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## FERNWOOD AND HIGHLAND WATER SERVICE COMMISSION

Notice of Meeting on **Monday, October 17, 2022 at 10:00 AM**

Creekside Meeting Room, #108-121 McPhillips Avenue, Salt Spring Island, BC

Gary Holman

Laura Travelbea

Brian Travelbea

Carollin Wentworth

**Zoom:** <https://us06web.zoom.us/j/82307938366?pwd=c21ybW0xM0lReTF1QzliMEFOUDRqUT09>

### AGENDA

1. Territorial Acknowledgement / Call Meeting to Order
2. Approval of Agenda **1-2**
3. Adoption of the Minutes of October 21, 2021 **3-6**
4. Chair and Director Reports
5. New Business **7-41**
  - 5.1 2023 Operating and Capital Budget

That the Fernwood and Highland Water Service Commission:

#### A. FERNWOOD AND HIGHLAND WATER SERVICE

1. Approve the 2023 operating and capital budget as presented, and that the 2022 actual operating or deficit be balanced on the 2022 Reserve Funds transfer (CRF and/or ORF), and,
2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2023 Operating and Capital Budget and the five-year Financial Plan for the Fernwood and Highland Water Service as presented.

#### B. HIGHLAND WATER SERVICE

1. Approve the 2023 operating and capital budget as presented; and,
2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2023 Operating and Capital Budget and the five-year Financial Plan for the Highland Water Service as presented.

#### C. FERNWOOD WATER SERVICE

1. Approve the 2023 operating budget as presented; and,
2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2023 Operating Budget and the five-year Financial Plan for the Fernwood Water Service as presented.

- 6. Outstanding Business – None**
- 7. Election of Chair and Commissioners**
- 8. Next Meeting – TBD**
- 9. Adjournment**



Making a difference...together

**Minutes of the Meeting of the Fernwood and Highland Water Service Commission  
Held Friday, October 15, 2021, Salt Spring Island Library, 129 McPhillips Avenue, Salt  
Spring Island, BC**

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**DRAFT**

**Present:**

**CRD Director:** Gary Holman

**Commission Members:** Laura Travelbea, Brian Travelbea, and Kevin Wilson

**Staff:** Dan Ovington, Parks and Recreation Manager, Dean Olafson, Manager Engineering, Dan Robson, Manager, Saanich Peninsula and Gulf Islands Operations, Lia Xu, Manager, Finance Services, Shayla Burnham, Recording Secretary

**1. Territorial Acknowledgement / Call Meeting to Order**

Commissioner L. Travelbea provided a Territorial Acknowledgement and the meeting was called to order at 10:10 am.

**2. Limited Space Meeting Resolution**

**MOVED** by Commissioner Wilson, **SECONDED** by Director Holman, that this resolution applies to the Fernwood and Highland Water Service Commission for the meeting being held on October 15, 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 (20) 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 B. Travelbea, **SECONDED** by Commissioner Wilson, that the Fernwood and Highland Water Service Commission agenda of October 15, 2021 be approved as presented.

**CARRIED**

4. **Adoption of Minutes of October 29, 2020**

**MOVED** by Commissioner B. Travelbea, **SECONDED** by Director Holman, that the Fernwood and Highland Water Service Commission approve the minutes of October 29, 2020.

**CARRIED**

5. **Chair and Director Reports**

**Director Holman** briefly reported:

- Provisional Budget to be approved by October 27, 2021 and Final Budget to be approved in March 2022.

**Chair Travelbea** No Report.

6. **New Business**

6.1 **2022 Operating and Capital Budget**

- Fernwood and Highland Water Services combined, creating one service plant and distribution service.
- The two individual budgets are debt servicing budgets specifically for the Fernwood Service and Highland Service.
- Staff first spoke to the Fernwood and Highlands operating budget and explained to the Commission that overages spent were due to watermain breaks.
- The Commission expressed concern for water quality.
- Staff confirmed that the Fernwood and Highland Water Service has the highest annual emergency watermain breaks out of all SSI water service areas.
- The Commission asked how many staff are on island to deal with emergency repairs and staff confirmed three.
- Repairs and maintenance funded by operating reserve fund.
- Staff exploring opportunity for resale/reuse of sludge removal.
- Staff confirmed capital improvements are underway but expressed watermain replacements are costly.

**A. FERNWOOD AND HIGHLAND WATER SERVICE**

**MOVED** by Commissioner Wilson, **SECONDED** by Commissioner L. Travelbea, that the Fernwood and Highland Water Service Commission approve the 2022 operating and capital budget as amended by keeping the user fees the same and to increase the transfer to operating reserve by \$27,681 and that the 2021 actual deficit be carried forward to the 2022 budget to be recovered by revenue immediately.

**CARRIED**

**MOVED** by Commissioner Wilson, **SECONDED** by Commissioner L. Travelbea, that the Fernwood and Highland Water Service Commission recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2022 Operating and Capital Budget and the five-year Financial Plan for the Fernwood and Highland Water Service as amended.

**CARRIED**

**B. HIGHLAND WATER SERVICE**

- Capital Reserve Legacy Fund.
- Intent was to use these funds for the Highland only side of the service for capital improvements and projects before the Highland and Fernwood services combined.

**MOVED** by Commissioner Wilson, **SECONDED** by Commissioner B. Travelbea, that the Fernwood and Highland Water Service Commission approve the 2022 operating and capital budget as presented.

**CARRIED**

**MOVED** by Commissioner Wilson, **SECONDED** by Commissioner B. Travelbea, that the Fernwood and Highland Water Service Commission recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2022 Operating and Capital Budget and the five-year Financial Plan for the Highland Water Service as presented.

**CARRIED**

**C. FERNWOOD WATER SERVICE**

- No active projects.

**MOVED** by Commissioner Wilson, **SECONDED** by Commissioner B. Travelbea, that the Fernwood and Highland Water Service Commission approve the 2022 operating budget as presented.

**MOVED** by Commissioner Wilson, **SECONDED** by Commissioner B. Travelbea, that the Fernwood and Highland Water Service Commission recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2022 Operating Budget and the five-year Financial Plan for the Fernwood Water Service as presented.

**CARRIED**

**7. Outstanding Business – None**

8. Adjournment

**MOVED** by Director Holman, **SECONDED** by Commissioner B. Travelbea, that the Fernwood and Highland Water Service Commission meeting be adjourned at 12:04 pm.

**CARRIED**

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CHAIR

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SENIOR MANAGER

**REPORT TO FERNWOOD HIGHLAND WATER SERVICE COMMISSION  
MONDAY, OCTOBER 17, 2022**

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**SUBJECT**     **2023 Operating and Capital Budget**

**ISSUE SUMMARY**

To present the 2023 operating and capital budget. In accordance with Bylaw No 3911, "Highland Fernwood Water Service Commission Bylaw No. 1, 2015" the Commissions' 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 5-year financial plan including Operating Budgets and Capital Expenditure Plans annually. CRD staff have prepared the financial plan shown in Appendix A to this report for the Fernwood Highland 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 potentially leading to future capital improvements.

