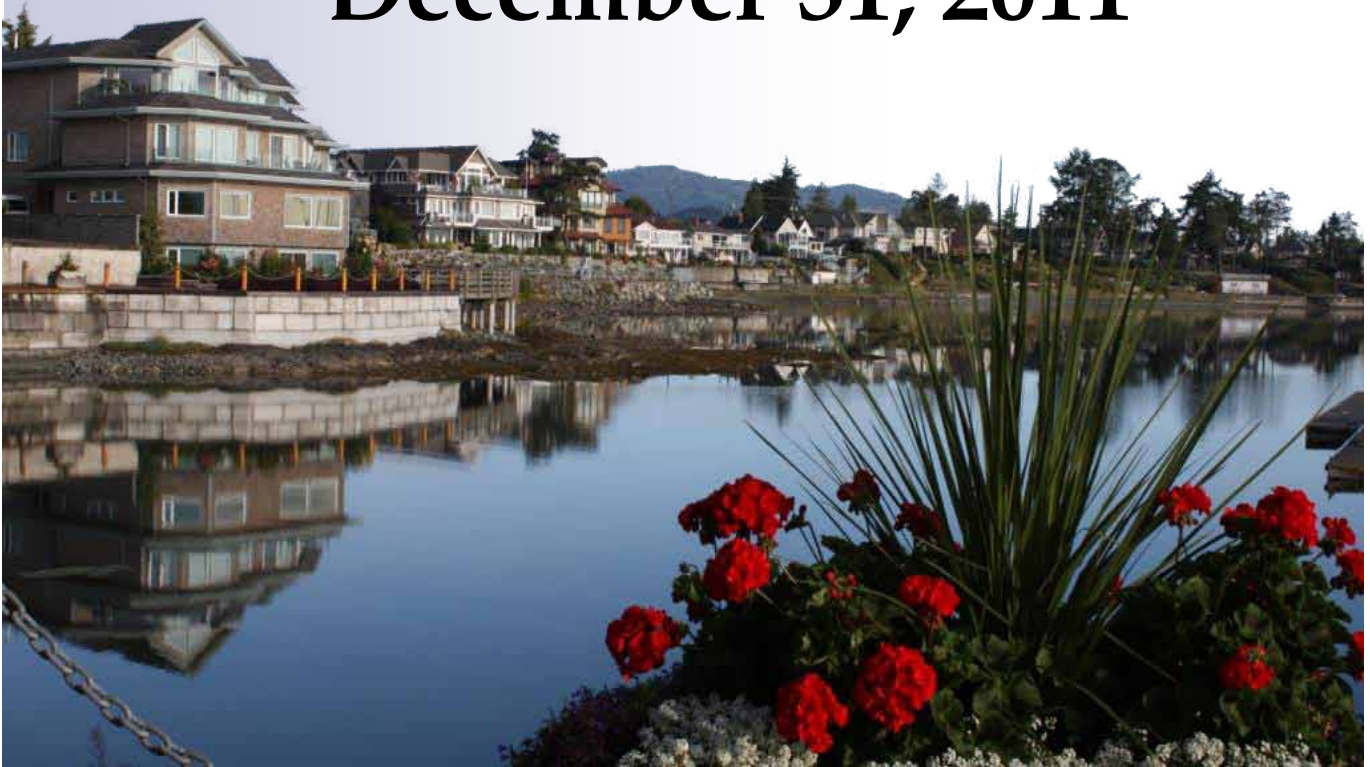


Town of Sidney
British Columbia, Canada

Annual Report

Year Ended
December 31, 2011





Town of Sidney Annual Report 2011

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

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www.sidney.ca

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



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Sidney and the Region





Sidney and the Region (continued)

The Town of Sidney is located 26 kilometres north of Victoria, British Columbia's capital city, and is one of 13 municipalities and three electoral areas that comprise the Capital Regional District. Sidney is situated on the Saanich Peninsula, which extends north from Victoria. The Town of Sidney's south, west and north boundaries are shared with the District of North Saanich; to the east, Sidney overlooks Haro Strait, the Southern Gulf Islands and the Northern San Juan Islands.

Sidney's geographic area is only 5.04 square kilometres (1.9 square miles), which explains Sidney's high population density (2,183.6 people per square kilometre, whereas the population density for the entire Capital Regional District is 153.8 people per square kilometre). Data from Statistics Canada indicates that Sidney's population grew by 3.5% between 2001 and 2006, but dropped by 1.2% between 2006 and 2011, whereas the total population of the Capital Regional District saw consistent growth of 4.3% between 2006 and 2011.

Sidney's current population of 11,178 residents is largely made up of people over the age of 50 which makes Sidney quite unique in terms of population structure compared to other municipalities across the Province. An aging population and the challenges of retaining youth and young families are just a few of the issues that the Town of Sidney needs to consider to ensure a balanced community.

Regionally, the Town of Sidney is a very important transit hub and offers a variety of transportation options. Home to the Sidney International Ferry Terminal, the Sidney/Anacortes ferry route, operated by Washington State Ferries, offers a valuable service which is enjoyed by residents and visitors from all over the world. Minutes away are the Victoria International Airport and the Swartz Bay Ferry Terminal (BC Ferries), which connect southern Vancouver Island to the BC mainland and beyond.

Sidney lies within an area that is quickly becoming one of the world's premier places to live, work and visit. Endowed with a temperate climate, a rich ecology, stunning landscapes and proud histories, the member communities of the Capital Regional District offer liveable, vibrant communities, practice exemplary environmental stewardship and encompass a prosperous and sustainable economy.

The Official Coat of Arms and Flag

In 1998 changes were made (right) 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 (below 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 EXCLARARET NOS” (let the beacon enlighten us).

The arrowhead on the upper right was Salish 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.

The Town’s official Flag consists of the shield as contained in the Town’s Coat of Arms with two blue waves of the sea below. On April 26, 1999, the Town’s Flag was granted and sealed by the Chief Herald of Canada, of the Canadian Heraldic Authority, and entered into the Public Register of Arms, Flags and Badges of Canada.



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.



Beacon Avenue in 1948

History of Sidney (continued)

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.



Beacon Avenue in 2012

Sidney Community

The Town of Sidney's small geographic area provides for a dense mix of businesses, housing, employment, services and recreation in close proximity to each other. In addition, Sidney is pedestrian and cycling friendly, transit focused, safe and socially diverse. Sidney's labour force is generally made up of industrial, retail and healthcare services. Our climate is one of the mildest in Canada with moderate rainfall and only occasional snowfall in the winter.

Sidney's residential community is made up of a wide choice of housing options, from single family dwellings to multi-family and mixed-use developments. Objectives and policies to encourage a balanced population and provide a mix of amenities for all residents are included in the Official Community Plan.

The Town of Sidney will endeavour to continue to be a primary service centre for the Saanich Peninsula, providing commercial, industrial, professional, social and leisure services. Sidney will also strive to be a primary employment centre for the Saanich Peninsula, providing a balanced mix of employment opportunities.



Sister Cities

The Town of Sidney had the honour of declaring “Sister Cities” relationships with three cities: on May 3, 1984, with the City of Cairns, Queensland, Australia, on June 7, 1996, with the City of Anacortes, Washington, USA; and on June 30, 2008, with the City of Niimi, Japan. In establishing these affiliations, each community has a greater opportunity to develop meaningful and long term relationships and enjoying mutual benefits in tourism and economic development.

The Sidney Sister Cities Association (SSCA) facilitated communications and played a key role in the twinning of these cities. The Association is a non-profit organization made up of community volunteers who work on behalf of the Town to promote peace through respect, understanding and cooperation. The goal of the SSCA is to foster international relationships, understanding and cooperation at the grass roots level, person to person and between organizations. The Association is continuing to grow and strengthen relationships with Cairns and Anacortes and is pleased to have ties with our new sister city Niimi, Japan. The prospects for new professional, educational, recreational and cultural exchanges are excellent and the Association is continuing to move ahead to help Sidney become internationally known.

In recent years, the Sidney Sister Cities Association, working with Town Hall staff, has produced and sold the Town of Sidney Calendar. The Calendar has proven to be a huge success and has grown in popularity annually. Funds raised from calendar sales are used to strengthen ties with our three Sister Cities and fund special projects. Student exchange visits, art exchanges, an Artist in Residence program and a new parade float are some current examples of our ongoing friendship and activities with Cairns, Anacortes and Niimi.



City of Niimi, Japan



City of Cairns, Australia



City of Anacortes, USA

Mayor's Message

On behalf of Council it is my pleasure and honour to present the Mayor's Message for the 2011 Annual Report. While 2011 was a year of challenges and opportunities, throughout it all the Town of Sidney remained committed to its long-term goals and vision, to be the best seaside town in Canada - vibrant, unique, and welcoming. Preparing the annual Mayor's Message allows me to reflect on our many achievements over the past year, and the following are just some of the highlights.

In March, the earthquake off the coast of Japan and the resulting tsunami raised our awareness of the need to inform our residents on the preparedness measures that are in place to deal with major threats to the Town and its residents. Our Emergency Planning Committee has significantly advanced the Town's capacity to respond to emergency situations, and I am very confident that, along with our other Peninsula partners, we are very well prepared to deal with emergency events should they occur.

In April the Town hosted the Association of Vancouver Island and Coastal Communities (AVICC) annual general meeting and convention. The event was a huge success and had the largest turnout to date. The Mary Winspear Centre, the Shaw Ocean Discovery Centre and the BC Aviation Museum were the venues for the convention which saw over 200 delegates from municipalities across the province staying in and around the Town of Sidney. There are many positive economic impacts when hosting an event such as this, and we would like to thank all of our community partners, the entire business community and everyone else who contributed to make this event one of the most memorable in the history of the AVICC.

April was also the 100th anniversary of the sinking of the Steamship Iroquois, and with the assistance of the Sidney Museum and Archives, the Town will be installing interpretative signage recognizing this important part of Sidney's history at Iroquois Park, once redevelopment of the park is completed in 2012.

In September the Town of Sidney hosted the Municipal Information Systems Association (MISA) conference, and over 350 delegates and guests descended upon the Town of Sidney. Once again, the Mary Winspear Centre, the Shaw Ocean Discovery Centre and the BC Aviation Museum provided outstanding venues and our thanks go out to everyone involved in making this conference a success.





Mayor's Message (continued)

October was the 10th anniversary of the Mary Winspear Community Centre, which has roots that run very deep in the community. First established as a 12-acre park in 1921, Sanscha Community Hall was later built on this land and served the community for over forty years. To honour the rich past of Sanscha Hall and its many volunteers, the new centre was built around the original hall, upgrading it acoustically and seismographically. The Centre has evolved in to an important cultural and community hub that is the heart of the Saanich Peninsula, and as previously noted has also become a conference centre that contributes significantly to the economic health of the region.

In November the Local Government Elections were held in municipalities across British Columbia. Councillor Jeannette Hughes and Councillor Cliff McNeil-Smith, who chose not to run in the election, are to be thanked for their many years of dedication and service to the community. Your current Council, in office until the next Local Government Elections in the autumn of 2014, is willing and eager to listen to you, our constituents, and we encourage you to contact us at any time to discuss issues or simply to pass on comments or concerns.

Throughout 2011, as in every year, the Town would not be able to reflect on accomplishments such as these without recognizing the hard work and commitment of our many volunteers. We are indebted to the time and work these individuals provide.

In closing, I want to thank Council and staff for their leadership and vision. Our organization is committed to working together to provide service excellence, and I am confident that we are achieving our goal of being the best seaside town in Canada.

Sincerely,



Larry Cross
Mayor

Mayor and Council 2011 - 2014



*Back row: S/Sgt Dennis O'Gorman, Councillor Tim Chad, Councillor Kenny Podmore, Councillor Steve Price, Councillor Marilyn Loveless, Honourable Judge Brian Neal
Front row: Councillor Meroyyn Lougher-Goodey, Mayor Larry Cross, Councillor Melissa Hailey*

Mayor and Council 2011 - 2014 (continued)

The Town of Sidney is governed by an elected Council consisting of a Mayor and six Councillors. The current Council was elected in November 2011 for a three-year term. The next election is Fall of 2014.

Council meetings are held at 7:00 p.m. on the second and fourth Monday of each month. When required, Committee of the Whole meetings are held on the first and third Monday of each month at 7:00 p.m.. In July and August of each year, Council meetings are only held on the second Monday of the month and there are no Committee of the Whole meetings. The Administration & Finance Committee, the only Standing Committee of Council, meets the third Monday of each month at 2:30 p.m., unless otherwise posted. The public is welcome to attend all sessions, including Commission and Committee meetings.



