprehensive Zoning Bylaw Review

Under the direction of Council, Development Services initiated an in-house comprehensive review of Zoning Bylaw 1660. The intent of the review is to ensure that Sidney continues to provide residents and the development community with appropriate and compatible land uses throughout the community, while ensuring continuing opportunity for the Town to provide its residents with a variety of housing choices and employment, shopping and recreation opportunities. Throughout 2010, staff worked with the Advisory Planning Commission in reviewing specific sections of the current bylaw, along with draft sections of the proposed bylaw. It is anticipated that the review will continue throughout 2011, with completion and adoption occurring in early 2012.

Seal Sculpture in Tulista Park

In 2010, the Development Services Department worked with the Community Arts Council of the Saanich Peninsula to further advance the installation of public art throughout Sidney. Through the generous donation of local artist Greg Benson, a concrete sculpture of a Mother Seal was installed adjacent to the Arts Council building in Tulista Park. The unveiling for this piece occurred on October 18, 2010.



Development Services (continued)

Development Incentives

In response to the general economic downturn in late 2008, the Town created a Development Incentive program in April 2009. Building Permit fees were waived for the creation of new secondary suites and for exterior upgrades to commercial buildings, including new signage. The fee for extending Building Permits beyond the usual 1 year time period was also waived. Fees waived in under this project amounted to approximately \$5000.00. The program was completed in April 2010.

Building Bylaw Review

Building Officials continued their review of the Town's Building Bylaw No. 1791 in order to update the requirements regarding construction within Sidney. The Town's current Building Bylaw was adopted in 2003 and last updated in 2006. Development Services staff also commenced a comprehensive review of the Town's Zoning Bylaw No. 1660 in 2009. The current Zoning Bylaw was adopted in 2001. This review will update the Town's regulations regarding development and better reflect policies contained within Official Community Bylaw No. 1920, which was adopted in 2007. It is anticipated that this project will be complete in 2011.

Beacon Avenue Hydro Box Revitalization

The Hydro Box Revitalization project in the downtown area continued through 2010. Five utility boxes were wrapped with graffiti-resistant vinyl printed with artwork created by local artists. Two boxes are located on the north side of Beacon Avenue just west of the intersection with Fifth Street, in front of the property at 2360 Beacon Avenue. One box located at the north-east corner of the Town-owned parking lot at 9821 Third Street, one on the north side of Beacon Avenue between Second Street and Third Street, another in front of the property at 2480 Beacon Avenue and one at the south-west corner of Beacon Avenue and Resthaven Drive. The project has proven extremely successful in reducing vandalism of the boxes and adding interest to the streetscape, and will continue in 2011.



Engineering, Parks & Works

Engineering

The Engineering Department provides technical advice, surveying and design services for capital projects and maintenance activities relating to the water, sewer, storm drain, street / traffic systems and parks.

Engineering is also responsible for the following functions:

- Utility service records
- Street infrastructure records
- Planning, design and “as built” drawings for improvements and replacements to roads, parks and underground infrastructure
- Surveys and mapping
- Contracts for:
 - ⇒ Services
 - ⇒ Materials
 - ⇒ Equipment
 - ⇒ Public Works Projects
 - ⇒ Building Maintenance
- Harbour Authority for Beacon Wharf
- Public inquiries and concerns
- Risk management
- Long Term Plans:
 - ⇒ Works Infrastructure Replacement Plan
 - ⇒ Parks Infrastructure Replacement Plan
 - ⇒ 10 Year Equipment Replacement Plan
- Traffic, transportation and Local Improvements
- Mapping & GIS
- General administration and asset management for Public Works, Water, Sewer, Storm Drainage, Roads and Parks
- Development review and cost estimates for off-site services
- Liaise with other Government agencies, groups, etc.
- Infrastructure grant applications

Parks and Works

The Parks and Works Department is divided into two groups; both are on call 7 days/week and 24 hours/day.

The Parks Division is responsible for construction and maintenance activities in 24 municipal parks.

Areas of responsibility include:

- Boulevard green spaces
- Hanging baskets and nursery
- Dedicated bench program
- Permits for special events
- Tree preservation bylaw
- Playgrounds
- Integrated pest management
- Public tennis courts



Engineering, Parks & Works (continued)

The Works Division comprises two groups, Surface Infrastructure and Underground Utilities.

The Surface Infrastructure Group is responsible for construction and maintenance activities for 55 km of roads and all municipally owned buildings, docks and facilities.

Other areas of responsibility include:

- Roads
- Public access and fire lanes
- Sidewalk and seafront walkways
- Beach accesses
- Seawalls
- Tulista Boat Ramp
- Streetlights
- Parking lots
- Docks and piers
- Street signage
- Sanding and snow removal

Water and Sewer

The Water Section is responsible for construction and maintenance activities for 55 km of water mains.

Responsibilities include:

- Uni-directional flushing program
- Leak detection and repairs
- Meter reading
- Capital construction of new and replacement mains
- Installation of service connections

The Sewer Section is responsible for construction and maintenance activities for 50 km of sanitary sewers and 40 km of storm drains.

Responsibilities include:

- 11 sanitary pump stations and monitoring using SCADA system
- Regular flushing and video inspection programs
- Installation of service connections
- Monitoring, detection and elimination of inflow and infiltration



Treatment facilities and regional trunk mains for both water and sewer are provided by the Capital Regional District.

Engineering, Parks & Works (continued)

Engineering, Parks and Works - 2010 Highlights

Significant design and construction projects undertaken by Engineering, Parks and Works in 2010 included:

- Completed the design, tendering and construction of the Lochside Waterfront Walkway Project
- Selected a consultant and commenced with the detailed design of Iroquois Park
- Detailed designs for all 2010 Infrastructure Plan work
- Resurfacing of Fifth Street; Mount Baker Avenue to Henry Avenue
- Resurfacing of Resthaven Drive; Ardwell Avenue to Bowerbank Road
- Resurfacing of Mills Road; Resthaven Drive to Pleasant Street
- New sidewalk construction James White Boulevard; Seventh Street to Resthaven Drive
- New sidewalk (short sections) at 8 other various locations
- Installation of a new water main of First Street; Oakville Avenue to Bevan Avenue
- Installation of 70 metres of new storm sewer within Resthaven Park
- Installation of 140 metres of new storm sewer on First Street
- Installation of a new sanitary sewer on Frost Avenue; Highway 17 to Lochside Drive
- Installation of new curb and gutter on Mills Road; Resthaven Drive to Pleasant Street



Protective Services

Sidney Volunteer Fire Department

The mission statement of the Sidney Volunteer Fire Department is:
“To provide safe, professional fire suppression and rescue services to our community through education and prevention, with the dedication to serve, the courage to act and the ability to perform.”

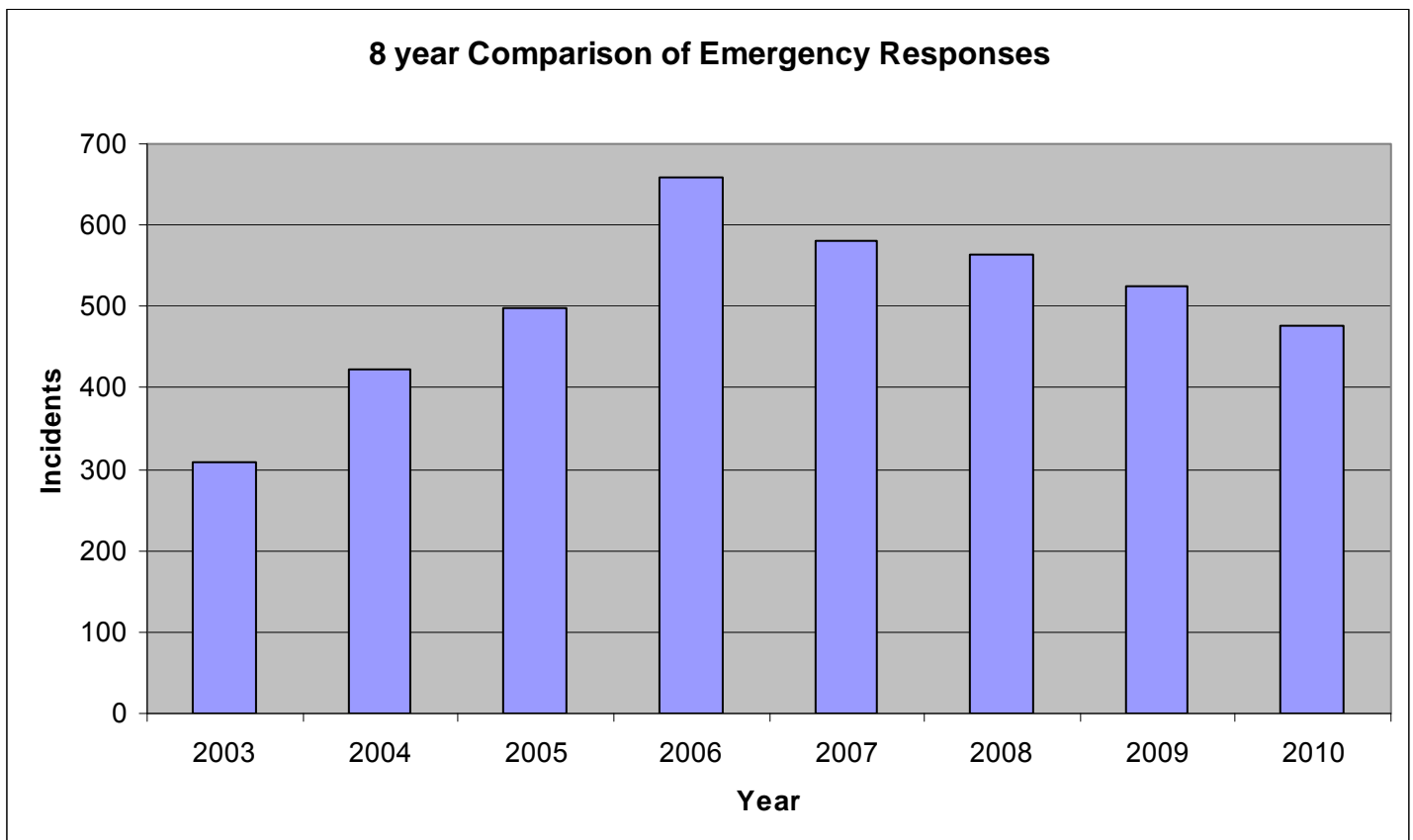


The Sidney Fire Department consists of 30 members who respond by pager to all incidents. Of these 30 members, only 4 are paid daytime staff. These four positions consist of the Fire Chief, Deputy Chief, Assistant Chief/ Training Officer, and a Fire Inspector. The Sidney Fire Department responds to emergency incidents including fires, motor vehicle accidents and requests for assistance from the BC Ambulance Service, the RCMP and Mutual Aid Fire Departments.