In preparing the Operating Budget, CRD staff considered:

1. Actual expenditures incurred between 2020 and 2022
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. Inputs from Operations and Maintenance
5. Regulatory, environmental, and health and safety factors.

Adjustments for surpluses or deficits from 2022 may be made in January 2023. The CRD Board will give final approval to the budget and financial plan in March 2023.

The Financial Plan for the years 2024 – 2027 may be changed in future years.

**BUDGET OVERVIEW**

**A. FERNWOOD AND HIGHLAND WATER SERVICE**

***Operating Budget***

It is projected that operating expenses in 2022 will be approximately \$38,986 over budget. Factors contributing to the operating overage include emergency response and corrective maintenance primarily due to the following events:

- Emergency response to water system breaks at:
  - Lawnhill Road (resulted in issuing a boil water advisory for a portion of the service area impacted by the watermain break)
  - 307 Maliview Drive (water service line connection)
  - 308 Maliview Drive (water service line connection)
  - 252 Maliview Drive (water service line connection)
  - 196 Maliview Drive (resulted in issuing a boil water advisory for a portion of the service area impacted by the watermain break)
  - 150 Trincomali Drive (water service line connection)
  - 234 Trincomali Drive (water service line connection)
  - 216 Fairway Crescent (water service line connection)
  - Maliview pressure regulating station valve troubleshooting and rebuild
- Water Treatment Plant:
  - UV system repairs (replace UV sensor) and electronic adjustments
  - Replace faulty hand-off-auto (HOA) electronic control switches
  - Replace rinse tank pressure transducer
  - Troubleshooting and rebuild of backflow prevention equipment
  - Repairs dissolved air floatation (DAF) water turbidity meter
- Distribution System:
  - Maliview pressure regulating station valve troubleshooting and rebuild
  - Highlands Upper Pump Station check valve troubleshooting and replacement

It is projected that the 2022 operating revenue will be \$5,000 under budget primarily as a result of lower than budgeted water sales.

This results in an overall operating deficit of approximately \$43,986. To balance the operating budget, it is proposed that the 2022 funding transfers in combination of capital reserve and the operating reserve funds be reduced by the actual deficit amount. This reduced reserve funds transfer result in a deficiency within the reserve funding target levels, which will require replenishment in 2023 and future years' planning. Otherwise, the resulting operating deficiency in 2022 must immediately be included as an expenditure to be recovered from revenue in the 2023 financial plan as required by *Local Government Act* Section 374(11).

The 2023 over 2022 operating costs (excluding 2022 one-time cyclical program funded by ORF for hydrant maintenance and reservoir cleaning) has been increased by \$17,280 (5.5%) over 2022. The increase is primarily to account for inflation and increased labour charges.

Increased labour charges are a result of the addition of a dedicated 'on-island' Manager of Operations that will be based on Salt Spring Island and have operational oversight of all CRD local services on Salt Spring Island and Southern Gulf Islands. The total labour cost for this position will be cost shared among 14 local utility services on SSI and SGI. The primary drivers for this role are to address regulatory requirements, workload management, capital project coordination and integration and to provide additional oversight and support to worker health and safety.



### ***Municipal Finance Authority (MFA) Debt***

Loan Authorization Bylaw 3754 to borrow \$500,000 was approved and adopted in 2011 for the construction of a combined Highland-Fernwood water supply system. Table 1 below summarizes the detailed information for existing MFA debt issue related to LA3754.

***Table 1 – Existing Debt Summary***

MFA Issues	Term	Borrowing Year	Retirement Year	Refinance Year	Original Interest Rate	Current Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
LA3754-117	15	2011	2026	Fall 2021	3.25%	1.47%	\$500,000	\$26,841	\$7,350	\$34,191

### ***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 the 2023 transfer to the Operating Reserve Fund be set at \$88,000 to ensure future maintenance activities are fully funded while maintaining an optimal balance in the reserve. There is \$40,000 of planned maintenance to be funded by the Operating Reserve over the next five years.

The Operating Reserve Fund balance at the end of 2022 is projected to be \$34,557.

### ***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 2023 budgeted transfer to the Capital Reserve Fund be set at \$75,000. The reserve fund transfer planning is influenced by the funding required to support the five-year capital expenditure plan, the emergency response to infrastructure failures and 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.

The Capital Reserve Fund balance at the end of 2022 is projected to be \$43,743.

### ***Capital Expenditure Plan***

The 5-year plan includes \$6,138,000 of expenditures to be funded by the service's capital funds on hand, Capital Reserve Fund, grants and new debt. A public engagement and referendum is planned to take place in 2023 to borrow funds to carry out the construction of backup power, Upper Reservoir replacement, and the initial phase of the water main replacement project.

Five (5) new projects have been added to the 2023-2027 Capital Plan as follows:

1. Electrical Upgrades and Replacements (23-02) - \$30,000
2. Pressure Regulating Valve Station Upgrades (23-03) - \$60,000
3. Water Treatment Plant Upgrades and Replacements (23-05) - \$15,000
4. Fernwood Reservoir Upgrades and Replacements (23-06) - \$25,000

**5. Water Treatment Plant Communications and Control Upgrades (23-07) - \$112,000**

Contingent on electoral assent, new borrowings in total of \$4,895,000 are planned to fund the following projects:

- 21-03 Highland Upper Reservoir replacement – \$465,000
- 23-01 Initial phase of water main replacement for high priority areas – \$4,430,000. The project is subject to the outcomes of the water main replacement strategy (21-04)

Table 2 below provides the future debt servicing cost simulation for analytical purpose with the indicative interest rate provided by MFA at the time of simulation.

**Table 2 - Future New Debt Simulation**

<i>Future Borrowing(s) Estimation</i>	<b>Term</b>	<b>Borrowing Year</b>	<b>Retirement Year</b>	<b>Estimated Interest Rate</b>	<b>Principal</b>	<b>Principal Payment</b>	<b>Interest Payment</b>	<b>Total Annual Debt Cost</b>
	25	2024	2049	4.90%	\$465,000	\$13,614	\$22,785	\$36,399
	25	2026	2051	4.90%	\$2,215,000	\$64,846	\$108,535	\$173,381
	25	2027	2052	4.90%	\$2,215,000	\$64,846	\$108,535	\$173,381
<b>Total</b>					<b>\$4,895,000</b>	<b>\$143,306</b>	<b>\$239,855</b>	<b>\$383,161</b>

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. The estimated debt servicing cost of \$383,161 equates to approximately \$1,150 cost per parcel.

**Capital Project Fund**

As specific capital projects are approved, the funding revenues for them are transferred into the Capital Project Fund from the Capital Reserve Fund. Any funds remaining upon completion of a project are transferred back to the Capital Reserve Fund for use on future capital projects.

**User Charge and Parcel Tax**

Fixed user charge, parcel tax, and variable sale of water based on consumption fund the service. Properties connected to the water system pay the annual user charge and all properties within the local service area are responsible for the parcel tax. The tiered water consumption rates are unchanged from 2022. Table 3 below summarizes the 2023 over 2022 changes for parcel tax and user charge.

