

**2024-2028
Financial Planning
CVRD Core Services
Water Supply**

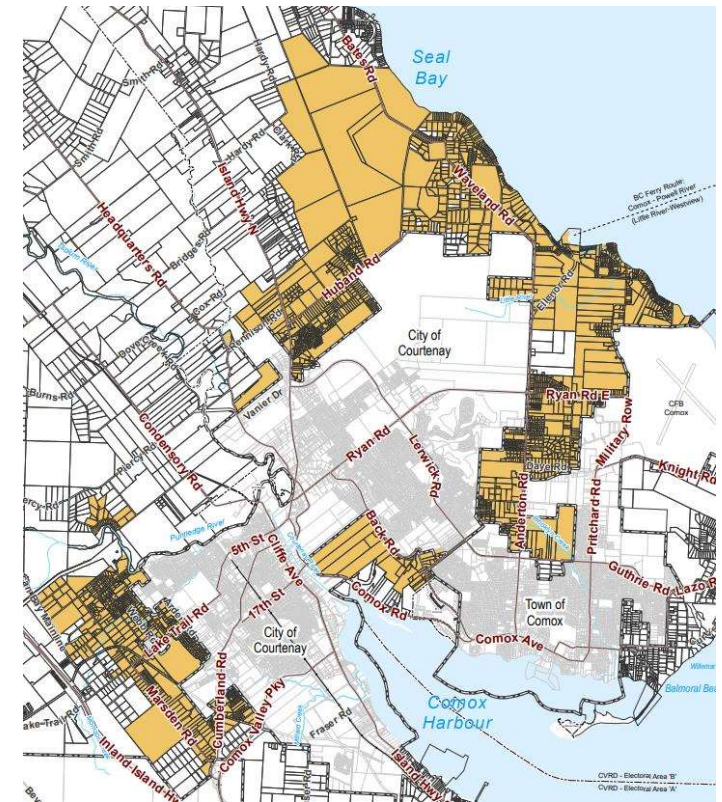
305 Comox Valley Water Local
Service Area





Core Service Water Supply

Core Service	Water Supply
Service Function Name	Comox Valley Water Local Service Area (CVWLSA)
Service Sub-functions	None
Purpose	Distribution of bulk water from the Comox Valley Water System
Participants	Defined portions of Electoral Areas B & C- approximately 2000 connections
2024 Proposed Changes to Service	None





2023 Accomplishments

- Comprehensive rate review completed, new rates implemented for 2024 & beyond
- Success with CityWorks for Preventative maintenance, Work Orders, Inspections & Service Requests
- Completed in-house re-paint/label fire hydrants:
 - 2022 - 76 hydrants
 - 2023 - 209 hydrants
- Pressure Reducing Valves(PRV)/meter chamber sealing



Core Service Water Supply





2024 Work Plan

- Sandwich disconnection/ cleanup & service/main replacements
- PRV chamber upgrades
- Salsbury Road watermain loop/ connection
- Greives Crescent emergency connection
- Updates/continued progression of asset management planning





Trends, Challenges & Opportunities

- Supply chain issues mostly due to staff shortages
- Costs increasing for everything, everyone, & anything
- BUT, that can be the biggest opportunity as well....



Innovative Ideas...to Cost Saving Results

- PRV cost saving upgrades led to BCMSA 'Innovation of the Year' Safety award
- Fire Hydrant Rehabilitation/Painting
- Self Rescue planning & training for Confined Space Entry
- Constructed lock block bunkers for material storage



Strategic Priorities & Initiatives

Type	Initiative	Comment
Board	Water Rate Review	Changes to parcel taxes & user rates complete
Workplan	Annual Hydrant & Valve Maintenance & Exercising	Continued operation & maintenance of system & assets to deliver high quality water
Board	CEEP	Feasibility studies of initiatives identified in the 2023 energy audit



