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**HIGHLAND / FERNWOOD WATER SERVICE COMMISSION  
HIGHLAND WATER SERVICE COMMISSION  
FERNWOOD WATER SERVICE COMMISSION**

Notice of Meeting on **Tuesday, November 28, 2017 at 10:00 AM**  
Creekside Meeting Room, Suite 108 121 McPhillips Ave, Salt Spring Island, BC

Wayne McIntyre    Lorrie Hunt    Eli Trory    Carol Newmeyer    Sharon Bywater

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**AGENDA**

- 1. Approval of Agenda**
- 2. Adoption of Minutes of September 19, 2016**
- 3. Chair and Director Reports - Highland/Fernwood Water Service Commission**
- 4. Reports – 2018 Operating and Capital Budget Report**

**4.1 Highland/Fernwood Water Service**

That the Highland/Fernwood Water Service Commission

1. Approve the 2018 operating and capital budget as presented, and that the 2017 actual surplus or deficit be balanced on the 2017 transfer to the Operating Reserve Fund;
2. Approve Capital Reserve Funding in the amount of \$14,616 for equipment replacement; and,
3. Recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2018 Operating and Capital Budget and the five year Financial Plan for the Highland/Fernwood Water Service as presented.

**4.2 Highland Water Service**

That the Highland Water Service Commission

1. Approve the 2018 operating and capital budget as presented; and,
2. Recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2018 Operating and Capital Budget and the five year Financial Plan for the Highland Water Service as presented.

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*To ensure quorum, advise Tracey Shaver 250.537 4448 if you cannot attend.*

**4.3 Fernwood Water Service**

That the Fernwood Water Service Commission

1. Approve the 2018 operating as presented; and,
2. Recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2018 Operating and Capital Budget and the five year Financial Plan for the Fernwood Water Service as presented.

**5. New Business**

**6. Outstanding Business**

**7. Adjournment**



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**Minutes of the Highland / Fernwood Water Services Commission; Highland Water Service; Fernwood Water Service**  
**Held September 19, 2016 at the Portlock Portable Meeting Room, 145 Vesuvius Bay Road, Salt Spring Island, BC**

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**DRAFT**

**Director:** Wayne McIntyre

**Commission Members:** Lorrie Hunt (Chair), Eli Trory, Sharon Bywater, Carol Newmeyer

**Staff:** Karla Campbell, Senior Manager SSI Electoral Area; Keith Wahlstrom, Manager, Engineering SSI Electoral Area; Matthew McCrank, Senior Manager, Infrastructure Operations; Dan Robson, Manager, Saanich Peninsula and Gulf Islands Operations; Peggy Dayton, Senior Financial Analyst; Tracey Shaver, Recording Secretary

The Chair called the meeting to order at 10:06 am

**1. Approval of Agenda**

**MOVED** by Commissioner Bywater, **SECONDED** by Commissioner Trory,  
That the Highland Water Services Commission combined meeting agenda of September 19, 2016 be approved.

**CARRIED**

**2. Adoption of Minutes of September 15, 2015**

**MOVED** by Commissioner Bywater, **SECONDED** by Commissioner Trory,  
That the Highland Water Services Commission combined meeting minutes of September 15, 2015 be approved.

**CARRIED**

**Adoption of Minutes of June 14, 2016 – Highland Water Service- to be distributed**

**MOVED** by Commissioner Bywater, **SECONDED** by Commissioner Newmeyer,  
That the Highland Water Services Commission combined meeting minutes of June 14, 2016 be approved.

**CARRIED**

**3. Chair and Director Reports - Highland/Fernwood Water Service Commission**

**3.1 Chair Hunt-** briefly reported on system functions. Requested review of system to establish potential service expansion to increase revenue.

**3.2 Director McIntyre-** briefly reported on the following:

- Union of British Columbia Municipalities Conference – Municipalities to vote on whether or not to change the status of 3 CRD Electoral Areas from “Urban” to “Rural”.
- Incorporation Study-The Provincial Government to announce the amount of compensation available to the community should a referendum for incorporation pass.
- CRD Board approves Independent Project Board Recommendation for Core Area Wastewater Treatment-part of the project will be to develop an integrated resource management for the region’s waste.
- CRD Integrated Solid Waste and Resource Management Plan to begin a local public engagement process in October for solid waste.

- CRD/SD64 affordable housing project on Drake Road has been delayed due to NSSWD water moratorium.

#### 4. Reports – 2016 Operating and Capital Budget Report

Staff reviewed report and budget considerations. It is expected that water sales will continue to decline as system users practice water conservation.

##### 4.1 Highland/Fernwood Water Service

**MOVED** by Commissioner Trory, **SECONDED** by Commissioner Bywater,  
That the Highland/Fernwood Water Service Commission recommends that the Capital Regional District Board:

1. Approve the 2017 operating and capital budget for the Highland/Fernwood Water Service as presented; and
2. Approve the 2017 parcel tax of \$173.84, fixed user charges of \$828.65, and consumption charge rates as presented for the Highland/Fernwood Water Service; and
3. Balance the 2016 actual revenue and expenditures on the 2017 deficit carry forward and adjust the 2017 user charge and parcel tax accordingly.

**CARRIED**

##### 4.2 Highland Water Service

**MOVED** by Commissioner Trory, **SECONDED** by Commissioner Bywater,  
That the Highland Water Service Commission recommends that the Capital Regional District Board:

1. Approve the 2017 operating budget for the Highland Water Service as presented; and
2. Approve the 2017 parcel tax of \$154.06 for the Highland Water Service.
3. Balance the 2016 actual revenue and expenditures on the 2017 deficit carry forward and adjust the 2017 parcel tax accordingly.

**CARRIED**

##### 4.3 Fernwood Water Service

**MOVED** by Commissioner Trory, **SECONDED** by Commissioner Bywater,  
That the Fernwood Water Service Commission recommends that the Capital Regional District Board:

1. Approve the 2017 operating budget for the Fernwood Water Service as presented; and
2. Approve the 2017 parcel tax of \$256.73 for the Fernwood Water Service.
3. Balance the 2016 actual revenue and expenditures on the 2017 deficit carry forward and adjust the 2017 parcel tax accordingly.

**CARRIED**

#### 5. New Business

##### 5.1 New Referral- REP2016-00250 for New Water Licence on St Mary Lake

The Commission reviewed the licence request and felt that it is important to know who and how much water is being directly drawn from the lake. The practice of registering water licenses and the allowed withdrawal amounts is beneficial.

**MOVED** by Commissioner Hunt, **SECONDED** by Commissioner Bywater,  
That the Highland / Fernwood Water Services Commission interests are unaffected by the water licence referral identified as REP2016-00250; and that the Commission request the Province to consider a more integrated planning approach with water licencing over the St Mary Lake water source.

**CARRIED**

## **5.2 Request for Inclusion into the Water Service Area**

The Commission briefly discussed the request to include the 174 Fernwood Road into the water system.

- Develop a capacity connection charge (for properties outside the service area)
- Service area taxable folios is 333 with 319 connected properties; 14 undeveloped lots
- Previous owners of property chose not to be included
- Staff resources for researching capacity questions

**MOVED** by Commissioner Hunt, **SECONDED** by Commissioner Bywater,  
That the Highland / Fernwood Water Services Commission recommends that a response to the request for inclusion in the water service area by the property identified at 174 Fernwood Road be deferred until staff resources are available to research and identify the service area capacity.