**Table 3 – Parcel Tax and User Charge Summary**

<b>Budget Year</b>	<b>Parcel Tax</b>	<b>Taxable Folios Numbers</b>	<b>Parcel Tax per Folio*</b>	<b>User Charge</b>	<b>SFE Numbers</b>	<b>User Charge per SFE</b>	<b>Parcel Tax &amp; User Charge</b>
<b>2022</b>	\$75,000	333	\$237.05	\$379,591	321	\$1,182.53	<b>\$1,419.58</b>
<b>2023</b>	\$75,000	333	\$237.05	\$390,685	321	\$1,217.09	<b>\$1,454.14</b>
<b>Change (\$)</b>	\$0	0	\$0.00	\$11,094	0	\$34.56	<b>\$34.56</b>
<b>Change (%)</b>	0.00%	0.00%	0.00%	2.92%	0.00%	2.92%	<b>2.43%</b>

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

## A. HIGHLAND WATER SERVICE

### *Operating Budget*

The sole purpose of this budget is to repay existing debt and to complete the Valve Distribution Renewal project.

### *Municipal Finance Authority (MFA) Debt*

Loan Authorization Bylaw 3580 to borrow \$559,000 was approved and adopted in 2009 for water distribution system upgrades and construct of a new water treatment plan. Table 4 below summarizes the detailed information for existing MFA debt issue related to LA3580.

**Table 4 - Existing Debt Summary**

MFA Issues	Term	Borrowing Year	Retirement Year	Refinance Year	Original Interest Rate	Current Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
LA3580-106	15	2009	2024	2019	4.13%	2.25%	\$250,000	\$12,485	\$5,625	\$18,110
LA3580-118	15	2012	2027	2022	3.40%	3.40%*	\$150,680	\$7,525	\$5,123	\$12,648
<b>Total</b>							<b>\$400,680</b>	<b>\$20,010</b>	<b>\$10,748</b>	<b>\$30,758</b>

\* Refinancing rate will be incorporated into the Final Budget once provided by MFA.

### *Capital Expenditure Plan*

The 5-year plan includes \$70,000 of expenditures related to Middle Reservoir repairs and Upper Reservoir repair/replacement work to be carried forward into 2023.

### *Capital Project 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).

### *Parcel Tax*

Parcel tax funds the service. Table 5 below summarizes the 2023 over 2022 changes for parcel tax.

**Table 5 – Parcel Tax Summary**

Budget Year	Parcel Tax	Taxable Folios Numbers	Parcel Tax per Folio*
2022	\$30,832	254	\$127.76
2023	\$30,801	254	\$127.63
Change (\$)	-\$31	0	-\$0.13
Change (%)	-0.10%	0.00%	-0.10%

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

## B. FERNWOOD WATER SERVICE

### *Operating Budget*

The sole purpose of this budget is to repay existing debt.

***Municipal Finance Authority (MFA) Debt***

Loan Authorization Bylaw 3581 to borrow \$195,000 was approved and adopted in 2009 for water distribution system upgrades and interconnection to new Highlands's water treatment plant. Table 6 summarizes the detailed information for existing MFA debt issue related to LA3581.

**Table 6 - Existing Debt Summary**

MFA Issues	Term	Borrowing Year	Retirement Year	Refinance Year	Original Interest Rate	Current Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
LA3581-106	15	2009	2024	2019	4.13%	2.25%	\$100,000	\$4,994	\$2,250	\$7,244
LA3581-110	15	2010	2025	2020	4.50%	1.28%	\$50,000	\$2,684	\$640	\$3,324
LA3581-118	15	2012	2027	2022	3.40%	3.40%*	\$45,000	\$2,247	\$1,530	\$3,777
<b>Total</b>							<b>\$195,000</b>	<b>\$9,925</b>	<b>\$4,420</b>	<b>\$14,345</b>

\* Refinancing rate will be incorporated into the Final Budget once provided by MFA.

***Capital Expenditure Plan***

There are no capital expenditures planned for this debt servicing only budget for 2023-2027.

***Capital Project 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). There are no active projects in Capital Project Fund.

***Parcel Tax***

Parcel tax funds the service. Table 7 below summarizes the 2023 over 2022 changes for parcel tax.

**Table 7 – Parcel Tax Summary**

Budget Year	Parcel Tax	Taxable Folios Numbers	Parcel Tax per Folio*
2022	\$14,413	79	\$192.02
2023	\$14,371	79	\$191.46
Change (\$)	-\$42	0	-\$0.56
Change (%)	-0.29%	0.00%	-0.29%

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

**RECOMMENDATION**

That the Fernwood and Highland Water Service Commission:

**A. FERNWOOD AND HIGHLAND WATER SERVICE**

1. Approve the 2023 operating and capital budget as presented, and that the 2022 actual operating or deficit be balanced on the 2022 Reserve Funds transfer (CRF and/or ORF), and,
2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2023 Operating and Capital Budget and the five-year Financial Plan for the Fernwood and Highland Water Service as presented.

**B. HIGHLAND WATER SERVICE**

1. Approve the 2023 operating and capital budget as presented; and,
2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2023 Operating and Capital Budget and the five-year Financial Plan for the Highland Water Service as presented.

**C. FERNWOOD WATER SERVICE**

1. Approve the 2023 operating budget as presented; and,
2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2023 Operating Budget and the five-year Financial Plan for the Fernwood Water Service as presented.

Submitted by:	Karla Campbell, Senior Manager, MBA, BPA, Salt Spring Island Electoral Area
Submitted by:	Jason Dales, B.Sc, WD IV, Senior Manager, Infrastructure Operations
Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

KC/JD/RL/:sb

Appendix A: [2023 Budget Fernwood and Highland Water Service Budget](#)  
[2023 Budget Highland Water Service Budget](#)  
[2023 Budget Fernwood Water Service Budget](#)

# CAPITAL REGIONAL DISTRICT

## 2023 Budget

### Highland/Fernwood Water (SSI)

#### Commission Review

OCTOBER 2022

Service: 2.621 Highland & Fernwood Water (SSI)

Committee: Electoral Area

**DEFINITION:**

To construct water works for the provision, supply, treatment, conveyance, storage and distribution of water for the Salt Spring Island Highland and Fernwood Water Service, Bylaw No. 3753 (April 13, 2011).

**PARTICIPATION:**

Local Service Area #63, 3(764)

**MAXIMUM LEVY:**

Greater of \$350,000 or \$2.572 / \$1,000 of actual assessed value of land and improvements. To a maximum of \$723,117.

**MAXIMUM CAPITAL DEBT:**

Authorized: LA3754 (April 13, 2011)

\$500,000

Borrowed: SI Bylaw 3800 (Aug 10, 2011)

(\$500,000) 3.25%

Remaining:

\$0

**COMMISSION:**

Fernwood and Highland Water Service Commission - Bylaw 4371 (Dec. 09, 2020)

**FUNDING:**

**Parcel Tax:**

Annual, levied only on all properties capable of being connected to the system.

