



Sidney

2024 ANNUAL REPORT



TOWN OF SIDNEY
BRITISH COLUMBIA

Year ended December 31, 2024

The Town of Sidney
Annual Report for the 2024
year was prepared by
Administration and
Finance Departments,
with contributions from
staff throughout the
organization.

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Beacon Park and Beacon Wharf with Waterfront Walkway and bench in foreground.



INTRODUCTION

Sidney Street Market with crowd of people.



Family Fun Fair at Iroquois Park on July 1.



COMMUNITY PROFILE

SIDNEY AT A GLANCE

The Town of Sidney is located 26 kilometres north of Victoria, the capital city of British Columbia, and is one of 13 municipalities and three electoral areas that comprise the Capital Regional District (CRD). 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 (USA) in the Salish Sea.



Sidney lies within an area that has become one of the world's premier places to live, work, and visit. Endowed with a temperate climate, rich ecology, stunning landscapes, and proud histories, Sidney is a livable, vibrant community, with a strong focus on environmental stewardship, and a prosperous and sustainable economy.

Sidney's geographic area is only 5.02 square kilometres (1.94 square miles), which is a factor in Sidney's high population density (2,290.7 people per square kilometre). Data from Statistics Canada indicates that Sidney's population grew by 5.5% between 2016 and 2021.

Regionally, the Town of Sidney is a key transport hub and offers a variety of transportation options. Sidney is minutes away from the Victoria International Airport and the Swartz Bay Ferry Terminal (BC Ferries), which connect Southern Vancouver Island to the BC Mainland and beyond.

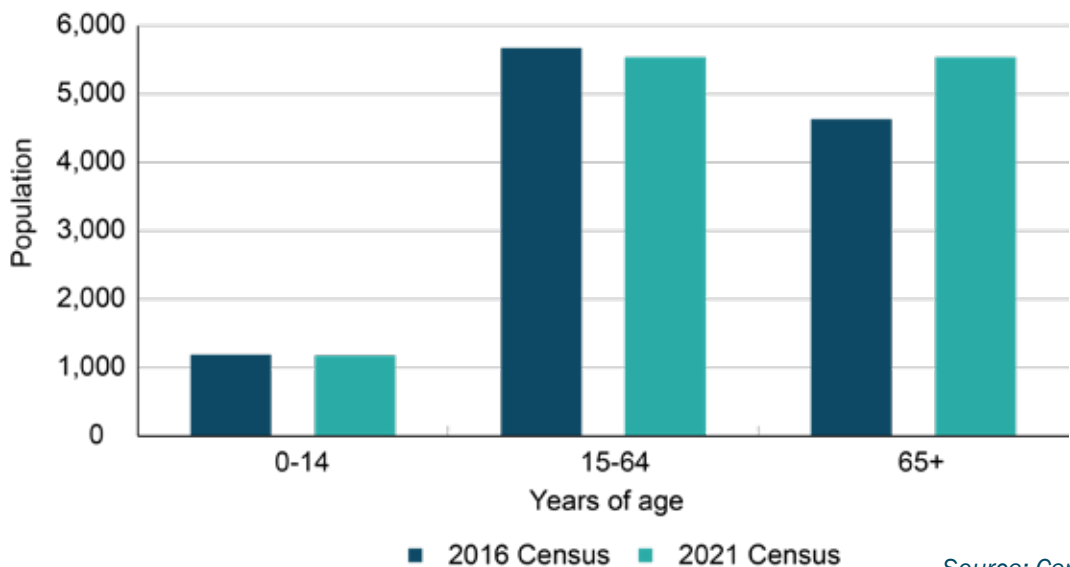
The Town of Sidney's small geographic area provides for a dense mix of businesses, housing, employment, services, and recreation in close proximity to each other. Sidney's employment sector is generally made up of industrial, retail, and healthcare services. The climate is one of the mildest in Canada, with moderate rainfall and only occasional snowfall in the winter.

DEMOGRAPHIC INFORMATION



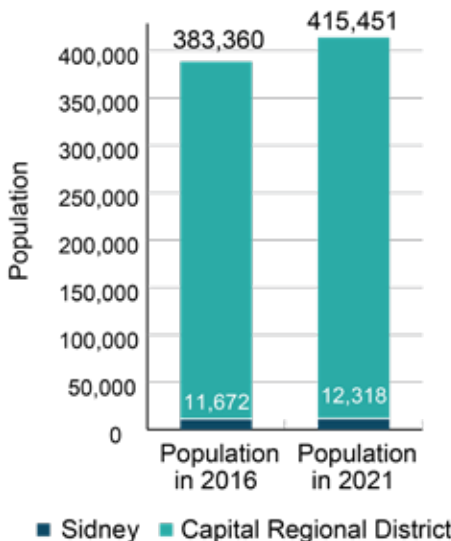
Source: Census 2021

Sidney's age distribution

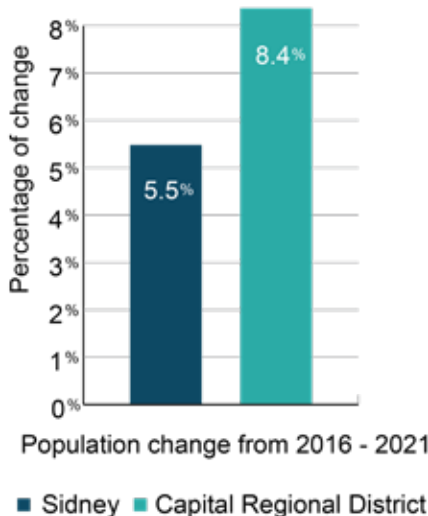


Source: Census 2021

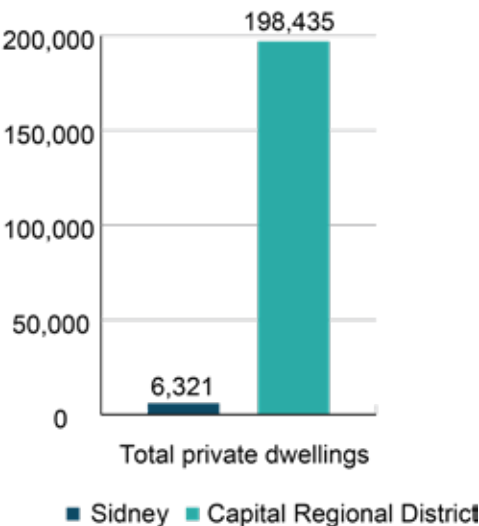
Population in 2016 and 2021



% change in population



Total private dwellings



Source: Census 2021



COUNCIL PORTFOLIO

Mayor Cliff McNeil-Smith

Capital Regional District Board (CRD)

Capital Regional Hospital District Board
(Acting Chair)

Capital Region Housing Corporation

CRD Peninsula Recreation Commission

CRD Saanich Peninsula Water &
Wastewater Commissions

Integrated Police Unit Regional
Governance Council

South Island Reconciliation Advisory
Committee

MESSAGE FROM THE MAYOR

On behalf of Sidney Council and the Town of Sidney, I am pleased to present our 2024 Annual Report.

A Municipal Annual Report is a requirement under the Provincial Community Charter. Our report provides the community with a comprehensive review of Council and Town staff accomplishments in 2024, along with many of the initiatives planned for 2025.

An in-depth list of Town accomplishments in 2024 can be found primarily in the departmental updates. On a broader level, this report also includes a progress update on the 2022-2026 Strategic Plan. The Strategic Plan is updated by Council each year, capturing key priorities for the municipality. The progress update within the Annual Report explores how the Town met goals and priorities outlined in the Strategic Plan over this past year and how staff plan to continue to advance these priorities in the year or two ahead.

Our Strategic Plan Mission Statement continues to show the breadth of our responsibilities to the community:

"The Town of Sidney provides good governance, services, and stewardship of public assets, and fosters the social, economic and environmental well-being of our community for current and future generations."

Good governance includes engagement, transparency and accountability. It involves setting priorities for the community that are achievable with limited staff and financial resources.

I want to thank Council for rising to this challenge through a commitment to meeting preparation, listening to community views, and deliberating respectfully on the wide-ranging business that comes before Council.

I also want to acknowledge the dedication and commitment of our Town employees, volunteer firefighters, and RCMP members in providing high quality services to residents, businesses, and community organizations.

We have tremendous community spirit in Sidney. Council is pleased to provide financial support to community organizations, including the Mary Winspear Centre, SHOAL Center for Seniors, Sidney Museum and Archives, ArtSea Community Arts Council, Shaw Centre for the Salish Sea, and several others. We extend our thanks to the hundreds of volunteers with these organizations, whose activities enhance our quality of life.

I hope you enjoy learning about the broad range of Town accomplishments for 2024 and key initiatives for 2025.

Mayor Cliff McNeil-Smith

June 1, 2025

SIDNEY COUNCIL 2022-2026



*(Left to right, back row) Councillor Scott Garnett, Councillor Richard Novek, Councillor Steve Duck, Councillor Chad Rintoul
(Left to right, front row) Councillor Sara Duncan, Mayor Cliff McNeil-Smith, Councillor Terri O'Keeffe*

COUNCIL PORTFOLIOS

Councillor Steve Duck

Advisory Planning Commission (APC)
CRD Climate Action Inter-Municipal Task Force
South Island Prosperity Partnership - Partner's Committee (SIPP)
Sidney & North Saanich Ball Facility Liaison Committee
Peninsula Streams Society

Councillor Scott Garnett

CRD Peninsula Recreation Commission
Sidney/North Saanich Ball Facility Liaison Committee
Sidney Business Improvement Area Society (SBIA)
New Marine Centre Society (Shaw Centre for the Salish Sea)

Councillor Terri O'Keeffe

Saanich Peninsula Accessibility Advisory Committee
CRD Victoria Family Court & Youth Justice Committee
Victoria Airport Authority - Airport Consultative Committee
Sidney Museum & Archives Society

Councillor Chad Rintoul

Capital Region Emergency Services Telecommunications (CREST)
Greater Victoria Labour Relations Association (GVLRA)
Municipal Insurance Association of BC

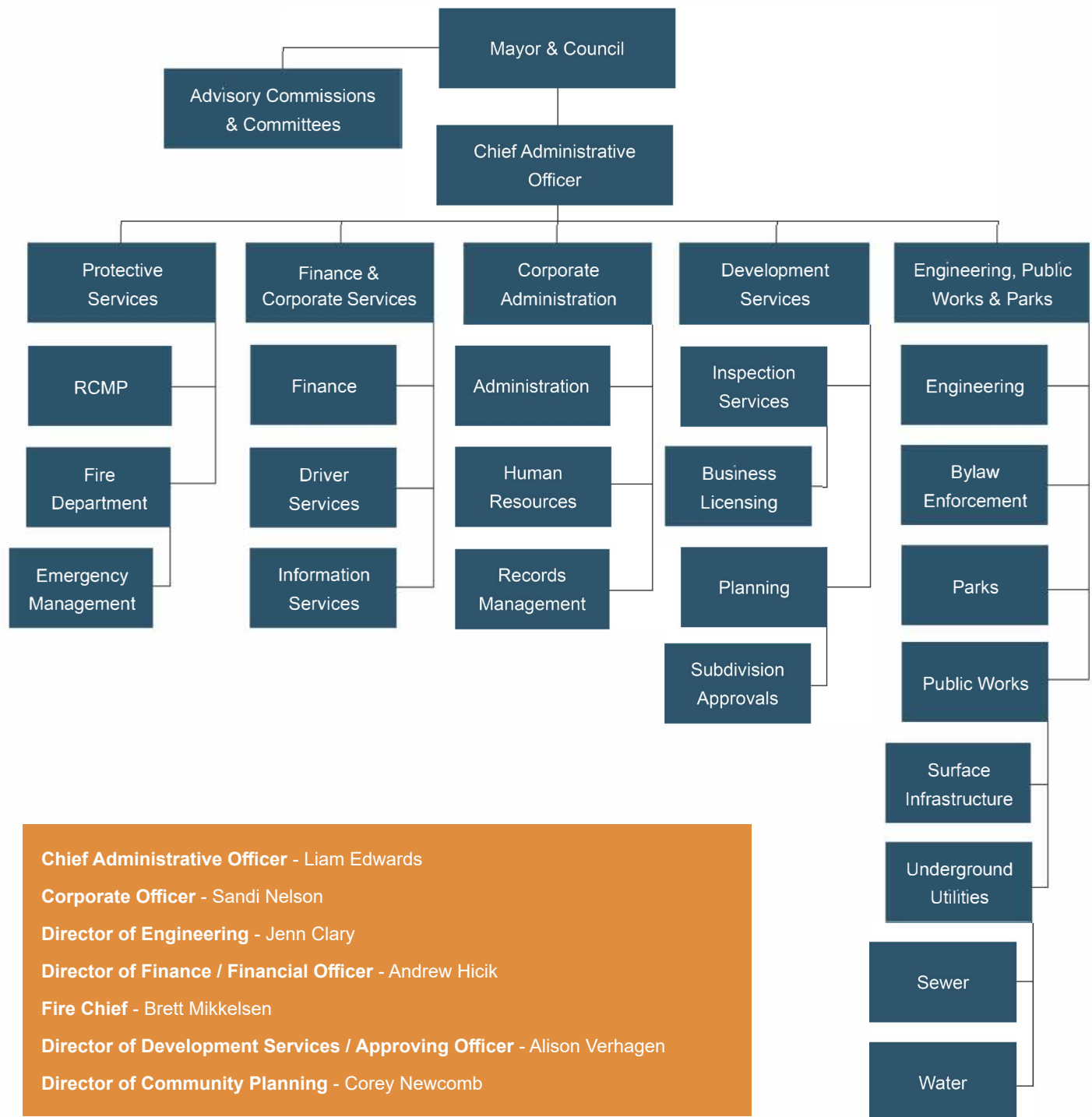
Councillor Richard Novek

Emergency Planning Committee
CRD Regional Housing Trust Fund Commission
CRD Saanich Peninsula Water & Wastewater Commissions
Vancouver Island Regional Library (VIRL)

Councillor Sara Duncan

CRD Regional Water Supply Commission
Victoria Airport Authority - Noise Management Committee
ArtSea Community Arts Council
Memorial Park Society (MPS)

ORGANIZATIONAL CHART & APPOINTED OFFICERS





MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

It is a pleasure to present the Town of Sidney's 2024 Annual Report and reflect on all that has been accomplished this past year. This report captures the work undertaken by the Town in 2024, and provides a progress update on the implementation of Council's 2022-2026 Strategic Plan and initiatives planned for 2025. The report also provides a snapshot of our organizational structure along with the services delivered by each department.

I joined the Town of Sidney in September 2024 and I've been fortunate to step into a strong, welcoming organization with service-minded staff and thoughtful elected officials. I'm impressed by both the talented staff within the Town, and the Town itself. Sidney has a vibrant downtown, stunning waterfront, cohesive neighbourhoods, energetic industrial areas and countless dedicated volunteers. Sidney truly embodies the term "complete, compact, community."

This past year marked the completion of several major projects, including the Beacon West Roundabout, Seaport Washrooms, a new playground with accessible features at Philip Brethour Park, and a comprehensive update to the Town's Zoning Bylaw.

In the year ahead, a range of projects will be underway. For example, the community will have its first neighbourhood bikeway created along Bowerbank Road – a crucial first step toward the establishment of a safe and connected cycling network in Sidney as outlined in the Active Transportation Plan. We will also be engaging the public on the possibility of lower speed limits on local roads across Sidney, which would support public safety for people using all modes of transportation.

The results of a Citizen Satisfaction Survey conducted in the spring of 2025 will help clarify the current priorities of residents - I look forward to learning from you!

As I begin my journey with the Town of Sidney, it's important to shine a light on some critical infrastructure projects that need attention. For example, both the Town Hall and the Public Works Yard are aging out, struggling to meet some core needs and are increasingly expensive to maintain. The necessary replacement of these facilities requires careful planning to maximize community benefit while being prudent with tax dollars. It will be important to keep the public informed about these projects as they progress - as with all that we do, public support will be critical for their success.

Thank you for taking the time to explore the Town of Sidney's 2024 accomplishments and financial information, along with plans for 2025.

A handwritten signature in black ink, appearing to read 'Liam Edwards', with a long horizontal stroke extending to the right.

Liam Edwards
Chief Administrative Officer
June 1, 2025



MESSAGE FROM THE CHIEF FINANCIAL OFFICER

As Chief Financial Officer for the Town, I am pleased to present the Town of Sidney's audited financial statements for the year ending December 31, 2024. The financial statements are the responsibility of the Town's management. The statements have been prepared in compliance with Section 167 of the Community Charter, and in accordance with generally accepted accounting principles approved by the Public Sector Accounting Board (PSAB). The financial statements have been audited by KPMG LLP, who have expressed their opinion that the statements present fairly, in all material aspects, the financial position of the Town as at December 31, 2024.

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 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. Significant accounting policies are discussed in Note 1 of the attached financial statements.

Executive Summary of Financial Results

As outlined in the 2024 Financial Statements, the Town's financial results remained positive. Net Financial Assets increased compared to 2023, and the Town's total Accumulated Surplus balance continues to grow. This means the Town improved its ability (economic resources) to provide future services, and maintained a continued dedication to sound financial management. Operating results were mixed for the year, with operating deficits in General and Sewer Operating, and a small surplus in Water Operating. While General Operating came in at a lower deficit than budgeted, it is generally expected that in a typical year, we will come closer to breaking even, or generating a small surplus. This recent trend is a reflection of the Town using its accumulated surplus balance to assist with post-pandemic economic recovery; however, we know that surplus balances must be replenished to better support financial sustainability.

The Town continues to have reasonable levels of debt and 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. The Town must maintain a surplus from operations, and must operate with a balanced budget.

While Sidney continues to be well managed financially, improvements are always possible; staff and Council are constantly looking to enhance our financial and asset management planning processes to ensure the Town's long-term financial sustainability. Facing new challenges each year, including inflationary pressures over the past two years, the Town is evolving to find innovative ways of providing the highest possible level of service, while controlling costs. I would like to acknowledge Town Council, senior management, and staff in all departments for their commitment to innovation, continuous improvement, and service to the community.

Andrew Hicik
Director of Finance
June 1, 2025



Waterfront Walkway with two people looking toward water.



Roberts Bay with herons foraging.



ANNUAL HIGHLIGHTS

STRATEGIC PLAN & PROGRESS REPORT

Annual Planning Framework

Sidney’s annual planning framework is comprised of three separate but complementary processes:

- Strategic planning: traditionally occurs in September/October, with a January session following the election of a new Council.
- Departmental work planning: occurs October - December.
- Financial planning: occurs throughout the year, culminating in January/February with budget deliberations.

These processes result in a set of integrated plans that support the overall vision and mission of the Town, and align activities and resources to achieve the strategic goals and annual business priorities set by Council.

The Strategic Plan is a high-level statement of the Town’s aspirations for the future, and is updated every year by Council. It articulates the Town’s vision, mission, values, and broad strategic priorities and goals.

Departmental work plans, priorities, and associated objectives and measures are established annually by staff.