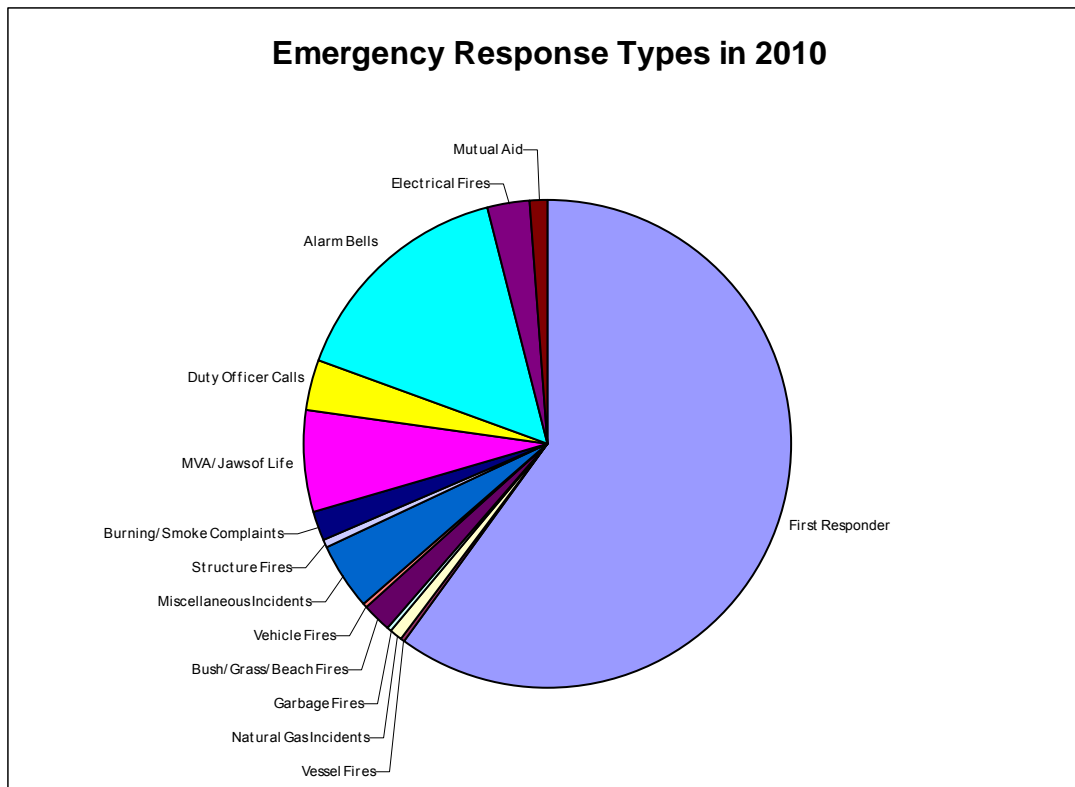
Sidney Fire Department - 2010 Highlights

The department members responded to 477 incidents in 2010, the majority from requests for first responder medical aid. There were no fire losses of note in 2010.

As well as emergency incidents, the department is involved with prevention and education activities that are aimed at preventing fires before they start. Fire safety education in the schools and community as well as conducting fire inspections in businesses and public buildings, has helped to make citizens aware of fire hazards both at home and at work.



Protective Services (continued)



Town of Sidney Emergency Program

The following projects were funded through Joint Emergency Preparedness Program (JEPP) Grants by the Federal Governments Public Safety Canada and the Town of Sidney in a 50/50 split.

2010 Activities:

1. Computer Network for the EOC and Command Post - The Emergency Operation Center (EOC) and Command Post require an effective means to communicate within the EOC and at the Command post during a large emergency or disaster. Part of this communication network include a computer (notebook) network that links the EOC and the Command Post. The purpose of this project is to advance the Town of Sidney's capabilities to effectively communicate within the EOC and to provide communications to outside agencies for support during an emergency or disaster. The command post requires a communication link from the site to the EOC and other various agencies; this became evident during the major aircraft crash exercise that was held on October 4, 2008.
2. Telephone Network for the EOC - The Emergency Operation Center (EOC) required a more effective telecommunications system to communicate during a large emergency or disaster. The purpose of this project is to advance the Town of Sidney's capabilities to effectively communicate within the EOC and to provide communications to outside agencies for support during an emergency or disaster. The deficiencies in the existing system became evident during the major aircraft crash exercise that was held on October 4, 2008.

Protective Services (continued)

3. Hazard Mitigation Plan – To reduce the risks associated with identifiable hazards. Sidney’s Emergency Planning Committee will play a critical role in facilitating the mitigation process, in evaluating plausible steps in risk reduction, in identifying the organizations that should cooperate on a given issue, and in working towards win-win solutions. Because emergencies in Sidney may affect many organizations, the Town looked for ways to integrate multi-organization interests when considering hazards and vulnerabilities that may be reduced through mitigation. The Hazard Mitigation Plan will document the rationale for mitigation decisions and guide the ongoing implementation of selected measures.
4. Promote Public Preparedness for Emergencies – To advance the level of personal preparedness among Sidney residents and business owners. To support this ongoing effort for the Town of Sidney, this project developed materials and guidelines that help support and leverage the volunteer resources available in Sidney for public education.

The purpose of this project is to advance disaster preparedness among the Town’s citizens, given the principles of self-reliance and neighbours-helping-neighbours. In particular, this effort addresses the following objectives:

- To motivate preparedness by sharing knowledge of the community’s priority hazards and vulnerabilities;
 - To inform and engage critical elements of the Sidney community, including residential care homes, businesses, non-profit organizations, and schools;
 - To promote preparedness by engaging community suppliers of emergency equipment, supplies, and materials; and
 - To support an ongoing public education and facilitation program by preparing core presentation, web page, and handout materials for Peninsula Emergency Measures Organization(PEMO) volunteers.
5. Update Strategic Plan – Review of the existing 2006 PEMO Strategic Plan to determine the course of the Emergency Program in the coming three years. The purpose of this project is to facilitate the Emergency Planning Committee in renewing the complete Strategic Plan, acknowledging the Town’s progress over recent years. In particular, this effort addressed the following objectives:
 - Research and describe advancements in emergency management among other jurisdictions in North America with similar size and hazards as Sidney;
 - Facilitate an Emergency Planning Committee session to seek direction and guidance on the Town’s program for the coming three years;
 - Prepare the 2010 version of the Strategic Plan that will guide projects, activities, and budgeting for the period from 2010 through 2012; and
 - Facilitate the Emergency Planning Committee meetings in implementing the Plan.

Protective Services (continued)

6. Train EOC Staff in Specific Functions – The purpose of this project is to advance the level of training and capability among Sidney employees expected to serve in the Emergency Operations Centre.

In particular the following objectives were accomplished:

- To develop scenarios and EOC training materials that reflect the Town of Sidney's Community Risk Assessment and Emergency Response and Recovery Plan;
- To deliver advanced training to town staff using existing EOC systems, facilities, and equipment; and
- To document improvements in the emergency response and recovery plan and EOC design that result from the training.

Priorities for 2011:

1. Incident Command Vehicle – The Incident Command Vehicle will be outfitted and put into service.
2. Open House – Open House for the public during Emergency Preparedness Week May 1 to 7.
3. EOC Training – Advance the level of training and capability among Sidney employees expected to serve in the Emergency Operations Centre.
4. Public Preparedness – Enhance disaster preparedness among the Town's citizens, promoting the principles of self-reliance and neighbors helping neighbors.



Protective Services (continued)

Emergency Support Services (ESS) Annual Report

2010 was a busy year for volunteer training in both organized courses and hands-on training at local and regional exercises.

During the year, ESS members attended training in Reception Centre, Registration and Referrals, Group Lodging, Documentation, Site Management, Food Safe, First Aid and Managing Volunteer Programs.

Forty eight members spent a total of 356 hours on courses in 2010.

In spite of no emergency call outs in 2010, our PEMO ESS volunteers are trained and capable of meeting any situation or challenge which might be presented to them.

Activities that PEMO ESS was involved in during 2010:

1. Monthly general membership, Coordinator, Directors and PEMO meetings;
2. Summer 2010 - Prepared a regional training exercise at the Saanich Fairgrounds that involved approximately 180 ESS volunteers from Victoria, Esquimalt, Oak Bay, Sooke, Saanich, PEMO, Gulf Islands, Nanaimo, and Quadra Island. Evacuees consisted of neighborhood residents, Cadets from Gordon Head and ESS volunteers;
3. Public Information and recruitment booths at the Sidney Street Market as well as participation in local parades and festivals;
4. Fall 2010 – PEMO ESS took part in a training exercise planned by the Central Saanich Emergency Coordinator. A Reception Centre was set up at the Brentwood Bay Seniors Centre and approximately 20 ESS volunteers took part.

Communications:

The PEMO Communications (Comms) group maintains and operates a variety of radios operating in various modes including voice and data (packet and Pactor) at the three Emergency Operations Centres (EOCs) and the Comms bus. One EOC is located in each Peninsula municipality.

Our aim: on order from any one of the Peninsula's emergency managers provide communications between:

1. a municipal EOC and Provincial Emergency Program (PEP) regional emergency operations centre (PREOC);
2. a municipal EOC and an Incident Command Post;
3. provide emergency communications as ordered by an EOC (eg. from the EOC to an Emergency Support Services (ESS) reception centre; and
4. support ground search and rescue (GSAR) search activities.

Protective Services (continued)

Activities:

PEMO weekly on air meetings (nets) on Wednesday evenings at 7:00 p.m. to check our emergency communication capabilities within the Saanich Peninsula, and again at 7:30 p.m. for the Capital Regional District and province wide. The PEMO net controllers usually work from their homes and on occasion from the radio room in Central Saanich. A considerable amount of volunteer labour continues to be put into the North Saanich radio room, actually a trailer located in the North Saanich municipal works yard.

Monthly meetings (September-June) are held on the first Sunday afternoon of the month at the PEMO training room in the fire hall located on Mt. Newton Cross Road. We continue to conduct training on packet and Pactor and to test communications between the municipal EOCs and various locations about the Peninsula, eg. Deep Cove, Lands End Road, Swartz Bay, Curtis Point, Brentwood Bay, and Dooley Road.

One or more of the municipal Emergency Radio Coordinators or their Deputies (ERCs/DERCs) attend the monthly meetings of their counterparts from across the Capital Regional District (CRD) known as the Capital Region Emergency Radio Communication Coordinators (CRERCC) group. These meetings are held at various fire department training rooms across the CRD to discuss areas of concern and to co-ordinate frequencies, repeaters, etc.

The Comms Group was involved with the following in 2010:

- Supported Search & Rescue on a search in the Ardmore area
- Swiftsure Race
- Sidney Days Parade
- The Central Saanich EOC full scale exercise - involving a simulated aircraft crash in Gowlland-Todd park by Butchart Gardens and activation of the EOC and a reception centre

At our training sessions we usually have a turn-out of about eight dedicated volunteers. We continue to need more trained amateur radio operators to give us depth so that we can support a protracted emergency in any of the PEMO municipalities. The PEMO website has information for interested volunteers: <http://www.pemo.ca/>

Comms has also taken delivery of new comms bus, a former handy-dart vehicle; we are now in the process of transferring equipment, etc. from our old bus to the new one. We appreciate the support of the three municipalities, their Councils and their respective emergency managers.