Mayor and Councillors' Portfolios as at December 2011

Mayor Larry Cross

CRD Board of Directors
CRD Hospital District Board
Administration & Finance Committee
Community Development Commission
Harbours & Waterfront Committee
Peninsula Recreation Commission
Greater Victoria Labour Relations
Memorial Park Society



Councillor Tim Chad

Protective Services Committee
Peninsula Recreation Commission
CREST
Emergency Measures Executive
Sidney/North Saanich Ball Facility
Memorial Park Society
MPS Joint Finance Steering Committee

Councillor Melissa Hailey

Healthy Community Commission
Parks and Infrastructure Committee
CRD Solid Waste Advisory Committee
School District No. 63
Vancouver Island Regional Library
Sidney/North Saanich Ball Facility



Mayor and Councillors' Portfolios (continued) as at December 2011

Councillor Mervyn Lougher-Goodey

Advisory Planning Commission
Administration & Finance Committee
CRD Water Supply Commission
Saanich Peninsula Water Commission
Saanich Peninsula Wastewater Committee
Highway 17 Joint Steering Committee
MPS Joint Finance Steering Committee
Peninsula Chamber of Commerce



Councillor Marilyn Loveless

Healthy Community Commission
CRD Arts Committee
Saanich Peninsula Water Commission
Saanich Peninsula Wastewater Committee
Peninsula Agricultural Commission
Community Arts Council
Sister Cities Association
Sidney Business Association
Shaw Ocean Discovery Centre

Mayor and Councillors' Portfolios (continued) as at December 2011



Councillor Kenny Podmore

Parks & Infrastructure Committee
Protective Services Committee
SHOAL Centre
Beacon Community Services
Peninsula Celebrations Society
Society of Saanich Peninsula Museums

Councillor Steve Price

Community Development Commission
Administration & Finance Committee
Harbours & Waterfront Committee
CRD Climate Action Steering Committee
CRD Housing Trust Fund
Victoria Airport Consultative Committee
First Nations Liaison
Highway 17 Joint Steering Committee



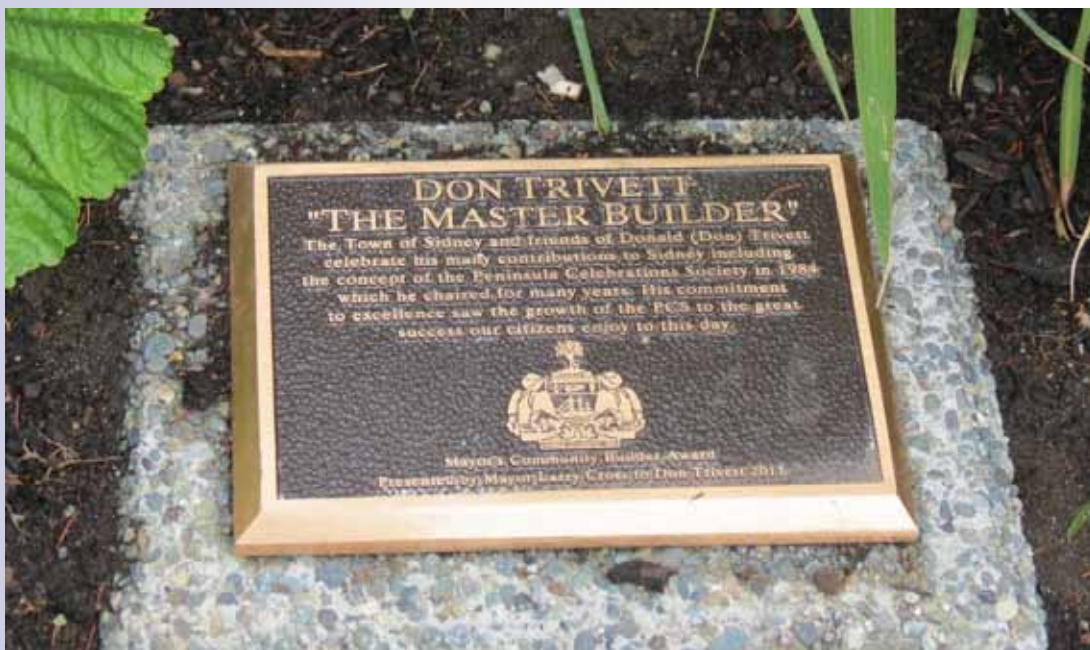
Mayor's Community Builder Award

Whenever Sidney put out a call for assistance, no matter how big or small the task, Don Trivett responded. In 1983 under the energetic and dedicated direction of Don, the original Sidney Festival Society was reorganized to become what is known today as the Peninsula Celebrations Society. Don dedicated many long hours to help organize the activities of the Society, particularly the Town's enormously popular Sidney / Canada Day activities which attract over 20,000 visitors to our community each year.

In 1990, Don joined the Memorial Park Society serving in a variety of roles and was a key member of the Sanscha Community Cultural Centre Foundation which was organized to raise funding and oversee the construction of the new Mary Winspear Community Centre.

Don was also instrumental in organizing the Sidney Lions Food Bank in 1980; two International Air Shows at the Victoria Airport in the 1990's; the Town's 100th Birthday Celebrations in 1991; and Miss Sidney Pageants and Town Crier Competitions. The list goes on and on and it is not surprising that Don became well known in our community as "Mr. Sidney".

On June 30, 2011, as part of the Sidney Day celebrations, Don became the first recipient of the *Mayor's Community Builder Award* which honours and recognizes an outstanding individual who has provided long term initiative and leadership in the development of our community. Sadly, on July 17, 2011, we lost Don's cheery smile and lovable personality - he will be missed by many.



Message from the Chief Administrative Officer

Looking back at the past year and thinking about the future, I recognize that the Town of Sidney witnessed some significant changes in 2011. This was an election year that saw the efforts of our outgoing council realized and the newly elected Council undertake development of a new Strategic Plan to guide us through the next three years.

We saw retirements and staffing changes which meant saying goodbye to wonderful and committed employees, but it also provided opportunities to restructure our team and increase the wealth of talent already exemplified within this organization.

2011 was a year to focus on our commitment to ongoing improvements and updating key strategic policies and bylaws. This was achieved by continuing our work on the comprehensive review and update of the Town's Zoning Bylaw as well as the Building Bylaw to bring both into line with the Town's Official Community Plan.

The Town continued to collaborate with many of our local organizations on projects that both benefit and beautify the community. A few examples include the partnership with the Community Arts Council of the Saanich Peninsula to develop the Sidney by the Sea Sculpture Walk. This wonderful outdoor gallery will surely benefit the community through increased tourism and traffic to downtown businesses.

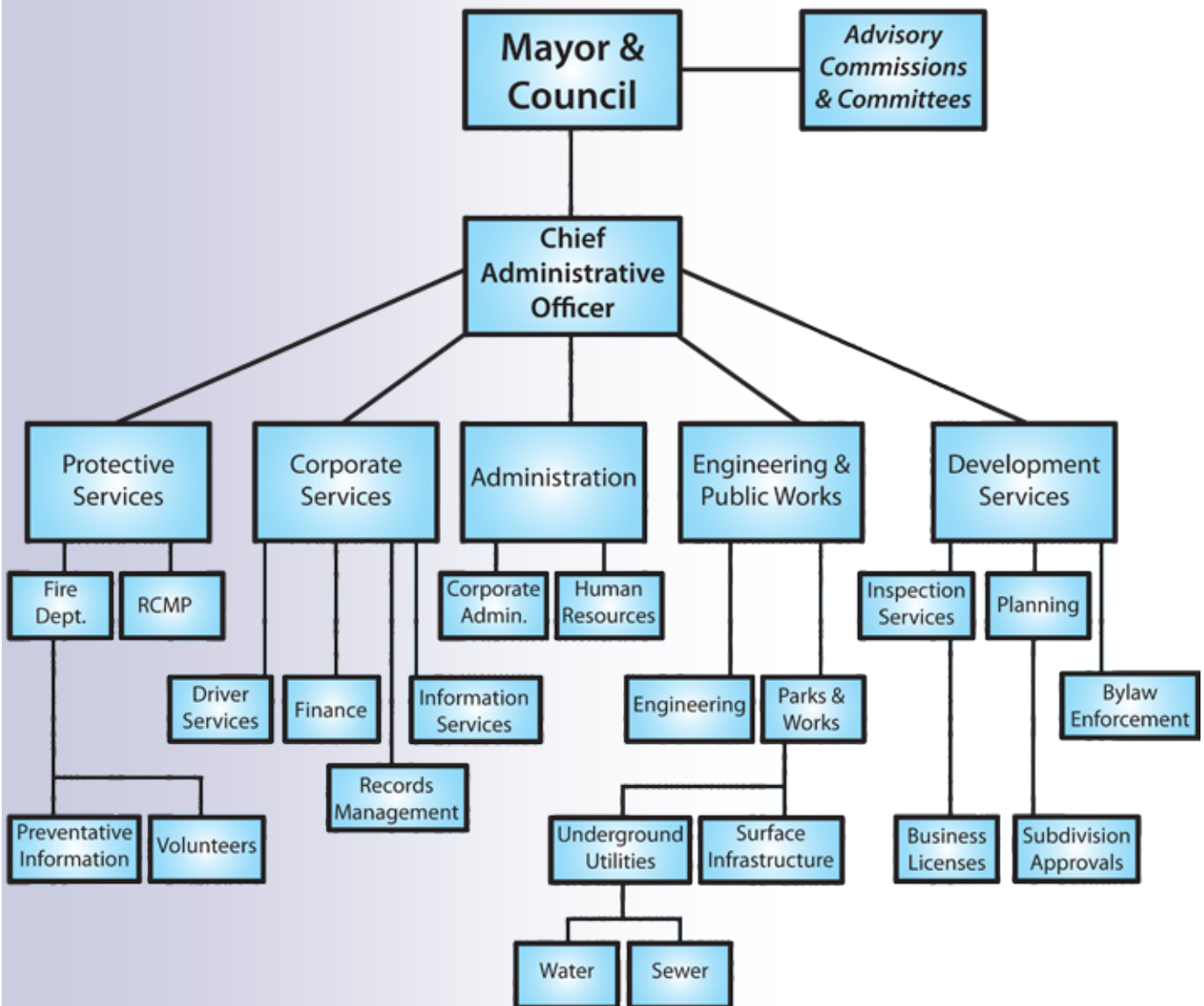
To mark the 100th Anniversary of the sinking of the Steamship Iroquois, the namesake of our park, the Town applied for and received a Canada-British Columbia Infrastructure Grant in the amount of approximately \$1,500,000. This went towards substantial upgrades to the park while the Rotary Club of Sidney-by-Sea funded the new children's water spray park.

Certainly the next three years will present us with a very full work plan that will be both challenging and exciting. The Town of Sidney, as an organization, is committed to moving forward and addressing our initiatives and commitments head-on. Through the excellent leadership of Mayor and Council I am confident that we will achieve the vision and goals that we have established for ourselves and for this great community we are so privileged to serve.




Randy Humble
Chief Administrative Officer

Organizational Chart



Appointed Officials

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

Municipal Auditors

KPMG LLP

Municipal Solicitors

Young, Anderson

Municipal Bankers

TD Canada Trust





Advisory Committees 2011

Advisory Planning Commission

John Bell
Bill Cooke
Tara Cumming
Nicola Furlong

Debbie Gray
David Hamilton
Viv Harding

Ross Kemball
Elizabeth Martman
Susan Myer
Mel Satok

Community Development Commission

Edward Connor
Amber Crofts
Graham Debling
Sheilah Fea

Lisa Makar
Angus Matthews
Sherry Moir
Lesley Nicholls
Chad Rintoul

Susan Simosko
Terry Stewart
Diane Thorp
John Treleven

Healthy Community Commission

Kerry Broome
Cst. Wayne Conley
Wendy Everson
Britta Frombach

Jane Husband
Sherry Moir
Dawn Nedzelski
Rick Patterson

John Treleven
Judy Wiggins
Ted Williams
Peter Yearwood

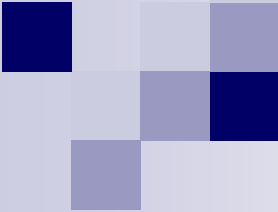
Parks & Infrastructure Committee

Ray Konrath

Protective Services Committee

Wayne Hatt
Peter Marshall

Jim McAllister
Bill Rothery



Departmental Highlights



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 the public, staff and Council; advising on protocol and procedural issues. Key functions include:

- Compiling and preparing of 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;
- Maintaining a comprehensive records management system;
- Coordinating municipal elections;
- Maintaining and updating the Town's Strategic Plan - Vision 2020;
- Preparing the Town's Annual Report;
- Administering the *Freedom of Information and Protection of Privacy Act* and processing request to access records; and
- Organizing and coordinating special events.



Administration Department (continued)

2011 Highlights

- Successful completion of the 2011 Local Government Election, including implementation of a system for absentee ballots;
- Initiated Phase I of the Town's Organizational Review;
- Hosted the annual conference of the Association of Vancouver Island and Coastal Communities; and
- In conjunction with community partners, instigated the Sidney Seaside Sculpture Walk.

Council Meetings:

Regular Council Meetings	20
Special Council Meetings	3
Special Council In-Camera Meetings	10
Committee of the Whole Meetings	3

Commission/Committee Meetings:

Administration & Finance Committee	11
Advisory Planning Commission	6
Community Development Commission	9
Healthy Community Commission (includes Protective Services Committee)	9
Parks & Infrastructure Committee	0

Bylaws/Policies:

Bylaws:	New	5
	Amendments	12
	Repeals	0
Policies:	New	3
	Amendments	4
	Rescinded	0

Administration Department (continued)

2012 Objectives

- Initiate comprehensive communication strategy (internal and external);
- Implement a new system for electronic distribution of Council Agendas;
- Review mandates and establishment of Town Commissions/Committees;
- Complete and implement Phase I and Phase II of the Organizational Review;
- Select a comprehensive document management system, to coincide with the Town's records management system (part of a multi-year project);
- Undertake a citizen satisfaction survey; and
- Develop and implement a Customer Service Strategy to support staff in providing exceptional customer service.





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, at the front counter and via our website. 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)

Commencing in 2012, a newly created Human Resources Division will come under Corporate Services and Records Management will be redeployed to Administration.

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.

Corporate Services (continued)

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.