Lastly, the Financial Plan provides the resourcing strategy to support the strategic and business plans. Updated annually, it is a five-year plan that includes both operating and capital components.

Each year’s Annual Report reflects upon the previous year, outlining goals accomplished based on strategic direction set out in the annual planning framework.

2022-2026 Strategic Plan & Progress Report

Strategic planning is an important step for the Town of Sidney to set priorities, allocate limited financial and staff resources, guide the work of staff and decisions of Council, and communicate to citizens.

The 2022-2026 Strategic Plan is updated on an annual basis. Council revised the plan in 2023 and 2024. The Strategic Plan identifies five overarching goals for the Town of Sidney:



Community
Planning & Housing



Environmental
Stewardship



Community
Infrastructure



Community
Engagement



Organizational
Excellence

Pages 15-18 review the progress we made in 2024 and the ways in which we will continue to work towards accomplishing these goals.



COMMUNITY PLANNING & HOUSING

The Town will strive to be a complete community with a mix of amenities and a quality living environment.

UPDATE THE ZONING BYLAW TO ALIGN WITH NEW PROVINCIAL HOUSING LEGISLATION

2024 Progress:

- Completed comprehensive Zoning Bylaw update with extensive public engagement in the spring. Bylaw was approval by Council on June 24, 2024.

Planned Priorities & Actions:

- 2025: Undertake additional updates to Zoning Bylaw if needed to ensure it meets 20-year housing demand forecasted in the 2024 Housing Needs Assessment, as required by the Province.

UPDATE THE OFFICIAL COMMUNITY PLAN TO ALIGN WITH NEW PROVINCIAL HOUSING LEGISLATION

2024 Progress:

- Staff began analyzing whether the current OCP meets 20-year housing demand forecasted in the 2024 Housing Needs Assessment, as required by the Province.

Planned Priorities & Actions:

- 2025: Complete analysis, and update the Official Community Plan, if needed, to meet 20-year housing demand forecast.

UPDATE HOUSING NEEDS ASSESSMENT TO ALIGN WITH NEW PROVINCIAL HOUSING LEGISLATION

2024 Progress:

- In November, the Town released an Interim Housing Needs Report, as required by the Province, looking at expected 20-year housing demand. The forecasted number of additional homes needed in Sidney by 2045 to accommodate expected population growth is just under 3,000.

Planned Priorities & Actions:

- 2025: Explore the creation of a Tenant Protection Bylaw.
- Ongoing: Implement housing policies and initiatives with a focus on non-market housing.



The Town of Sidney completed a comprehensive Zoning Bylaw update in 2024 with community input.



ENVIRONMENTAL STEWARDSHIP

The Town will be stewards of our environment.

COMPLETE SEA LEVEL RISE ADAPTATION PLAN

2024 Progress:

- Wave buoy data was collected and is now being incorporated into updated sea level rise modelling.
- Delivered two Community Flood Risk Awareness presentations in April 2024.

Planned Priorities & Actions:

- 2025: Complete sea level rise modelling using recent sea level rise data.
- 2025: Provide additional Community Flood Risk Awareness presentations and share new information through multiple communications streams.



A storm surge in December 2024 demonstrated Sidney's susceptibility to localized flooding.



Two data collection buoys in Haro Strait have been informing refined flood risk modelling.



COMMUNITY INFRASTRUCTURE

The Town will be a leader in the management of its assets.

FACILITIES ASSET MANAGEMENT

2024 Progress:

- Staff began exploring options to replace Town Hall building and other adjacent municipally-owned buildings.

Planned Priorities & Actions:

- 2025 – 2026: Develop concept plan and undertake a community engagement process for a new Town Hall.
- 2025 – 2026: Conduct preliminary assessment of Public Works and Parks facilities.

FUTURE PRIORITIES & ACTIONS FOR COMMUNITY INFRASTRUCTURE

- 2025: Update the Development Cost Charge Bylaw to align with new Provincial Housing Legislation.

ADVANCE OPTIONS FOR INCREASED PEDESTRIAN CONNECTIVITY ACROSS HIGHWAY 17

2024 Progress:

- Continued discussions about at-grade improvements at Beacon Ave and Highway 17 with Ministry of Transportation and Transit, with some improvements in the Ministry's 2025/2026 fiscal year.

Planned Priorities & Actions:

- Ongoing: Continue to advance discussions with Ministry of Transportation and Transit about potential pedestrian overpass, and at-grade improvements at Beacon Ave and Highway 17.



In 2024, staff began exploring options to replace Town Hall and other nearby municipally-owned buildings.



COMMUNITY ENGAGEMENT

The Town will strive to engage the public in its decision-making processes.

UNDERTAKE A CITIZEN SATISFACTION SURVEY

2024 Progress:

- Contract signed with IPSOS to conduct Citizen Satisfaction Survey.

Planned Priorities & Actions:

- 2025: Community survey will be distributed in April with report available for consideration by Council, staff, and members of the public in summer 2025.



In 2024, the Town held open houses to engage community members in a review of the updated Zoning Bylaw.



ORGANIZATIONAL EXCELLENCE

The Town of Sidney will remain a leading organization in the provision of governance and quality services.

EXPLORE ALTERNATIVE FORMATS OF COMMUNICATION FOR PERSONS WITH DISABILITIES

2024 Progress:

- Staff completed in-person and online accessibility courses ranging from general awareness to communications methods to improve inclusivity.

FUTURE PRIORITIES & ACTIONS FOR ORGANIZATIONAL EXCELLENCE

- 2025: Establish a Council Remuneration Policy and review Council remuneration.
- Establish a Council Procedure Bylaw Review Policy and review of Council procedures.

COMMUNITY PLANS

The Town of Sidney has several community plans that help guide our work and prioritize new initiatives. Each of these plans was developed with community input and approved by Council. Designed with a long-term vision, these plans are meant to be implemented in a phased and flexible way in alignment with available funding and community needs.

Symbols representing each plan are used in the Department Updates to demonstrate when and how community plans are being implemented.

Learn more about the plans below. Consider exploring these plans further online at [Sidney.ca](https://sidney.ca).

<u>Parks Master Plan</u> (2018) 	The Parks Master Plan serves as a strategic roadmap for the future of Sidney's public parks and beach access points. It outlines key priorities for park improvements, including addressing accessibility challenges, and provides direction for ongoing maintenance, landscaping, and natural area stewardship.
<u>Urban Forest Strategy</u> (2019) 	The Urban Forest Strategy was a deliverable identified in the Parks Master Plan. The strategy is intended to guide the long-term management of trees on both public and private land, in an effort to preserve and potentially expand Sidney's urban forest and tree canopy.
<u>Interim Housing Needs Report</u> (Updated Nov. 2024) 	As required by provincial legislation, the Town developed a Housing Needs report in 2019, which was updated in 2024. The report identifies existing and projected gaps over the next 20 years in housing supply by analyzing local demographics, economics, housing stock, and other factors, and includes a list of recommendations.
<u>Climate Action Plan</u> (Updated 2022) 	The updated Climate Action Plan is intended to help make Sidney resilient to new risks associated with climate change and identify how Sidney can participate in the global effort to reduce greenhouse gas (GHG) emissions. The plan contains 51 local actions that the Town can take to address climate change over eight focus areas.
<u>Economic Development Plan</u> (2023) 	The Economic Development Plan was developed in partnership with local and regional business organizations. It provides a five-to-seven-year road map with recommendations for initiatives to support the success of the local economy. It includes 14 priorities, such as employment land preservation, and the expansion of non-market/workforce housing, among others.
<u>Active Transportation Plan</u> (2023) 	The Active Transportation Plan makes practical recommendations looking over a 10-year period with a series of actions to help people feel more comfortable making active transportation, such as walking, cycling, and travelling by motorized scooter, a part of their lifestyle. Some priority projects include the development of new sidewalks, improved crosswalks, and bicycle boulevards in key locations.
<u>Accessibility Plan</u> (2023) 	Sidney's first Accessibility Plan was developed in accordance with the <i>Accessible British Columbia Act</i>. It details 35 initiatives related to transportation, municipal and emergency services, municipal communications and public engagement, employment and procurement with the Town of Sidney, as well as municipal buildings, infrastructure, and public spaces.

DEPARTMENT UPDATES



ADMINISTRATION

The Administration Department, under the leadership of the Chief Administrative Officer, is responsible for overseeing all municipal operations. The Department is responsible for corporate administration under the *Community Charter* and the *Local Government Act*, providing legislative and administrative support to Mayor and Council, for public communications and human resources for the organization.

Key Functions

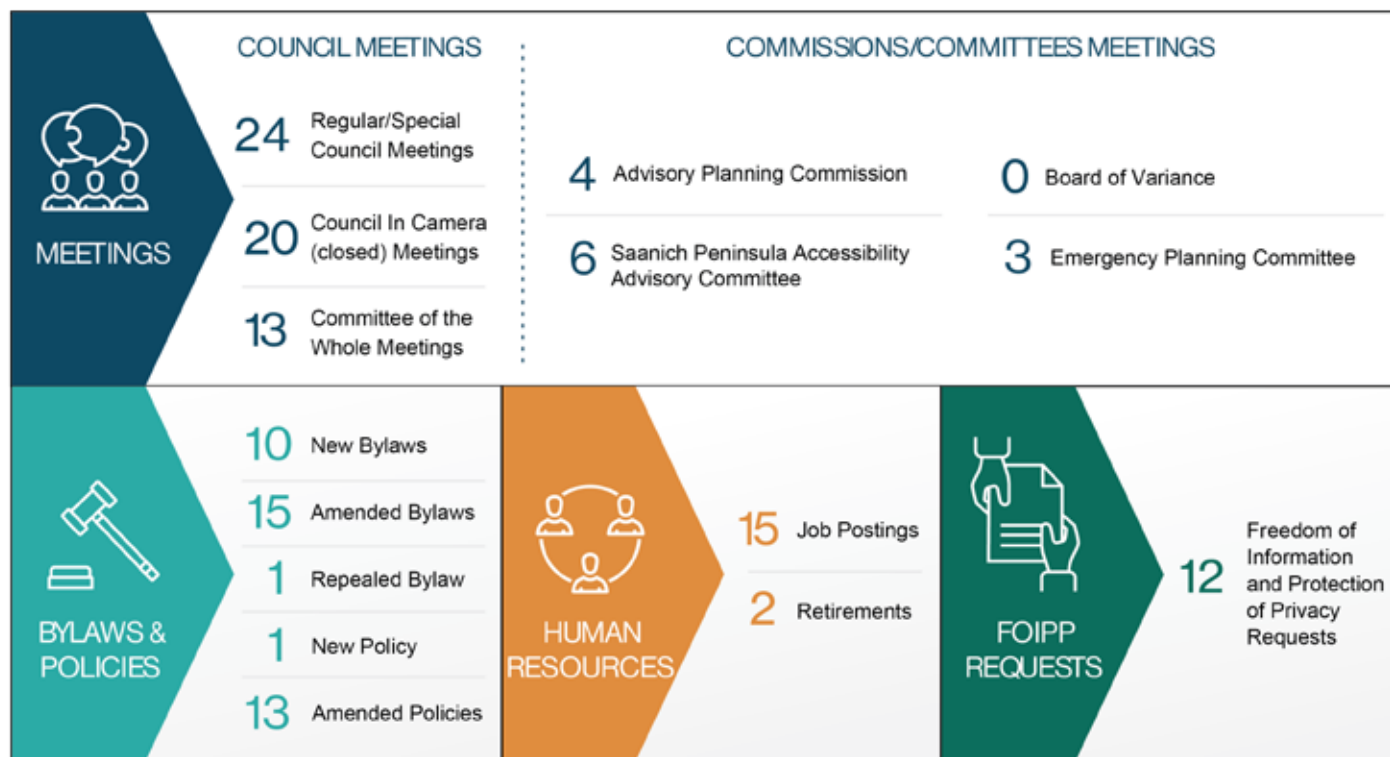
- Organizing all meetings of Council, including preparation of agendas and minutes.
- Administering the review and update of the Town's Annual Strategic Planning process.
- Providing support services to Council appointed Committees / Commissions / Boards.
- Processing and coordinating all business relating to Town Council.
- Providing advice with respect to Council procedures, policies and functions.
- Coordinating internal and external communications (i.e. Town's website, intranet, social media, print publications and media releases).
- Safekeeping of minutes of Council and committees, bylaws, and other official documents on behalf of the Town.
- Administering oaths and taking affirmations, affidavits and declarations required to be taken under the *Community Charter* or any other Act relating to municipalities.
- Administering the corporate records management program.
- Processing requests for access to information under the Freedom of Information & Protection of Privacy Act (FOIPPA).
- Administering leases/agreements for Town operations and facilities.

- Coordinating human resources services for the organization.
- Organizing Town hosted events and liaising with other event organizers.
- Conducting local government and school trustee elections.

2024 Highlights

- Completed Chief Administrative Officer recruitment.
- Continued to review options for Sidney Ferry Terminal and lease with Washington State Ferries.
- Continued with civic site analysis for Town precinct (Town Hall, Driver Services/Courthouse, etc.).
- Held "Freedom of the Town" ceremony in recognition of the 80th anniversary of the 443 Maritime Helicopter Squadron and the 100th anniversary of the Royal Canadian Air Force.
- Delivered accessibility awareness training to all employees. 
- Updated human resource policy for employment accommodation and provided awareness of the Employee and Family Assistance Program for mental health services. 
- Established a Sponsorship Policy to allow opportunities for organizations to sponsor Town events, facilities, and programs.
- Completed acquisition of land for new park on Third Street.

Administration at a Glance - 2024



2025 Initiatives

- Continue to review options for Sidney Ferry Terminal and lease with Washington State Ferries.
- Continue with civic site analysis for Town Hall, and adjacent municipal buildings.
- Establish policy for review of Council Procedure Bylaw.
- Establish policy for Council Remuneration Review.
- Conduct citizen satisfaction survey.
- Provide Indigenous Cultural Training to staff.
- Complete additional accessibility training for staff – related to accessible documents, social media, and events. 
- Obtain consultant services to design and build Electronic Document Records Management System (EDRMS).

In 2024, the Town showcased the new Sidney logo on its seasonal downtown banners. The logo was developed with public input and celebrates the community's seaside beauty.





FINANCE & CORPORATE SERVICES

As a service department, the main focus of Finance and Corporate Services is assisting the public, and helping other departments accomplish their goals and tasks. Whether our interaction with the public is through telephone, at the front counter, or through the information on our website, we strive to provide excellent, timely, and friendly customer service. Corporate Services includes the following functional areas:

- Finance
- Driver Services
- Information Technology
- Risk Management (jointly with Engineering & Works)

Finance

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 to provide analysis and business advice to the various municipal departments. Responsibility and authority for financial operations is derived from legislation mandated by the British Columbia Community Charter, Local Government Act, Provincial and Federal Statutes, and Municipal bylaws.

Driver Services

The Driver Services section of Corporate Services provides local services for residents of the Peninsula and beyond. As appointed agents, staff at the 9884 Third Street office provide a wide variety of driver licencing and ICBC Autoplan services, products and information. The department also issues the joint Driver's Licence/BC Services Card.

Information Services

Information Services provides technical leadership, solutions, service and support for all the Town's integrated hardware, software, GIS, wireless and VoIP telephone systems at various Town facilities, including the Town Hall, Driver Services office, Community Safety Building, and the Public Works Yard.

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. Accordingly, Corporate Services works closely with operational departments to ensure the Town's risks are minimized.

2024 Highlights

While most of the work of the Corporate Services Division involves routine processing and annual, ongoing tasks, we make time each year to fit in additional projects. Below are some of our non-routine accomplishments over the past year:

- Completed funding and accounting for the Beacon Avenue West Roundabout, a joint major project with the District of North Saanich and the Victoria Airport Authority.
- Assisted with the hiring of and transition to a new Chief Administrative Officer for the Town.
- Completed review and renewal of the Town's tax exemptions.
- Reviewed the Town's Surplus Policy and reported to Council on options to increase sustainability.
- Worked with Engineering, Development Services and consultants to review and update the Town's Development Cost Charges. 

- Worked with South Island partners to seek continuing provincial funding for police dispatch services.
- Worked with internal team to advance options for the replacement or upgrade of Town Hall.
- Finalized the financing of a land purchase for a new community park. 
- Supported the Sidney BIA in their application for a hotel tax to help fund local tourism initiatives.
- Participated with neighbouring municipalities in evaluation of options for expansion of sub-regional recreation facilities.
- Assisted with an agreement with BC Hydro and the Memorial Park Society to enable the installation of additional electric vehicle charging infrastructure at Mary Winspear Centre. 
- Assisted with the development of the Town's first Sponsorship Policy.



- 2024 municipal taxes per average residence: \$149/month (2023: \$141/month)
- Total municipal taxes collected in 2024: \$14.78 million (2023: \$13.83 million)
- Total municipal expenditures in 2024: \$28.09 million (2023: \$25.96 million)

The Town has been working with neighbouring municipalities to evaluate options to expand regional recreation facilities.

Over the next two years, we will be focusing on the following objectives:

- Continue collaboration with Engineering & Public Works on enhanced Asset Management practices.
- Complete the review and update of the Town's Development Cost Charges bylaw and institute new charges. 
- Follow up with recommendations for changes to the Town's Surplus Policy, including a phase-in plan for replenishment.
- Renew several Crown licences to maintain waterfront services and access.
- Review funding levels and capacity for long-term infrastructure replacement.
- Complete the review of the Town's Utility Fees structure by focusing on the Sewer Utility.
- Consider proposals for alternate uses of the Town's ferry terminal, while preparing for reinstatement of cross-border ferry services.
- Continue enhancements to the Town's GIS capabilities.
- Assist with improvements to the Town's Business Continuity Plan.
- Support the implementation of the Town's Electronic Document Management system.
- Review the Town's Risk Management policies and practices.

DEVELOPMENT SERVICES

New Dwelling Units Constructed in 2024



Multi-family	45
Two-family (2 units)	2
Single-family	8
Single-family to two-family (including adding a legal suite)	11
TOTAL NEW UNITS	66

Permits Issued in 2024



Building permits issued (with construction value)	63
Plumbing permits	58
Fire Department & solid fuel permits	4
Demolition Permits	13
Blasting Permits	0
Excavation Permits	0
Total permits issued	138
Total construction value	\$15,077,681

The Development Services Department provides service in the areas of municipal planning, building permits and inspections, business licensing, and economic development. 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 or virtual meetings to further communicate the goals, policies, and guidelines contained within the Official Community Plan (OCP), Zoning Bylaw, BC Building Code, and other applicable bylaws and policies.

Planning

Planning combines the functions of current planning, long-range policy planning, and project management. Administration of the Zoning Bylaw through land use development review serves to implement the OCP, ensuring an integrated approach to community growth and sustainability in Sidney.

Building Permits and Inspections

Building Permits and Inspections is responsible for monitoring building construction by ensuring compliance with the BC Building, Plumbing and Fire Codes. To promote health, life-safety and fire prevention throughout the community, Building Inspection personnel work closely with property owners, developers, other agencies, and the Fire Department. Functions include plan review, issuance of permits for new construction and renovations, 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 and public safety while minimizing disruption to the surrounding neighbourhood. Building Officials are available to assist the public with a broad range of queries at the counter and over the phone.

