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FULFORD WATER SERVICES COMMISSION

Notice of Meeting on **Monday, October 18, 2021 at 10:00 AM**
Fulford Community Hall, 2591 Fulford-Ganges Road, Salt Spring Island, BC

Gary Holman

Anthony Maude

Carole Eyles

Gord Singbeil

Alan Martin

(r) regrets

AGENDA

1. **Territorial Acknowledgement / Call Meeting to Order**
2. **Limited Space Meeting Resolution**

That this resolution applies to the Fulford Water Service Commission for the meeting being held on October 18, 2021, and that the attendance of the public at the place of the meeting will be limited in accordance with the applicable requirements or recommendations under the Public Health Act, despite the best efforts of the Commission because:

- a. The available meeting facilities cannot accommodate more than (175) people in person, including members of the Commission and staff, and
- b. There are no other facilities presently available that will allow physical attendance of the Commission and the public in sufficient numbers; and

That the Commission is ensuring openness, transparency, accessibility and accountability in respect of the open meeting by the following means:

- a. By making the meeting agenda, as well as the other relevant documents, available on the CRD website, and directing interested persons to the website by means of the notices provided in respect of the meeting,
- b. By making the minutes of the meeting available on the CRD website following the meeting.

Zoom Link: <https://us06web.zoom.us/j/85636119124>

3. **Approval of Agenda** **1-2**
4. **Approval of Minutes of November 3, 2020** **3-5**
5. **Director, Chair and Commissioner Reports**
6. **New Business**
- 6.1 **2022 Capital and Operating Budget** **6-23**

That the Fulford Water Service Commission:

1. Approve the 2022 operating and capital budget as presented, and that the 2021 actual deficit be balanced on a recovery from the Operations Reserve Fund or if a surplus be balanced on the 2021 transfer to the Operations Reserve Fund; and,

To ensure quorum, advise Shayla Burnham 250 537 4448 if you cannot attend.

2. Recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2022 Operating and Capital Budget and the five-year Financial Plan for the Fulford Water Service as presented.

7. Outstanding Business - None

8. Adjournment



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Minutes of the FULFORD WATER SERVICE COMMISSION
Held Tuesday November 3, 2020 at the Fulford Hall. 2591 Fulford-Ganges Road, Salt Spring Island, BC

DRAFT

Present: **CRD Director:** Gary Holman
Commission Members: Carole Eyles, Gord Singbeil, Alan Martin, Anthony Maude
Staff: Karla Campbell, Manager, SSI Electoral Area; Allen Xu, Manager of SSI Engineering; Dan Robson, Manager, Saanich Peninsula and Gulf Islands Operations; Lia Xu, Manager, Financial Planning and Performance; Tracey Shaver, Recording Secretary.
Present: Elizabeth Nolan

1. Territorial Acknowledgement / Call Meeting to Order

Chair Eyles provided a territorial acknowledgement and called the meeting to order at 11:03 am

2. Limited Space Meeting Resolution

MOVED by Commissioner Martin, **SECONDED** by Commissioner Maude, That this resolution applies to the Fulford Water Service Commission for the meeting being held on November 3, 2020, and that the attendance of the public at the place of the meeting will be limited in accordance with the applicable requirements or recommendations under the Public Health Act, despite the best efforts of the Commission because:

- a. The available meeting facilities cannot accommodate more than (30) people in person, including members of the Commission and staff, and
- b. There are no other facilities presently available that will allow physical attendance of the Commission and the public in sufficient numbers; and

That the Commission is ensuring openness, transparency, accessibility and accountability in respect of the open meeting by the following means:

- a. By making the meeting agenda, as well as the other relevant documents, available on the CRD website, and directing interested persons to the website by means of the notices provided in respect of the meeting,
- b. By making the minutes of the meeting available on the CRD website following the meeting.

CARRIED

3. Approval of Agenda

MOVED by Commissioner Singbeil, **SECONDED** by Commissioner Maude, That the Fulford Water Service Commission meeting agenda of November 3, 2020 be amended and approved by adding Item 7.0 Updates: Weston Lake Study, Vortex, Weston Creek Water Main Repair and Road Weight Limits.

CARRIED

4. **Approval of Minutes September 10, 2020**

MOVED by Commissioner Singbeil, **SECONDED** by Commissioner Maude,
That the Fulford Water Service Commission meeting minutes of September 10, 2020 be approved.