**CARRIED**

## **6. Outstanding Business**

### **6.1 Record of Referral Responses**

Items received for information

## **7. Adjournment**

**MOVED** by Commissioner Bywater, **SECONDED** by Commissioner Trory,  
That the meeting be adjourned at 11:58 am.

**CARRIED**

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**CHAIR**

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**SENIOR MANAGER**



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**REPORT TO HIGHLAND/FERNWOOD WATER SERVICE  
HIGHLAND WATER SERVICE and FERNWOOD WATER SERVICE**

**MEETING OF TUESDAY, NOVEMBER 28, 2017**

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**SUBJECT    2018 OPERATING AND CAPITAL BUDGET**

**ISSUE**

To present the 2018 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 Highland/Fernwood 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 2015 and 2017
2. Anticipated changes in level of service (if any)
3. Maximum allowable tax requisition
4. Annual Cost per taxpayer and per SFE

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

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

The proposed Operating and Capital budget for the Service will be presented to the Electoral Area Services Committee of the CRD. Adjustments for surpluses or deficits from 2017 may be made in January 2018. The CRD Board will give final approval to the budget and financial plan in March 2018.

The Financial Plan for the years 2019 – 2022 may be changed in future years.

## **BUDGET OVERVIEW**

### **A. HIGHLAND/FERNWOOD WATER SERVICE**

#### *Operating Budget*

It is anticipated that operating expenses in 2017 will be approximately \$19,400 over budget, due to unexpected breakdowns in equipment that include emergency water main leak detection and repairs, automatic control valve equipment replacement, electronic level measuring equipment replacement, computer replacement. In order to reduce the projected deficit CRD staff recommend that:

- The 2017 planned transfer to the Capital Reserve Fund not be made. (\$8,810)
- Operating Reserve Funds be used to support unplanned water system leak detection and repairs (\$11,120)

This results in a projected deficit of approximately \$3,500 which is proposed to be carried forward to the 2018 budget.

The 2018 operating budget has been increased by 4.5% over the 2017 budget to account for inflation and increased labour charges.

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

MFA debt servicing costs are incurred on debt of \$500,000 issued in 2011 at 3.25% interest. The annual debt servicing cost of \$41,220 will remain unchanged in 2018.

#### *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.

In 2017 there were unplanned repairs/response related to water system leak detection and repairs that resulted in costs of approximately \$11,120. These costs are proposed to be recovered from the Operating Reserve Fund.

It is proposed that transfers to the Operating Reserve Fund remain at the 2017 amount. The Operating Reserve Fund balance at the end of 2017 is projected to be approximately \$24,800.

#### *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.

During 2017, an unexpected expenditure for electric actuator and DAF saturator transducer equipment replacement was required. The expenditure is capital in nature and therefore a capital plan amendment is required. The Capital Reserve Funds will be used to support the expenditure (\$14,616).

It is proposed that the budgeted transfer to the Capital Reserve Fund be increased from \$8,810 to \$40,060 in 2018. This increase is necessary to ensure the 5 year capital plan is fully funded. The balance at the end of 2017 is projected to be \$87,722.

*Capital Expenditure Plan*

The 5-year plan includes \$220,000 of expenditures to be funded by the service's Capital Reserve Fund.

*Capital Project Fund*

As specific capital projects are approved, the funding revenues for them are transferred into this Capital Project Fund. Whenever possible, any funds remaining upon completion of a project are transferred back to the Capital Reserve Fund for use on future capital projects. There is a planned transfer of \$973 from Capital Projects Fund to the Capital Reserve Fund in 2017.

*User Charge and Parcel Tax*

The user charge and parcel tax fund the service. Typically the user charge funds the operational costs and the parcel tax funds the debt and Capital Reserve Fund contributions. 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 proposed 2018 user charge of \$858.15 is an increase from 2017 and the parcel tax of \$173.84 will remain unchanged. The water consumption user charge will remain at the 2017 rates. Historical user charge and parcel tax rates are included for information.

**B. HIGHLAND WATER SERVICE**

*Operating Budget*

The sole purpose of this budget is to repay debt and to complete a Strategic Asset Management Plan and a Valve Distribution renewal project. The operating budget for 2018 is \$100 higher than 2017 as a result of an increase the allocation for Financial services.

*Municipal Finance Authority (MFA) Debt:*

The 2018 operating budget is set up to service the debt expenditures associated with the \$250,000 borrowed in 2009 and \$150,680 borrowed in 2012. Principal and interest amount to \$35,460.

*Capital Expenditure Plan*

The 5-year plan includes \$189,184 of expenditures to be funded by the service's Capital Reserve Fund as well as grant funds.

*Capital Project Fund*

As specific capital projects are approved, the funding revenues for them are transferred into this Capital Project Fund. Whenever possible, any funds remaining upon completion of a project are



transferred back to the Capital Reserve Fund for use on future capital projects. At this stage there are no funds to transfer back to the Capital Reserve Fund.

*Parcel Tax*

The 2018 parcel tax is \$154.48, up 0.4% over the 2017 rate. This marginal increase is the result of having no surplus carry forward from 2017 to 2018 (the surplus from 2016 to 2017 was \$43).

**C. FERNWOOD WATER SERVICE**

*Operating Budget*

The sole purpose of this budget is to repay debt and to complete a Strategic Asset Management Plan. The operating budget for 2018 is \$100 higher than 2017 as a result of an increase the allocation for Financial services.

*Municipal Finance Authority (MFA) Debt:*

The 2018 operating budget is set up to service the debt expenditures associated with the \$100,000 borrowed in 2009, \$50,000 borrowed in 2010, and \$45,000 borrowed in 2012. Principal and interest amount to \$17,650.

*Capital Expenditure Plan*

The 5-year plan includes \$5,000 of expenditures to be funded by the service's Capital Reserve Fund.

*Capital Project Fund*

As specific capital projects are approved, the funding revenues for them are transferred into this Capital Project Fund. Whenever possible, any funds remaining upon completion of a project are transferred back to the Capital Reserve Fund for use on future capital projects. At this stage there are no funds to transfer back to the Capital Reserve Fund.

*Parcel Tax*

The 2018 parcel tax is \$258.06, up 0.6% over the 2017 rate. This marginal increase is the result of having no surplus carry forward from 2017 to 2018 (the surplus from 2016 to 2017 was \$20).

**RECOMMENDATION**

That the Highland/Fernwood Water Service Commission:

**A. HIGHLAND/FERNWOOD WATER SERVICE**

1. Approve the 2018 operating and capital budget as presented, and that the 2017 actual surplus or deficit be balanced on the 2017 transfer to the Operating Reserve Fund;
2. Approve Capital Reserve Funding in the amount of \$14,616 for equipment replacement; and,

3. Recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2018 Operating and Capital Budget and the five year Financial Plan for the Highland/Fernwood Water Service as presented.

**B. HIGHLAND WATER SERVICE**

1. Approve the 2018 operating and capital budget as presented; and,
2. Recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2018 Operating and Capital Budget and the five year Financial Plan for the Highland Water Service as presented.

