



2024-2028 FINANCIAL PLAN

Regular Council Meeting – January 15, 2024

Sewer Fund – Operating and Capital

Water Fund – Operating and Capital

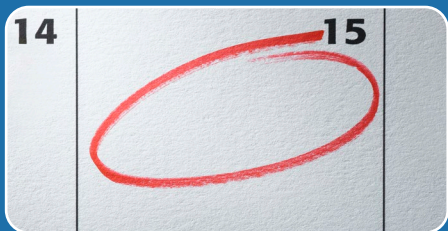
FINANCIAL PLAN TIMELINE – “PROVISIONAL/FINAL”

Five-year Financial Plan details and public consultation



- Nov 27 COW: Setting the stage for the 2024-2028 FP
- Dec 11 COW: Parksville Community Park and Council Financial Plan Requests Brought Forward
- Jan 15 & 24: Departmental Presentations – Operating and Capital
- Feb 12: Cumulative analysis and direction from Council

Bylaws



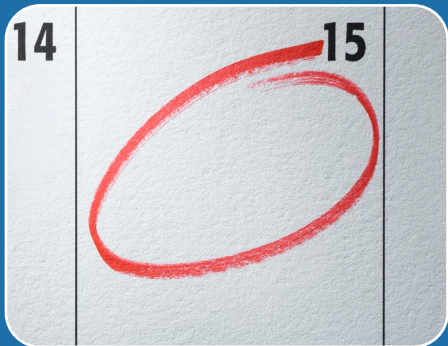
- Feb 21/ March 4: Financial Plan Bylaw

FINANCIAL PLAN TIMELINE - **AMENDED**



5 Year Financial Plan details and public consultation

- April 8 COW: New information, carry forward balances, BC Assessment revised roll for PT, water/sewer rates analysis
- Apr 15: Resolutions from April 8 COW and direction from Council re PT/water/sewer rates



Bylaws (adoption required by May 15, 2024)

- Apr 8/May 6: Amended 2024-2028 Financial Plan Bylaw
- Apr 22/ May 6: 2024 Water/Sewer Rates Bylaws
- Apr 22/May 6: 2024 Tax Rates Bylaw

LEVELS OF SERVICE (SL)

BASE/CORE FINANCIAL PLAN

- SAME SL (as in prior year)
- Employees required to continue providing same SL
- Includes all operating and maintenance costs re: TCA (i.e. reflects lifecycle costs)
- Analysis of current costs to reflect inflation/actual/contract amounts
- First draft of Financial Plan

NEW SPENDING PROPOSALS

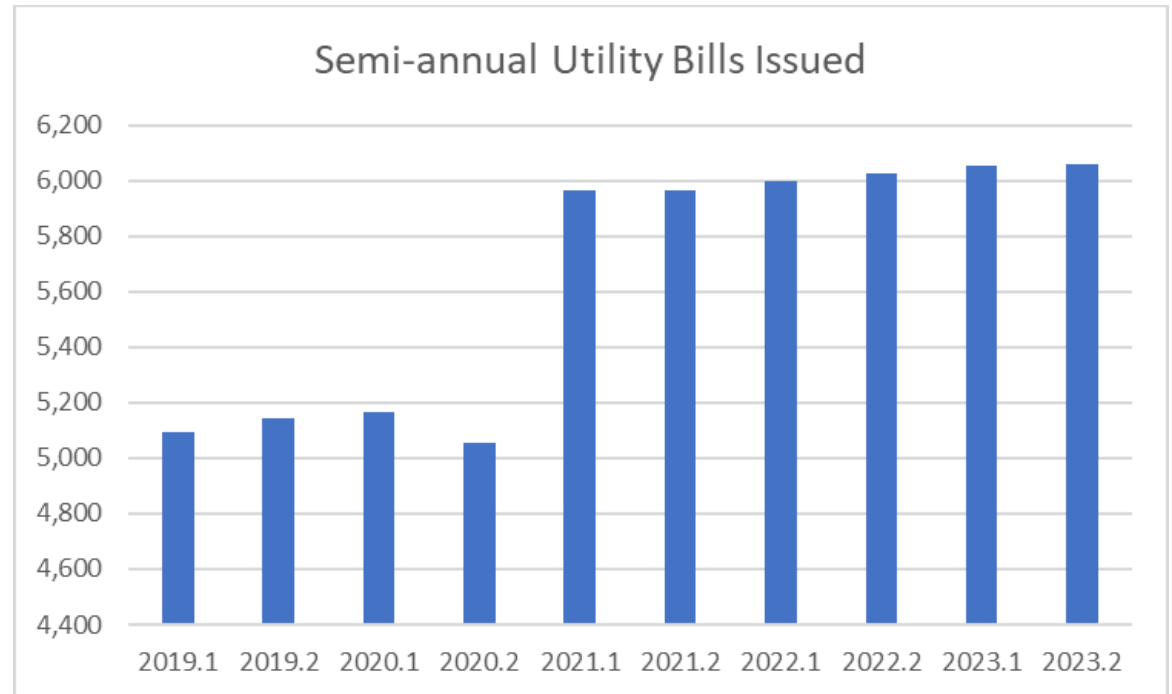
- IMPROVED SL (from prior year)
- e.g. New employees to provide enhanced SL
- e.g. Capital projects with significant upgrades or new assets to deliver improved LS
- Proposals include full lifecycle costs (Operating/ Capital/ Maintenance/ Disposal)
- Needs direction from Council for inclusion in subsequent FP drafts

