



Making a difference...together

SKANA WATER SERVICE COMMITTEE

Notice of Meeting on **Monday, November 30, 2020** immediately following the AGM
Goldstream Conference Room, 479 Island Highway, Victoria, BC

For members of the public who wish to listen to the meeting via telephone please call **1-833-353-8610** and enter the **Participant Code 1911461 followed by #**. You will not be heard in the meeting room but will be able to listen to the proceedings.

R. Pellerine (Chair)
R. Johnston

Director D. Howe
J. Sanders

R. Hagkull

AGENDA

1. ELECTION OF CHAIR

2. APPROVAL OF AGENDA

Recommendation: That the agenda be approved.

3. ADOPTION OF MINUTES OF THE MEETING OF NOVEMBER 26, 2019

Recommendation: That the minutes of November 26, 2019 be adopted.

4. SKANA20-01 2021 OPERATING AND CAPITAL BUDGET

Recommendation: That the Skana Water Service Committee:

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

5. CORRESPONDENCE

6. NEW BUSINESS

7. ADJOURNMENT

Next meeting: At the call of the Chair

Inquires arising from this meeting may be sent to IWSAdmin@crd.bc.ca for direct response.

To ensure a quorum advise Sharon Orr 250.474.9622 if you are unable to attend.



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Agenda Item #3

MINUTES OF A MEETING OF THE SKANA WATER SERVICE COMMITTEE

Held Tuesday, November 26, 2019 in the Main Conference Room, 479 Island Highway, Victoria, BC

PRESENT: **Committee Members:** R. Hagkull, R. Johnston, R. Pellerine, J. Sanders

Staff: M. McCrank, Senior Manager, Infrastructure Operations; I. Jesney, Senior Manager, Infrastructure Engineering; L. Xu, Financial Advisor; S. Orr (recorder)

ABSENT: Director D. Howe

The meeting was called to order at 9:58 a.m.

1. ELECTION OF CHAIR

Nominations were called for Chair of the Skana Water Service Committee for a one-year term. Rick Pellerine was nominated and agreed to stand. Nominations were called two additional times, and hearing none, Rick Pellerine was elected as Chair by acclamation.

2. APPROVAL OF AGENDA

MOVED by J. Sanders, **SECONDED** by R. Hagkull,
That the agenda be approved.

CARRIED

3. ADOPTION OF MINUTES OF OCTOBER 16, 2018

MOVED by J. Sanders, **SECONDED** by R. Johnston,
That the minutes of October 16, 2018 be adopted.

CARRIED

4. 2020 OPERATING AND CAPITAL BUDGET

M. McCrank presented the report and provided a summary of the key budget factors influencing the 2020 Operating and Capital Budget.

A discussion took place about capital projects, debt retirement and grant opportunities.

Staff answered questions from the committee.

MOVED by J. Sanders, **SECONDED** by R. Pellerine,
That the Skana Water Service Committee:

1. Approve the 2020 operating and capital budget as presented, and that the 2019 actual surplus or deficit be balanced on the 2019 transfer to the Capital Reserve Fund; and,
2. Recommend that Electoral Areas Committee recommend to the CRD Board that the 2020 Operating and Capital Budget and the five year Financial Plan for the Skana Water Service be approved as presented.

CARRIED

5. NEW BUSINESS

Discussions took place about:

- A referendum
- Water tanks

6. ADJOURNMENT

MOVED by R. Pellerine, **SECONDED** by J. Sanders,
That the meeting be adjourned at 10:35 a.m.

CARRIED

Chair

Secretary



Agenda Item #4
Skana 20-01

REPORT TO SKANA WATER SERVICE COMMITTEE MEETING OF MONDAY, NOVEMBER 30, 2020

SUBJECT 2021 OPERATING AND CAPITAL BUDGET

ISSUE SUMMARY

To present the 2021 operating and capital budget for committee approval, pursuant to Bylaw No 3133, "Skana Water Service Committee Bylaw No. 1, 2003".

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. CRD staff have prepared the budget and financial plan shown in Appendix A to this report for the Skana 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 took into account:

1. Actual expenditures incurred between 2018 and 2020
2. Anticipated changes in level of service (if any)
3. Maximum allowable tax requisition
4. Annual Cost per taxpayer and per Single Family Equivalent (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 2020 may be made in January 2021. The CRD Board will give final approval to the budget and financial plan in March 2021.