Human Resource

	2024	2025
Opening FTE Balance	1.60	1.63
Addition Request		
Full time		
Part Time		
Temporary /Casual		
Adjustments	0.03	
Total Change	0.03	0.00
Ending FTE Balance	1.63	1.63



Expenses

Year over Year Change

Category	2023 Approved Budget	2024 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Support Services	\$86,121	\$68,780	(\$17,341)	(20.1%)
Personnel Costs	198,198	200,855	2,657	1.3%
Materials, Supplies & Utilities	894,549	911,297	16,748	1.9%
Contract & General Services	146,233	154,219	7,986	5.5%
Transfer to Reserves	273,489	334,287	60,798	22.2%
Transfer to Other Services	22,648	22,768	120	0.5%
Minor Capital	5,000	5,000	-	-
Total Expenses	1,626,238	1,697,206	70,968	4.4%

Key Notes

- General escalation to O&M costs
- Increases to rates improving reserve contributions to help fund future asset replacement
- Transfer to 300 for proportional share of water operations costs



Revenue

Year over Year Change

Key Notes

- Parcel tax up 25% as per rate review
- User rate increase of 9% in 2024 to reflect modelled/ predicted revenue (2023 anticipated revenue higher than actual)
- Equalization rate parcel taxes expire for Greaves Crescent & England Road in 2023

Category	2023 Approved Budget	2024 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Parcel Tax	\$193,446	\$242,296	\$48,850	25.3%
Sale of Services	1,344,586	1,369,609	25,023	1.9%
Prior Year Surplus	240	-	(240)	(100.0%)
Recoveries from Other Functions	87,966	85,301	(2,665)	(3.0%)
Total Revenue	1,626,238	1,697,206	70,968	4.4%



Funding Sources

Rate Component	2023	2024	2025	2026	2027	2028
User Rates						
% Increase	-	9%	2.5% per year to match inflation			
Cost for Avg User (262m3/yr)	\$445	\$485	\$498	\$510	\$523	\$536
Parcel Tax						
% Increase	-	25%	25%	25%	25%	25%
Cost per Parcel	\$99	\$124	\$155	\$193	\$242	\$302
Total Annual Cost of Water for Average User	\$545	\$610	\$653	\$704	\$765	\$838



Operating Budget: 2025-2028 Projections

Category	2025	2026	2027	2028
Parcel Tax	\$303,779	\$379,388	\$477,137	\$597,221
Sale of Services	1,412,149	1,447,203	1,483,133	1,519,962
Recoveries from Other Functions	85,301	85,301	85,301	85,301
Total Revenue	1,801,229	1,911,892	2,045,571	2,202,484
Support Services	68,780	68,780	68,780	68,780
Personnel Costs	211,301	217,345	223,579	229,994
Materials, Supplies, Utilities	914,758	918,245	921,763	925,309
Contract & General Service	172,221	175,298	138,452	131,687
Transfer to Reserve	405,929	503,992	664,518	841,177
Transfer to Other Services	23,115	22,979	23,095	18
Minor Capital	5,125	5,253	5,384	5,519
Total Expenses	1,801,229	1,911,892	2,045,571	2,202,484

305 Comox Valley Water

2024-2033 Capital Planning





Asset Management Update

- Asset inventory/replacement schedule
- Risk/criticality assessment
- Integration to GIS
- Implement CMMS
- Review of DSS software options
- Development of condition assessment program



