

BUDGET OVERVIEW

2025

Township of
ESQUIMALT



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Budget Overview

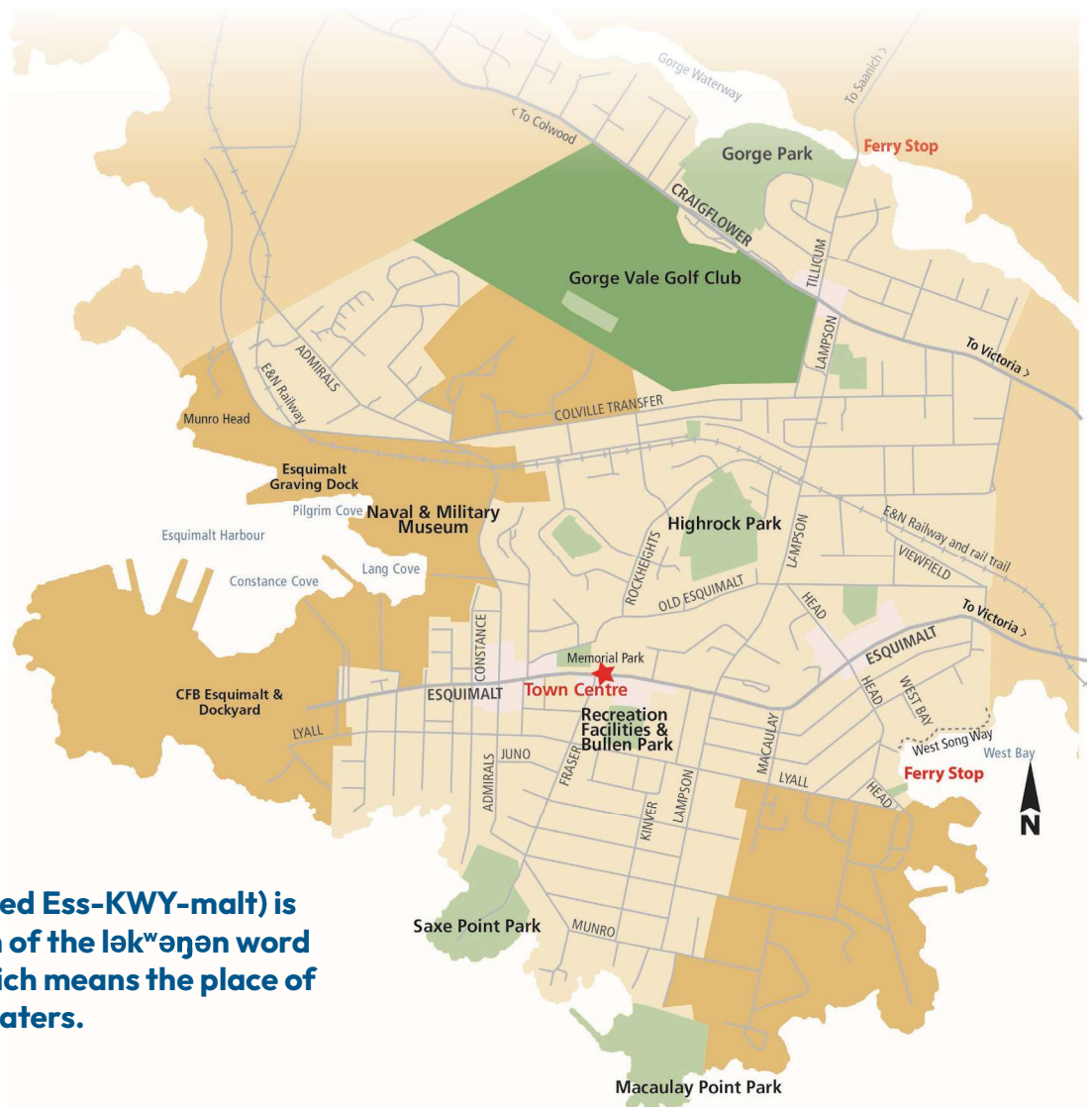
Each year, the Township develops an annual budget outlining how tax dollars are invested to support our residents and community. It includes a five-year balanced financial plan to guide strategic investments and departmental service plans while keeping property taxes affordable over the long term. The 2025 Financial Plan continues the strategy of looking for efficiencies and cost savings in operations and prioritizing investment in infrastructure replacement.

Overall, the financial plan includes a 9.90% increase in overall property taxes, to cover significant cost increases in core municipal operations as well as police services, library operations, staff additions and capital infrastructure replacement.

The 2025 Financial Plan includes capital requests of \$49.0 million which includes \$36.2 million related to the public safety building construction and \$12.8 million of new capital works which includes new acquisitions and the replacement of existing assets to improve public amenities such as roads and sidewalks, parks and recreation, underground utilities and active transportation. The Township's administration continues to develop asset management plans which are intended to inform the extent and timing of future asset replacement and align with the long-term financial plan and Council priorities.



Community Overview



Esquimalt (pronounced Ess-KWY-malt) is an anglicized version of the *ləkʷəŋən* word “es-whoymalth,” which means the place of gradually shoaling waters.

- Year of incorporation: September 1, 1912.
- The area now known as Esquimalt has been inhabited by Coast Salish First Nations for over 4,000 years.
- Esquimalt boasts a diverse business landscape, from a bustling graving dock and light industrial enterprises to offices to breweries and a variety of local businesses.
- The Township is home to close to 18,000 residents.
- Esquimalt has over 40 hectares of parkland, many of these parks overlooking waterways along the Strait of Juan de Fuca and the Gorge Waterway.
- The Township enjoys over 30 parks, beaches and green spaces.

Organizational Profile

The Township of Esquimalt provides a comprehensive and important range of municipal services to the community.

The value of these services is reflected in the department budgets outlined in the Service Plans section.

These services include Corporate Services, Financial and Information Technology Services, Human Resources, Protective Services, Public Works and Engineering, Development Planning, and Parks and Recreation.