Neighborhood Emergency Preparedness Program (NEPP)

This year the Peninsula Emergency Preparedness program delivered presentations to 5 community groups encompassing a total of approximately 200 people.

The program will continue to educate residents of the Saanich Peninsula in preparing for emergencies, particularly in making their environment as safe as possible to avoid preventable injuries and to assemble resources in order to survive an emergency. The goal remains the same as it has over the past 10 years – to enable residents to become self-sufficient after a disaster and to assist the community in recovery by assuring that through preparation there may be fewer victims who need to use municipal resources. The NEP Program will continue with outreach to the three communities on the peninsula by expanding the size of the presentation team.

Protective Services (continued)

Sidney / North Saanich RCMP Detachment



The Sidney/North Saanich RCMP provides policing services to the municipalities of Sidney and North Saanich as well as four First Nation communities on the Saanich Peninsula. The detachment area also includes the Willis Point region, 52 Islands and the waters extending to the United States boundary. Sidney/North Saanich detachment is comprised of 33 police officers and 9 civilian support staff. A Detachment Commander and Operations Commander provide management and leadership for the delivery of policing services. Detachment resources are assigned to general duties and specialized units who carry a number of policing functions.

The division of duties are as follows:

- 19 uniform officers are assigned to patrol and investigations;
- 3 officers are assigned to serious crime, fraud and drug investigations;
- 2 officers are assigned to traffic enforcement;
- 1 officer is assigned to community policing, crime prevention and school liaison;
- 2 officers are assigned to Enhanced First Nation policing; and
- 2 officers are assigned to Victoria International Airport.

The detachment policing priorities have been established through local consultation and in alignment with National, Provincial, and District priorities. The priorities for 2010 and 2011 include traffic enforcement, property crime reduction, First Nations policing, and organized crime (drugs). A number of specific objectives and strategies have been developed for each policing priority. For more detailed information, please visit the detachment website at www.sidney.rcmp.ca. All detachment members contribute towards the achievement of these objectives and work with our community partners to reduce crime in the community.

The Town of Sidney enjoys one of the lowest crime rates in British Columbia. The support of the community in reporting and assisting in solving crime has contributed to Sidney being recognized as a safe community in which to live. The Detachment's Auxiliary police officers are volunteers who are actively involved in the delivery of crime prevention programs and work closely with the youth through a school liaison program. The D.A.R.E. program (Drug Awareness Resistance Program) is taught to students in each of the elementary schools within North Saanich and Sidney through a dedicated police officer from the Crime Prevention Unit.

The detachment is complemented by a number of volunteers who donate their time to help make Sidney a desirable community in which to live. Ten Auxiliary Police officers assist the detachment in the delivery of Crime Prevention Programs and assist regular members while on patrol. The Detachment has taken on five additional Auxiliary officers and is in the initial steps of training these officers to enhance and expand the service delivery they provide to the Community. Victim Services, Restorative Justice and Speed Watch are other programs citizens can volunteer for which enhance the police service to the community.

Protective Services (continued)

The Detachment Auxiliary members will conduct home security visits as well as delivering crime-prevention talks. The Auxiliary constables are also involved in providing boating safety, marine and coastal watch programs. The detachment has organized a Citizens on Patrol program (COP) which is now fully operational and functions independently from the detachment. The purpose of the COP program is to assist in the reduction of property crime in the community.

The regular members and staff at the detachment are active in the community outside their work. They coach sports teams and volunteer at functions to support the communities they police. All detachment members are huge supporters of the annual Cops For Cancer - Tour de Rock program which raises funds for research into childhood cancer. Detachment members are also active supporters of United Way and the Children's Hospital Foundation.

The members and staff wish to thank the community for their continued support and look forward to further success and safety in 2011.



Progress Report 2010

Section 98 of the *Community Charter* outlines municipal progress reporting requirements. Following are the objectives and measurement tools for 2010 and their status. This is an ongoing process of feedback to the public on the progress we are making toward the annual objectives set by Council.



Balanced Healthy Community ~ Progress Report

Objectives	Strategies	Measures	Status
<ul style="list-style-type: none"> friendly and prosperous seaside town unified, coordinated, empowered community organizations and partners artistic, informed and active safe, clean and environmentally responsible demographically, socially and culturally diverse and inclusive healthy and diverse neighbourhoods 	<ul style="list-style-type: none"> consultation, collaboration and strategic alliances with community organizations addressing social and environmental issues in partnership with stakeholders sustained support for the volunteer community groups engaged in community and economic development seek to attract youth and families to create a more balanced demographic 	<ul style="list-style-type: none"> maintain the Sidney Healthy Community Commission to advise Council on issues related to families, seniors, youth, as well as accessibility and mobility issues 	<ul style="list-style-type: none"> commission is in place and actively working within its mandate
		<ul style="list-style-type: none"> encourage and support the contributions of volunteers 	<ul style="list-style-type: none"> ongoing
		<ul style="list-style-type: none"> maintain and support the graffiti response program 	<ul style="list-style-type: none"> continuation of the program to wrap utility boxes with graffiti proof wrap opportunities to reduce costs and increase response being explored
		<ul style="list-style-type: none"> enhance the Town's emergency and response capacity 	<ul style="list-style-type: none"> acquired mobile command centre updated strategic plan for emergency program acquired notebook and telephone network for EOC
		<ul style="list-style-type: none"> pursue opportunities for the development of attainable and affordable housing, including options through CRD Housing 	<ul style="list-style-type: none"> ongoing as development opportunities arise
		<ul style="list-style-type: none"> ensure the community interest is considered when dealing with surplus school properties 	<ul style="list-style-type: none"> finalized lease for SD63 property at Bevan and 3rd St.
		<ul style="list-style-type: none"> review bylaws and procedures in light of accessibility issues 	<ul style="list-style-type: none"> ongoing as various bylaws are reviewed and updated

Quality Community Spaces ~ Progress Report

Objectives	Strategies	Measures	Status
<ul style="list-style-type: none"> vibrant, safe, accessible and welcoming public spaces pedestrian friendly quality architecture and urban design 	<ul style="list-style-type: none"> commitment to the policies and principles set out in the Official Community Plan and the Downtown/ Downtown Waterfront Local Area Plan engage community partners encourage private sector to contribute to the public realm public and private investment that leads by example 	<ul style="list-style-type: none"> completion of Lochside Drive Revitalization and Underground Wiring Project 	<ul style="list-style-type: none"> construction of Lochside Drive project complete underground wiring project scheduled for 2011
		<ul style="list-style-type: none"> initiate Iroquois Park project 	<ul style="list-style-type: none"> construction commenced April 2011; completion scheduled for 2012.
		<ul style="list-style-type: none"> Work with Shaw Ocean Discovery Centre and other partners to promote Sidney 	<ul style="list-style-type: none"> SODC integrated with plans to attract conferences and business meetings
		<ul style="list-style-type: none"> implement policies contained in LAP regarding parks, public spaces and Beacon Ave revitalization 	<ul style="list-style-type: none"> Pavilion completed and public art installed
		<ul style="list-style-type: none"> continued expansion of waterfront walkway 	<ul style="list-style-type: none"> being pursued as development opportunities come forward
		<ul style="list-style-type: none"> complete a comprehensive review of the Zoning bylaw 	<ul style="list-style-type: none"> review underway, completion scheduled for early 2012
		<ul style="list-style-type: none"> maintain quality parks and public open spaces 	<ul style="list-style-type: none"> Iroquois Park project started, Lochside Drive project completed continued implementation of the Parks Infrastructure Plan
		<ul style="list-style-type: none"> encourage the installation of public art 	<ul style="list-style-type: none"> discussions with local artists underway
		<ul style="list-style-type: none"> encourage opportunities to attain community amenity contributions from the provision of bonus density for new development, as per Section 904 of the Local Government Act 	<ul style="list-style-type: none"> 2 zoning bylaw amendments incorporating bonus density provisions - contributions scheduled for 2011.

Economic Health and Vitality ~ Progress Report

Objectives	Strategies	Measures	Status
<ul style="list-style-type: none"> vibrant, authentic and diverse downtown experience successful commercial and light industrial centres key gateway to Vancouver Island and the Gulf Islands vital tourism destination important cultural and artistic centre 	<ul style="list-style-type: none"> consultation, collaboration and strategic alliances with the business and tourism communities engage community partners cost sharing of initiatives with common benefit and strategic importance to Sidney support and attract appropriate private investment use the inherent authenticity of Sidney to promote economic development 	<ul style="list-style-type: none"> work with the business community to develop and implement a coordinated promotional strategy for business and tourism 	<ul style="list-style-type: none"> peninsula trolley service under review Community Development Commission's role developing and expanding
		<ul style="list-style-type: none"> initiate the development of a Master Plan for the Sidney Ferry Terminal 	<ul style="list-style-type: none"> discussions underway with Washington State Ferries
		<ul style="list-style-type: none"> review the Town's delivery of the economic development function 	<ul style="list-style-type: none"> continued consideration of partnerships and joint initiatives with stakeholders
		<ul style="list-style-type: none"> develop and pursue a long-term strategy to sustain Anacortes Ferry service 	<ul style="list-style-type: none"> successful cancellation of BC Ferries lease negotiations for a long term lease with Washington State Ferries substantially completed
		<ul style="list-style-type: none"> dialog with the District of North Saanich to explore appropriate housing opportunities along our fringe borders 	<ul style="list-style-type: none"> pending
		<ul style="list-style-type: none"> finalize strategy leading to sustainable, multi-year funding for groups and organizations that are tangibly contributing to municipal goals and priorities 	<ul style="list-style-type: none"> updated Grants in Aid policy adopted by Council in 2010 - grant review process now incorporates assessment of contribution to municipal goals and priorities
		<ul style="list-style-type: none"> engage the community in the development of plans for the downtown waterfront to maximize benefits to Sidney 	<ul style="list-style-type: none"> development proposal pending for the east side of Seaport Place
		<ul style="list-style-type: none"> work with Memorial Park Society (MPS) for potential development of remaining MPS lands 	<ul style="list-style-type: none"> ongoing