CARRIED

5. **Director, Chair and Commissioner Reports**

5.1 No Director Report

- 5.2
- Chair Eyles provided a verbal and written copy of chair's report
 - Agendas need to be published a minimum of one week in advance
 - Debt servicing reduced by 77% with only a 6% reduction in property tax
 - Not interested in back up power generation unit
 - Asset management plan identified 341 Reynolds road as still receiving non potable water
 - Asset management plan delivered and published without consideration of commission comments and proactive work suggestions

6. **New Business**

6.1 **2021 Capital and Operating Budget**

- Use all savings from debt being payed off to reduce requisition and costs to rate payers
- Distribution system is failing and staff recommend transfers to reserves to minimize borrowing in the future; consider strategic and phased approach for replacement.
- Discussion on deferring capital projects or leaving as placeholders
- Discussion on need for security fencing; bring forward safety report for commission review
- Commission does not want stand-alone generator
- End of January is deadline for financial amendments to final 2021 budgets
- Amendments to budget as follows:
 - Reduce transfer from Capital Reserves to \$21,000 from \$46,000.
 - Defer Capital Projects 21-02 (referendum) in the amount of \$25,000 to 2022
 - Remove Project 21-01 in the amount of \$180,000 for backup power generation from the 5 yr Capital Plan

MOVED By Commissioner Maude, **SECONDED** by Commissioner Martin,
that the Fulford Water Service Commission:

1. Approve the 2021 operating and capital budget as amended, and that the 2020 actual surplus or deficit be balanced on the 2020 transfer to the Capital Reserve Fund; and,
2. Recommend that the Electoral Area Services Committee recommend that the CRD Board approve the amended 2021 Operating and Capital Budget and the five year Financial Plan for the Fulford Water Service as presented.

CARRIED

7. Outstanding Business

7.0 Updates: Weston Lake Study, Vortex, Weston Creek Water Main Repair and Road Weight Limits.

DEFERRED

7.1 Fulford Asset Management Plans

To be received for information

DEFERRED

8. Adjournment

MOVED By Commissioner Eyles, **SECONDED** by Director Holman,
That the meeting adjourn at 12:50 pm.

CARRIED

CHAIR

SENIOR MANAGER



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**REPORT TO FULFORD WATER SERVICE COMMISSION
MONDAY, OCTOBER 18, 2021**

SUBJECT 2022 Operating and Capital Budget

ISSUE SUMMARY

To present the 2022 operating and capital budget. In accordance with Bylaw No 3248, "Fulford Water Service Commission Bylaw No. 1, 2004" the Commission's approval of the annual budget is required.

BACKGROUND

The Capital Regional District (CRD) is required by legislation under the *Local Government Act* (LGA) to prepare an annual operating and capital budget and a five-year financial plan including Operating Budgets and Capital Expenditure Plans annually. CRD staff have prepared the budget and financial plan shown in Appendix A to this report for the Fulford Water Service.

The Operating Budget includes the regular annual costs to operate the service. The Capital Expenditure Plan shows the anticipated expenditures for capital additions. These may include purchases of new assets or infrastructure, upgrades or improvements to existing assets or asset review and study work that could potentially lead to future capital improvements.

In preparing the Operating Budget, CRD staff considered:

1. Actual expenditures incurred between 2019 and 2021
2. Anticipated changes in level of service (if any)
3. Maximum allowable tax requisition
4. Annual Cost per taxpayer and per SFE

Factors taken into consideration in the preparation of the Capital Expenditure Plan included:

1. Available funds on hand
2. Projects already in progress
3. Condition of existing assets and infrastructure
4. Regulatory, environmental and health and safety factors

Adjustments for surpluses or deficits from 2021 may be made in January 2022. The CRD Board will give final approval to the budget and financial plan in March 2022.

The Financial Plan for the years 2023 – 2026 may be changed in future years.

BUDGET OVERVIEW

Operating Budget

It is projected that operating expenses in 2021 will be approximately \$10,545 under budget which is primarily due to deferral of the ORF-funded reservoir cleaning and inspection in the amount of \$20,000 to 2022. This underspend is offset by higher spending of \$9,455 on emergency response and corrective maintenance due to the following events:

- Water treatment plant UV system corrective maintenance
- Water treatment plant air saturator mechanical repairs
- Watermain break and repair 112 Beaver Point Road
- SCADA system corrective maintenance

It is projected that the 2021 operating revenue will be \$1,600 over budget due to higher water sales, partially cover the overage on expenses. Leaving the remaining estimated operating deficit of \$7,855.

In order to balance the operating budget, it is proposed that there be a recovery from the Operating Reserve Fund to cover the actual deficit. Otherwise, the resulting deficiency in 2021 must immediately be included as an expenditure to be recovered from revenue in the 2022 financial plan as required by Local Government Act Section 374(11).

The 2022 gross operating costs has been increased by \$3,811 (2.3%) over 2021. The increase is primarily to account for inflation and increased labour charges. The 2022 operating budget also includes a \$20,000 expenditure for reservoir cleaning and inspection funded by the Operating Reserve Fund.

Municipal Finance Authority (MFA) Debt

Loan Authorization Bylaw 3758 to borrow \$225,000 was approved and adopted in 2011 for upgrading water systems. Table 1 below summarizes the detailed information for existing MFA debt issues related to LA3758.