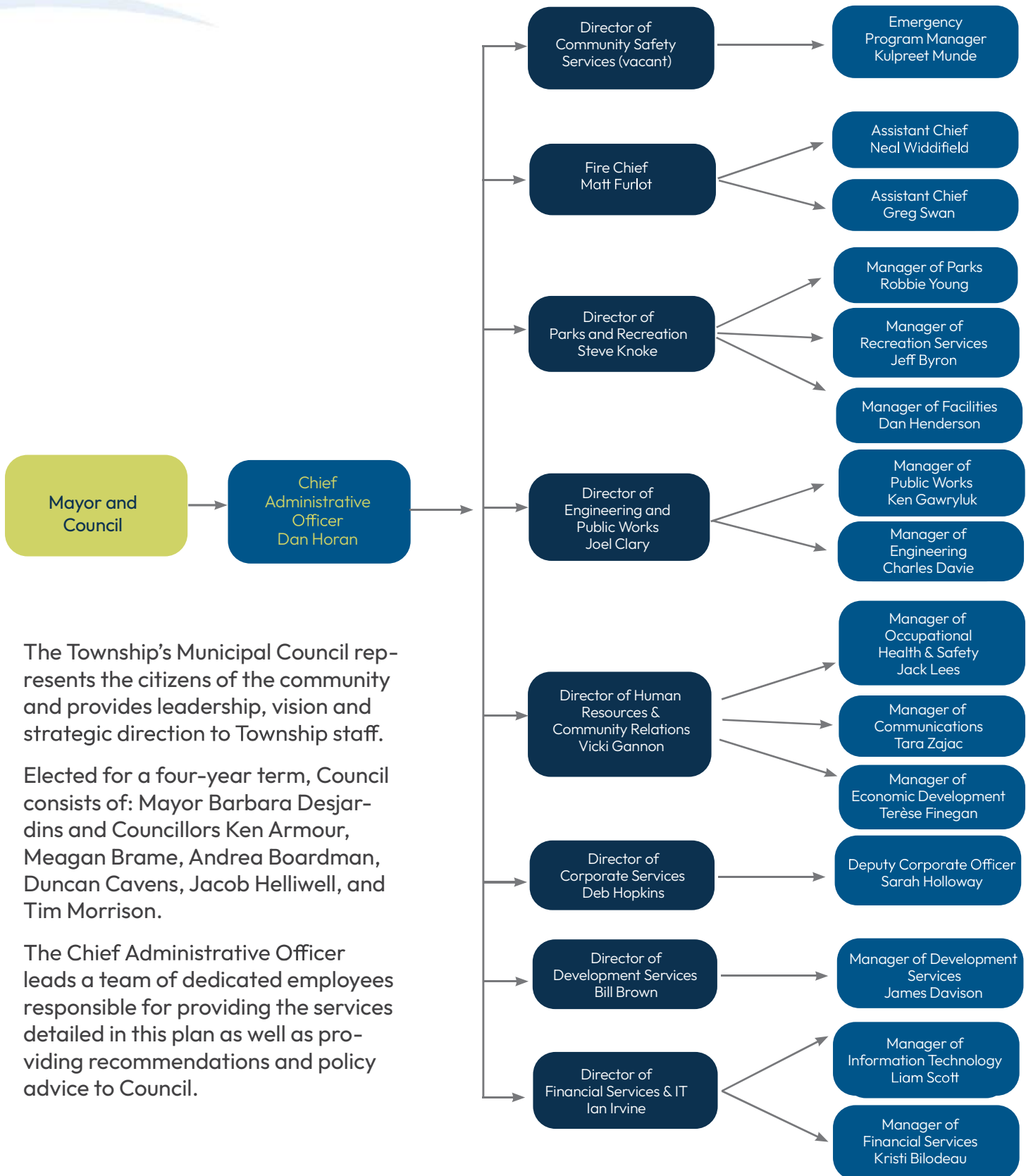
The Township currently employs approximately 143 staff (at 2024 year-end) as detailed below.



Staffing (full time equivalent) table

	2021	2022	2023	2024	2025	Change 2021-2025
Community Safety	4.5	4.5	4.5	5.5	5.0	+0.5
Corporate Services	6.5	6.5	5.5	5.0	7.0	+0.5
Development Services	6.5	6.5	6.5	6.5	7.0	+0.5
Engineering	10.0	10.0	11.0	11.0	10.0	0.0
Pavilion	0.0	0.5	1.5	2.5	2.5	+2.5
Finance	8.0	8.0	8.0	9.0	9.0	+1.0
Fire	28.0	28.0	28.0	32.0	33.0	+5.0
Human Resources	2.5	3.0	3.5	5.0	5.0	+2.5
Information Technology	3.0	3.0	3.0	4.0	4.0	+1.0
Parks	14.0	14.0	14.0	14.0	14.0	0.0
Public Works	22.0	22.0	22.0	22.0	22.0	0.0
Recreation	25.0	26.5	26.5	26.5	26.5	+1.5
TOTAL FTE	130.0	132.5	134.0	143.0	145.0	+15.0

Organizational Chart



The Township's Municipal Council represents the citizens of the community and provides leadership, vision and strategic direction to Township staff.

Elected for a four-year term, Council consists of: Mayor Barbara Desjardins and Councillors Ken Armour, Meagan Brame, Andrea Boardman, Duncan Cavens, Jacob Helliwell, and Tim Morrison.

The Chief Administrative Officer leads a team of dedicated employees responsible for providing the services detailed in this plan as well as providing recommendations and policy advice to Council.

Long-term Financial Policies

Balanced budget

Each year, the Township undertakes a financial planning process that results in the adoption of a five-year financial plan. As mandated by provincial legislation, the financial plan must be balanced and current revenue, including transfers from reserves, and must be sufficient to support current expenditures plus transfers to reserves and debt payments. The Township must adopt a financial plan bylaw each year before May 15 for the current year.

Spending authority

The Township's financial year is the calendar year and it operates under the authority of the financial plan approved in the prior year until the current year financial plan is approved.

For example, the Township's 2025 expenditures are incurred under the authority of the 2024-2028 financial plan until the 2025-2029 financial plan bylaw is adopted. Purchasing and Disposal Bylaw No. 3123 outlines the responsibilities and accountability associated with the acquisition of goods and services, including but not limited to, ensuring fairness, accountability and transparency through the purchasing process and meeting the requirements of the Community Charter, Local Government Act and public sector procurement standards.

