

BUDGET OVERVIEW

2026





TABLE OF CONTENTS

Budget Overview	2
Community Overview	3
Organizational Profile	4
Organizational Chart	5
Long-term Financial Policies	6
Council Priorities	7
Budget Drivers	8-9
Consolidated Budget: Summary	10
Consolidated Budget: 5 Year Plan	11
Consolidated Budget: 5 Year Plan	12
Revenue Discussion	13-15
Service Plans	
—Corporate Services	16
—Development Services	17
—Engineering & Public Works	18
—Financial Services	19
—Fire Rescue Services	20
—Human Resources & Community Relations	21
—Information Technology	22
—Parks	23
—Recreation	24
—Strategic Initiatives	25
Capital plan	26-29
Debt management	30-31
Reserve funds	32

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 2026-2030 Financial Plan continues the strategy of looking for efficiencies and cost savings in operations and prioritizing investment in infrastructure replacement.

Overall, the draft financial plan includes a 13.00% 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 2026-2030 Financial Plan includes capital requests of \$45.1 million which includes \$27.1 million related to the public safety building construction and \$18.0 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 *lək'wənjən* 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.

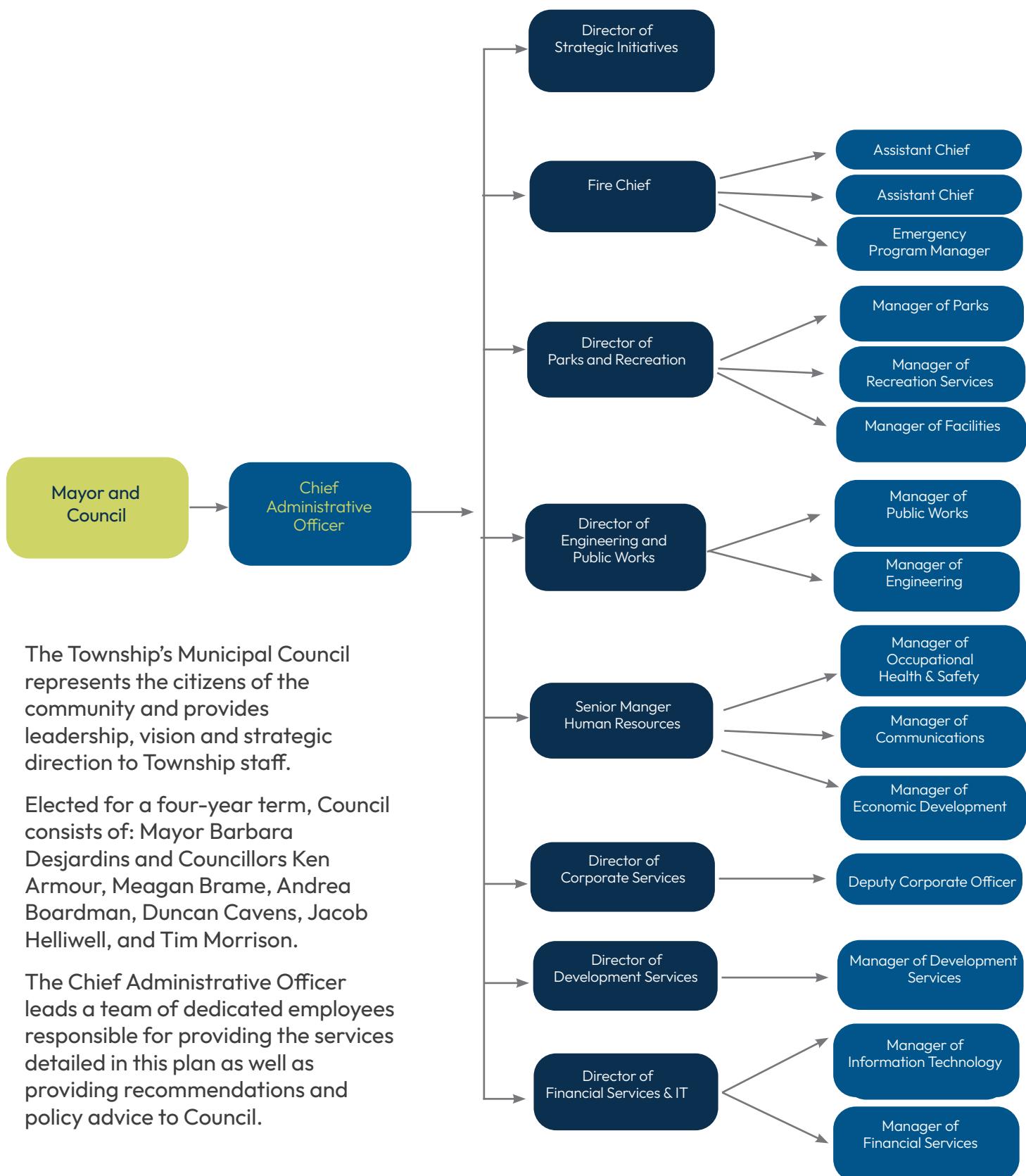
At the end of 2025, the Township employed approximately 146 staff. In addition to new resources, the detailed table has been updated for internal departmental moves.