Human Resources

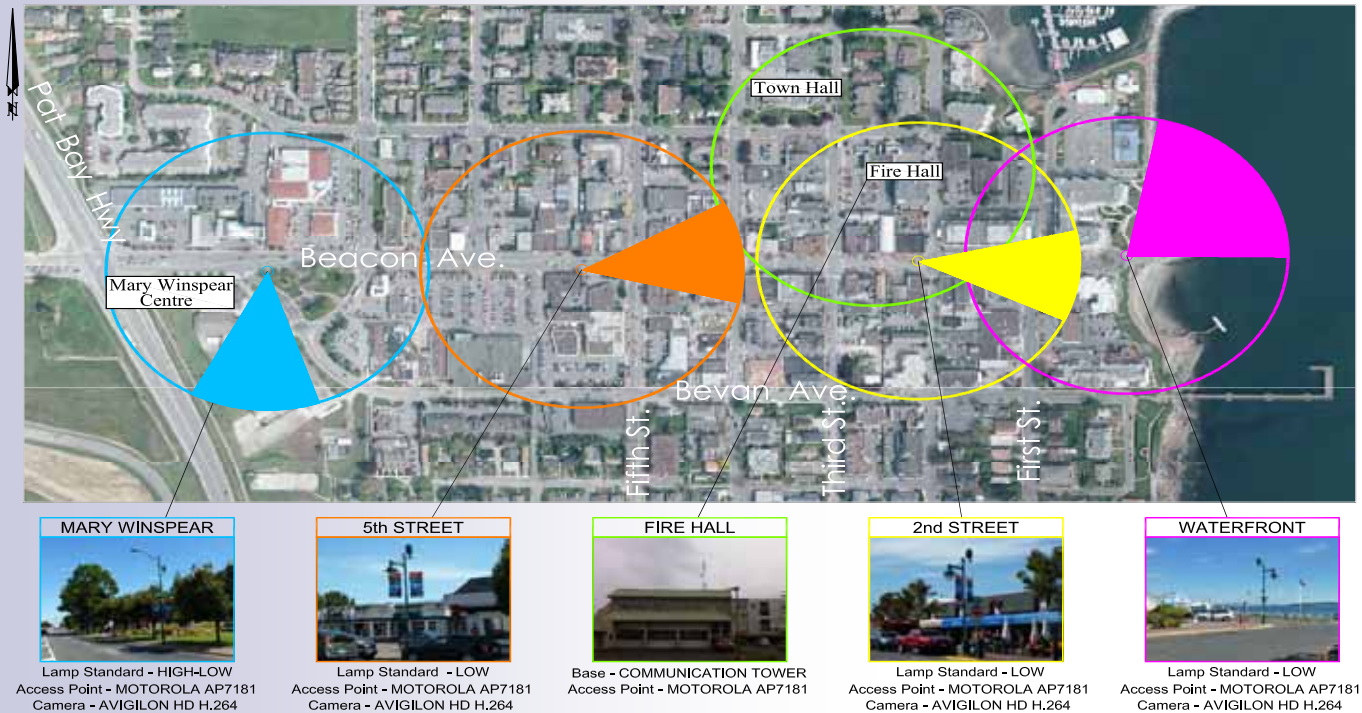
Human Resources is responsible for the attraction, selection, training, assessment and rewarding of employees, while also overseeing organizational leadership and culture, and ensuring compliance with employment and labour laws.

2011 Highlights

- Implemented upgrades to the Town's budget software to better integrate capital and operating budgets;
- Conducted a comprehensive risk management policy review to mitigate risk and ensure adherence to best practices;
- Significantly reduced the number of records held on site past their retention period;
- Implemented a downtown core free wireless network from the ocean to the highway;
- Implemented Tourist Web Cams in conjunction with the wireless from the ocean to the highway;
- Developed a clustered server network and storage infrastructure for high availability;
- Hosted the Municipal Information Systems Association (MISA) Conference for over 350 delegates; and
- Increased services available at the Drivers Services Branch.



Corporate Services (continued)



Sidney's Downtown Wireless Network and Webcams

2012 Objectives

- Update the Town's purchasing policy to incorporate new best practices for green and sustainable purchasing;
- Continued implementation of asset management software and development of new business processes to allow life cycle costing of all Town capital assets;
- Update financial plan and budget reporting process and format to make financial information more accessible to the public;
- Review funding levels for long term infrastructure replacement;
- Within the newly developed Human Resources division, implement programs to ensure appropriate support for orientation, training, succession planning, recognition and workplace health and safety;
- Implement enhanced GIS capabilities for Town and public use;
- Configure, test and deploy the Town's Emergency Operations Centre;
- Network refresh with Windows 7, Office 2010 on HP All in One solution; and
- Deploy iPads for Councillors and senior staff to reduce paper consumption.



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 home owners, developers, other agencies and the Fire Department. Staff work with proponents to facilitate compliance with outside agencies as well, including the BC Archaeology Branch, Department of Fisheries and Oceans, the Homeowner Protection Office and Worksafe BC. Building Official's duties include plan review, issuance of permits, and inspection of premises for code compliance prior to the issuance of occupancy. 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 2011, 233 permits were issued by Building Officials, with a combined total construction value of \$21,555,463.00.

2011 - New Units Created

Multi-family (new)	48
Two-family (new)	2
Single-family (new)	3
SF - 2F (including adding a legal suite)	7
Total new units	60

Development Services (continued)

2011 - Permits Issued

Building Permits issued (with construction value)	137
Plumbing Permits (no construction value associated)	84
Fire department permits (no construction value associated)	12
Total Permits issued	233
Total Construction Value	\$21,555,463



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 2011 the Town issued 815 Business Licences, including 69 to new businesses, with a total revenue of \$91,000.00.

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.



Development Services (continued)

Bylaw Enforcement (continued)

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 Municipal Ticket Information violations.

2011 Highlights

Planning Approvals

Several new multi-family, mixed use and commercial developments received Council approval in 2011:

2376 Oakville Avenue (now 9704 - 9710 Fifth St)

Rezoning and Development Permit to allow for the construction of 4 new fee simple row houses. Fee simple row houses are a new form of housing for Sidney. They are proposed as a permitted housing type in all multi-family zones in the draft Zoning Bylaw 2015. They will provide a fee simple alternative to the standard stratified multi-family development, while still allowing for a higher-density urban form of housing.

2350 Henry Avenue

Rezoning, Development Permit and Development Variance Permit to allow for the construction of a 5 unit townhouse development. This project consolidated two properties into one for the new development. The landscaping for the project will incorporate rain gardens as an innovative solution to managing and detaining storm water on-site.



Development Services (continued)

Planning Approvals (continued)

9820 Seaport Place

Development Permit and Development Variance Permit to allow for the construction of a two-storey mixed-use development consisting of ground floor commercial space and 10 townhouse dwelling units in two separate buildings with underground parking. This development will see the redevelopment of a vehicle parking lot to commercial and residential uses, further enhancing Seaport Place and the downtown waterfront area.

2339 Beacon Avenue (Beacon Plaza)

Development Permit to allow for exterior modifications and interior floor plan changes to the retail spaces in Beacon Plaza, with a slight increase in commercial gross floor area and the addition of an outdoor seating area for a restaurant on the south side of the building fronting onto Bevan Avenue. These upgrades to one of the largest retail centres in Sidney's downtown also will result in an improvement to the Bevan Avenue frontage of the property, making it more inviting and accessible to pedestrians.

Building Permits

The following projects were completed and received Occupancy in 2011:

9751 Fourth Street / 2440 Bevan Avenue

To construct a three storey mixed use development consisting of 16 residential units and 283 square metres of commercial floor space

2449 Malaview Avenue

To construct a two storey 4 unit multi-family townhouse development

2320 Oakville Avenue

To construct a 2.5 storey 9 unit multi-family development, with 5 of the nine units having the potential to contain a secondary suite

A total of 48 new multi-family units were created through construction in 2011. The following projects received Building Permits to begin construction in 2011:

2449 Malaview Avenue - 4 units

To construct a two storey 4 unit multi-family development



Development Services (continued)

Building Permits (continued)

9751 Fourth Street - 16 units

To construct a three storey mixed use development consisting of 16 residential units and 283 square metres of ground floor commercial floor space

9704-9710 Third Street - 4 units

To construct a three storey, mixed-use development project consisting of 2 residential units, 2 secondary suites and 2 commercial units

9820 Seaport Place - 10 units

To construct a two storey mixed-use development consisting of ground floor commercial space and 10 townhouse dwelling units in two separate buildings with underground parking

9776 Fourth Street - 9 units

To construct a four storey mixed use commercial residential development with 90 square metres of ground floor commercial space and 9 residential units

2350 Henry Avenue - 5 units

To construct a two storey five unit townhouse development

Other notables in 2011 for Building Permits issued

2070 Henry Avenue West

BC Ferries - seismic upgrade interior of building

9586 Fifth Street (Iroquois Park)

To construct a new Municipal Food Bank Building and a new Concession/Change room/Washroom Building

2012 Objectives

Board of Variance Bylaw

Staff initiated a review of the Board of Variance Bylaw in 2011, with the goal of reflecting current legislation and clearly stating the process for Board of Variance applications. The previous bylaw was rescinded and the new bylaw was adopted on January 23, 2012.



Development Services (continued)

2012 Objectives (continued)

Implementation of Climate Action Plan

Development Services staff continued to collaborate with other Town staff on the implementation of the Climate Action Plan, which was adopted by Council in May 2010. The goal of the Climate Action Plan is 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 order to better track emissions from various Town sources, staff wanted to develop a greenhouse gas emissions measurement and reporting tool and subsequently submitted this project to the Ready, Set, Solve (RSS) program. Sponsored by the CRD, BC Hydro, and the goBEYOND Campus Climate Network, the RSS program challenged students from UVic, Camosun College and Royal Roads University to solve real world energy and climate challenges with a host municipality or organization. Sidney's project was selected by a student team from Royal Roads University who designed a complex spreadsheet that provides the Town with the means to record and report its annual corporate carbon dioxide emissions. The student team subsequently won First Place in the competition for their work for Sidney.

Continuation of Comprehensive Zoning Bylaw Review

Under the direction of Council, Development Services initiated an in-house comprehensive review of Zoning Bylaw 1660 in 2009. The intent of the review was 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. Staff continued to work throughout 2011 with the Advisory Planning Commission in reviewing draft sections of the proposed bylaw. The draft was completed in early 2012, and was presented to the Committee of the Whole on February 6, 2012.

Building Bylaw Review

Building Officials continued their review of the Town's Building Bylaw No. 1791 in 2011. The main goals of the review were to update the bylaw and make it more user-friendly. The new Building Bylaw No. 2016 was adopted on May 14, 2012.

Development Services (continued)

2012 Objectives (continued)

Beacon Avenue Hydro Box Revitalization

The Hydro Box Revitalization project in the downtown area continued through 2011. Three utility boxes were wrapped with graffiti-resistant vinyl printed with artwork provided by local artists. One box is located on the south east corner of Beacon Avenue and Seventh Street, in front of the property at 2297 Beacon Avenue (Coast Capital Savings). Another box is located on the waterfront walkway directly in front of the access to the Port Sidney Marina and lastly one box is located on Second Street between Beacon Avenue and Sidney Avenue, in front of the property at 9805 Second Street (west side of the Landmark Building). The project has proven extremely successful in reducing vandalism of the boxes and adding interest to the streetscape, and will continue in 2012.



Engineering, Parks and 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.; and
- Infrastructure grant applications.



Engineering, Parks and Works (continued)

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; and
- Public tennis courts.



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; and
- Sanding and snow removal.

Engineering, Parks and Works (continued)

2011 Highlights

Significant design and construction projects undertaken by Engineering, Parks and Works in 2011 included:

- Completed detailed designs, tendered and commenced construction of Iroquois Park Project;
- Proceeded with construction of Lochside Drive Underground Wiring, Phase II;
- Completed designs, tendered and commenced construction of the Public Works Yard Improvements;
- Demolished old School Board Building and constructed new Third Street Public Parking Lot;
- Completed detailed design drawing for the Ocean Avenue / Fifth Street roundabout;
- Amelia Avenue road widening and line work;
- Resthaven Drive / Mills Road crosswalk flashing lights;
- Ardwell Avenue / Piercy Road crosswalk flashing lights;
- Resthaven Drive crosswalk flashing lights;
- Beacon Avenue pedestrian countdown timers;
- McDonald Park Road paving and improvements;
- Beacon Avenue West paving;
- Beacon Avenue West storm drain replacement;
- Melville Drive storm drain construction;
- Northlawn Terrace water main replacement; and
- Iroquois Park water main replacement.





Engineering, Parks and Works (continued)

2012 Objectives

- Complete construction of Iroquois Park;
- Complete construction of the Public Works Yard improvements;
- Sculpture Walk - complete installation of initial Phase I pieces;
- Asset management - commence the initiation of Work Manager start-up;
- Completion of Infrastructure Replacement Plan road paving on Frost Avenue, Northlawn Terrace, Bevan Avenue, Second Street, Mount Baker Avenue and McDonald Park Road;
- Complete construction of Infrastructure Replacement Plan construction of concrete curb and gutter on Frost Avenue and Northlawn Terrace;
- Complete Infrastructure Replacement Plan construction of concrete sidewalks on Frost Avenue and on Seventh Street;
- Complete Infrastructure Replacement Plan water main replacements on Fifth Street from Mills Road to Malaview Avenue;
- Complete water main replacement on Bowerbank Road between Amelia Avenue and Calvin Avenue;
- Complete Infrastructure Replace Plan sewer main replacement on Second Street from Beacon Avenue to Mount Baker Avenue;
- Complete Infrastructure Replacement Plan storm sewer replacement on Amelia Avenue and on Bowerbank Road;
- Initiate the downtown Sidney Traffic Study;
- Replacement of the Engineering vehicle with a new fuel efficient vehicle;
- Complete structural repairs to the Beacon Wharf;
- Install cathodic protection on the Bevan Fishing Pier;
- Complete the emergency repairs to the failed section of the Lochside Drive seawall;
- Complete the Lochside Drive Phase II underground wiring project;
- Complete the walkway bollard lighting in Tulista Park;
- Complete the landscaping and lighting at the new Bevan and Third Street public parking lot;
- Relocation of the Bevan Street crosswalk complete with new pedestrian operated flashing lights;
- Installation of new pedestrian operated solar flashing lights at Henry Avenue and Resthaven Drive;
- Purchase of a portable solar powered speed reader sign;
- Continue the Beacon Avenue street furniture revitalization project; and
- Install a new bus shelter on Ocean Avenue for the school bus stop.