In 2024, 138 permits were issued by Building Officials, with a combined total construction value of \$15,077,681.

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 No. 2119. In 2024, the Town renewed 942 licences for existing businesses and issued 110 licences to new businesses. Business licence renewals continue to be provided at no charge to businesses, pending submission of an annual information update.

2024 Highlights - Department Projects

The following initiatives were continued or completed in 2024:

Zoning Bylaw Update

This project included a comprehensive update of the Zoning Bylaw to reflect the recently adopted Official Community Plan and new Provincial housing legislation. The new bylaw was adopted by Council on June 24, 2024. Public engagement was an important part of the bylaw update process, with over 350 people attending six in-person events held by the Town.

Business Licensing for Short Term Rentals

Following the introduction of Provincial legislation to regulate short term rentals across BC, Sidney Council adopted amendments to the Town's Business Licence Bylaw No. 2119 to require short-term rental operators to have a Sidney business licence. Licence requirements include submission of a fire evacuation plan, floor plans, and strata and owner consent forms. The licensing requirement will go into effect in 2025.

Provincial Housing Requirements

In 2024 the Town received a Provincial Housing Target Order, which included a requirement to ensure the completion of 468 housing units over the next 5 years. Development services staff began tracking issuance of occupancy permits as well as new applications for building and planning permits as per Provincial requirements and preparing for interim reporting in 2025. Staff also updated the Housing Needs Assessment for the Town from the original version done in 2019, as required by recent Provincial legislation. The Housing Needs Assessment is meant to reflect anticipated housing need in the community based on criteria and calculations established by the provincial government to ensure consistent measurement across the province.

Updated MOU with Victoria Airport Authority

Development Services staff continued working with the Victoria Airport Authority to review and update the Memorandum of Understanding which guides development on VAA lands within the Town of Sidney. Revisions were made to modernize the document, reflect current development patterns, and address priorities for both parties. Town staff began working with the VAA in 2023 to review and update the language of the MOU and ensure that it addresses the interests of both parties.

Council approved the revised MOU in December 2024.

Other 2024 Department Initiatives

- Provided planning assistance and support on a number of inter-departmental projects, including park improvements, an ongoing update to the Development Cost Charge Bylaw, transportation studies, and policy development.
- Continued to collaborate with staff in Engineering, Public Works, and Parks Departments to protect trees on development sites and add trees on boulevards fronting new developments. 
- Continued to communicate Town goals for increased diversity in housing types and tenures to prospective developers and advocate for more affordable housing in new developments.  
- Continued to ensure compliance with bylaw regulations for bicycle parking, and to advocate for well-connected pedestrian routes in new developments. 

2024 Highlights - Planning and Building Applications

Much of the Development Services department's time continued to be spent monitoring the construction of several major developments and smaller-scale developments, reviewing the Zoning Bylaw, and reviewing and processing a number of permit applications for new residential and commercial development in the Town.

The following are some of the major development proposals approved by Council in 2024:

2060 White Birch Road: A Development Permit for a four-storey multi-unit residential development containing 60 apartment dwellings.

2180 Beacon Avenue West: A Development Permit for a five-storey multi-unit residential development containing 140 apartment dwellings. This development includes a housing agreement that secures all dwelling units in the development as rental for a minimum of 30 years and secures 20% of the dwelling units as below-market rental for a minimum of 20 years.

9522 Lochside Drive: A Development Permit for a mixed-use development consisting of 48 2.5-storey townhouses and a three-storey mixed-use commercial/residential building containing ground floor commercial space and 49 apartment dwellings.

2025 Initiatives

- Further updates to the Zoning Bylaw to comply with Provincial Housing Legislation,  if needed.
- Begin update to the Off-Street Parking and Loading Bylaw.
- Development of a Tenant Protection Bylaw. 
- Implementation of housing policy from  the Official Community Plan.
- Further utility box beautification.



ENGINEERING, PUBLIC WORKS & PARKS

The Engineering, Public Works, and Parks Department oversees the planning, operation, and maintenance of all municipal infrastructure. This includes, but is not limited to, roads, sidewalks, water mains, sanitary sewers, storm drains, street and traffic lights, solid waste collection, parks, playgrounds, street trees, municipal buildings, event coordination, and bylaw enforcement.

The Engineering Division

The Engineering Division provides technical expertise on roads, water, sewer and storm systems, traffic and parking management, asset management, and the oversight of specialized projects such as asphalt paving and pipeline video inspections. It also manages service contracts such as the garbage, kitchen organics, and yard waste collection contract, and coordinates community events. When internal resources are unavailable, the division is responsible for procuring consulting and construction services through a competitive process.

The Public Works Division

The Public Works Division handles the maintenance and repair of roads, traffic signals, streetlights, signs, curbs, sidewalks, bus shelters, stormwater and wastewater collection systems, water mains, service connections, and fire hydrants. It also manages the procurement and upkeep of the Town's vehicle fleet, oversees municipal building operations and maintenance, and collects waste from public receptacles. Public Works supports both residents and Town departments, playing a vital role in keeping the community running smoothly.

The Parks Division

The Parks Division is responsible for the maintenance and enhancement of all 28 municipal parks and 17 beach access points in Sidney. It also manages downtown beautification, the banner program, and the annual Christmas light displays.

The division plants and maintains trees, gardens, and turf; installs and maintains irrigation systems; and inspects and maintains playground equipment. Their work ensures the Town remains vibrant and welcoming year-round.

Bylaw Enforcement

Bylaw Enforcement manages the daily enforcement of Sidney's bylaws and coordinates with the Town's parking enforcement contractor. Responsibilities include public education, enforcement, and collaboration with other departments on bylaw reviews and updates. Most bylaw matters in Sidney are handled on a complaint-driven basis.



In 2024, the Town of Sidney completed installation of playground equipment and pathways in Philip Brethour Park, including features that support children and caregivers with physical disabilities.

2024 Highlights

- Held the Town's Tree Appreciation Day in Philip Brethour Park.   
- Completed installation of playground equipment and pathways in Philip Brethour Park. 
- Completed construction of the new Seaport Washrooms, with Changing Places facility.   
- Worked with Victoria Airport Authority and District of North Saanich to complete the Beacon Ave West Roundabout and Stirling Way realignment. 
- Completed construction of Lochside watermain replacement.
- Completed Beacon West storm drainage improvements.
- Replanted landscaping in Beacon Park and made drainage improvements. 
- Completed utility study based on potential future development.
- Completed construction of west of highway bike path.  
- Completed concept designs for Lochside Dr and Weiler Ave intersection.
- Completed Bevan Fishing Pier recoating project. 
- Improved accessibility of path in Eastview Park.  
- Installed new benches in Downtown Sidney.  
- Implemented pedestrian safety improvements near Sidney Elementary School.  



New Seaport washrooms were completed along the waterfront walkway in 2024, and include a Changing Places facility for people with complex disabilities.

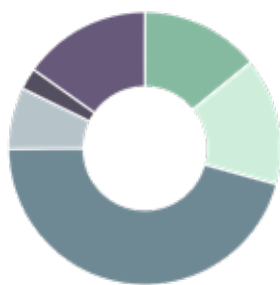
2025 Initiatives

- Complete replacement of watermain on Harbour Rd.
- Continue Asset Management planning process. 
- Continue implementing Downtown Parking Study recommendations.
- Continue to explore reducing maximum speed limit through Sidney.  
- Continue to explore residential parking permit program for Sidney.
- Complete on-street accessible parking standard and start implementation. 
- Implement pedestrian improvements on Sidney Ave, as recommended by a traffic consultant.
- Complete Development Cost Charges Bylaw update. 
- Pave Calvin Lane and complete other improvements for the Bowerbank Neighbourhood Bikeway.   
- Replace the Tulista Park picnic shelter. 
- Complete sidewalk on Malaview Ave between Third St and Fifth St.
- Repave Tulista Park parking lot.
- Build sidewalk along Fifth St from the Food Bank to Weiler Ave. 
- Continue to support the Capital Regional District in repaving the Lochside Trail from Weiler to the Town's Works Yard. 
- Replace Judson Rd and Weiler Ave watermain.
- Replace water fountain at Rose Garden. 
- Complete pavement condition assessment.
- Improve storage at the Town's Works Yard.
- Improve pathway, lighting and landscaping at Library.
- Improve pedestrian safety on McDonald Park Rd between Fire Lane 2 and Highway 17. 
- Complete path improvements on Gabriola Pl and in Resthaven Park. 
- Start engagement and planning for improvements along Canora Road.



CLIMATE ACTION

Community Emissions in 2023



- On-Road Transportation (46%)
- Off-Road Transportation (7%)
- Residential Buildings (14%)
- Commercial & Industrial Buildings (15%)
- Waste (3%)
- Other (15%)



The Town held a 2024 Tree Appreciation Day at Philip Brethour Park.

The Climate Action plan seeks to:

- Build understanding of climate change, climate action, and implications for Sidney;
- Estimate the amount of greenhouse gas (GHG) emissions produced by the Town's operations and by the greater community;
- Summarize the potential local impacts of climate change; and
- Identify ways that the Town and the community can take action to respond to climate change, including reducing the impact we have on the environment (mitigation), and preparing for the ways a changing climate might impact the community (adaptation).

Understanding Greenhouse Gas Emissions at the Local Level

Emissions inventories help understand where emissions are coming from so that actions can be prioritized based on the biggest sources. They can also show how emissions increase or decrease over time.

Corporate Emissions

The Town's main sources of emissions at the corporate level are from fleet and building operations.

Most significant sources of emissions are:

- Gas and diesel for trucks used for parks maintenance, public works, and emergency response make up just over 50% of municipal emissions.
- Estimated emissions from contracted services: 14% of municipal emissions.
- Natural gas used in a number of municipal buildings, including the Community Safety Building (CSB), makes up 17% of municipal emissions.

Community Emissions

There was an increase in transportation emissions and a decrease in building emissions between 2020 and 2022. Despite significant emissions reductions resulting from lower fuel oil use in residential buildings, increases in transportation emissions and non-residential buildings contributed to a 4% increase in overall community emissions between 2020 and 2022. An updated community emissions inventory for 2024 is expected to be released in 2025.

Most significant sources of emissions are:

- Gas used for personal trucks, vans, and SUVs (25%)
- Gas used for passenger vehicles (12%)
- Natural gas used in commercial and industrial buildings (10%)
- Natural gas used in homes (9%).

How did we reduce our impact in 2024?

Corporate Climate Action

Transportation

- Purchased new electric parks equipment to reduce fuel use. 
- Hosted Corporate Go by Bike Week competitions to promote staff active transportation uptake. 

Buildings

- Maintained 2022 temperature reduction in the Community Safety Building truck bays to help mitigate increases in natural gas usage. 
- Investigated options to achieve long term reductions in corporate building energy use. 

Community Climate Action

Transportation

- Continued weekly bike valet services for the summer Sidney Street Markets. 
- Partnered with Capital Bike to promote active transportation:
 - Hosted a Celebration Station during the fall and spring “Go By Bike Weeks” to promote bike riding in the community. 
- Installed new EV Chargers at the Mary Winspear Centre in partnership with BC Hydro. 

Buildings

- Incorporated building emissions considerations into the Zoning Bylaw update process. 
- Connected residents with resources to help them find rebates and grants to offset their home retrofit projects. 
- Continued to provide CleanBC municipal top-up rebates for residents who switched to an electric heat pump from natural gas or oil. 

Sidney's top 3 climate risks



Increasing temperatures

- More frequent heat waves
- Fewer frost days



Changing precipitation

- More frequent intense rain events
- Longer summer dry spells



Sea level rise

- Possibility for flooding during storm surges at high tides
- Flood risk areas: Tulista Park and Tsehum Harbour areas

How are we preparing for our risks?

- The Town of Sidney is working to understand future risks from Sea Level Rise
 - Two data collection buoys were placed in Haro Strait to inform refined flood risk modelling. 
 - Carried out a Community Flood Awareness education program to help residents understand the issue. 
 - Developed flood hazard risk signage for the Lochside Waterfront Walkway. 
- Applied for and received a grant from the Federation of Canadian Municipalities to install cooling stations in various locations in the community. 
- Incorporated a climate lens into the ongoing Asset Management Plan development process. 
- Purchased land to establish a new park on Third Street, preserving existing mature trees and planning for future greenspace. 
- Planted hundreds of trees throughout the community to support stormwater management and provide cooling services during warmer temperatures. 
- Partnered with the Greater Victoria Green Team to host three community stewardship events, including the fourth annual Tree Appreciation Day (200+ saplings planted) and two invasive species pull events. 



FIRE SERVICES

Emergency Response Activity



# of Calls	
MESA <i>Medical Emergency Services Assists</i>	745
Assists <i>E.g. Smoke alarm program, child car seat installation</i>	417
Fire Calls, Other Calls, Auto-Aid/Standby <i>E.g. Calls to assist mutual aid partners including North Saanich and Central Saanich</i>	474
TOTAL CALLS	1,636

The Sidney Volunteer Fire Department provides fire suppression, rescue, first responder emergency medical care, and specialized marina firefighting services to the residents and businesses of the Town of Sidney. Established emergency response capabilities are supplemented with an ever-increasing emphasis on risk reduction initiatives such as public education, fire and safety inspections, and enforcement of Town bylaws and BC Fire Code regulations. Additionally, the department is responsible for emergency management and preparedness in Sidney, and collaboration with the Peninsula Emergency Measures Organization (PEMO). This full spectrum of services is provided by utilizing a composite model of six career and 34 volunteer firefighters. The Fire Department also works closely with neighbouring jurisdictions; mutual aid agreements are in place with the Districts of Central Saanich and North Saanich, and the Victoria Airport Authority.

Community Risk Reduction



Annual Fire Inspections	1,164
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Training Activity



# of Hours	
Regular Training	4,047
Extra Training	1,764
TOTAL TRAINING HOURS	5,811

2024 Reportable Fires

- 18 reportable fires were recorded: 8 structural, 5 outdoor, and 5 vehicle fires, occurring at 14 addresses (note: some addresses had multiple reports due to different types of losses being recorded separately)
- The estimated total fire loss was \$924,320, with an at-risk property value of over \$10.2 million

Incident calls in 2024 had crews arrive on scene in under **10 minutes**, **95%** of the time.

This exceeds the requirements as laid out by the BC Building Code 9.10.14/15.3, which states, arrival on scene in under 10 minutes, 90% of the time.

2024 Highlights

- The Sidney Volunteer Fire Department continued to strengthen its operational readiness and community resilience through targeted grant funding, training, and emergency response. With support from UBCM grants, the department implemented several key projects across Emergency Support Services (ESS), Emergency Operations Centre (EOC) training, and equipment upgrades for volunteer and composite fire departments.
- Under the Emergency Support Services grant, several tools and technologies were acquired to enhance field operations. These included laptops for off-site use of the Emergency Registration and Assistance (ERA) system, portable printers for on-site documentation, and a dedicated printer for the Reception Centre Manager to support client processing during emergencies. New generators ensured power for communications and administrative equipment during outages or in remote locations, while secure storage netting and trailer covers improved equipment protection and organization. These enhancements have significantly improved the efficiency and responsiveness of ESS operations.
- ESS also expanded training and engagement in 2024. Two members attended the NESST Conference and Directors Meeting. In May, the team led a large-scale evacuation exercise at a senior care facility, where volunteers played a vital role in registration, tracking, and care for residents with special needs. Based on this experience, feedback was shared with facilities to clarify ESS capabilities during such events. To recognize volunteer contributions, branded vests were provided to increase public visibility, and team morale was supported through catered meals and team-building activities, including a recognition day at Butchart Gardens. Annual passes were purchased to allow continued seasonal visits at no cost.
- The 2024 Emergency Operations Centre Training grant funded new laptops to expand EOC capacity, added shelving and organizers for improved storage, and covered consultant fees for five training sessions, each lasting 3.5 hours. These efforts supported enhanced coordination and incident management capabilities.
- Under the Volunteer and Composite Fire Department Equipment and Training grant, the department procured ten new sets of structural turnout gear, six firefighting nozzles to standardize equipment, and training for six members of the Critical Incident Stress Management (CISM) team. Funding was also allocated to support training for the 2025 recruit class, ensuring the department remains well-staffed and prepared.
- The department submitted a 2024 Disaster Resilience and Innovation Fund grant to support the procurement of emergency water supplies and tiger dams. In parallel, staff continued to engage senior care facilities to strengthen partnerships and reviewed the Community Wildfire Resiliency Plan prepared by Diamond Head Consulting to inform 2025 goals and actions. 

2025 Initiatives

- Implement the Disaster Water Supply project. 
- Onboard a new Deputy Chief.
- Explore the development of staffing models to deliver the best customer service.
- Pursue the establishment of a BC Housing Extreme Weather Response Shelter and pursue having a plan in place for an emergency shelter for the 2025-2026 winter season. 
- Receive and adopt Community Wildfire Resiliency Plan.  



POLICE SERVICES

Policing services are provided to the municipalities of Sidney and North Saanich by the RCMP-GRC through Federal/Provincial/Municipal contracts. A detachment centrally located at 9895 Fourth Street in Sidney provides diverse policing services to the surrounding Northern Saanich Peninsula and First Nation communities, the Willis Point region, and 52 islands and coastal waters extending to the USA boundary. Within the detachment boundaries, policing services are also provided to the Victoria International Airport, and the Swartz Bay ferry terminal.

Detachment Resources

The Sidney/North Saanich Detachment is comprised of 34 police officers and 11 civilian support staff. Uniformed officers are divided into four watches providing a 24-hour, seven day a week, on-duty response to emergencies and calls for service. Specialized units within the detachment are organized into a four-officer Major Crime Unit, a two-officer Traffic Unit, one Community Policing officer, and two First Nations Policing officers. On average, the detachment responds to 7,000 calls for service annually, many involving extensive investigation.

A management team is responsible for administration, planning, budget monitoring, and operations for the detachment. Business hours for inquiries, assistance and service are Monday to Friday from 8:30 am to 4:15 pm.

Policing Services in 2024

Sidney North Saanich Detachment saw a 7 percent decrease in total calls for service in 2024 with 2,792 calls and investigations responded to within the Town of Sidney. Over the past year, crimes involving violence decreased 29 percent, while property crimes remained at similar levels to the previous 5 years. A 6 percent increase in fraud scams involving a financial loss continues to reflect a growing trend in this type of crime, with impacts on community seniors.

Policing services to the community include the response to emergency and non-emergency calls and the investigations of criminal, provincial statute and by-law offences. Traffic services include the investigation of traffic accidents, and conducting impaired driving and motor vehicle act enforcement. The detachment Community Policing services place emphasis on crime reduction and prevention programs which support awareness and prevention of property crime. A major crime unit supports the investigation of the most serious crime investigations including missing persons, child exploitation, sexual assault and intimate partner violence investigations.