WATER AND SEWER UTILITIES

Critical
services to
residents/
ratepayers

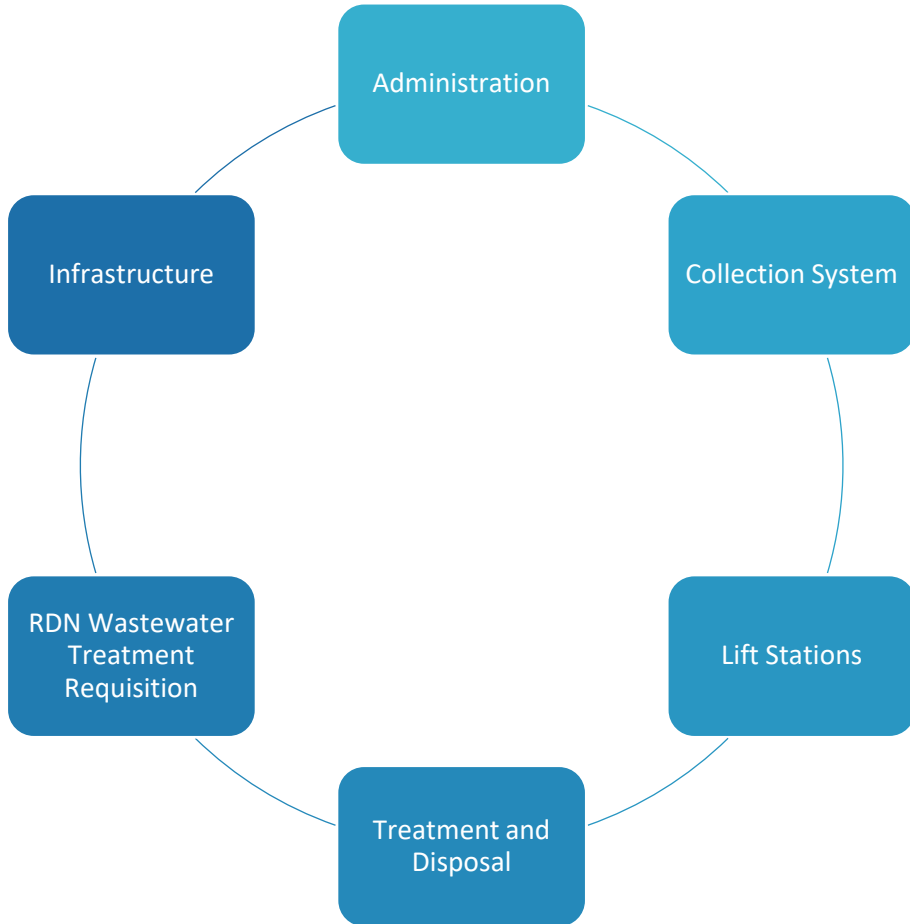


UTILITY ACTIVITY – FINANCE DEPARTMENT



SEWER UTILITY FUND DRAFT FINANCIAL PLAN

SEWER UTILITY



SEWER UTILITY FUND BYLAW ANALYSIS

	2023 Forecast	2023 Fin Plan	2024 Fin Plan	Incr(Decr) from 2023FP		Ongoing	Non-recurring
				\$	%		
FUNDING SOURCES							
RDN Wastewater Property Taxes	\$ 2,663,500	\$ 2,649,900	\$ 3,013,200	\$ 363,300	14%	\$ 3,013,200	
Sewer Parcel Taxes	29,700	28,800	26,200	(2,600)	-9%	26,200	
User Fees	2,066,300	2,003,800	2,178,900	175,100	9%	2,178,900	
Interest on Reserves	60,000	60,000	50,000	(10,000)	-17%	50,000	
	\$ 4,819,500	\$ 4,742,500	\$ 5,268,300	\$ 525,800	11%	\$ 5,268,300	\$ -
OPERATING EXPENDITURES							
Administration	1,038,700	1,071,200	1,064,600	(6,600)	-1%	1,064,600	
Collection System	111,400	152,300	162,600	10,300	7%	162,600	
Lift Station Maintenance	71,500	104,500	91,400	(13,100)	-13%	91,400	
Treatment and Disposal (RDN)	3,176,600	3,160,000	3,523,200	363,200	11%	3,523,200	
Minor capital	167,200	282,000	143,000	(139,000)	-49%		143,000
Amortization of tangible capital assets	320,000	320,000	326,400	6,400	2%		326,400
	4,885,400	5,090,000	5,311,200	221,200	4%	4,841,800	469,400
NET INCOME (DEFICIT) FROM OPERATIONS	\$ (65,900)	\$ (347,500)	\$ (42,900)	\$ 304,600		\$ 426,500	\$ (469,400)

SEWER UTILITY FUND BYLAW ANALYSIS

	2023 Forecast	2023 Fin Plan	2024 Fin Plan	Incr(Decr) from 2023FP		Ongoing	Non-recurring
				\$	%		
NET INCOME (DEFICIT) FROM OPERATIONS	\$ (65,900)	\$ (347,500)	\$ (42,900)	\$ 304,600		\$ 426,500	\$ (469,400)
NON-OPERATING AMOUNTS							
Capital Expenditures	(411,300)	(491,000)	(375,000)	116,000			(375,000)
Transfers from Reserves	543,500	708,000	448,000	(260,000)			448,000
Transfers to Reserves	(375,000)	(375,000)	(375,000)	0		(375,000)	
Amortization of capital assets	320,000	320,000	326,400	6,400			326,400
Total non-operating items	77,200	162,000	24,400	(137,600)		(375,000)	399,400
Annual cash surplus (deficit)	11,300	(185,500)	(18,500)	167,000		51,500	(70,000)

REVENUE

	2023 Fin Plan	2023 Forecast	2024 Fin Plan	Incr(Decr) from 2023FP	
				\$	%
Sewer User Fees	2,003,800	2,066,300	2,178,900	175,100	9%
Sewer Parcel Tax	28,800	29,700	26,200	(2,600)	-9%
Sewer Prop Tax Levy - RDN	2,649,900	2,663,500	3,013,200	363,300	14%
Total Revenue from Users	\$ 4,682,500	\$ 4,759,500	\$ 5,218,300	\$ 535,800	11%



Sewer user rates and parcel taxes reflect 3% increase
 ~ \$6/ year for up to 100 m3 of water consumption

\$217 2023 rate for 200 m3 of water consumption/ year (min)
 \$6 3% increase
\$223 Proposed 2024 rate (April 1/24 – Mar 31/25)