Protective Services

Sidney Volunteer Fire Department

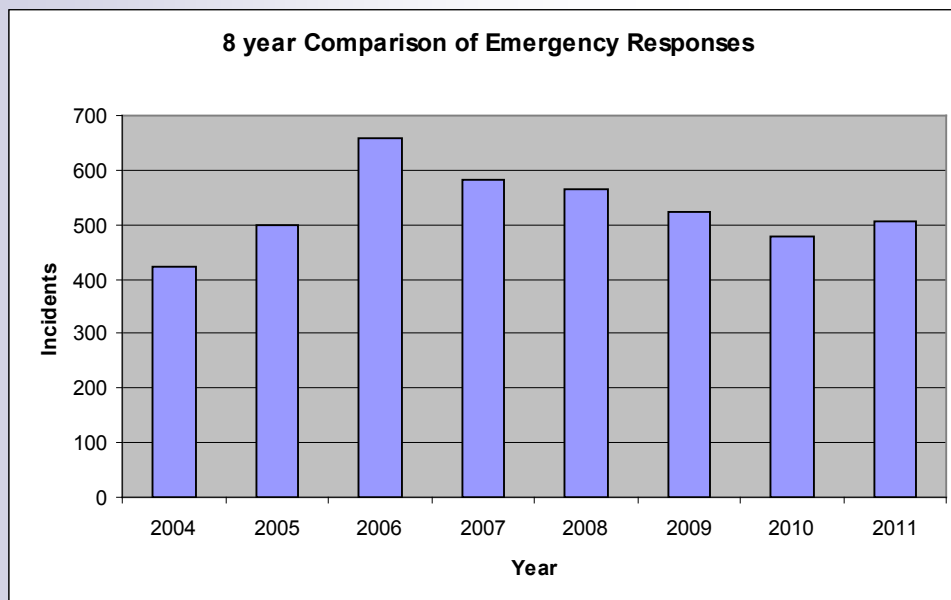
The mission statement of the Sidney Volunteer Fire Department is:
"To provide safe, professional fire suppression and rescue services to our community through education and prevention, with the dedication to serve, the courage to act and the ability to perform."



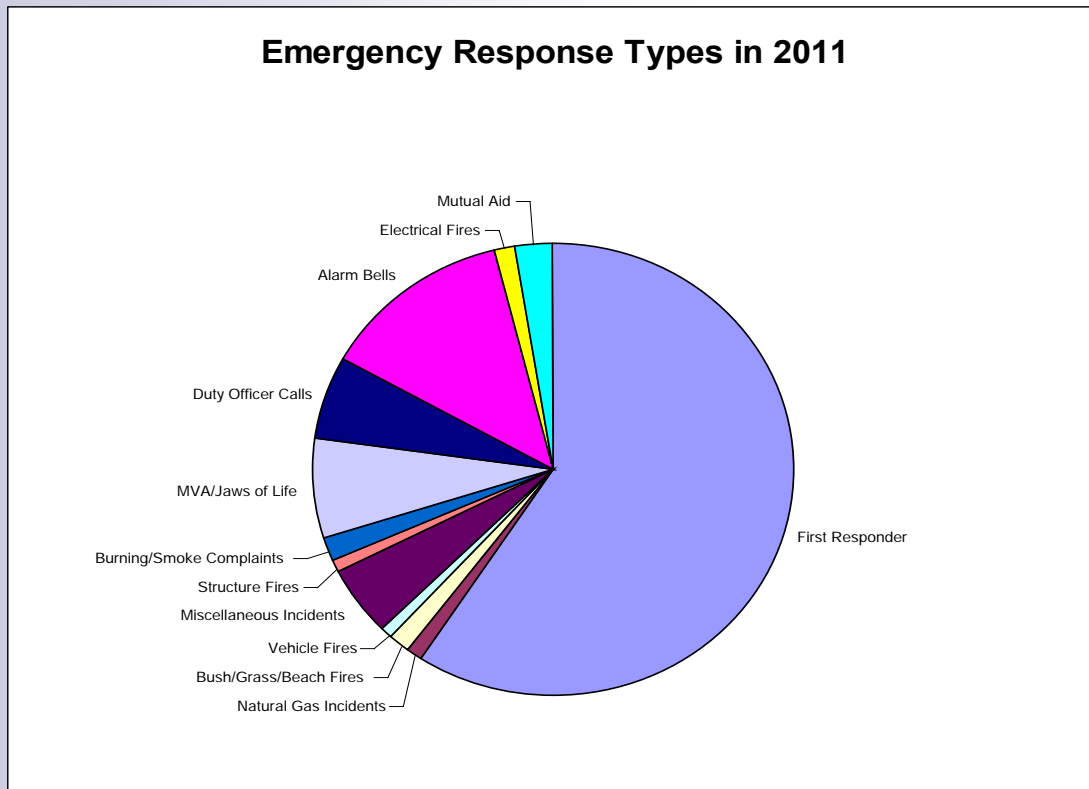
2011 Highlights

The department members responded to 507 incidents in 2011, the majority from requests for first responder medical aid. The department responded to ten fires occurring in Sidney this year, resulting in approximately \$1,071,500 in property damage. There were no injuries to the public or to any firefighters.

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

2011 Highlights

Grant Applications - In October the Emergency Planning Committee developed two grant applications for funding through the federal-provincial Joint Emergency Preparedness Program (JEPP). Federal approval of the Town's applications will be announced in April 2012.

2012 Objectives

Update Emergency Response Plan - The first version was developed in 2007 with Central Saanich and North Saanich.

Conduct an EOC Exercise - Advance the level of training and capability among Sidney employees expected to serve in the Emergency Operations Centre by exercising site support functions at the Sidney Emergency Operations Centre and working with the new technology and layout.



Protective Services (continued)

Emergency Social Services

2011 was another busy year of training, exercises, meetings and other activities.

The responsibility of our Emergency Social Services (ESS) group is to set up a Reception Centre and provide assistance to those who have been evacuated from their homes due to a disaster. ESS ensures that basic needs are met – food, clothing and lodging as well as services such as pet care, first aid, emotional support and special needs. Our group has established pre-arranged agreements with local business in the communities to provide the necessary services for the evacuees. Support agencies may also assist in establishing a Reception Centre or Group Lodging facility in the event of a disaster. Some of our partner agencies are Canadian Red Cross, Salvation Army, St. John’s Ambulance as well as local Lions and Kiwanis Clubs.

During 2011, our volunteers dedicated thousands of hours to ESS training, meetings, workshops, speaking engagements and volunteer recruiting in addition to providing emergency preparedness instructions to both the public and private sector. Their unending willingness to put in countless hours of their own time does not go unnoticed.

Communications

The Peninsula Emergency Measures Organization Communications Group (PEMO Comms) is made up of about twelve (12) dedicated amateur radio operators from Central Saanich, North Saanich and Sidney who are prepared, in the case of emergency, to provide telecommunications between these “local authorities” and the Provincial Emergency Program (PEP) - especially when telephones and cell phone systems fail.

We are pleased to report that we now have a new communications vehicle (a former 25 passenger bus) which is available to provide communications from any location on the Peninsula in case an alternate emergency operations centre (EOC) needs to be set up.

Our mission:

- 1) Provide communications between a local authority (Central Saanich, North Saanich and Sidney) EOCs and the PEP Vancouver Island Regional Emergency Operations Centre (PREOC) or alternate PREOC;
- 2) Provide communications between an EOC and an Incident and/or Emergency Social Service Reception Centre or wherever we are dispatched to by the EOC; and
- 3) Support PEMO ground search and rescue.

Protective Services (continued)

Communications (continued)

PEMO Comms trains on the first Sunday afternoon of the month, September to June at either the fire hall on McTavish Road or the fire training room at Central Saanich. We know that in the case of emergency on the Peninsula we will need more than 12 operators. We also know that there are over 1200 amateur radio operators on the Peninsula, many of whom would like to assist in an emergency. But modern day emergency communications requires more than the ability to send Morse code and conduct voice communications. Much of our traffic will be data, in effect email over radio, which requires training; therefore we are constantly trying to recruit more amateur radio volunteers to our group. If you are interested please visit the PEMO website at www.pemo.ca and click on the communications link. Contact information is at the bottom of the page.



With regards to the past year, we have not had any call-outs - fortunately. However, PEMO Comms still conducts a weekly PEMO net "check-in" every Wednesday evening at 7:00 p.m. with net control usually at the Central Saanich radio room although sometimes this is done from home. In addition, following the PEMO net, there is the inter-municipal net at 7:30 p.m., which all the CRD municipalities, CRD electoral areas and the Vancouver Island PREOC radio rooms participate in. Net control is shared between the participants on a rotating basis. Both voice and data (email over radio) is tested during these sessions - all in preparation for an emergency anywhere within the CRD area.



Protective Services (continued)

Search and Rescue

At the beginning of 2011, PEMO Ground Search and Rescue (GSAR), was actively involved in the training of nine new GSAR members. There was a total membership of approximately 15 team members at varying levels of involvement and qualifications. We also received a significant new asset to our inventory of equipment, a retired BC Handy Dart Bus, with plenty of life left in it.

Over the year this vehicle was configured into a mobile command and operations center, with the capability of transporting team members to an incident site. As of December 2011, due to a number of contributions and dedicated work from team members, this vehicle is now ready for operations. It is fully independent, with its own power source. Other support items include a mobile VHF radio, lap top computer and printer, 2,000-watt inverter and battery bank, as a back up power.

In addition to the nine team members who were in training last spring, a second GSAR basic course was started in August and a third in October. We are hoping to see a total of 12 to 15 new qualified members from those three courses by late spring 2012.

In August Dei Thomas stepped down as Director of the team and moved to a position as GSAR Manager. An interim Executive Committee was formed to provide time for other team members to acquaint themselves and commit to a greater level of involvement. In September we developed a new statement of Mandate for operations and services provided to the three peninsula communities. As we now have a very strong ability in delivering search and rescue in a wilderness setting, we are exploring different ideas and hope to provide a greater scope of services in the future.

Dei also coordinated and hosted a Tracking course in October. There were 45 to 50 GSAR and tracking personnel from across BC who attended this weekend course. Three PEMO GSAR team members attended, as students, and started their qualifications for "Track Aware".

We hold monthly meetings every second Tuesday with the exception of August and December. As of January 1, 2012, we will be meeting monthly. The following Saturdays were dedicated to practical training, with field exercises in October and November for communications, map and compass work, basic ground search techniques and a mock call out with a search that included a recovery of a live victim. A mountain bike team was established last spring. This team conducts training on its own schedule and has a dedicated training plan for 2012 in place.



Protective Services (continued)

Search and Rescue (continued)

We adopted a set of “Standard Operating Procedures” and configured them to fit our needs. This process was completed for December 31, 2011 and now provides us with a structure for operations that is flexible and sets out boundaries and standards. We are working hard to establish financial stability in developing purchase plans, budget monitoring and equipment defect records. We have implemented an equipment inspection program to ensure that our equipment holdings are functional and accounted for. In October we started an updating program to enhance the 120-volt AC and the 12-volt DC electrical systems in the back of our equipment truck. This program should be completed by the summer of 2012. As of December 31, 2011 there was a membership of 26 GSAR members.

Future works in Progress:

A lot of groundwork has been done to improve our responding times and methods. Central Saanich Fire Chief Ron French has been working directly with some of our team members in the evaluation of a new call system for call outs. We are hopeful to be operating under this new system in the Spring of 2012.

Community Responses:

Our team was called out for 2 searches over the past year. The first was in October in Sidney to assist the RCMP in locating a lady who was disorientated and lost. There was a quick and successful conclusion to that call out.

On Boxing Day, the Central Saanich Police and the RCMP called for our assistance in helping to locate a missing man from Brentwood Bay. Our team conducted a shoreline search and an inland search. Unfortunately we were unable to locate this individual.

Protective Services (continued)

Sidney / North Saanich RCMP Detachment

The Sidney/North Saanich RCMP provides police services to the Town of Sidney and the District of North Saanich through a federal/provincial/municipal contract. This detachment also provides diverse policing services to the four First Nation communities on the periphery of the Saanich Peninsula, the Willis Point region, 52 islands and the surrounding waters extending to the United States boundary.



Under a separate Memorandum of Understanding, the District also budgets and pays for the members located at the Victoria International Airport and related costs for which there is reimbursement from the Victoria Airport Authority.

Through discussions each year with the RCMP "E" Division Headquarters located in Vancouver, the District budgets its share of the costs of the members and operations at the detachment located in the Town of Sidney. The District of North Saanich also cost shares with the Town of Sidney for the RCMP premises and civilian staff.

The Sidney/North Saanich detachment is comprised of 33 police officers and 9 civilian support staff. The management team is comprised of the Detachment Commander, Operations Commander, Operations Support NCO and a Civilian Officer Manager. The management team is responsible for providing leadership and management of policing services to the Town of Sidney, the District of North Saanich, and the provincial area within the detachment boundaries. Detachment resources are assigned to general duties and specialized units who carry out a number of policing functions and duties. The Detachment is supported by Island District Headquarters which is located in Victoria. They provide support in areas of extra resources when required, training, oversight and accountability in police service delivery in every community on Vancouver Island.

The detachment policing priorities have been established through local consultation and in alignment with National, Provincial and District priorities. The priorities for 2012 and 2013 include Traffic Enforcement, Impaired driving, First Nation Policing, and Organized Crime which consists predominately of drug trafficking in our area. A number of specific objectives and strategies have been developed for each policing priority. The detachment Commander provides feedback to the Mayors and Councils through a quarterly policing report on how the detachment is progressing towards reaching its defined goals for the year.

Protective Services (continued)

All detachment members contribute towards the achievement of these objectives and work with our community partners to reduce crime in the community. For more detailed information, please visit the detachment website at <http://www.sidney.rcmp.ca>.

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 as being recognized as a safe community in which to live. The community policing Auxiliary officers are actively involved in the delivery of crime prevention and education programs and work closely with the youth through our school liaison program. The D.A.R.E. (Drug Awareness Resistance Education) program is delivered to students in each of the elementary schools within North Saanich and Sidney.



The detachment is complimented by a number of dedicated volunteers who donate their time to help make Sidney a desirable community in which to live. Victim Services, Restorative Justice and Speed Watch are other programs citizens can volunteer for which enhance the police service to the community.