Policing Priority Statistics

The detachment established annual policing priorities to include traffic safety, community engagement, property crime reduction and fraud scam awareness initiatives in 2024. Throughout the year, efforts are undertaken to devote prevention and enforcement activities towards these policing priority objectives. In 2024 a total of 85 impaired driving investigations were conducted, 1158 traffic violation contacts were issued and over 120 community outreach initiatives were undertaken. Participation in the Sidney Street Market supported community connections, providing Block Watch, fraud scam, traffic safety and bike registration program information. The results of these initiatives contribute to improved awareness of traffic safety and self protection from fraud scams and property crimes.

Community Policing & Volunteer Programs

The Community Policing unit continues the expansion of crime prevention programs to the community. An active Block Watch program is expanding in Sidney neighbourhoods and keeps participants informed on current crime trends. The Speed Watch program supports speed awareness and traffic calming measures. Victims of crime are assisted through referrals to the Greater Victoria Victims Services program, and the local Restorative Justice program provides alternative resolutions to police-responded incidents through a referral process.

The Community Policing unit provides engagement with the community through school liaison, community outreach and business watch programs.

Priorities for 2025

Initiatives in 2025 will include a continuation of successful programs from the previous year, with the introduction of new priorities. Participation in the Beacon Avenue street market will continue as an opportunity to reach more of the community with prevention information. Property crime reduction remains at the forefront, with emphasis to be placed on Project 529 bike and e-bike registration, removal of valuables from vehicles, and shoplifting prevention enhancements. A dedicated traffic officer will focus enforcement on pedestrian safety, aggressive driving and traffic accident reduction. The installation of residential and business video systems has proven to provide high value preventative measures that support crime reduction.



Participation in the Sidney Street Market supported community connections providing Block Watch, fraud scam, traffic safety and bike registration program information.

Detachment Commander Comments

The support of the community adopting crime prevention practices and quickly reporting crime activity has been instrumental in swift police interventions and responses. Community assistance has been tremendous in helping the police investigate criminal activity and in some areas we are seeing a decrease in crime levels. Community members are encouraged in taking measures to protect themselves and their property, being informed about fraud scams, securing homes and vehicles, observing safe driving, cycling and pedestrian practices and immediately reporting crime or suspicious activity to police.

Thank you,

Staff Sergeant Wayne Conley
Sidney/North Saanich RCMP



Resthaven Linear Park with three people on park bench.

A scenic photograph of a forest with tall, mature trees. In the foreground, a dirt path leads through green grass. The background shows a body of water with several sailboats and a distant shoreline with buildings and more trees. A semi-transparent teal banner is overlaid on the right side of the image, containing the text "FINANCIAL INFORMATION".

FINANCIAL INFORMATION

MANAGEMENT DISCUSSION & ANALYSIS

The financial statements are the responsibility of the Town's management and have been prepared in compliance with the Community Charter and generally accepted accounting principles. The annual financial statements are composed of two primary statements – the *Statement of Financial Position* (page 47) and the *Statement of Operations and Accumulated Surplus* (page 48). These primary statements are supplemented by extensive notes and tables that serve to better explain the Town's financial results and nature of operations. 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 Financial Statements are an important tool for the Town in communicating financial information. It is our goal to make the statements accessible and informative to the reader. The statements and supporting notes are discussed in more detail below.

Statement of Financial Position

The *Statement of Financial Position* outlines the Town's financial health by providing a snapshot of the total Assets, Liabilities, and Accumulated Surplus as at December 31, 2024. Financial Assets include cash, as well as items that can or will be converted to cash within a short time frame, such as investments and receivables. Financial Assets represent amounts that can be used to satisfy Liabilities and finance future services.

Financial Assets had a year-end balance of \$26,401,402, compared to \$31,274,697 in 2023. This decrease of \$4,873,298 is primarily attributable to a \$3.7 million decrease in accounts receivable. At the end of 2023, \$3.8 million was due in the form of a grant for a major capital project; no similar receivable was on our books at the end of 2024. The remaining reduction resulted from investment in capital assets.

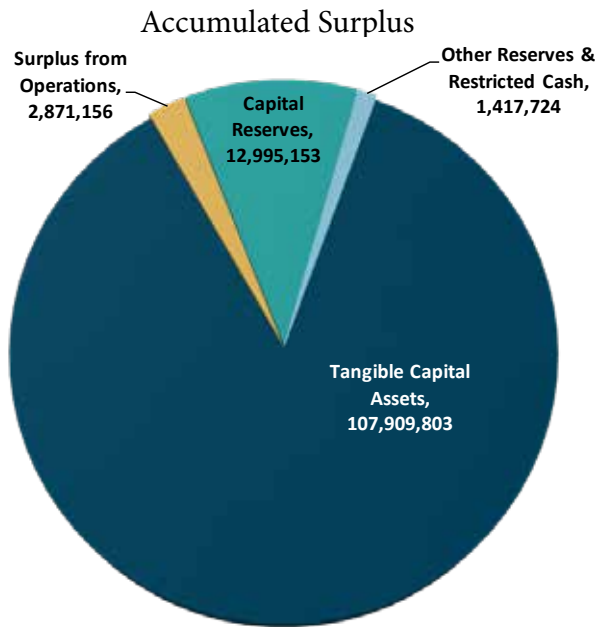
Liabilities is the next section in the *Statement of Financial Position*; this represents cash and services owing by the Town to third parties. The decrease in Deferred Revenue is primarily due to development-related deposits held at the beginning of the year before being either refunded or earned as revenue throughout 2024.

The Town's largest liability is its debt, totaling \$10.56 million, all of which was issued through the Municipal Finance Authority. It is important to note that any debt held by the Town must be for capital purposes, and not to fund operating deficits. The total debt balance increased by about \$905,000 during the year, with \$1.3 million in new debt issued to fund parkland acquisition offset by \$395,000 in debt repayments. Approximately \$7.4 million of the Town's total debt relates to the Community Safety Building, completed in 2019; part of the debt payments for this facility are covered through a lease for a co-located ambulance station. The average interest rate of current outstanding debt is 2.60% (up from 2.41% in 2023) with rates of individual debt issues ranging from 1.28% to 3.83%.

The adoption of a new accounting standard in the 2023 reporting year resulted in a new liability line item called Asset Retirement Obligations, which were initially recognized in an amount of \$700,600. This liability represents the estimated cost to properly dispose of hazardous material (mainly asbestos) present in Town facilities. There is a corresponding increase under Tangible Capital Assets in the Non-financial Assets section. The \$38,700 increase in 2024 primarily relates to an upward revision in the estimated removal and disposal cost.

Next on the *Statement of Financial Position* is Net Financial Assets, which is the difference between the Town's financial assets and its liabilities. A Net Financial Asset position indicates that we have more financial assets than future obligations, which presents a favourable indication of the Town's ability to satisfy its liabilities and provide future services. The Town's position decreased by \$4,212,425 during 2024, as the Town invested in the acquisition and construction of capital assets; i.e. converting financial assets, like cash and investments, into capital assets, a non-financial asset. While the Town has a Net Asset position, it is not uncommon for local governments to have a Net Debt position, where liabilities exceed financial assets; this occurs when local governments undertake investments in capital assets (i.e. turning financial assets into non-financial assets) or incur debt that requires future revenues to repay. There is no "right" level for Net Financial Assets; it depends largely on the growth plans, infrastructure health and capital asset financing strategy of each local government.

Non-financial Assets is the next section of the *Statement of Financial Position*. This category is made up almost entirely of the net value of tangible capital assets (TCA), but also of smaller amounts for inventories of supplies and prepaid expenses, all of which are held for the provision of future services. The TCA amount represents the remaining value (cost less depreciation) of past investment in infrastructure, buildings, facilities, structures, vehicles, equipment and other long-lasting items that provide services to residents over the useful lives of the assets. Inventories and prepaid expenses are assets that will likely be consumed as part of operations in the upcoming year, but cannot be easily converted to cash to meet financial obligations. The 2024 year ending TCA balance was \$119.2 million, an increase of \$8 million over 2023. This resulted from net investments in TCA of \$11.5 million, less \$3.5 million of amortization.



The “bottom line” on the *Statement of Financial Position* is the Accumulated Surplus, which is the total of Net Financial Assets and Non-financial Assets; this amount represents the sum of all economic resources available to the Town to meet future financial and service obligations. The Accumulated Surplus balance of \$125,193,836 is broken down into various components in Note 8 (page 61) of the statements (as illustrated in the pie chart), and is discussed in more detail in the following section. It is important to clarify that since the Accumulated Surplus is comprised of both Financial and Non-financial Assets, it does not represent an available pool of funding. *Net Financial Assets* represents the amount available to satisfy *financial* obligations and *Non-financial Assets* represents the amount available to meet future *service* obligations.

Another new line was added to our *Statement of Financial Position* in 2023: Accumulated remeasurement gain (loss). This is the result of another new accounting standard related to Financial Instruments and Foreign Exchange Translation. The \$188,015 in Accumulated Remeasurement Gain is entirely attributable to unrealized gains on US dollar holdings (i.e. the increase in value of the US dollar, relative to the Canadian dollar, in the Town’s bank account). Previously, these unrealized gains (and losses, in some years) were included in Accumulated Surplus. Under the new accounting standard, the gains and losses will be reported as Accumulated Remeasurement Gains/Losses while they are unrealized, and move to Accumulated Surplus when realized – that is, when the US dollars are used to make purchases, and these purchases are reported in Canadian dollars, the Town’s functional and reporting currency.

Statement of Operations & Accumulated Surplus

The *Statement of Operations & Accumulated Surplus* presents the operating results by comparing revenues and expenses for the year, with the net difference being the “Annual Surplus”. The Annual Surplus essentially represents the increase in the Town’s ability to fund future services. Total revenues of \$31,757,022 were considerably lower than the previous year, primarily due to the non-recurrence of senior government grants (reported under Government transfers) that were received in 2023. One of these grants was related to a large capital project, while the other was a one-time provincial grant to assist with housing growth related projects. This reduction in grant revenue was partially offset through growth in tax revenues, as well as in fees, rates and charges.

The 2024 *Statement of Operations and Accumulated Surplus* indicates an Annual Surplus of \$3,666,631, which is broken down into the following components:

Net change in Reserves & Restricted Cash	(2,694,525)
Surplus/(Deficit) from Operations	(681,493)
Net Investment in Capital Assets	7,042,649
Annual Surplus	<u>3,666,631</u>

The *Annual Surplus* figure should not be considered a pure financial gain for the Town, nor an indication that we are collecting too much in taxes and fees. It is important to acknowledge that much of the money being collected as tax revenue is earmarked for capital asset additions, for transfer to reserves for future use, or for repayment of debt. None of these legitimate and necessary uses of funds qualify as *expenses* for purposes of financial reporting; therefore, they are not reflected in the *Annual Surplus* amount, which may, as a result, appear to be inflated. The *Surplus from Operations* figure (actually a deficit again in 2024), which is the smallest component of the *Annual Surplus*, provides the most accurate indication of true operating results; the rest of the *Annual Surplus* has either been used to acquire capital, repay debt, or set aside for future use.

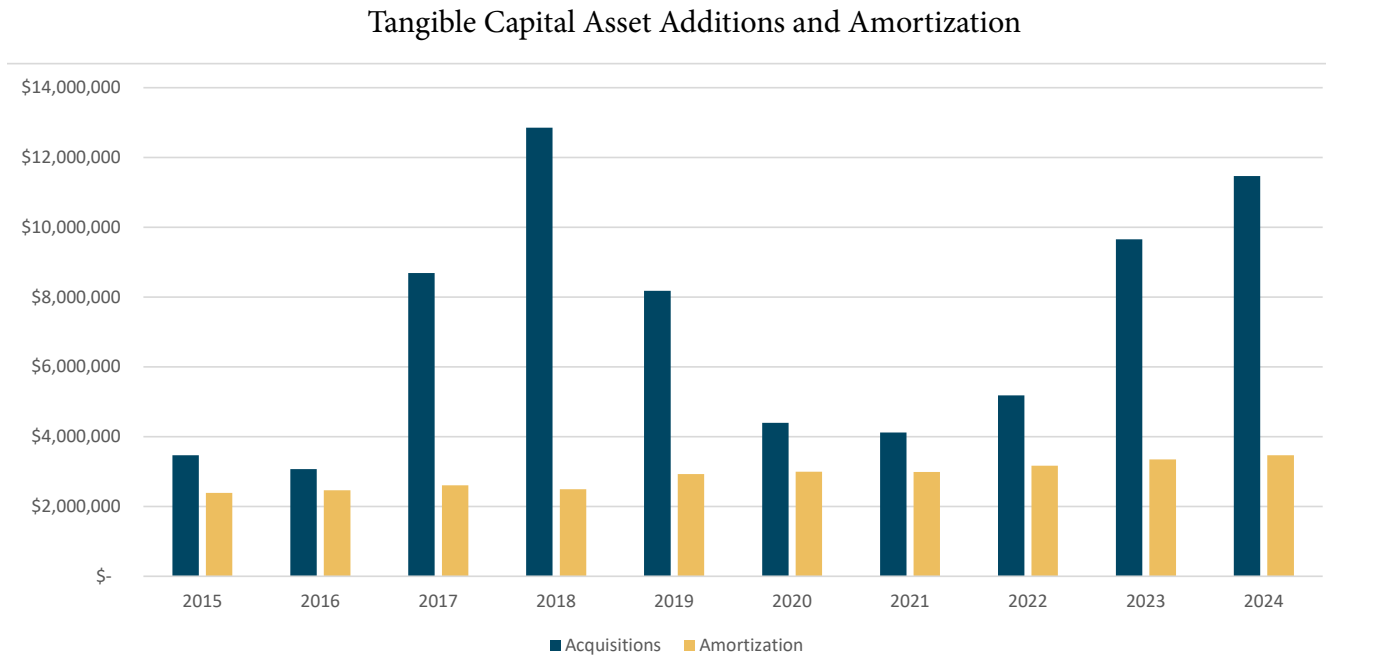
The Annual Surplus is the net difference between the Town's actual *revenues* and its *expenses* for the year, and is independent of any variance from the *budget* for the year. A budget column is included in the *Statement of Operations & Accumulated Surplus* to provide the reader with an indication of operating plans for the year and demonstrate public accountability; however, variances from budget are not discussed in the financial statements. A comparison of budget to actuals would indicate that the Town's Annual Surplus was just over \$1.2 million higher than what was anticipated in the budget (actual surplus of \$3,666,631 versus budgeted surplus of \$2,463,884); this variance is split nearly equally between revenue overages and savings on the expense side.

Net Investment in Capital Assets

A large contributing factor to the Annual Surplus is an increase of \$7,042,649 in *net investment in capital assets*. This increase in value means that the Town added more in TCA than it consumed. 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.

The 2024 *net investment in capital assets* is made up of \$11,415,354 in net acquisitions, reduced by \$3,467,218 in amortization; this was accompanied by a net increase in long-term debt of \$905,487. The most significant capital additions during the year were through Town infrastructure projects totaling \$7.25 million; this figure includes the Beacon Avenue West roundabout.

The chart below shows the Town's TCA additions and amortization over the past 10 years. It demonstrates that in most years (in fact, all years over the past ten), there is a positive net investment in capital assets.



Generally, it is preferable to have a positive net investment in capital assets each year, as this would indicate the Town is renewing assets more quickly than it is consuming them through the provision of service. The simple act of renewal would likely lead to a net increase in TCA, as asset renewal occurs at current dollars, while the asset consumption occurs at historical (and typically lower) costs. 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 are continually being developed and refined as the Town moves forward with its asset management strategy.

Net Increase (Decrease) in Reserves

In the breakdown of the Annual Surplus above, another contributing factor is the net decrease of \$2,694,525 in the Town's reserves. Reserves are funds set aside to finance works (usually capital) in future years.

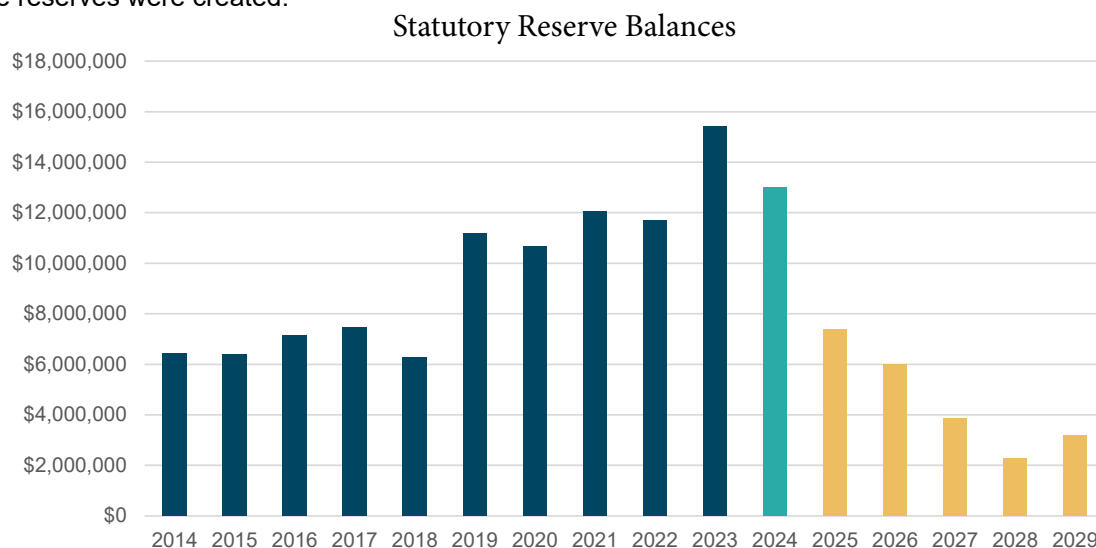
There are two classes of reserves. The more formal of these is indicated in Note 8 as *"Reserve funds set aside for specific purposes by Council"*. These are known as Statutory Reserves, in that they are created by bylaw, as allowed under provincial legislation. The establishing bylaws set out the purposes 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.

Statutory Reserves had a net decrease of \$2,434,427 during 2024; transfers into the Reserves equaled \$4.4 million, while transfers out to fund projects equaled \$6.8 million. This reserve reduction to fund projects included the use of most of a large Provincial grant that was received in 2023 and set aside for future use. The level of funding drawn from the reserves fluctuates from year to year, depending on the Town's capital program for each year. The reserve balances are therefore cyclical, with the Town's capital renewal patterns having a significant impact.

The Town's total Statutory Reserves at year end amounted to \$12,995,153. The Town's Infrastructure Replacement reserves are the largest component of this balance, representing 37% of the total. A further 22% is made up of reserves to replace Town vehicles, equipment and the ferry terminal. The primary purpose of maintaining most of these reserves is to set money aside in a systematic, evenly distributed manner for the eventual replacement of existing Town assets when they reach the end of their useful lives; this practice helps to ensure financial sustainability. An additional 21% of the total Statutory Reserve balance represents contributions from the Canada Community-Building Fund and the Provincial Growing Communities Fund; these monies are being held for future eligible use.