Financial sustainability, revenue and tax policy

Each year, the Township prepares a financial plan that is centered on the following principles, as stated in the 2025-2029 Financial Plan:

- Consider the annual property tax increase required to cover the projected cost of the existing service levels, as well as any new or enhanced services.
- Council will consider the property tax increase required by the projected cost increases for existing service levels before considering service level enhancements.
- Each year, Council will consider a property tax increase of at least one per cent to generate an increased cumulative infrastructure investment.
- Mitigate the impact on property taxes by researching non-property tax revenue sources wherever possible, such as applying for government grants, charging appropriate user fees and identifying strategic alliances, partnerships and shared project funding opportunities to reduce service delivery costs.

Financial sustainability includes annual infrastructure investment

Council Priorities



What are council priorities

Council priorities outline areas of focus for the coming term. These priorities can be amended over time as some are completed and other needs arise. Any proposed new projects are evaluated on priority and costs—both financial and in staff time.

These priorities are in addition to existing operational tasks and approved capital projects. The projects or initiatives in this plan fall outside of staff's day-to-day operational or service level commitments.

Budget Drivers

Inflationary impacts: In recent years, the Township has experienced higher-than-normal cost inflationary pressures which have impacted many of the goods and services procured by the Township and have made it especially challenging to keep budget increases to a minimum.

In response, rather than applying a standard increase to all budgets, departments review their budgets and adjust where required, using actual costs, inflation rates and market information as applicable.

Expanded local government responsibilities: Municipal governments are under increasing pressure to respond to service needs in areas that have not traditionally been local responsibilities.

Factors such as affordable housing, homelessness, climate change, increasing accessibility, and medical first response have added to already demanding pressures to address the more traditional municipal needs, like infrastructure replacement and the expansion of recreational opportunities and protective services.

Police services: The Township, under a provincial Order in Council, is part of an amalgamated police force which is shared with the City of Victoria. The Victoria and Esquimalt Police Board creates an annual budget for review and approval by Esquimalt Council.

The 2025 budget request, which includes annual cost increases and new resource additions, represents a significant component of the annual tax increase.

Salaries, wages and benefits increase: The most significant cost driver for the annual budget continues to be labour related costs which represent more than half of the Township's operating budget expenses.

There are two collective bargaining units: CUPE Local 374 for municipal staff and IAFF 4264 for the Township's fire fighters. Both collective agreements expired at the end of 2024 but estimated increases have been included in the financial plan in anticipation of ratifications during the year.

Long-term infrastructure: the Township has adopted a financial strategy which includes increasing its tax-funded reserve contributions each year by 1.50% to close the gap between future replacement costs and current infrastructure reserve funding.

Of this increase, 1.00% was allocated to the Infrastructure Reserve Fund and 0.50% was added to the Machinery & Equipment Reserve Fund for fleet and equipment replacement.



Cost of goods that are used in many common services have risen due to inflation.

Consolidated Budget: Summary

The Community Charter requires that the Township of Esquimalt approve a Five-Year Financial Plan bylaw and Property Tax bylaw prior to May 15 each year. The financial plan is updated each year and includes proposed revenues and expenditures related to the Township's operating and capital funds.

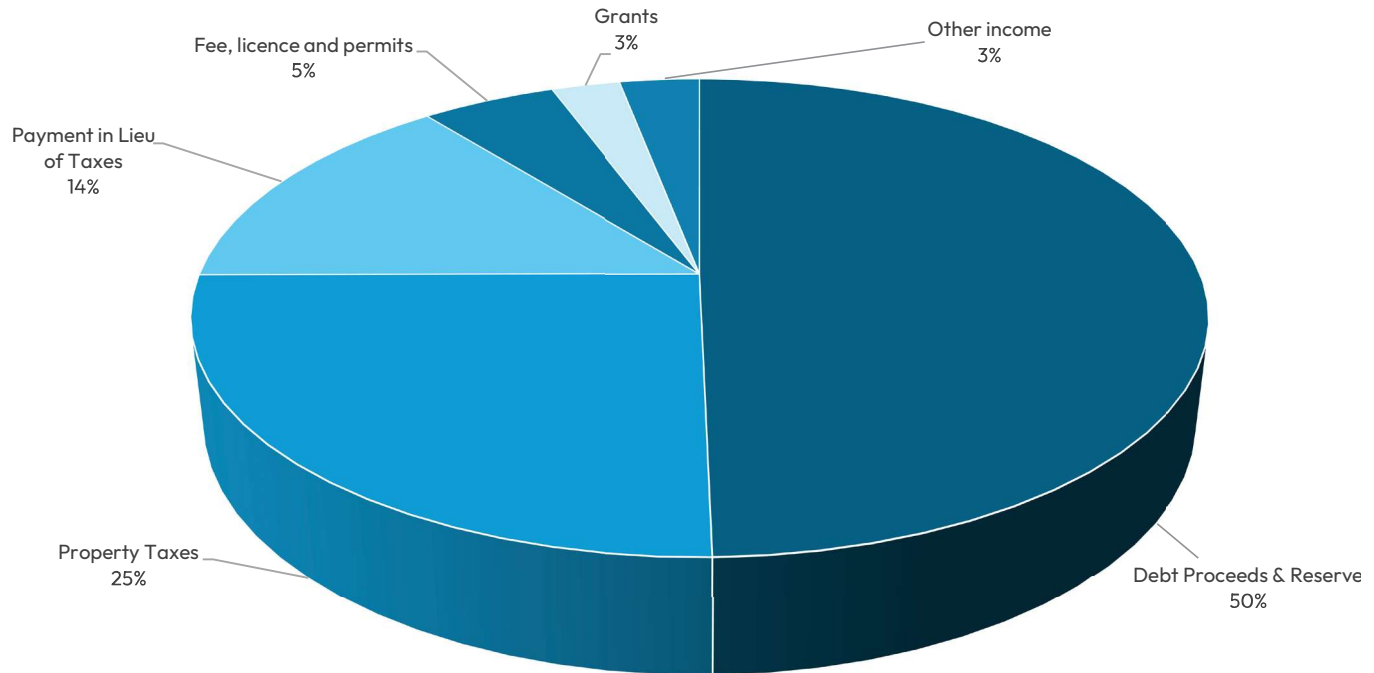
The Community Charter mandates that the expenditures, including reserve transfers and capital spending, be balanced by current year revenues, including transfers from reserves. This requirement extends to the Township's sewer operating fund which also operates on a balanced budget basis.