Table 1 – Existing Debt Summary

<i>MFA Issues</i>	<i>Term</i>	<i>Borrowing Year</i>	<i>Retirement Year</i>	<i>Refinance Year</i>	<i>Original Interest Rate</i>	<i>Current Interest Rate</i>	<i>Principal</i>	<i>Principal Payment</i>	<i>Interest Payment</i>	<i>Total Annual Debt Cost</i>
LA3758-118	15	2012	2027	2022	3.40%	3.40%	\$145,000	\$7,241	\$4,930	\$12,171
LA3758-121	15	2012	2027	2022	2.90%	2.90%	\$25,000	\$1,249	\$725	\$1,974
Total							\$170,000	\$8,490	\$5,655	\$14,145

Operating Reserve Fund

The Operating Reserve Fund is used to undertake maintenance activities that typically do not occur on an annual basis. Typical maintenance activities include hydrant/standpipe maintenance and reservoir cleaning and inspection. The operating reserve also funds the procurement of equipment and supplies that are not purchased on an annual basis. Additionally, the operating reserve could be used for emergency unplanned repairs.

It is proposed that transfers to the operating reserve to be set at \$7,600 to ensure future maintenance activities are fully funded. There is \$20,000 of planned maintenance to be funded by the Operating Reserve over the next five years.

The Operating Reserve Fund balance at the end of 2021 is projected to be approximately \$17,993.

Capital Reserve Fund

The Capital Reserve Fund is to be used to pay for capital expenditures that are not funded by other sources such as grants, operating budget or debt.

It is proposed that the 2022 capital reserve fund transfer (CRF) to be set at \$58,000. The reserve fund transfer planning is influenced by the funding requirement to support the five-year capital expenditure plan, and also guided by *Capital Reserve Funding Guidelines* endorsed by the CRD Board in aiming to achieve the optimal reserve fund level to ensure long-term prudent and sustainable management of service delivery objectives through capital investments.

A total of \$164,000 will be required from capital reserves over the next five years to support the capital expenditure plan.

The balance of the Capital Reserve Fund at the end of 2021 is projected to be \$95,094.

Capital Expenditure Plan

The 5-year plan includes \$3,144,000 of expenditures to be funded by a combination of the service’s Capital Reserve Fund, grants, donations, and new debt following a public engagement and referendum process planned in 2022. The new debt will fund the phased construction of the water main replacement project (\$2,600,000).

One project was added to the 2022-2026 five-year capital plan:

1. 22-04 Relocate Water Line at Weston Creek - \$70,000 (2022) - A portion of the main water line which runs under Weston Creek near Morningside Road has become exposed due to erosion and must be relocated or buried deeper under the creek bed.

Subject to electoral assent, a series of borrowings from 2023 through 2026 are projected to cover the capital expenditures related to the *Water Main Replacement* project, which was mentioned above. Table 2 below provides the future debt servicing cost simulation for analytical purposes with the indicative interest rate provided by MFA at the time of simulation.

Table 2 – Future New Debt Simulation

	<i>Term</i>	<i>Borrowing Year</i>	<i>Retirement Year</i>	<i>Refinance Year</i>	<i>Estimated Interest Rate</i>	<i>Principal</i>	<i>Principal Payment</i>	<i>Interest Payment</i>	<i>Total Annual Debt Cost</i>
Future Borrowing(s) Estimation	25	2023	2048	2033	3.30%	\$500,000	\$15,118	\$16,500	\$31,618
	25	2024	2049	2034	3.30%	\$700,000	\$21,165	\$23,100	\$44,265
	25	2025	2050	2035	3.30%	\$700,000	\$21,165	\$23,100	\$44,265
	25	2026	2051	2036	3.30%	\$700,000	\$21,165	\$23,100	\$44,265
Total						\$2,600,000	\$78,614	\$85,800	\$164,414

At the commencement of each loan, 1% of the gross amount borrowed is withheld and retained by MFA as Debt Reserve Fund (DRF). In order to provide the full amount to fund the capital project, this 1% DRF amount is budgeted in operating budget in the year of borrowing. However, there is no principal payment required in the year of borrowing.

Capital Projects Fund

As specific capital projects are approved, the funding revenues for them are transferred into this Capital Project Fund from multiple funding sources if applicable, including Capital Reserve Fund (CRF), grant funding, external contributions and Debt. Any funds remaining upon completion of a project will be transferred back to its original funding source(s).