The second subset of reserves is labeled *"Reserves set aside by Council"*. While less formal, these funds are also usually earmarked for specific purposes, and made up of funds carried forward for completion of specific projects or initiatives. The decrease of \$278,018 in these funds represents the completion of some of these projects, as well as the depletion of the COVID-19 Safe Restart Grant.

The chart below shows the Town's total Statutory Reserve balances over the last ten years, and projected balances for the next five years. It illustrates the cyclical nature of the reserve balances, based on the timing of expenditures for which the reserves were created.



Based on the current 5-year financial plan, the trend is for a diminishing reserve balance for the next four years and then an increasing reserve balance for the following year. The large reduction in the next four years is due to the projected use of the Growing Communities Fund and accumulated Canada Community-Building Fund reserves, which are both intended to be consumed over a relatively short period. We also have an ambitious replacement timeline for the Town's infrastructure over the next few years; this latter plan will be reviewed carefully over the next several years – as part of a formal asset management plan – to ensure that enough funds are being set aside for ongoing future needs. The ideal level of reserves depends on the Town's future needs and wants, and decisions around how to fund them.

Having a net reserve surplus or deficit (i.e. increase or decrease) in any given year is strictly a reflection of the Town's plans and spending patterns, and must be considered in conjunction with those plans for a full understanding of the impact. For example, in years where the Town is putting aside money for a future purchase, there will be a reserve surplus. When those funds are actually used, an annual reserve deficit may occur. All of these events would fit within the Town's overall financial planning framework, despite the different year-by-year financial impacts. While renewal of Town infrastructure is a positive direction, the diminishing balance projections for reserves is a trend that needs to be addressed through long term asset management strategies, which are in progress. The amount of annual funding transferred into the Town's reserves will have to be increased, and supplemented by external funding sources.

Increase in Restricted Cash

This small balance, which increased by \$17,921 in 2024, represents the amount of cash the Town has paid into a sinking fund as security against its long-term debt. When the debt is fully repaid, the restriction is removed, and the funds are returned to the Town for other purposes. Generally, they are put into a reserve.

Net Increase (Decrease) in Surplus from Operations

The *net increase (decrease) in surplus from operations* is perhaps the most important contributing factor to the Annual Surplus. The Surplus from Operations provides the best indication of the most recent year's operating results. The previously discussed contributing factors to the Annual Surplus, which may result in a surplus or deficit in any given year depending on the Town's financial or asset management plans, are not true indicators of the current year's operating performance. The Surplus from Operations in a given year represents the true increase in the Town's "disposable income" for future spending. The table below shows the breakdown of the most current year's net *decrease* in Surplus from Operations:

General Operating Fund	\$ (461,131)
Water Utility	9,194
Sewer Utility	(229,556)
Net decrease in Accumulated Surplus from Operations	\$ (681,493)

2024 operations realized a total deficit of \$681,493, with General Operating responsible for \$461,131 of the total. The 2024 budget was balanced with \$450,000 of surplus funding; an additional draw on surplus funds of \$195,000 was budgeted for a one-time expenditure. In a typical year, less than the full amount of budgeted surplus funding is required to fund operations. However, the use of surplus funding to balance the budgets has increased in the years since the pandemic, and it has become more challenging to avoid use of at least some of this surplus each year. Council is fully aware of this situation, and a plan to replenish the accumulated surplus is expected to be in place prior to the end of 2026.

In early 2021, Council approved a new rate structure for the Water Utility that better reflects the fixed and variable operating costs of the Utility; as such, large annual fluctuations from budget were no longer anticipated to occur. The new structure also provides a more equitable distribution of costs and ensures the financial stability of the Water Utility; full annual cost recovery should now result. The first four years under this structure proved to be successful in achieving these goals, and the Utility realized a small operating surplus of \$9,194 in 2024.

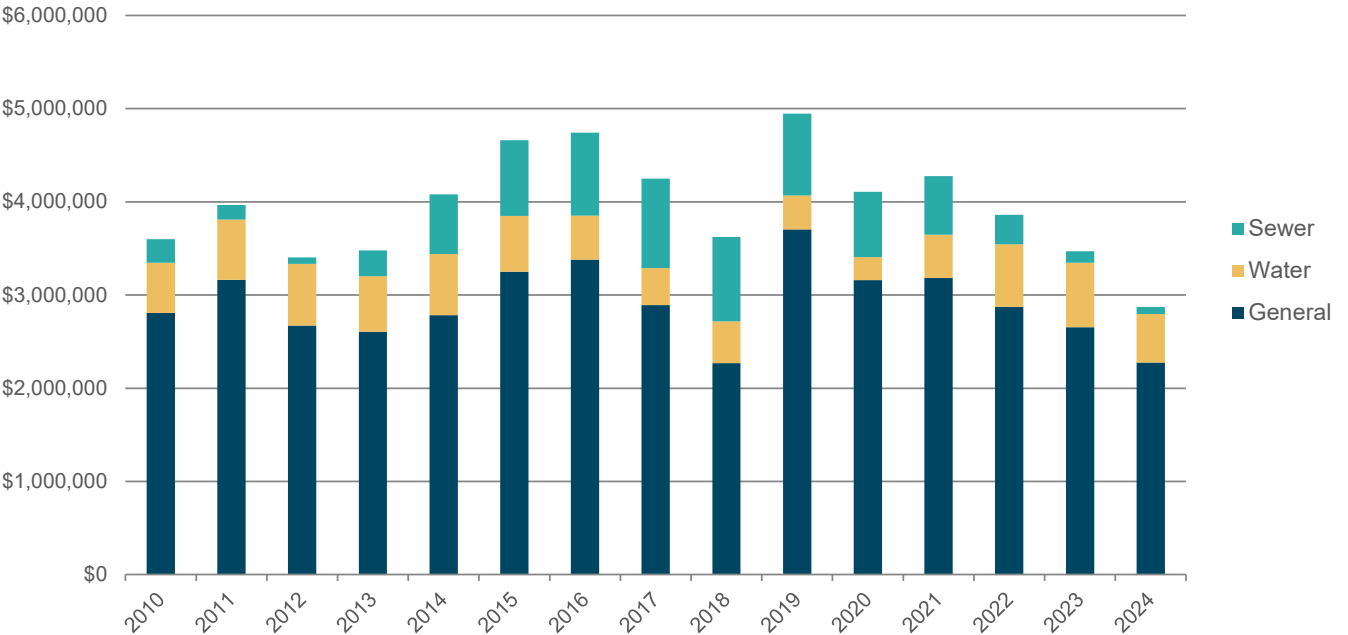
The Sewer Utility realized a deficit of \$229,556, which was almost perfectly in line with the budgeted use of surplus, which was \$230,923. A review of the Sewer Utility rate structure is anticipated in 2025 to ensure this Utility is also sustainable going forward.

The Town has a policy to determine the adequate level of Accumulated Surpluses from Operations. The adequate levels are calculated as percentages of the previous year’s revenues. 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 chart below illustrates the Town's Accumulated Surplus from Operations balances over the past 15 years, and the contribution from each of the Town's operational areas. When the 2024 net decrease in Surplus from Operations is combined with surpluses from prior years, the year ending balance of Accumulated Surplus from Operations decreases to \$2,871,156. While this is still a substantial amount, the General Operating Fund and the Sewer Utility balances are below minimum policy levels. The remedy for the Sewer Utility is to complete a review of the rate structure, and set rates to ensure long-term sustainability, similar to what was done for the Water Utility. The surplus policy for the General Operating Fund will be reviewed again in 2026.

Accumulated Surplus from Operations



Notes to the Financial Statements

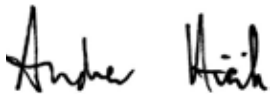
As indicated previously, the notes are an integral part of the financial statements. Firstly, they explain the nature of the organization, and its significant accounting policies. The individual notes also provide additional details to support the numbers on the two primary statements. Reference is made on the statements to a note number; users wishing to gain a better understanding of Town financial results should be referencing these notes as they read through the statements.

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 15) provides readers with some additional information to assist in their interpretation of the Town's financial position, and any potential risks. Users may then make their own decision as to the level of risk implicit with each item disclosed.

Financial Summary

Overall, the Town's 2024 financial results continue to reflect a solid financial position. Although Net Financial Assets decreased compared to 2023, it was more than offset by the net increase in Non-Financial Assets. The Town improved its ability (economic resources available) to provide future services, and maintained a continued dedication to sound financial management. Operating results were mixed for the year, realizing deficits in General and Sewer, and a small surplus in Water. All three operational areas performed better than budgeted, with total use of prior years' surplus across the three funds being approximately \$260,000 less than the budgeted amount.

Town's equity in capital assets increased during the past year, demonstrating a commitment from the Town to fund its infrastructure renewal. Furthermore, the Town continues to maintain low levels of debt, and is expected to continue to do so going forward. This will allow flexibility in providing future services. The Town continues to refine its asset management planning capacity, to determine the longer-term funding required for financially sustainable infrastructural renewal.



Director of Finance
June 1, 2025

CONSOLIDATED FINANCIAL STATEMENTS

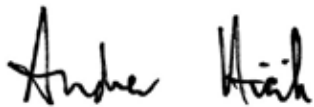
FINANCIAL REPORTING RESPONSIBILITY

The accompanying financial statements of the 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, as established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies is included 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.

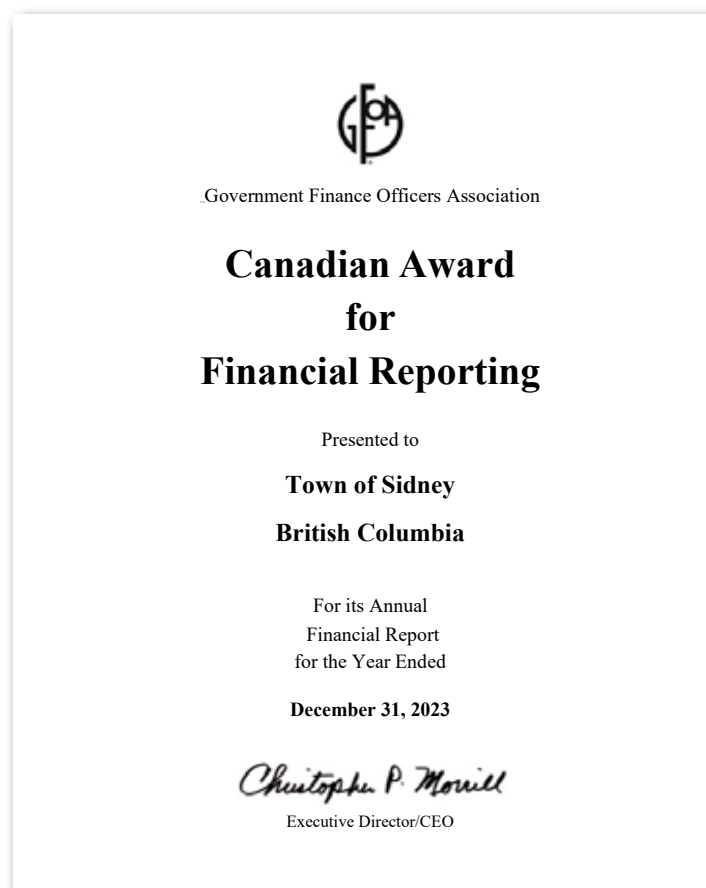
The Town’s management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely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

The Municipal Council 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 Auditor’s Report outlines their responsibilities, the scope of their examination, and their opinion on the Town’s financial statements.



Director of Finance
June 1, 2025



**KPMG LLP**

St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone (250) 480-3500
Fax (250) 480-3539

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Councillors of the Town of Sidney

Opinion

We have audited the financial statements of the Town of Sidney (the "Town"), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of remeasurement gains and losses for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2024, and its results of operations, its remeasurement gains and losses, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***Auditor's Responsibilities for the Audit of the Financial Statements*** section of our auditor's report.

We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Town of Sidney

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Town of Sidney

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants

Victoria, Canada
May 12, 2025

STATEMENT OF FINANCIAL POSITION

December 31, 2024, with comparative figures for 2023

	2024	2023
Financial assets:		
Cash	\$ 14,071,752	\$ 12,241,489
Investments	9,000,000	12,020,282
Property taxes receivable	412,937	405,727
Accounts receivable	2,761,494	6,469,904
MFA Debt Reserve Fund cash (note 5b)	155,216	137,295
	<u>26,401,399</u>	<u>31,274,697</u>
Liabilities:		
Accounts payable and accrued liabilities	3,454,335	4,077,952
Deferred revenue and deposits (note 3)	5,166,739	6,146,482
Employee future benefit liability (note 4)	1,131,800	1,133,500
Debt (note 5)	10,555,138	9,649,651
Asset retirement obligations (note 6)	739,300	700,600
	<u>21,047,312</u>	<u>21,708,185</u>
Net financial assets	5,354,087	9,566,512
Non-financial assets:		
Tangible capital assets (note 7)	119,186,841	111,204,805
Inventory of supplies	378,342	320,899
Prepaid expenses	462,581	400,001
	<u>120,027,764</u>	<u>111,925,705</u>
Accumulated surplus (note 8)	125,193,836	121,527,205
Accumulated remeasurement gain (loss)	188,015	(34,988)
	<u>\$ 125,381,851</u>	<u>\$ 121,492,217</u>

Contractual rights (note 14)

Commitments and contingent liabilities (note 15)

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



Director of Finance

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year ended December 31, 2024, with comparative figures for 2023

	Budget 2024 (note 12)	Actual 2024	Actual 2023
Revenue:			
Net taxes available for municipal purposes (note 9)	\$ 17,182,228	\$ 17,188,397	\$ 16,082,212
Fees, rates and service charges	7,643,077	7,636,683	6,745,709
Government transfers (note 10)	4,149,569	3,869,608	9,685,068
Investment earnings	950,000	1,248,663	1,371,055
Gifts and contributions	1,069,167	1,588,570	1,045,045
Penalties and interest	112,000	153,827	158,312
Actuarial adjustment on debt	-	67,434	57,667
Other	9,500	3,840	18,814
Total revenue	31,115,541	31,757,022	35,163,882
Expenses:			
General government	3,479,471	3,499,661	3,183,774
Protective services	7,611,225	7,363,649	6,618,262
Transportation	4,969,119	5,133,712	4,621,877
Environmental health services	1,573,081	1,278,898	1,038,156
Environmental development	650,067	579,080	544,876
Leisure, parks and cultural	3,773,572	3,871,539	3,911,922
Water utility	2,656,151	2,494,048	2,320,018
Sewer utility	2,764,928	2,691,771	2,519,764
Other (note 11)	1,174,043	1,178,033	1,198,096
Total expenses	28,651,657	28,090,391	25,956,745
Annual surplus	2,463,884	3,666,631	9,207,137
Accumulated surplus, beginning of year	121,527,205	121,527,205	112,320,068
Accumulated surplus, end of year	\$ 123,991,089	\$ 125,193,836	\$ 121,527,205

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

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2024, with comparative figures for 2023

	Budget 2024 (note 12)	Actual 2024	Actual 2023
Annual surplus	\$ 2,463,884	\$ 3,666,631	\$ 9,207,137
Acquisition of tangible capital assets	(16,392,140)	(11,466,772)	(9,656,248)
Amortization of tangible capital assets	3,400,000	3,467,218	3,348,334
Gain on disposal of tangible capital assets	-	(886)	(15,251)
Proceeds on disposal of tangible capital assets	-	18,404	46,491
	(10,528,256)	(4,315,405)	2,930,463
Acquisition of inventory of supplies	-	(378,342)	(320,899)
Acquisition of prepaid expense	-	(462,581)	(400,001)
Consumption of inventory of supplies	-	320,899	276,131
Use of prepaid expenses	-	400,001	184,126
Change in net financial assets	(10,528,256)	(4,435,428)	2,669,820
Net financial assets, beginning of year	9,566,512	9,566,512	6,931,680
Change in accumulated remeasurement gain (loss)	-	223,003	(34,988)
(Net debt) / Net financial assets, end of year	\$ (961,744)	\$ 5,354,087	\$ 9,566,512

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

Year ended December 31, 2024, with comparative figures for 2023

	2024		2023	
Accumulated remeasurement gain (loss), beginning of year	\$	(34,988)	\$	-
Unrealized gain (loss) attributable to:				
Foreign exchange		223,003		(34,988)
Net change in remeasurement gain (loss) for the year		223,003		(34,988)
Accumulated remeasurement gain (loss), end of year	\$	188,015	\$	(34,988)

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

STATEMENT OF CASH FLOWS

Year ended December 31, 2024, with comparative figures for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 3,666,631	\$ 9,207,137
Items not involving cash:		
Amortization	3,467,218	3,348,334
Gain on disposal of tangible capital assets	(886)	(15,251)
Developer contribution of tangible capital assets	(898,435)	(736,819)
Change in employee future benefit liability	(1,700)	61,300
Actuarial adjustment on debt	(67,434)	(57,667)
Asset retirement expense on inactive assets	4,800	12,600
Unrealized remeasurement gain (loss) on foreign exchange	223,003	(34,988)
Changes in non-cash assets and liabilities:		
Property taxes receivable	(7,210)	16,765
Accounts receivable	3,708,410	(3,960,582)
Accounts payable and accrued liabilities	(623,617)	73,493
Deferred revenue	(979,743)	1,371,289
Inventory of supplies	(57,443)	(44,768)
Prepaid expenses	(62,580)	(215,875)
Net change in cash from operating activities	8,371,014	9,024,968
Capital activities:		
Proceeds on disposal of tangible capital assets	18,404	46,491
Cash used to acquire tangible capital assets	(10,534,437)	(8,231,429)
Net change in cash from capital activities	(10,516,033)	(8,184,938)
Investment activities:		
Investments	3,020,282	(1,990,580)
Net change in cash from investing activities	3,020,282	(1,990,580)
Financing activities		
Municipal Finance Authority debt reserve adjustment	(17,921)	(4,139)
Debt issued and assumed	1,300,000	-
Long-term debt repaid	(327,079)	(324,651)
Net change in cash from financing activities	955,000	(328,790)
Net change in cash and cash equivalents	1,830,263	(1,479,340)
Cash and cash equivalents, beginning of year	12,241,489	13,720,829
Cash and cash equivalents, end of year	\$ 14,071,752	\$ 12,241,489
Cash paid for interest	\$ 278,809	\$ 281,237
Cash received from interest	1,273,635	1,398,246

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

NOTES TO THE FINANCIAL STATEMENTS

Notes to Financial Statements Year ended December 31, 2024

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 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 local governments, as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. 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:

Government transfers are recognized in the financial statements as revenue in the period the transfers are authorized and any eligibility criteria have been met, except when, and to the extent that, the transfer gives rise to an obligation that meets the definition of a liability for the recipient government. Transfers received which meet the definition of a liability are included in deferred revenue.

(d) Property tax revenue:

Property tax revenue is recognized on an accrual basis using property assessment values established by BC Assessment for the current year and the tax rates established annually by Council. Tax revenues are recorded at the date property taxes are due. Assessments are subject to appeal and tax adjustments are recorded when the results of the appeals are known, and if required. An allowance for unresolved assessment appeals is also recorded.