The Township's 2025 adopted budget summary (in \$millions):

<i>Revenues</i>	50,905,216
<i>Transfers from Reserves</i>	20,028,897
<i>Debt Proceeds</i>	30,197,632
Total Revenue, Transfers & Debt	101,131,745
<i>Operating Expenditures</i>	45,304,523
<i>Capital Expenditures</i>	48,970,154
<i>Transfers to Reserves</i>	4,767,082
<i>Debt Repayments</i>	2,089,986
Total Expenditures, Transfers & Debt Repayment	101,131,745
2025 BUDGET BALANCE	0

Consolidated Budget: 5 Year Plan

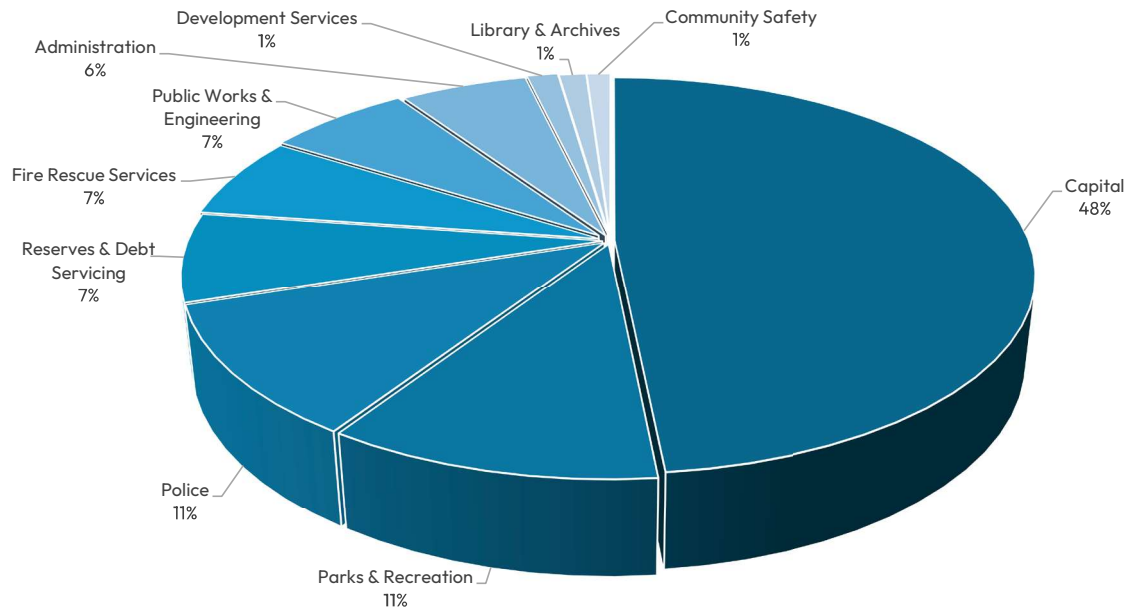
Revenues



Revenues	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
Property Taxes	25,544,361	28,541,558	30,568,051	32,423,134	34,306,948
Payment in Lieu of Taxes	14,499,318	16,187,877	17,327,780	18,371,264	19,430,909
1% Utility Revenue	265,099	278,926	290,540	302,799	308,853
Grants in Lieu	157,100	163,652	169,702	176,202	181,102
Recreation Fees	4,332,321	4,450,321	4,572,321	4,697,321	4,826,321
Department Cost Recoveries	835,450	835,450	835,450	835,450	835,450
Tax Penalties and Interest	213,000	213,000	213,000	213,000	213,000
Government Grants	2,503,767	1,647,257	1,667,257	1,677,257	1,677,257
Licence, Permit and Fee Revenue	813,200	840,200	862,200	897,200	920,200
Investment Income	1,552,000	1,599,000	1,614,000	1,639,000	1,649,000
Contributions and Donations	189,600	442,840	116,267	118,086	120,323
Debt Proceeds	30,197,632	-	-	-	-
Reserve Transfers	20,028,897	8,055,265	6,604,408	5,333,800	4,661,800
TOTAL REVENUE	101,131,745	63,255,346	64,840,976	66,684,513	69,131,163

Consolidated Budget: 5 Year Plan

Expenditures



Expenditures	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
Legislative Services	383,441	398,691	407,491	416,291	425,141
Corporate Services	1,375,905	1,382,705	1,423,705	1,467,705	1,512,705
Finance	1,439,756	1,483,756	1,528,756	1,575,756	1,625,756
HR & Community Relations	1,421,102	1,575,107	1,730,787	1,755,787	1,786,787
Information Technology	1,237,489	1,220,659	1,245,659	1,268,659	1,290,659
Fire Rescue Services	6,741,965	7,418,250	7,757,250	8,090,250	8,438,250
Police	10,841,084	11,799,033	12,799,033	13,799,033	14,799,033
Community Safety	1,083,077	1,060,625	1,107,525	1,155,325	1,207,225
Public Works & Engineering	5,093,698	4,665,254	4,866,254	4,923,254	4,983,254
Garbage & Sewer	1,540,548	1,547,548	1,552,548	1,557,548	1,563,548
Development Services	1,425,379	1,265,025	1,303,025	1,344,025	1,388,025
Parks & Recreation	10,981,607	11,069,157	11,348,657	11,619,557	11,905,457
Library & Archives	1,246,651	1,303,951	1,363,951	1,423,951	1,483,951
Fiscal	492,821	313,500	315,500	315,500	317,500
Debt Servicing	2,089,986	1,989,690	1,934,502	1,934,502	1,934,502
Capital Projects	48,970,154	8,438,265	6,654,408	5,383,800	4,711,800
Reserves	4,767,082	6,324,130	7,501,925	8,653,570	9,757,570
TOTAL EXPENDITURES	101,131,745	63,255,346	64,840,976	66,684,513	69,131,163

Revenue Discussion



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

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



Payment in Lieu of Taxes ("PILT"): Properties owned and/or occupied by the Federal Government are normally exempt from paying property taxes. Instead, they are generally subject to the federal Payment in Lieu of Taxes Act. Federal PILT payments represent approximately 30% of the total revenue and 36% of total taxation revenue for the Township.