**User Charge:**

Annual Fixed Fee per single family dwelling unit or equivalent.

The consumption charge for water will be the total volume of water metered to the water service connections, measured in cubic meters at the following rate:

- First 38 cubic metres or portion - \$0.64 / cubic metre
- Next 68 cubic metres or portion - \$2.00 / cubic metre
- Greater than 106 cubic metres - \$5.13 / cubic metre

**Water Connection Charge:**

Actual cost for the connection.

**RESERVE FUND:**

Established by Bylaw #3907 (April 16, 2014)

**2.621 - Highland/Fernwood Water (SSI)**

	2022 BOARD ESTIMATED BUDGET ACTUAL		BUDGET REQUEST 2023 CORE BUDGET ONGOING ONE-TIME TOTAL				FUTURE PROJECTIONS 2024 2025 2026 2027			
<b>OPERATING COSTS</b>										
Sludge Hauling Contract	9,330	9,330	9,610	-	-	9,610	9,800	10,000	10,200	10,400
Waste Sludge Disposal	14,500	14,500	14,940	-	-	14,940	15,240	15,540	15,850	16,170
Repairs & Maintenance	36,050	41,550	29,120	-	-	29,120	29,300	9,490	9,680	9,870
Allocations	19,870	19,870	20,000	-	-	20,000	22,238	22,682	23,133	23,591
Water Testing	13,740	13,000	14,015	-	-	14,015	14,295	14,581	14,873	15,170
Electricity	20,800	21,500	21,420	-	-	21,420	21,850	22,290	22,740	23,190
Supplies	23,170	25,600	23,860	-	-	23,860	24,330	24,810	25,300	25,800
Labour Charges	183,174	215,000	183,320	-	-	195,460	199,380	203,380	207,450	211,600
Other Operating Expenses	18,220	17,490	18,906	-	-	18,906	19,360	19,820	20,300	20,780
<b>TOTAL OPERATING COSTS</b>	<b>338,854</b>	<b>377,840</b>	<b>316,994</b>	<b>12,140</b>	<b>20,000</b>	<b>349,134</b>	<b>355,793</b>	<b>342,593</b>	<b>349,526</b>	<b>356,571</b>
*Percentage Increase over prior year			-6.5%	3.6%	5.9%	3.0%	1.9%	-3.7%	2.0%	2.0%
<b>DEBT / RESERVES</b>										
Transfer to Capital Reserve Fund	58,500	42,514	75,000	-	-	75,000	80,000	75,000	50,000	5,000
Transfer to Operating Reserve Fund	66,533	38,533	88,000	-	-	88,000	77,640	60,348	39,951	5,000
MFA Debt Principal	26,841	26,841	26,841	-	-	26,841	26,841	40,454	40,454	78,459
MFA Debt Interest	7,350	7,350	7,350	-	-	7,350	13,046	30,135	57,269	158,454
MFA Debt Reserve Fund	130	130	110	-	-	110	4,760	110	22,260	22,260
<b>TOTAL DEBT / RESERVES</b>	<b>159,354</b>	<b>115,368</b>	<b>197,301</b>	<b>-</b>	<b>-</b>	<b>197,301</b>	<b>202,287</b>	<b>206,047</b>	<b>209,934</b>	<b>269,173</b>
<b>TOTAL COSTS</b>	<b>498,208</b>	<b>493,208</b>	<b>514,295</b>	<b>12,140</b>	<b>20,000</b>	<b>546,435</b>	<b>558,080</b>	<b>548,640</b>	<b>559,460</b>	<b>625,744</b>
<b>FUNDING SOURCES (REVENUE)</b>										
Balance C/FW from 2021 to 2022	44,133	44,133	-	-	-	-	-	-	-	-
Transfer from Operating Reserve Fund	(27,000)	(27,000)	-	-	(20,000)	(20,000)	(20,000)	-	-	-
Sales - Water	(60,000)	(55,000)	(60,000)	-	-	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
User Charges	(379,591)	(379,591)	(378,545)	(12,140)	-	(390,685)	(399,820)	(407,820)	(415,980)	(429,330)
Other Revenue	(750)	(750)	(750)	-	-	(750)	(760)	(770)	(780)	(790)
<b>TOTAL REVENUE</b>	<b>(423,208)</b>	<b>(418,208)</b>	<b>(439,295)</b>	<b>(12,140)</b>	<b>(20,000)</b>	<b>(471,435)</b>	<b>(480,580)</b>	<b>(468,590)</b>	<b>(476,750)</b>	<b>(490,120)</b>
<b>REQUISITION - PARCEL TAX</b>	<b>(75,000)</b>	<b>(75,000)</b>	<b>(75,000)</b>	<b>-</b>	<b>-</b>	<b>(75,000)</b>	<b>(77,500)</b>	<b>(80,050)</b>	<b>(82,700)</b>	<b>(135,624)</b>
*Percentage Increase over prior year			0.0%	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sales			-0.3%	3.2%		2.9%	2.3%	2.0%	2.0%	3.2%
User Fee			0.0%			0.0%	3.3%	3.3%	3.3%	64.0%
Requisition			-0.2%	2.4%		2.2%	2.2%	2.0%	2.0%	11.9%
<b>Combined</b>										



Highland/Ferrwood Water (SSI)  
 Reserve Summary Schedule  
 2023 - 2027 Financial Plan

Reserve/Fund Summary						
	Estimated	Budget				
	2022	2023	2024	2025	2026	2027
Operating Reserve Fund	34,557	102,557	160,197	220,545	260,496	265,496
Capital Reserve Fund	43,743	53,743	113,743	116,743	166,743	171,743
<b>Total</b>	<b>78,301</b>	<b>156,301</b>	<b>273,941</b>	<b>337,289</b>	<b>427,240</b>	<b>437,240</b>

## Reserve Schedule

### Reserve Fund: 2.621 Highland/Fernwood 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 etc.

## Reserve Cash Flow

Fund: Fund Centre:	1500 105205	Estimated	Budget				
		2022	2023	2024	2025	2026	2027
Beginning Balance		22,784	34,557	102,557	160,197	220,545	260,496
Transfer from Ops Budget		38,533	88,000	77,640	60,348	39,951	5,000
Expenditures		(27,000)	(20,000)	(20,000)	-	-	-
Planned Maintenance Activity		Hydrant maintenance & Reservoir cleaning & inspection (Ph2)	Filter media replacement	Reservoir cleaning & inspection			
Interest Income*		240					
Ending Balance \$		34,557	102,557	160,197	220,545	260,496	265,496

### Assumptions/Background:

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

## Reserve Schedule

**Reserve Fund: 2.621 Highland/Fernwood Water (SSI) - Capital Reserve Fund - Bylaw 3991**

For capital repairs, additions and improvements to sewage system infrastructure

### Reserve Cash Flow

Fund: Fund Centre:	1088 102156	Estimated	Budget				
		2022	2023	2024	2025	2026	2027
Beginning Balance		52,129	43,743	53,743	113,743	116,743	166,743
Transfer from Ops Budget		42,514	75,000	80,000	75,000	50,000	5,000
Transfer to Cap Fund		(52,000)	(65,000)	(20,000)	(72,000)	-	-
Interest Income*		1,100					
Ending Balance \$		43,743	53,743	113,743	116,743	166,743	171,743