(e) 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. Revenues arising from exchange transactions are recognized when the related performance obligation(s) are satisfied.

Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies (continued):

(f) 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 deferred revenue balance.

(g) Financial instruments:

The Town's financial instruments consist of cash, investments, accounts receivable, accounts payable and accrued liabilities, deferred revenue and deposits, and debt. The carrying amount of these financial instruments approximates the fair value because they are short-term in nature or because they bear interest at market rates.

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. The Town does not hold any instruments that require fair value reporting and has not elected to record any other financial instruments at fair value.

Financial instruments recorded at cost are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method or effective interest rate method. All financial assets are assessed for impairment on an annual basis.

(h) Employee future benefits:

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

Leave benefits such as banked sick, discretionary, or vacation time, along with retirement allowance benefits, are also available to the Town's employees. The costs of these benefits are actuarially determined based on service, best estimates of retirement ages, and expected future salary and benefit increases. The obligation under this benefit plan is accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(i) Asset retirement obligation:

An asset retirement obligation (ARO) is a legal obligation associated with the retirement of a tangible capital asset and is recognized when, as at the financial reporting date, all of the following criteria are met:

- (i) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (ii) The past transaction or event giving rise to the liability has occurred;
- (iii) It is expected that future economic benefit will be given up; and
- (iv) A reasonable estimate of the amount can be made.

The recognition of an ARO liability increases the carrying value of the underlying asset, and is amortized over the asset's remaining useful life in accordance with the accounting policy outlined in note 1(j). Where the underlying asset is no longer in productive use, the obligation is recorded as an expense on the Statement of Operations and Accumulated Surplus.

Notes to Financial Statements

Year ended December 31, 2024

1. Significant accounting policies (continued):

(i) Asset retirement obligation (continued):

AROs are initially measured at the best estimate of the amount required to retire a tangible capital asset at the financial statement date. In subsequent periods, the assumptions used in determining the ARO will be reviewed annually, and the value of the liability revised, when appropriate.

(j) 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:

Assets	Useful Life - Years
Land improvements	10 - 75
Buildings and building improvements	15 - 100
Vehicle, machinery and equipment	3 - 50
Water and wastewater infrastructure	12 - 75
Road infrastructure	25 - 100

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 services, or when the value of future economic benefits associated with the asset is less than the book value.

(ii) Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, with the value of the contribution 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.

(iv) Interest capitalization

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

Notes to Financial Statements
Year ended December 31, 2024

1. Significant accounting policies (continued):

(j) Non-financial assets (continued):

(v) Leased tangible capital assets

Leased assets 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.

(k) Foreign currency:

Foreign currency transactions are translated into Canadian dollars at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Unrealized foreign exchange gains or losses, resulting from a change in the exchange rate that arises prior to settlement, are recognized in the Statement of Remeasurement Gains and Losses. In the period of settlement, realized gains or losses are recognized on the Statement of Operations and Accumulated Surplus, and the related unrealized balances are reversed from the Statement of Remeasurement Gains and Losses.

(l) Measurement uncertainty:

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, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets, estimating provisions for accrued liabilities, including employee future benefits, contaminated sites, contingent liabilities and asset retirement obligations. Actual results could differ from these estimates.

(m) Contaminated sites:

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The Town is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site. Management has not identified any Town sites that meet the criteria of a contaminated site.

Notes to Financial Statements

Year ended December 31, 2024

2. Change in accounting policies:

- (a) On January 1, 2024, the Town adopted Public Sector Accounting Standards PS 3160 – *Public Private Partnerships*. This new accounting standard addresses the recognition, measurement, presentation, and disclosure of infrastructure procured by public sector entities through certain types of public private partnership arrangements. Management assessed the impact of adopting PS 3160 on the financial statements of the Town and found no existing arrangements that meet the criteria for recognition as a public private partnership. The standard was adopted prospectively.
- (b) On January 1, 2024, the Town adopted Public Sector Accounting Standard PS 3400 – *Revenue*. Under this new accounting standard, there are two categories of revenue – exchange and non-exchange. If the transaction gives rise to one or more performance obligations, it is an exchange transaction. If no performance obligations are present, it is a non-exchange transaction. Revenues arising from exchange transactions are recognized when the related performance obligation(s) are satisfied. Management assessed the impact of adopting PS 3400 on the financial statements of the Town and found no resulting impact to the amounts presented in the financial statements. The standard was adopted prospectively.

3. Deferred revenue and deposits:

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

	Balance at Dec 31, 2023	Recognized as revenue or refunded	Interest earned	Current year deferred	Balance at Dec 31, 2024
Prepaid property taxes	\$ 1,824,349	\$ (1,824,349)	\$ -	\$1,996,280	\$ 1,996,280
Prepaid fees and charges	592,000	(449,583)	-	560,714	703,131
Deferred developer contributions & deposits	2,513,815	(1,939,344)	12,800	1,285,572	1,872,843
Deposits on hold	1,216,318	(851,048)	-	229,215	594,485
	<u>\$ 6,146,482</u>	<u>\$ (5,064,324)</u>	<u>\$ 12,800</u>	<u>\$ 4,071,781</u>	<u>\$ 5,166,739</u>

4. Employee future benefit liability:

Sick leave and retirement benefits are available to Town employees; these benefits will require funding in future periods. The amounts recorded for these benefits are actuarially determined based on years of service and best estimates of retirement ages and expected future salary and wage increases. The obligations are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

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

Notes to Financial Statements
Year ended December 31, 2024

4. Employee future benefit liability (continued):

	2024	2023
Accrued employee benefit obligations:		
Balance, beginning of year	\$ 909,900	\$ 840,400
Plan amendment	68,100	-
Current service cost	88,300	84,000
Interest cost	38,900	39,100
Benefits paid	(109,500)	(42,700)
Actuarial adjustment	(1,800)	(10,900)
Balance, end of year	993,900	909,900
Unamortized net actuarial gain	137,900	223,600
Accrued employee benefit liability	\$ 1,131,800	\$ 1,133,500

Any actuarial gain or loss is amortized over a period equal to the employees' average remaining service lifetime, estimated to be 10 years (2023 - 10 years).

The liabilities are based on an actuarial valuation of the Town's employee future benefits completed as at December 31, 2022 and extrapolated to December 31, 2024.

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

	2024	2023
Discount rates	4.30%	4.10%
Expected wage and salary increases	2.50%	2.50%

The Town funds the employee future benefits with tax revenues from the general operating fund. The total expense recorded in the financial statements in respect of obligations under this plan amounts to \$107,800 (2023 - \$104,000).

Municipal pension plan:

The Town and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of assets and administration of benefits. The Plan is a multi-employer, defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2023, the Plan had about 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. The rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

Notes to Financial Statements

Year ended December 31, 2024

4. Employee future benefit liability (continued):

The most recent actuarial valuation for the Municipal Pension Plan, as at December 31, 2021, indicated a \$3.761 billion funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2024, with results available in 2025.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and costs to the individual employers participating in the Plan.

The Town paid \$727,316 for employer contributions (2023 - \$700,259) and Town employees paid \$655,654 for employee contributions (2023 - \$632,611) to the plan in fiscal 2024.

GVLRA – CUPE Long-Term Disability Trust

The Trust was established January 1, 1987 as a result of negotiations between the Greater Victoria Labour Relations Association representing a number of employers and the Canadian Union of Public Employees representing a number of CUPE locals. The Trust's sole purpose is to provide a long-term disability income benefit plan. Employers and employees each contribute equal amounts into the Trust. The total plan provision for approved and unreported claims was fully actuarially determined as at December 31, 2023. At December 31, 2023, the total plan provision for approved claims was \$25,464,600 (2022 - \$24,104,700) and the provision for unreported claims was \$2,327,000 (2022 - \$1,703,800) with an accumulated deficit of \$3,419,021 (accumulated surplus in 2022 - \$3,026,543).

The Town paid \$109,974 for employer contributions (2023 - \$105,452) and Town employees paid \$109,974 for employee contributions (2023 - \$105,452) to the plan in 2024.

5. Debt:

- (a) The Town issues debt instruments through the Municipal Finance Authority (MFA), pursuant to loan authorization bylaws under authority of the Community Charter and the Local Government Act, to finance certain capital expenditures. Sinking fund contributions, managed by the MFA, are made annually. The actuarial allocations under the repayment structure are reflected as a reduction of the related long-term debt.
- (b) The gross amount of debt, the combined amount of principal payments and actuarial allocation applied, and the net amount required to retire debt are as follows:

	Gross debt	Repayment and actuarial allocation	Net debt 2024	Net debt 2023
Short-Term and Other debt	\$ 109,830	\$ -	\$ 109,830	\$ 165,617
Long-Term Debt	12,800,000	2,354,692	10,445,308	9,484,034
	<u>\$ 12,909,830</u>	<u>\$ 2,354,692</u>	<u>\$ 10,555,138</u>	<u>\$ 9,649,651</u>

Notes to Financial Statements
Year ended December 31, 2024

5. Debt (continued):

(b) (Continued):

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, 2024 there were contingent demand notes of \$219,185 (2023 - \$184,305) and cash deposits of \$155,216 (2023 - \$137,295). The demand notes are not included in the financial statements of the Town; however, the cash deposits are included in the financial statements as MFA Debt Reserve Fund cash.

(c) Principal repayments for current long-term debt are estimated as follows over the next five years and thereafter:

2025	\$	317,260
2026		317,260
2027		317,260
2028		317,260
2029		317,260
2030-2050		8,859,008
	\$	10,445,308

(d) Scheduled debt repayments may be suspended should sinking fund accumulations exceed original estimates.

(e) Total interest paid on debt during the year was \$278,809 (2023 - \$281,237).

(f) Existing long-term debt matures in annual amounts to the year 2050, and interest rates range from 1.28% to 3.83%. The weighted average interest rate for 2024 was 2.60% (2023 - 2.41%).

(g) Included in other debt are Equipment Financing Loan Agreements with the Municipal Finance Authority totaling \$109,830 (2023 - \$165,617) to finance the purchase of tangible capital assets.

The loans are repaid in monthly payments of \$5,279 with maturity dates in 2025 and 2026. The loans are repayable on demand upon occurrence of any event of default. Interest is charged on a daily floating rate basis and compounded monthly. At year end, the floating rate was 4.25% per annum. Interest paid during the year was \$7,564 (2023 - \$9,991) and has been included in expenses on the Statement of Operations and Accumulated Surplus. As a condition of borrowing, the Town has issued promissory notes in the value of \$308,437 to the MFA.

Notes to Financial Statements
Year ended December 31, 2024

6. Asset retirement obligations:

The Town's asset retirement obligation consists of two obligations as follows:

(a) Asbestos obligation:

The Town owns and operates buildings that are known to contain asbestos and other hazardous materials, which represent a health hazard upon demolition or certain renovations. The recognition of asset retirement obligations involves an accompanying increase to the buildings and building improvements capital assets; where the buildings and building improvements capital assets are no longer in productive use, the obligation is expensed on the Statement of Operations and Accumulated Surplus. These asset retirement activities are estimated to occur between 2028 and 2082.

(b) Well closure obligation:

The Town is responsible for a number of historic wells. Provincial regulations require wells to be decommissioned, if not in use. This obligation was expensed on the Statement Operations and Accumulated Surplus, as the underlying assets are no longer in productive use.

Changes to the asset retirement obligation in the year are as follows:

	Asbestos removal	Well closure	Total 2024	Total 2023
Asset retirement obligation, beginning of year	\$ 688,000	\$ 12,600	\$ 700,600	\$ -
Additions	4,200	-	4,200	700,600
Revisions in estimate	33,900	600	34,500	-
Asset retirement obligation, end of year	\$ 726,100	\$ 13,200	\$ 739,300	\$ 700,600

Notes to Financial Statements
Year ended December 31, 2024

7. Tangible capital assets (continued):

(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.

(d) Write-downs

The Town did not write down any tangible capital asset values during 2024 or 2023.

8. Accumulated surplus:

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

	2024	2023
Surplus:		
Invested in tangible capital assets	\$ 107,909,803	\$ 100,867,154
Surplus from operations	2,871,156	3,552,650
Total surplus	110,780,959	104,419,804
Reserves set aside by Council:		
Miscellaneous operating purposes	823,215	1,050,466
Miscellaneous capital purposes	439,293	490,060
Total reserves	1,262,508	1,540,526
Reserves funds set aside for specific purposes by Council:		
Land sale proceeds	284,282	329,956
Parkland acquisition	13,073	240,444
Off-street parking	425,197	404,197
Alternative transportation	387,742	424,410
Computer replacement	461,038	421,544
General equipment replacement	1,141,742	1,107,211
Fire equipment replacement	(256,484)	(432,319)
Water capital	-	16,224
Sewer capital	-	27,316
Infrastructure replacement	4,745,376	3,724,767
Amenities	1,147,883	1,343,043
Ferry terminal	1,542,648	1,312,327
Agreements	138,057	124,452
Climate action	147,741	161,341
Canada Community-Building Fund	1,591,216	2,404,667
Growing Communities Fund	1,225,642	3,820,000
Total reserve funds	12,995,153	15,429,580
MFA Debt Reserve Fund cash	155,216	137,295
	\$ 125,193,836	\$ 121,527,205

Notes to Financial Statements
Year ended December 31, 2024

8. Accumulated surplus (continued):

The Town periodically receives Canada Community-Building Fund contributions from the federal government. These funds, along with interest earned on the funds, are recorded as revenues and transferred to reserves until they are used to fund future eligible expenditures under the Community Works Fund Agreement.

	2024	2023
Canada Community-Building Fund, beginning of year	\$ 2,404,667	\$ 2,323,201
Amounts received during the year	624,298	596,599
Interest earned restricted for projects	125,200	119,600
Expenditures	(1,562,949)	(634,733)
Canada Community-Building Fund, end of year	\$ 1,591,216	\$ 2,404,667

9. Net taxes available for municipal purposes:

	2024	2023
Taxes:		
Property taxes	\$ 31,851,612	\$ 29,337,505
Revenue in lieu of taxes	319,729	319,927
Other	1,066,205	1,065,290
	33,237,546	30,722,722
Less taxes on behalf of:		
Provincial Government School Authorities	8,813,380	8,421,067
Capital Regional District	3,164,876	2,965,529
Capital Regional Hospital District	961,391	948,407
BC Transit	2,486,027	1,701,664
BC Assessment Authority	276,503	265,324
Municipal Finance Authority	1,547	1,519
Business Improvement Area	345,425	337,000
	16,049,149	14,640,510
Net taxes available for municipal purposes	\$ 17,188,397	\$ 16,082,212

Notes to Financial Statements

Year ended December 31, 2024

10. Government transfers:

Government transfers are recognized in the financial statements as revenue in the period the transfers are authorized and any eligibility criteria and stipulations have been met. The government transfers reported on the Statement of Operations and Accumulated Surplus are:

	2024	2023
Federal grants:		
Canada Community-Building Fund	\$ 624,298	\$ 596,599
Provincial grants:		
Federal / provincial capital grant programs	1,364,741	3,917,530
Small community protection grant	341,600	315,000
Traffic fine revenue sharing	97,000	86,000
Growing Communities Fund grant	-	3,820,000
Other provincial grants	354,391	432,414
	2,157,732	8,570,944
Regional and other local governments:		
Capital	500,170	-
Policing	482,943	424,836
Recreation	94,465	82,689
Other	10,000	10,000
	1,087,578	517,525
Total government transfer revenue	\$ 3,869,608	\$ 9,685,068

11. Other expenses:

	2024	2023
Grants to non-government organizations:		
Saanich Peninsula Memorial Park Society	\$ 414,970	\$ 385,364
Shaw Centre for the Salish Sea	205,000	205,000
Sidney Business Improvement Area Society	178,703	170,300
ArtSea Community Arts Council	51,800	54,800
South Island Prosperity Partnership	28,138	27,452
Peninsula Celebrations Society	12,000	12,000
Other	60,965	54,129
	951,576	909,045
Interest on prepaid taxes	94,284	82,011
Amortization on miscellaneous assets	7,924	7,906
Other	124,249	199,134
	\$ 1,178,033	\$ 1,198,096

Notes to Financial Statements

Year ended December 31, 2024

12. Budget data:

The budget data presented in these financial statements is based upon the 2024-2028 Financial Plan adopted by Council on May 13, 2024. The table below reconciles the approved budget to the budget figures reported in these financial statements.

	Budget Amount
Revenues:	
Financial Plan	\$ 30,441,112
Add:	
Vancouver Island Regional Library Levy	1,019,854
Less:	
Sidney Business Improvement Area Levy	(345,425)
Total revenue	31,115,541
Expenses:	
Financial Plan	27,977,228
Add:	
Vancouver Island Regional Library Levy	1,019,854
Less:	
Sidney Business Improvement Area Levy	(345,425)
Total expenses	28,651,657
Annual surplus	\$ 2,463,884

13. Segmented information:

The Town of Sidney is a diversified organization that provides a wide range of services. These services have been captured in specific functions that have been separately disclosed in the segmented information as follows:

(a) General Government:

The General Government function is comprised of Legislative Services (Council and Committees) and General Administration, which includes Financial Management, Driver Services, Computer Services, Human Resources, Common Services, and other administrative activities related to the management of the Town.

(b) Protective Services:

The Protective Services function is comprised of five core services: Emergency Measures, Fire Protection, Police Protection, Court House, and Building & Bylaw Enforcement.

Emergency Measures captures the Town's emergency preparedness programs that ensure the Town is prepared and able to respond to the devastating effects of a disaster or major catastrophic event.

Fire Protection services are carried out by the Town's Fire Department, whose mandate is to provide critical, life-saving services in preventing or minimizing the loss of life and property from fire and natural or man-made emergencies.

Police Protection services are performed under contract by the RCMP, who ensure the safety of lives and property in the Town through law enforcement, the maintenance of law and order, and the prevention of crime.

Building and Bylaw Enforcement promotes, facilitates and enforces general compliance with the provisions of bylaws that pertain to the health, safety and welfare of the community.

Notes to Financial Statements
Year ended December 31, 2024

13. Segmented information (continued):

(c) Transportation Services:

The Transportation Services function is responsible for a wide variety of transportation and engineering services including Roads, Storm Drainage, Dock & Port Facilities, and Hydrants.

The Roads function's principal activity is the development and maintenance of the Town's roadway systems by the Public Works department or contracted service providers. The main functions include traffic services consisting of street signs, street painting and traffic light control maintenance; street lighting; road, curb, sidewalk and cul-de-sac repairs and maintenance; and street sweeping.

The Storm Drains service performs preventative maintenance and repairs to the Town's storm drain system, maintains and repairs storm drain ditches, and cleans catch basins.

Dock & Port Facilities captures maintenance of the Town's waterfront infrastructure.

Hydrant services pertain to the maintenance of existing and installation of new fire hydrants.

(d) Environmental Health Services:

Environmental Health Services is comprised of two functions: Solid Waste and Environmental Programs.