Fixed Back-up Power Generation Equipment Projects

At the November 3, 2020 meeting the Commission removed specific projects for *Power Generation Equipment – Study (\$10,000)* and *Back-up Power Construction (\$150,000)* from the five-year capital plan. The Fulford Water Service has the following sites that require back-up power: 1) Water Treatment Plant and booster pump station; and, 2) Sunnyside Pump Station. In the event of a power failure at either of these sites, the water distribution system is pressured by gravity from the water storage tank only. Staff's recommendation is to install fixed back-up power generation equipment at both the water treatment plant and booster pump station site and the Sunnyside pump station site in order to ensure the community remains with potable water to their service at all times, including during extended utility power outages. The risks of not having back-up power are as follows:

Operations and Maintenance Staff Occupational Health and Safety Risk:

- In the event of a long duration power outage, typically the result of a significant storm event, operations and maintenance staff are responding to a number of emergencies in the water and wastewater services on Salt Spring Island. This response is often completed during inclement weather with dangerous travel conditions due to closed roads as well as cancelled or challenging ferry crossings. These responses result in long working hours during which worker fatigue is a concern. The lack of fixed back-up power generation equipment result in another element of emergency to which the staff have to respond resulting in additional travel risk and fatigue.
- The use of portable or trailered generators would increase this Health and Safety Risk as this would require staff to tow equipment to sites through difficult conditions and continue to expose them to fatigue when there are a number of other issues to resolve.

Service and Fire Risk:

- During an extended power outage, if the water in the storage tank drains through normal usage or due to a main break/leak, there will be no water to users shortly after the power loss. This will also expose the service to risk in terms of no water in the distribution system for fire-fighting purposes.

Public Health and Safety Risk:

- In the event that the water distribution system and storage tanks depressurize, the service is typically placed under a Boil Water Advisory when water service is restored. This is as a result of the risk of foreign and contaminated materials entering the system through groundwater infiltration. This water quality risk exposes the public to a health concern as well as staff to further emergency response in terms of communicating the Advisory and then completing the water service recovery plan which involves extensive water main flushing and water quality sampling.

Financial Risk:

- The lack of back-up power results in extensive staff involvement, as outlined above, This operational response labour is a cost funded by the service and often results in unforeseen operational costs in excess of budget and cash flow.

For the reasons outlined above, it is staff’s recommendation that the Fulford Water Local Service Commission move forward with the Power Generator Equipment Study (the design complete with cost estimates) and that these fixed back-up power generation projects be added in the services 5 year capital plan.

User Charge and Parcel Tax

The service is funded by parcel tax, fixed user charges on residential properties, and water consumption charges on non-residential properties. All properties within the local service area are responsible for the parcel tax, residential properties connected to the water system pay the annual fixed user charge and all non-residential properties connected to the water system pay water consumption charge based on the water rate. The 2022 water rate for consumption charge remains unchanged from 2021 with the minimum charge equal to the residential fixed user charge in 2022.

Table 3 below summarizes the 2022 over 2021 changes for parcel tax and user charge.

Table 3 – Parcel Tax and User Charge Summary

<i>Budget Year</i>	<i>Parcel Tax</i>	<i>Taxable Folios Numbers</i>	<i>Parcel Tax per Folio*</i>	<i>User Charge</i>	<i>SFE Numbers</i>	<i>User Charge per SFE</i>	<i>Parcel Tax & User Charge</i>
2021	\$37,500	102	\$386.95	\$132,598	96	\$1,381.23	\$1,768.18
2022	\$47,500	102	\$490.13	\$163,599	97	\$1,686.59	\$2,176.72
Change (\$)	\$10,000	0	\$103.19	\$31,001	1	\$305.36	\$408.54
Change (%)	26.67%	0.00%	26.67%	23.38%	1.04%	22.11%	23.11%

* Includes the 5.25% admin fee charged by the Ministry of Finance (not CRD revenue)

RECOMMENDATION

That the Fulford Water Service Commission:

1. Approve the 2022 operating and capital budget as presented, and that the 2021 actual deficit be balanced on a recovery from the Operations Reserve Fund or if a surplus be balanced on the 2021 transfer to the Operations Reserve Fund; and,
2. Recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2022 Operating and Capital Budget and the five-year Financial Plan for the Fulford Water Service as presented.

Submitted by:	Karla Campbell, BPA, Senior Manager, Salt Spring Island Electoral Area
Submitted by:	Matthew McCrank, MSc., P.Eng., Senior Manager, Infrastructure Operations
Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Robert Lapham, MCIP, RPP Chief Administrative Officer

KC/MMc/RL/:sb

Attachment: 2022 Budget Fulford Water Service Budget

CAPITAL REGIONAL DISTRICT

2022 Budget

Fulford Water (SSI)

Commission Review

OCTOBER 2021

Service: 2.626 Fulford Water (SSI)

Committee: Electoral Area

DEFINITION:

To provide, operate and maintain water supply and distribution facilities for the Fulford Water Local Service Area on Salt Spring Island.
Bylaw No. 3202 (November 24, 2004).

PARTICIPATION:

Order In Council No 177, Feb 24, 2005.

MAXIMUM LEVY:

Greater of \$156,000 or \$5.46 / \$1,000 to a maximum of \$396,306.