#### Assumptions/Background:

\* Interest is 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 - 2023 to 2027**

<b>Service No.</b>	<b>2.621</b>	<b>Carry Forward from 2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>TOTAL</b>
<b>Highland &amp; Fernwood Water (SSI)</b>								
<b>EXPENDITURE</b>								
Buildings		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment		\$40,000	\$40,000	\$0	\$0	\$0	\$0	\$40,000
Land		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures		\$2,079,000	\$504,000	\$792,000	\$372,000	\$2,215,000	\$2,215,000	\$6,098,000
Vehicles		\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>\$2,119,000</b>		<b>\$544,000</b>	<b>\$792,000</b>	<b>\$372,000</b>	<b>\$2,215,000</b>	<b>\$2,215,000</b>	<b>\$6,138,000</b>	
<b>SOURCE OF FUNDS</b>								
Capital Funds on Hand		\$59,000	\$59,000	\$0	\$0	\$0	\$0	\$59,000
Debtenture Debt (New Debt Only)		\$1,890,000	\$0	\$465,000	\$0	\$2,215,000	\$2,215,000	\$4,895,000
Equipment Replacement Fund		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants (Federal, Provincial)		\$40,000	\$420,000	\$307,000	\$300,000	\$0	\$0	\$1,027,000
Donations / Third Party Funding		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund		\$130,000	\$65,000	\$20,000	\$72,000	\$0	\$0	\$157,000
<b>\$2,119,000</b>		<b>\$544,000</b>	<b>\$792,000</b>	<b>\$372,000</b>	<b>\$2,215,000</b>	<b>\$2,215,000</b>	<b>\$6,138,000</b>	

CAPITAL REGIONAL DISTRICT  
5 YEAR CAPITAL PLAN  
2023 - 2027

<b>Project Number</b> Project number format is "YY-MM" YY is the last two digits of the year the project is planned to start MM is a numerical value. For example, 23-01 is a project planned to start in 2023.  For projects in previous capital plans, use the same project numbers previously assigned.	<b>Capital Project Description</b> Briefly describe the project's mission and service benefits. <i>For example: "Full roof replacement of a 40 year old roof above the swimming pool area. The new roofing system is built current energy standards, designed to minimize maintenance and have an expected service life of 35 years".</i>
<b>Capital Expenditure Type</b> <b>Study:</b> Expenditure for feasibility and business case report. <b>New:</b> Expenditure for new asset only <b>Renewal:</b> Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service <b>Replacement:</b> Expenditure replaces an existing asset	<b>Total Project Budget</b> Provide the total project budget, even if it extends beyond the 5 years of this capital plan
<b>Capital Project Title</b> Input the title of project. For example "Asset Name - Road Replacement", "Main road type Replacement".	<b>Funding Source Codes</b> Debt = Debt/entire Debt (new debt only) EPR = Equipment Replacement fund Grant = Grants (Federal, Provincial) Cap = capital funds on hand Other = Donations / Third Party/funding Rcs = Reserve fund Stipan = Short term loans WU = Water Utility If there is more than one funding source, use additional rows for the project.
<b>Capital Project Title</b> Input the title of project. For example "Asset Name - Road Replacement", "Main road type Replacement".	<b>Asset Class</b> 1 - Land 2 - Engineering/Structure 3 - Buildings 4 - Vehicles
<b>Long-Term Planning</b> <b>Master Plan / Servicing Plan</b> = Plan that identifies new assets required to meet future needs. <b>Asset Management Plan / Sustainable Service Delivery Plan</b> = Integrated plan that identifies asset replacements based on level of service, critically condition, risk, replacement costs as well as external impacts. <b>Replacement Plan</b> = Plan that identifies asset (re)placements based primarily on asset age or asset material/type. <b>Condition Assessment</b> = Assessment that identifies asset replacements based on asset condition.	
<b>Cost Estimate Class</b> 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 little/no site information used for long-term planning.	
<b>Project Dates</b> <b>Maturity Level of Service</b> - Project maintain existing or improved level of service <b>Advance based or Copacitate priority</b> - Project is a planned or Copacitate priority. <b>Emergency</b> - Project is required for health or safety reasons. <b>Cost Benefit</b> - Economic benefit to the organization. <b>Other</b> - Project is not driven by one of the other options provided.	

**Service #:** 2.621  
**Service Name:** Highland & Ferrwood Water (SSI)

[illegible]

Service: 2.621 Highland & Fernwood Water (SSI)			
Project Number 19-05	Capital Project Title Referendum or Alternative Approval Process - Funding for Future Projects	Capital Project Description Undertake a referendum or AAP to borrow funds to carry out the intake, DAF, back up power and upper reservoir projects.	
Project Rationale Undertake a referendum or AAP to borrow funds to carry out the intake, back up power and upper reservoir projects.			
Project Number 21-01	Capital Project Title Public Engagement for Future Projects	Capital Project Description Public engagement for the intake, DAF, back up power and upper reservoir projects.	
Project Rationale Public engagement for the intake and upper reservoir projects.			
Project Number 22-01	Capital Project Title Back up Power	Capital Project Description Design and Construction of back up power system.	
Project Rationale Design and construction of a backup power system needed in the event of a power failure to continue to provide water to the community.			
Project Number 21-03	Capital Project Title Highland Upper Reservoir Replacement	Capital Project Description Construction to replace existing leaking upper reservoir	
Project Rationale Upper reservoir is leaking and wasting water. Needs to be replaced.			
Project Number 21-04	Capital Project Title Water main replacement strategy and detailed design	Capital Project Description Conduct water main replacement assessment and develop a phased replacement strategy and design drawings and specs	
Project Rationale The asbestos cement water main system needs to be replaced so this will assess the system and create a strategy to deal with it along with design drawings and specifications.			
Project Number 23-01	Capital Project Title Initial phase of Water main replacement	Capital Project Description Engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/m over 10 years)	
Project Rationale The asbestos cement water main system needs to be replaced. This project is for the engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/meter over 10 years).			