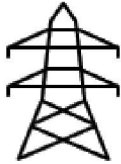
The PILT revenue to be received each year carries some uncertainty as the assessment values are determined by the Federal Government and may differ from the BC Assessment values. These assessment values do not factor into the calculation of municipal property tax rates but are important when determining the expected annual PILT revenue.



New construction taxation revenue: This represents property tax revenue derived from newly constructed buildings or subdivided parcels. As communities grow through development and construction, the Township needs to build and update infrastructure such as roads, sidewalks, sewers and other infrastructure.

As well, municipalities experience increased demand on existing operating budgets in areas such as fire, police, recreation and other service areas. While some municipalities use this additional source of revenue to fund these new infrastructure and operating costs, the Township uses this annual amount to mitigate the property tax increases for existing taxpayers. This amount is not shown separately in the financial plan as it is incorporated in the property tax rate calculations.

Revenue Discussion



One per cent utility revenue: Pursuant to Section 644 of the Local Government Act, utility companies must pay each municipality 1% of the revenues earned within that municipality in the preceding year. Since this revenue is based on prior year financials and amounts remitted to the Township, the budget is very accurate. For 2025, 1% of revenues are forecasted as follows:

Utility revenue

Company	2025 Revenue \$
BC Hydro	187,600
Fortis	45,600
Shaw	18,700
Telus	13,200
TOTAL	265,100



Canada Community Building Fund (CCBF): A new Agreement on the Federal Gas Tax Fund in British Columbia took effect on April 1, 2024. The tripartite Agreement between Canada-British Columbia-UBCM replaced the 2015-2024 Agreement and provides the administrative framework for the delivery of federal funding to local governments and other recipients in BC over 10 years (2024-2034). The CCBF provides predictable, long-term, and stable funding to local governments in B.C. for investment in infrastructure and capacity building projects. The allocation table sets out the annual funding to be received through 2034 which is to be spent on eligible capital projects.



Casino revenue: In 2001, the Provincial Government entered into an agreement to pay the Town of View Royal a percentage of net gaming income in exchange for hosting a casino. As part of the agreement, due to its proximity to the casino, the Township receives a share of the revenues through quarterly payments.



Housing Initiatives Capacity Funding: The funding was provided by the Provincial government based on a formula which included a base amount and a per-capita allocation (based on B.C. Stats estimates). In addition, the funding reflects the different legislative requirements for municipalities, and that smaller communities require more financial assistance due to lower resource levels.

Revenue Discussion



Local Government Climate Action Program Grant (LGCAP): This grant is the successor to the Climate Action Revenue Incentive Program (CARIP) which provided funding to local governments that signed the BC Climate Action Charter. Previously, the grant received each year was equal to 100% of the carbon taxes the Township paid to support local government operations. The LGCAP is intended to provide funding for local governments to develop and implement a climate action plan that will reduce emissions, create new opportunities for people in the clean economy, and prepare communities for future climate impacts. As part of the program, recipients of funding will be required to report on their actions.



Small Community Grant: This unconditional grant is paid by the Provincial Government to the Township. The formula that determines the grant amount considers population and assessment values and is phased out as a community grows.



Traffic Fine Revenue Sharing Grant: Determined by total Provincial traffic fine revenue collected in the prior year, Esquimalt's share of the funds is determined by the Township's proportionate policing costs. It is difficult to forecast traffic fine revenue as the amount varies from year to year.

Grants & other funding

	2024 Budget \$	2025 Budget \$	Change \$
Canada Community Building Fund	861,750	861,750	-
Casino Revenue	300,000	272,000	(28,000)
Housing Initiatives Capacity Funding	235,500	155,000	(80,500)
Local Government Climate Action	430,960	-	(430,960)
Small Community Grant	200,000	180,000	(20,000)
Traffic Fine Revenue Sharing	300,000	306,000	6,000
TOTAL	2,328,210	1,774,750	(553,460)

Service Plans

Community safety

The Township of Esquimalt Emergency Management Program is dedicated to safeguarding the safety and well-being of residents, businesses, and visitors during emergencies such as earthquakes, severe weather events, and other disasters. The program's goal is to build a resilient community, prepared to respond and recover quickly from various hazards.

Funding supports emergency planning, training, and coordination efforts, including maintaining and updating response plans, running public education campaigns, and ensuring emergency supplies and equipment are ready for deployment. The program also invests in volunteer emergency programs, conducts joint exercises with first responders, and strengthens partnerships with regional and provincial agencies. In compliance with the Emergency and Disaster Management Act, the Township of Esquimalt meets provincial legislative requirements and actively applies for grant funding from higher levels of government to support emergency initiatives while minimizing the impact on the Township's budget.

Operating budget

	2024 Approved \$	2025 Draft \$
Total Revenue	500	500
Expenditures:		
Core	967,544	967,525
Supplemental requests:	1,000	
<i>After hours bylaw</i>		50,000
<i>Emergency Management radios</i>		2,400
<i>Emergency Support Services equipment & training (grant funded)</i>		15,150
<i>Indigenous training (grant funded)</i>		48,000
TOTAL EXPENDITURES	968,544	1,083,075

Service Plans

Corporate Services

The Corporate Services Department is responsible for providing corporate administration and legislative services. It serves and informs the Mayor and Council, the public, the Chief Administrative Officer, and all administrative departments.

The department oversees statutory requirements and notices, corporate records management and the municipal archives, freedom of information and privacy management, Council and Committee meeting management, and conducts elections and assent voting.

Corporate Services prepares meeting agendas and minutes, ensures Council Priorities and direction are implemented, provides advice and training for information and privacy management, distributes statutory notices, and preserves and makes available municipal and community records of enduring value.

Operating budget

	2024 Approved \$	2025 Draft \$
Total Revenue	0	0
Expenditures:		
Core	1,258,225	1,658,273
Supplemental Requests:	118,245	
<i>By-Election Costs</i>		86,500
<i>Staff Training</i>		1,500
<i>TAB Fusion Upgrade</i>		27,000
<i>Walking Tour Brochures</i>		2,700
TOTAL EXPENDITURES	1,376,470	1,775,973

Service Plans

Development Services

The Development Services Department is tasked with ensuring that various planning applications (Official Community Plan Amendments, Zoning Bylaw Amendments, Development Permit Applications, and Development Variance Permit Applications) are processed in an efficient and timely manner in accordance with the Local Government Act and various bylaws.