Solid Waste provides garbage, organics and compost collection and disposal services to residents and businesses through the Town's designated contractors.

Environmental Programs undertakes initiatives in the Town that address the impacts of climate change.

(e) Environmental Development Services:

Environmental Development Services administers zoning and related bylaws, and provides long range planning and policy services, as well as providing administrative support to the Building Inspection function.

(f) Leisure, Parks and Cultural Services:

Leisure, Parks & Cultural Services is comprised of four different functions: Parks, Library, Senior's Centre and Museums.

Parks is responsible for the maintenance, planning and development of Town park facilities such as ornamental gardens, natural ecosystems, and playgrounds for recreational and cultural enjoyment in a beautiful and safe environment. It also preserves and enhances green spaces on public lands.

Library services are specific to maintenance of the Town owned library building, and funding to the Vancouver Island Regional Library service to operate and manage the library.

The Town owned Shoal Activity Centre is operated by Beacon Community Services, who receive funding from the Town to provide senior related programs.

Museum services include providing space and funding to the Sidney Museum and Archives Society to manage and operate the Town's Historical Museum and Archives. The Town also provides space to the New Marine Centre Society for the operation of the Shaw Centre for the Salish Sea.

Notes to Financial Statements
Year ended December 31, 2024

13. Segmented information (continued):**(g) Sewer and Water Utilities:**

The Sewer Utility protects the environment and human health from the impacts of liquid waste generated as a result of human occupation and development in the Town. The Town operates a collection system, which transfers wastewater to a sub-regional treatment facility.

The Water Utility delivers clean, safe and aesthetically pleasing potable water, in accordance with the Provincial Drinking Water Protection Act, to the residents and businesses of the Town. The water is for the purposes of domestic and commercial consumption, irrigation and firefighting. The Town operates a water distribution system only, using treated water purchased in bulk from the Regional District.

(h) Other:

Other includes all revenues and expenses not captured in the above-named segmentation categories.

Other revenues include municipal taxes, unconditional provincial and federal government grants, traffic fine revenues, investment income, and other miscellaneous sources of revenue.

Other expenses include community support funding and grants, economic development, interest on prepaid taxes and deposits, contingencies, and other miscellaneous expenses.

The resulting annual surplus is primarily used for budgeted transfers to reserves, debt principal repayments, and acquisition of tangible capital assets.

Certain allocation methodologies have been employed in the preparation of the segmented financial information. Property taxation and revenue in-lieu of taxes are apportioned to the functions based on year end operating results and funding of capital expenditures.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements, as disclosed in note 1.

Notes to Financial Statements
Year ended December 31, 2024

13. Segmented information (continued):

	General Government	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Leisure, Parks and Cultural	Water Utility	Sewer Utility	Other	2024
Revenue:										
Taxes for municipal purposes	\$ 2,483,143	\$ 5,407,119	\$ 2,183,721	\$ 159,572	\$ 533,803	\$ 3,026,490	\$ 483,675	\$ 582,530	\$ 2,328,344	\$ 17,188,397
Fees, rates and service charges	492,537	496,009	1,146,711	894,969	23,442	157,514	2,217,453	2,030,600	177,448	7,636,683
Government transfers	22,415	591,861	1,865,855	205,819	21,295	99,466	-	-	1,062,897	3,869,608
Investment earnings	-	-	-	-	-	-	-	-	1,248,663	1,248,663
Gifts and contributions	-	7,355	1,402,427	-	-	119,138	36,375	23,275	-	1,588,570
Penalties and interest	-	-	-	3,313	-	-	8,987	8,518	133,009	153,827
Actuarial adjustment on debt	-	-	-	-	-	-	-	-	67,434	67,434
Other	-	-	-	-	-	-	-	-	3,840	3,840
Total revenue	2,998,095	6,502,344	6,598,714	1,263,673	578,540	3,402,608	2,746,490	2,644,923	5,021,635	31,757,022
Expenses:										
Salaries, wages and benefits	2,128,988	3,227,149	1,961,079	227,432	516,442	1,391,618	615,225	395,844	8,177	10,471,954
Contracted services	1,062,001	2,948,292	1,117,688	1,006,395	61,909	1,564,050	76,932	2,021,831	832,992	10,692,090
Supplies and equipment	61,884	277,171	386,943	38,671	729	457,393	1,532,108	73,756	435	2,829,090
Debt interest	-	227,770	32,505	-	-	31,601	-	-	-	291,876
Other	632	2,500	-	6,400	-	126	-	-	328,505	338,163
Amortization	246,156	680,767	1,635,497	-	-	426,751	269,783	200,340	7,924	3,467,218
Total expenses	3,499,661	7,363,649	5,133,712	1,278,898	579,080	3,871,539	2,494,048	2,691,771	1,178,033	28,090,391
Annual surplus (deficit)	\$ (501,566)	\$ (861,305)	\$ 1,465,002	\$ (15,225)	\$ (540)	\$ (468,931)	\$ 252,442	\$ (46,848)	\$ 3,843,602	\$ 3,666,631

Notes to Financial Statements
Year ended December 31, 2024

13. Segmented information (continued):

	General Government	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Leisure, Parks and Cultural	Water Utility	Sewer Utility	Other	2023
Revenue:										
Taxes for municipal purposes	\$ 2,388,304	\$ 5,131,303	\$ 2,183,804	\$ 255,120	\$ 544,151	\$ 2,854,769	\$ 483,150	\$ 582,140	\$ 1,659,471	\$ 16,082,212
Fees, rates and service charges	400,471	438,505	893,040	586,309	30,725	154,627	2,095,316	1,969,959	176,757	6,745,709
Government transfers	60,938	607,679	3,907,675	205,488	-	85,689	-	-	4,817,599	9,685,068
Investment earnings	-	-	-	-	-	-	-	-	1,371,055	1,371,055
Gifts and contributions	-	-	684,029	-	-	54,128	18,250	35,000	253,638	1,045,045
Penalties and interest	-	-	-	1,760	-	-	6,025	6,206	144,321	158,312
Actuarial adjustment on debt	-	-	-	-	-	-	-	-	57,667	57,667
Other	-	-	-	-	-	-	-	-	18,814	18,814
Total revenue	2,849,713	6,177,487	7,668,548	1,048,677	574,876	3,149,213	2,602,741	2,593,305	8,499,322	35,163,882
Expenses:										
Salaries, wages and benefits	1,920,286	2,894,810	1,888,705	231,856	498,200	1,323,185	518,581	321,018	2,546	9,599,187
Contracted services	843,676	2,554,922	600,244	710,659	46,191	1,317,493	41,313	1,853,371	792,364	8,760,233
Supplies and equipment	54,164	258,954	495,891	72,841	485	404,842	1,508,970	134,795	-	2,930,942
Debt interest	-	229,800	32,903	-	-	18,534	-	-	-	281,237
Other	115,497	5,902	136,553	22,800	-	353,607	905	6,268	395,280	1,036,812
Amortization	250,151	673,874	1,467,581	-	-	494,261	250,249	204,312	7,906	3,348,334
Total expenses	3,183,774	6,618,262	4,621,877	1,038,156	544,876	3,911,922	2,320,018	2,519,764	1,198,096	25,956,745
Annual surplus (deficit)	\$ (334,061)	\$ (440,775)	\$ 3,046,671	\$ 10,521	\$ 30,000	\$ (762,709)	\$ 282,723	\$ 73,541	\$ 7,301,226	\$ 9,207,137

Notes to Financial Statements
Year ended December 31, 2024

14. Contractual rights:

The Town holds contractual rights arising from contracts and agreements that have been entered into with various parties that provide the Town with enforceable future payments that will result in assets and revenues in the future. The estimated contractual rights under these contracts, for the years ending December 31 are as follows:

2025	\$	1,295,801
2026		1,305,237
2027		1,125,577
	\$	3,726,615

In addition to these contractual rights, the Town has agreements with several parties that provide for the recovery of operating costs, and payment of annual fees and commissions. The timing and extent of these future contributions vary depending on annual results, and cannot be determined with certainty at the financial statement date.

15. Commitments and contingent liabilities:

- (a) Under Section 412 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 a participant in the Municipal Insurance Association of British Columbia (MIABC). Should the MIABC pay out claims in excess of its accumulated reserves, it is possible that the Town, along with other participants, would be required to contribute towards the deficit. Management does not consider external payment under this contingency to be likely and therefore, no amounts have been accrued.
- (c) The Town is a shareholder and member of Capital Regional Emergency Service Telecommunications (CREST) Incorporated, which provides centralized emergency communications and related public safety information services to municipalities, regional districts, the provincial and federal governments and their agencies, and emergency service organizations throughout the Greater Victoria region and the Gulf Islands. Members' obligations to share in funding ongoing operations and any additional costs relating to capital assets are to be contributed pursuant to a Members' Agreement.
- (d) 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, and the RCMP Premises Agreement caps the maximum payout at \$715,000. However, there is no intention at this time to contemplate termination of the agreement.

Notes to Financial Statements
Year ended December 31, 2024

15. Commitments and contingent liabilities (continued):

- (e) The Town has entered into two agreements with the Saanich Peninsula Memorial Park Society, which commit the Town to the following payment streams until the current agreements expire in 2032, at which time the funding formula may be renegotiated.

Base Funding Agreement: The Town will provide annual funding to the Society in the amount of 2.5% of the previous year's municipal property tax revenues. The 2024 payment was \$345,808; and the 2025 payment will be \$369,522; future year payments are estimated to increase by 4% annually.

Parking Agreement: The Town uses a part of the Society's lands for the purpose of a public parking lot. This agreement commits the Town to pay the equivalent of 0.5% of the previous year's municipal property tax revenues. The 2024 payment was \$69,162; and the 2025 payment will be \$73,904; future year payments are estimated to increase by 4.0% annually.

The Town has also committed to assuming responsibility for grounds maintenance at the Mary Winspear Centre (the local theatre and conference facility owned and operated by MPS), beginning in 2017, at a maximum cost of \$25,000 per year, with an annual inflation factor being applied starting in the sixth year. The maximum commitment for 2025 will be \$28,425. This commitment is included in the Town's annual operating budget, under Leisure, Parks and Cultural Services.

16. Financial risk management:

The Town is exposed to the following risks from its use of financial instruments in the normal course of operations: liquidity risk, credit risk, interest rate risk and foreign exchange risk. It is management's opinion that the Town is not exposed to significant risks, from its use of financial instruments, which could affect its ability to achieve strategic objectives.

- (a) Liquidity risk:

Liquidity risk is the risk that the Town will not be able to meet its financial obligations as they become due. The Town manages its liquidity risk by continually monitoring cash flows from operations and anticipated investing and financial activities to ensure, as far as possible, that it will always have sufficient liquidity to meet obligations when due.

- (b) Credit risk:

Credit risk is the risk of financial loss to the Town if a counter party to a financial instrument fails to meet their contractual obligations. The Town is exposed to credit risk through its receivables and investment holdings.

Notes to Financial Statements
Year ended December 31, 2024

16. Financial risk management (continued):**(b) Credit risk (continued):**

Receivables primarily consist of payment for cost sharing agreements with neighboring local governments, user fees, accrued interest and other payments secured by letters of credit. The risk of default on these receivables is very low. Receivables from other parties are monitored regularly and an allowance for potentially uncollectible amounts is established when needed.

Investments consist of guaranteed investment certificates, issued by either Canadian Chartered banks with a credit rating of AA or higher, or credit unions with 100% guarantee from the Credit Union Deposit Insurance Corporation of British Columbia.

(c) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Town is exposed to interest rate risk on its floating rate deposits and variable rate equipment financing loans. Maintaining an adequate level of readily accessible floating rate deposits is necessary for working capital and mitigates the Town's exposure to liquidity risk. The balance of the Town's variable rate equipment financing loans does not expose the Town to a significant level of interest rate risk, and is partially offset by the floating rate deposits.

(d) Foreign exchange risk:

Foreign exchange risk is the risk that the fair value of financial instruments will fluctuate due to changes in foreign exchange rates. The functional currency of the Town is the Canadian dollar, and the Town occasionally makes certain purchases denominated in U.S. dollars. The Town is exposed to foreign exchange risks on its U.S. dollar bank account; however, the exposure does not significantly impact the Town's operations.

BC SAFE RESTART GRANT SCHEDULE

BC Safe Restart Grant Schedule (Unaudited)

On November 19, 2020, the Town received a BC Safe Restart Grant from senior governments to help address the fiscal impacts of COVID-19. The grant was recognized as revenue when received and transferred to an operating reserve to fund future eligible expenditures.

	2024	2023
COVID-19 Safe Restart Grant, beginning of year	\$ 126,991	\$ 536,991
Eligible costs incurred:		
Revenue shortfalls	(126,991)	(350,000)
Community support	-	(60,000)
COVID-19 Safe Restart Grant, end of year	\$ -	\$ 126,991

GROWING COMMUNITIES FUND GRANT SCHEDULE

Growing Communities Fund Grant Schedule Year Ended December 31, 2024 (Unaudited)

On March 23, 2023, the Town received \$3,820,000 in a one-time grant from the Provincial Growing Communities Fund. The grant was recognized as revenue when received and transferred to a statutory reserve to fund future eligible expenditures.

	2024	2023
Growing Communities Fund Grant, beginning of year	\$ 3,820,000	\$ -
Received during the year	-	3,820,000
Interest earned	198,900	-
Eligible costs incurred:		
Water system upgrades	(1,799,000)	-
Road improvements	(505,000)	-
New accessible public washroom	(305,000)	-
Parks improvements	(168,883)	-
Other	(15,375)	-
Growing Communities Fund Grant, end of year	\$ 1,225,642	\$ 3,820,000

CAPACITY FUNDING FOR HOUSING INITIATIVES GRANT SCHEDULE

Capacity Funding for Housing Initiatives Grant Schedule
Year Ended December 31, 2024
(Unaudited)

On January 30, 2024, the Town received \$206,117 in a one-time grant from the Provincial Capacity Funding for Local Government Housing Initiatives program. The unused portion of the grant was deferred, and will be recognized as revenue as eligible expenditures are incurred.

	2024
Capacity Funding for Housing Initiatives Grant, beginning of year	\$ -
Received during the year	206,117
Eligible costs incurred:	
DCC / ACC Bylaw development	(21,295)
Capacity Funding for Housing Initiatives Grant, end of year	\$ 184,822



Waterfront Walkway with red and white tulips and pedestrian.



STATISTICAL INFORMATION

TAXABLE ASSESSMENT OF LAND & IMPROVEMENTS

(in thousands)

	2024	2023	2022	2021	2020
Residential	\$5,541,629	\$5,529,668	\$4,934,945	\$4,024,970	\$3,946,941
Utilities	\$2,401	\$2,191	\$1,749	\$1,705	\$10,845
Light Industrial	\$82,292	\$77,082	\$71,057	\$66,826	\$63,620
Business / Other	\$727,905	\$678,485	\$531,693	\$482,939	\$621,550
Recreation / Non-profit	\$42,589	\$42,226	\$42,487	\$40,207	\$99,019
Farm	\$99	\$103	\$109	\$110	\$110
	\$6,396,915	\$6,329,755	\$5,582,040	\$4,616,757	\$4,742,085

Source: BC Assessment Revised Roll

NEW CONSTRUCTION

	2024	2023	2022	2021	2020
Residential *					
# of Permits	12	18	53	66	56
Permit Value	\$8,367,000	\$18,616,200	\$21,432,698	\$25,119,352	\$72,080,130
Net # of Units Added	21	64	54	83	222
Commercial *					
# of Permits	17	11	19	22	14
Permit Value	\$4,250,500	\$6,612,000	\$1,601,000	\$8,412,205	\$1,418,115
Total					
# of Permits	29	29	72	88	70
Permit Value	\$12,617,500	\$25,228,200	\$23,033,698	\$33,531,557	\$73,498,245
Taxes Generated from New Growth ^	\$122,174	\$435,878	\$222,049	\$146,000	\$100,632

* Residential construction includes new construction, additions and alterations. Commercial construction includes new construction and tenant improvements. Values reflect permits issued during the year.

^ Growth in the tax base occurs as construction projects are completed, whereas permit values are reported when issued. As such, there is usually a lag between the time permit values are reported and the time related tax revenues are realized.

Source: Town of Sidney Finance Department

PROPERTY TAX RATES & REVENUE

	2024	2023	2022	2021	2020
Municipal (per 1,000 of assessment)					
Residential	1.94242	1.82207	1.92153	2.21707	2.18021
Utilities	11.74402	11.77585	13.16705	13.99903	13.33613
Light Industrial	4.69761	4.71031	5.26682	5.59961	5.33445
Business / Other	4.69761	4.71031	5.26682	5.59961	5.33445
Recreation / Non-profit	4.27299	4.06423	3.87543	3.98419	3.76004
Farm	5.31021	5.00778	4.78852	4.57099	4.45082
Total - including School, Regional, Transit, etc (per 1,000 of assessment)					
Residential	3.93349	3.65310	3.83752	4.49024	4.51802
Utilities	29.39144	29.43439	31.48955	33.02237	32.51265
Light Industrial	11.27887	10.80834	11.75169	12.79427	9.75609
Business / Other	11.16004	10.68870	11.61718	12.62157	9.62046
Recreation / Non-profit	8.00019	7.50986	7.35259	7.87914	6.09151
Farm	14.37094	14.01373	13.47699	13.21718	13.25443
Municipal Property Tax Billings by Class					
Residential	\$10,764,172	\$10,075,442	\$9,482,647	\$8,923,640	\$8,561,184
Utilities	28,196	25,806	23,034	23,866	22,734
Light Industrial	386,575	363,081	374,244	374,200	338,523
Business / Other	3,419,412	3,195,872	2,800,332	2,704,272	2,651,057
Recreation / Non-profit	181,983	171,617	164,655	160,190	156,095
Farm	527	514	520	501	488
	\$14,780,865	\$13,832,332	\$12,845,432	\$12,186,669	\$11,730,081

Source: Town of Sidney Finance Department

PROPERTY TAX LEVIED & COLLECTED

	2024	2023	2022	2021	2020
Municipal	\$14,780,865	\$13,832,332	\$12,845,432	\$12,186,669	\$11,730,081
Parcel Taxes	1,065,385	1,064,675	1,050,355	1,024,370	955,500
School	8,831,545	8,421,574	7,508,357	7,318,355	5,805,993
Regional District	3,162,278	2,964,494	2,836,450	2,731,932	2,676,782
BC Transit	2,488,143	1,698,371	1,339,650	1,271,967	1,296,553
Hospital District	960,639	948,092	927,759	1,001,260	1,066,984
Regional Library	1,020,588	851,770	839,640	824,402	830,450
BC Assessment	276,711	265,059	240,765	234,211	235,273
Municipal Finance Authority	1,548	1,517	1,319	1,110	1,094
Business Improvement Area Society	341,725	337,001	334,877	320,861	313,033
Total Tax Levied	\$32,929,427	\$30,384,885	\$27,924,604	\$26,915,137	\$24,911,743
Total Current Taxes Levied	\$32,929,427	\$30,384,885	\$27,924,604	\$26,915,137	\$24,911,743
Current Taxes Collected	32,655,986	30,082,421	27,648,406	26,657,517	24,628,480
Percentage	99.17%	99.00%	99.01%	99.04%	98.86%
Arrears Taxes Outstanding, Beginning of Year	426,986	383,589	371,790	397,860	333,265
Arrears Taxes Collected	322,904	319,964	256,213	302,978	230,672
Percentage	75.62%	83.41%	68.91%	76.15%	69.22%
Total Tax Collections*	\$32,978,890	\$30,402,385	\$27,904,618	\$26,960,495	\$24,859,152

* Tax collections are inclusive of both current and prior year levies.