Progress Report 2011

Section 98 of the *Community Charter* outlines municipal progress reporting requirements. Following are the objectives and measurement tools for 2011 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

Strategies	Measures	Status
<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 	<ul style="list-style-type: none"> • Ongoing • Ongoing; current initiatives include the Community Builder Award and the annual Volunteer Firefighters dinner • Ongoing • Work on Fire Hall Staffing report for succession, recruitment and retention. Applied for JEPP grants to update emergency plan and conduct an EOC exercise • As part of the Zoning Bylaw review, added detached secondary suites, couplet houses, fee simple row houses, and secondary suites in multi-family dwellings as permitted uses in the draft Zoning Bylaw in order to expand options for housing types and tenures; ongoing and regular discussions with the CRD • Participated in School District No. 63 neighbourhood consultation process • As part of the Zoning Bylaw review, increased the requirement in the draft Zoning Bylaw for adaptable housing units in townhouses, apartments and row houses to apply to 20% of all secondary suites in new multi-family developments, in addition to the existing requirement for 20% of principal units • Accomplished; subsequently determined that the Committees should function separately • Ongoing

Quality Community Spaces Progress Report

Strategies	Measures	Status
<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 	<ul style="list-style-type: none"> • In progress; Completion June 2012 (delayed by weather) • Initiation of marketing and branding project • Ongoing - as opportunities arise; Exterior upgrades, approved by a Development Permit, to a commercial retail centre between Beacon Avenue and Bevan Avenue will include upgrades to frontage on Bevan Avenue, making it more pedestrian friendly • Ongoing - as opportunities arise • Continued the comprehensive review of the Zoning Bylaw; completion June 2012 • Ongoing implementation of Parks Infrastructure Plan • Continued utility kiosk revitalization in the downtown core with work by local artists and poets; initiated Sidney Seaside Sculpture Walk project • Ongoing as opportunities arise with the development community • Beacon Wharf interim repairs to be completed June 2012. Investigate future options for the wharf • Exploration complete; comprehensive revitalization not financially feasible at this time; continue with phase 2 of previous Beacon Avenue improvements • In progress • Complete • Ongoing • Pending

Economic Health and Vitality Progress Report

Strategies	Measures	Status
<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 • dialogue 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 	<ul style="list-style-type: none"> • Ongoing • Complete • Established a liaison Committee between the Town and Washington State Ferries • Complete. Lease term is 2012 - 2031 • Ongoing • Focus in 2012 through Tri Municipal Council • Policy adopted that aligns grant process with strategic priorities • Pending as opportunities arise • Pending • Grant funding maintained • Complete; stakeholders have implemented • Delegated to the CDC; project initiated and to be completed in 2012 • Ongoing • Completed - Downtown wireless network installed

Sustainable Infrastructure Progress Report

Strategies	Measures	Status
<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 Hwy 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 	<ul style="list-style-type: none"> • Increases to infrastructure replacement funding approved in 2011 Financial Plan • Collaborated with other staff on the implementation of the Climate Action Plan, and improved tracking system for Town GHG emissions • GIS Technician position approved for 2012 • New and improved road crossings and sidewalks installed • Initiated; to be completed in 2012 • In progress; Ministry of Transportation reviewing design options and associated project costs; stakeholder initiated design concept development study for Beacon and Highway 17 interchange completed and presented February 2012. • Ongoing • Ongoing • This location may not work due to the potential footprint of Hwy 17 / Beacon Ave Interchange; exploring alternative options • Exploring options • Completion anticipated October 2012 • In progress • Ongoing • Substantially complete; final landscaping in 2012 • Ongoing • Pending

Organizational Excellence Progress Report

Strategies	Measures	Status
<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 	<ul style="list-style-type: none"> • To be initiated in 2012. • Ongoing; added list of Frequently Asked Questions and Answers to the Development Services section of the Town's website • Pending; communication strategy to be completed in 2012 • Initiated in 2011; to be completed in 2012 • Scheduled for 2012 • Ongoing • Prepared Fire Department Staffing Report for presentation to Council. This was not supported by Council however \$10,000 was established for Volunteer Fire Department recruitment • New policing contract to be executed in 2012 • Ongoing; selection of comprehensive document management system in 2013 • GIS Technician position approved for 2012 • Continued review of Building Bylaw and Zoning Bylaw • Completed and utilized in 2011 Local Government Election • Ongoing • Ongoing • Pending



Strategic Priorities 2012 - 2014

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 four priorities that require extra emphasis, effort or investment in the years ahead -- Balanced Healthy Community, Quality Community Spaces, Sustainable Infrastructure and Organizational Excellence.

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.

Core Services

What we do

With our partners, we strive to excel in six core service areas:

- Good governance and effective administration
- Community Planning
- Public works, infrastructure and engineering
- Parks, recreation, arts and culture
- Safety and protection
- Economic and tourism development

Vision

Where are we 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

Strategic Priorities 2012 - 2014 (continued)

Balanced Healthy Community

Council recognizes that ongoing community and economic development is vital to the Town, and will continue to provide support to the groups and organizations involved in advancing this vision. We are also committed to achieving a more balanced demographic by exploring options for workforce/affordable housing and promoting events and activities for youth and young families.

Strategies That will guide our work	Initiatives and Commitments 2012 – 2014
1. Sustained support for local groups and organizations engaged in community and economic development	<ul style="list-style-type: none"> A. Review bylaws to ensure balance between community character and being business friendly B. Financially support collaborative economic development initiatives C. Honour the work of our many community volunteers
2. Strive for a more balanced demographic	<ul style="list-style-type: none"> A. Pursue regional and local workforce housing initiatives within Sidney B. Promote activities, events and infrastructure for our youth and young families C. Encourage development of a wide range of housing forms, tenures and levels of authority by implementing the Town's new Zoning Bylaw
3. Promotion of the inherent authenticity of Sidney to support economic development and its social fabric	<ul style="list-style-type: none"> A. Support our community festival events that showcase the Town B. Brand Sidney and the Saanich Peninsula to support local economic development and competitively position ourselves within the region C. Explore incentives for downtown revitalization (e.g. tax exemption bylaw, reduced parking requirements, bonus density)

Strategic Priorities 2012 - 2014 (continued)

Quality Community Spaces

The Town prides itself on being an accessible and pedestrian-friendly community with inviting, safe, and healthy public spaces. We will continue to strive to achieve a high standard of community spaces and are committed to quality architecture and urban design that is reflective of the Town's character.

Strategies That will guide our work	Initiatives and Commitments 2012 – 2014
1. A commitment to development that is compact, appropriately scaled and efficient	A. Review of the Town's OCP Development Permit Guidelines for form and character B. Promote and implement the Town's new Zoning Bylaw
2. Preserve and enhance the Town's unique physical characteristics	A. Develop long range plans for the future of Beacon Wharf B. Update Parks Master Plan C. Complete Beacon Avenue phased improvements D. Work with community stakeholders to approve the Beacon/Bevan Hwy 17 Interchange Footprint
3. A commitment to a high standard of hard and soft landscaping in public areas	A. Complete sculpture walk B. Proactive implementation of policies contained in the Local Area Plan regarding parks and public spaces
4. Enhance pedestrian connections and accessibility	A. Work with the business community on developing appropriate downtown way-finding signage B. Continued expansion of community sidewalks and waterfront walkways C. Pursue Provincial commitment for funding and construction of the pedestrian overpass on Highway 17

Strategic Priorities 2012 - 2014 (continued)

Sustainable Infrastructure

Ongoing improvements and maintenance of municipal infrastructure and facilities is a challenge that all local governments face, and accordingly the Town is committed to developing a comprehensive asset management system. Council also recognizes that it must take a proactive approach to finding appropriate solutions to traffic, transportation and parking issues, while still maintaining our commitment to being a carbon neutral community.

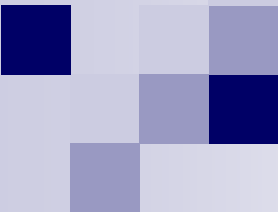
Strategies That will guide our work	Initiatives and Commitments 2012 – 2014
1. A focus on maintaining the infrastructure we have	<ul style="list-style-type: none"> A. Complete repairs to Beacon Wharf and develop a long term sustainability plan for the asset B. Implement long term solution for addressing the lower Lochside walkway and seawall C. Incorporate existing facilities and marine structures into long term financial planning for asset replacement D. Review of the 20 year plan
2. A commitment to responsible investment in new capital assets	<ul style="list-style-type: none"> A. Identify long term plans and funding strategies for new infrastructure B. Explore opportunities for the advancement of new Fire and Town Halls
3. A commitment to environmental sustainability	<ul style="list-style-type: none"> A. Pursue green initiatives as opportunities arise (i.e. implement Climate Action Plan)
4. A commitment to proactive solutions to traffic, transportation (internal and external) and parking issues	<ul style="list-style-type: none"> A. Continue micro/macro level planning for Highway 17/Beacon Interchange including seeking stakeholder consensus for final plan approval B. Promote and plan with the Ministry of Transportation and Infrastructure for the completion of the Highway 17 pedestrian overpass C. Analyze downtown traffic patterns and potential solutions D. Strengthen parking enforcement throughout the Town E. Update Parking and Loading Bylaw F. Complete Fifth and Ocean roundabout

Strategic Priorities 2012 - 2014 (continued)

Organizational Excellence

The Town prides itself on being a sought-after employer of choice. We will continue to focus on local government best practices and are committed to making informed and balanced decisions for our long term sustainability. Council and staff are dedicated to service excellence with a focus on providing our residents with enhanced and efficient services.

Strategies That will guide our work	Initiatives and Commitments 2012 – 2014
1. A focus on best practices for local government	<ul style="list-style-type: none"> A. Develop a comprehensive internal/external communication strategy B. Continually review corporate policies, bylaws and agreements C. Enhance the use of technology to advance operational efficiency
2. A commitment to making informed and balanced decisions for long term sustainability	<ul style="list-style-type: none"> A. Strengthen opportunities for stakeholder involvement in key political decision making
3. A commitment to service excellence	<ul style="list-style-type: none"> A. Enhance Town website to include more online information and communication services B. Implement citizen satisfaction survey C. Develop and implement a Customer Service Strategy to support staff in providing exceptional customer service
4. An attractive, desirable and appropriate work environment	<ul style="list-style-type: none"> A. Seek opportunities for new Town Hall and Fire Hall B. Complete required Town Hall interior renovations C. Implement human resources programs to ensure appropriate support for orientation, training, succession planning, recognition and workplace health and safety



Financial Information



Message from the Director of Corporate Services

Discussion and Analysis of Financial Statements

For most people, financial statements are hard to read, and they don't provide the concise and relevant information that the reader is looking for. We'd love to make them simpler, but we can't; our financial statements are prepared according to a set of national accounting standards that we must follow. Starting this year, we are including discussion and analysis of our financial statements to make our financial results more understandable.

The Executive Summary below will focus on the key aspects of our 2011 operating results. For those who want more information, a Detailed Analysis of the statements will follow.

Executive Summary

The Town's financial results for 2011 reflect a continued commitment to sound financial management. Operating results for last year were in line with budgeted expectations, and resulted in a modest surplus. In addition to a surplus from operations of \$369,000, the Town's investment in capital assets increased by over \$1 million, and reserves grew by just under \$1.3 million.

The Town has relatively low levels of debt, a decent level of reserves, and remains committed to renewing its infrastructure. It is important to note that any debt held by the Town is for the purposes of capital construction, and bears no relation to the type of debt associated with senior governments. Senior governments incur deficits and debt to finance their operations as a whole. Sidney is only allowed to incur debt for capital purposes, and must maintain an accumulated surplus; ours stands at just under \$4 million as at the end of 2011.

While Sidney continues to be well managed financially, improvements are always possible; staff and Council are always looking to enhance our planning processes to ensure the Town's long-term financial sustainability.

Detailed Analysis of Financial Statements

The annual financial statements are composed of two primary statements – the Statement of Financial Position (formerly known as the Balance Sheet) and the Statement of Operations (formerly known as the Income Statement). These two statements are supplemented by two





Message from the Director of Corporate Services (continued)

Detailed Analysis of Financial Statements (continued)

additional statements, as well as extensive notes and tables to provide additional details on the two primary statements, as well as the organization itself and its accounting policies. The notes are an integral part of the financial statements, as they provide additional details on the consolidated numbers found on the two primary statements. The two primary statements, as well as the supporting notes and tables, will be discussed here in more detail.

Statement of Financial Position

The Statement of Financial Position provides a snapshot of the Town's total assets, liabilities, and equity as at December 31, 2011. Financial Assets represent cash, as well as items that can or will be converted to cash within a short timeframe, such as investments, and receivables. Financial assets represent amounts that can be used to pay for liabilities and provide services. All liabilities of the Town are considered Financial Liabilities, as cash will be required to pay for them.

The net result of comparing Financial Assets to Financial Liabilities is Net Financial Assets. The Town has relatively little debt, a decent level of reserves, and therefore a positive asset-to-liability ratio. This can be described, in simple terms, as having the ability to cease operations today, and pay for all outstanding liabilities.

Non-financial assets is the next heading on the Statement of Financial Position. This category is made up mostly of cumulative past investment in tangible capital assets (TCA), but also of smaller amounts for inventories of supplies and prepaid expenses. The latter two are assets that will likely be consumed as part of operations in the upcoming year, but cannot be easily converted to cash to meet liability obligations.

The bottom line on this statement is Accumulated Surplus, which is the total of net financial assets and non-financial assets. Accumulated Surplus, which is broken down into various components in Note 8 of the statements, is discussed in more detail in the following section.

Statement of Operations

The Statement of Operations compares revenue and expenses for the operating year, with the net difference being the annual surplus. The annual surplus essentially represents the increase in the Town's ability to fund and provide services. Revenue and expenses on this statement



Message from the Director of Corporate Services (continued)

Statement of Operations (continued)

are specifically defined accounting terms that do not tie in exactly to the funding sources and expenditures that are the subject of the Town's financial plan.

The Statement of Operations for 2011 indicates an "annual surplus" of \$2,843,845. This total is added to accumulated surplus at the bottom of the statement. The new accumulated surplus is classified into various categories in Note 8 of the statements. Referencing this note, the annual surplus may be broken down into the following segments:

Net increase in Reserves	\$1,288,442
Net investment in capital assets	1,086,141
Recognition of Debt Reserve Fund balance	100,132
Surplus from operations	<u>369,130</u>
Annual surplus	2,843,854

It is important to note that the above surplus is the net result between the Town's revenues and its expenses for the year, and is independent of any variance from the budget for the year. A budget column must be included in the Statement of Operations, to provide the reader with an indication of operating plans for the year. Variances from budget are typically not discussed in the financial statements but in management reports that are presented to Council in public meetings.