Sustainable Infrastructure ~ Progress Report

Objectives	Strategies	Measures	Status
<ul style="list-style-type: none"> • efficient and comprehensive asset management • safe and efficient municipal facilities • carbon neutral community 	<ul style="list-style-type: none"> • responsible investment of capital assets • timely and effective asset management investment • effective solutions to traffic, transportation and parking issues • commitment to environmental sustainability • fiscally/financially responsible 	<ul style="list-style-type: none"> • continue to maintain and expand the Town's Infrastructure Replacement Plan 	<ul style="list-style-type: none"> • .5% of tax increase dedicated to infrastructure replacement plans in 2010 and 2011
		<ul style="list-style-type: none"> • meet financial reporting obligations for municipally owned Tangible Capital Assets (TCAs) 	<ul style="list-style-type: none"> • 2010 Financial Statements fulfill the reporting obligations for Tangible Capital Assets
		<ul style="list-style-type: none"> • complete and implement Climate Action Plan 	<ul style="list-style-type: none"> • Council adopted Climate Action Plan and associated emission reduction targets • OCP Amendment (as per Bill 27 requirements) underway
		<ul style="list-style-type: none"> • advance the Town's GIS mapping capability for municipal infrastructure 	<ul style="list-style-type: none"> • ongoing as part of the Town's investment in asset management and municipal infrastructure maintenance
		<ul style="list-style-type: none"> • increase accessibility and promote pedestrian travel 	<ul style="list-style-type: none"> • ramp installed at Sidney library • new and improved road crossings
		<ul style="list-style-type: none"> • work with local area MP and MLA, Ministry of Transportation, Victoria Airport Authority, ICBC, BC Ferries and District of North Saanich towards installation of a Highway 17 - Beacon pedestrian overpass to facilitate safe pedestrian travel between east and west Sidney and to interconnect existing and new cycling trails on the peninsula 	<ul style="list-style-type: none"> • study scheduled for 2011

Sustainable Infrastructure (continued)

Objectives	Strategies	Measures	Status
		<ul style="list-style-type: none"> review of relevant bylaws impacting traffic, transportation and parking 	<ul style="list-style-type: none"> Streets and Traffic Bylaw amended
		<ul style="list-style-type: none"> work with BC Transit on the completion and implementation of their 2030 Strategic Plan to ensure the establishment of fast, reliable and accessible transit options for Sidney residents and visitors 	<ul style="list-style-type: none"> ongoing dialogue with BC Transit
		<ul style="list-style-type: none"> continue with efforts to establish a new Fire Hall on airport authority lands south of the Mary Winspear Centre, adjacent to Highway 17 	<ul style="list-style-type: none"> ongoing
		<ul style="list-style-type: none"> implement a plan for the improvement, replacement or redevelopment of Town Hall 	<ul style="list-style-type: none"> long term objective
		<ul style="list-style-type: none"> complete improvements to Public Works Yard 	<ul style="list-style-type: none"> completion scheduled for 2011
		<ul style="list-style-type: none"> complete and implement parking strategy 	<ul style="list-style-type: none"> study completed implementation of recommendations pending
		<ul style="list-style-type: none"> encourage utilization of privately owned parking spaces for local business employees 	<ul style="list-style-type: none"> ongoing as opportunities arise



Organizational Excellence ~ Progress Report

Objectives	Strategies	Measures	Status
<ul style="list-style-type: none"> effective business practices and processes exceptional communication high levels of public satisfaction employer of choice 	<ul style="list-style-type: none"> continually incorporate best practices for local government continue our focus on quality service and customer satisfaction maintain an 'open door policy' foster an attractive and desirable work environment 	<ul style="list-style-type: none"> develop a comprehensive communications strategy (internal and external) 	<ul style="list-style-type: none"> ongoing
		<ul style="list-style-type: none"> enhance Town Website to include more online information and communication services 	<ul style="list-style-type: none"> "subscribe" functionality added to website
		<ul style="list-style-type: none"> review of public involvement & engagement processes 	<ul style="list-style-type: none"> Town Talk expanded Two "Mayor's Open Door" held
		<ul style="list-style-type: none"> explore an Employee Satisfac- 	<ul style="list-style-type: none"> pending
		<ul style="list-style-type: none"> review of HR practices in light of ESS to address any issues identified and to ensure adequate support for orientation, training, succession planning, and employee and volunteer recognition 	<ul style="list-style-type: none"> pending
		<ul style="list-style-type: none"> ensure an appropriate Human Resource compliment 	<ul style="list-style-type: none"> Organizational review planned for 2011/2012
		<ul style="list-style-type: none"> develop long-term staffing strategy for Fire Department 	<ul style="list-style-type: none"> underway
		<ul style="list-style-type: none"> monitor the negotiations between the province and RCMP regarding a new policing contract 	<ul style="list-style-type: none"> ongoing
		<ul style="list-style-type: none"> implement a comprehensive records management system 	<ul style="list-style-type: none"> records coordinator to be hired in 2011
		<ul style="list-style-type: none"> continue development of the Town's GIS mapping capability for both municipal and public use 	<ul style="list-style-type: none"> ongoing
		<ul style="list-style-type: none"> ongoing review and update of policies and bylaws 	<ul style="list-style-type: none"> 9 new bylaws adopted 21 bylaws amended 5 policies adopted or amended
		<ul style="list-style-type: none"> Develop and implement system for absentee ballots 	<ul style="list-style-type: none"> Completed

Strategic Priorities for 2011 and 2012

Every organization needs to be clear about its mandate, scope of service and operating philosophy. This is particularly true for local government at a time when regional, provincial and federal government roles seem to be shifting and citizen expectations have never been higher.

Although every municipal function is important, Town Council, through a strategic planning process, has identified five priorities that require extra emphasis, effort or investment in the years ahead.

MISSION

(Our purpose—why we exist)

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

VISION

(Where we are headed)

**Sidney will be the best seaside town in Canada
- vibrant, unique, welcoming.**

OPERATING PHILOSOPHY

(How we intend to go about our business)

Council and Staff believe in and commit to:

- Responsive and responsible quality service
- Open, inclusive and accountable local government
- Financial sustainability
- Socially diverse and balanced community
- Community sustainability and environmental commitment
- Collaboration and cooperation
- Respect for our Peninsula and First Nations neighbours
- Municipal leadership and innovation

Council and Staff are committed to making a real difference in each of the strategic priority areas:

Balanced and Healthy Community

Economic Health & Vitality

Organizational Excellence

Quality Community Spaces

Sustainable Infrastructure

Strategic Priority ~ *Balanced Healthy Community*

Objectives

- friendly and prosperous seaside town
- unified, coordinated, empowered community organizations and partners
- artistic, informed and active
- safe, clean and environmentally responsible
- demographically, socially and culturally diverse and inclusive
- healthy and diverse neighbourhoods

Strategies	Measures
<ul style="list-style-type: none"> • consultation, collaboration and strategic alliances with community organizations • addressing social and environmental issues in partnership with stakeholders • sustained support for the volunteer community groups engaged in community and economic development • seek to attract youth and families to create a more balanced demographic and intergenerational relations 	<ul style="list-style-type: none"> • maintain the Sidney Healthy Community Commission to advise Council on issues related to families, seniors, youth, as well as accessibility and mobility issues • encourage and support the contributions of volunteers • maintain and support the graffiti response program • enhance and support the Town's emergency response capacity • pursue opportunities for the development of attainable and affordable housing, including options through CRD Housing • ensure the community interest is considered when dealing with surplus school properties • review bylaws and procedures in light of accessibility issues • amalgamate the Healthy Communities Commission and the Protective Services Committee • continue to refine and develop the ArtSea community cultural program with community partners

Strategic Priority ~ Quality Community Spaces

Objectives

- vibrant, safe, accessible and welcoming public spaces
- pedestrian friendly
- quality architecture and urban design
- high standard for hard and soft landscaping in public places

Strategies	Measures
<ul style="list-style-type: none"> • commitment to the policies and principles set out in the Official Community Plan and the Downtown/ Downtown Waterfront Local Area Plan • engage community partners • encourage private sector to contribute to the public realm • public and private investment that leads by example 	<ul style="list-style-type: none"> • complete Iroquois Park Project • work with the Shaw Ocean Discovery Centre and other partners to promote Sidney • implement policies contained in LAP regarding parks, public spaces and Beacon Ave revitalization • continued expansion of waterfront walkway • complete a comprehensive review of the Zoning Bylaw • maintain quality parks and public open spaces • develop a public art policy that encourages the installation of public art • encourage opportunities to attain community amenity contributions from the provision of bonus density for new development, as per Section 904 of the Local Government Act • develop interim and long-range plans for Beacon Wharf including the provision of short-term small boat mooring • explore a new streetscape option for Beacon Avenue / Downtown revitalization in relation to the concepts in our Downtown / Downtown Waterfront Local Area Plan • initiate a dialogue on developing a new vision for the Beacon Avenue/Downtown aesthetic • investigate options to facilitate short-term day-use small boat mooring in the downtown waterfront area • commit to a high standard of hard and soft landscaping in public spaces • encourage the Saanich Peninsula Chamber of Commerce to reactivate the Ambassador Program

Strategic Priority ~ Economic Health & Vitality

Objectives

- vibrant, authentic and diverse downtown experience
- successful commercial and light industrial centres
- key gateway to Vancouver Island and the Gulf Islands
- transportation hub of South Vancouver Island
- vital tourism destination
- important cultural and artistic centre
- premier marine destination

Strategies	Measures
<ul style="list-style-type: none"> • consultation, collaboration and strategic alliances with the business and tourism communities • engage community partners • cost sharing of initiatives with common benefit and strategic importance to Sidney • support and attract appropriate private investment • use the inherent authenticity of Sidney to promote economic development 	<ul style="list-style-type: none"> • work with the business community to develop and implement a coordinated promotional strategy for business and tourism • refine relationship with the Chamber of Commerce respecting Visitor Services and other opportunities for community development • initiate the development of a Master Plan for the Sidney Ferry Terminal and develop and pursue a long term strategy to sustain Anacortes Ferry service • complete the ferry terminal lease agreement with Washington State Ferries • continue to support and encourage the Community Development Commission in their efforts to review the Town's delivery of economic development • dialog with the District of North Saanich to explore appropriate housing opportunities along our fringe borders • finalize strategy leading to sustainable, multi-year funding for groups and organizations that are tangibly contributing to municipal goals and priorities • engage the community in the development of plans for the downtown waterfront to maximize benefits to Sidney • work with Memorial Park Society (MPS) for potential development of remaining MPS lands • support and assist community partners and other groups in developing and presenting special events (e.g. CACSP, PCS, Chamber of Commerce, SBA, Sidney Anglers and others) • with other stakeholders, determine the viability of a Peninsula hop-on, hop-off trolley service • with other stakeholders, initiate an exercise to create a brand and marketing promotional theme for Sidney and the Saanich Peninsula • work to be recognized in the Capital Regional District as the gateway / transportation hub of South Vancouver Island • explore wireless community strategies for downtown

Strategic Priority ~ Sustainable Infrastructure

Objectives

- efficient and comprehensive asset management
- safe and efficient municipal facilities and infrastructure
- carbon neutral community
- proactive solutions to traffic, transportation and parking issues

