

# **CAPITAL REGIONAL DISTRICT**

**2022 Budget**

**Beddis Water**

**Commission Review**

OCTOBER 2021

**DEFINITION:**

To provide and operate water supply and distribution facilities for the Salt Spring Island Beddis Water System Service Area. Bylaw No. 3188 (November 24, 2004).

**PARTICIPATION:**

Order in Council No 176, February 24, 2005.

**MAXIMUM LEVY:**

Greater of \$133,000 or \$2.71 / \$1,000 of actual assessed value of land and improvements. To a maximum of \$315,538.

**MAXIMUM CAPITAL DEBT:**

Beddis Waterworks 1994 previous debt paid out 2011	\$95,909		
AUTHORIZED: LA Bylaw No. 3193 (November 24, 2004)		\$325,500	
BORROWED: SI Bylaw No. 3291		<u>(\$325,500)</u>	1.80%
Remaining:		<u>\$0</u>	
AUTHORIZED: LA Bylaw No. 3825 (July 11, 2012)		\$400,000	
BORROWED: SI Bylaw No. 3882 (Jan 9, 2013) Matured 2023		<u>(\$300,000)</u>	3.15%
BORROWED: SI Bylaw No. 3910 (July 2013)		<u>(\$70,000)</u>	3.85%
Remaining:		<u>\$30,000</u>	

**COMMITTEE:**

Beddis Water Service committee established by Bylaw No. 3247 (Dec 15, 2004)

**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.

- User Charge:** Fixed user charge + variable consumption charge to all metered properties
- Parcel Tax:** Annual, only on properties capable of being connected to the system, starting 2006
- User Charge:**
  - Annual Fixed Fee per 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 - \$3.10 / cubic metre
    - Next 68 cubic metres or portion - \$6.30 / cubic metre
    - Greater than 106 cubic metres - \$8.50 / cubic metre
- Water Connection Charge:** The connection charge for a service shall be the actual cost for the connection

**RESERVE FUND:**

Fund 1069, established by Bylaw # 3274 (April 27, 2005)

**2.624 - Beddis Water**

	2021		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2023	2024	2025	2026
<u>OPERATING COSTS</u>										
Operations Contracts	54,300	52,000	55,390	-	-	55,390	56,500	57,630	58,780	59,960
Grit & Waste Sludge Disposal	12,140	13,960	12,390	-	-	12,390	12,640	12,890	13,140	13,410
Repairs & Maintenance	13,650	15,000	5,760	-	14,000	19,760	5,870	5,980	16,100	6,220
Allocations	12,042	12,042	12,201	-	-	12,201	12,493	12,681	13,008	13,189
Water Testing	9,840	7,000	10,040	-	-	10,040	10,240	10,440	10,650	10,860
Electricity	11,420	12,600	11,650	-	-	11,650	11,880	12,120	12,360	12,610
Supplies	10,550	10,550	10,760	-	-	10,760	10,970	11,180	11,400	11,630
Labour Charges	36,008	39,799	36,736	-	-	36,736	37,514	38,238	39,041	39,791
Other Operating Expenses	15,380	26,890	16,930	-	-	16,930	17,340	17,750	18,170	18,600
<b>TOTAL OPERATING COSTS</b>	<b>175,330</b>	<b>189,841</b>	<b>171,857</b>	<b>-</b>	<b>14,000</b>	<b>185,857</b>	<b>175,447</b>	<b>178,909</b>	<b>192,649</b>	<b>186,270</b>
*Percentage Increase over prior year						6.0%	-5.6%	2.0%	7.7%	-3.3%
<u>DEBT / RESERVES</u>										
Transfer to Operating Reserve Fund	4,190	4,190	15,000	-	-	15,000	10,000	10,000	10,000	10,000
Transfer to Capital Reserve Fund	23,000	6,563	35,000	-	-	35,000	70,000	112,000	100,000	105,000
MFA Debt Reserve Fund	220	220	180	-	-	180	180	3,080	180	180
MFA Debt Principal	30,817	30,817	30,817	-	-	30,817	30,817	-	16,469	16,469
MFA Debt Interest	12,145	12,145	12,145	-	-	12,145	7,420	4,205	8,410	8,410
<b>TOTAL DEBT / RESERVES</b>	<b>70,372</b>	<b>53,935</b>	<b>93,142</b>	<b>-</b>	<b>-</b>	<b>93,142</b>	<b>118,417</b>	<b>129,285</b>	<b>135,059</b>	<b>140,059</b>
<b>TOTAL COSTS</b>	<b>245,702</b>	<b>243,776</b>	<b>264,999</b>	<b>-</b>	<b>14,000</b>	<b>278,999</b>	<b>293,864</b>	<b>308,194</b>	<b>327,708</b>	<b>326,329</b>
<u>FUNDING SOURCES (REVENUE)</u>										
Balance C/FW from 2020 to 2021	13,650	13,650	-	-	-	-	-	-	-	-
Transfer from Operating Reserve Fund	(8,000)	(8,000)	-	-	(14,000)	(14,000)	-	-	(10,000)	-
Sales - Water	(72,000)	(69,974)	(72,000)	-	-	(72,000)	(72,000)	(72,000)	(72,000)	(72,000)
User Charges	(105,562)	(105,562)	(117,759)	-	-	(117,759)	(145,084)	(157,884)	(165,828)	(172,849)
Other Revenue	(320)	(420)	(280)	-	-	(280)	(280)	(280)	(280)	(280)
<b>TOTAL REVENUE</b>	<b>(172,232)</b>	<b>(170,306)</b>	<b>(190,039)</b>	<b>-</b>	<b>(14,000)</b>	<b>(204,039)</b>	<b>(217,364)</b>	<b>(230,164)</b>	<b>(248,108)</b>	<b>(245,129)</b>
<b>REQUISITION - PARCEL TAX</b>	<b>(73,470)</b>	<b>(73,470)</b>	<b>(74,960)</b>	<b>-</b>	<b>-</b>	<b>(74,960)</b>	<b>(76,500)</b>	<b>(78,030)</b>	<b>(79,600)</b>	<b>(81,200)</b>
*Percentage increase over prior year										
Sales						0.0%	0.0%	0.0%	0.0%	0.0%
User Fee						11.6%	23.2%	8.8%	5.0%	4.2%
Requisition						2.0%	2.1%	2.0%	2.0%	2.0%
<b>Combined</b>						<b>5.5%</b>	<b>10.9%</b>	<b>4.9%</b>	<b>3.1%</b>	<b>2.7%</b>