<b>Project Number</b> 22-03		<b>Capital Project Title</b> Safety Improvements for the WTF	<b>Capital Project Description</b> Design and installation of eyewash, safe access platform, roof access hatch
<b>Project Rationale</b> These are Health and Safety improvements required to provide a safe working environment for CRD personnel.			
<b>Project Number</b> 24-01	<b>Capital Project Title</b> Fernwood PS Hazard Assess and Demolition	<b>Capital Project Description</b> Assessment of hazard and demolition.	
<b>Project Rationale</b> This project will assess the hazards and demolish the obsolete Fernwood Pump Station.			
<b>Project Number</b> 25-01	<b>Capital Project Title</b> Fence installation around storage reservoirs	<b>Capital Project Description</b> Install fencing around all reservoirs and WTP	
<b>Project Rationale</b> This fence is required for community safety (child access etc.) and security of the asset (vandalism).			
<b>Project Number</b> 23-02	<b>Capital Project Title</b> Electrical Upgrades and Replacements	<b>Capital Project Description</b> Work on Middle Reservoir - bonding wire and lug, replace Westinghouse motor starter, reconnect back-up lighting to code, install CR rated receptacles, replace cabling on float switch and level transducer, replace base board heater. Replace electrical service mast at Highlands Upper Reservoir.	
<b>Project Rationale</b> A variety of work is required on the Middle Reservoir - bonding wire and lug, replace Westinghouse motor starter, reconnect back-up lighting to code, install CR rated receptacles, replace cabling on float switch and level transducer, replace base board heater. Replace electrical service mast at Highlands Upper Reservoir.			
<b>Project Number</b> 23-03	<b>Capital Project Title</b> Pressure Regulating Valve Station Upgrades	<b>Capital Project Description</b> Install inline strainers, screens, access ladder, grout manhole frame.	
<b>Project Rationale</b> A variety of work is required on pressure regulating valve stations including the installation of inline strainers, screens, access ladder, grout manhole frame.			
<b>Project Number</b> 23-04	<b>Capital Project Title</b> Replace DAF waste Pump	<b>Capital Project Description</b> Replace DAF waste Pump Construction	
<b>Project Rationale</b> The DAF waste pump requires replacement.			

<b>Project Number</b>	23-05	<b>Capital Project Title</b>	Water Treatment Plant Upgrades and Replacements	<b>Capital Project Description</b>	Replace both doors on WTP, install chain and guard rail, remount AC power supply, secure Backwash, Clear Well and Rinse Tanks all Float and Level transducer wiring.
<b>Project Rationale</b>	Various improvements identified in the AMP and by Operations are required including replace both doors on WTP, install chain and guard rail, remount AC power supply, secure Backwash, Clear Well and Rinse Tanks all Float and Level transducer wiring.				

<b>Project Number</b>	23-06	<b>Capital Project Title</b>	Fernwood Reservoir upgrades and Replacements	<b>Capital Project Description</b>	Repair or replace shared electrical enclosure, repair any damaged electrical components, secure flanges at bottom of tank.
<b>Project Rationale</b>	Various improvements identified in the AMP and by Operations are required including repair or replace shared electrical enclosure, repair any damaged electrical components, secure flanges at bottom of tank.				

<b>Project Number</b>	23-07	<b>Capital Project Title</b>	WTP Communications and Control Upgrades	<b>Capital Project Description</b>	To upgrade RTU programming software to Workbench. Replace the RTU and PLC controller due to age and critically to current CRD I/O standards.
<b>Project Rationale</b>	Various improvements identified in the AMP and by Operations including upgrade RTU programming software to Workbench. Replace the RTU and PLC controller due to age and critically to current CRD I/O standards.				



## 2.621 - Highland/Fernwood Water (SSI)

### Capital Projects

Updated @ Sep 28, 2022

Year	Project#	Capital Plan#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
						Expenditure Actuals	Remaining Spending	
2019	CE.677		Open	Water Intake and Screen	147,000	35,747	111,253	147,000
2019	CE.699.4501	19-03	Open	Safe Work Procedures	17,000	3,830	13,170	17,000
2020	CE.707	19-02	Open	Waste Pump Design and Construct	80,000	21,957	58,043	80,000
2021	CE.735.4501	21-02	Open	Power generation equipment - Design	49,000	5,475	43,525	49,000
				<b>Totals</b>	<b>293,000</b>	<b>67,009</b>	<b>225,991</b>	<b>293,000</b>

