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REPORT TO SALT SPRING ISLAND LOCAL COMMUNITY COMMISSION
MEETING OF THURSDAY, AUGUST 13, 2026

SUBJECT **2027 Provisional Salt Spring Island Local Community Commission Budget Review**

ISSUE SUMMARY

To present the 2027 Salt Spring Island Local Community Commission (LCC) budget and obtain recommendations from the LCC to forward to the Capital Regional District (CRD) Board for approval.

BACKGROUND

The (CRD) provides a range of regional, sub-regional and local services to the community. Regional services are provided to the entire region, sub-regional services are provided to groups of participating Municipalities, First Nations and Electoral Areas and Local Services are provided to single Municipalities, Electoral Areas or to groups of residents within local service areas. The CRD provides services to approximately 11,635 Salt Spring Island residents.[1]

Budgets for review are specific to LCC governed services. These services delivered are established by the *Local Government Act and* Service Establishment Bylaws, and guided by the Board strategic plan, and corporate service plans.

Budget Approval Process

Under budget direction provided by the Board, review and recommendation for approval of 12 Salt Spring Island service budgets are delegated to the LCC. These budgets are preliminary for review, and it is expected the LCC will make recommended changes to the CRD Financial Plan. The CRD Provisional Financial Plan will be presented to the CRD Board on September 23, 2026. Additional changes by the LCC to the budget following provisional approval by the CRD Board will be considered by the Board at final budget approval in March 2027.

Service Planning and Budget Development

The 2027 service planning process marks the first year of the four-year strategic and corporate planning cycle. The planning cycle is designed to ensure alignment and implementation of strategic objectives during the election term. A corporate plan will be prepared to incorporate new and revised priorities following local government elections in the fall of 2026. Any changes to service levels and financial plans are brought forward in the annual planning cycle.

Similar to previous years, the Service and Financial Planning Guidelines will be reviewed by the Finance Committee and approved by the Board. These guidelines help manage finances considering trends, assumptions, and factors affecting the organization. For 2027, staff attempted to balance cost pressures with maintaining essential services within previous directions.

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[1] 2021 Census Data

As part of the planning process, the Executive Leadership Team (ELT) has met multiple times over recent months to review individual service plans, initiative business cases, and financial implications in alignment with the corporate plan and Board approved financial planning guidelines. ELT has prioritized initiatives in consideration of fiscal constraints, organizational capacity, and workforce pressures.

Budget development is based on resources required for the delivery of core services, impacts of new initiatives through service planning, proposed capital programming, and other cost pressures such as inflation and contractual agreements. Service budgets include operating and capital plans in addition to any changes in reserve funds. A detailed discussion of main budget drivers for each LCC service is included in this report supported by Appendix A, B, C and D.

ALTERNATIVES

Alternative 1
The Salt Spring Island Local Community Commission recommends the Committee of the Whole recommend to the Capital Regional District Board:

1. That the 2027 Salt Spring Island Local Community Commission Service Budgets be given provisional approval as presented; and
2. That the new initiatives identified in Appendix B remain in the Five-Year Financial Plans.
3. That the new initiatives identified in Appendix C for January 1, 2027, implementation be approved for expenditure.

Alternative 2
The Salt Spring Island Local Community Commission recommends the Committee of the Whole recommend to the Capital Regional District Board:

1. That the 2027 Electoral Area Services Budgets be given provisional approval with specific direction on amendments; and
2. That the new initiatives identified in Appendix B remain in the Five-Year Financial Plan with specific direction on amendments.
3. That the new initiatives identified in Appendix C for January 1, 2027, implementation be approved with specific direction on amendments.

IMPLICATIONS

Financial Implications

Requisition

Table 1 summarizes the change in tax requisition from the 2026 final to 2027 provisional for each service.

Table 1: 2027 Provisional vs 2026 Final Requisition

Salt Spring Island LCC Services	Requisition/Parcel Tax			
	2027	**2026**	**$ Chg**	**% Chg**
Parks and Recreation Services	3,329,250	3,159,695	169,555	5.4%
Small Craft Harbour (Fernwood Dock) *	32,836	19,677	13,159	66.9%
Community Transit	522,410	496,500	25,910	5.2%
Community Transportation	112,268	62,789	49,479	78.8%
Septage/Composting*	425,239	416,491	8,748	2.1%
Library	804,010	804,013	(3)	0.0%
Economic Development	137,587	85,672	51,915	60.6%
Arts	162,373	154,361	8,012	5.2%
Grants-in-Aid	86,938	75,960	10,978	14.5%
Street Lighting	35,572	34,354	1,218	3.5%
Search and Rescue	28,280	27,696	584	2.1%
Livestock Injury Comp.	-	-	-	0.0%
	5,676,763	**5,337,208**	**339,555**	**6.4%**

**Services funded by Parcel Tax*

The actual tax rates impact to residents will vary depending on the specified and defined service areas in which they reside in addition to their individual 2027 property assessment values. The 2027 preliminary requisition impact shown in Table 1 reflects the 2026 assessment values from BC Assessments. New assessment information will be incorporated in the final budget when revised data is released by BC Assessments in early February 2027.