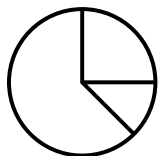


RDN – WASTEWATER NORTHERN COMMUNITY

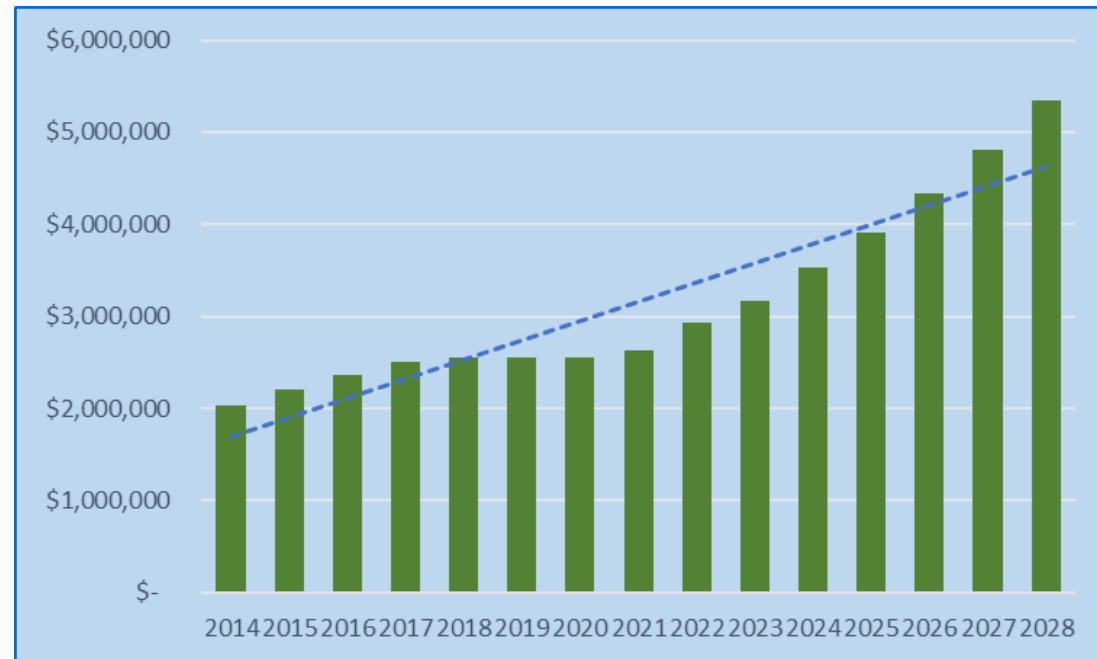
Treatment & Disposal	2023 Fin Plan	2023 Forecast	2024 Fin Plan	Incr(Decr) from 2023FP	
				\$	%
RDN Northern Communities Wastewater Levy	\$ 3,160,000	\$ 3,176,600	\$ 3,523,200	\$ 363,200	11%

2023 REQUISITION: \$3,523,200

- \$510,000 Collected via sewer user fees
- \$3,013,200 Collected via property tax levy

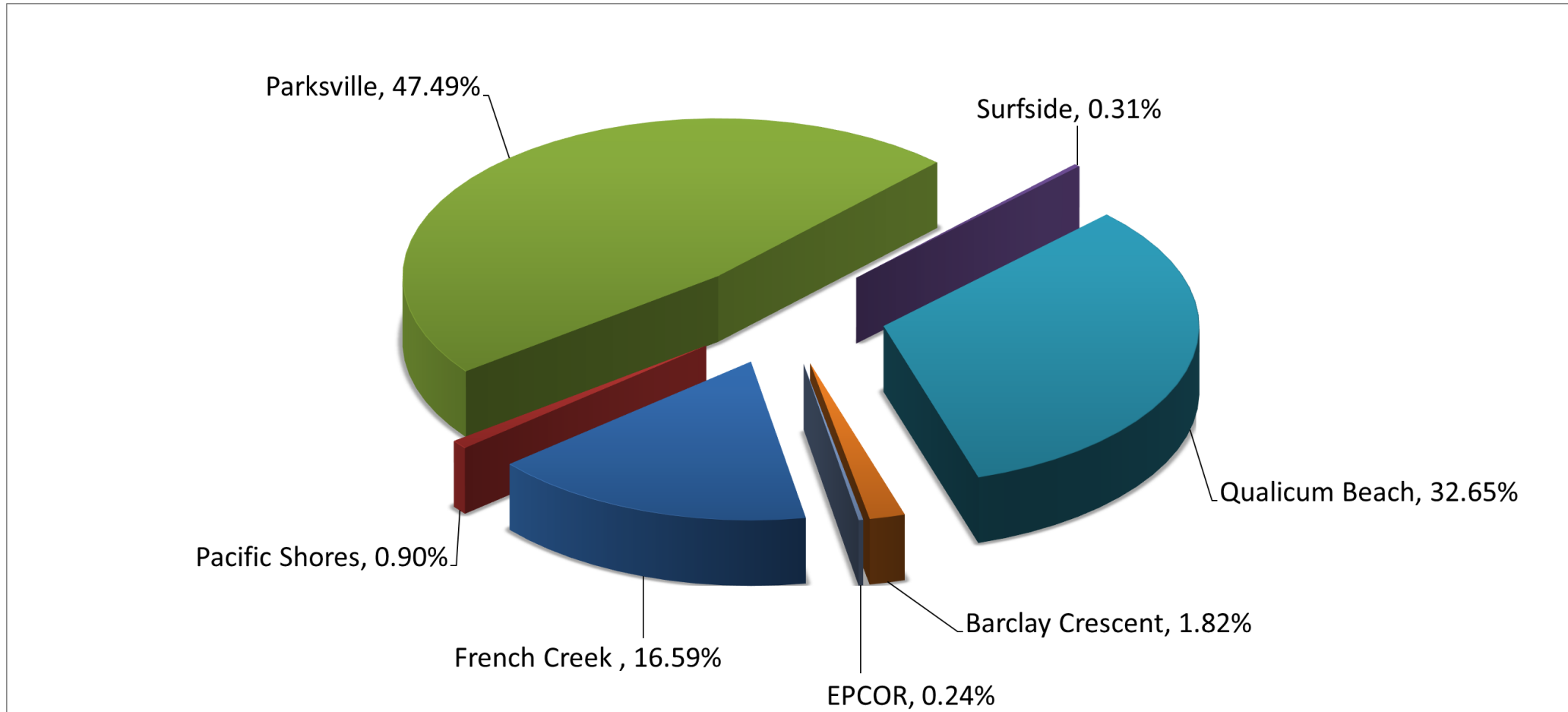


Cost allocation based on proportionate flows of participants in RDN service



FLOW ALLOCATION – NORTHERN COMMUNITIES

(provided by RDN re Oct 2022 to Sept 2023)