Staffing (full time equivalent) table

	2022	2023	2024	2025	2026	Change 2022-2026
Corporate Services	6.5	5.5	5.0	7.0	8.0	+1.5
Development Services	6.5	6.5	6.5	7.0	9.0	+2.5
Engineering	10.0	11.0	11.0	11.0	12.0	+2.0
Finance	8.0	8.0	9.0	9.0	9.0	+1.0
Fire & Emergency Mgmt	28.0	28.0	32.0	33.0	38.0	+10.0
Human Resources	3.0	3.5	5.0	5.0	6.0	+3.0
Information Technology	3.0	3.0	4.0	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	27.0	28.0	29.0	29.0	29.0	+2.0
Strategic Initiatives/CSS	4.5	4.5	5.5	5.0	3.0	-1.5
TOTAL FTE	132.5	134.0	143.0	146.0	154.0	+21.5

Organizational Chart



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 2026 expenditures are incurred under the authority of the 2025-2029 financial plan until the 2026-2030 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 2026-2030 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.



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

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, climate change, increasing accessibility, and medical services 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.

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.

Long-term infrastructure: the draft financial plan includes an increase to tax-funded reserve contributions each year by 3.00% to close the gap between future replacement costs and current infrastructure reserve funding.

Of this increase, 2.00% is allocated to the Infrastructure Reserve Fund for capital projects and 1.00% is added to the Machinery & Equipment Reserve Fund for fleet and equipment replacement.

Budget Drivers

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. Council has the opportunity to ask questions about operations and governance

The 2026 preliminary budget includes an increase of 9.82% over the 2025 request. This is comprised of increased costs for annual core increases and new staff resource requests and represents a significant component of the Township's overall tax increase. Historically, the policing costs have consistently represented almost 25% of Township operating costs however, the amount requested has grown significantly.

[Read the full 2026 provisional policing budget on Esquimalt.ca/Budget](https://www.esquimalt.ca/Budget)

Township policing costs 2022-2026

2022:	2023:	2024:	2025:	2026:
\$8,483,353	\$9,222,885	\$9,861,157	\$10,835,618	\$11,980,304

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 2026 draft budget summary:

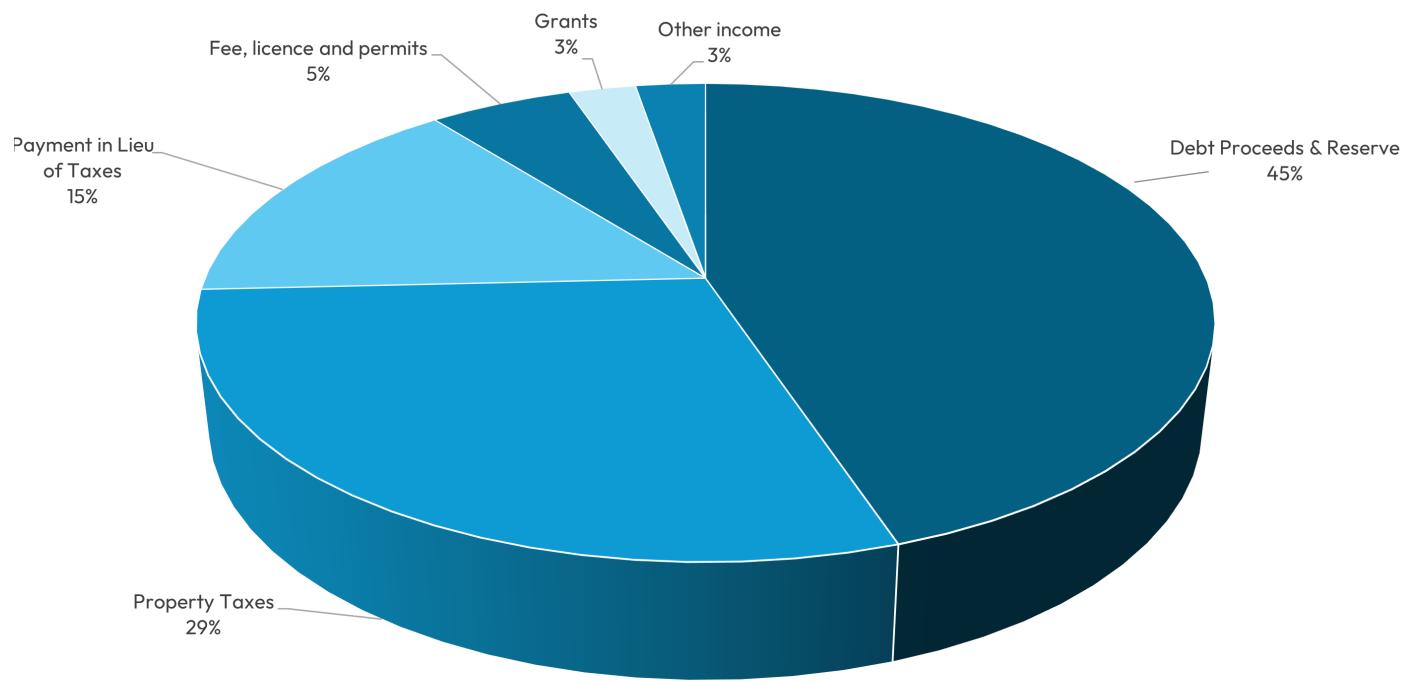
Revenues	56,048,122
Transfers from Reserves	24,478,870
Debt Proceeds	21,126,001
Total Revenue, Transfers & Debt	101,652,993
Operating Expenditures	48,510,307
Capital Expenditures	45,085,801
Transfers to Reserves	6,067,194
Debt Repayments	1,989,691
Total Expenditures, Transfers & Debt Repayment	101,652,993

LEARN MORE ABOUT SUPPLEMENTAL BUDGET REQUESTS:

FIND THE LIST AT ESQUIMALT.CA/BUDGET

Consolidated Budget: 5 Year Plan

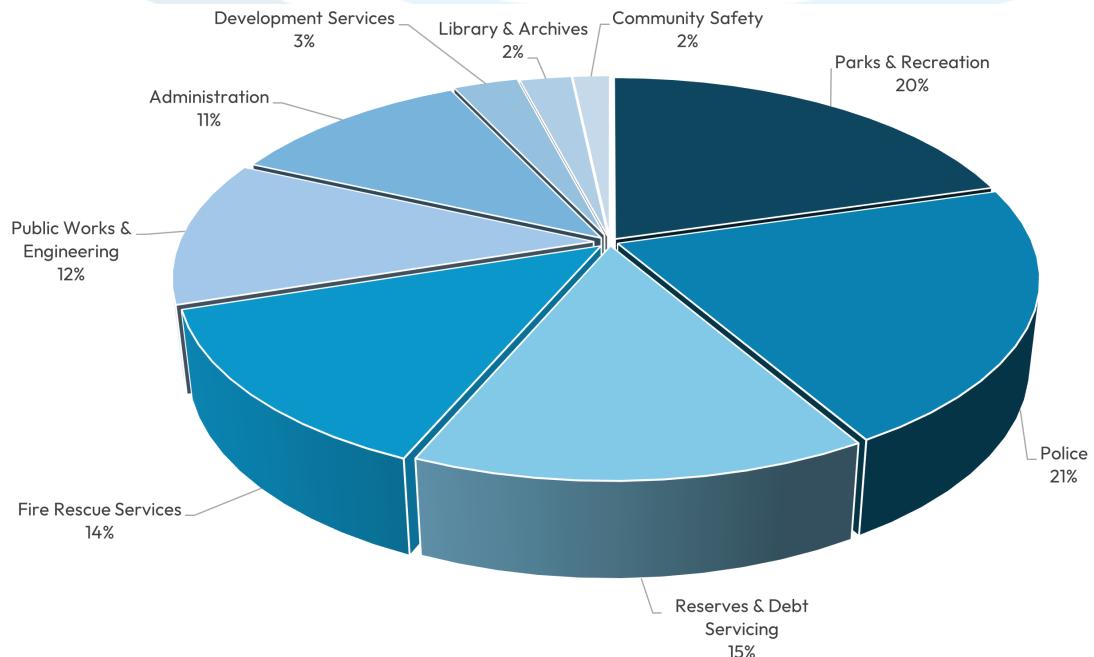
Revenues



Revenues	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget
Property Taxes	29,858,906	31,932,188	34,138,444	36,129,907	38,310,293
Payment in Lieu of Taxes	15,381,861	16,449,916	17,586,471	18,612,377	19,735,606
1% Utility Revenue	249,401	251,896	254,414	256,958	259,528
Grants in Lieu	157,100	160,900	164,000	167,100	170,200
Recreation Fees	4,810,247	4,888,247	5,013,247	5,142,247	5,142,247
Department Cost Recoveries	661,515	566,695	591,695	591,695	591,695
Tax Penalties and Interest	253,000	253,000	253,000	263,000	273,000
Government Grants	2,423,792	2,007,137	1,701,727	1,716,727	1,736,727
Licence, Permit and Fee Revenue	718,200	790,200	825,200	863,200	888,200
Investment Income	965,000	968,000	1,006,000	1,054,000	1,082,000
Contributions and Donations	567,600	97,527	100,346	103,583	106,833
Debt Proceeds	21,126,001	-	-	-	-
Reserve Transfers	24,478,870	7,192,528	6,103,800	4,886,800	5,399,100
TOTAL REVENUE	101,651,493	65,558,234	67,738,344	69,787,594	73,695,429

Consolidated Budget: 5 Year Plan

Expenditures



Expenditures	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget
Legislative Services	441,441	392,241	401,041	409,891	417,891
Corporate Services	1,507,966	1,461,816	1,510,816	1,559,816	1,696,316
Finance	1,886,643	1,828,643	1,877,643	1,927,643	1,979,643
HR & Community Relations	1,214,717	1,148,113	1,279,985	1,317,985	1,355,985
Information Technology	1,256,298	1,255,798	1,278,798	1,301,798	1,326,798
Fire Rescue Services	7,652,951	7,714,121	8,034,121	8,360,121	8,688,121
Police	11,985,772	12,859,266	13,859,266	14,859,266	15,859,266
Strategic Initiatives	952,568	983,568	1,025,568	1,058,068	1,091,568
Public Works & Engineering	5,027,858	4,678,408	4,946,008	5,063,708	5,185,508
Garbage & Sewer	1,703,493	1,668,493	1,673,493	1,680,493	1,686,493
Development Services	1,678,378	1,813,145	1,335,145	1,335,145	1,376,645
Parks & Recreation	11,555,161	11,736,661	12,063,661	12,400,661	12,739,661
Library & Archives	1,336,561	1,399,561	1,462,561	1,525,561	1,588,561
Fiscal	309,000	310,500	311,500	312,500	312,500
Debt Servicing	1,989,691	1,934,503	1,754,378	1,754,378	1,754,378
Capital Projects	45,085,801	7,607,408	6,153,800	4,936,800	5,449,100
Reserves	6,067,194	7,340,989	8,770,560	9,983,760	11,186,995
TOTAL EXPENDITURES	101,651,493	65,558,234	67,738,344	69,787,594	73,695,429