Operating Budget Overview

Table 2 summarizes the change in expenditures from 2026 final budget to the 2027 provisional budget.

Table 2: Summary of Operating Budget (2027 Provisional vs 2026 Final)

Salt Spring Island LCC Services	Total Expenditure			
	2027	**2026**	**$ Chg**	**% Chg**
Parks and Recreation Services	4,337,460	4,085,195	252,265	6.2%
Small Craft Harbour (Fernwood Dock)	33,006	19,847	13,159	66.3%
Community Transit	747,245	733,695	13,550	1.8%
Community Transportation	112,438	63,179	49,259	78.0%
Septage/Composting	1,365,919	1,276,792	89,127	7.0%
Library	805,140	806,113	(973)	-0.1%
Economic Development	138,207	108,008	30,199	28.0%
Arts	162,573	154,551	8,022	5.2%
Grants-in-Aid	87,028	96,100	(9,072)	-9.4%
Street Lighting	35,622	34,394	1,228	3.6%
Search and Rescue	28,380	31,831	(3,451)	-10.8%
Livestock Injury Comp.	3,158	3,158	-	0.0%
	7,856,176	**7,412,863**	**443,313**	**6.0%**

The provisional 2027 operating budget is $7.8 million, an increase of $0.4 million or 6% from 2026. The changes in operating expenditure greater than $10,000 are primarily due to the following:

- Supplementary items identified in Appendix B.
- Wage increases driven by new collective agreement
- One-time reductions in transfers to reserves, which have now been restored to the 2025 contribution levels.

Capital Budget Overview

Capital plan highlights including capital projects for each service are listed within each budget package. Capital plans are developed through a process of reviewing:

- Projects in progress
- Condition of existing assets and infrastructure
- Regulatory, environmental, risk, health and safety
- New or renewal initiatives prioritized by each service

Funding to support capital projects is funded by Capital on Hand, Capital Reserve Funding, debt and grant funding including Community Works Funding (CWF). A summary of CWF allocations in 2027 by service has been included in (Appendix D).

The following table summarizes the 2027 capital plan including the funding sources details for each service.

Table 3 - Summary of 2027 Provisional Capital Plan

Salt Spring Island LCC Services	Capital Funds on Hand	Debt	Equipment Repl. Fund	Grants	Capital Reserve	2027 Total
Parks and Rec Services	691,500	1,750,00	160,000	1,485,000	403,500	**4,490,000**
SSI Small Craft Harbour (Fernwood Dock)					20,000	**20,000**
Community Transit	30,000			115,000	35,000	**180,000**
Community Transportation	710,000			650,000	75,000	**1,435,000**
Septage / Composting	50,000				40,000	**90,000**
SSI Public Library	5,000			25,000	12,500	**42,500**
Total	**1,486,500**	**1,750,000**	**160,000**	**2,275,000**	**586,000**	**6,257,500**

Advanced Approvals

Advanced approval is requested in situations where the commencement or continuity of work before March 2027 is required to address operational needs. These are often related to items that have regulatory compliance implications, grant deadlines and capital projects for which tenders must be issued and where a delay can have negative impacts on service delivery. Items identified in (Appendix C) as required activities to begin in advance of the March final budget.

Summary

The attached 2027 LCC budget packages in (Appendix A) include operating and capital, are provided for provisional approval.

The provisional budget is subject to change as a result of the final 2026 surplus/deficits, receipt of revised assessment and any adjustments recommended by the LCC prior to final approval of the Financial Plan bylaw in March 2027.

CONCLUSION

The 2027 Salt Spring Island Local Community Commission (LCC) budgets have been delegated to the LCC by the Capital Regional District (CRD) Board for review and provisional approval. Overall, the 2027 LCC provisional budget has been prepared based on the service plans and provide ongoing CRD services that respond to the varying needs of the Salt Spring Island.

RECOMMENDATION

The Salt Spring Island Local Community Commission recommends the Committee of the Whole recommend to the Capital Regional District Board:

1. That the 2027 Salt Spring Island Local Community Commission Service Budgets be given provisional approval as presented; and
2. That the new initiatives identified in Appendix B remain in the Five-Year Financial Plans.
3. That the new initiatives identified in Appendix C for January 1, 2027, implementation be approved for expenditure.

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Concurrence	Stephen Henderson, MBA, P.G. Dip.Eng., BSc, General Manager, of Electoral Area Services
Concurrence:	Varinia Somosan, CPA, CGA, Acting Chief Financial Officer and General Manager of Finance & Technology
Concurrence	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

Appendix A: SSI LCC Budget Services
Appendix B: 2027 Supplementary Items
Appendix C: 2027 January Approvals
Appendix D: Community Works Funding Allocation by Service