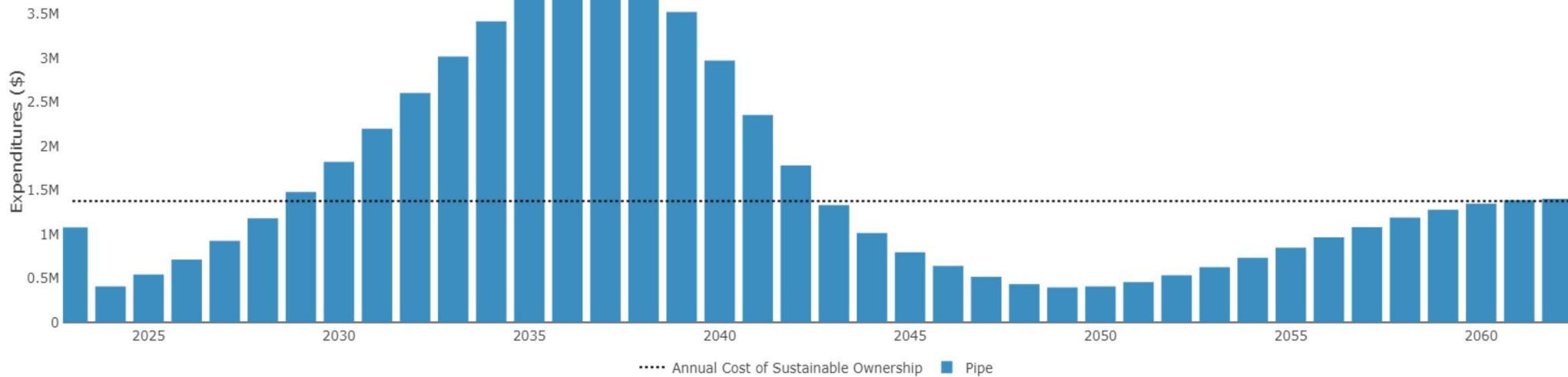


2024-2028 Capital Plan

	2024	2025	2026	2027	2028
Arden Road	-	150,000	600,000	-	-
Lloyd Road main replacement	-	1,000,000	-	-	-
PRV Chamber Upgrades	50,000	50,000	50,000	-	-
Salsbury Road	400,000	-	-	-	-
Sandwick Disconnect	75,000	-	-	-	-
Sandwick Reservoir Removal	-	50,000	-	-	-
Sandwick Main Replacement	50,000	-	-	-	-
Total Annual Capital Projects	\$575,000	\$1,250,000	\$650,000	-	-



Long Term Capital Plan





Reserves

Projected Balances

Reserve	2023 Ending Balance
305 - Future Expenditure Reserve	\$332,610
835 – Facilities Reserve Fund	4,512,208
Total	4,844,818



Future Expenditure Reserve (305)

Projected Balances

	2024	2025	2026	2027	2028
Opening Balance	\$332,610	\$357,610	\$382,610	\$420,610	\$422,610
Contributions to Reserve	25,000	25,000	20,000	20,000	20,000
Transfers to Capital/Operating	-	-	-	-	-
Ending Balance	357,610	382,610	402,610	422,610	442,610








Facilities Reserve Fund (835)

Projected Balances

	2024	2025	2026	2027	2028
Opening Balance	\$4,512,208	\$4,246,495	\$3,827,424	\$3,661,416	\$4,305,934
Contributions to Reserve	309,287	380,929	483,992	644,518	821,177
Transfers to Capital/Operating	575,000	800,000	650,000	-	-
Ending Balance	4,246,495	3,827,424	3,661,416	4,305,934	5,127,111



Summary

Fiscal Responsibility 	Climate Crisis & Environmental Stewardship & Protection 	Community Partnerships 	Indigenous Relations 	Accessibility, Diversity, Equity & Inclusion 
<p>Asset Management</p> <p>Fair & sustainable water rates established for 2024 through rate review</p>	<p>Fully metered system</p> <p>Conservation user rate structure</p> <p>Reliable & resilient infrastructure</p>	<p>Management of service by EASC</p>	<p>Close communication with K'ómoks First Nation on relevant initiatives</p>	<p>Equitable access to water</p> <p>Consider applications from property owners for water system extension</p>



Options & Recommendations

- That the proposed 2024-2028 financial plan for the function 305, Comox Valley Water Local Service Area, be approved.





Questions?