**C. FERNWOOD WATER SERVICE**

1. Approve the 2018 operating as presented; and,
2. Recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2018 Operating and Capital Budget and the five year Financial Plan for the Fernwood Water Service as presented.

|              |  |
|--------------|--|
| Submitted by | Karla Campbell, Senior Manager, Salt Spring Island Electoral Area        |
| Submitted by | Matthew McCrank, MSc., P.Eng., Senior Manager, Infrastructure Operations |
| Submitted by | Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services       |
| Concurrence  | Ted Robbins, B.Sc., C.Tech., General Manager, Integrated Water Services  |
| Concurrence  | Robert Lapham, MCIP, RPP, Chief Administrative Officer                   |

MMc/IJ/RL/KC:ls:ts

Attachment: 2018 Budget Highland and Fernwood – Commission Review Nov 2017

# **CAPITAL REGIONAL DISTRICT**

## **2018 Budget**

### **Highland & Fernwood Water (SSI)**

#### **Commission Review**

Compiled and Presented by CRD Finance

Nov-17

**Service:** 2.621 Highland & Fernwood Water (SSI)

**Committee:** Electoral Area Services

**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 \$337,974

**MAXIMUM CAPITAL DEBT:**

|             |                              |                   |
|-------------|------------------------------|-------------------|
| Authorized: | LA3754 (April 13, 2011)      | \$500,000         |
| Borrowed:   | SI Bylaw 3800 (Aug 10, 2011) | (\$500,000) 3.25% |
| Remaining:  |                              | \$0               |

**COMMITTEE:**

Highland Water Committee established by Resolution No. 675 and Fernwood Local Service Committee established by Bylaw No. 1774.  
Highland Fernwood Water Services Commission Established by Bylaw 3911, March 2015

**FUNDING:**

- Parcel Tax:** Annual, levied only on properties capable of being connected to the system.
- User Charge:** Annual Fixed Fee of \$699.94 per Water Service Connection.  
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: (BL3933 March 2015)
- 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)

| Highland & Fernwood Water (SSI)         | BUDGET REQUEST   |                  |                  |         |          |                  | FUTURE PROJECTIONS |                  |                  |                  |
|---|------------------|------------------|------------------|---------|----------|------------------|--------------------|------------------|------------------|------------------|
|   | 2017             |                  | 2018             |         |          |                  | 2019               | 2020             | 2021             | 2022             |
|   | BOARD BUDGET     | ESTIMATED ACTUAL | CORE BUDGET      | ONGOING | ONE-TIME | TOTAL            |                    |                  |                  |                  |
| <b>OPERATING COSTS:</b>                 |                  |                  |                  |         |          |                  |                    |                  |                  |                  |
| Sludge Hauling Contract                 | 7,100            | 9,300            | 9,300            | -       | -        | 9,300            | 9,490              | 9,680            | 9,870            | 10,070           |
| Waste Sludge Disposal                   | 15,220           | 15,200           | 15,520           | -       | -        | 15,520           | 15,830             | 16,150           | 16,470           | 16,800           |
| Repairs & Maintenance                   | 8,220            | 20,500           | 8,380            | -       | -        | 8,380            | 8,550              | 8,720            | 8,890            | 9,060            |
| Allocations                             | 33,080           | 24,070           | 23,170           | -       | -        | 23,170           | 23,640             | 24,110           | 24,590           | 25,080           |
| Water Testing                           | 12,540           | 12,540           | 12,730           | -       | -        | 12,730           | 12,980             | 13,240           | 13,500           | 13,770           |
| Electricity                             | 17,830           | 17,300           | 18,540           | -       | -        | 18,540           | 18,910             | 19,290           | 19,680           | 20,070           |
| Supplies                                | 23,390           | 20,870           | 23,680           | -       | -        | 23,680           | 24,150             | 24,630           | 25,120           | 25,610           |
| Labour Charges                          | 126,200          | 144,580          | 143,600          | -       | -        | 143,600          | 145,820            | 148,740          | 151,710          | 154,760          |
| Other Operating Expenses                | 16,260           | 14,890           | 16,670           | -       | -        | 16,670           | 17,000             | 17,330           | 17,660           | 17,970           |
| <b>TOTAL OPERATING COSTS</b>            | <b>259,840</b>   | <b>279,250</b>   | <b>271,590</b>   | -       | -        | <b>271,590</b>   | <b>276,370</b>     | <b>281,890</b>   | <b>287,490</b>   | <b>293,190</b>   |
| *Percentage Increase over prior year    |                  |                  |                  |         |          | 4.5%             | 1.8%               | 2.0%             | 2.0%             | 2.0%             |
| <b>DEBT/RESERVES</b>                    |                  |                  |                  |         |          |                  |                    |                  |                  |                  |
| Transfer to Operating Reserve Fund      | 29,000           | 29,000           | 29,000           | -       | -        | 29,000           | 19,580             | 19,970           | 20,370           | 20,780           |
| Transfer to Capital Reserve Fund        | 8,810            | -                | 40,060           | -       | -        | 40,060           | 45,000             | 45,200           | 45,400           | 45,610           |
| MFA Debt Principal                      | 24,970           | 24,970           | 24,970           | -       | -        | 24,970           | 24,970             | 24,970           | 24,970           | 24,970           |
| MFA Debt Interest                       | 16,250           | 16,250           | 16,250           | -       | -        | 16,250           | 16,250             | 16,250           | 16,250           | 16,250           |
| <b>TOTAL DEBT / RESERVES</b>            | <b>79,030</b>    | <b>70,220</b>    | <b>110,280</b>   | -       | -        | <b>110,280</b>   | <b>105,800</b>     | <b>106,390</b>   | <b>106,990</b>   | <b>107,610</b>   |
| <b>TOTAL COSTS</b>                      | <b>338,870</b>   | <b>349,470</b>   | <b>381,870</b>   | -       | -        | <b>381,870</b>   | <b>382,170</b>     | <b>388,280</b>   | <b>394,480</b>   | <b>400,800</b>   |
| <b>FUNDING SOURCES (REVENUE)</b>        |                  |                  |                  |         |          |                  |                    |                  |                  |                  |
| Estimated balance C/F from 2017 to 2018 | -                | (3,480)          | 3,480            | -       | -        | 3,480            | -                  | -                | -                | -                |
| Balance c/f from 2016 to 2017           | 32,700           | 32,700           | -                | -       | -        | -                | -                  | -                | -                | -                |
| Sales - Water                           | (56,000)         | (52,000)         | (56,000)         | -       | -        | (56,000)         | (56,000)           | (56,000)         | (56,000)         | (56,000)         |
| User Charges                            | (259,970)        | (259,970)        | (273,750)        | -       | -        | (273,750)        | (270,570)          | (276,680)        | (282,880)        | (289,200)        |
| Transfer from Operating Reserve Fund    | -                | (11,120)         | -                | -       | -        | -                | -                  | -                | -                | -                |
| Other Revenue                           | (600)            | (600)            | (600)            | -       | -        | (600)            | (600)              | (600)            | (600)            | (600)            |
| <b>TOTAL REVENUE</b>                    | <b>(316,570)</b> | <b>(323,690)</b> | <b>(330,350)</b> | -       | -        | <b>(330,350)</b> | <b>(327,170)</b>   | <b>(333,280)</b> | <b>(339,480)</b> | <b>(345,800)</b> |
| <b>REQUISITION</b>                      | <b>(55,000)</b>  | <b>(55,000)</b>  | <b>(55,000)</b>  | -       | -        | <b>(55,000)</b>  | <b>(55,000)</b>    | <b>(55,000)</b>  | <b>(55,000)</b>  | <b>(55,000)</b>  |
| *Percentage increase over prior year    |                  |                  |                  |         |          |                  |                    |                  |                  |                  |
| User Charges                            |                  |                  |                  |         |          | 5.3%             | -1.2%              | 2.3%             | 2.2%             | 2.2%             |
| Requisition                             |                  |                  |                  |         |          | 0.0%             | 0.0%               | 0.0%             | 0.0%             | 0.0%             |
| Combined                                |                  |                  |                  |         |          | 4.4%             | -1.0%              | 1.9%             | 1.9%             | 1.9%             |

**Reserve Schedule**

**Reserve Fund: 2.621 Highland/Fernwood Water Operating Reserve Fund (Bylaw No.: 4144)**

Reserve fund used for: unforeseen operational repairs and maintenance; infrequent maintenance activities such as reservoir cleaning and inspection, hydrant maintenance etc. Optimum minimum balance of \$30,000 (approximately 10%) of the annual operating budget.