**Service:**

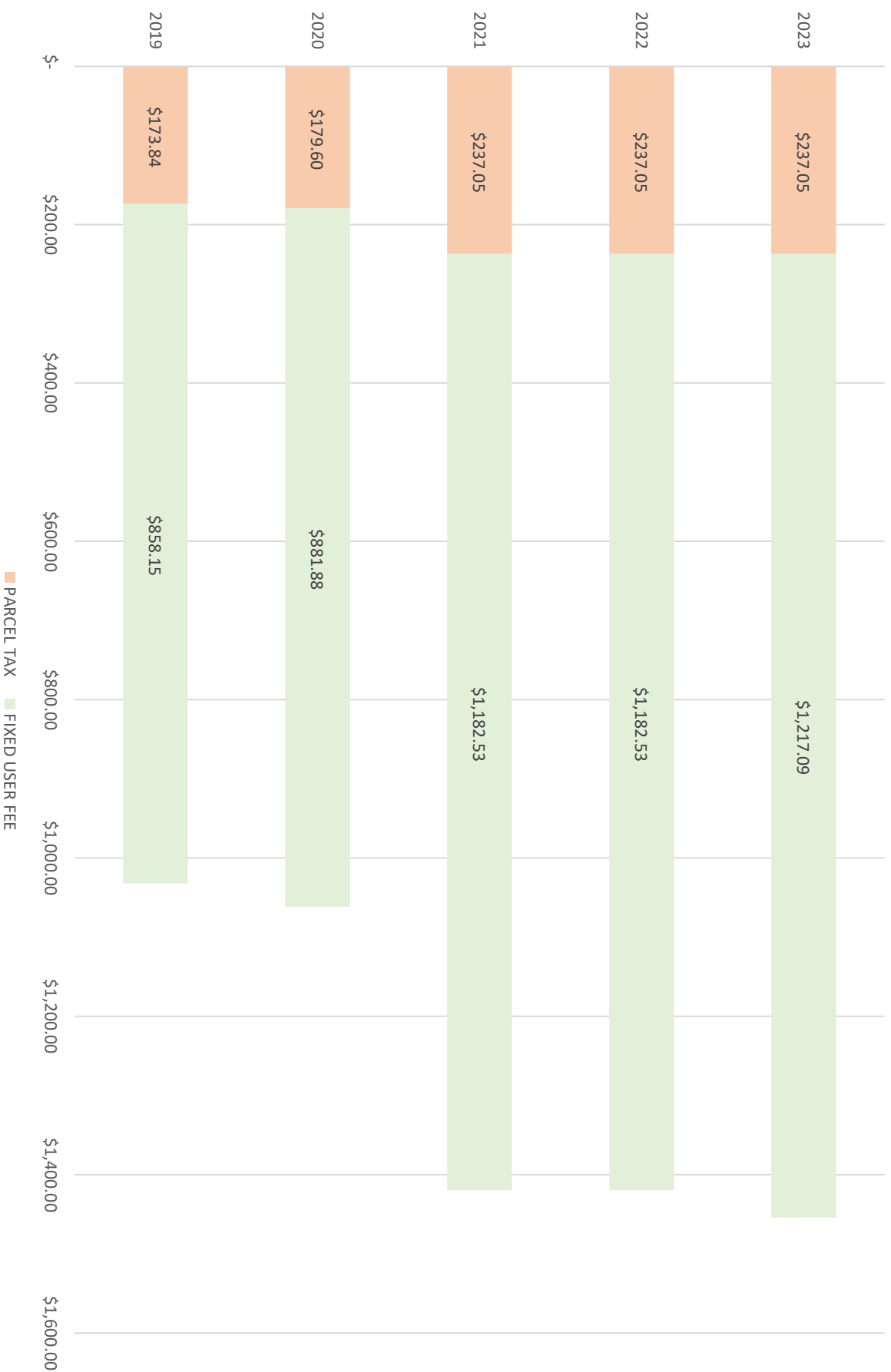
**2.621 Highland/Fernwood Water (SSI)**

**Committee: Electoral Area**

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax Per Folio</u>	<u>SFEs</u>	<u>User Charge Per SFE</u>	<u>Total Tax &amp; Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2012	0	\$0.00	318	\$156.23	\$156.23	3864	\$138,812
2013	332	\$158.51	318	\$522.72	\$681.23	3891	\$136,061
2014	333	\$173.84	318	\$558.04	\$731.88	3925	\$125,134
2015	333	\$173.84	318	\$638.15	\$811.99	3891	\$126,876
2016	333	\$173.84	317	\$704.93	\$878.77	3993	\$131,385
2017	333	\$173.84	319	\$817.51	\$991.35	4073	\$149,011
2018	333	\$173.84	319	\$861.75	\$1,035.58	4208	\$167,935
2019	333	\$173.84	320	\$858.15	\$1,031.99	4273	\$177,921
2020	333	\$179.60	321	\$881.88	\$1,061.48	4339	\$191,456
2021	333	\$237.05	321	\$1,182.53	\$1,419.58	4395	\$201,818
2022	333	\$237.05	321	\$1,182.53	\$1,419.58	4470	\$281,106
2023	333	\$237.05	321	\$1,217.09	\$1,454.14		
<i>Change from 2022 to 2023</i>							
		\$0.00		\$34.56	\$34.56		
		0.00%		2.92%	2.43%		

\* A variable consumption charge is paid in addition to the fixed user charge and parcel tax.

# Highland/Fernwood Water (SI) Funding Analysis 2019 - 2023



# **CAPITAL REGIONAL DISTRICT**

## **2023 Budget**

### **Highland Water System (SSI)**

#### **Commission Review**

OCTOBER 2022

Service: 2.620 Highland Water (SSI)

Committee: Electoral Area

**DEFINITION:**

To provide and operate water supply and distribution facilities for the Salt Spring Island Highland Water System Specified Area.  
Bylaw No. 847 (March 25, 1981). Local Service Establishment Bylaw No. 1937 (October 9, 1991).

**PARTICIPATION:**

Local Service Area #13, H(764)

**MAXIMUM LEVY:**

Greater of \$120,000 or \$5.50 / \$1,000 of actual assessed value of land and improvements. To a maximum of \$1,074.081.

**MAXIMUM CAPITAL DEBT:**

Authorized:	LA3580 (April 3, 2009)	\$559,000 *
Borrowed:	SI Bylaw 3634 (2009, 4.13%)	(\$250,000)
	SI Bylaw 3817 (2012, 3.4%)	(\$150,680)
Remaining:		<hr/> \$158,320

**COMMISSION:**

Fernwood and Highland Water Service Commission- Bylaw 4371 (Dec. 09, 2020)

**FUNDING:**

Any deficiencies after user charge and/or frontage tax or parcel tax to be levied on taxable school assessments, excluding property that is taxable for school purposes by Special Act.  
**Parcel Tax:** - Annual, only on properties capable of being connected to the system.

**RESERVE FUND:**

Highland Water System Capital Reserve Fund, Bylaw No. 1501 (Dec. 17, 1986)

2.620 - Highland Water System (SSI) - Debt Only											
OPERATING COSTS	2022		2023		FUTURE PROJECTIONS						
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2024	2025	2026	2027	
	103	103	43	-	-	43	43	44	45	46	
	103	103	43	-	-	43	43	44	45	46	
	-58.3%						0.0%	2.3%	2.3%	2.2%	
	DEBT										
	MFA Debt Principal	20,010	20,010	20,010	-	-	20,010	20,010	7,525	7,525	7,525
	MFA Debt Interest	10,748	10,748	10,748	-	-	10,748	10,748	5,123	5,123	2,562
	MFA Debt Reserve Fund	110	110	90	-	-	90	90	90	90	90
	TOTAL DEBT	30,868	30,868	30,848	-	-	30,848	30,848	12,738	12,738	10,177
TOTAL COSTS	30,971	30,971	30,891	-	-	30,891	30,891	12,782	12,783	10,223	
FUNDING SOURCES (REVENUE)											
Balance c/fwd from 2021 to 2022	(29)	(29)	-	-	-	-	-	-	-	-	
Other Income	(110)	(110)	(90)	-	-	(90)	(90)	(90)	(90)	(90)	
TOTAL REVENUE	(139)	(139)	(90)	-	-	(90)	(90)	(90)	(90)	(90)	
REQUISITION - PARCEL TAX	(30,832)	(30,832)	(30,801)	-	-	(30,801)	(30,801)	(12,692)	(12,693)	(10,133)	
*Percentage increase over prior year Requisition											
						-0.1%	0.0%	-58.8%	0.0%	-20.2%	

**CAPITAL REGIONAL DISTRICT**  
**FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2023 to 2027**

Service No.	2.620 Highland Water (SSI)	Carry Forward from 2022	2023	2024	2025	2026	2027	TOTAL
EXPENDITURE								
Buildings		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures		\$70,000	\$70,000	\$0	\$0	\$0	\$0	\$70,000
Vehicles		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$70,000	\$70,000	\$0	\$0	\$0	\$0	\$70,000
SOURCE OF FUNDS								
Capital Funds on Hand		\$70,000	\$70,000	\$0	\$0	\$0	\$0	\$70,000
Debtenture Debt (New Debt Only)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment Replacement Fund		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants (Federal, Provincial)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Donations / Third Party Funding		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$70,000	\$70,000	\$0	\$0	\$0	\$0	\$70,000