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 29% of the total revenue and 34% 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 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 2026, 1% of revenues are forecasted as follows:

Utility revenue

Company	2024 Revenue	2025 Revenue	2026 Estimated
BC Hydro	174,100	187,600	185,400
Fortis	49,500	45,600	37,500
Rogers	19,700	18,700	16,800
Telus	15,100	13,200	9,700
TOTAL	258,400	265,100	249,400



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 costs and it varies from year to year.

Grants & other funding

	2024 Budget	2025 Budget	2026 Estimated
Canada Community Building Fund	861,750	861,750	861,750
Casino Revenue	300,000	272,000	272,000
Housing Initiatives Capacity Funding	235,500	155,000	-
Local Government Climate Action	430,960	-	-
Small Community Grant	200,000	180,000	190,000
Traffic Fine Revenue Sharing	300,000	306,000	290,000
TOTAL	2,328,210	1,774,750	1,613,750

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 Approved	2026 Requested
Revenue/Recovery	-	-	57,300
Expenditures:			
Core	1,351,581	1,660,723	1,915,804
Supplemental Requests	16,700	118,250	144,400
Staffing Requests	86,295	88,810	-
TOTAL EXPENDITURES	1,454,576	1,867,753	2,060,204

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 Approved	2026 Requested
Revenue/Recovery	40,350	40,350	50,350
Expenditures:			
Core Budget	974,410	1,017,879	1,195,645
Supplemental Requests	145,500	95,000	75,000
Staffing Requests	-	-	120,733
TOTAL EXPENDITURES	1,139,910	1,112,879	1,390,378

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 Approved	2026 Requested
Total Revenue	136,850	242,685	267,685
Expenditures:			
Core Budget	5,180,373	4,890,357	5,057,186
Supplemental Requests	611,566	50,000	95,000
TOTAL EXPENDITURES	5,791,939	4,940,357	5,152,186

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 Approved	2026 Requested
Revenue	-	-	-
Expenditures:			
Core Budget	1,051,015	1,228,010	1,379,583
Supplemental Requests	78,930	-	-
Staffing Requests	103,824	-	-
TOTAL EXPENDITURES	1,233,769	1,228,010	1,379,583

Service Plans

Fire Rescue Services

Esquimalt Fire Rescue Services provides fire and emergency response services to residents of the Township of Esquimalt. Core responsibilities include fire suppression, fire investigation, inspections, and fire prevention.

EFRS delivers specialized emergency response capabilities, including medical first aid, confined space entry, technical high-angle rope rescue, and hazardous materials response. The department works collaboratively with neighbouring fire departments to provide mutual aid when incidents exceed local capacity or require specialized resources.

Fire prevention and life safety are central to EFRS operations. The department conducts annual business inspections, reviews building fire safety plans, and delivers public education initiatives, including community fire safety presentations and the Youth Fire Academy.

EFRS is responsible for operating and maintaining the Public Safety Building, which houses frontline apparatus, duty crews, administrative offices, and training spaces. This facility supports emergency response, operational readiness, and community engagement.

The Emergency Management and Resiliency Program prepares the township for major emergencies and disasters, including earthquakes, severe weather events, wildfires, and other hazards. The program's mandate is to build community resilience by ensuring the municipality can effectively respond, manage, and recover from emergencies.

The program oversees emergency planning, training, and coordination, including maintaining emergency response and recovery plans, delivering public preparedness initiatives, and ensuring emergency supplies and equipment are ready for deployment. The program includes a volunteer Emergency Support Services team and a FireSmart Coordinator focused on wildfire risk reduction. The township meets provincial legislative requirements and actively pursues grant funding to support emergency preparedness and resilience initiatives while minimizing impacts on the municipal budget.