**Reserve Cash Flow**

| Fund 1500 Fund Center: 105205         | Budget        |   |   |                        |               |               |
|---------------------------------------|---------------|---|---|------------------------|---------------|---------------|
|                                       | 2017          | 2018  | 2019  | 2020                   | 2021          | 2022          |
| <b>Beginning Balance</b>              | 6,983         | 24,863  | 23,863  | 32,863                 | 37,443        | 57,413        |
| <b>Transfer from Operating Budget</b> | 29,000        | 29,000  | 29,000  | 19,580                 | 19,970        | 20,370        |
| <b>Expenditure</b>                    | (11,120)      | (30,000)                                      | (20,000)                                      | (15,000)               | -             | -             |
| Planned maintenance activity          |               | Reservoir<br>cleaning and<br>inspection (Ph1) | Reservoir<br>cleaning and<br>inspection (Ph2) | Hydrant<br>maintenance |               |               |
| <b>Interest Income</b>                |               |   |   |                        |               |               |
| <b>Ending Balance \$</b>              | <b>24,863</b> | <b>23,863</b>                                 | <b>32,863</b>                                 | <b>37,443</b>          | <b>57,413</b> | <b>77,783</b> |

**Reserve Schedule**

**Reserve Fund: 2.621 Highland/Fernwood Water Capital Reserve Fund (Bylaw No.: 3991)**

**Reserve Cash Flow**

**Fund: 1088 Fund Center: 102156**

|   | Budget        |                |              |               |               |               |
|---|---------------|----------------|--------------|---------------|---------------|---------------|
|   | 2017          | 2018           | 2019         | 2020          | 2021          | 2022          |
| <b>Beginning Balance</b>                            | 99,036        | 87,722         | 107,782      | 2,782         | 47,982        | 43,382        |
| <b>Transfer to Cap Fund (Based on Capital Plan)</b> | (14,616)      | (20,000)       | (150,000)    | -             | (50,000)      | -             |
| <b>Transfer from Cap Fund</b>                       | 973           |                |              |               |               |               |
| <b>Transfer from Operating Budget</b>               | -             | 40,060         | 45,000       | 45,200        | 45,400        | 45,610        |
| <b>Interest Income*</b>                             | 2,328         | -              | -            | -             | -             | -             |
| <b>Ending Balance \$</b>                            | <b>87,722</b> | <b>107,782</b> | <b>2,782</b> | <b>47,982</b> | <b>43,382</b> | <b>88,992</b> |

\* 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.





**Service:** 2.621

**Highland & Fernwood Water (SSI)**

**Proj. No.** 16-01

**Capital Project Title** Intake assessment and design

**Capital Project Description** Complete intake assessment and designs for construction

**Asset Class** Engineered Structures

**Board Priority Area** Integrated Water Management

**Corporate Priority Area** Drinking Water

**Project Rationale** *Current intake is undersized, therefore limiting the treatment plant capacity. Further, the intake has experienced significant algae growth on the screen requiring emergency maintenance. This work is to complete an assessment of the intake, confirm, the anticipated construction costs, complete the design for construction and complete any required permits.*

**Proj. No.** 19-01

**Capital Project Title** Replace intake

**Capital Project Description** Construct new intake

**Asset Class** Engineered Structures

**Board Priority Area** Integrated Water Management

**Corporate Priority Area** Drinking Water

**Project Rationale** *Tender and construct intake*

**Proj. No.** 21-01

**Capital Project Title** Improvements identified in SAMP

**Capital Project Description** Highland (2.62) SAMP work

**Asset Class** Engineered Structures

**Board Priority Area** Integrated Water Management

**Corporate Priority Area** Drinking Water

**Project Rationale** *A Strategic Asset Management Plan (SAMP) would have identified specific upgrades and improvements. This line item helps hold funds for some initial items that will be identified in the proposed 2020 SAMP. Ultimately funding for the SAMP work will not be known until the SAMP is complete.*

**Highland & Fernwood Water (SSI)**

**Capital Projects Fund**

| Project#    | Status | Capital Project Description | Total Budget | Expenditure Actuals | Remaining Funds | Funding Source-CRF* | Funding Source-CWF** | Return Surplus to CRF* | Return Surplus to CWF** |
|-------------|--------|-----------------------------|--------------|---------------------|-----------------|---------------------|----------------------|------------------------|-------------------------|
| CE.506.5504 | CLOSED | Safety Equipment            | 2,000        | (1,051)             | 949             |                     |                      | 949                    |                         |
|             |        | Interest Income             |              |                     | 24              |                     |                      | 24                     |                         |
|             |        | <b>Totals</b>               | <b>2,000</b> | <b>(1,051)</b>      | <b>973</b>      | <b>0</b>            | <b>0</b>             | <b>973</b>             | <b>0</b>                |

\* CRF (Capital Reserve Fund)

\*\* CWF (Community Works Fund)