OPERATING EXPENDITURES

	2023 Fin Plan	2023 Forecast	2024 Fin Plan	Incr(Decr) from 2023FP	
				\$	%
Administration	\$ 1,071,200	\$ 1,038,700	\$ 1,064,600	(7,800)	-1%
Collection System	152,300	111,400	162,600	10,300	7%
Lift Station Maintenance	104,500	71,500	91,400	(13,100)	-13%

Administration – adjusting allocation of Manager and Supervisor of Utilities time per 2023 actual and 2024 planned activities (salary and benefits allocated to water, sewer, ERWS, AWS)

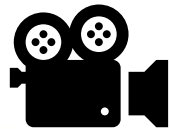
Collection System –manhole maintenance, main repair, flushing, blockage removal, and customer service

Lift Station Maintenance – Craig Bay and Martindale Road lift stations – budgets adjusted to reflect recent actual expenses



2024 MINOR CAPITAL / SPECIAL PROJECTS

		2024 Funding	2023	2024	2025	2026	2027	2028
Engineering:								
	Sewer Video Inspection Program	User fees	50,000	50,000	50,000	50,000	50,000	50,000
	Sewer Master Plan	C/fwd	127,000	43,000				150,000
	Works Adjacent to Development	User fees	40,000	40,000	40,000	40,000	40,000	40,000
Operations:								
	CCTV camera replacements		15,000					
	Community Park Projects Contingency		40,000					
	Sanitary Sewer Contingency	User fees	10,000	10,000	10,000	10,000	10,000	10,000
Total Expenditures			\$ 282,000	\$ 143,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 250,000
Minor Capital Sources of Funds								
	Sewer User Fees		65,000	70,000	50,000	50,000	50,000	50,000
	Carry Forward reserve		217,000	73,000	50,000	50,000	50,000	200,000
Total Funding Sources			\$ 282,000	\$ 143,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 250,000



SEWER CAPITAL PROJECTS

	2023 Funding	2023	2024	2025	2026	2027	
OTHER:							
Scada System Upgrade	C/fwd	6,000					
Instrumentation and controls (PLC) renewal					75,000		
Other Capital Subtotal		6,000	-	-	75,000	-	-
INFRASTRUCTURE:							
Bagshaw: Stanford to Hwy 19a	C/fwd	110,000					
Moss Ave	C/fwd~48%	368,497	30,000				
Sewer DCC funded works		-	-	-	-	-	-
Other from Asset Management Plan (TBD)	Cap Reserve	6,503	345,000	375,000	375,000	375,000	375,000
Infrastructure Projects Subtotal		485,000	375,000	375,000	375,000	375,000	375,000
TOTAL SEWER CAPITAL		\$ 491,000	\$ 375,000	\$ 375,000	\$ 450,000	\$ 375,000	\$ 375,000



SEWER FUND RESERVE TRANSFERS

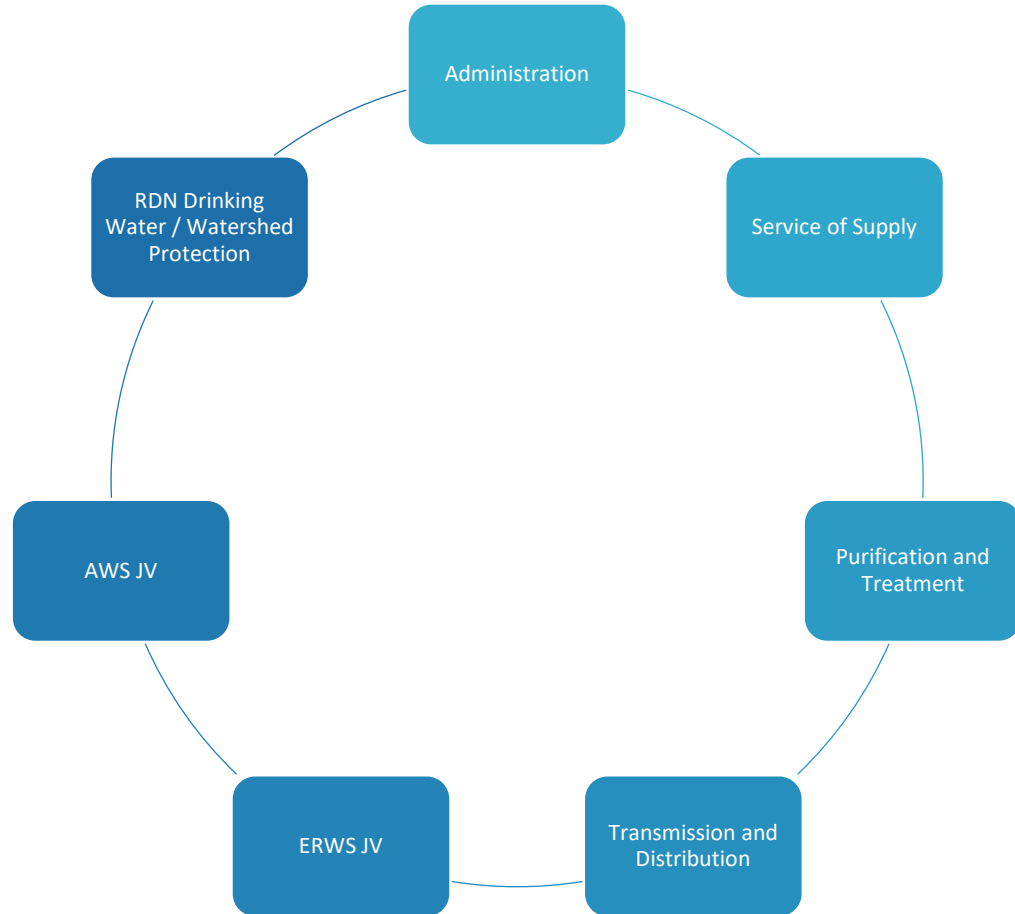
	2023 Financial Plan	2024	2025	2026	2027	2028
Transfers from Reserves						
Sewer Capital Reserve	\$ 145,400	\$ 375,000	\$ 375,000	\$ 375,000	\$ 375,000	\$ 375,000
Canada Community Building Fund				75,000		
Carryforward Reserve	562,600	73,000	50,000	50,000	50,000	50,000
	708,000	448,000	425,000	500,000	425,000	425,000
Transfers to Reserves						
Capital Reserve - Funding Envelope	(375,000)	(375,000)	(375,000)	(375,000)	(375,000)	(375,000)