Operating budget

	2024 Approved	2025 Approved	2026 Requested
Revenue/Recovery	24,100	65,550	276,047
Expenditures:			
Core Budget	6,153,545	6,644,552	6,914,959
Supplemental Requests	42,700	65,550	211,680
Staffing Requests		101,913	511,162
TOTAL EXPENDITURES	6,196,245	6,812,015	7,637,801

Service Plans

Human Resources & Community Relations

The HR and Community Relations Department integrates human resources, occupational health and safety, communications, economic development, business licensing and community events, including volunteer attraction and recognition.

The department supports the organization through coordinated internal and external communications and provides strategic human resources, labour relations, and occupational health and safety advice to staff.

Operating budget

	2024 Approved	2025 Approved	2026 Requested
Revenue	-	-	-
Expenditures:			
Core	975,587	1,057,420	1,013,603
Supplemental Requests	175,628	62,903	71,850
Staffing Requests	-	-	104,264
TOTAL EXPENDITURES	1,151,215	1,120,323	1,189,717

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 Approved	2026 Requested
Revenue	-	-	-
Expenditures:			
Core	860,386	1,126,059	1,216,398
Supplemental Requests	189,330	73,100	19,400
Staffing Requests	103,284	-	-
TOTAL EXPENDITURES	1,153,000	1,199,159	1,235,398

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 Approved	2026 Requested
Total Revenue	55,080	57,532	69,382
Expenditures:			
Core	2,379,608	2,389,345	2,438,921
Supplemental Requests:	151,100	25,000	103,500
TOTAL EXPENDITURES	2,530,708	2,414,345	2,542,421



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 recreation department offers a full compliment of services including swimming pool, hockey arena, curling arena, fitness gym and a host of unique rental spaces.

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 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 facility has multiple uses including recreation programming, community events and rentals for various events and celebrations.

Operating budget

	2024 Approved	2025 Approved	2026 Requested
Total Revenue	4,200,569	4,775,589	4,740,865
Expenditures:			
Core	7,904,909	8,647,192	8,762,740
Supplemental Requests:	296,860	207,250	110,000
TOTAL EXPENDITURES	8,201,769	8,854,442	8,873,740

Service Plans

Strategic Initiatives

The Strategic Initiatives Department leads the coordination and oversight of Council's Priorities Plan and other key strategic projects.

The department manages key intergovernmental partnerships, including the policing agreement with VicPD, municipal bylaws, and relationships with First Nations.

Through strategic planning, innovation, and continuous improvement, the department ensures alignment with Council's vision and supports the organization in advancing long-term priorities.

Operating budget

	2024 Approved	2025 Approved	2026 Requested
Total Revenue	500	500	-
Expenditures:			
Core	967,544	967,525	892,568
Supplemental requests:	1,000	115,550	20,000
TOTAL EXPENDITURES	968,544	1,083,075	912,568



Capital plan

Project	2026	2027	2028	2029	2030
Public Safety Building	27,126,001				
Information Technology					
Desktops, Laptops & Monitors	58,205	15,200	27,800	27,800	27,800
Network Servers & Switches	304,707	10,000	4,000	22,000	4,000
Engineering Workstations	30,000			30,000	
Telephone System	5,330	2,000	2,000	2,000	2,000
Council Chambers A/V	4,000				
Digital Signage	14,400				
Data Terminals - Fire	45,000				
Surveillance Systems		7,000		20,000	20,000
Protective Services					
Duty Vehicle	20,255				
Hose & Nozzle Replacement	29,785				

LEARN MORE ABOUT THESE PROJECTS IN OUR
2026 CAPITAL PROJECT GUIDE.

