

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

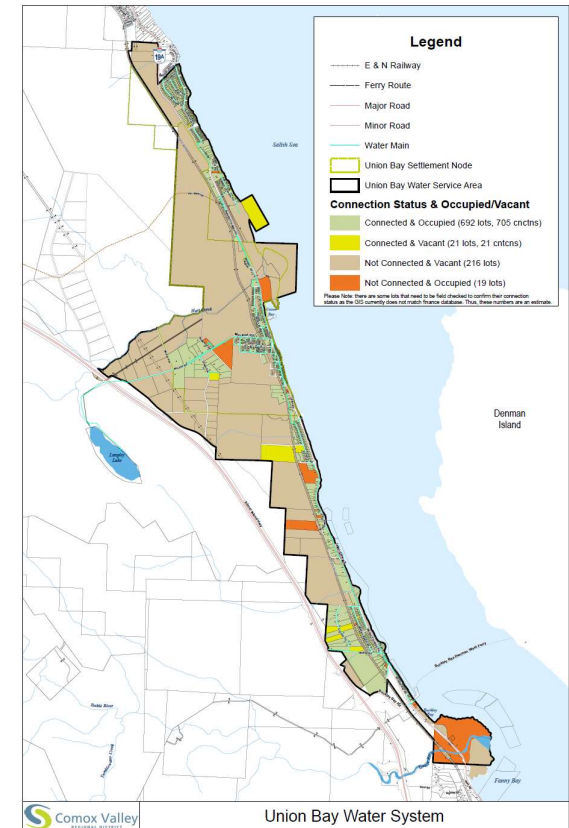
308 Union Bay Water Local  
Service Area





# Core Service Water Supply

Core Service	Water Supply
Service Function Name	Union Bay Water Local Service Area (WLSA)
Service Sub-functions	None
Purpose	To provide distribution of water within the Union Bay Local Water Service Area
Participants	Defined portion of Electoral Area A
2024 Proposed Changes to Service	None





## 2023 Accomplishments

- Second full year of operations
- Completed 3<sup>rd</sup> St. watermain replacement
- Langley Lake dam safety review
- Process & controls upgrades at WTP
- Comprehensive rate review for the service
- Used CityWorks to coordinate preventative maintenance, inspections & repairs
  - Hydrants, valves, pressure reducing valves, dam & spillway





## 2024 Work Plan

- Nelson Road main looping project
- HWY 19A 100mm disconnects
- Langley Lake dam remediation
- DCC study
- Water sample stations
- Progression of WTP phase 2
- Distribution sampling stations

*Langley Lake  
Outlet Spillway  
(Crest El. = 152.17 m)  
April 11, 2022*





## 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
Board	Continue Water Master Planning	Completed water master plan- continued implementation throughout 2024
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	3.67	2.52
Addition Request		
Full time		
Part Time		
Temporary /Casual		
Adjustments	(1.15)	
Total Change	(1.15)	0.00
Ending FTE Balance	2.52	2.52

- Continued integration of operators inherited through conversion process
- Projected decrease in total FTE attracted to this service





# Expenses

## Year over Year Change

Category	2023 Approved Budget	2024 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Support Services	\$40,382	\$36,469	(\$3,913)	(9.7%)
Personnel Costs	383,854	383,796	(58)	(0.0%)
Materials, Supplies & Utilities	101,507	91,666	(9,841)	(9.7%)
Contract & General Services	246,202	131,305	(114,897)	(46.7%)
Debt Charges	203,249	245,879	42,630	21.0%
Transfer to Reserves	84,240	168,925	84,685	100.5%
Transfer to Other Services	691	1,596	905	131.0%
Minor Capital	15,000	15,000	-	-
<b>Total Expenses</b>	<b>1,075,125</b>	<b>1,074,636</b>	<b>(489)</b>	<b>0.0%</b>