SEWER FUND RESERVE TRANSFERS

	2023 Financial Plan	2024	2025	2026	2027	2028
Annual cash surplus (deficit)	\$ (185,500)	\$ (18,500)	\$ 32,600	\$ 65,900	\$ 105,700	\$ 49,300
Transfer from Unrestricted Surplus	185,500	18,500	-	-	-	-
Transfer to Unrestricted Surplus	-	-	(32,600)	(65,900)	(105,700)	(49,300)
Financial Plan Surplus (Deficit)	-	-	-	-	-	-

WATER FUND DRAFT FINANCIAL PLAN

WATER UTILITY





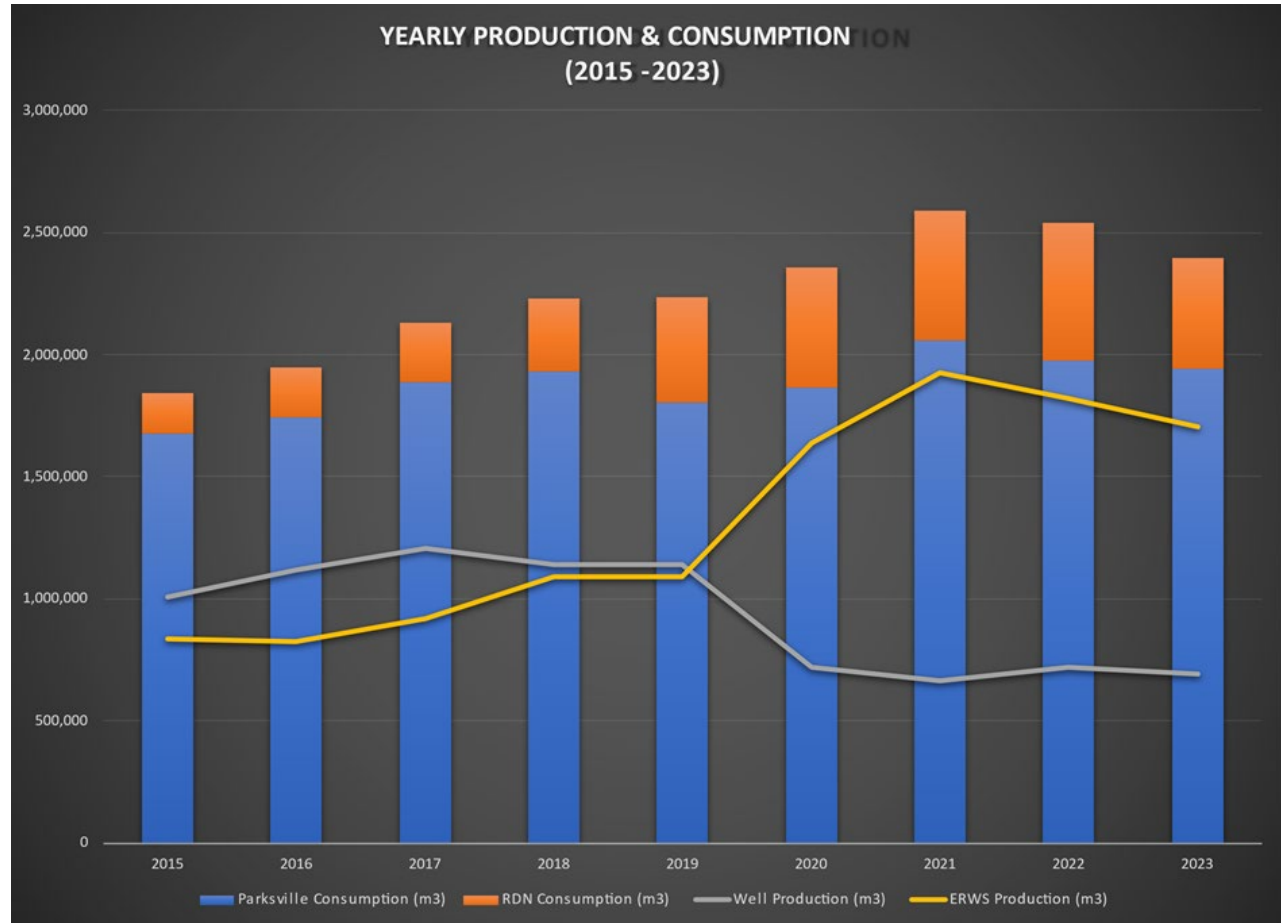
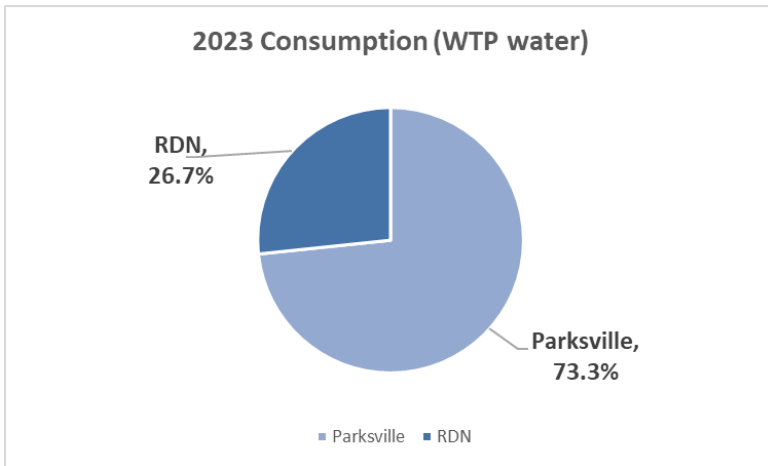
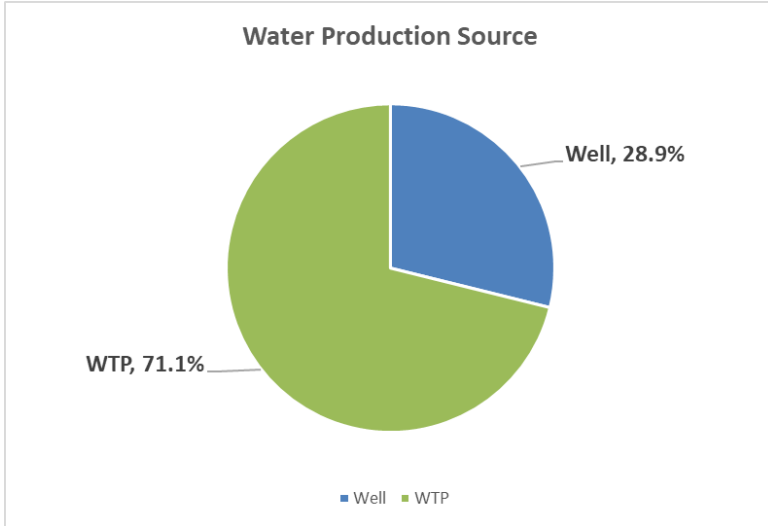
WATER TREATMENT PLANT