The Financial Plan for the years 2022 – 2025 may be subject to change in future years.

BUDGET OVERVIEW

Operating Budget

It is projected that operating expenses in 2020 will be approximately \$2,405 under the budget as a one-time favourable variance mainly from operation labour cost.

**Skana Water Service Committee – November 30, 2020
2021 Operating and Capital Budget**

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It is projected that the 2020 operating revenue will be on budget.

This results in an overall service budget surplus of \$2,405.

In order to balance the 2020 budget, CRD staff recommend that the 2020 transfer to the Capital Reserve Fund be increased by the projected surplus amount.

The 2021 net operating costs has been increased by \$659 (1.4%). The minor increase is primarily to account for core inflation.

The 2021 net operating costs also includes a \$2,000 expenditure to perform a reservoir cleaning and inspection to be funded by the Operating Reserve Fund.

Municipal Finance Authority (MFA) Debt

Loan Authorization Bylaw 3090 to borrow \$157,700 was approved and adopted in 2003 to construct waterworks for new CRD water supply service on Mayne Island. Two other borrowings related to this Bylaw in total of \$118,350 were paid off in 2019. Table 1 below summarizes the detailed information for existing MFA debt issue related to LA3090.

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> |
|-------------------|-------------|-----------------------|------------------------|-----------------------|-------------------------------|------------------------------|------------------|--------------------------|-------------------------|-------------------------------|
| LA3090-102 | 15 | 2007 | 2022 | 2017 | 4.82% | 2.25% | \$29,200 | \$1,458 | \$657 | \$2,115 |

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 maintenance, reservoir cleaning and ground water well servicing. 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 increase by 2% from \$1,040 to \$1,060 to ensure future maintenance activities are fully funded and a minimum fund balance be maintained. There is \$7,000 of planned maintenance to be funded by the Operating Reserve over the next five years.

The operating reserve fund balance at the end of 2020 is projected to be approximately \$9,774.

Capital Reserve Fund

The Capital Reserve Fund (CRF) 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 2021 Capital Reserve Fund (CRF) transfer remain the same as 2020 budget as \$15,000 to build up the reserve fund in assisting to fund future capital requirements in aiming to reduce the debt borrowing. A total of \$105,000 will be required from capital reserves over the next five years to support the capital expenditure plan.

**Skana Water Service Committee – November 30, 2020
2021 Operating and Capital Budget**

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The CRF balance at the end of 2020 is projected to be approximately \$78,192.

Capital Expenditure Plan

The 5-year plan includes \$540,000 of expenditures to be funded by a combination of the service's Capital Reserve Fund and new debt following a public engagement and referendum process planned in 2023. The new debt will fund the newly-added project of *Well Protection Upgrades* (\$35,000) in 2023 and the replacement of the *Water Storage Tanks* (\$400,000) in 2025.

Subject to electoral assent, two borrowings in 2023 and 2025 are projected to cover the capital expenditures related to implementation of the above-mentioned capital projects. 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>Future Borrowing(s) Estimation</i> | <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> |
|---------------------------------------|-------------|-----------------------|------------------------|-----------------------|--------------------------------|------------------|--------------------------|-------------------------|-------------------------------|
| | 15 | 2023 | 2038 | 2033 | 1.90% | \$35,000 | \$2,024 | \$665 | \$2,689 |
| | 15 | 2025 | 2040 | 2035 | 1.90% | \$400,000 | \$23,130 | \$7,600 | \$30,730 |
| Total | | | | | | \$435,000 | \$25,154 | \$8,265 | \$33,419 |

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 principle payment required in the year of borrowing.

Capital Projects Fund

As specific capital projects are approved, the funding revenues for them are transferred into the 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).

The projects of *Groundwater study* and *Water Quality study* are anticipated to be complete by the end of 2020.

User Charge and Parcel Tax

The service is funded by parcel tax and fixed user charge. Properties connected to the water system pay the annual fixed user charge and all properties within the local service area are responsible for the parcel tax. Table 3 below summarizes the 2021 over 2020 changes for parcel tax and user charge.