Source: Town of Sidney Finance Department

PRINCIPAL CORPORATE PROPERTY TAX PAYERS

Registered Owner	Primary Use	2024 Municipal Tax Levied	2024 Total Tax Levied
Looking Up Developments Ltd	Warehousing / Distribution	\$276,410	\$656,382
FHD Nominee Ltd	Residential Rental / Retail	164,908	349,220
Sidney Marina Co Ltd	Marina / Boat Storage / Charters	149,036	304,440
Slegg Developments Ltd	Manufacturing / Retail	123,254	292,145
0928818 BC Ltd	Hotel	95,721	243,236
Damka Lumber & Development Ltd	Retail	89,234	226,731
Jim Pattison Developments Ltd	Retail	87,740	222,930
9522 Lochside Holdings Inc	Hotel	79,850	201,416
Trillium (Sidney) Holdings Ltd	Senior Care Facility	105,772	197,968
P & L Holdings Ltd	Hotel / Office / Retail	77,940	197,518
Emerald Isle Hotels Inc	Hotel	75,313	191,310
Sidney Pier Properties Ltd	Hotel	81,129	189,452
Nicholson Manufacturing Ltd	Industrial / Electrical	73,474	176,122
West Sidney Business Park Ltd	Manufacturing / Office / Retail	71,759	170,195
Slegg Holdings Ltd	Office / Retail	65,506	166,358
Washington State Department Of Transportation	Ferry Terminal	63,475	150,234
Sherringham Holdings Ltd	Warehousing / Storage	61,180	146,605
R & M Scott Properties Inc	Manufacturing	59,061	141,518
360204 BC Ltd	Office / Retail	55,155	137,305
Port Sidney Marina Inc	Marina	66,318	132,807
Sidney Terminal Holdings Ltd	Transportation / Freight	53,659	127,738
Shew Family Holdings 2022 Ltd	Retail	49,784	126,353
Quonset Green Inc	Retail	46,187	115,569
Hobo Holdings Ltd	Retail	45,640	114,961
Albion Properties Ltd	Office / Retail	43,545	108,978
1350178 BC Ltd	Apartment / Office / Retail	49,632	108,775
Primeland Properties Ltd./Pacific Island Holdings Ltd.	Manufacturing	45,290	107,379
Total		\$ 2,255,971	\$ 5,303,644

Source: Town of Sidney Finance Department

DEBT

(in thousands, except per capita data)

	2024		2023		2022		2021		2020
Gross Outstanding Debt	\$	12,910	\$	11,666	\$	11,799	\$	12,622	\$ 12,388
Less: Actuarial Allocation		2,355		2,016		1,767		2,215	1,840
Net Debt	\$	10,555	\$	9,650	\$	10,032	\$	10,407	\$ 10,548
Debt Servicing Cost ^	\$	606	\$	606	\$	603	\$	646	\$ 568
Population*		12,318		12,318		12,318		12,318	11,672
# of Households*		6,321		6,321		6,321		6,321	5,603
Net Debt per Capita	\$	857	\$	783	\$	814	\$	845	\$ 904
Net Debt per Household		1,670		1,527		1,587		1,646	1,883
Debt Servicing per Capita	\$	49	\$	49	\$	49	\$	52	\$ 49
Debt Servicing per Household		96		96		95		102	101

^ Debt servicing cost consists of principal and interest payments. \$175,000 of the debt servicing cost is supported by rental income from a component of the Community Safety Building, under long term lease for the operations of a local ambulance station. The remaining debt servicing cost is supported by property taxes.

* Based on 2016 and 2021 census.

Source: Town of Sidney Finance Department
& Statistics Canada

STATEMENT OF FINANCIAL INFORMATION

(in thousands)

	2024	2023	2022	2021	2020
Financial Assets	\$26,401	\$31,275	\$26,816	\$28,858	\$32,881
Financial Liabilities	21,047	21,708	19,884	20,763	25,252
Net Financial Assets (Net Debt)	\$5,354	\$9,567	\$6,932	\$8,095	\$7,629

CONSOLIDATED STATEMENT OF OPERATIONS

(in thousands)

	2024	2023	2022	2021	2020
Revenue	\$31,757	\$35,164	\$25,326	\$24,920	\$26,973
Expenses	28,090	25,957	24,729	23,299	23,024
Annual Surplus	3,667	9,207	597	1,621	3,950
Accumulated Surplus, Beginning of Year	121,527	112,320	111,723	110,102	106,152
Accumulated Surplus, End of Year	125,194	121,527	112,320	111,723	110,102

Source: Town of Sidney Finance Department

REVENUE & EXPENSES

(in thousands)

	2024	2023	2022	2021	2020
Revenue					
Property Taxes	\$17,188	\$16,082	\$15,031	\$14,322	\$13,791
Fees, Rates and Service Charges	7,637	6,746	6,864	6,845	6,671
Government Transfers	3,870	9,685	1,861	2,306	4,655
Investment Earnings	1,249	1,371	614	210	293
Gifts and Contributions	1,588	1,045	655	1,049	1,410
Penalties and Interest	154	158	100	111	66
Actuarial Adjustments on Debt	67	58	50	67	63
MFA Debt Reserve Fund Surplus	-	-	-	-	-
Other	4	19	152	10	25
	\$31,757	\$35,164	\$25,326	\$24,920	\$26,973
Expenses by Function					
General Government	\$3,500	\$3,184	\$2,782	\$2,616	\$2,486
Protective Services	7,363	6,618	6,714	6,181	6,311
Transportation	5,134	4,622	4,135	3,992	4,299
Environmental Health Services	1,279	1,038	1,010	857	770
Environmental Development	579	545	617	631	571
Leisure, Parks and Cultural	3,871	3,912	3,541	3,367	3,180
Water Utility	2,494	2,320	2,263	2,302	2,189
Sewer Utility	2,692	2,520	2,496	2,358	2,209
Other	1,178	1,198	1,171	995	1,008
	\$28,090	\$25,957	\$24,729	\$23,299	\$23,024
Expenses by Object					
Salaries, Wages and Benefits	\$10,472	\$9,599	\$8,887	\$8,330	\$7,537
Contracted Services	10,692	8,760	8,884	8,037	7,937
Supplies and Equipment	2,829	2,931	2,802	3,087	2,971
Debt Interest	292	281	277	285	347
Amortization	3,467	3,349	3,169	2,993	2,996
Other	338	1,037	711	567	1,236
	\$28,090	\$25,957	\$24,729	\$23,299	\$23,024

Source: Town of Sidney Finance Department

RESERVE FUNDS

	2024	2023	2022	2021	2020
Reserves Set Aside by Council					
Miscellaneous Operating Purposes	\$ 823,215	\$ 1,050,466	\$ 1,194,879	\$ 1,728,984	\$ 2,777,352
Miscellaneous Capital Purposes	439,293	490,060	427,368	601,578	757,422
	1,262,508	1,540,526	1,622,247	2,330,562	3,534,775
Reserve Funds Set Aside for Specific Purposes by Council					
Land Sale Proceeds	284,282	329,956	477,104	634,912	1,060,663
Parkland Acquisition	13,073	240,444	228,644	223,344	221,344
Off-Street Parking	425,197	404,197	377,340	854,725	886,525
Alternative transportation	387,742	424,410	431,173	-	-
Computer Replacement	461,038	421,544	420,273	493,599	420,805
General Equipment Replacement	1,141,742	1,107,211	908,699	1,166,610	1,004,356
Fire Equipment Replacement	(256,484)	(432,319)	(451,523)	613,853	449,753
Water Capital	-	16,224	77,188	186,127	187,055
Sewer Capital	-	27,316	26,016	25,416	25,216
Infrastructure	4,745,376	3,724,767	3,657,766	3,035,180	2,465,155
Water Rates Stabilization	-	-	-	-	66,667
Amenities	1,147,883	1,343,043	1,807,667	1,627,757	1,320,279
Ferry Terminal	1,542,648	1,312,327	1,185,240	982,940	975,618
Agreements	138,057	124,452	106,302	199,227	185,143
Climate action	147,741	161,341	121,091	-	-
Gax Tax - Community Works Fund	1,591,216	2,404,667	2,323,201	2,027,084	1,392,588
Growing Communities Fund	1,225,642	3,820,000	-	-	-
	12,995,153	15,429,580	11,696,181	12,070,774	10,661,167
Restricted Cash	155,216	137,295	133,156	131,473	141,097
Total Reserves	\$ 14,412,877	\$ 17,107,401	\$ 13,451,584	\$ 14,532,809	\$ 14,337,038

Source: Town of Sidney Finance Department

CAPITAL EXPENDITURES & FUNDING SOURCES

	2024	2023	2022	2021	2020
Expenditures					
General Government	\$ 129,113	\$ 268,259	\$ 226,762	\$ 64,392	\$ 467,892
Protective Services	148,048	183,087	1,417,159	555,240	420,628
Transportation	5,879,725	7,096,867	1,517,868	1,745,864	2,067,748
Environmental Development	-	-	-	-	13,082
Leisure, Parks and Cultural	2,099,043	529,947	318,831	635,595	1,361,661
Water Utility	2,537,629	404,426	555,280	152,042	187,794
Sewer Utility	40,924	62,989	586,503	257,851	285,931
	\$ 10,834,482	\$ 8,545,575	\$ 4,622,403	\$ 3,410,984	\$ 4,804,736
Funding Sources					
Property Taxes	\$ 71,728	\$ 70,998	\$ 134,617	\$ 196,086	\$ 125,278
Grants	1,418,531	3,978,340	52,036	31,357	54,664
Gifts & Donations	721,851	460	7,850	15,000	532,304
Gas Tax	1,562,949	634,734	271,770	496,548	241,756
Growing Community Grant	2,788,258	-	-	-	-
Debt	1,287,000	-	-	265,000	43,437
Surplus from Operations	-	-	35,000	71,178	78,726
Agreements Reserve	8,495	-	20,694	-	11,083
Amenity Reserve	265,060	751,362	109,386	105,760	143,594
Computer Equipment Reserve	82,405	110,330	175,126	21,107	48,160
Ferry Terminal Reserve	33,978	120,914	-	1,678	2,209
Water Capital Reserve	16,224	64,965	113,339	2,628	118,500
General Capital Reserve	187,747	14,718	52,964	20,762	371,851
Infrastructure Reserve	1,097,154	2,092,900	1,255,213	1,194,376	1,017,211
Land Reserve	62,876	171,746	172,908	416,800	1,107,479
Off-Street Parking Reserve	-	-	33,333	80,000	-
Alternative Transportation Reserve	58,768	58,963	11,390	-	-
Vehicle Reserve	222,373	342,162	1,823,748	151,184	416,335
Water Rate Stabilization Reserve	-	-	-	67,267	39,179
Reserves Set Aside by Council - Capital	175,690	106,267	206,284	190,163	271,394
Offsite & Development Cost Charges	352,094	4,359	26,049	5,022	514
Climate Action Reserve	22,000	-	5,590	-	-
Other	399,301	22,357	115,106	79,068	181,062
	\$ 10,834,482	\$ 8,545,575	\$ 4,622,403	\$ 3,410,984	\$ 4,804,736

Source: Town of Sidney Finance Department

AMENITY CONTRIBUTIONS

	2024	2023	2022	2021	2020
Balance, Beginning of Year	\$ 1,343,043	\$ 1,807,667	\$ 1,627,757	\$ 1,320,278	\$ 885,150
Amounts Received	-	193,638	250,495	401,139	588,123
Expenditures	(265,060)	(751,362)	(109,386)	(105,760)	(143,594)
Interest Earned	69,900	93,100	38,800	12,100	10,600
Balance, End of Year	\$ 1,147,883	\$ 1,343,043	\$ 1,807,667	\$ 1,627,757	\$ 1,320,278

DEVELOPMENT COST CHARGES

	Drainage	Water	Sewer	Parkland	2024 Total	2023	2022	2021	2020
Balance, Beginning of Year	\$ 39,443	\$ 26,791	\$ 26,086	\$ 151,321	\$ 243,641	\$ 215,456	\$ 200,021	\$ 182,464	\$ 136,585
Amounts Received	-	-	-	-	-	17,185	10,535	19,110	50,415
Expenditures	-	-	-	(65,000)	(65,000)	-	-	(3,153)	(6,136)
Interest Earned	2,100	1,400	1,400	7,900	12,800	11,000	4,900	1,600	1,600
Waivers / Reductions	-	-	-	-	-	-	-	-	-
Balance, End of Year	\$ 41,543	\$ 28,191	\$ 27,486	\$ 94,221	\$ 191,441	\$ 243,641	\$ 215,456	\$ 200,021	\$ 182,464

PAYMENTS IN LIEU OF PARKING

	Off-Street Parking	Alternative Transportation	2024 Total	2023	2022	2021	2020
Balance, Beginning of Year	\$ 404,197	\$ 424,410	\$ 828,606	\$ 808,512	\$ 854,725	\$ 886,525	\$ 587,385
Amounts Received Through Development	-	-	-	60,000	10,000	40,000	288,300
Expenditures	-	(58,768)	(58,768)	(81,506)	(76,613)	(80,000)	-
Interest Earned	21,000	22,100	43,100	41,600	20,400	8,200	7,000
Balance, End of Year	\$ 425,197	\$ 387,742	\$ 812,938	\$ 828,606	\$ 808,512	\$ 854,725	\$ 886,525

NON REFUNDABLE TREE DEPOSITS

	2024	2023	2022	2021	2020
Balance, Beginning of Year	\$ 34,569	\$ 37,841	\$ 50,402	\$ 78,019	\$ 76,817
Amounts Received	37,580	16,500	14,250	9,000	12,000
Expenditures	(21,215)	(19,772)	(26,811)	(36,617)	(10,798)
Balance, End of Year	\$ 50,935	\$ 34,569	\$ 37,841	\$ 50,402	\$ 78,019

Source: Town of Sidney Finance Department

COMMUNITY SUPPORT PAYMENTS & PROPERTY TAX EXEMPTIONS

	Community Support Payments	Municipal Property Tax Exemption	2024 Total	2023 Total
676 Kittyhawk Air Cadets Squadron	\$ 1,000	\$ -	\$ 1,000	\$ 1,000
Army, Navy and Air Force Veterans of Canada	-	26,013	26,013	23,735
ArtSea Community Arts Council	51,800	667	52,467	55,455
BC Aviation Museum	-	-	-	3,000
Beacon Community Services	7,000	-	7,000	7,000
Bike Victoria Society	1,000	-	1,000	-
Broadmead Care Society	-	14,891	14,891	13,252
Canadian Federation of University Women Saanich Peninsula	3,000	-	3,000	-
Capital Bike	-	-	-	1,000
Church of Jesus Christ of Latter Day Saints	-	16,068	16,068	15,273
Cycling Without Age Society	2,000	-	2,000	1,500
FED Urban Agriculture Society	-	-	-	500
Greater Victoria Rental Development Society	-	18,064	18,064	14,422
Memorial Park Society / Mary Winspear Centre	414,970	126,372	541,342	503,520
Mount Newton Centre Society	1,200	-	1,200	1,000
Navy League of Canada	1,000	-	1,000	1,500
Need 2 - Suicide Prevention	3,000	-	3,000	3,000
New Marine Centre Society	-	14,248	14,248	14,286
Parkland Parent Association	725	-	725	-
Peace Lutheran Church	-	9,533	9,533	9,113
Peninsula Celebrations Society	12,000	-	12,000	12,000
Peninsula Dry Grad Society	-	-	-	1,000
Peninsula Streams Society	5,000	-	5,000	5,000
Saanich Marine Rescue Society	5,000	-	5,000	5,000
Saanich Peninsula Christadelphians	-	4,365	4,365	4,147
Saanich Peninsula Pipe Band	1,850	-	1,850	1,000
School District #63	20,465	-	20,465	13,629
Shaw Centre for the Salish Sea	205,000	-	205,000	205,000
Shoal Centre / Beacon Community Services	-	55,845	55,845	54,809
Shoreline Medical Society	-	24,808	24,808	12,831
Sidney Business Improvement Area Society	178,703	4,722	183,425	175,024
Sidney Guide & Scout Hall Society	1,000	6,538	7,538	6,674
Sidney Lawn Bowling Club	-	-	-	1,000
Sidney Lion's Food Bank	-	2,729	2,729	2,572
Sidney Museum and Archives Society	-	6,383	6,383	5,582
Songhees Nation	2,500	-	2,500	-
South Island Prosperity Project	28,138	-	28,138	27,452
St. Andrews Anglican Church / Abbeyfield Housing Society	2,000	12,640	14,640	13,990
St. Elizabeth Church	-	10,100	10,100	9,724
St. Paul's United Church	-	7,774	7,774	7,356
Stelly's Secondary School Parents Dry After Grad	725	-	725	-
Vancouver Island South Film & Media Commission	5,000	-	5,000	5,000
Watanmy Powwow Event	3,000	-	3,000	-
	\$ 954,076	\$ 361,760	\$ 1,315,835	\$ 1,237,346

Source: Town of Sidney Finance Department

STRATEGIC COMMUNITY INVESTMENT FUNDS PLAN & 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	\$341,600 in Small Community Grants was received in 2024. These funds were used to fund general municipal services in 2024. A tax increase of 2.31% would have been required to generate the level of funding used in 2024.

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.	\$97,000 in Traffic Fine Revenue was received in 2024. These funds were used towards the police operating budget in 2024.

Source: Town of Sidney Finance Department

NUMBER OF FULL TIME EQUIVALENT MUNICIPAL EMPLOYEES

2024	95
2023	95
2022	94
2021	93
2020	91

Source: Town of Sidney Finance Department

EMPLOYMENT BY OCCUPATIONAL CLASSIFICATION

Occupation - National Occupational Classification (NOC)	2021 Census	2016 Census
Legislative and senior management occupations	1.1%	8.7%
Business, finance and administration occupations	18.6%	16.1%
Natural and applied sciences and related occupations	7.3%	7.5%
Health occupations	8.4%	6.6%
Education, law and social, community and government services	11.0%	11.3%
Art, culture, recreation and sport	2.8%	2.8%
Sales and service occupations	28.2%	27.2%
Trades, transport and equipment operators and related occupations	17.7%	14.1%
Natural resources, agriculture and related production occupations	1.5%	1.7%
Occupations in manufacturing and utilities	2.4%	2.3%
Other	1.0%	1.7%
	100.0%	100.0%

Source: Statistics Canada



Paddleboarder on the ocean with Mount Baker in background.



Sidney

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