MAXIMUM CAPITAL DEBT:

COMMITTEE:

Fulford Water Service committee established by Bylaw No 3248 (Dec 15, 2004).

FUNDING:

Any deficiencies after user charge and/or parcel tax to be levied on taxable hospital assessments.

User Charge: Fixed user charge for residential properties.

Parcel Tax: Annual, levied only on properties capable of being connected to the system, starting 2006.

Connection Charge: The connection charge for a service shall be the actual cost for the connection.

Consumption Charge: Single Family Residential: No Consumption Charge
Other: \$3.27 per cubic metre
Minimum charge for non-residential properties is equal to residential fixed user charge per SFE.

MAXIMUM OPERATING EXPENDITURE:

RESERVE FUND BYLAW:

Fund 1070, established by Bylaw #3275 (April 27, 2005)

2.626 - Fulford Water (SSI)		2021		2022				2023				2024				2025				2026			
		BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026
OPERATING COSTS																							
Operations Contract		56,270	56,270	57,400	-	-	57,400	58,550	59,720	60,920	62,140	58,550	59,720	60,920	62,140	58,550	59,720	60,920	62,140	58,550	59,720	60,920	62,140
Grit & Waste Sludge Disposal		7,510	6,500	7,660	-	-	7,660	7,810	7,970	8,130	8,290	7,810	7,970	8,130	8,290	7,810	7,970	8,130	8,290	7,810	7,970	8,130	8,290
Repairs & Maintenance		28,000	7,000	8,170	-	20,000	28,170	8,750	8,930	9,120	9,310	8,750	8,930	9,120	9,310	8,750	8,930	9,120	9,310	8,750	8,930	9,120	9,310
Allocations		8,622	8,622	9,382	-	-	9,382	9,626	9,753	10,019	10,138	9,626	9,753	10,019	10,138	9,626	9,753	10,019	10,138	9,626	9,753	10,019	10,138
Water Testing		5,780	4,900	5,900	-	-	5,900	6,020	6,140	6,260	6,390	6,020	6,140	6,260	6,390	6,020	6,140	6,260	6,390	6,020	6,140	6,260	6,390
Electricity		10,360	10,360	10,570	-	-	10,570	10,780	11,000	11,220	11,440	10,780	11,000	11,220	11,440	10,780	11,000	11,220	11,440	10,780	11,000	11,220	11,440
Supplies		7,650	12,490	7,800	-	-	7,800	7,950	8,100	8,250	8,410	7,950	8,100	8,250	8,410	7,950	8,100	8,250	8,410	7,950	8,100	8,250	8,410
Labour Charges		22,821	25,774	23,282	-	-	23,282	23,786	24,238	24,748	25,215	23,786	24,238	24,748	25,215	23,786	24,238	24,748	25,215	23,786	24,238	24,748	25,215
Other Operating Expenses		17,550	22,102	18,210	-	-	18,210	18,640	19,080	19,530	20,000	18,640	19,080	19,530	20,000	18,640	19,080	19,530	20,000	18,640	19,080	19,530	20,000
TOTAL OPERATING COSTS		164,563	154,018	148,374	-	20,000	168,374	151,912	154,931	158,197	161,333												
*Percentage Increase over prior year				-9.8%			2.3%	-9.8%	2.0%	2.1%	2.0%	-9.8%	2.0%	2.1%	-9.8%	2.0%	2.1%	2.0%	-9.8%	2.0%	2.1%	2.0%	
DEBT / RESERVES																							
Transfer to Operating Reserve Fund		7,400	7,400	7,600	-	-	7,600	7,750	7,900	8,000	8,100	7,750	7,900	8,000	8,100	7,750	7,900	8,000	8,100	7,750	7,900	8,000	8,100
Transfer to Capital Reserve Fund		21,000	21,000	58,000	-	-	58,000	45,000	10,000	10,000	10,000	45,000	10,000	10,000	10,000	45,000	10,000	10,000	10,000	45,000	10,000	10,000	10,000
MFA Debt Reserve Fund		260	260	210	-	-	210	5,210	7,210	7,210	7,210	5,210	7,210	7,210	7,210	5,210	7,210	7,210	7,210	5,210	7,210	7,210	7,210
MFA Debt Principal		8,490	8,490	8,490	-	-	8,490	8,490	23,608	44,773	65,938	8,490	23,608	44,773	65,938	8,490	23,608	44,773	65,938	8,490	23,608	44,773	65,938
MFA Debt Interest		5,655	5,655	5,655	-	-	5,655	13,905	33,705	56,805	79,905	13,905	33,705	56,805	79,905	13,905	33,705	56,805	79,905	13,905	33,705	56,805	79,905
TOTAL DEBT / RESERVES		42,805	42,805	79,955	-	-	79,955	80,355	82,423	126,788	171,153												
TOTAL COSTS		207,368	196,823	228,329	-	20,000	248,329	232,267	237,354	284,985	332,486												
FUNDING SOURCES (REVENUE)																							
Transfer from Operating Reserve Fund		(20,000)	(7,855)	-	-	(20,000)	(20,000)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)	(16,400)
Sales - Water		(16,400)	(18,000)	(16,400)	-	-	(16,400)	(165,027)	(167,104)	(197,725)	(235,216)	(165,027)	(167,104)	(197,725)	(235,216)	(165,027)	(167,104)	(197,725)	(235,216)	(165,027)	(167,104)	(197,725)	(235,216)
User Charges		(132,598)	(132,598)	(830)	-	-	(830)	(840)	(850)	(860)	(870)	(840)	(850)	(860)	(870)	(840)	(850)	(860)	(870)	(840)	(850)	(860)	(870)
Other Revenue		(870)	(870)	(180,829)	-	(20,000)	(200,829)	(182,267)	(184,354)	(214,985)	(252,486)	(182,267)	(184,354)	(214,985)	(252,486)	(182,267)	(184,354)	(214,985)	(252,486)	(182,267)	(184,354)	(214,985)	(252,486)
TOTAL REVENUE		(169,868)	(159,323)	(47,500)	-	(20,000)	(47,500)	(50,000)	(53,000)	(70,000)	(80,000)												
REQUISITION - PARCEL TAX		(37,500)	(37,500)																				
*Percentage Increase over prior year								0.00%	23.4%	18.3%	19.0%	0.00%	1.3%	18.3%	32.1%	5.3%	6.0%	32.1%	14.3%	1.7%	2.2%	20.1%	16.7%