FIND IT AT ESQUIMALT.CA/PROJECTS

Capital plan

Project	2026	2027	2028	2029	2030
Roads and Streets					
Road Infrastructure Maintenance	200,000	200,000	200,000	200,000	200,000
Tillicum Bridge Repairs	40,000	150,000			
Traffic Calming Infrastructure	50,000	50,000	50,000	50,000	50,000
Crossing Improvements – Craigflower	148,620				
Parking Action Plan	150,000				
Esquimalt Road – Phase 1	2,401,070				
Esquimalt Road – Phase 2	3,679,583				
Street Light Replacement	75,000	50,000	10,000	10,000	10,000
Traffic Signal Renewals	50,000	100,000	250,000	100,000	100,000
Road Pavement Renewals	250,000	250,000	500,000	500,000	1,000,000
ATP – Head Street		350,000			
Intersection – Colville/Admirals		75,000	200,000		
Storm & Sanitary					
Sanitary Sewer Renewals	2,960,545	1,750,000	2,000,000	2,250,000	2,500,000
Storm Drain Replacements	50,000	50,000	50,000	50,000	50,000
Storm Sewer Renewals	100,000	250,000	500,000	750,000	750,000
New connections	50,000	50,000	50,000	50,000	50,000

Capital plan

Project	2026	2027	2028	2029	2030
Public Works					
Garbage Trucks	268,044		1,000,000		
Survey Van	80,000				
Garbage Bin Enclosures	175,000	175,000	175,000	175,000	
Memorial Park Flagpole	40,000				
EV Charging Infrastructure	40,000	100,000			
Concrete Formwork Trailer	25,000				
Compact Garbage Truck		250,000			
Truck Replacement		220,000			
Truck Replacement			100,000		
Sidewalks					
Accessibility Ramps	50,000	75,000	75,000	75,000	75,000
Westbay Walkway Improvements	118,558	250,000	500,000		
Sidewalk - Kinver	843,197				
Sidewalk - Bewdley		900,000			
Sidewalk - Wychbury			450,000		
Sidewalk - Old Esquimalt Road				615,000	
Sidewalk - Grafton					350,000

Capital plan

Project	2026	2027	2028	2029	2030
Parks & Recreation					
Pool Pump	25,000				
Pool Lift	30,000				
Green Shores Design	11,000				
Truck Replacement (Electric)	85,000				
Steam Room Renovation	50,000				
Covered Bicycle Parking	36,000				
Reception Desk Enclosure	45,037				
Arena Floor Replacement - SC	2,654,916				
Dock Infrastructure	700,000				
Electrical Panel	25,000				
Adventure Park Resurfacing	170,000				
Energy Conservation - Phase 1	135,000				
Event and Electrical Equipment	25,000				
Utility Cart (Electric)	45,000				
Curling Rock Replacement	150,000				
Accessibility Equipment - Adventure Park	65,000				
Roof Replacement - RC	441,548	945,208			
HVAC Replacement - RC	900,000				
Small equipment purchases	10,000	10,000	10,000	10,000	10,000
Parking Lot Overlay		750,000			
Energy Conservation - Phase 2		673,000			
TOTAL CAPITAL	45,085,801	7,707,408	6,153,800	4,936,800	5,198,800

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	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 \$40M, making the liability servicing limit approximately \$10M. 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
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
2030	27,817,425	829,477	903,000	161,608	26,826,340

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	2026 Opening Balance	Transfers In	Uses of	2026 Ending Balance
Capital Projects	6,082,320	2,102,246	(7,641,150)	543,416
Eva Chafe	32,304	484	-	32,788
Growing Communities	5,256,510	78,848	-	5,335,358
Infrastructure	3,765,811	1,845,648	(5,070,986)	540,473
Local Improvement	238,880	3,583	-	242,463
Machinery & Equipment	1,570,487	959,705	(1,099,941)	1,430,251
Municipal Archives	5,027	75	-	5,102
Park Land Acquisition	1,278,890	19,183	-	1,298,073
Public Art	139,711	22,509	-	162,220
Sustainability	585,422	8,781	(127,775)	466,428
Tax Sale Lands	139,883	2,098	-	141,981
Reserve Accounts				
Canada Community Building Fund	2,699,889	861,757	(2,873,223)	688,423
Casino Revenue Sharing	592,298	277,923	(452,795)	417,426
Host Mitigation Impact	547,961	79,211	-	627,172
TOTAL	22,935,393	6,262,051	(17,265,870)	11,931,574



Township of
ESQUIMALT

esquimalt.ca | 2026