Strategies	Measures
<ul style="list-style-type: none"> • responsible investment of capital assets • timely and effective asset management investment • effective solutions to traffic, transportation and parking issues • commitment to environmental sustainability • fiscally / financially responsible 	<ul style="list-style-type: none"> • continue to maintain and expand the Town's Infrastructure Replacement Plan • implement Climate Action Plan as opportunities arise • advance the Town's GIS mapping capability for municipal infrastructure • increase accessibility and promote pedestrian travel • with partners, initiate a comprehensive study of the Beacon Avenue/Highway 17 intersection to develop a plan for future reconfiguration • work with local area MP and MLA, Ministry of Transportation, Victoria Airport Authority, ICBC, BC Ferries and District of North Saanich towards securing funding and receiving approval for the installation of a Highway 17 – Beacon pedestrian overpass to facilitate safe pedestrian travel between east and west Sidney and to interconnect existing and new cycling trails on the peninsula • review of relevant bylaws impacting traffic, transportation and parking • work with BC Transit on the completion and implementation of their 2030 Strategic Plan to ensure the establishment of fast, reliable and accessible transit options for Sidney residents and visitors • continue with efforts to establish a new Fire Hall on airport authority lands south of the Mary Winspear Centre, adjacent to Highway 17 • implement a plan for the improvement, replacement or redevelopment of Town Hall • complete improvements to Public Works Yard • complete and implement parking strategy • encourage utilization of privately owned parking spaces for local business employees • convert the leased School District 63 property to interim public parking • work with all stakeholders to establish a Sidney transit node • purchase of low emission town vehicles

Strategic Priority ~ Organizational Excellence

Objectives

- effective business practices and processes
- exceptional communication
- high levels of public satisfaction
- employer of choice
- fiscally responsible and sustainable

Strategies	Measures
<ul style="list-style-type: none"> • continually incorporate best practices for local government • continue our focus on quality service and customer satisfaction • maintain an 'open door policy' • foster an attractive and desirable work environment 	<ul style="list-style-type: none"> • develop a comprehensive communications strategy (internal and external) • enhance Town Website to include more online information and communication services • review of public involvement/engagement processes • conduct a corporate organizational review with a focus on Engineering/Public Works/Parks, Fire Department and Information Services • review of HR practices in light of ESS to address any issues identified and to ensure adequate support for orientation, training, succession planning, and employee and volunteer recognition • ensure an appropriate Human Resource compliment • develop long-term staffing strategy for Fire Department • monitor the negotiations between the province and RCMP regarding a new policing contract • implement a comprehensive records management system • continue development of the Town's GIS mapping capability for both municipal and public use • ongoing review and update of policies and bylaws • develop and implement system for absentee ballots • continue Mayor's "Open Door" initiative • optimize <i>Town Talk</i> as a community information instrument • investigate the proposal to install a public communication kiosk at the Town Clock at the Old Post Office on Beacon Avenue

Financial Information



Financial Reporting Responsibility

The accompanying financial statements of Town of Sidney (the “Town”) are the responsibility of management and have been prepared in compliance with legislation, and in accordance with public sector accounting standards for local governments established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. A summary of the significant accounting policies are described in note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management’s judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town’s management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Municipal Council, acting through its Standing Committees, meets with management and the external auditors to review the financial statements and discuss any significant reporting or internal control matters prior to their acceptance of the financial statements.

The financial statements have been audited by KPMG LLP, independent external auditors appointed by the Town. The accompanying Independent Auditors’ Report outlines their responsibilities, the scope of their examination and their opinion on the Town’s financial statements.



Director of Corporate Services

Independent Auditors' Report



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Victoria BC V8W 3Y7

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Fax (250) 480-3539
Internet www.kpmg.ca

To the Mayor and Councillors of Town of Sidney

We have audited the accompanying financial statements of Town of Sidney which comprise the statement of financial position as at December 31, 2010, the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Town of Sidney as at December 31, 2010, and its results of operations and its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a single horizontal line that starts under the 'K' and ends under the 'P'.

May 24, 2011
Victoria, Canada

KPMG LLP, is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.

Financial Statements

TOWN OF SIDNEY

Statement of Financial Position

December 31, 2010, with comparative figures for 2009

	2010	2009
Financial assets:		
Cash and cash equivalents (note 2)	\$ 11,190,747	\$ 10,173,865
Property taxes receivable	446,294	353,182
Accounts receivable	2,106,843	1,379,977
	<u>13,743,884</u>	<u>11,907,024</u>
Financial liabilities:		
Accounts payable and accrued liabilities	1,587,957	1,261,815
Deferred revenue (note 3)	3,161,597	2,125,706
Employee future benefit obligations (note 4)	471,700	447,700
Lease and other obligations (note 5)	303,620	386,230
Long-term debt (note 6)	2,651,113	1,550,353
	<u>8,175,987</u>	<u>5,771,804</u>
Net financial assets	5,567,897	6,135,220
Non-financial assets:		
Tangible capital assets (note 7)	73,953,420	72,907,396
Inventories of supplies	83,800	85,235
Prepaid expenses	62,541	37,323
	<u>74,099,761</u>	<u>73,029,953</u>
Accumulated surplus (note 8)	\$ 79,667,658	\$ 79,165,174

Commitments and contingent liabilities (note 13)

The accompanying notes are an integral part of these financial statements.

Financial Statements (continued)

TOWN OF SIDNEY

Statement of Operations

Year ended December 31, 2010, with comparative figures for 2009

	<i>Budget 2010</i>	Actual 2010	Actual 2009
	(Unaudited – note 14)		
Revenue:			
Net taxes available for municipal purposes (note 9)	\$ 10,574,598	\$ 10,575,193	\$ 10,338,225
Fees, rates and service charges	5,280,750	4,979,853	4,773,941
Government transfers (note 10)	1,687,737	1,446,039	1,728,295
Investment earnings	99,580	88,797	90,352
Gifts and contributions	25,204	33,788	120,930
Penalties and interest	84,000	100,457	97,604
Actuarial adjustment on debt	-	131,833	116,730
Other	9,500	9,424	9,651
Total revenue	17,761,369	17,365,384	17,275,728
Expenses:			
General government	1,952,648	2,026,113	2,018,144
Protective services	3,670,893	3,690,659	3,489,647
Transportation	2,348,322	3,185,598	3,043,750
Environmental health services	501,949	485,354	449,616
Environmental development	349,970	333,589	331,519
Leisure, parks and cultural	2,087,570	2,287,727	2,235,398
Water utility	1,912,373	1,968,556	1,966,161
Sanitary sewer	2,297,666	2,338,624	2,215,774
Other (note 11)	407,635	546,678	425,770
Total expenses (note 12)	15,529,026	16,862,898	16,175,779
Annual surplus	2,232,343	502,486	1,099,949
Accumulated surplus, beginning of year	79,165,172	79,165,172	78,065,225
Accumulated surplus, end of year	\$ 81,397,515	\$ 79,667,658	\$ 79,165,174

The accompanying notes are an integral part of these financial statements.

Financial Statements (continued)

TOWN OF SIDNEY

Statement of Changes in Net Financial Assets

Year ended December 31, 2010, with comparative figures for 2009

	<i>Budget</i>	2010	2009
	(Unaudited – note 14)		
Annual surplus	\$ 2,232,343	\$ 502,486	\$ 1,099,949
Acquisition of tangible capital assets	(5,134,051)	(3,317,930)	(3,026,076)
Amortization of tangible capital assets	-	2,058,135	2,008,674
Loss on sale of tangible capital assets	-	149,165	-
Proceeds on sale of tangible capital assets	-	64,606	47,619
	(2,901,708)	(543,538)	130,166
Acquisition of inventories of supplies	-	(83,800)	(85,235)
Acquisition of prepaid expense	-	(62,541)	(37,322)
Consumption of inventories of supplies	-	85,235	96,389
Use of prepaid expense	-	37,322	56,206
Change in net financial assets	(2,901,708)	(567,322)	160,204
Net financial assets, beginning of year	6,135,219	6,135,219	5,975,015
Net financial assets, end of year	\$ 3,233,511	\$ 5,567,897	\$ 6,135,219

The accompanying notes are an integral part of these financial statements.

Financial Statements (continued)

TOWN OF SIDNEY

Statement of Cash Flows

Year ended December 31, 2010, with comparative figures for 2009

	2010	2009
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 502,486	\$ 1,099,949
Items not involving cash:		
Amortization	2,058,135	2,008,674
Loss on sale of tangible capital assets	149,165	-
Actuarial adjustment on debt	(131,833)	(116,730)
Change in non-cash assets and liabilities:		
Property taxes receivable	(93,112)	51,646
Accounts receivable	(726,866)	(305,552)
Accounts payable and accrued liabilities	326,142	118,671
Deferred revenue	1,035,891	91,329
Employee future benefit obligations and other liabilities	24,000	52,100
Inventories of supplies	1,435	11,154
Prepaid expenses	(25,218)	18,884
Net change in cash from operating activities	3,120,225	3,030,125
Capital activities:		
Proceeds on sale of tangible capital assets	64,606	47,619
Cash used to acquire tangible capital assets	(3,276,334)	(2,791,271)
Net change in cash from capital activities	(3,211,728)	(2,743,652)
Financing activities:		
Debt issued and assumed	1,448,000	39,205
Long-term debt repaid	(215,408)	(215,408)
Lease and other obligations repaid	(124,207)	(99,121)
Net change in cash from financing activities	1,108,385	(275,324)
Net change in cash and cash equivalents	1,016,882	11,149
Cash and cash equivalents, beginning of year	10,173,865	10,162,716
Cash and cash equivalents, end of year	\$ 11,190,747	\$ 10,173,865
Supplemental cash flow information:		
Cash paid for interest	\$ 229,931	\$ 188,465
Cash received from interest	183,998	187,956
Assets acquired under capital lease	41,596	234,805

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

Year ended December 31, 2010

The Town of Sidney (the "Town") is a municipality in the Province of British Columbia and operates under the provisions of the Local Government Act and Community Charter. Its principal activities are the provision of local government services to residents of the Town. These services include administrative, protective, transportation, environmental, recreational, water, sewer and fiscal services.

1. Significant accounting policies:

The financial statements of the Town are prepared by management in accordance with Canadian public sector accounting standards for governments, as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. Significant accounting policies adopted by the Town are as follows:

(a) Reporting entity:

The financial statements include a combination of all the assets, liabilities, accumulated surplus, revenues and expenses of all of the Town's activities and funds. Inter-departmental balances and organizational transactions have been eliminated.

(b) Basis of accounting:

The Town follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Government transfers:

Transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Transfers received for which expenses are not yet incurred are included in deferred revenue

(d) Deferred revenue:

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation or agreement, which may only be used in certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired.

(e) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

Notes to Financial Statements (continued)

1. Significant accounting policies (continued):

(f) Employee future benefits:

The Town and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave benefits and other retirement benefits are also available to the Town's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligation under this benefit plan is accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(g) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The costs, less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Land improvements	20 - 50
Buildings and building improvements	10 - 100
Vehicles, machinery and equipment	3 - 40
Water and wastewater infrastructure	50 - 75
Roads infrastructure - Base	50 - 100
- Surface	25 - 75

Amortization is charged annually. Assets under construction are not amortized until the asset is available for productive use. Tangible capital assets are written down when conditions indicate that they no longer contribute to the Town's ability to provide goods and services, or when the value of future economic benefits associated with the asset are less than the book value of the asset.

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

Notes to Financial Statements (continued)

1. Significant accounting policies (continued):

(iv) Interest capitalization

The Town does not capitalize interest costs associated with the acquisition or construction of tangible capital assets.