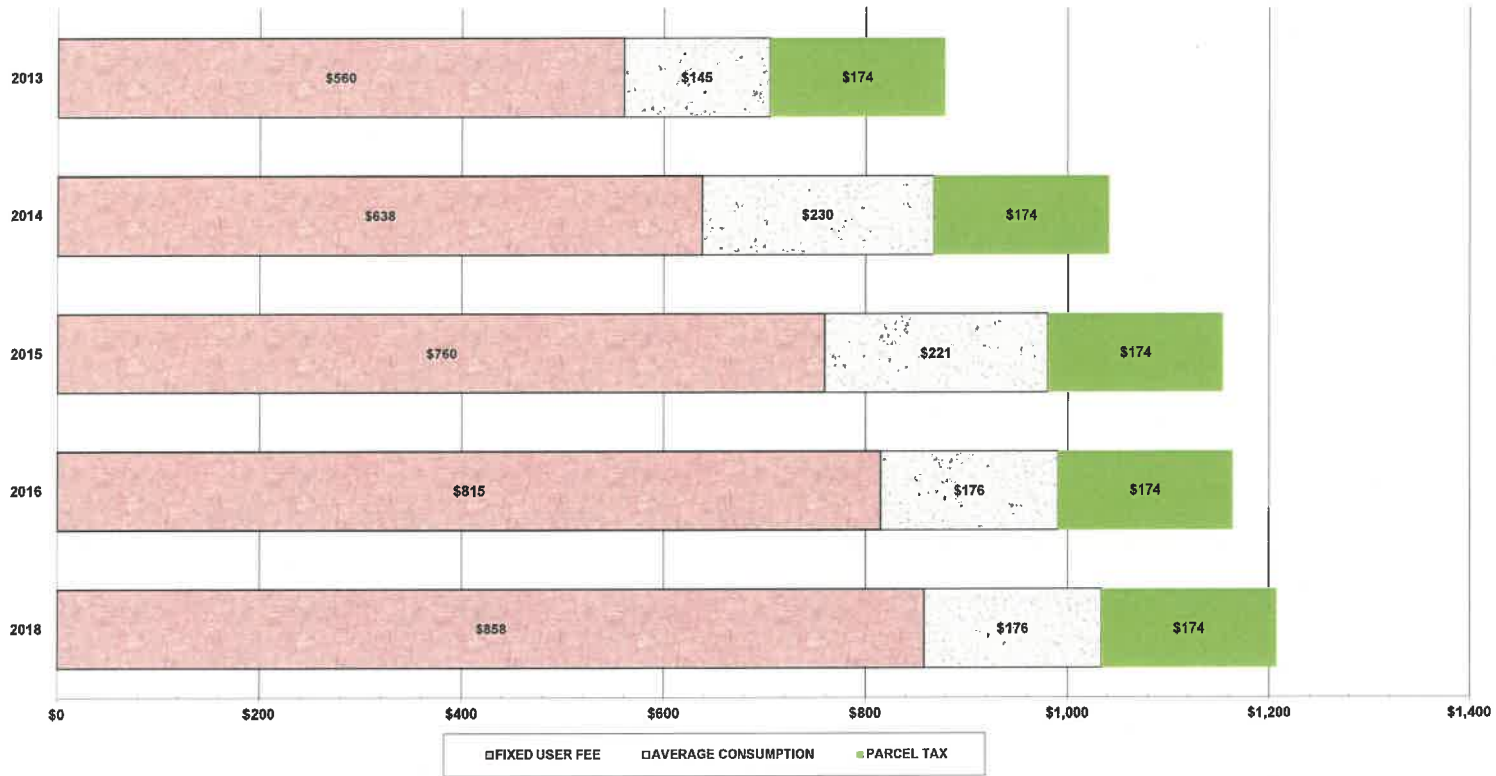
**Service:** 2.621

**Highland & Fernwood Water (SSI)**

**Committee: Electoral Area Services**

| <u>Year</u> | <u>Taxable Folios</u> | <u>Parcel Tax</u> | <u>Connections</u> | <u>User Charge</u> | <u>Tax &amp; Charges</u> | <u>Assessments \$(000's)</u> |
|-------------|-----------------------|-------------------|--------------------|--------------------|--------------------------|------------------------------|
| 2012        | -                     | \$0.00            | 318                | \$156.23           | \$156.23                 | 138,812                      |
| 2013        | 332                   | \$158.51          | 318                | \$638.15           | \$796.66                 | 136,061                      |
| 2014        | 333                   | \$173.84          | 318                | \$702.71           | \$876.55                 | 125,134                      |
| 2015        | 333                   | \$173.84          | 318                | \$817.52           | \$991.36                 | 126,876                      |
| 2016        | 333                   | \$173.84          | 317                | \$699.94           | \$873.78                 | 131,385                      |
| 2017        | 333                   | \$173.84          | 319                | \$814.94           | \$988.77                 | 149,011                      |
| 2018        | 333                   | \$173.84          | 319                | \$858.15           | \$1,031.99               |                              |

# CAPITAL REGIONAL DISTRICT HIGHLAND / FERNWOOD WATER FUNDING ANALYSIS 2013-2018



Actual Costs 2014-2017, Projected 2018  
 Prepared by CRD Finance  
 11/03/2017

# **CAPITAL REGIONAL DISTRICT**

## **2018 Budget**

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

#### **Commission Review**

**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 \$501,589

**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 |

**COMMITTEE:**

Highland Water Committee established by Resolution No. 675.

**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)

| Highland Water (SSI)                             | 2017            |                  | BUDGET REQUEST  |              |          |                 | FUTURE PROJECTIONS |                 |                 |                 |
|--|-----------------|------------------|-----------------|--------------|----------|-----------------|--------------------|-----------------|-----------------|-----------------|
|  | BOARD BUDGET    | ESTIMATED ACTUAL | CORE BUDGET     | 2018 ONGOING | ONE-TIME | TOTAL           | 2019               | 2020            | 2021            | 2022            |
| <b>OPERATING COSTS:</b>                          |                 |                  |                 |              |          |                 |                    |                 |                 |                 |
| Finance Allocation                               | 1,720           | 1,720            | 1,820           | -            | -        | 1,820           | 1,860              | 1,900           | 1,940           | 1,980           |
| <b>TOTAL OPERATING COSTS</b>                     | <b>1,720</b>    | <b>1,720</b>     | <b>1,820</b>    | <b>-</b>     | <b>-</b> | <b>1,820</b>    | <b>1,860</b>       | <b>1,900</b>    | <b>1,940</b>    | <b>1,980</b>    |
| *Percentage Increase over prior year             |                 |                  |                 |              |          | 5.8%            | 2.2%               | 2.2%            | 2.1%            | 2.1%            |
| <b>DEBT/CAPITAL</b>                              |                 |                  |                 |              |          |                 |                    |                 |                 |                 |
| M.F.A. Debt Reserve Fund                         | -               | -                | -               | -            | -        | -               | -                  | -               | -               | -               |
| MFA Debt Principal                               | 20,010          | 20,010           | 20,010          | -            | -        | 20,010          | 20,010             | 20,010          | 20,010          | 20,010          |
| MFA Debt Interest                                | 15,450          | 15,450           | 15,450          | -            | -        | 15,450          | 15,450             | 15,450          | 15,450          | 15,450          |
| <b>TOTAL CAPITAL / RESERVES</b>                  | <b>35,460</b>   | <b>35,460</b>    | <b>35,460</b>   | <b>-</b>     | <b>-</b> | <b>35,460</b>   | <b>35,460</b>      | <b>35,460</b>   | <b>35,460</b>   | <b>35,460</b>   |
| <b>TOTAL COSTS</b>                               | <b>37,180</b>   | <b>37,180</b>    | <b>37,280</b>   | <b>-</b>     | <b>-</b> | <b>37,280</b>   | <b>37,320</b>      | <b>37,360</b>   | <b>37,400</b>   | <b>37,440</b>   |
| <b>FUNDING SOURCES (REVENUE)</b>                 |                 |                  |                 |              |          |                 |                    |                 |                 |                 |
| Balance c/f from 2016 to 2017                    | (43)            | (40)             | -               | -            | -        | -               | -                  | -               | -               | -               |
| MFA Debt Reserve Fund Earnings                   | -               | -                | -               | -            | -        | -               | -                  | -               | -               | -               |
| <b>TOTAL REVENUE</b>                             | <b>(43)</b>     | <b>(40)</b>      | <b>-</b>        | <b>-</b>     | <b>-</b> | <b>-</b>        | <b>-</b>           | <b>-</b>        | <b>-</b>        | <b>-</b>        |
| <b>REQUISITION</b>                               | <b>(37,137)</b> | <b>(37,140)</b>  | <b>(37,280)</b> | <b>-</b>     | <b>-</b> | <b>(37,280)</b> | <b>(37,320)</b>    | <b>(37,360)</b> | <b>(37,400)</b> | <b>(37,440)</b> |
| *Percentage increase over prior year requisition |                 |                  |                 |              |          | 0.4%            | 0.1%               | 0.1%            | 0.1%            | 0.1%            |

**CAPITAL REGIONAL DISTRICT CAPITAL PLAN**

**CAPITAL BUDGET FORM**  
2018 & Forecast 2019 to 2022

Service #: 2.620  
Service Name: Highland Water (SSI)