The 2019 completion of the water treatment plant and intake pump station increased workload to provide 24/7 operating, monitoring, servicing, and water sampling to meet regulatory and service requirements.



TOTAL WATER PRODUCTION / CONSUMPTION

Total WTP output (2023) 2,396,000 cubic metres



WATER UTILITY FUND BYLAW ANALYSIS

	2023 Forecast	2023 Fin Plan	2024 Fin Plan	Incr (Decr) from 2023 FP		Ongoing	Non-recurring
				\$	%		
FUNDING SOURCES							
Parcel taxes	44,800	44,610	42,400	(2,210)	-5%	42,400	
User fees	3,890,700	3,622,300	4,158,200	535,900	15%	4,158,200	
Interest	165,300	165,300	145,500	(19,800)	-12%	145,500	
Actuarial reduction of LTD	19,000	19,000	24,100	5,100	27%		24,100
DCC's	337,600	370,400	352,130	(18,270)	-5%		352,130
Transfer from other funds	58,300	58,300	72,400	14,100	24%	72,400	
	\$ 4,515,700	\$ 4,279,910	\$ 4,794,730	\$ 514,820	12%	\$ 4,418,500	\$ 376,230
OPERATING EXPENDITURES							
Administration	1,132,400	1,162,400	1,259,200	96,800	8%	1,259,200	
Supply - City of Parksville	311,300	395,000	393,300	(1,700)	0%	393,300	
Supply- AWS/ERWS	1,382,000	1,684,000	1,685,200	1,200	0%	1,685,200	
Transmission/Distribution	430,700	453,500	609,300	155,800	34%	609,300	
Minor Capital	235,100	509,500	526,600	17,100	3%		526,600
Interest on LT Debt	161,900	161,900	161,900	-	0%		161,900
Amortization of Capital Assets	1,638,000	1,638,000	1,638,000	-	0%		1,638,000
	\$ 5,291,400	\$ 6,004,300	\$ 6,273,500	\$ 269,200	4%	\$ 3,947,000	\$ 2,326,500
NET INCOME (DEFICIT) FROM OPERATIONS	\$ (775,700)	\$ (1,724,390)	\$ (1,478,770)	\$ 245,620		\$ 471,500	\$ (1,950,270)

WATER UTILITY FUND BYLAW ANALYSIS

	2023 Forecast	2023 Fin Plan	2024 Fin Plan	Incr (Decr) from 2023 FP		Ongoing	Non-recurring
				\$	%		
NET INCOME (DEFICIT) FROM OPERATIONS	\$ (775,700)	\$ (1,724,390)	\$ (1,478,770)	\$ 245,620		\$ 471,500	\$ (1,950,270)
				-			
NON-OPERATING AMOUNTS				-			
Capital Expenditures	(426,600)	(780,800)	(1,763,500)	(982,700)			(1,763,500)
LTD Principal Payments	(153,600)	(153,600)	(153,600)	-			(153,600)
Transfers to Reserves	(592,400)	(592,400)	(697,100)	(104,700)		(697,100)	
Transfers from Reserves	535,000	965,860	2,123,500	1,157,640			2,123,500
Actuarial Reduction of LTD	(19,000)	(19,000)	(24,100)	(5,100)			(24,100)
Amortization of Capital Assets	1,638,000	1,638,000	1,638,000	-			1,638,000
	\$ 981,400	\$ 1,058,060	\$ 1,123,200	\$ 65,140		\$ (697,100)	\$ 1,820,300
FINANCIAL PLAN SURPLUS (DEFICIT)	\$ 205,700	\$ (666,330)	\$ (355,570)	\$ 310,760		\$ (225,600)	\$ (129,970)

REVENUE

	2023 Fin Plan	2023 Forecast	2024 Fin Plan	Incr(Decr) from 2023FP	
				\$	%
Water User Fees	3,622,300	3,890,676	4,158,200	535,900	15%
Water Parcel Tax	44,600	44,800	42,400	(2,200)	-5%
	\$ 3,666,900	\$ 3,935,476	\$ 4,200,600	\$ 533,700	15%

Water user revenue reflects:

- 5% increase in user rates (2024-2028) - meter /parcel
- 1% growth rate
- \$20/year WTP reserve fee unchanged



\$305 2022 rate for 150 m3 of water consumption/ year
\$15 5% increase
\$320 Proposed 2023 rate (April 1/23 – Mar 31/24)

OTHER REVENUES - INTERNAL

	2023 Fin Plan	2023 Forecast	2024 Fin Plan	\$	%
Transfer from Fire Dept.	41,200	52,000	54,100	12,900	31%
Transfer from Sewer Fund	17,100	17,220	18,300	1,200	7%
DCC's for Debt Pmts	315,500	315,436	315,500	-	0
DCC's for Capital Expend	54,940	22,164	36,630	(18,310)	-33%