Fulford Water (SSI)
 Reserve Summary Schedule
 2022 - 2026 Financial Plan

Reserve/Fund Summary

	Estimated		Budget			
	2021	2022	2023	2024	2025	2026
Operating Reserve Fund	17,993	5,593	13,343	21,243	29,243	37,343
Capital Reserve Fund	95,094	5,094	44,094	44,094	54,094	64,094
Total	113,087	10,687	57,437	65,337	83,337	101,437

Reserve Schedule

Reserve Fund: 2.626 Fulford Water (SSI) - Operating Reserve Fund - Bylaw 4144

Reserve fund used for: unforeseen operational repairs and maintenance; infrequent maintenance activities such as reservoir cleaning and inspection, hydrant maintenance. Optimum minimum balance of \$14,000 (approximately 10%) of the annual operating budget.

Reserve Cash Flow

Fund: Fund Centre:	1500 105207	Estimated	Budget				
		2021	2022	2023	2024	2025	2026
Beginning Balance		18,256	17,993	5,593	13,343	21,243	29,243
Transfer from Ops Budget		7,400	7,600	7,750	7,900	8,000	8,100
Expenditures		-	(20,000)	-	-	-	-
Planned Maintenance Activity			Reservoir cleaning and inspection				
Deficit Recovery		(7,855)					
Interest Income		192					
Ending Balance \$		17,993	5,593	13,343	21,243	29,243	37,343

Assumptions/Background:

Reserve Schedule

Reserve Fund: 2.626 Fulford Water (SSI) - Capital Reserve Fund

Bylaw 3275

Reserve Cash Flow

Fund: Fund Centre:	1070 101897	Estimated		Budget			
		2021	2022	2023	2024	2025	2026
Beginning Balance		73,402	95,094	5,094	44,094	44,094	54,094
Transfer from Ops Budget		21,000	58,000	45,000	10,000	10,000	10,000
Transfer from Cap Fund		-	-	-	-	-	-
Transfer to Cap Fund		-	(148,000)	(6,000)	(10,000)	-	-
Interest Income*		692					
Ending Balance \$		95,094	5,094	44,094	44,094	54,094	64,094

Assumptions/Background:

* Interest should be included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.

**CAPITAL REGIONAL DISTRICT
FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2022 to 2026**

Service No.	2.626	Carry Forward from 2021	2022	2023	2024	2025	2026	TOTAL
EXPENDITURE								
Buildings		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment		\$13,000	\$38,000	\$806,000	\$710,000	\$700,000	\$700,000	\$2,954,000
Land		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures		\$120,000	\$190,000	\$0	\$0	\$0	\$0	\$190,000
Vehicles		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$133,000	\$228,000	\$806,000	\$710,000	\$700,000	\$700,000	\$3,144,000
SOURCE OF FUNDS								
Capital Funds on Hand		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debtenture Debt (New Debt Only)		\$0	\$0	\$500,000	\$700,000	\$700,000	\$700,000	\$2,600,000
Equipment Replacement Fund		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants (Federal, Provincial)		\$0	\$70,000	\$300,000	\$0	\$0	\$0	\$370,000
Donations / Third Party Funding		\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$10,000
Reserve Fund		\$123,000	\$148,000	\$6,000	\$10,000	\$0	\$0	\$164,000
		\$133,000	\$228,000	\$806,000	\$710,000	\$700,000	\$700,000	\$3,144,000