## Key Notes

- Engineering fees [-70K], professional fees [- 40K] from '23 projects
- Major planning works now complete, shifting to implementation
- Decreased operational costs & increased user rates allowing for more significant reserve contributions
- Transfer to 300 for proportional share of CVRD Water operations costs



# Revenue

## Year over Year Change

## Key Notes

- Parcel tax up 8.6% as per rate review
- User rates increased 3% in 2024 (assumed 1% growth in modelling) hence the total revenue increase of 4%

Category	2023 Approved Budget	2024 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Parcel Tax	\$362,100	\$393,340	\$31,240	8.6%
Sale of Services	654,981	681,296	26,315	4.0%
Transfers from Reserve	27,654	-	(27,654)	(100.0%)
Prior Year Surplus	390	-	(390)	(100.0%)
Recoveries from Other Functions	30,000	-	(30,000)	(100.0%)
<b>Total Revenue</b>	<b>1,075,125</b>	<b>1,074,636</b>	<b>(489)</b>	<b>0.0%</b>



## Funding Sources

Rate Component	2023	2024	2025	2026	2027	2028
<b>User Rates</b>						
% Increase	-	3%	2.5%	1.5% per year to match inflation		
Cost for Avg User (158m3/yr)	\$848	\$874	\$895	\$908	\$922	\$936
<b>Parcel Tax</b>						
% Increase	-	8.7%	8.7%	8.7%	8.7%	8.7%
Cost per Parcel	\$510	\$554	\$603	\$655	\$712	\$774
<b>Total Annual Cost of Water to Average User</b>	<b>\$1358</b>	<b>\$1428</b>	<b>\$1498</b>	<b>\$1564</b>	<b>\$1635</b>	<b>\$1710</b>



## Operating Budget: 2025-2028 Projections

Category	2025	2026	2027	2028
Parcel Tax	\$428,130	\$465,050	\$505,520	\$549,540
Sale of Services	712,069	729,927	748,234	767,002
<b>Total Revenue</b>	<b>1,140,199</b>	<b>1,194,977</b>	<b>1,253,754</b>	<b>1,316,542</b>
Support Services	36,469	36,469	36,469	36,469
Personnel Costs	402,342	412,405	422,776	433,453
Materials, Supplies, Utilities	93,763	95,909	98,112	96,866
Contract & General Service	183,676	156,109	118,606	111,168
Debt Charges	245,879	245,879	245,879	245,879
Transfer to Reserve	171,253	241,159	324,626	385,172
Transfer to Other Services	1,692	1,794	1,902	2,016
Minor Capital	5,125	5,253	5,384	5,519
<b>Total Expenses</b>	<b>1,140,199</b>	<b>1,194,977</b>	<b>1,253,754</b>	<b>1,316,542</b>