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

**Capital Expenditure Type**  
New Construction/ Project: Expenditure for new asset only  
Renewal: Expenditure replaces an existing asset and extends the service ability or enhances technology in delivering that service  
Replacement: Expenditure replaces an existing asset

| Proj. No.    | Capital Exp. Type | Capital Project Description     | Total Project Budget | Asset Class | Funding Source | Carry Forward from 2017 | 2018          | 2019          | 2020     | 2021     | 2022     | 5 - Year Total |
|--------------|-------------------|---------------------------------|----------------------|-------------|----------------|-------------------------|---------------|---------------|----------|----------|----------|----------------|
| 16-01        | Renewal           | Valve Distribution              | 173,623              | S           | Cap            | \$173,623               | \$80,000      | \$93,623      |          |          |          | 173,623        |
| 18-01        | Study             | Strategic Asset Management Plan | \$15,561             | S           | Grant          | \$0                     | \$15,561      |               |          |          |          | 15,561         |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
|              |                   |                                 |                      |             |                |                         |               |               |          |          |          |                |
| <b>Total</b> |                   |                                 | <b>189,184</b>       |             |                | <b>173,623</b>          | <b>95,561</b> | <b>93,623</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>189,184</b> |

**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

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



**Service:** 2.620                      **Highland Water (SSI)**

|   |  |  |
|---|--|--|
| <b>Proj. No.</b> 16-01  | <b>Capital Project Title</b> Valve Distribution        | <b>Capital Project Description</b> Infrastructure upgrades |
| <b>Asset Class</b> Engineered Structures  | <b>Board Priority Area</b> Integrated Water Management | <b>Corporate Priority Area</b> Drinking Water              |
| <b>Project Rationale</b> <i>These funds are reserved for Highland only upgrades as it was collected from Highland customers prior to the merging of the Highland and Femwood systems. The agreed to projects are as follows: 1) Replacement of failed piping at Middle reservoir (\$80,000), 2) Demolition of old intake pump station (\$35,000), 3) Replacement of failed standpipes (\$45,000), and 4) Replacement of failing services from the main to the property line in strategic locations (\$49,000)</i> |  |  |

|   |  |   |
|---|--|---|
| <b>Proj. No.</b> 18-01  | <b>Capital Project Title</b> Strategic Asset Management Plan | <b>Capital Project Description</b> Identify condition of assets, develop prioritized list of infrastructure replacement |
| <b>Asset Class</b> Engineered Structures  | <b>Board Priority Area</b> Integrated Water Management       | <b>Corporate Priority Area</b> Drinking Water   |
| <b>Project Rationale</b> <i>The Strategic Asset Management Plan will recommend a prioritized list of infrastructure replacements, which will serve as the basis for future capital spending plans. Additional funds may be required for staff to complete the plan.</i> |  |   |

|                          |                                |                                      |
|--------------------------|--------------------------------|--------------------------------------|
| <b>Proj. No.</b>         | <b>Capital Project Title</b> 0 | <b>Capital Project Description</b> 0 |
| <b>Asset Class</b> #N/A  | <b>Board Priority Area</b> 0   | <b>Corporate Priority Area</b> 0     |
| <b>Project Rationale</b> |                                |                                      |

**Highland Water (SSI)**

**Capital Projects Fund**

| Year / Project#  | Status | Capital Project Description | Total Budget   | Expenditure Actuals | Remaining Funds | Funding Source-CRF* | Funding Source-CWF** | Return Surplus to CRF* | Return Surplus to CWF** |
|------------------|--------|-----------------------------|----------------|---------------------|-----------------|---------------------|----------------------|------------------------|-------------------------|
| 2013/CE.360.4650 | OPEN   | Valve Dist Upgrade          | 173,623        | (47,498)            | 126,125         |                     |                      |                        |                         |
| 2011/CE.289      | OPEN   | SAMP Study Ph 1             | 10,000         | (4,439)             | 5,561           | 10,000              |                      |                        |                         |
| 2013/            |        | SAMP Study Ph 2             | 10,000         | 0                   | 10,000          |                     | 10,000               |                        |                         |
|                  |        |                             |                |                     |                 |                     |                      |                        |                         |
|                  |        |                             |                |                     |                 |                     |                      |                        |                         |
|                  |        |                             |                |                     |                 |                     |                      |                        |                         |
|                  |        |                             |                |                     |                 |                     |                      |                        |                         |
|                  |        |                             |                |                     |                 |                     |                      |                        |                         |
|                  |        |                             |                |                     |                 |                     |                      |                        |                         |
|                  |        | <b>Totals</b>               | <b>193,623</b> | <b>(51,937)</b>     | <b>141,686</b>  | <b>10,000</b>       | <b>10,000</b>        | <b>0</b>               | <b>0</b>                |

\* CRF (Capital Reserve Fund)

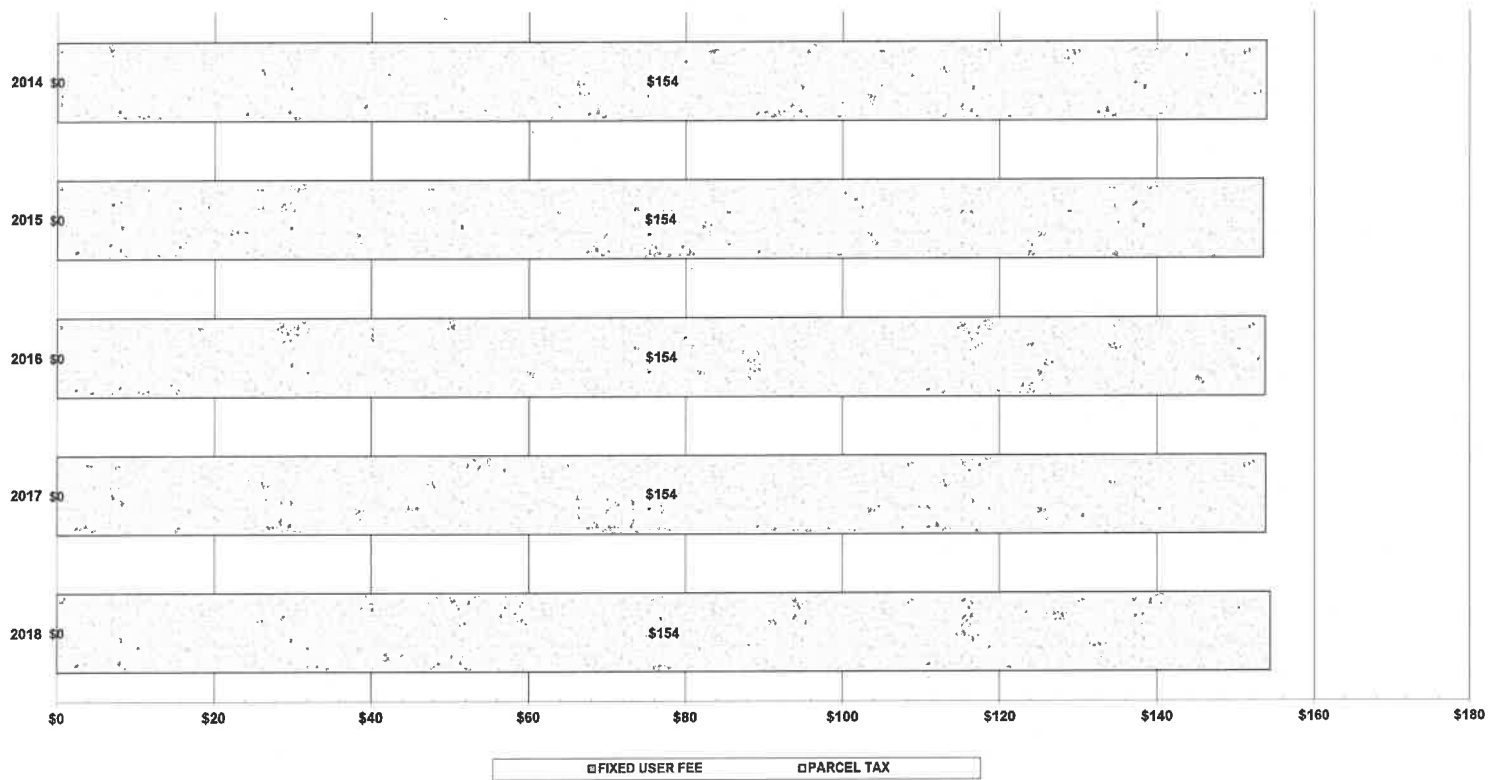
\*\* CWF (Community Works Fund)