**Skana Water Service Committee – November 30, 2020
2021 Operating and Capital Budget**

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Table 3 – Parcel Tax and User Charge Summary

| Budget Year | Parcel Tax | Taxable Folios Numbers | Parcel Tax per Folio* | User Charge | SFE Numbers | User Charge per SFE | Parcel Tax & User Charge |
|--------------------|------------|------------------------|-----------------------|-------------|-------------|---------------------|--------------------------|
| 2020 | \$23,070 | 73 | \$332.62 | \$43,650 | 48 | \$909.38 | \$1,241.99 |
| 2021 | \$22,885 | 73 | \$329.95 | \$44,514 | 48 | \$927.38 | \$1,257.33 |
| Change (\$) | -\$185 | 0 | -\$2.67 | \$864 | 0 | \$18.00 | \$15.33 |
| Change (%) | -0.80% | 0.00% | -0.80% | 1.98% | 0.00% | 1.98% | 1.23% |

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

RECOMMENDATION

That the Skana Water Service Committee:

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

| | |
|---------------|--|
| Submitted by: | Matthew McCrank, M.Sc., P.Eng., Senior Manager, Wastewater Infrastructure Operations |
| Submitted by: | Ian Jesney, P.Eng. Senior Manager, Infrastructure Engineering |
| Submitted by | Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services |
| Concurrence | Ian Jesney, Acting General Manager, Integrated Water Services |
| Concurrence | Larisa Hutcheson, Acting Chief Administrative Officer |

ATTACHMENT

Appendix A: 2021 Skana Water Service Budget

CAPITAL REGIONAL DISTRICT

2021 Budget

Skana Water (Mayne)

Commission Review

Service: 2.642 Skana Water (Mayne)

Committee: Electoral Area

DEFINITION:

To provide for the construction of water supply and distribution facilities for Skana Water Service Area.
Bylaw No. 3090 (November 12, 2003).

PARTICIPATION:

Southern Gulf Islands Skana Water Service Area #47, U(764)

MAXIMUM LEVY:

Greater of \$54,100 or \$9.65 / \$1,000 to a maximum of \$186,340.

MAXIMUM CAPITAL DEBT:

| | | | |
|-------------|----------------------------------|----------|-------|
| AUTHORIZED: | LA Bylaw No. 3090 (Nov. 12/03) | 157,700 | |
| BORROWED: | S.I. Bylaw No. 3154 (Apr. 22/04) | -78,850 | 2.40% |
| | S.I. Bylaw No. 3196 | -39,500 | 2.00% |
| | S.I. Bylaw No. 3457 (2007) | -29,200 | 4.82% |
| | Expired Nov 2008 | -10,150 | |
| REMAINING: | | <u>0</u> | |

COMMISSION:

Skana Water Service committee established by Bylaw # 3133 (Dec 10, 2003).

FUNDING:

| | |
|----------------------------|--|
| User Charge: | Annual charge per single family equivalency unit connected to the system. |
| Parcel Tax: | Annual charge only on properties capable of being connected to the system. |
| Connection Charges: | At cost or minimum of \$1,000. |

RESERVE FUND:

Capital Reserve Fund, established by Bylaw # 3192 (July 14, 2004)
Operating Reserve Fund, established by Bylaw # 4144 (December 14, 2016)