The department also approves subdivisions while following provincial acts and regulations. In addition to operational responsibilities, the department is also tasked with several council priorities related to housing and climate resilience.

Operating budget

	2024 Approved \$	2025 Draft \$
Total Revenue	40,350	40,350
Expenditures:		
Core Budget	974,410	1,017,879
Supplemental Requests:	145,500	
<i>OCP Updates</i>		10,000
<i>Consultant - Affordable Housing Strategy</i>		10,000
<i>Consultant - Short Term Rental Options</i>		75,000
TOTAL EXPENDITURES	1,139,910	1,112,879

Service Plans

Engineering & Public Works

Engineering focuses on the planning, design and project management of new infrastructure and upgrading existing infrastructure along with proposed new developments.

Public Works ensures that the existing infrastructure is maintained and operated in an effective manner as well as providing additions or improvements to existing infrastructure. The infrastructure falls into three main groups: linear (roads, sidewalks, sewers, drains), vertical (building maintenance, signage, intersections, streetlights) and mobile (purchase and maintenance of vehicles).

Operating budget

	2024 Approved \$	2025 Draft \$
Total Revenue	136,850	136,850
Expenditures:		
Core Budget	5,180,373	4,890,357
Supplemental Requests:	611,566	
<i>Pavement Condition Assessment</i>		50,000
TOTAL EXPENDITURES	5,791,939	4,940,357

Service Plans

Facilities—Gorge Pavilion

Opened in 2022, the Esquimalt Gorge Pavilion was built in Esquimalt Gorge Park where it borders the Gorge Waterway and neighbours the expanded Japanese Garden.

The building features remarkable Japanese-inspired architecture to complement the scenic Japanese Gardens. The building boasts a stunning second floor banquet/reception hall with breathtaking cedar beams and panoramic views of the Gorge Waterway.

Used for recreation programming, community events and rentals, the pavilion has become a hub of activity in only a few short years. Rentals include weddings, vow renewals, celebrations of life, conferences, and reunions to name a few. Sitting at 6000+ sq ft the Pavilion covers two floors, both with stunning views of the water.



Operating budget

	2024 Approved \$	2025 Draft \$
Total Revenue	344,400	445,800
Expenditures:		
Core	361,878	401,180
Supplemental Requests:	31,200	
Backflow Prevention		5,500
Pond Liner Maintenance		2,500
Pump Station Maintenance & Odor Control		16,500
Tables & Chairs		5,500
TOTAL EXPENDITURES	393,078	431,180

Service Plans

Financial Services

The Financial Services department is responsible for the Township's financial well-being while demonstrating public accountability and transparency. In addition to long term financial planning and annual budget preparation, investment and debt management, risk management, the department is responsible for the preparation of all statutory financial reporting, including annual audited financial statements in accordance with accepted accounting principles.

The Financial Services department levies and collects property taxes, administers accounts payable and receivable, and processes payments for licenses, permits and fines. It also calculates and administers payroll and benefits for all full-time, part-time and casual employees of the Township.

Operating budget

	2024 Approved \$	2025 Draft \$
Total Revenue	-	-
Expenditures:		
Core Budget	1,051,015	1,228,010
Supplemental Requests:	78,930	
TOTAL EXPENDITURES	1,129,945	1,228,010

Service Plans

Fire Rescue Services

Esquimalt Fire Rescue Services provides fire suppression, investigation, prevention, and education services to residents of Esquimalt. Other services the department provides include medical first responder, confined space entry and hazardous materials response

Esquimalt Fire Rescue Services provides comprehensive fire and rescue services to the community, ensuring public safety and rapid response 24/7, 365 days a year and collaborates with neighboring jurisdictions for mutual aid when needed.

In addition to emergency services, EFRS plays a key role in fire prevention through annual business inspections, building fire safety plan reviews, and public safety education, including fire safety presentations and the Youth Fire Academy.

EFRS also maintains the Public Safety Building, which houses the department's apparatus, duty crew, offices, and educational spaces. This facility supports both emergency operations and community engagement efforts.

Operating budget

	2024 Approved \$	2025 Draft \$
Total Revenue	500	500
Expenditures:		
Core Budget	6,153,545	6,644,552
Supplemental Requests:	42,700	
TOTAL EXPENDITURES	6,196,245	6,644,552



Service Plans

Human Resources & Community Relations

The HR and Community Relations Department is comprised of human resources, occupational health and safety, communications, economic development, business licenses, Indigenous relations and events including volunteer attraction and recognition.

The department supports internal and external communications, and provides HR, labour relations and occupational health and safety advice to staff.

Operating budget

	2024 Approved \$	2025 Draft \$
Total Revenue	0	0
Expenditures:		
Core	975,587	1,057,420
Supplemental Requests:	175,628	
<i>Economic Reconciliation</i>		10,000
<i>Shop Local Program</i>		5,000
<i>South Island Powwow</i>		10,000
<i>South Island Prosperity Project</i>		37,903
TOTAL EXPENDITURES	1,151,215	1,120,323

Service Plans

Information Technology

IT manages a wide range of services, including planning and implementation of a significant inventory of hardware such as workstations, mobile devices, a networked telephone system, servers, audio-visual and security equipment. In addition to providing support and training, the IT department performs system implementations and upgrades while ensuring the Township's data and network remain safe and secure. By ensuring that the Township has the appropriate technology, applications and information, it assists the various departments in maximizing business efficiencies and service delivery.