CAPITAL REGIONAL DISTRICT  
5 YEAR CAPITAL PLAN  
2023 - 2027

<b>Project Number:</b> Project number format is "Y"-##" "Y" is the year two digits of the year the project is planned to start. "##" is a numerical value. For example, 23-01 is a project planned to start in 2023.	<b>Project Objectives:</b> <b>Maintain Level of Service</b> = Project maintains existing or improved level of service. <b>Advance Board or Corporate Priority</b> = Project is a board or corporate priority. <b>Emergency</b> = Project is required for health or safety reasons. <b>Cost Benefit</b> = Economic benefit to the organization.
<b>Capital Project Description</b> Briefly describe project scope and service benefits. For example: "Full Roof Replacement of a 40 year old roof above the swimming pool area. The new roofing system is built current industry standards, designed to minimize maintenance and have an expected service life of 35 years."	<b>Carryforward from 2022</b> Input the carryforward amount from the 2022 capital plan that is remaining to be spent. Forecast this spending in 2023 to 2027.
<b>Capital Project Title</b> Input title of project. For example "Asset Name - Roof Replacement", "Main Water Pipe Replacement".	
<b>Capital Expenditure Type</b> <b>Study</b> - Expenditure for feasibility and business case report <b>New</b> - Expenditure for new asset only <b>Renewal</b> - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service <b>Replacement</b> - Expenditure replaces an existing asset	<b>Long-term Planning</b> <b>Master Plan / Servicing Plan</b> = Plan that identifies new assets required to meet future needs. <b>Asset Management Plan / Sustainable Service Delivery Plan</b> = Integrated plan that identifies asset replacements based on level of service, critically, condition, risk, replacement costs as well as external impacts. <b>Replacement Plan</b> = Plan that identifies asset replacements based primarily on asset age or asset material/type. <b>Condition Assessment</b> = Assessment that identifies asset replacements based on asset condition.
<b>Asset Class</b> 1 - Land 5 - Engineering Structure B - Buildings V - Vehicles	<b>Cost Estimate Class</b> 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 little/no site information, used for long-term planning.
<b>Total Project Budget</b> Provide the total project budget, even if it extends beyond the 5 years of this capital plan.	<b>Funding Source Codes</b> Debt = Debt (new debt only) EPF = Equipment Replacement Fund Grant = Grants (Federal, Provincial) Cap = Capital Funds on Hand Other = Donations / Third Party Funding Res = Reserve Fund Stucom = Short term loans WU = Water Utility If there is more than one funding source, use additional rows for the project.

Service #: 2.620

Service Name: Highland Water (SSI)

[illegible]



<b>Service:</b>	<b>2.620</b>	<b>Highland Water (SSI)</b>
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<b>Project Number</b>	16-01	<b>Capital Project Title</b>	Infrastructure Upgrades (Valve Distribution)	<b>Capital Project Description</b>	Middle and Upper Reservoir Repairs
<b>Project Rationale</b>	These funds are reserved for Highland only upgrade/repairs/replacement. The middle reservoir needs an access hatch and a replacement of a failed outlet piping and it has also recently starts to leak. The upper reservoir has been leaking and needs to be replaced. The fund is reserved for the repair of Middle reservoir and the planning, option analysis and the design of Upper Reservoir replacement.				

## 2.620 - Highland Water System (SSI)

### Capital Projects

Updated @ Sep 28, 2022

Year	Project#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
					Expenditure Actuals	Remaining Spending	
2020	CE.360	Open	Highland Valves Distribution	122,442	53,791	68,651	122,442
			<b>Totals</b>	<b>122,442</b>	<b>53,791</b>	<b>68,651</b>	<b>122,442</b>

Service:

2.620 Highland Water System (SSI)

Committee: Electoral Area

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>Number SFE's</u>	<u>User Charge</u>	<u>Bylaw</u>	<u>Actual Assessments</u>	<u>Converted Assessments</u>
2011	254	\$481.73	242	\$198.71 + Variable rate	3777	101,534,571	10,227,802
2012	254	\$481.73	244	\$204.93 + Variable rate	3822	96,500,271	9,723,502
2013	254	\$153.97	244	\$0.00	3891	94,169,838	9,490,838
2014	254	\$153.97	244	\$0.00	3891	86,342,165	8,703,326
2015	254	\$154.27	244	\$0.00	3993	89,962,520	9,070,897
2016	254	\$153.79	244	\$0.00	4073	911,979,953	9,200,860
2017	254	\$153.88	244	\$0.00	4171	104,068,888	10,464,573
2018	254	\$154.27	244	\$0.00	4236	116,044,437	11,668,285
2019	254	\$152.65	239	\$0.00	4311	126,933,707	12,762,562
2020	254	\$126.44	246	\$0.00	4339	136,331,012	13,701,537
2021	254	\$128.95	246	\$0.00	4395	139,308,437	14,017,388
2022	254	\$127.76	246	\$0.00	4470	195,287,412	19,657,255
2023	254	\$127.63	246	\$0.00			

Change from 2022 to 2023

-\$0.13

-0.10%

# Highland Water System(SI) Funding Analysis 2019 - 2023



# CAPITAL REGIONAL DISTRICT

## 2023 Budget

### Fernwood Water (SSI)

#### Commission Review

OCTOBER 2022



2.660 - Fernwood Water (SSI) - Debt Only		2022		2023		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2024	2025	2026	2027			
OPERATING COSTS													
Allocations	82	82	26	-	-	26	27	27	28	29			
TOTAL OPERATING COSTS			82	26	-	26	27	27	28	29			
*Percentage Increase over prior year						-68.3%	3.8%	0.0%	3.7%	3.6%			
DEBT													
MFA Debt Principal	9,925	9,925	9,925	-	-	9,925	9,925	4,931	2,247	2,247			
MFA Debt Interest	4,420	4,420	4,420	-	-	4,420	4,420	1,850	1,530	765			
MFA Debt Reserve Fund	50	50	40	-	-	40	40	40	40	40			
TOTAL DEBT			14,395	14,385	-	14,385	14,385	6,821	3,817	3,052			
TOTAL COSTS			14,477	14,411	-	14,411	14,412	6,848	3,845	3,081			
FUNDING SOURCES (REVENUE)													
Balance c/f from 2021 to 2022	(14)	(14)	-	-	-	-	-	-	-	-			
Other Revenue	(50)	(50)	(40)	-	-	(40)	(40)	(40)	(40)	(40)			
TOTAL REVENUE			(64)	(40)	-	(40)	(40)	(40)	(40)	(40)			
REQUISITION - PARCEL TAX			(14,413)	(14,371)	-	(14,371)	(14,372)	(6,808)	(3,805)	(3,041)			
*Percentage increase over prior year Requisition						-0.3%	0.0%	-52.6%	-44.1%	-20.1%			

Service:

2.660 Fernwood Water (SSI)

Committee: Electoral Area

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>SFES</u>	<u>User Charge*</u>	<u>Tax &amp; Charges</u>	<u>Bylaw</u>
2012	78	\$334.10	74	\$936.27 + variable		3822
2013	78	\$402.28	74	\$0.00	\$402.28	3822
2014	78	\$259.72	74	\$0.00	\$259.72	3925
2015	79	\$252.57	74	\$0.00	\$252.57	3993
2016	79	\$256.16	73	\$0.00	\$256.16	4073
2017	79	\$256.46	73	\$0.00	\$256.46	4171
2018	79	\$257.80	73	\$0.00	\$257.80	4236
2019	79	\$252.87	74	\$0.00	\$252.87	4311
2020	79	\$215.00	75	\$0.00	\$215.00	4339
2021	79	\$179.76	75	\$0.00	\$179.76	4395
2022	79	\$192.02	75	\$0.00	\$192.02	4470
2023	79	\$191.46	75	\$0.00	\$191.46	

Change from 2022 to 2023

-\$0.56  
-0.29%



# Fernwood Water (SSI) Funding Analysis 2019 - 2023