Service: 2.620 Highland Water (SSI)

Committee: Electoral Area Services

| <b>Year</b> | <b>Taxable Folios</b> | <b>Parcel Tax</b> | <b>By-law No.</b> | <b>Number SFE's</b> | <b>Number Connections</b> | <b>User Charge</b>       | <b>By-law No.</b> | <b>Actual Assessments</b> | <b>Converted Assessments</b> |
|-------------|-----------------------|-------------------|-------------------|---------------------|---------------------------|--------------------------|-------------------|---------------------------|------------------------------|
| 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                      | 3891              | 94,169,838                | 9,490,838                    |
| 2014        | 254                   | \$153.97          |                   |                     | 244                       | \$0                      | 3891              | 86,342,165                | 8,703,326                    |
| 2015        | 254                   | \$153.88          |                   |                     | 244                       | \$0                      | 3993              | 89,962,520                | 9,070,897                    |
| 2016        | 254                   | \$153.79          |                   |                     | 244                       | \$0                      | 4073              | 911,979,953               | 9,200,860                    |
| 2017        | 254                   | \$153.88          |                   |                     | 244                       | \$0                      | 4171              | 104,068,888               | 10,464,573                   |
| 2018        | 254                   | \$154.48          |                   |                     | 244                       | \$0                      |                   |                           |                              |

# CAPITAL REGIONAL DISTRICT HIGHLAND WATER FUNDING ANALYSIS 2014-2018



Actual Costs 2014-2017, Projected 2018  
Prepared by CRD Finance  
11/06/2017

# **CAPITAL REGIONAL DISTRICT**

## **2018 Budget**

### **Fernwood Water (SSI)**

#### **Commission Review**

**Service:** 2.660 Fernwood Water (SSI)

**Committee:** Electoral Area Services

**DEFINITION:**

To provide, operate and maintain water supply and distribution facilities for the Fernwood Water Local Service Area on Salt Spring Island Bylaw No. 1772 (January 1990). Amended Bylaw No. 2034 (July 15, 1992).

**PARTICIPATION:**

Fernwood Area of Salt Spring Island. Local Service Area #6, F(764).

**MAXIMUM LEVY:**

Greater of \$56,000 or \$5.07 / \$1,000 to a maximum of \$203,748.

**MAXIMUM CAPITAL DEBT:**

|             |                                   |              |
|-------------|-----------------------------------|--------------|
| AUTHORIZED: | LA Bylaw No. 3581 (April 8, 2009) | \$195,000    |
| BORROWED:   | SI Bylaw 3634 (Nov 2009)          | \$ (100,000) |
|             | SI Bylaw 3677 (Feb 2010)          | \$ (50,000)  |
|             | SI Bylaw 3817 (May 2012)          | \$ (45,000)  |
| REMAINING:  |                                   | <hr/> \$0    |

**COMMISSION:**

Fernwood Local Services Committee established by Bylaw No. 1774.

**FUNDING:**

Any deficiencies after user charge and/or parcel tax to be levied on taxable hospital assessments.  
Parcel Tax: - Annual, levied only on properties capable of being connected to the system.

**MAXIMUM OPERATING EXPENDITURE:**

Under Bylaw No. 2187 - Maximum requisition greater of \$56,000 or \$5.07 / \$1,000 of actual assessments for land and improvements.

**RESERVE FUND BYLAW:**

Bylaw No. 1832.

| Fermwood Water (SSI)                             | 2017            |                  | BUDGET REQUEST  |          |          |                 | FUTURE PROJECTIONS |                 |                 |                 |
|--|-----------------|------------------|-----------------|----------|----------|-----------------|--------------------|-----------------|-----------------|-----------------|
|  | BOARD BUDGET    | ESTIMATED ACTUAL | CORE BUDGET     | ONGOING  | ONE-TIME | TOTAL           | 2019               | 2020            | 2021            | 2022            |
| <b>OPERATING COSTS:</b>                          |                 |                  |                 |          |          |                 |                    |                 |                 |                 |
| Finance Allocation                               | 1,620           | 1,620            | 1,720           | -        | -        | 1,720           | 1,750              | 1,790           | 1,830           | 1,870           |
| <b>TOTAL OPERATING COSTS</b>                     | <b>1,620</b>    | <b>1,620</b>     | <b>1,720</b>    | <b>-</b> | <b>-</b> | <b>1,720</b>    | <b>1,750</b>       | <b>1,790</b>    | <b>1,830</b>    | <b>1,870</b>    |
| *Percentage Increase over prior year             |                 |                  |                 |          |          | 6.2%            | 1.7%               | 2.3%            | 2.2%            | 2.2%            |
| <b>DEBT/CAPITAL</b>                              |                 |                  |                 |          |          |                 |                    |                 |                 |                 |
| MFA Debt Principal                               | 9,738           | 9,738            | 9,740           | -        | -        | 9,740           | 9,740              | 9,740           | 9,740           | 9,740           |
| MFA Debt Interest                                | 7,912           | 7,912            | 7,910           | -        | -        | 7,910           | 7,910              | 7,910           | 7,910           | 7,910           |
| <b>TOTAL CAPITAL / RESERVES</b>                  | <b>17,650</b>   | <b>17,650</b>    | <b>17,650</b>   | <b>-</b> | <b>-</b> | <b>17,650</b>   | <b>17,650</b>      | <b>17,650</b>   | <b>17,650</b>   | <b>17,650</b>   |
| <b>TOTAL COSTS</b>                               | <b>19,270</b>   | <b>19,270</b>    | <b>19,370</b>   | <b>-</b> | <b>-</b> | <b>19,370</b>   | <b>19,400</b>      | <b>19,440</b>   | <b>19,480</b>   | <b>19,520</b>   |
| <b>FUNDING SOURCES (REVENUE)</b>                 |                 |                  |                 |          |          |                 |                    |                 |                 |                 |
| Balance c/f from 2016 to 2017                    | (20)            | (20)             | -               | -        | -        | -               | -                  | -               | -               | -               |
| Other Revenue                                    | -               | -                | -               | -        | -        | -               | -                  | -               | -               | -               |
| Interest Income                                  | -               | -                | -               | -        | -        | -               | -                  | -               | -               | -               |
| <b>TOTAL REVENUE</b>                             | <b>(20)</b>     | <b>(20)</b>      | <b>-</b>        | <b>-</b> | <b>-</b> | <b>-</b>        | <b>-</b>           | <b>-</b>        | <b>-</b>        | <b>-</b>        |
| <b>REQUISITION - PARCEL TAX</b>                  | <b>(19,250)</b> | <b>(19,250)</b>  | <b>(19,370)</b> | <b>-</b> | <b>-</b> | <b>(19,370)</b> | <b>(19,400)</b>    | <b>(19,440)</b> | <b>(19,480)</b> | <b>(19,520)</b> |
| *Percentage increase over prior year requisition |                 |                  |                 |          |          | 0.6%            | 0.2%               | 0.2%            | 0.2%            | 0.2%            |