- Transfer from Fire Department – for fire hydrant maintenance
- Transfer from Sewer Fund – for share of meter reading costs
- DCC’s applied for debt related to Parksville’s share of ERWS water treatment plant project
- DCC’s applied for Parksville’s share of ERWS construction projects – residual treatment

EXPENDITURES

Operating Expenditures	2023 Fin Plan	2023 Forecast	2024 Fin Plan	Incr(Decr) from 2023FP	
				\$	%
Administration	1,162,400	1,132,386	1,259,200	96,800	8%
Service of Supply	395,000	311,252	393,300	(1,700)	0%
Transmission & Distribution	473,500	430,712	609,300	135,800	29%



- Administration: Supervisor and Manager of Utilities – increased allocations
- Springwood and River Pump Stations – adjusted budgets to reflect recent actual costs
- Water service repairs – increased budget to reflect recent actual costs
- Trans/Dist'n – increasing by \$150k/year in 2024-2027 re water meter replacement program



EXPENDITURES

Purification and Treatment	2023 Fin Plan	2023 Forecast	2024 Fin Plan	Incr(Decr) from 2023FP	
				\$	%
<i>City of Parksville share of JV:</i>					
AWS Operating	174,100	188,957	165,700	(8,400)	-5%
AWS Reserve Contribution	26,900	26,900	26,900	-	
ERWS Operating	1,335,000	1,018,157	1,344,600	9,600	0.7%
ERWS Reserve Contribution	148,000	148,000	148,000	-	
	\$ 1,684,000	\$ 1,382,014	\$ 1,685,200	\$ 1,200	

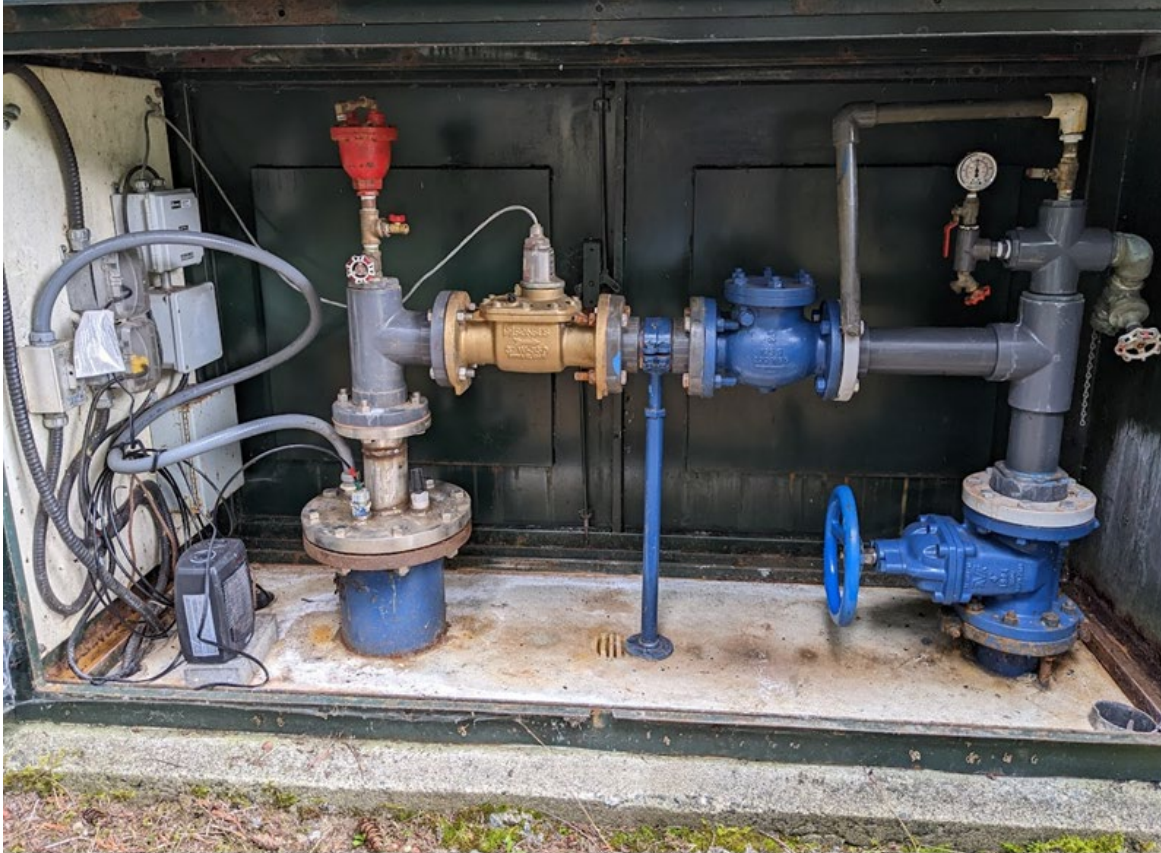
Joint Ventures' Financial Plans adopted by Parksville Council on November 9, 2023:

AWS – Joint Venture between Parksville (63.9%), RDN (22.4%), and Qualicum Beach (13.7%). Operating costs related to Arrowsmith Dam allocated between Parksville and RDN based on share of water used.

ERWS – Joint Venture between Parksville (74%) and RDN (26%). Operating costs re water treatment plant allocated between Parksville and RDN based on share of water used).