As indicated in Note 14 to the statements, the amounts in the budget column were not prepared specifically for the financial statements, but for purposes of the Town's financial plan – an entirely different objective. The biggest discrepancy between the two is the exclusion of a budget for amortization in the financial plan.

A comparison of budget vs. actuals in the 2011 statements is not appropriate, as the budget presented in the statements was not intended for this type of analysis. Changes to the format of the Town's financial plan bylaw for 2012 will make the two sets of numbers much more comparable for next year's statements. These changes include a budget for amortization, as well as an estimate of the accounting surplus or deficit prior to reserve transfers.

Net Increase in Reserves

In the annual surplus calculation above, the first component is a net increase of \$1.288M in the Town's reserves. Reserves are funds set aside to finance works (usually capital) in future years.



Message from the Director of Corporate Services (continued)

Net Increase in Reserves (continued)

There are two classes of reserves. The more formal of these is indicated as “Reserve funds set aside for specific purposes by Council”. These are what are known as statutory reserves, in that they are created by bylaw, as allowed under our legislation. The establishing bylaw sets out the purposes of the funds, and these purposes cannot be changed without a bylaw amendment. In other words, the funds must be used for the purposes for which the reserves were established.

The second subset of reserves is labeled “Reserves set aside by Council”. While less formal, these funds are also usually earmarked for specific purposes, but it is possible to redirect these funds for other uses. However, as most of the balances in these reserves are made up of funds carried forward for completion of specific multi-year projects or initiatives, redirection is generally not recommended unless it has been established that they are no longer required for the specified purpose. Examples of these carry forward amounts currently held in reserve include funding for the Public Works Yard improvements, Beacon Wharf repairs, and the Lochside Underground Wiring project.

The large shift in 2011 between the balances of the two subsets of reserves is due to the formalization of the Town’s reserves that occurred at the beginning of last year. Some of the less formal reserves were “formalized” by bylaw, and the funds were moved to the more restricted statutory reserves.

Changes in reserve funds in any given year are determined by the Town’s intentions, as evidenced by the financial plan in effect for that year. For example, in a year that we plan to draw down on the reserves, for use as capital funding, the financial plan would reflect an annual “deficit” in net reserve transactions; in a year when we are putting aside more money than we are drawing upon, there would be a budgeted “surplus” in the reserve portion of the budget.

Reserve balances may also increase, from time to time, by amounts not contemplated in the budget. One example of this was the addition of \$431,020 to the Ferry Terminal Reserve. Most of these funds were transferred to the Town by the former operator of the ferry terminal, following termination of the agreement. The previous agreement had called for annual contributions to a reserve fund, which would be turned over to the Town at the end of the agreement; that is what transpired. This amount makes up more than one-third of the overall \$1.288M increase in this segment of surplus.



Message from the Director of Corporate Services (continued)

Net Increase in Reserves (continued)

The final significant component of the \$1.288M surplus in reserve transactions for 2011 was fully anticipated. As part of the ongoing planning for infrastructure replacement, there was a net transfer of \$366,149 to the Infrastructure Reserve. This is part of the ongoing pattern of keeping contributions to infrastructure replacement consistent from year to year; in years where there is more than the average level of project spending, funds are withdrawn from the reserve. In other years, funds may be transferred to the reserve as part of an accumulation for a larger project later, rather than spent on projects that year.

In addition, transfers to and from other replacement reserves work the same way. These include reserves for vehicles, fire vehicles, and computer equipment. The amounts put into reserves are roughly constant each year, while the amounts coming out are dependent on the timing of purchases. There were net transfers to these latter reserves of \$320,470 in 2011. A properly planned replacement reserve will have just enough funding in the long term to fund required purchases. Our plans are reviewed on a regular basis, and adjustments are made through the financial planning process.

Bottom line: Having a net reserve surplus or deficit in any given year is generally neither good nor bad; it's strictly a reflection of our plans and spending patterns, and must be considered in conjunction with those plans for a full understanding of the impact.

Why the accounting surplus differs from our budgeting surplus: The accounting treatment of reserve transfers is as described here. Budgeting surplus, at least under existing financial plans, is different. If the Town budgets to collect \$100,000 in taxes and transfer these funds to reserves for future use, this transaction is budget neutral; that is, there is no net gain, as the money taken in matches the money "used" to increase reserve balances. On the accounting side, this transaction would result in a surplus of \$100,000, as money came in as revenue, but did not leave the organization (it will remain until the reserve funds are used to make an acquisition).

Net investment in capital assets:

The second largest contributing factor to the \$2.843M annual surplus was an increase of \$1.086M in "investment in tangible capital assets". What this number essentially means is that the Town added \$1M more in tangible capital assets (TCA) than it used up (consumed) in 2011. TCA are consumed through amortization (also known as depreciation); the cost of the asset is divided by its useful life, and expensed annually over that lifespan. This method of accounting spreads the value of the asset over its ability to provide services to residents.



Message from the Director of Corporate Services (continued)

Net Increase in Reserves (continued)

In 2011, the Town added \$4.543M in TCA, while amortizing \$2.141M; a net increase of \$2.402M. This net amount is reduced by small losses on disposal, as well as the new borrowing and lease financing the Town incurred as part of the new acquisitions; the Town does not “own” these assets until those obligations have been repaid.

Bottom line: Generally, it is good to have a positive net investment in capital each year; in the absence of new additions, this could indicate that you are renewing your assets more quickly than you are consuming them. However, that is a bit of a simplification, and the sufficiency of asset renewal must be considered in the full context of the Town’s asset management plans. These plans must continue to be developed and refined over the next several years.

Why the accounting surplus differs from our budgeting surplus: On the budgeting side, all capital purchases have a “funding source”, be it taxation, borrowing, reserves, or other. Capital on the budgeting side is always “balanced”; funds are consumed in equal measure to the capital assets they are used to acquire. In accounting, most revenues are recognized right away, while the associated purchase is recognized in small portions over its lifespan. This creates an initial surplus, which gets consumed over the asset’s lifespan in the form of small “deficits” in each subsequent year. Of course, these “small deficits” are impossible to spot, as they are aggregated with future years’ net capital transactions.

Recognition of Debt Reserve Fund Balance

This small contributor to the annual surplus has to do with an accounting change in the recognition of certain sinking fund contributions made by the Town through its debt payments to the Municipal Finance Authority (MFA). In previous years, these funds were kept off the financial statements; a change in treatment occurred about two years ago, and our auditors recommended that this money be included in our reporting. When the associated debt is fully repaid, these funds will be available to the Town for related capital acquisitions (related to the original purpose of the loan).

In future years, this increase is expected to be much smaller. The full running total was added in 2011; future annual changes will depend on the magnitude of the Town’s borrowing. When the funds are released, there would be a decrease to Restricted Cash, and an increase in one of the statutory reserves.



Message from the Director of Corporate Services (continued)

Surplus from Operations

The final segment of the \$2.843M is perhaps the most important. The surplus from operations provides the best indication of a true surplus for the year. As discussed above, most of the other segments provide a temporary surplus, at best. The surplus from operations in a given year represents the true increase in the Town's "disposable income", and is added to its accumulated surplus from prior years' operations.

The Town has a policy to determine the adequate level of accumulated surplus. This policy ensures that we maintain sufficient funds for the following purposes:

- To provide an adequate reserve for major disasters or contingencies;
- To provide adequate working capital to reduce or eliminate the need for temporary borrowing throughout the year;
- Revenue stabilization: available funds to cover any revenue shortfalls, and to prevent tax revenue fluctuations by funding non-recurring expenditure items.

The \$369,130 surplus from operations for 2011 was generated mainly through savings in the RCMP contract, which came in approximately \$250,000 under budget due to temporary vacancies within the Town's complement of 14 officers. The remainder was made up of a series of smaller savings in other Town operations.

Other Statements

The change in the Town's net financial assets is further explained on the third statement. The change is made up of the annual surplus, less the net investment in capital assets, plus or minus the net change in other non-financial assets.

The fourth statement merely provides some information on the change in cash balance over the previous year, breaking it out between operating activities, capital activities, and financing activities.

Notes to Statements

As indicated above, as well as at the bottom of each of the four primary statements, the notes are an integral part of the financial statements. First of all, they explain the nature



Message from the Director of Corporate Services (continued)

Notes to Statements (continued)

of the reporting entity, and its significant accounting policies. Then, the individual notes provide additional details to support the numbers on the first two statements. Reference is made on the statements to a note number; users wishing to gain a better understanding of Town financial results should be referring back and forth between the statements and the associated notes.

The notes also serve to identify potential commitments and liabilities not captured in the statements themselves. These exclusions can be for various reasons, but generally they represent events that do not fit the accounting definition of a liability, or cannot be reliably measured. Disclosing these items in the notes (Note 13 for the Town) provides readers with some additional information to assist in their interpretation of the Town's financial position, and any risks associated with that. Users may then make their own decision as to the level of risk implicit with each item disclosed.

Note 14 in the Town's statements provides a reconciliation of the Town's financial plan to the budget numbers used in the statements. This note explains that the two sets of numbers do not coincide, as the financial plan was developed on a different basis that did not expressly consider financial reporting needs. The bylaw changes being prepared for 2012 will largely address this issue. The biggest discrepancies are the lack of budgeting for amortization, and the treatment of transfers to and from reserves.

Financial Implications

The 2011 operating results were fairly sound, with the Town generating a surplus from operations, adding more to its reserves than it took out, and seemingly replacing its capital assets faster than they are consumed. However, it is important to consider these results in a larger context. The above discussion of the various components of surplus provides the basis for this larger consideration, as well as some of the additional analysis that must be done. The most pressing need is for the Town to continue to refine its asset management capabilities to determine the sufficiency of replacement funding for its existing infrastructure and other assets; this work will continue over the next several years.


Director of Corporate Services



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

KPMG LLP
Chartered Accountants
St. Andrew's Square II
800 - 730 View Street
Victoria BC V8W 3Y7

Telephone (250) 480-3500
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, 2011, 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.



Independent Auditors' Report (continued)

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, 2011, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Accountants
April 23, 2012
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

Statement of Financial Position

December 31, 2011, with comparative figures for 2010

	2011	2010
Financial assets:		
Cash and cash equivalents (note 2)	\$ 13,362,969	\$ 11,190,747
Property taxes receivable	522,183	446,294
Accounts receivable	1,875,921	2,106,843
Restricted cash	100,132	-
	15,861,205	13,743,884
Financial liabilities:		
Accounts payable and accrued liabilities	1,784,896	1,587,957
Deferred revenue and deposits (note 3)	3,876,250	3,161,597
Employee future benefit obligations (note 4)	509,400	471,700
Lease and other obligations (note 5)	213,582	303,620
Long-term debt (note 6)	3,338,701	2,651,113
	9,722,829	8,175,987
Net financial assets	6,138,376	5,567,897
Non-financial assets:		
Tangible capital assets (note 7)	76,255,232	73,953,420
Inventories of supplies	79,882	83,800
Prepaid expenses	38,013	62,541
	76,373,127	74,099,761
Accumulated surplus (note 8)	\$ 82,511,503	\$ 79,667,658

Commitments and contingent liabilities (note 13)

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

Financial Statements (continued)

Statement of Operations

Year ended December 31, 2011, with comparative figures for 2010

	<i>Budget</i> 2011	Actual 2011	Actual 2010
	(Unaudited - note 14)		
Revenue:			
Net taxes available for municipal purposes (note 9)	\$ 10,927,479	\$ 10,920,229	\$ 10,920,229
10,575,193			
Fees, rates and service charges	6,060,306	5,658,336	4,979,853
Government transfers (note 10)	3,472,399	2,106,688	1,446,039
Investment earnings	116,580	163,968	88,797
Gifts and contributions	110,204	249,245	33,788
Penalties and interest	96,500	100,596	100,457
Actuarial adjustment on debt	-	148,234	131,833
MFA Debt Reserve Fund surplus		89,402	-
Other	8,800	217,987	9,424
Total revenue	20,792,268	19,654,685	17,365,384
Expenses:			
General government	2,024,438	2,111,391	2,026,113
Protective services	3,806,229	3,623,549	3,690,659
Transportation	2,425,436	3,210,833	3,185,598
Environmental health services	487,800	486,221	485,354
Environmental development	341,012	326,597	333,589
Leisure, parks and cultural	2,114,921	2,319,074	2,287,727
Water utility	2,253,292	1,892,522	1,968,556
Sanitary sewer	2,265,067	2,345,676	2,338,624
Other (note 11)	551,573	494,977	546,678
Total expenses (note 12)	16,269,768	16,810,840	16,862,898
Annual surplus	4,522,500	2,843,845	502,486
Accumulated surplus, beginning of year	79,667,658	79,667,658	79,165,172
Accumulated surplus, end of year	\$ 84,190,158	\$82,511,503	\$79,667,658

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

Financial Statements (continued)

Statement of Changes in Net Financial Assets

Year ended December 31, 2011, with comparative figures for 2010

	<i>Budget</i>	2011	2010
	(Unaudited - note 14)		
Annual surplus	\$ 4,522,500	\$ 2,843,845	\$ 502,486
Acquisition of tangible capital assets	(8,202,800)	(4,543,129)	(3,317,930)
Amortization of tangible capital assets	-	2,140,659	2,058,135
Loss on sale of tangible capital assets	-	89,292	149,165
Proceeds on sale of tangible capital assets	-	11,366	64,606
	<i>(3,680,300)</i>	542,033	<i>(543,538)</i>
Acquisition of inventories of supplies	-	(79,882)	(83,800)
Acquisition of prepaid expense	-	(38,013)	(62,541)
Consumption of inventories of supplies	-	83,800	85,235
Use of prepaid expense	-	62,541	37,322
Change in net financial assets	<i>(3,680,300)</i>	570,479	<i>(567,322)</i>
Net financial assets, beginning of year	<i>5,567,897</i>	5,567,897	6,135,219
Net financial assets, end of year	<i>\$ 1,887,597</i>	\$ 6,138,376	\$ 5,567,897

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

Financial Statements (continued)

Statement of Cash Flows

Year ended December 31, 2011, with comparative figures for 2010

	2011	2010
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 2,843,845	\$ 502,486
Items not involving cash:		
Amortization	2,140,659	2,058,135
Developer contribution of tangible capital assets	(166,800)	-
Change in employee benefits and other liabilities	37,700	24,000
Loss on sale of tangible capital assets	89,292	149,165
Actuarial adjustment on deb	(148,234)	(131,833)
MFA Debt Reserve adjustment	(100,132)	-
Change in non-cash assets and liabilities:		
Property taxes receivable	(75,889)	(93,112)
Accounts receivable	230,922	(726,866)
Accounts payable and accrued liabilities	196,939	326,142
Deferred revenue and deposits	714,653	1,035,891
Inventories of supplies	3,918	1,435
Prepaid expenses	24,528	(25,218)
Net change in cash from operating activities	5,791,401	3,120,225
Capital activities:		
Proceeds on sale of tangible capital assets	11,366	64,606
Cash used to acquire tangible capital assets	(4,336,201)	(3,276,334)
Net change in cash from capital activities	(4,324,835)	(3,211,728)
Financing activities:		
Debt issued and assumed	1,073,000	1,448,000
Long-term debt repaid	(237,178)	(215,408)
Lease and other obligations repaid	(130,166)	(124,207)
Net change in cash from financing activities	705,656	1,108,385
Net change in cash and cash equivalents	2,172,222	1,016,882
Cash and cash equivalents, beginning of year	11,190,747	10,173,865
Cash and cash equivalents, end of year	\$ 13,362,969	\$ 11,190,747
Supplemental cash flow information:		
Cash paid for interest	\$ 261,919	\$ 229,931
Cash received from interest	264,564	183,998
Assets acquired under capital lease	39,067	41,596

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



Notes to Financial Statements

Year ended December 31, 2011

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 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 are 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 is less than the book value.