CAPITAL REGIONAL DISTRICT
5 YEAR CAPITAL PLAN
2022 - 2026

<p>Project Number</p> <p>Project number format: "Yr-#" "Yr" is the last two digits of the year the project is planned to start "#" is a numerical value; for example, 22-01 is a project planned to start in 2022</p>	<p>Capital Project Description</p> <p>Briefly describe project scope and service benefits. For example: "WTP Asset Replacement of 1.40 year old/red above the swimming pool area; the new existing system is built against energy standards, designed to minimize maintenance and have an expected service life of 25 years".</p>	<p>Completed from 2021</p> <p>Input the carryforward amount from prior 2021 Capital Plan that is remaining to be spent; forecast this spending in 2022/10/2026.</p>	<p>Project Drivers</p> <p>Maintain level of service - Project maintains existing or improved level of service. Advance Board or Corporate Priority - Project is a Board or Corporate priority. Emergency - Project is required to health or safety reasons. Cost Benefit - Economic benefit to the organization.</p>
<p>For projects in previous capital plans, use the same project numbers previously</p>	<p>Total Project Budget</p> <p>Provide the total project budget even if it extends beyond the 5 years of this capital plan.</p>	<p>Funding Source Codes</p> <p>Debt - Equipment Debt (new debt only) RF - Equipment Replacement Fund Grant - Grants (Federal, Provincial) Cap - Capital Funds on hand Other - Donations / Third Party Funding Res - Reserve Fund StLoan - Short Term Loans WU - Water Utility If there is more than one funding source, use additional rows for the project.</p>	<p>Asset Class</p> <p>1. Land 5. Engineering Structure B. Buildings V. Vehicles</p>
<p>Capital Expenditure Type</p> <p>Study - Expenditure for feasibility and business case report. New - Expenditure for new asset only Renewal - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service</p>	<p>Capital Project Title</p> <p>Input the of project; for example: "Asset Name - "Renf" replacement", "Main Water Pipe Replacement".</p>	<p>Launch Plan / Servicing Plan - Plan that identifies new assets required to meet future needs. Asset Management Plan / Sustainable Service Delivery Plan - Integrated plan that identifies asset replacements based on level of service, critically, condition, use, replacement costs as well as external impacts. Replacement Plan - Plan that identifies asset replacements based primarily on asset age or asset material/type. Condition Assessment - Assessment that identifies asset replacements based on asset condition.</p>	<p>Cost Estimate Class</p> <p>Class A (+10-15%) = Estimate based on final drawings and specifications, used to evaluate tenders. Class B (+15-25%) = Estimate based on investigations, studies or preliminary design, used for budget planning. Class C (+25-40%) = Estimate based on limited site information; used for program planning. Class D (50%) = Estimate based on title/site information; used for long-term planning.</p>

Service #: **2626**
Service Name: **Fulford Water (SSI)**

Project List and Budget	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward from 2021	2022	2023	2024	2025	2026	5-Year Total
20-01	New	WTP Reservoir, PST Slumpside Site Security	Security fencing to secure assets.	S	Res	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000
21-02	Study	Public Engagement for Future Budget Refinement or Alternative Approval Process - Funding for Future Projects	Inform and engage public within service areas on upcoming works that will require borrowing to fund.	S	Other	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$10,000
22-02	New	Replacement of flocculation mixer motor	Undertake a referendum or AAP to borrow funds to carry out the new well design and construction	E	Res	\$0	\$15,000	\$0	\$0	\$0	\$0	\$15,000
23-01	New	Installation of turbidity meter on influent line	Replace two flocculation mixer motors	E	Res	\$9,000	\$9,000	\$0	\$0	\$0	\$0	\$9,000
24-01	New	Replacement of impellers of pumps at Slumpside Purification	Installation of turbidity meter on influent line	E	Res	\$4,000	\$4,000	\$0	\$0	\$0	\$0	\$4,000
22-03	New	Electrical service improvement at Fulford WTP	Replacement of impellers of pumps at Slumpside Purification	E	Res	\$6,000	\$0	\$0	\$0	\$0	\$0	\$6,000
25-01	New	Water main assessment and replacement strategy and initial phase detailed design	Replacement of panel board directory and address issues with regard to reallting motor overload	E	Res	\$0	\$0	\$0	\$10,000	\$0	\$0	\$10,000
25-01	New	Water main replacement detailed design and construction for priority sections	Develop a strategy and phased program to replace aging AC water mains in the system and perform detailed design for initial phase	E	Debt	\$2,900,000	\$0	\$80,000	\$0	\$0	\$0	\$80,000
22-04	New	Relocate Water Line at Weston Creek	Complete detailed design, issue an RFP and complete the field construction to relocate the line	S	Grant	\$70,000	\$0	\$0	\$0	\$0	\$0	\$70,000
GRAND TOTAL						\$3,144,000	\$153,000	\$228,000	\$908,000	\$710,000	\$700,000	\$3,144,000

Service:

2.626

Fulford Water (SSI)

Project Number	20-01	Capital Project Title	WTP, Reservoir, PST Sunnyside Site Security	Capital Project Description	Security fencing to secure assets.
Project Rationale	Perimeter fencing is required to secure assets.				