(v) Leased tangible capital assets

Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(h) Cash and cash equivalents:

Cash and cash equivalents are comprised of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(i) Foreign currency:

Monetary items denominated in foreign currency are translated to Canadian dollars at exchange rates in effect at December 31, and non-monetary items are translated at rates of exchange in effect when the assets were acquired or obligations incurred. Revenues and expenses are translated at rates in effect at the time of the transactions. Gains or losses on foreign currency translations are included as revenues or expenses.

(j) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets and estimating provisions for accrued liabilities, including employee future benefits. Actual results could differ from these estimates.

2. Cash and cash equivalents:

	2010	2009
Cash	\$ 2,004,674	\$ 1,592,377
Municipal Finance Authority money market fund investments	2,676,368	8,581,489
Term deposits	6,509,705	-
	<u>\$ 11,190,747</u>	<u>\$ 10,173,865</u>

Notes to Financial Statements (continued)

3. Deferred revenue:

The deferred revenues reported on the statement of financial position are comprised of the following:

	2010	2009
Federal Gas Tax Agreement Funds		
Deferred gas tax agreement funds, beginning of year	\$ 738,914	\$ 418,984
Amounts received during the year	354,120	358,855
Interest earned restricted for projects	2,555	5,120
Expenditures	(51,554)	(44,045)
Deferred gas tax agreement funds, end of year	1,044,035	738,914
Other deferred government grants	-	33,291
Prepaid property taxes	809,089	738,133
Deferred revenue - prepaid fees and charges	246,888	138,599
Deferred developer contributions	919,419	431,069
Other deferred revenue	142,166	45,700
	2,117,562	1,386,792
Total deferred revenue	\$ 3,161,597	\$ 2,125,706

The Town periodically receives Gas Tax Agreement funds from the federal government. These funds, along with interest earned on the funds, are recorded as deferred revenue until they are used to fund eligible expenditures under the Agreement.

4. Employee future benefit obligations:

The Town provides sick leave and certain other benefits to its employees. Some employees of the Town are entitled to payments related to unused vacation, sick leave and other allowances upon resignation or retirement. These amounts and other employee related liabilities will require funding in future periods.

Information regarding the Town's obligations for employee future benefits is as follows:

	2010	2009
Accrued employee benefit obligations:		
Balance, beginning of year	\$ 447,700	\$ 395,600
Current service cost	48,600	42,900
Interest cost	24,700	22,300
Benefits paid	(50,400)	(38,600)
Past service cost	-	25,500
Actuarial adjustment	112,100	12,400
Balance, end of year	582,700	460,100
Unamortized net actuarial gain / loss	(111,000)	(12,400)
Accrued employee benefit obligations	\$ 471,700	\$ 447,700

Any actuarial gain or loss is amortized over a period equal to the employees' average remaining service lifetime, estimated to be eleven years.

Notes to Financial Statements (continued)

4. Employee benefit obligations (continued):

The amount recorded for these benefits is based on an actuarial evaluation performed by an independent firm using a projected benefit actuarial valuation method pro-rated on services. This evaluation is reviewed on a periodic basis. The most recent actuarial valuation of the Town's employee future benefits was completed as at December 31, 2010. The significant actuarial assumptions adopted in measuring the Town's accrued benefit obligation are as follows:

	2010	2009
Discount rates	4.25%	5.00%
Expected wage and salary increases	2.58% to 4.63%	2.58% to 4.50%
Expected inflation rates	2.50%	2.50%

The Town funds the employee future benefits with the tax revenues from the general operating fund and from surplus amounts appropriated for this purpose. The total expense recorded in the financial statements in respect of obligations under this plan amounts to \$74,400 (2009 - \$90,700).

Pension plan:

The Town and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined.

The Plan has about 163,000 active members and approximately 60,000 retired members. Active members include approximately 35,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation, as at December 31, 2009, indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012, with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The Town paid \$379,217 for employer contributions to the plan in fiscal 2010 (2009 - \$349,344) and Town employees paid \$335,288 for employee contributions to the Plan (2009 - \$311,030).

Notes to Financial Statements (continued)

5. Lease and other obligations:

- (a) The Town has financed the purchase of a commercial kitchen adjacent to its Seniors Centre. The purchase price of \$470,000 consisted of a cash payment of \$250,000 and a non-interest-bearing promissory note in the amount of \$220,000. The amount of \$220,000 is to be paid through monthly installments of \$3,667, with the first monthly payment having been made in February 2007 and the last payment to be made in January 2012. The outstanding obligation at December 31, 2010 was \$47,651 (2009 - \$91,655).
- (b) The Town has entered into capital lease agreements, for various public works and office equipment, for terms ranging from four to five years, as summarized below:

	2010	2009
Lease obligation, beginning of year	\$ 294,575	\$ 114,887
Add: new lease obligations	41,596	234,805
Less: principal payments made	(80,202)	(55,117)
Lease obligation, end of year	\$ 255,969	\$ 294,575

The interest rate on the above leases is the prime rate, minus one percent. Interest expense incurred during 2010 on these leases amounted to \$4,255 (2009 - \$3,211).

Estimated principal payments over the next five years, including the commercial kitchen:

2011	\$ 128,586
2012	85,904
2013	60,281
2014	22,776
2015	6,073

Notes to Financial Statements (continued)

6. Long-term debt:

- (a) The Town issued debt instruments through the Municipal Finance Authority (MFA) pursuant to security issuing bylaws under authority of the Local Government Act, to finance certain capital expenses. Sinking fund balances, managed by the MFA, are netted against related long-term debt.

	Gross debt	Sinking fund credit	Net debt 2010	Net debt 2009
Demand promissory notes	\$ 23,523	\$ -	\$ 23,523	\$ 44,364
MFA debentures	5,508,534	2,880,944	2,627,590	1,505,989
	\$ 5,532,057	\$ 2,880,944	\$ 2,651,113	\$ 1,550,353

- (b) Under borrowing arrangements with the MFA, the Town is required to lodge security by means of demand notes and interest-bearing cash deposits based on the amount of the borrowing. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the Town. At December 31, 2010 there were contingent demand notes of \$220,216 (2009 - \$184,731) and cash deposits of \$87,009 (2009 - \$69,877) which are not included in the financial statements of the Town.
- (c) Long-term debt estimated principal repayments over the next five years:

2011	229,337
2012	225,759
2013	85,420
2014	80,322
2015	77,219

Scheduled debt repayments may be suspended due to excess sinking fund accumulations.

- (d) Total interest paid during the year was \$216,826 (2009 - \$184,246).
- (e) Existing long-term debt matures in annual amounts to the year 2035, and interest rates range from 4.25% to 5.69%. The weighted average interest rate for 2010 was 4.6%.

Notes to Financial Statements (continued)

7. Tangible capital assets:

Cost	Balance at Dec. 31, 2009	Additions	Disposals	Balance at Dec. 31, 2010
Land	\$ 15,046,586	\$ -	\$ -	\$ 15,046,586
Land improvements	2,305,688	-	-	2,305,688
Buildings and building improvements	19,211,184	8,224	-	19,219,408
Vehicles, machinery and equipment	7,749,324	1,194,622	(456,788)	8,487,158
Water and wastewater infrastructure	33,740,155	549,834	(139,613)	34,150,376
Roads infrastructure	22,433,452	466,578	(136,689)	22,763,341
Assets under construction	311,020	1,098,672	-	1,409,692
Total	\$100,797,409	\$ 3,317,930	\$ (733,090)	\$ 103,382,249

Accumulated amortization	Balance at Dec. 31, 2009	Disposals	Amortization expense	Balance at Dec. 31, 2010
Land	\$ -	\$ -	\$ -	\$ -
Land improvements	813,362	-	78,886	892,248
Buildings and building improvements	5,571,262	-	549,100	6,120,362
Vehicles, machinery and equipment	3,055,104	(334,798)	561,032	3,281,338
Water and wastewater infrastructure	11,318,799	(55,141)	454,470	11,718,128
Roads infrastructure	7,131,486	(129,380)	414,647	7,416,753
Assets under construction	-	-	-	-
Total	\$ 27,890,013	\$ (519,319)	\$ 2,058,135	\$ 29,428,829

	Net book value Dec. 31, 2009	Net book value Dec. 31, 2010
Land	\$ 15,046,586	\$ 15,046,586
Land improvements	1,492,326	1,413,440
Buildings and building improvements	13,639,922	13,099,046
Vehicles, machinery and equipment	4,694,220	5,205,820
Water and wastewater infrastructure	22,421,356	22,432,248
Roads infrastructure	15,301,966	15,346,588
Assets under construction	311,020	1,409,692
Total	\$ 72,907,396	\$ 73,953,420

a) Assets under construction

Assets under construction having a value of \$1,409,692 (2009 - \$311,020) have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) Contributed tangible capital assets

Contributed capital assets are recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$nil (2009 - nil).

c) Works of art and historical cultural assets

The Town manages and controls a limited number of works of art and non-operational historical cultural assets including artifacts, paintings and sculptures located at Town sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

Notes to Financial Statements (continued)

8. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2010	2009
Surplus:		
Invested in tangible capital assets	\$ 72,068,571	\$ 70,970,813
Surplus from operations	3,597,148	3,745,436
Total surplus	75,665,719	74,716,249
Reserves set aside by Council:		
20-Year plans	1,136,082	1,264,053
Third parties for operating purposes	5,192	5,354
Third parties for capital purposes	171,209	149,874
Miscellaneous operating purposes	1,104,887	1,100,653
Miscellaneous capital purposes	863,834	1,003,607
Total reserves	3,281,204	3,523,541
Reserve funds set aside for specific purpose by Council:		
Land sale proceeds	96,761	96,173
Parkland acquisition	600	596
Off-street parking	183,819	180,315
Software replacement	237,761	213,398
General equipment replacement	184,851	66,860
Fire equipment replacement	57,748	206,541
Water equipment replacement	51,298	70,334
Sewer equipment replacement	(92,103)	91,167
Total reserve funds	720,735	925,384
	\$ 79,667,658	\$ 79,165,174

9. Net taxes available for municipal purposes:

	2010	2009
Taxes:		
Property taxes	\$19,785,202	\$19,130,974
Revenue in lieu of taxes	201,514	197,933
Other	932,578	963,347
	20,919,294	20,292,254
Less taxes on behalf of:		
Provincial Government School Authorities	6,631,430	6,542,341
Capital Regional District	1,773,761	1,761,063
Capital Regional Hospital District	963,958	753,266
BC Transit	742,567	673,816
BC Assessment Authority	231,725	222,896
Municipal Finance Authority	660	647
	10,344,101	9,954,029
Net taxes available for municipal purposes	\$10,575,193	\$10,338,225

Notes to Financial Statements (continued)

10. Government transfers:

The Town recognizes the transfer of government funding as revenues in the period that the events giving rise to the transfer occurred. The Government transfers reported on the statement of operations are:

	2010	2009
Federal transfers:		
Federal/Provincial capital grant programs	\$ 378,118	\$ 88,089
Gas tax agreement	51,554	44,045
Ferry contribution agreement	33,290	14,270
Other federal grants	2,500	5,000
	<u>465,462</u>	<u>151,404</u>
Provincial transfers:		
Federal/Provincial capital grant programs	378,117	88,089
Provincial capital grant programs	-	208,265
Small community protection grant	90,064	567,227
Traffic fine revenue sharing	43,492	173,122
Tourism grants	-	29,837
Emergency programs	22,836	4,613
Policing	-	32,549
Other provincial grants	7,849	16,029
	<u>542,358</u>	<u>1,119,731</u>
Regional and other local government transfers:		
Policing	398,604	415,416
Recreation	39,615	41,194
Miscellaneous	-	550
	<u>438,219</u>	<u>457,160</u>
	<u>\$ 1,446,039</u>	<u>\$ 1,728,295</u>

11. Other expenses:

	2010	2009
Grants to non-government organizations:		
Sidney and North Saanich Memorial Park Society	\$ 173,485	\$ 161,363
Saanich Peninsula Chamber of Commerce	50,000	-
Sidney Business Association	-	45,000
New Marine Centre Society	21,300	80,974
Friends of the Marine Ecology Station	-	21,300
Peninsula Celebrations Society	17,500	5,000
Other	23,100	25,700
Interest on prepaid taxes	1,019	1,008
Amortization and net loss on miscellaneous assets	158,099	8,934
Other	102,175	76,491
	<u>\$ 546,678</u>	<u>\$ 425,770</u>

Notes to Financial Statements (continued)

12. Expenses by object:

	2010	2009
Salaries, wages and employee benefits	\$ 5,860,062	\$ 5,541,002
Contracted services	6,227,536	6,176,805
Supplies and equipment	2,018,621	1,987,368
Debt interest	259,711	188,272
Other	438,833	273,658
Amortization	2,058,135	2,008,674
	<u>\$ 16,862,898</u>	<u>\$ 16,175,779</u>

13. Commitments and contingent liabilities:

- (a) Under Section 836 of the Local Government Act, all member municipalities are jointly and severally liable for the indebtedness of the Capital Regional District in the event of default by the Regional District.
- (b) The Town is self-insured through membership in the Municipal Insurance Association of British Columbia. Under this program, member municipalities are to share jointly for general liability claims against any member in excess of \$10,000. Should the Association pay out claims in excess of premiums received, it is possible that the Town, along with the other participants, would be required to contribute towards the deficit.
- (c) The Town is a shareholder and member of Capital Regional Emergency Service Telecommunications (CREST) Incorporated, which provides centralized emergency communications and related public safety information services to municipalities, regional districts, the provincial and federal governments and their agencies, and emergency service organizations throughout the Greater Victoria region and the Gulf Islands. Members' obligations to share in funding ongoing operations and any additional costs relating to capital assets are to be contributed pursuant to a Members' Agreement.
- (d) There are lawsuits pending in which the Town is involved. It is considered that the potential claims against the Town resulting from such litigation would be covered by insurance, and would, therefore, not materially affect the financial statements of the Town.

Notes to Financial Statements (continued)

14. Budget data:

The unaudited budget data presented in these financial statements is based upon the 2010 operating and capital budgets approved by Council on March 22, 2010. Amortization was not contemplated on development of the budget and, as such, has not been included. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	Budget amount
Revenues:	
Financial plan	\$ 21,138,319
Add:	
Regional library	498,056
Less:	
Transfers from own funds	(717,171)
Transfers from surplus	(1,709,835)
Proceeds of debt issue	(1,448,000)
Total revenue	17,761,369
Expenses:	
Financial plan	\$ 21,138,319
Add:	
Regional library	498,056
Less:	
Transfers to own funds	(531,701)
Transfers to surplus	(116,000)
Debt principal payments	(325,597)
	20,663,077
Less:	
Capital budget	(5,134,051)
Total expenses	15,529,026
Annual surplus	\$ 2,232,343

Unaudited Supplementary Financial Information

Net Taxable Assessments of Land and Improvements 2006 - 2010

As per BC Assessment Roll Report

Property Class	2010	2009	2008	2007	2006
Residential	2,267,782,015	2,280,190,712	2,337,754,606	2,088,237,083	1,719,481,400
Utilities	997,600	1,039,400	1,257,400	1,044,500	874,300
Industrial - Light	29,195,000	24,227,000	24,215,000	23,355,000	19,897,300
Business/Other	352,458,594	329,855,351	328,702,451	294,220,446	236,764,500
Recreation/Non-profit	22,604,000	20,434,001	20,857,001	13,191,901	7,230,101
Farm	115,582	104,247	90,508	73,855	73,855
	<u>2,673,152,791</u>	<u>2,655,850,711</u>	<u>2,712,876,966</u>	<u>2,420,122,785</u>	<u>1,984,321,456</u>

Unaudited Supplementary Financial Information (cont.)

Property Tax Rates and Revenue: 2006 - 2010

	2010	2009	2008	2007	2006
Municipal					
Residential	2.69754	2.60853	2.37155	2.48890	2.83440
Utilities	17.86449	17.60762	13.68425	15.97790	19.05330
Industrial - Light	6.12208	7.27782	6.85165	7.36890	8.72980
Business/Other	7.14633	7.39520	6.85165	7.36890	8.72980
Recreation/Non-profit	4.32956	4.49972	4.23866	6.49990	7.16650
Farm	3.55536	3.86063	4.18340	4.05760	4.16580
Total					
Residential	5.66166	5.47906	5.05496	5.29100	6.08480
Utilities	39.28367	38.81488	33.21541	36.17620	40.27750
Industrial - Light	16.57684	17.98737	16.96153	18.58780	21.72010
Business/Other	17.58571	17.91253	16.77078	18.39260	21.50730
Recreation/Non-profit	9.48221	9.83053	9.30825	12.23870	13.37230
Farm	11.80833	12.22552	12.43910	12.15890	12.31420
Municipal Tax Billings by Property Class					
Residential	6,117,440	5,947,959	5,544,102	5,197,482	4,873,758
Utilities	17,822	18,301	17,206	16,689	16,658
Industrial - Light	178,734	176,320	165,913	172,100	173,697
Business/Other	2,518,786	2,439,345	2,252,155	2,168,089	2,071,754
Recreation/Non-profit	97,865	91,947	88,406	85,746	101,422
Farm	411	402	379	300	308
	8,931,058	8,674,274	8,068,161	7,640,405	7,237,597

Unaudited Supplementary Financial Information (cont.)

Revenue and Expenses 2006 - 2010

	2010	2009	2008	2007	2006
Revenue					
Property taxes	10,575,193	10,338,225	9,660,513	9,324,945	8,852,152
Fees, rates and service charges	4,979,853	4,773,941	4,632,671	4,821,338	4,654,039
Government transfers	1,446,039	1,728,295	1,025,188	898,997	994,857
Investment earnings	88,797	90,352	349,415	470,119	399,156
Gifts and contributions	33,788	120,930	2,122,107	313,043	84,345
Penalties and interest	100,457	97,604	90,592	93,005	63,660
Proceeds on disposal				14,065	206,574
Actuarial adjustments on debt	131,833	116,730	102,087	88,883	76,883
Assets acquired on transfer					
Other	9,424	9,651	21,186	9,265	9,686
	<u>17,365,384</u>	<u>17,275,728</u>	<u>18,003,759</u>	<u>16,033,660</u>	<u>15,341,352</u>
Expenses by function					
General Government	2,026,113	2,018,144	1,752,286	1,667,652	1,659,630
Protective Services	3,690,659	3,489,647	3,377,095	2,849,733	3,103,268
Transportation	3,185,598	3,043,750	2,920,269	3,472,469	3,106,725
Environmental health services	485,354	449,616	443,945	396,913	384,324
Environmental development	333,589	331,519	366,921	255,329	227,008
Leisure, parks and cultural	2,287,727	2,235,398	2,173,804	2,497,300	2,965,801
Water utility	1,968,556	1,966,161	1,965,787	2,008,787	1,774,022
Sanitary sewer	2,338,624	2,215,774	2,190,157	2,059,508	2,085,608
Other	546,678	425,770	393,018	321,385	268,715
	<u>16,862,898</u>	<u>16,175,779</u>	<u>15,583,282</u>	<u>15,529,076</u>	<u>15,575,101</u>
Expenses by object					
Salaries, wages and benefits	5,860,062	5,541,002	5,236,970	4,829,033	4,596,840
Contracted services	6,227,536	6,176,805	6,058,252	7,297,265	6,933,797
Supplies and equipment	2,018,621	1,987,368	1,917,343	2,875,475	3,557,343
Debt interest	259,711	188,272	188,760	230,826	269,030
Amortization	2,058,135	2,008,674	1,892,008		
Other	438,833	273,658	289,949	296,477	218,091
	<u>16,862,898</u>	<u>16,175,779</u>	<u>15,583,282</u>	<u>15,529,076</u>	<u>15,575,101</u>

Unaudited Supplementary Financial Information (cont.)

2010 Property Tax Exemptions

Organization	Civic Address	Folio #	Bylaw #	Year of Expiry	Exempt Municipal Taxes
Lions Food Bank	2295 Ocean Avenue	110107.010	1984	2014	1,715
Sidney Historical Museum	#3 - 2423 Beacon Avenue	120368.020	1984	2014	4,652
Scout & Guide Hall	9740 Third Steet	120398.000	1984	2014	2,715
New Marine Centre	9811 Seaport Place	120508.047	1984	2014	15,093
Shoal Centre	10030 Resthaven Drive	120739.010	1984	2014	64,574
Shoal Centre	10030 Resthaven Drive	120739.020	1984	2014	1,258
Shoal Centre	10030 Resthaven Drive	120739.040	1984	2014	5,360
ANAAF	9813 Fourth St	120415.010	1984	2014	12,702
ANAAF	9831 Fourth St	120415.020	1984	2014	3,891
Community Arts Council	9565 Fifth St	110105.010	1984	2014	520
Saanich Peninsula Chamber of Commerce	2281 Beacon Avenue	120180.020	1984	2014	1,811
Memorial Park Society	2243 Beacon Avenue	120176.010	1817	2014	27,830
Memorial Park Society	2243 Beacon Avenue	120176.020	1817	2014	11,789
Memorial Park Society	2243 Beacon Avenue	160176.001	1817	2014	2,567
Peace Lutheran Church	2295 Weiler Avenue	110091.000	1836	perpetual	8,188
St. Andrew's Anglican Church	9686 Third Street	120212.010	1836	perpetual	5,246
St. Paul's United Church	2410 Malaview Avenue	130883.020	1836	perpetual	4,575
St. Elizabeth Church	10030 Third Street	120780.010	1836	perpetual	7,692
Bethel Fellowship Baptist Church	2269 Mills Road	120742.000	1836	perpetual	9,378
Saanich Peninsula Christadelphians	2371 Oakville Avenue	120234.010	1836	perpetual	3,154
Church of Jesus Christ Latter Day Saints	2210 Eastleigh Way	110140.100	1836	perpetual	12,844

Unaudited Supplementary Financial Information (cont.)