Operating budget

	2024 Approved \$	2025 Draft \$
Total Revenue	0	0
Expenditures:		
Core	860,386	1,126,059
Supplemental Requests:	189,330	
<i>Adobe Suite/Bluebeam/AssistMyTeam</i>		7,100
<i>ESET Renewal</i>		3,000
<i>Nutanix Licence & Support</i>		48,000
<i>Security Policy Development</i>		15,000
TOTAL EXPENDITURES	1,049,716	1,199,159

Service Plans

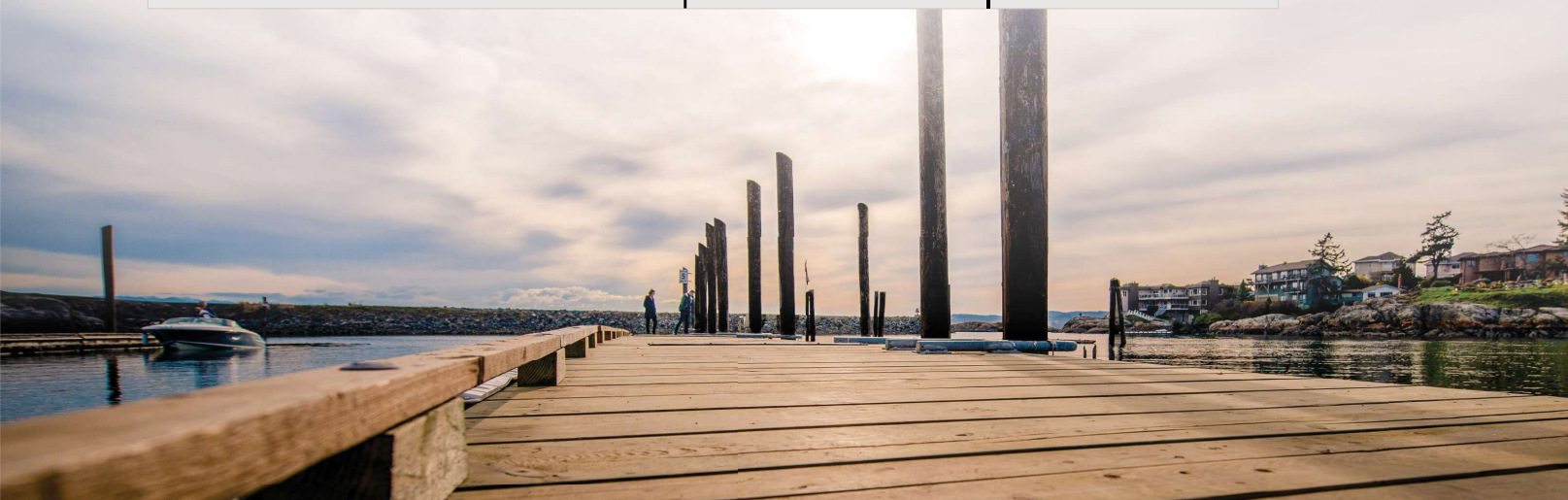
Parks

The parks department is responsible for the maintenance and conservation of Esquimalt's parks, trails, playgrounds and beaches.

This division is broken down into three distinct categories – Horticulture – Urban Forestry – Turf / Infrastructure. Service levels are set to a high standard, staff members follow principles of sustainability and ecology, ensuring that future generations will continue to enjoy our coastal and upland parks and greenways.

Operating budget

	2024 Approved \$	2025 Draft \$
Total Revenue	55,080	57,532
Expenditures:		
Core	2,379,608	2,389,345
Supplemental Requests:	151,100	
<i>Bollard Replacements – Gorge Park</i>		3,000
<i>Fencing Replacement – Glen Vale</i>		3,500
<i>Lawn Addition – Gorge Park</i>		3,500
<i>Public Art Beautification</i>		5,000
<i>Water Fountain – Adventure Park</i>		10,000
TOTAL EXPENDITURES	2,530,708	2,414,345



Service Plans

Recreation

The primary purpose of Esquimalt's recreation department is to enhance the quality of life for residents by providing opportunities for sport, recreation, arts, cultural events and community engagement.

The department focuses on promoting healthy lifestyles, fostering social connections, and supporting community development. The recreation department offers a full complement of services including swimming pool, hockey arena, curling arena, fitness gym and a host of unique rental spaces.

The recreation division delivers extensive community programs including childcare, swimming lessons and provides a wide range of opportunities for Esquimalt residents. The recreation facilities department manages all aspects of operations, maintenance and capital repairs for the Archie Browning Sports Centre, Esquimalt Recreation Centre, and Gorge Park Pavillion.

Operating budget

	2024 Approved \$	2025 Draft \$
Total Revenue	3,856,169	4,329,789
Expenditures:		
Core	7,543,031	8,246,012
Supplemental Requests:	265,660	
<i>Backflow Prevention</i>		5,500
<i>Compressor Overhaul</i>		10,000
<i>Fitness Equipment Replacement</i>		20,000
<i>Heat Exchanger Replacement</i>		10,300
<i>Hot Water Tanks – Recreation Centre & Sports Centre</i>		22,950
<i>LIFE Pass Subsidy</i>		25,000
<i>Recreation Strategic Plan</i>		75,000
<i>Tents, Equipment, Tables & Chairs</i>		8,500
TOTAL EXPENDITURES	7,415,163	8,011,082

Capital plan

Project	2025 \$	2026 \$	2027 \$	2028 \$	2029 \$
<i>Public Safety Building</i>	36,197,632				
Information Technology					
<i>Desktops, Laptops & Monitors</i>	65,638	15,400	15,200	27,800	27,800
<i>Network Servers & Switches</i>	89,707	170,000	10,000	4,000	22,000
<i>Engineering Workstations</i>	30,000				30,000
<i>Telephone System</i>	3,330	2,000	2,000	2,000	2,000
<i>Council Chambers A/V</i>	4,000				
<i>Bylaw Ticketing Module</i>	40,000				
<i>Building Applications Module</i>	27,500				
<i>Digital Signage</i>		14,400			
<i>Data Terminals – Fire</i>		50,000			
<i>Surveillance Systems</i>			7,000		20,000
Protective Services					
<i>Duty Vehicle (#F701)</i>	110,000				
<i>Hose & Nozzle Replacement</i>	30,000				

Capital plan

Project	2025 \$	2026 \$	2027 \$	2028 \$	2029 \$
Roads and Streets					
Road Infrastructure Maintenance	200,000	200,000	200,000	200,000	200,000
Tillicum Road Cross Section	20,000				
Street Banner Replacement	29,624				
Traffic Calming Infrastructure	50,000	50,000	50,000	50,000	50,000
Crossing Improvements – Craigflower	475,000				
Crossing Improvements – Dominion/Ellery	72,907				
Esquimalt Road – Phase 1	2,815,614				
Esquimalt Road – Phase 2	3,679,919				
Speed Limit Reduction Signs	55,345				
Street Light Replacement	75,000	75,000			
ATP – Head Street		350,000			
Intersection – Colville/Admirals		75,000	200,000		
Traffic Signal Renewals		50,000	150,000	50,000	150,000
Road Pavement Renewals		250,000	250,000	500,000	500,000
Storm & Sanitary					
Sanitary Sewer Renewals	1,245,734	1,833,000	1,750,000	2,000,000	2,250,000
Storm Drain Replacements	96,509	50,000	50,000	50,000	50,000
Storm Sewer Renewals		100,000	250,000	500,000	750,000
New connections	50,000	50,000	50,000	50,000	50,000