Project Number	21-02	Capital Project Title	Public Engagement for Future Projects	Capital Project Description	Inform and engage public within service area on upcoming works that will require borrowing to fund.
Project Rationale	Referendum to secure borrowing.				

Project Number	22-01	Capital Project Title	Replacement of Flocculation mixer motor	Capital Project Description	Replace two flocculation mixer motors
Project Rationale	Replacement of aging equipment.				

Project Number	22-02	Capital Project Title	Installation of turbidity meter on influent line	Capital Project Description	Installation of turbidity meter on influent line
Project Rationale	Meter required to measure water quality.				

Project Number	23-01	Capital Project Title	Replacement of impellers of pumps at Sunnyside Pumpstation	Capital Project Description	Replacement of impellers of pumps at Sunnyside Pumpstation
Project Rationale	Replacement of aging equipment.				

Project Number	24-01	Capital Project Title	Electrical service improvement at Fulford WTP	Capital Project Description	Replacement of panel board directory and address issues with regard to resetting motor overload
Project Rationale	Replacement of aging equipment.				

Project Number	22-03	Capital Project Title	Water main assessment and replacement strategy and initial phase detailed design	Capital Project Description	Develop a strategy and phased program to replace aging AC water mains in the system and perform detailed design for initial phase
Project Rationale	Aging asbestos concrete water lines require replacement.				

Project Number	25-01	Capital Project Title	Initial phase of water main replacement	Capital Project Description	Water main replacement detailed design and construction for priority sections
Project Rationale	Aging asbestos concrete water lines require replacement.				

Project Number	22-04	Capital Project Title	Relocate Water Line at Weston Creek	Capital Project Description	Complete detailed design, issue an RFP and complete the field construction to relocate the line.
Project Rationale	The existing water line which runs on the downstream side of the culvert containing Weston Creek has become exposed due to erosion. The plan is to relocate the line under the road and above the culvert, the best option out of the three presented by the engineering consultant. These are additional funds to complete the detailed design, issue an RFP and complete the field construction to relocate the line.				

2.626 - Fullford Water (SSI)

Capital Projects

Updated @ Sep 8th, 2021

Year	Project#	Status	Capital Project Description	Total Project Budget	Expenditure Actuals	Remaining Funds
2016	CE.507	OPEN	Weston Creek Watermain Crossing	99,100	51,992	47,108
2019	CE.699.4504	OPEN	Safe Work Procedures	11,000	2,796	8,204
2020	CE.735	CLOSE	Power generation equipment-Study (20-02)	10,000	98	9,902
			Totals	120,100	54,886	65,214

Service: **2.626 Fulford Water (SSI)**

Committee: **Electoral Area**

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax Per Folio</u>	<u>SFE's</u>	<u>User Charge per SFE*</u>	<u>Total Tax & Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2010	101	\$631.68	95	\$850.00	\$1,481.68	3688	52,301.13
2011	101	\$631.68	96	\$1,222.00	\$1,853.68	3777	51,857.53
2012	102	\$631.68	96	\$1,391.00	\$2,022.68	3822	51,088.73
2013	102	\$771.68	96	\$1,251.00	\$2,022.68	3891	52,452.83
2014	102	\$771.68	94	\$1,251.00	\$2,022.68	3891	49,769.93
2015	102	\$771.73	95	\$1,251.00	\$2,022.73	3993	47,220.50
2016	102	\$771.73	95	\$1,251.00	\$2,022.73	4073	47,289.73
2017	102	\$771.73	95	\$1,251.00	\$2,022.78	4171	50,526.00
2018	102	\$771.76	95	\$1,255.88	\$2,027.65	4236	58,318.00
2019	102	\$771.73	95	\$1,255.89	\$2,027.62	4311	62,269.56
2020	102	\$684.73	95	\$1,376.77	\$2,061.50	4339	66,327.36
2021	102	\$386.95	96	\$1,381.23	\$1,768.18	4395	72,583.46
2022	102	\$490.13	97	\$1,686.59	\$2,176.72		
Change from 2021 to 2022							
		\$103.19		\$305.36	\$408.54		
		26.67%		22.11%	23.11%		

* A variable consumption charge is paid by non-residential properties with a minimum charge equal to residential user charge per SFE.

Fulford Water Funding Analysis 2018 - 2022