**Beddis Water Reserves  
 Summary Schedule  
 2022 - 2026 Financial Plan**

**Reserve/Fund Summary**

	<b>Estimated</b>	<b>Budget</b>				
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
Operating Reserve Fund	11,629	12,629	22,629	32,629	32,629	42,629
Capital Reserve Fund	8,257	13,257	20,257	16,257	116,257	221,257
<b>Total</b>	<b>19,887</b>	<b>25,887</b>	<b>42,887</b>	<b>48,887</b>	<b>148,887</b>	<b>263,887</b>

## Reserve Schedule

### Reserve Fund: 2.624 Beddis Water - Operating Reserve Fund

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:	1500	Estimated	Budget				
		2021	2022	2023	2024	2025	2026
Fund Centre:	105206						
<b>Beginning Balance</b>		15,284	11,629	12,629	22,629	32,629	32,629
<b>Transfer from Ops Budget</b>		4,190	15,000	10,000	10,000	10,000	10,000
<b>Transfer to Ops Budget</b>		-	-	-	-	-	-
<b>Expenditures</b>		(8,000)	(14,000)	-	-	(10,000)	-
Planned Maintenance Activity			Reservoir cleaning and inspection			Reservoir cleaning and inspection	
<b>Interest Income</b>		156					
<b>Ending Balance \$</b>		<b>11,629</b>	<b>12,629</b>	<b>22,629</b>	<b>32,629</b>	<b>32,629</b>	<b>42,629</b>

**Reserve Schedule**

**Reserve Fund: 2.624 Beddis Water - Capital Reserve Fund - Bylaw 3274**

For capital repairs, additions and improvements to water system infrastructure

**Reserve Cash Flow**

Fund: Fund Centre:	1069 101894	Estimated	Budget				
		2021	2022	2023	2024	2025	2026
<b>Beginning Balance</b>		14,544	8,257	13,257	20,257	16,257	116,257
<b>Transfer from Ops Budget</b>		6,563	35,000	70,000	112,000	100,000	105,000
<b>Transfer from Cap Fund</b>		-	-	-	-	-	-
<b>Transfer to Cap Fund</b>		(12,984)	(30,000)	(63,000)	(116,000)	-	-
<b>Interest Income</b>		134					
<b>Ending Balance \$</b>		<b>8,257</b>	<b>13,257</b>	<b>20,257</b>	<b>16,257</b>	<b>116,257</b>	<b>221,257</b>