# 308 Union Bay Water

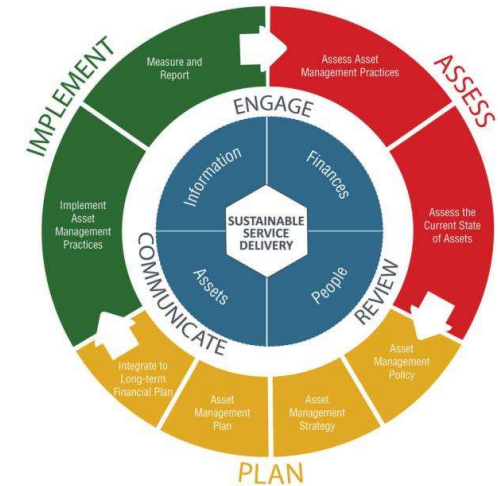
## 2024-2033 Capital Planning





# 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

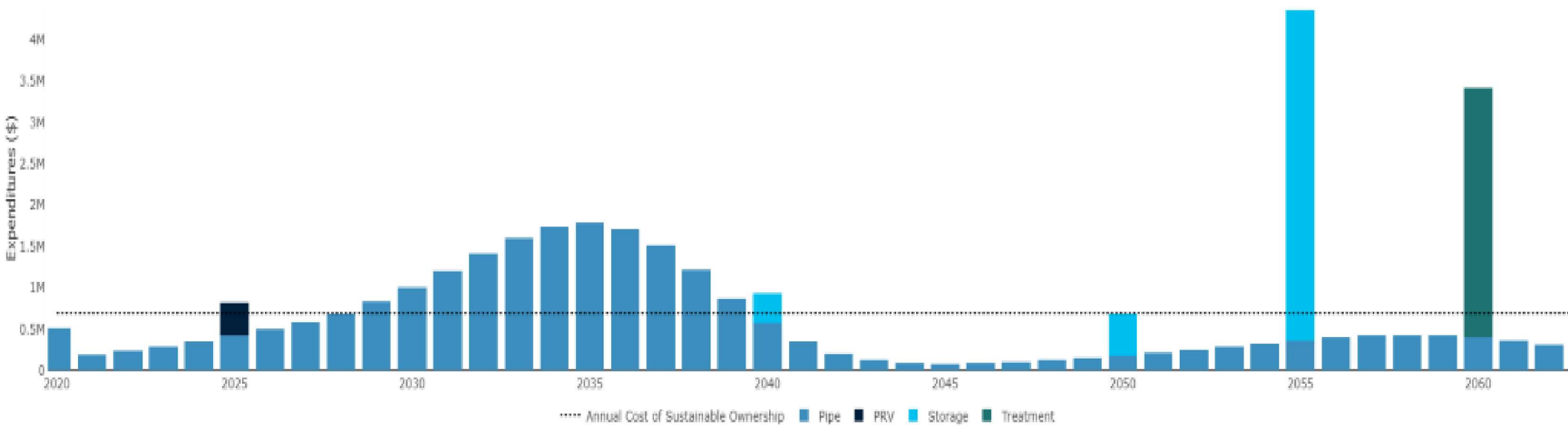
	2024	2025	2026	2027	2028
1163 – Annual Capital Projects	\$340,000	\$200,000	-	-	-
1174 – Water Treatment Plant - Phase 2	500,000	2,750,000	\$750,000	-	-
<b>Total</b>	<b>\$840,000</b>	<b>\$2,950,000</b>	<b>\$750,000</b>	-	-

### 2024 Annual Capital Projects:

- HWY 19A 100mm disconnects
- Langley Lake dam remediation
- Nelson road main loop
- Water sample stations



# Long Term Capital Plan







# Reserves

## Projected Balances

Reserve	2023 Ending Balance
308 – Future Expenditure Reserve	\$31,591
861 – Capital Works Reserve	\$809,826
<b>Total</b>	<b>\$847,417</b>



# Future Expenditure Reserve (308)

## Projected Balances

	2024	2025	2026	2027	2028
Opening Balance	\$31,591	\$41,591	\$51,591	\$61,591	\$71,591
Contributions to Reserve	10,000	10,000	10,000	10,000	-
Transfers to Operating	-	-	-	-	-
Ending Balance	41,591	51,591	61,591	71,591	71,591








# Capital Works Reserve (861)

## Projected Balances

	2024	2025	2026	2027	2028
Opening Balance	\$809,826	\$628,751	\$5890,004	\$821,163	\$1,135,789
Contributions to Reserve	158,925	161,253	231,159	314,626	385,172
Transfers to Capital	340,000	200,000	-	-	-
Ending Balance	628,751	590,004	821,163	1,135,789	1,520,961



# Summary

<p>Fiscal Responsibility</p> 	<p>Climate Crisis &amp; Environmental Stewardship &amp; Protection</p> 	<p>Community Partnerships</p> 	<p>Indigenous Relations</p> 	<p>Accessibility, Diversity, Equity &amp; Inclusion</p> 
<p>Asset Management</p> <p>Fair &amp; sustainable water rates established for 2024 through rate review</p>	<p>Fully metered system</p> <p>Conservation user rate structure</p> <p>Reliable &amp; 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 308, Union Bay Water Local Service Area, be approved.





Questions?