(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 the reporting date, 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:

	2011	2010
Cash	\$ 2,773,492	\$ 2,004,674
Municipal Finance Authority money market fund investments	2,294,742	2,676,368
Term deposits	8,294,735	6,509,705
	\$ 13,362,969	\$ 11,190,747

Notes to Financial Statements (continued)

3. Deferred revenue and deposits:

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

	2011	2010
Federal Gas Tax Agreement Funds		
Deferred gas tax agreement funds, beginning of year	\$ 1,044,035	\$ 738,914
Amounts received during the year	354,085	354,120
Interest earned restricted for projects	20,664	2,555
Expenditures	(108,929)	(51,554)
Deferred gas tax agreement funds, end of year	1,309,855	1,044,035
Prepaid property taxes	891,558	809,089
Deferred revenue - prepaid fees and charges	252,644	246,888
Deferred developer contributions	830,493	817,452
Deposits on hold	591,700	244,133
	2,566,395	2,117,562
Total deferred revenue and deposits	\$ 3,876,250	\$ 3,161,597

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:

	2011	2010
Accrued employee benefit obligations:		
Balance, beginning of year	\$ 595,100	\$ 460,100
Current service cost	60,400	48,600
Interest cost	26,600	24,700
Benefits paid	(61,600)	(50,400)
Actuarial adjustment	39,000	112,100
Balance, end of year	659,500	595,100
Unamortized net actuarial loss	(150,100)	(123,400)
Accrued employee benefit obligations	\$ 509,400	\$ 471,700

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, 2011. The significant actuarial assumptions adopted in measuring the Town's accrued benefit obligation are as follows:

	2011	2000
Discount rates	3.50%	4.25%
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 \$99,300 (2010 - \$74,400).

Pension plan:

The Town and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trusteesd 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 173,000 active members and approximately 63,000 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 latest 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 \$432,856 for employer contributions to the plan in fiscal 2011 (2010 - \$379,217) and Town employees paid \$368,690 for employee contributions to the Plan (2010 - \$335,288).

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, 2011 was \$3,647 (2010 - \$47,651).
- (b) The Town has entered into capital lease agreements, for various public works and office equipment, for terms ranging from three to five years. The future minimum annual lease payments are as follows:

	2011	2010
2011	\$ -	\$ 132,780
2012	102,230	88,438
2013	75,096	61,303
2014	35,059	22,994
2015	6,120	6,120
2016	-	-
Total minimum lease payments	218,505	311,635
Less: amount representing interest (at prime less 1%)	(4,923)	(8,015)
Present value of net minimum capital lease payments	\$ 213,582	\$ 303,620

Interest expense incurred during 2011 on the above leases amounted to \$4,291 (2010 - \$4,255).

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 expenditures. Sinking fund balances, managed by the MFA, are netted against related long-term debt.

In 2011, the Town incurred \$1,073,000 in new long-term borrowing. This amount represents the second drawdown on a total borrowing of \$3,000,000 (2010 - \$1,448,000), with the final draw of \$479,000 occurring in April 2012. The term of the loan is 25 years, with the 2011 draw at an interest rate of 3.25%.

	Gross	Sinking	Net debt	Net debt
	debt	fund	2011	2010
		credit		
Demand promissory notes	\$ 15,682	\$ -	\$ 15,682	\$ 23,523
MFA debentures	6,581,534	3,258,515	3,323,019	2,627,590
	\$ 6,597,216	\$ 3,258,515	\$ 3,338,701	\$ 2,651,113

- (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, 2011 there were contingent demand notes of \$237,167 (2010 - \$220,216) and cash deposits of \$100,132 (2010 - \$87,009). The demand notes are not included in the financial statements of the Town; however, the cash deposits are now included in the financial statements as restricted cash.

- (c) Long-term debt estimated principal repayments over the next five years:

2012	251,524
2013	111,185
2014	106,087
2015	102,984
2016	102,984

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

- (d) Total interest paid during the year was \$249,800 (2010 - \$216,826).
- (e) Existing long-term debt matures in annual amounts to the year 2036, and interest rates range from 3.25% to 5.69%. The weighted average interest rate for 2011 was 4.55%.

Notes to Financial Statements (continued)

7. Tangible capital assets:

	Balance at Dec. 31, 2010	Additions	Disposals	Balance at Dec. 31, 2011
Cost				
Land	\$ 15,046,586	\$ -	\$ -	\$ 15,046,586
Land improvements	2,305,688	452,867	-	2,758,555
Buildings and building improvements	19,219,408	242,331	(37,142)	19,424,597
Vehicles, machinery and equipment	8,487,158	617,197	(150,422)	8,953,933
Water and wastewater infrastructure	34,150,376	294,162	(50,212)	34,394,326
Roads infrastructure	22,763,341	1,289,115	(139,677)	23,912,779
Assets under construction	1,409,692	1,647,457	-	3,057,149
Total	\$103,382,249	4,543,129	\$ (377,453)	\$ 107,547,925

	Balance at Dec. 31, 2010	Disposals	Amortization expense	Balance at Dec. 31, 2011
Accumulated amortization				
Land	\$ -	\$ -	\$ -	\$ -
Land improvements	892,248	-	105,108	997,356
Buildings and building improvements	6,120,362	(26,775)	560,140	6,653,727
Vehicles, machinery and equipment	3,281,338	(135,878)	579,095	3,724,555
Water and wastewater infrastructure	11,718,128	(23,421)	457,723	12,152,430
Roads infrastructure	7,416,753	(90,721)	438,593	7,764,625
Assets under construction	-	-	-	-
Total	\$ 29,428,829	\$ (276,795)	\$ 2,140,659	\$ 31,292,693

	Net book value Dec. 31, 2010	Net book value Dec. 31, 2011
Land	\$ 15,046,586	\$ 15,046,586
Land improvements	1,413,440	1,761,199
Buildings and building improvements	13,099,046	12,770,870
Vehicles, machinery and equipment	5,205,820	5,229,378
Water and wastewater infrastructure	22,432,248	22,241,896
Roads infrastructure	15,346,588	16,148,154
Assets under construction	1,409,692	3,057,149
Total	\$ 73,953,420	\$ 76,255,232

a) Assets under construction

Assets under construction having a value of \$3,057,149 (2010 - \$1,409,692) 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 \$166,800 (2010 - 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:

	2011	2010
Surplus:		
Invested in tangible capital assets	\$ 73,154,712	\$ 72,068,571
Surplus from operations	3,966,278	3,597,148
Total surplus	77,120,990	75,665,719
Reserves set aside by Council:		
20-Year plans	-	1,136,082
Third parties for operating purposes	5,702	5,192
Third parties for capital purposes	191,049	171,209
Miscellaneous operating purposes	652,001	1,104,887
Miscellaneous capital purposes	720,222	863,834
Total reserves	1,568,974	3,281,204
Reserve funds set aside for specific purpose by Council:		
Land sale proceeds	97,764	96,761
Parkland acquisition	606	600
Off-street parking	100,012	183,819
Software replacement	346,538	237,761
General equipment replacement	295,089	144,046
Fire equipment replacement	124,427	57,748
Water capital	143,805	-
Sewer capital	21,535	-
Infrastructure	1,520,756	-
Water rate stabilization	229,012	-
Amenities	130,159	-
Ferry Terminal	431,020	-
Contingency	214,353	-
Agreements	66,331	-
Total reserve funds	3,721,407	720,735
Restricted cash	100,132	-
	\$ 82,511,503	\$ 79,667,658

In 2011, the Town created, by bylaw, a number of new statutory reserve funds, and transferred funds previously held as appropriations of surplus into these reserves. This accounts for the significant change in the balances of the two reserve classifications above.

Notes to Financial Statements (continued)

9. Net taxes available for municipal purposes:

	2011	2010
Taxes:		
Property taxes	\$ 20,622,234	\$ 19,785,202
Revenue in lieu of taxes	201,731	201,514
Other	933,640	932,578
	21,757,605	20,919,294
Less taxes on behalf of:		
Provincial Government School Authorities	6,710,055	6,631,430
Capital Regional District	1,933,879	1,773,761
Capital Regional Hospital District	996,106	963,958
BC Transit	966,359	742,567
BC Assessment Authority	230,280	231,725
Municipal Finance Authority	697	660
	10,837,376	10,344,101
Net taxes available for municipal purposes	\$ 10,920,229	\$ 10,575,193

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:

	2011	2010
Federal transfers:		
Federal/Provincial capital grant programs	\$ 470,582	\$ 378,118
Gas tax agreement	108,929	51,554
Ferry contribution agreement	-	33,290
Other federal grants	2,500	2,500
	582,011	465,462
Provincial transfers:		
Federal/Provincial capital grant programs	470,582	378,117
Small community protection grant	449,533	90,064
Traffic fine revenue sharing	169,985	43,492
Emergency programs	9,033	22,836
Other provincial grants	4,008	7,849
	1,103,141	542,358
Regional and other local government transfers:		
Policing	386,326	398,604
Recreation	35,210	39,615
	421,536	438,219
	\$ 2,106,688	\$ 1,446,039

Notes to Financial Statements (continued)

11. Other expenses:

	2011	2010
Grants to non-government organizations:		
Sidney and North Saanich Memorial Park Society	\$ 187,021	\$ 173,485
Saanich Peninsula Chamber of Commerce	60,000	50,000
New Marine Centre Society	42,600	21,300
Peninsula Celebrations Society	12,500	17,500
Other	22,520	23,100
Interest on prepaid taxes	4,543	1,019
Amortization and net loss on miscellaneous assets	98,226	158,099
Other	67,567	102,175
	\$ 494,977	\$ 546,678

12. Expenses by object:

	2011	2010
Salaries, wages and employee benefits	\$ 6,101,281	\$ 5,860,062
Contracted services	5,992,026	6,227,536
Supplies and equipment	1,900,166	2,018,621
Debt interest	266,942	259,711
Other	409,766	438,833
Amortization	2,140,659	2,058,135
	\$ 16,810,840	\$ 16,862,898

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.



Notes to Financial Statements (continued)

13. Commitments and contingent liabilities (continued):

- (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.
- (e) On March 1, 2011, the Town assumed control of the Sidney International Ferry Terminal, which had previously been held by a third party through a long-term lease agreement. The Town subsequently entered into another long-term lease agreement, with Washington State Ferries (a division of the Washington State Department of Transportation) for the operation of the ferry terminal. Under the terms of the new lease agreement, the Town is responsible for the periodic replacement of the assets at the ferry terminal; this replacement will be partially funded through annual rental payments collected from the lessee.

As a result of the new lease agreement, the Town assumed control of two buildings, some street lighting, as well as the fencing and paved areas at the terminal. These assets have been recorded in the financial statements at a net book value of \$194,924, which represents the best estimate of their market value at the time the new lease agreement was signed. The Town already had on its books the marine components of the terminal.

As at December 31, 2011, the total assets for which the Town is responsible had a net book value of \$3.67 million, an estimated replacement cost of up to \$7 million, and remaining lifespans ranging from 7 to 51 years (with the most expensive assets being at the high end of the range).

- (f) The Town has an RCMP Premises Agreement with the District of North Saanich for the provision of accommodations for a joint RCMP detachment. The parties jointly own the building occupied by the policing detachment, in proportion to their relative contributions to the principal repayment of the debt incurred in order to construct the building. North Saanich's proportionate share is approximately 36%. The Agreement requires the Town to pay to North Saanich their proportionate share of the fair market value of the building should the parties eventually decide to terminate their agreement to provide joint accommodations.

A market value study commissioned in 2011 places North Saanich's share at approximately \$615,000. The Town has in place a temporary borrowing bylaw to cover any potential payout should the agreement be terminated; however, there is no intention at this time to contemplate termination of the agreement.

- (g) Subsequent to the development of the financial plan covering the 2012 budget year, a portion of the Town's seawall was heavily damaged by a storm event. Estimates ranging from \$257,800 to \$418,400 to repair the damage and reinstate the seawall have been obtained. The Town will carry out the necessary repairs during the year, with the project being funded through internal borrowing from accumulated surplus funds.