**Service: 2.660**      **Fernwood Water (SSI)**

|   |  |   |
|---|--|---|
| <b>Proj. No.</b> 13-01  | <b>Capital Project Title</b> Strategic Asset Management Plan | <b>Capital Project Description</b> Identify condition of assets, develop prioritized list of infrastructure replacement |
| <b>Asset Class</b> #N/A   | <b>Board Priority Area</b> Integrated Water Management       | <b>Corporate Priority Area</b> Drinking Water   |
| <b>Project Rationale</b> <i>The Strategic Asset Management Plan will recommend a prioritized list of infrastructure replacements, which will serve as the basis for future capital spending plans. Additional funds may be required for staff to complete the plan.</i> |  |   |

|                          |                                |                                      |
|--------------------------|--------------------------------|--------------------------------------|
| <b>Proj. No.</b>         | <b>Capital Project Title</b> 0 | <b>Capital Project Description</b> 0 |
| <b>Asset Class</b> #N/A  | <b>Board Priority Area</b> 0   | <b>Corporate Priority Area</b> 0     |
| <b>Project Rationale</b> |                                |                                      |

|                          |                                |                                      |
|--------------------------|--------------------------------|--------------------------------------|
| <b>Proj. No.</b>         | <b>Capital Project Title</b> 0 | <b>Capital Project Description</b> 0 |
| <b>Asset Class</b> #N/A  | <b>Board Priority Area</b> 0   | <b>Corporate Priority Area</b> 0     |
| <b>Project Rationale</b> |                                |                                      |

**Fernwood Water (SSI)**

**Capital Projects Fund**

| Year / Project#  | Status | Capital Project Description | Total Budget | Expenditure Actuals | Remaining Funds | Funding Source-CRF* | Funding Source-CWF** | Return Surplus to CRF* | Return Surplus to CWF** |
|------------------|--------|-----------------------------|--------------|---------------------|-----------------|---------------------|----------------------|------------------------|-------------------------|
| 2013/CE.290.4501 | OPEN   | SAMP Study                  | 5,000        | 0                   | 5,000           |                     | 5,000                |                        |                         |
|                  |        | Totals                      | 5,000        | 0                   | 5,000           | 0                   | 5,000                | 0                      | 0                       |

\* CRF (Capital Reserve Fund)

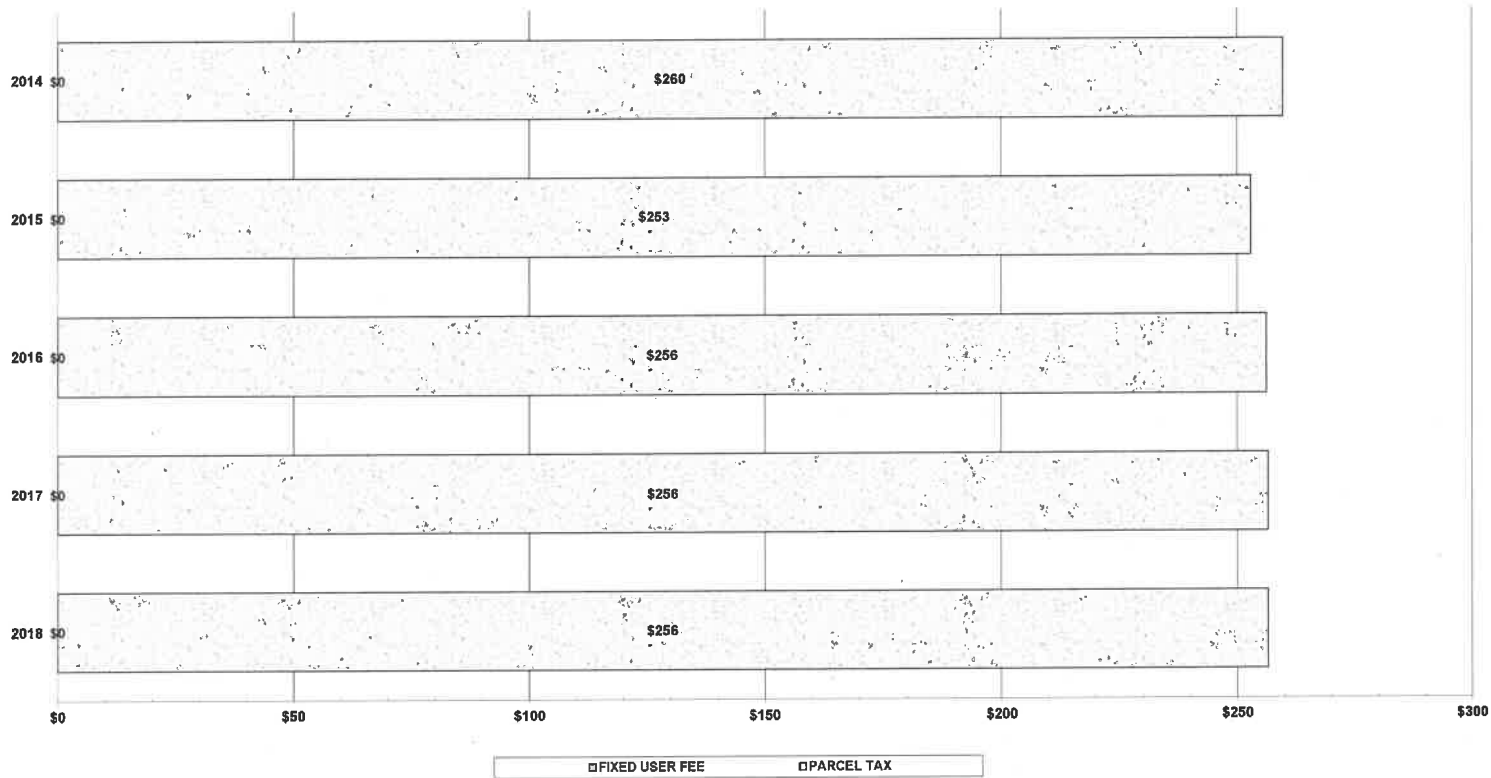
\*\* CWF (Community Works Fund)

**Service: 2.660 Fernwood Water (SSI)**

**Committee: Electoral Area Services**

| <b>Year</b> | <b>Taxable Folios</b> | <b>Parcel Tax</b> | <b>Number Connections</b> | <b>User Charge</b>  | <b>By-law No.</b> | <b>Actual Assessments</b> | <b>Converted Assessments</b> |
|-------------|-----------------------|-------------------|---------------------------|---------------------|-------------------|---------------------------|------------------------------|
| 2012        | 78                    | \$334.10          | 74                        | \$936.27 + variable | 3822              | 42,311,855                | 4,388,690                    |
| 2013        | 78                    | \$402.28          | 74                        | \$0.00              | 3891              | 41,890,791                | 4,348,359                    |
| 2014        | 78                    | \$259.72          | 74                        | \$0.00              | 3891              | 38,791,548                | 4,038,839                    |
| 2015        | 79                    | \$256.46          | 74                        | \$0.00              | 3993              | 38,592,166                | 4,016,321                    |
| 2016        | 79                    | \$256.16          | 73                        | \$0.00              | 4073              | 40,186,907                | 4,157,610                    |
| 2017        | 79                    | \$256.46          | 73                        | \$0.00              | 4171              | 44,942,596                | 4,639,749                    |
| 2018        | 79                    | \$258.06          | 73                        | \$0.00              |                   |                           |                              |

# CAPITAL REGIONAL DISTRICT FERNWOOD WATER FUNDING ANALYSIS 2014-2018



Actual Costs 2014-2017, Projected 2018  
 Prepared by CRD Finance  
 11/06/2017