2010 Council Disclosures

Council Remuneration and Expense Report

The following is a schedule reporting Council remuneration and expenses for 2010 in accordance with Section 168 (1) (a) & (b) of the Community Charter. Expenses include expenditures required for the council member to perform his/her duties and represent the Town in an official capacity and include out of area travel and accommodation, memberships, training, conference registration fees and similar amounts paid directly to or on behalf of the elected official.

<u>NAME</u>	<u>POSITION</u>	<u>REMUNERATION</u>	<u>EXPENSES</u>
Cross, Larry	Mayor	31,775	5,643
Hughes, Jeannette	Councillor	12,692	285
Lougher-Goodey, Mervyn	Councillor	12,692	1,833
Loveless, Marilyn	Councillor	12,692	1,598
McNeil-Smith, Cliff	Councillor	12,692	-
Podmore, Kenny	Councillor	12,692	29
Price, Steve	Councillor	12,692	2,701
		<u>\$ 107,927</u>	<u>\$ 12,089</u>

Insurance Policies

(Section 168 (1) (c) of the Community Charter)

2010 Accident Insurance for loss resulting from injury while performing duties associated with the position.

AXA Assurances Inc. Policy

#9221059

Principal Sum - \$100,000 Weekly Accident Indemnity - \$500 Accident Reimbursement - \$5,000

Disclosure of contracts with Council members

(Section 168 (1) (d) of the Community Charter)

There were no contracts in 2010 with Council members relevant to the requirements set out under Section 168 (1) (d) of the Community Charter

Unaudited Supplementary Financial Information (cont.)

2010 Outstanding Debt

ISSUE	SIDNEY		ORIGINAL	PRINCIPAL	PRINCIPAL	INTEREST	ACT'L	PRINCIPAL	INT	MATURITY
	BYLAWS	ISSUED	LOAN	BALANCE	PAID	PAID		BALANCE		
	AUTH		PROCEEDS	DEC 31/09	2010	2010	2010	DEC 31/10	RATE	YEAR
MFA 65	1308	1366	3,000,000	711,004	139,027	136,500	119,230	452,747	4.55%	2012
RCMP Building										
MFA 69	1308	1485	110,000	36,607	5,098	4,675	3,738	27,771	4.25%	2013
RCMP Building										
MFA 75	1678	1686	45,000	10,695	3,577	2,561	1,730	5,388	5.69%	2011
MPS S.A.										
MFA 78	1678	1732	16,500	5,778	1,312	886	541	3,925	5.25%	2012
MPS S.A.										
MFA 81	1733	n/a	39,034	21,292	3,104	1,897	995	17,193	4.86%	2014
Mariner Mall S.A.										
MFA 99	1864	n/a	770,000	648,999	38,454	34,111	5,147	605,398	4.65%	2022
Tulista Park										
MFA 101	1864	n/a	80,000	71,614	3,995	3,616	451	67,168	4.52%	2022
Tulista Park										
MFA 110	1958	n/a	1,448,000	0	0	32,580	0	1,448,000	4.50%	2035
Various										
Total Debenture Debt			5,508,534	1,505,989	194,567	216,826	131,832	2,627,590		

Unaudited Supplementary Financial Information (cont.)

2010 Grants in Aid

Organization	2010	2009
676 Kittyhawk Air Cadet Squadron	900	1,000
Beacon Community Services - Peninsula Seniors' Hotline	3,000	3,000
Beacon Community Services - Youth Employment Program	2,500	2,500
Community Arts Council of the Saanich Peninsula	4,000	3,500
Community Arts Council of the Saanich Peninsula - ArtSea Festival	1,500	
Creatures of Habitat	500	500
Crystal Meth Society	500	
Dry Grad Committee (Parkland's School)	1,000	1,000
Friends of the Marine Ecology Station		21,300
Greater Victoria Bike to Work Society	750	750
Greater Victoria Film Commission		500
Greater Victoria Volunteer Society		600
Living and Learning Through Loss	500	500
Navy League of Canada, Saanich Pen. Branch	900	1,000
NEED Crisis & Info Line	800	800
New Marine Centre Society	21,300	21,300
Peninsula Celebrations Society	17,500	5,000
Peninsula Players		500
Peninsula Soccer Association	1,000	800
Peninsula Streams Society	1,000	1,000
Peninsula Stroke Recovery & Activity Centre	500	500
Saanich Marine Rescue Society	1,000	
Saanich Peninsula Chamber of Commerce	5,000	
Sidney Integrated Wellness Community Society	500	
Sidney and North Saanich Memorial Park Society	173,485	161,363
Sister Cities Assoc.	1,000	1,000
The Victoria Human Exchange Society	1,000	1,000
Viatec	250	250
	\$ 240,385	\$ 229,663

Unaudited Supplementary Financial Information (cont.)

Strategic Community Investment Funds Plan and Progress Report

Small Community Portion of SCI Funds

Intended Use	Performance Targets	Progress made in second reporting period (June 30, 2011)
Use funding to support local government services to minimize tax rates increases.	Minimize tax rate increases	Tax rate increase was 3.68% less due to SCI revenue in 2010.

Traffic Fine Revenue Portion of SCI Funds

Intended Use	Performance Targets	Progress made in first reporting period (June 30, 2011)
Use funding to support police enforcement.	100% of funds are used to support police enforcement over the term of the SCI agreement.	➤ \$108,307 (50%) of the total funds received were used towards the police operating budget in 2010.

2006 Age Distribution Table (Sidney, CRD & BC)

Age Distribution	Sidney		CRD		BC	
	Population	Percentage	Population	Percentage	Population	Percentage
0 to 4	400	3.5%	14,385	4.2%	201,880	4.9%
5 to 9	425	3.8%	15,590	4.5%	220,700	5.4%
10 to 14	495	4.4%	18,425	5.3%	257,025	6.2%
15 to 19	525	4.6%	20,630	6.0%	273,560	6.7%
20 to 24	400	3.5%	23,385	6.8%	265,905	6.5%
25 to 29	315	2.8%	20,485	5.9%	245,275	6.0%
30 to 34	420	3.7%	19,535	5.7%	254,575	6.2%
35 to 39	550	4.9%	22,160	6.4%	290,645	7.1%
40 to 44	655	5.8%	25,610	7.4%	334,835	8.1%
45 to 49	710	6.3%	27,825	8.1%	344,140	8.4%
50 to 54	760	6.7%	28,110	8.1%	320,115	7.8%
55 to 59	905	8.0%	26,930	7.8%	289,425	7.0%
60 to 64	755	6.7%	19,790	5.7%	215,590	5.2%
65 to 69	660	5.8%	14,610	4.2%	169,765	4.1%
70 to 74	695	6.1%	13,235	3.8%	143,630	3.5%
75 to 79	795	7.0%	12,610	3.7%	120,435	2.9%
80 to 84	855	7.6%	11,375	3.3%	89,925	2.2%
85 and over	995	8.8%	10,660	3.1%	76,045	1.8%
Total Population	11,315	100.0%	345,170	100.0%	4,113,470	100.0%

Source: 2006 Census Canada

Statistics (continued)

2005 Household Incomes Table (Sidney & CRD)

	Sidney		CRD	
	#	%	#	%
Total Households	5,195		152,530	
Under \$10,000	130	2.5%	7,620	5.0%
\$10,000 - \$19,999	585	11.3%	15,335	10.1%
\$20,000 - \$29,999	690	13.3%	16,090	10.5%
\$30,000 - \$39,999	610	11.7%	17,135	11.2%
\$40,000 - \$49,999	610	11.7%	15,710	10.3%
\$50,000 - \$59,999	580	11.2%	13,910	9.1%
\$60,000 - \$69,999	370	7.1%	12,210	8.0%
\$70,000 - \$79,999	350	6.7%	10,585	6.9%
\$80,000 - \$89,999	260	5.0%	8,385	5.5%
\$90,000 - \$99,999	305	5.9%	7,415	4.9%
\$100,000 and over	705	13.6%	28,125	18.4%
Average Household Income	\$58,575		\$67,484	
Median Household Income	\$49,270		\$52,942	

Source: CRD Regional Planning Services

Building Permit Values in Sidney (2000 - 2010)

Year	Residential		Commercial		Industrial		Institutional		Total
	\$	%	\$	%	\$	%	\$	%	\$
2000	\$4,158,831	16.8%	\$6,019,786	28.6%	\$5,978,500	13.1%	\$4,915,950	23.3%	\$21,073,067
2001	\$6,226,812	44.1%	\$6,299,600	44.6%	\$760,000	5.4%	\$845,000	6.0%	\$14,131,412
2002	\$9,703,724	82.3%	\$932,230	7.9%	\$486,000	4.1%	\$668,730	5.7%	\$11,790,684
2003	\$15,638,050	55.4%	\$4,084,510	14.5%	\$133,500	50.0%	\$8,353,600	29.6%	\$28,209,660
2004	\$14,292,376	57.0%	\$3,841,591	15.3%	\$611,000	2.4%	\$6,335,000	25.3%	\$25,079,967
2005	\$8,018,835	15.6%	\$38,118,872	74.2%	\$1,532,000	3.0%	\$3,680,000	7.2%	\$51,349,707
2006	\$16,322,960	87.7%	\$1,933,200	10.4%	\$353,000	1.9%	\$500	0.0%	\$18,609,660
2007	\$16,173,650	91.8%	\$436,936	2.5%	\$500	0.0%	\$1,000,000	5.7%	\$17,611,086
2008	\$12,202,608	46.6%	\$2,107,325	8.0%	\$0	0.0%	\$11,895,000	45.4%	\$26,204,933
2009	\$7,254,633	94.5%	\$406,160	5.3%	\$19,000	20.0%	\$0	0.0%	\$7,679,823
2010	\$26,392,430	90.5%	\$1,167,400	4.0%	\$1,487,000	5.1%	\$122,875	0.4%	\$29,169,705

Source: Town of Sidney

Statistics (continued)

Labour Force by Industry in Sidney (2001 & 2006)

	2001	2006
Total Labour Force	4,765	4,930
Industry	% of Labour Force	
Agriculture, forestry, fishing & hunting	1%	.5%
Mining & oil & gas extraction	0%	.2%
Utilities	0%	1.1%
Construction	6%	5.5%
Manufacturing	8%	8.9%
Wholesale trade	3%	3.2%
Retail trade	10%	11.7%
Transportation & warehousing	10%	7.0%
Information & cultural industries	2%	1.9%
Finance and Insurance	3%	4.1%
Real estate & rental & leasing	2%	2.3%
Professional, scientific & technical services	7%	7.8%
Management of companies & enterprises	0%	0.0%
Administrative support, waste management, remediation	4%	6.1%
Educational Services	5%	5.6%
Health care & social assistance	13%	11.8%
Arts, entertainment & recreation	4%	2.1%
Accommodation & food services	9%	6.9%
Other services (except public administration)	5%	5.6%
Public administration	8%	7.6%

Source: CRD Regional Planning Services