Notes to Financial Statements (continued)

13. Commitments and contingent liabilities (continued):

- (h) The Town has a contract with the provincial government, who in turn contracts with the federal government for the provision of Royal Canadian Mounted Police (RCMP) policing services. RCMP members and the federal government are currently in legal proceedings regarding pay raises for 2009 and 2010 that were retracted for RCMP members. As the final outcome of the legal action and the potential financial impact to the Town is not determinable, the Town has not recorded any provision for this matter in the financial statements as at December 31, 2011.

14. Budget data:

The unaudited budget data presented in these financial statements is based upon the 2011 operating and capital budgets approved by Council on March 28, 2011. Amortization has not been included in this budget, as the Town has not yet modified its financial plan to reflect the accounting changes resulting from adoption of PSAB section 3150. The table below reconciles the approved budget to the budget figures reported in these financial statements.

	Budget amount
Revenues:	
Financial plan	\$ 27,086,184
Add:	
Regional library	527,595
Less:	
Transfers from own funds	(981,166)
Transfers from surplus	(2,968,463)
Proceeds of debt issue	(2,871,882)
Total revenue	20,792,268
Expenses:	
Financial plan	\$ 27,086,184
Add:	
Regional library	527,595
Less:	
Transfers to own funds	(2,727,000)
Transfers to surplus	(50,000)
Debt principal payments	(364,211)
	24,472,568
Less:	
Capital budget	(8,202,800)
Total expenses	16,269,768
Annual surplus	\$ 4,522,500

Unaudited Supplementary Financial Information

Net Taxable Assessments of Land and Improvements: 2007 - 2011

As per BC Assessment Roll Report

Property Class	2011	2010	2009	2008	2007
Residential	2,425,153,315	2,267,782,015	2,280,190,712	2,337,754,606	2,088,237,083
Utilities	1,077,500	997,600	1,039,400	1,257,400	1,044,500
Industrial - Light	30,907,000	29,195,000	24,227,000	24,215,000	23,355,000
Business/Other	361,888,928	352,458,594	329,855,351	328,702,451	294,220,446
Recreation/Non-profit	22,306,000	22,604,000	20,434,001	20,857,001	13,191,901
Farm	118,313	115,582	104,247	90,508	73,855
	<u>2,841,451,056</u>	<u>2,673,152,791</u>	<u>2,655,850,711</u>	<u>2,712,876,966</u>	<u>2,420,122,785</u>

Property Tax Rates and Revenue: 2007 - 2011

	2011	2010	2009	2008	2007
Municipal					
Residential	2.61399	2.69754	2.60853	2.37155	2.48890
Utilities	17.03017	17.86449	17.60762	13.68425	15.97790
Industrial - Light	5.86397	6.12208	7.27782	6.85165	7.36890
Business/Other	7.24077	7.14633	7.39520	6.85165	7.36890
Recreation/Non-profit	4.32354	4.32956	4.49972	4.23866	6.49990
Farm	3.57725	3.55536	3.86063	4.18340	4.05760
Total					
Residential	5.54683	5.66166	5.47906	5.05496	5.29100
Utilities	38.26406	39.28367	38.81488	33.21541	36.17620
Industrial - Light	16.27759	16.57684	17.98737	16.96153	18.58780
Business/Other	17.74730	17.58571	17.91253	16.77078	18.39260
Recreation/Non-profit	9.44045	9.48221	9.83053	9.30825	12.23870
Farm	11.89567	11.80833	12.22552	12.43910	12.15890
Municipal Tax Billings by Property Class					
Residential	6,339,338	6,117,440	5,947,959	5,544,102	5,197,482
Utilities	18,350	17,822	18,301	17,206	16,689
Industrial - Light	181,238	178,734	176,320	165,913	172,100
Business/Other	2,620,353	2,518,786	2,439,345	2,252,155	2,168,089
Recreation/Non-profit	96,441	97,865	91,947	88,406	85,746
Farm	423	411	402	379	300
	<u>9,256,143</u>	<u>8,931,058</u>	<u>8,674,274</u>	<u>8,068,161</u>	<u>7,640,405</u>

Unaudited Supplementary Financial Information (continued)

Revenue and Expenses: 2007 - 2011

	2011	2010	2009	2008	2007
Revenue					
Property taxes	10,920,229	10,575,193	10,338,225	9,660,513	9,324,945
Fees, rates and service charges	5,658,336	4,979,853	4,773,941	4,632,671	4,821,338
Government transfers	2,106,688	1,446,039	1,728,295	1,025,188	898,997
Investment earnings	163,968	88,797	90,352	349,415	470,119
Gifts and contributions	249,245	33,788	120,930	2,122,107	313,043
Penalties and interest	100,596	100,457	97,604	90,592	93,005
Proceeds on disposal					14,065
Actuarial adjustments on debt	148,234	131,833	116,730	102,087	88,883
Assets acquired on transfer					
Other	307,389	9,424	9,651	21,186	9,265
	19,654,685	17,365,384	17,275,728	18,003,759	16,033,660

Expenses by function

General Government	2,111,391	2,026,113	2,018,144	1,752,286	1,667,652
Protective Services	3,623,549	3,690,659	3,489,647	3,377,095	2,849,733
Transportation	3,210,833	3,185,598	3,043,750	2,920,269	3,472,469
Environmental health services	486,221	485,354	449,616	443,945	396,913
Environmental development	326,597	333,589	331,519	366,921	255,329
Leisure, parks and cultural	2,319,074	2,287,727	2,235,398	2,173,804	2,497,300
Water utility	1,892,522	1,968,556	1,966,161	1,965,787	2,008,787
Sanitary sewer	2,345,676	2,338,624	2,215,774	2,190,157	2,059,508
Other	494,977	546,678	425,770	393,018	321,385
	16,810,840	16,862,898	16,175,779	15,583,282	15,529,076

Expenses by object

Salaries, wages and benefits	6,101,281	5,860,062	5,541,002	5,236,970	4,829,033
Contracted services	5,992,026	6,227,536	6,176,805	6,058,252	7,297,265
Supplies and equipment	1,900,166	2,018,621	1,987,368	1,917,343	2,875,475
Debt interest	266,942	259,711	188,272	188,760	230,826
Amortization	2,140,659	2,058,135	2,008,674	1,892,008	
Other	409,766	438,833	273,658	289,949	296,477
	16,810,840	16,862,898	16,175,779	15,583,282	15,529,076

Unaudited Supplementary Financial Information (continued)

2011 Property Tax Exemptions

Organization	Civic Address	Folio #	Bylaw #	Year of Expiry	Exempt Municipal Taxes
Lions Food Bank	2295 Ocean Avenue	110107.010	1984	2014	1,759
Sidney Historical Museum	#3 - 2423 Beacon Avenue	120368.020	1984	2014	4,873
Scout & Guide Hall	9740 Third Steet	120398.000	1984	2014	2,979
New Marine Centre	9811 Seaport Place	120508.047	1984	2014	15,502
Shoal Centre	10030 Resthaven Drive	120739.010	1984	2014	65,095
Shoal Centre	10030 Resthaven Drive	120739.020	1984	2014	1,371
Shoal Centre	10030 Resthaven Drive	120739.040	1984	2014	5,626
ANAAF	9813 Fourth St	120415.010	1984	2014	12,753
ANAAF	9831 Fourth St	120415.020	1984	2014	3,996
Community Arts Council	9565 Fifth St	110105.010	1984	2014	574
Saanich Peninsula Chamber of Commerce	2281 Beacon Avenue	120180.020	1984	2014	4,360
Memorial Park Society	2243 Beacon Avenue	120176.010	1817	2014	27,260
Memorial Park Society	2243 Beacon Avenue	120176.020	1817	2014	11,837
Memorial Park Society	2243 Beacon Avenue	160176.001	1817	2014	2,634
Peace Lutheran Church	2295 Weiler Avenue	110091.000	1836	perpetual	7,930
St. Andrew's Anglican Church	9686 Third Street	120212.010	1836	perpetual	5,222
St. Paul's United Church	2410 Malaview Avenue	130883.020	1836	perpetual	4,540
St. Elizabeth Church	10030 Third Street	120780.010	1836	perpetual	7,526
Bethel Fellowship Baptist Church	2269 Mills Road	120742.000	1836	perpetual	9,309
Saanich Peninsula Christadelphians	2371 Oakville Avenue	120234.010	1836	perpetual	3,114
Church of Jesus Christ Latter Day Saints	2210 Eastleigh Way	110140.100	1836	perpetual	12,671

210,931

Unaudited Supplementary Financial Information (continued)

2011 Council Disclosures

Council Remuneration and Expense Report

The following is a schedule reporting Council remuneration and expenses for 2011 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. .

NAME	NOTE	POSITION	REMUNERATION	EXPENSES
Cross, Larry		Mayor	32,124	5,964
Chad, Tim	1	Councillor	1,069	-
Hailey, Melissa	1	Councillor	1,069	-
Hughes, Jeannette	2	Councillor	11,762	212
Lougher-Goodey, Mervyn		Councillor	12,831	2,285
Loveless, Marilyn		Councillor	12,831	2,131
McNeil-Smith, Cliff	2	Councillor	11,762	-
Podmore, Kenny		Councillor	12,831	245
Price, Steve		Councillor	12,831	2,599
			\$ 109,110	\$ 13,436

NOTES:

- 1 Councillor from December 1 to 31, 2011
- 2 Councillor from January 1 to November 30, 2011

Insurance Policies

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

2011 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 2011 with Council members relevant to the requirements set out under Section 168 (1) (d) of the Community Charter

Unaudited Supplementary Financial Information (continued)

2011 Outstanding Debt

ISSUE	SIDNEY BYLAWS		ORIGINAL LOAN PROCEEDS	PRINCIPAL BALANCE DEC 31/10	PRINCIPAL PAID 2011	INTEREST PAID 2011	ACT'L 2011	PRINCIPAL BALANCE DEC 31/11	INT RATE	MATURITY YEAR
	AUTH	ISSUED								
MFA 65 RCMP Building	1308	1366	3,000,000	452,747	139,027	136,500	131,887	181,833	4.55%	2012
MFA 69 RCMP Building	1308	1485	110,000	27,771	5,098	4,675	4,176	18,497	4.25%	2013
MFA 75 MPS S.A.	1678	1686	45,000	5,388	3,577	2,561	1,811	0	5.69%	2011
MFA 78 MPS S.A.	1678	1732	16,500	3,925	1,312	886	633	1,980	5.25%	2012
MFA 81 Mariner Mall S.A.	1733	n/a	39,034	17,193	3,104	1,897	1,197	12,892	4.86%	2014
MFA 99 Tulista Park	1864	n/a	770,000	605,398	38,455	34,111	6,887	560,056	4.65%	2022
MFA 101 Tulista Park	1864	n/a	80,000	67,168	3,995	3,616	628	62,545	4.52%	2022
MFA 110 Lochside/ Iroquois	1958	n/a	1,448,000	1,448,000	34,769	65,160	1,015	1,412,216	4.50%	2035
MFA 117 Various	1958	n/a	1,073,000	0	0	0	0	1,073,000	3.25%	2036
Total Debenture Debt			6,581,534	2,627,590	229,337	249,406	148,234	3,323,019		

Unaudited Supplementary Financial Information (continued)

2011 Grants in Aid

Organization	2011	2010
676 Kittyhawk Air Cadet Squadron	800	900
BC Aviation Museum	500	
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	4,000
Community Arts Council of the Saanich Peninsula - ArtSea Festival	1,500	1,500
Creatures of Habitat	500	500
Crystal Meth Society	-	500
Dry Grad Committee (Parkland's School)	1,000	1,000
Greater Victoria Bike to Work Society	750	750
Greater Victoria Film Commission	250	
Living and Learning Through Loss	170	500
Navy League of Canada, Saanich Pen. Branch	800	900
NEED Crisis & Info Line	800	800
New Marine Centre Society	42,600	21,300
Peninsula Celebrations Society	12,500	17,500
Peninsula Soccer Association	1,000	1,000
Peninsula Streams Society	1,000	1,000
Peninsula Stroke Recovery & Activity Centre	500	500
Saanich Marine Rescue Society	1,000	1,000
Saanich Peninsula Chamber of Commerce	-	5,000
Saanich Peninsula Piranha Swim Club	200	
Sidney Integrated Wellness Community Society	-	500
Sidney and North Saanich Memorial Park Society	178,621	173,485
Sister Cities Assoc.	1,000	1,000
The Victoria Human Exchange Society	1,000	1,000
Viatec	250	250
	\$ 256,241	\$ 240,385

Unaudited Supplementary Financial Information (continued)

Strategic Community Investment Funds Plan and Progress Report

Small Community Portion of SCI Funds

Intended Use	Performance Targets	Progress made in reporting period
Use funding to support local government services to minimize tax rates increases.	Minimize tax rate increases	Tax rate increase was 3.35% less due to SCI revenue in 2011.

Traffic Fine Revenue Portion of SCI Funds

Intended Use	Performance Targets	Progress made in reporting period
Use funding to support police enforcement.	100% of funds are used to support police enforcement over the term of the SCI agreement.	\$116,500 (68.5%) of the total funds received were used towards the police operating budget in 2011.

Statistical Information

Population and Dwelling Counts	Sidney	Capital Regional District
Population in 2011	11,178	359,991
Population in 2006	11,315	345,164
2006 to 2011 population change (%)	-1.2%	4.3%
Total private dwellings	5,776	177,977
Private dwellings occupied by usual residents	5,328	160,634
Age Characteristics	Sidney	Capital Regional District
Total population by age groups	11,180	359,990
0 to 4 years	350	15,305
5 to 9 years	380	15,170
10 to 14 years	430	16,405
15 to 19 years	485	19,770
20 to 24 years	400	23,930
25 to 29 years	380	24,080
30 to 34 years	420	22,115
35 to 39 years	455	21,130
40 to 44 years	545	23,190
45 to 49 years	705	26,730
50 to 54 years	740	28,630
55 to 59 years	815	28,595
60 to 64 years	950	27,270
65 to 69 years	830	19,530
70 to 74 years	715	13,930
75 to 79 years	710	11,840
80 to 84 years	770	10,140
85 years and over	1,100	12,225
Median age of the population	56.9	44.8
% of the population aged 15 and over	89.6	87.0

Source: 2011 Census Canada