| 2.642 - Skana Water (Mayne) | 2020 | | BUDGET REQUEST | | | | FUTURE PROJECTIONS | | | |
|--------------------------------------|-----------------|---------------------|-----------------|----------|--------------|-----------------|--------------------|-----------------|-----------------|-----------------|
| | BOARD BUDGET | ESTIMATED ACTUAL | CORE BUDGET | ONGOING | ONE-TIME | TOTAL | 2022 | 2023 | 2024 | 2025 |
| <u>OPERATING COSTS</u> | | | | | | | | | | |
| JLB Services Contract | 11,070 | 12,700 | 11,260 | - | - | 11,260 | 11,450 | 11,640 | 11,840 | 12,040 |
| Repairs & Maintenance | 1,170 | 2,500 | 1,180 | - | 2,000 | 3,180 | 1,180 | 1,190 | 1,200 | 6,210 |
| Allocations | 5,890 | 5,890 | 5,828 | - | - | 5,828 | 5,709 | 5,824 | 5,940 | 6,058 |
| Water Testing | 2,790 | 2,500 | 2,840 | - | - | 2,840 | 2,890 | 2,940 | 2,990 | 3,040 |
| Electricity | 2,500 | 2,750 | 2,540 | - | - | 2,540 | 2,580 | 2,620 | 2,660 | 2,710 |
| Supplies | 700 | 1,000 | 710 | - | - | 710 | 720 | 730 | 740 | 750 |
| Labour Charges | 21,165 | 15,000 | 21,526 | - | - | 21,526 | 21,956 | 22,395 | 22,843 | 23,300 |
| Other Operating Expenses | 3,380 | 3,920 | 3,440 | - | - | 3,440 | 3,490 | 3,540 | 3,590 | 3,640 |
| TOTAL OPERATING COSTS | 48,665 | 46,260 | 49,324 | - | 2,000 | 51,324 | 49,975 | 50,879 | 51,803 | 57,748 |
| *Percentage Increase over prior year | | | | | | 5.5% | -2.6% | 1.8% | 1.8% | 11.5% |
| Transfer from Operating Reserve Fund | - | - | - | - | (2,000) | (2,000) | - | - | - | (5,000) |
| NET OPERATING COSTS | 48,665 | 46,260 | 49,324 | - | - | 49,324 | 49,975 | 50,879 | 51,803 | 52,748 |
| *Percentage Increase over prior year | | | | | | 1.4% | 1.3% | 1.8% | 1.8% | 1.8% |
| <u>DEBT / RESERVES</u> | | | | | | | | | | |
| Transfer to Operating Reserve Fund | 1,040 | 1,040 | 1,060 | - | - | 1,060 | 1,500 | 2,000 | 2,000 | 2,000 |
| Transfer to Capital Reserve Fund | 15,000 | 17,405 | 15,000 | - | - | 15,000 | 15,000 | 18,000 | 20,000 | 20,000 |
| MFA Debt Principal | 1,458 | 1,458 | 1,458 | - | - | 1,458 | 1,458 | - | 2,024 | 2,024 |
| MFA Debt Interest | 657 | 657 | 657 | - | - | 657 | 657 | 166 | 665 | 2,565 |
| MFA Debt Reserve Fund | 50 | 50 | 10 | - | - | 10 | 10 | 360 | 10 | 4,010 |
| TOTAL DEBT / RESERVES | 18,205 | 20,610 | 18,185 | - | - | 18,185 | 18,625 | 20,526 | 24,699 | 30,599 |
| TOTAL COSTS | 66,870 | 66,870 | 67,509 | - | - | 67,509 | 68,600 | 71,405 | 76,502 | 83,347 |
| <u>FUNDING SOURCES (REVENUE)</u> | | | | | | | | | | |
| User Charges | (43,650) | (43,650) | (44,514) | - | - | (44,514) | (48,490) | (52,769) | (53,693) | (54,638) |
| Other Revenue | (150) | (150) | (110) | - | - | (110) | (110) | (110) | (110) | (110) |
| TOTAL REVENUE | (43,800) | (43,800) | (44,624) | - | - | (44,624) | (48,600) | (52,879) | (53,803) | (54,748) |
| REQUISITION - PARCEL TAX | (23,070) | (23,070) | (22,885) | - | - | (22,885) | (20,000) | (18,526) | (22,699) | (28,599) |
| *Percentage increase over prior year | | | | | | | | | | |
| User Fees | | | | | | 2.0% | 8.9% | 8.8% | 1.8% | 1.8% |
| Requisition | | | | | | -0.8% | -12.6% | -7.4% | 22.5% | 26.0% |
| Combined | | | | | | 1.0% | 1.6% | 4.1% | 7.1% | 9.0% |