**Assumptions/Background:**

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

<b>Service No.</b>	<b>2.624 Beddis Water (SSI)</b>	<b>Carry Forward from 2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>TOTAL</b>
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**EXPENDITURE**

Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$30,000	\$0	\$160,000	\$0	\$0	\$0	\$190,000
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$0	\$0	\$63,000	\$446,000	\$0	\$0	\$0	\$509,000
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$0</b>	<b>\$30,000</b>	<b>\$63,000</b>	<b>\$606,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$699,000</b>

**SOURCE OF FUNDS**

Capital Funds on Hand	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debenture Debt (New Debt Only)	\$0	\$0	\$0	\$290,000	\$0	\$0	\$0	\$290,000
Equipment Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants (Federal, Provincial)	\$0	\$0	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Donations / Third Party Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund	\$0	\$30,000	\$63,000	\$116,000	\$0	\$0	\$0	\$209,000
	<b>\$0</b>	<b>\$30,000</b>	<b>\$63,000</b>	<b>\$606,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$699,000</b>

CAPITAL REGIONAL DISTRICT

**Project Number**  
 Project number format is "yy-##"  
 "yy" 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.  
  
 For projects in previous capital plans, use the same project numbers previously assigned.

**Capital Expenditure 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

**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".

**Carryforward from 2021**  
 Input the carryforward amount from the 2021 capital plan that is remaining to be spent. Forecast this spending in 2022 to 2026.

**Project Drivers**  
**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 for health or safety reasons.  
**Cost Benefit** = Economic benefit to the organization.

**Total Project Budget**  
 Provide the total project budget, even if it extends beyond the 5 years of this capital plan.

**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  
 Res = Reserve Fund  
 STLoan = Short Term Loans  
 WU = Water Utility  
 If there is more than one funding source, use additional rows for the project.

**Long-term Planning**  
**Master 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, criticality, condition, risk, 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.

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

**Cost Estimate Class**  
 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.

**Service #:** 2.624  
**Service Name:** Beddis Water (SSI)

Project List and Budget													
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward from 2021	2022	2023	2024	2025	2026	5 - Year Total
20-02	Study	Referendum or Alternative Approval Process - Funding for Future Projects	Seek service area electors approval to fund projects	\$20,000	S	Res	\$0	\$0	\$20,000	\$0	\$0	\$0	\$20,000
21-02	Study	Public Engagement for Future Projects	Undertake a referendum or AAP to borrow funds to carry out the	\$10,000	S	Res	\$0	\$0	\$10,000	\$0	\$0	\$0	\$10,000
21-01	New	Power generation equipment	Back up power construction	\$110,000	E	Debt	\$0	\$0	\$0	\$110,000	\$0	\$0	\$110,000
21-01	New	Power generation equipment	Back up power construction	\$50,000	E	Grant	\$0	\$0	\$0	\$50,000	\$0	\$0	\$50,000
21-03	New	Preliminary design of booster pump and second reservoir at Sky Valley lower reservoir and decommission of upper reservoir and Lautman reservoir	Preliminary design of booster pump and second reservoir at Sky Valley lower reservoir	\$33,000	S	Res	\$0	\$0	\$33,000	\$0	\$0	\$0	\$33,000
21-03	New	Detailed design of booster pump and second reservoir at Sky Valley lower reservoir and decommission of upper reservoir and Lautman reservoir	Detailed design of booster pump and second reservoir at Sky Valley lower reservoir-ineligible	\$66,000	S	Res	\$0	\$0	\$0	\$66,000	\$0	\$0	\$66,000
25-02	New	Construction of booster pump and second reservoir at Sky Valley lower reservoir	Construction of booster pump and second reservoir at Sky Valley lower reservoir	\$180,000	S	Debt	\$0	\$0	\$0	\$180,000	\$0	\$0	\$180,000
25-02	New	Construction of booster pump and second reservoir at Sky Valley lower reservoir	Construction of booster pump and second reservoir at Sky Valley lower reservoir	\$150,000	S	Grant	\$0	\$0	\$0	\$150,000	\$0	\$0	\$150,000
25-01	Decommission	Decommission of Sky Valley Upper Reservoir	Decommission and removal of Sky Valley Upper Reservoir	\$50,000	S	Res	\$0	\$0	\$0	\$50,000	\$0	\$0	\$50,000
17-01	Decommission	Lautman reservoir	Dismantle and remove Lautman reservoir	\$30,000	E	Res	\$0	\$30,000	\$0	\$0	\$0	\$0	\$30,000
<b>GRAND TOTAL</b>				<b>\$699,000</b>			<b>\$0</b>	<b>\$30,000</b>	<b>\$63,000</b>	<b>\$606,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$699,000</b>



Service: 2.624 Beddis Water (SSI)

Project Number 20-02 Capital Project Title Referendum or Alternative Approval Process - Funding for Future Projects Capital Project Description Seek service area electors approval to fund projects

Project Rationale Need to obtain approval from the area electors for futue projects.