2023 MINOR CAPITAL / SPECIAL PROJECTS



2023 MINOR CAPITAL / SPECIAL PROJECTS

	2024 Funding	2023	2024	2025	2026	2027	2028
Engineering							
Water Master Plan-Current Infrastructure	C/fwd	150,000	57,200				150,000
Works Adjacent to Development/Construction	User fees/C/fwd	60,000	60,000	60,000	60,000	60,000	60,000
Operations							
Groundwater Study		40,000					
Reservoir#5 Cathodic and Structural Assessment		15,000	12,300				
Stanford/Bagshaw valve stem replacement		15,000					
Booster Pump Replacements	C/fwd		15,000				0
Meter Reading Sensus Software Update					8,000		
Reservoir # 4 Cleaning					12,000		0
Reservoir # 5 Cleaning	User fees		12,000				0
Community Park Projects Contingency		50,000					
Contingency for Wells and Pumps Replacement	User fees	50,000	50,000	50,000	50,000	50,000	50,000
ERWS Minor Capital (City share)	User fees/C/fwd	129,500	320,100	111,000	111,000	111,000	111,000
AWS Minor Capital (City share)							
TOTAL MINOR CAPITAL		\$ 509,500	\$ 526,600	\$ 221,000	\$ 241,000	\$ 221,000	\$ 371,000
Sources of Funds							
Water User Fees		269,500	92,600	111,000	119,000	111,000	261,000
Carry Forward reserve		240,000	434,000	110,000	122,000	110,000	110,000
TOTAL MINOR CAPITAL SOURCES OF FUNDS		\$ 509,500	\$ 526,600	\$ 221,000	\$ 241,000	\$ 221,000	\$ 371,000

WATER CAPITAL PROJECTS

Springwood Well #10 - \$312,500 2023/24 – Gas Tax



WATER CAPITAL PROJECTS



	Funding	2023	2024	2025	2026	2027	2028
OTHER							
Scada System Upgrade		19,000					0
Instrumentation and controls (PLC) renewal	CCBF(Gas Tax)	50,000	150,000	150,000	135,000		
Chlorine dosing station and analyser	Cap Reserve	37,000	27,000				
Pressure reducing valves replacement	Cap Reserve	30,000	5,000				
Well refurbishment	CCBF(Gas Tax)	62,500	250,000				0
Englishman River pump station/intake refurbishment				25,000	100,000		0
Pym St Pump Station bypass	Cap Reserve		6,000	25,000			0
Surfside fire meter bypass	Cap Reserve				12,500	50,000	0
ERWS Capital Projects (City share):							
Water Treatment Plan- tank replacement and spill containment	Cap Reserve		503,200				
Water Treatment Plan design upgrades	Grants/ Borrowing		222,000	2,405,000	2,405,000	2,405,000	2,405,000
Equipment	Cap Reserve		51,800	22,200			0
Infrastructure - DCC funded projects	DCC	111,000	74,000	74,000	259,000	74,000	74,000
AWS Equipment (City Share)	Cap Reserve	21,300	24,500		19,170		
Other Capital Subtotal		330,800	1,313,500	2,701,200	2,930,670	2,529,000	2,479,000
INFRASTRUCTURE PROJECTS:							
Moss Ave		437,000	40,000	-	-	-	-
Water DCC funded works		-	-	-	-	-	-
Other from Asset Management Plan (TBD)	Partial CCBF	13,000	410,000	450,000	450,000	450,000	450,000
Infrastructure Projects Subtotal		450,000	450,000	450,000	450,000	450,000	450,000
TOTAL CAPITAL		\$ 780,800	\$ 1,763,500	\$ 3,151,200	\$ 3,380,670	\$ 2,979,000	\$ 2,929,000

WATER CAPITAL PROJECTS

	Funding	2023	2024	2025	2026	2027	2028
TOTAL CAPITAL		\$ 780,800	\$ 1,763,500	\$ 3,151,200	\$ 3,380,670	\$ 2,979,000	\$ 2,929,000
Sources of Funds							
Water Capital Reserve		148,500	1,149,500	522,200	581,670	325,000	452,370
Carry-forward Reserve		208,800	40,000	-	-	-	-
Water User Fees		56,060	37,370	37,370	85,010	37,370	35,000
Water DCC Funds		54,940	36,630	36,630	173,990	36,630	36,630
Infrastructure grants				1,202,500	1,202,500	1,202,500	1,202,500
Borrowing				1,202,500	1,202,500	1,202,500	1,202,500
Federal Gas Tax Fund		312,500	500,000	150,000	135,000	175,000	-
TOTAL WATER CAPITAL SOURCES OF FUNDS		\$ 780,800	\$ 1,763,500	\$ 3,151,200	\$ 3,380,670	\$ 2,979,000	\$ 2,929,000

WATER CAPITAL PROJECTS

Instrumentation and controls (PLC) renewal (\$435,000 in 2024-2028)



WATER FUND RESERVE TRANSFERS

	2023 Financial Plan	2024	2025	2026	2027	2028
Transfer from Reserves						
Capital Reserves	204,560	1,149,500	522,200	581,670	325,000	452,370
Gas Tax Reserve	312,500	500,000	150,000	135,000	175,000	-
Carryforward Reserve	448,800	474,000	110,000	122,000	110,000	110,000
	965,860	2,123,500	782,200	838,670	610,000	562,370
Transfers to Reserves						
Capital Reserve - Funding Envelope	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)
Capital Reserve - Other	-	(100,000)	(125,000)	(150,000)	(175,000)	(200,000)
Capital Reserve - WTP	(142,400)	(147,100)	(148,600)	(150,100)	(151,600)	(153,100)
	(592,400)	(697,100)	(723,600)	(750,100)	(776,600)	(803,100)



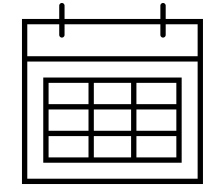
Consider additional allocations of Canada Community-Building Funds to support capital and minor capital projects.

WATER FUND RESERVE TRANSFERS

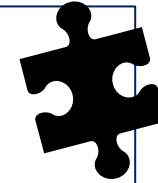
	2023 Financial Plan	2024	2025	2026	2027	2028
Annual Cash Surplus (Deficit)	\$ (666,330)	\$ (355,570)	\$ (45,170)	\$ 6,590	\$ 215,830	\$ (280,900)
Transfer from Unrestricted Surplus	666,330	355,570	45,170		-	280,900
Transfer to Unrestricted Surplus	-	-	-	(6,590)	(215,830)	
Financial Plan Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2024-2028 FINANCIAL PLAN

NEXT STEPS



- January 24 meeting – General Fund departments’ operating and capital
- January 29 meeting – bring all FP Committee of the Whole and resolutions forward to Council meeting for approval / direction
- Feb 12 – FP draft incorporating Council direction re changes to core drafts

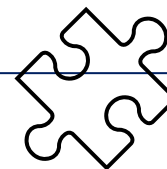


April

- New info, c/fwds

April/May

- Bylaws:
Amended
Fin Plan and
Tax/Utility
Rates





QUESTIONS