**Skana Water Reserves
Summary Schedule
2021 - 2025 Financial Plan**

Reserve/Fund Summary

| | Estimated | Budget | | | | |
|------------------------|------------------|---------------|---------------|---------------|---------------|---------------|
| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Operating Reserve Fund | 9,774 | 8,834 | 10,334 | 12,334 | 14,334 | 11,334 |
| Capital Reserve Fund | 78,192 | 43,192 | 28,192 | 21,192 | 41,192 | 61,192 |
| Total | 87,966 | 52,026 | 38,526 | 33,526 | 55,526 | 72,526 |

| |
|-------------------------|
| Reserve Schedule |
|-------------------------|

| |
|---|
| Reserve Fund: 2.642 Skana Water (Mayne) - Capital Reserve Fund |
|---|

| |
|------------|
| Bylaw 3192 |
|------------|

| |
|--------------------------|
| Reserve Cash Flow |
|--------------------------|

| Fund: 1067 Fund Centre: 101849 | Estimated | Budget | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Beginning Balance | 77,042 | 78,192 | 43,192 | 28,192 | 21,192 | 41,192 |
| Transfer from Ops Budget | 15,000 | 15,000 | 15,000 | 18,000 | 20,000 | 20,000 |
| Transfer to Cap Fund | (15,000) | (50,000) | (30,000) | (25,000) | - | - |
| Transfer from Cap Fund | - | - | - | - | - | - |
| Interest Income* | 1,150 | | | | | |
| Ending Balance \$ | 78,192 | 43,192 | 28,192 | 21,192 | 41,192 | 61,192 |

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| <u>Assumptions/Backgrounds:</u> |
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| |
|---|
| Transfer whatever the operating budget will allow |
|---|

| |
|---|
| *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. |
|---|

| |
|-------------------------|
| Reserve Schedule |
|-------------------------|

| |
|---|
| Reserve Fund: 2.642 Skana Water (Mayne) - Operating Reserve Fund |
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| |
|------------|
| Bylaw 4144 |
|------------|

| |
|--------------------------|
| Reserve Cash Flow |
|--------------------------|

| | | | | | | |
|---|------------------|---------------------------------------|---------------|---------------|---------------|--------------------|
| Fund: 1500 Fund Centre: 105214 | Estimated | Budget | | | | |
| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Beginning Balance | 8,604 | 9,774 | 8,834 | 10,334 | 12,334 | 14,334 |
| Transfer from Ops Budget | 1,040 | 1,060 | 1,500 | 2,000 | 2,000 | 2,000 |
| Transfer to Ops Budget | - | (2,000) | - | - | - | (5,000) |
| Planned Maintenance Activity | | Reservoir cleaning & inspection | | | | Well inspection |
| Interest Income | 130 | | | | | |
| Ending Balance \$ | 9,774 | 8,834 | 10,334 | 12,334 | 14,334 | 11,334 |

| |
|--|
| <u>Assumptions/Backgrounds:</u> |
|--|

| |
|---------------------------------------|
| Maintain a minimum balance of \$4,000 |
|---------------------------------------|

CAPITAL REGIONAL DISTRICT
FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2021 to 2025

| Service No. | 2.642 Skana Water (Mayne) | Carry Forward from 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | TOTAL |
|--------------------|--------------------------------------|--|-------------|-------------|-------------|-------------|-------------|--------------|
|--------------------|--------------------------------------|--|-------------|-------------|-------------|-------------|-------------|--------------|

EXPENDITURE

| | | | | | | | | |
|-----------------------|-----|----------|----------|----------|-----|-----|-----------|-----------|
| Buildings | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Equipment | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$400,000 | \$400,000 |
| Land | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Engineered Structures | \$0 | \$50,000 | \$30,000 | \$60,000 | \$0 | \$0 | \$0 | \$140,000 |
| Vehicles | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

| | | | | | | |
|------------|-----------------|-----------------|-----------------|------------|------------------|------------------|
| \$0 | \$50,000 | \$30,000 | \$60,000 | \$0 | \$400,000 | \$540,000 |
|------------|-----------------|-----------------|-----------------|------------|------------------|------------------|

SOURCE OF FUNDS

| | | | | | | | | |
|---------------------------------|-----|----------|----------|----------|-----|-----------|-----|-----------|
| Capital Funds on Hand | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Debenture Debt (New Debt Only) | \$0 | \$0 | \$0 | \$35,000 | \$0 | \$400,000 | | \$435,000 |
| Equipment Replacement Fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Grants (Federal, Provincial) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Donations / Third Party Funding | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Reserve Fund | \$0 | \$50,000 | \$30,000 | \$25,000 | \$0 | \$0 | | \$105,000 |

| | | | | | | |
|------------|-----------------|-----------------|-----------------|------------|------------------|------------------|
| \$0 | \$50,000 | \$30,000 | \$60,000 | \$0 | \$400,000 | \$540,000 |
|------------|-----------------|-----------------|-----------------|------------|------------------|------------------|

CAPITAL REGIONAL DISTRICT CAPITAL PLAN

Service #:
Service Name:

2.642
Skana Water (Mayne)

CAPITAL BUDGET FORM
2021 & Forecast 2022 to 2025

Proj. No.
The first two digits represent first year the project was in the capital plan.