Project Number 21-02 Capital Project Title Public Engagement for Future Projects Capital Project Description Undertake a referendum or AAP to borrow funds to carry out the

Project Rationale As per Commission request (Dec. 15/2015), capital construction projects greater than \$50,000 are to be funded thru debt, in which case a referndum may be required.

Project Number 21-01 Capital Project Title Power generation equipment Capital Project Description Back up power construction

Project Rationale Back up power

Project Number 21-03 Capital Project Title Preliminary design of booster pump and second reservoir at Sky Valley lower reservoir and decomission of upper reservoir and Lautman reservoir Capital Project Description Preliminary design of booster pump and second reservoir at Sky Valley lower reservoir

Project Rationale Need to replace an existing reservoir with a new one and this will require a booster pump to operate it.

Project Number 25-02 Capital Project Title Construction of booster pump and second reservoir at Sky Valley lower reservoir Capital Project Description Construction of booster pump and second reservoir at Sky Valley lower reservoir

Project Rationale Need to replace an existing reservoir with a new one and this will require a booster pump to operate it.

Project Number 25-01 Capital Project Title Decommission of Sky Valley Upper Reservoir Capital Project Description Decommission and removal of Sky Valley Upper Reservoir

Project Rationale This is the decommissioning of an old reservoir that is being replaced.

Project Number 17-01 Capital Project Title Lautman reservoir Capital Project Description Dismantle and remove Lautman reservoir

Project Rationale This is an abandoned reservoir that needs to be demolished and disposed of.

## 2.624 - Beddis Water

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### Capital Projects

*Updated @ Sep 8th, 2021*

Year	Project#	Status	Capital Project Description	Total Project Budget	Expenditure Actuals	Remaining Funds
2019	CE.676	CLOSE	Beddis Water Intake Assessment	20,000	17,084	2,916
2019	CE.699	OPEN	Safe Work Procedures	12,000	3,130	8,870
2020	CE.735	OPEN	Power generation equipment-Study (20-06)	10,000	49	9,951
			<b>Totals</b>	<b>42,000</b>	<b>20,263</b>	<b>21,737</b>

Service:

2.624 Beddis Water

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 &amp; Charges</u>	<u>Avg. Water Sales per SFE</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2010	138	\$449.63	127	\$313.00	<b>\$762.63</b>	\$534.88	3688	81,730.44
2011	138	\$449.63	127	\$313.00	<b>\$762.63</b>	\$534.88	3777	80,256.84
2012	138	\$449.63	126	\$324.56	<b>\$774.19</b>	\$534.88	3822	79,241.53
2013	137	\$500.00	126	\$324.56	<b>\$824.56</b>	\$539.13	3822	77,081.58
2014	137	\$550.00	126	\$324.56	<b>\$874.56</b>	\$531.59	3925	74,106.66
2015	137	\$550.00	127	\$453.00	<b>\$1,003.00</b>	\$664.41	3993	72,592.90
2016	137	\$549.99	127	\$561.10	<b>\$1,111.09</b>	\$661.42	4073	72,668.60
2017	137	\$549.99	127	\$561.10	<b>\$1,111.09</b>	\$661.42	4171	80,096.00
2018	137	\$554.98	127	\$595.04	<b>\$1,150.02</b>	\$654.76	4236	90,992.78
2019	137	\$554.98	127	\$639.92	<b>\$1,194.90</b>	\$653.54	4311	99,150.28
2020	137	\$554.98	127	\$831.20	<b>\$1,386.18</b>	\$645.67	4339	105,556.25
2021	137	\$564.43	127	\$831.20	<b>\$1,395.63</b>	\$566.93	4395	116,434.53
2022	137	\$575.88	128	\$919.99	<b>\$1,495.87</b>	\$562.50		

Change from 2021 to 2022

\$11.45

\$88.79

\$100.24

2.03%

10.68%

7.18%

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

# Beddis Water Funding Analysis 2018 - 2022