Capital plan

Project	2025 \$	2026 \$	2027 \$	2028 \$	2029 \$
Public Works					
GPS Survey Equipment	55,000				
Fuel Tank Replacement	50,109				
Roof Replacement – Municipal Hall	400,000				
Street Sweeper (U211)	360,000				
Garbage Trucks (U224 & U225)	600,000			1,000,000	
Survey Van (U179)	80,000				
Crack Sealer Equipment	100,000				
Garbage Bin Enclosures		120,000	120,000	150,000	175,000
Memorial Park Flagpole		40,000			
EV Charging Infrastructure		40,000	100,000		
Compact Garbage Truck			250,000		
Truck (Replace U211)			220,000		
Truck (Replace U183)				100,000	
Sidewalks					
Accessibility Ramps	25,000	75,000	75,000	75,000	75,000
Westbay Walkway Improvements	118,558		750,000		
Pedestrian Safety – Constance	25,552				
Sidewalk Replacement – Dunsmuir	40,000				
Sidewalk – Munro	88,555				
Sidewalk – Bewdley		900,000			
Sidewalk – Wychbury			450,000		
Sidewalk – Old Esquimalt Road				615,000	
Sidewalk – Grafton					350,000
Sidewalk- Kinver		843,197			

Capital plan

Project	2025 \$	2026 \$	2027 \$	2028 \$	2029 \$
Parks & Recreation					
Pool Filter	44,000				
Crowsnest Fitness Configuration	17,791				
Green Shores Design	100,130				
Truck (Replace U170 & U177)	85,000	85,000			
Turf Field Mower (Replace U218)	78,000				
Covered Bicycle Parking	36,000				
Reception Desk Enclosure	50,000				
Arena Floor Replacement – SC	1,000,000	1,700,000			
Shed Replacement – Memorial Park	35,000				
Solar Panels & Heat Pump – Parks Nursery	56,000				
Walk Behind Scrubber	12,000				
Accessible Swing – Adventure Park	40,000				
Roof Replacement – RC		441,548	945,208		
HVAC Replacement – RC		848,720			
Small equipment purchases	10,000	10,000	10,000	10,000	10,000
Parking Lot Overlay			750,000		
TOTAL CAPITAL	48,970,154	8,438,265	6,654,408	5,383,800	4,711,800

Debt management

British Columbia municipalities may borrow through the Municipal Finance Authority (“MFA”) to finance capital expenditures. The MFA’s structure and purpose provides municipalities with the unique opportunity to access relatively inexpensive debt financing.

To access long term borrowing, municipalities must seek authorization from their respective regional district. This legislated relationship creates a joint and several-liability between the regional district members and helps maintain the MFA’s triple-A credit rating.

Debt principal payments paid to the MFA on long term debt are reinvested and generated returns are reduced from the outstanding debt balance (referred to as “actuarial adjustments”).

The following is a summary of the Township’s current outstanding long-term debt:

LA Bylaw	Purpose	Current Rate	Debt Issued	Term (Years)	Maturity
2565	Sewer Inflow & Infiltration	0.91%	\$2,012,000	20	2025
2565	Sewer Inflow & Infiltration	1.53%	\$1,129,000	20	2026
2565	Sewer Inflow & Infiltration	3.90%	\$2,353,000	20	2027
3021	Public Safety Building	2.58%	\$35,000,000	30	2051

Debt management

The Community Charter and Municipal Liabilities Regulation establishes debt limits for the Township by defining a liability servicing limit. A municipality may not incur debt if the total annual debt servicing cost is greater than 25% of the annual controllable sustainable revenues. Such revenues include property taxes, payments in lieu of taxes, building permit revenue, user fees and unconditional grants.

The Township's annual sustainable revenues will exceed \$48M, making the liability servicing limit approximately \$12M. Annual debt servicing costs for existing debt are not expected to exceed \$2.09M which represents approximately 17% of the Township's allowable limit.

Projected debt payments (interest and principal) for the next five years:

Year	Opening Balance	Principal	Interest	Actuarial Adjustments	Ending Balance
2025	33,228,320	1,037,735	1,030,349	217,981	31,972,604
2026	31,972,604	955,749	1,012,040	190,179	30,826,676
2027	30,826,676	917,835	948,883	174,193	29,734,648
2028	29,734,648	829,477	903,000	118,470	28,786,701
2029	28,286,701	829,477	903,000	139,799	27,817,425

Reserve funds

The Township has various statutory reserve funds which have established through bylaw and are typically intended to support capital projects.

In addition, the Township has operating reserve and unappropriated surplus accounts which do not have specific conditions and are used to fund larger or infrequent expenditures.

Statutory Reserves	2025 Opening Balance	Transfers In	Uses of	2025 Ending Balance
Capital Projects	4,891,117	1,835,683	(4,371,406)	2,355,394
Eva Chafe	31,533	1,576	0	33,109
Growing Communities	5,131,125	256,556	0	5,387,681
Infrastructure	2,692,390	1,358,000	(2,178,406)	1,871,984
Local Improvement	229,332	16,152	0	245,484
Machinery & Equipment	2,559,160	487,958	(1,727,045)	1,320,073
Municipal Archives	4,885	244	0	5,129
Park Land Acquisition	1,248,387	62,419	0	1,310,806
Public Art	123,297	22,076	0	145,373
Sustainability	595,305	29,765	(36,000)	589,070
Tax Sale Lands	136,546	6,827	0	145,373
Reserve Accounts				
Canada Community Building Fund	2,090,590	966,286		
Casino Revenue Sharing	460,460	295,023	(431,234)	324,249
Host Mitigation Impact	534,677	96,333	0	631,010
TOTAL	20,728,804	5,434,898	(8,744,091)	17,419,611



Township of
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