Capital Exp. Type
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
Replacement - Expenditure replaces an existing asset

Funding Source Codes
Debt = Debenture Debt (new debt only)
ERF = Equipment Replacement Fund
Grant = Grants (Federal, Provincial)
Cap = Capital Funds on Hand
Other = Donations / Third Party Funding

Funding Source Codes (cont)
Res = Reserve Fund
STLoan = Short Term Loans
WU = Water Utility

Asset Class
L - Land
S - Engineering Structure
B - Buildings
V - Vehicles

Capital Project Title
Input Title of Project. For example "Asset Name - Roof Replacement", "Main Water Pipe Replacement".

Capital Project Description
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 energy standards, designed to minimize maintenance and have an expected service life of 35 years".

Total Project Budget
This column represents the total project budget not only within the 5-year window.

| FIVE YEAR FINANCIAL PLAN | | | | | | | | | | | | | |
|--------------------------|------------------|------------------------------|---|-------------------|-------------|----------------|---------------|----------|----------|----------|------|-----------|----------------|
| Proj. No. | Capital Exp.Type | Capital Project Title | Capital Project Description | Total Proj Budget | Asset Class | Funding Source | C/F from 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 5 - Year Total |
| 17-03 | New | Public Engagement/Referendum | Conduct public engage and referendum (or AAP) to seek elector assent to borrow funds for storage tank replacement. | \$25,000 | S | Res | \$0 | \$0 | \$0 | \$25,000 | \$0 | \$0 | \$25,000 |
| 17-04 | Renewal | Well #8 Upgrade | Conduct well improvements including new well liner, replacement of well seal and SCADA automation; relocate first customer service line to achieve proper CT. | \$30,000 | S | Res | \$0 | \$0 | \$30,000 | \$0 | \$0 | \$0 | \$30,000 |
| 18-01 | Replacement | Storage Tank Replacement | Replace the existing storage tanks. | \$400,000 | E | Debt | \$0 | \$0 | \$0 | \$0 | \$0 | \$400,000 | \$400,000 |
| 20-02 | Decommission | Well Decommissioning | Numerous wells are not in use and are required to be decommissioned as per MoE requirements. | \$50,000 | S | Res | \$0 | \$50,000 | \$0 | \$0 | \$0 | \$0 | \$50,000 |
| 23-01 | Renewal | Well Protection Upgrades | Carry out well protection upgrades such as signage, shock chlorination of Wells #8 and #13, assess well proximity to septic fields. | \$35,000 | S | Debt | \$0 | \$0 | \$0 | \$35,000 | \$0 | \$0 | \$35,000 |
| | | | | | | | | | | | | | |
| | | | GRAND TOTAL | \$540,000 | | | \$0 | \$50,000 | \$30,000 | \$60,000 | \$0 | \$400,000 | \$540,000 |

Service: 2.642

Skana Water (Mayne)

Proj. No. 17-03

Capital Project Title Public Engagement/Referendum

Capital Project Description Conduct public engage and referendum (or AAP) to seek elector assent to borrow funds for storage tank replacement.

Asset Class S

Board Priority Area 0

Corporate Priority Area 0

Project Rationale A loan will be required to fund the storage tank replacement any other capital work which will not be included under the capital reserve fund. The proposed loan will required public engagement and a referendum.

Proj. No. 17-04

Capital Project Title Well #8 Upgrade

Capital Project Description Conduct well improvements including new well liner, replacement of well seal and SCADA automation; relocate first customer service line to achieve proper CT.

Asset Class S

Board Priority Area 0

Corporate Priority Area 0

Project Rationale A recent inspection of Well #8 identified a number of deficiencies. Recommended improvements include the installation of new well liner, replacement of the well seal, and other associated minor improvements to protect it from surface runoff.

Proj. No. 18-01

Capital Project Title Storage Tank Replacement

Capital Project Description Replace the existing storage tanks.

Asset Class E

Board Priority Area 0

Corporate Priority Area 0

Project Rationale The existing storage tanks are at the end of their design life and do not meet seismic requirements. It is proposed to replace the existing tanks with a glass fused steel tank.

Proj. No. 20-02

Capital Project Title Well Decommissioning

Capital Project Description Numerous wells are not in use and are required to be decommissioned as per MoE requirements.

Asset Class S

Board Priority Area 0

Corporate Priority Area 0

Project Rationale The Skana Water System has numerous wells not in service and are a liability to the service and risk to the aquifer. Funds are required to decommission the wells as per Ministry of Environment requirements.

Proj. No. 23-01

Capital Project Title Well Protection Upgrades

Capital Project Description Carry out well protection upgrades such as signage, shock chlorination of Wells #8 and #13, assess well proximity to septic fields.

Asset Class S

Board Priority Area 0

Corporate Priority Area 0

Project Rationale Funds are required to carry out well protection upgrades such as signage, shock chlorination of Wells #8 and #13, assess well proximity to septic fields.

2.642 - Skana Water (Mayne)

Capital Projects Fund

Updated @ Oct 01, 2020

| Year | Project# | Status | Capital Project Description | Total Project Budget | Expenditure Actuals | Remaining Funds | Funding Source | | Total Funding in Place | Return Project Surplus After Completion*** | |
|------|----------|--------|-----------------------------------|----------------------|---------------------|-----------------|----------------|----------|------------------------|--|----------|
| | | | | | | | CRF* | CWF** | | CRF* | CWF** |
| 2019 | CE.580 | Close | Groundwater Study | 10,000 | 8,091 | 1,910 | 10,000 | - | 10,000 | 1,910 | - |
| 2019 | CE.665 | Close | Water Quality Study | 15,000 | 10,923 | 4,077 | 15,000 | - | 15,000 | 2,000 | - |
| 2020 | CE.734 | Open | Repair Rotten North Wall on PH#13 | 5,000 | - | 5,000 | 5,000 | - | 5,000 | - | - |
| | | | | | | | | | | | |
| | | | Total | 30,000 | 19,014 | 10,986 | 30,000 | - | 30,000 | 3,910 | - |

* CRF (Capital Reserve Fund)

** CWF (Community Works Fund)

*** Actual project surplus will be finalized at 2020 year end

Service: **2.642 Skana Water (Mayne)**

Committee: Electoral Area

| <u>Year</u> | <u>Taxable Folios</u> | <u>Parcel Tax</u> | <u>SFE's</u> | <u>User Charge</u> | <u>Tax & Charges</u> | <u>Bylaw</u> | <u>Actual Assessments \$(000's)</u> |
|-------------|---------------------------|-------------------|--------------|--------------------|------------------------------|--------------|---|
| 2011 | 72 | \$279.00 | 41 | \$789.22 | \$1,068.22 | 3778 | 16,030.40 |
| 2012 | 73 | \$279.00 | 42 | \$813.00 | \$1,092.00 | 3823 | 14,232.80 |
| 2013 | 73 | \$279.00 | 42 | \$813.00 | \$1,092.00 | 3892 | 13,153.20 |
| 2014 | 73 | \$279.00 | 43 | \$813.00 | \$1,092.00 | 3924 | 12,466.40 |
| 2015 | 73 | \$278.99 | 44 | \$812.95 | \$1,091.94 | 3987 | 11,521.40 |
| 2016 | 73 | \$278.98 | 45 | \$812.95 | \$1,091.93 | 4074 | 11,521.40 |
| 2017 | 73 | \$278.98 | 46 | \$949.78 | \$1,228.76 | 4170 | 13,844.20 |
| 2018 | 73 | \$332.62 | 47 | \$905.43 | \$1,238.05 | 4233 | 15,306.80 |
| 2019 | 73 | \$332.62 | 47 | \$905.00 | \$1,237.62 | 4311 | 18,322.20 |
| 2020 | 73 | \$332.62 | 48 | \$909.38 | \$1,241.99 | 4337 | 19,309.80 |
| 2021 | 73 | \$329.95 | 48 | \$927.38 | \$1,257.33 | | |

Change from 2020 to 2021

-\$2.67

-0.80%

\$18.00

1.98%

\$15.33

1.23%

