



City of  
**Parksville**

2020-2024 Draft  
Provisional  
Financial Plan  
(Water & Sewer)  
December 3, 2019

# Presentation Overview

- Plan Building Blocks
- Budget Adjustments from previous plan
- 5 Year Capital Plan
- Draft 2020 Provisional Financial Plan Bylaw-
- Accumulated Surplus
- Other items to be Considered

# WATER & SEWER FUND

## 2020 - 2024 Financial Plan Building Blocks

- ▶ Water rate increases:
  - ▶ 2.0% - 2020-2024
  
- ▶ Sewer rate increases:
  - ▶ 3.0% - 2020-2024 (Inflationary)
  - ▶ 20%-12% - 2020-24 (RDNWW charge from Property taxes)
  
- ▶ Inflation rate used:
  - ▶ Operations 2.0% - 2020-2024
  - ▶ Capital 2.5% - 2020-2024

# WATER FUND

# 2020-2024 Water Operating Budget Adjustments (Appendix W)

	2020	2021	2022	2023	2024
<b>Changes from 2019-23 Financial Plan-Increases (decreases)</b>					
<b>Operating</b>					
<b>Expenditures</b>					
Service of Supply (Chlorination)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Service of Supply (River Station)	(70,700)	(89,400)	(111,400)	(111,400)	(111,400)
Service of Supply (Springwood Wells)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Service of Supply (Railway Wells)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Water Meter repairs/mtce	(98,000)	(98,000)	(98,000)	(98,000)	(98,000)
City share of ERWS Operating Costs	35,700	(132,300)	(132,300)	(132,300)	(132,300)
<b>Minor Capital:</b>					
Works Adjacent to Development/Construction	40,000				
Decommission Reservoir #3	15,000				
Fire hydrant replacement program				Remove \$50,000/yr from 2026-39	

# 2020-2024 Water Capital Budget Adjustments - (Appendix W)

<b>Capital Expenditures</b>	2020	2021	2022	2023	2024
Banks Ave: Moilliet East	(35,000)	(140,000)			
Bagshaw: Stanford to Hwy 19a	30,000	200,000			
Craig St: Middleton to 40m North of Jensen			(22,500)	(90,000)	
Craig St: Meridian to Despard			(26,300)	(105,000)	
Craig St: Stanford to Moss				(12,500)	(50,000)
Dogwood: Bay to SRW		(38,000)			
Dogwood: Rushton North and South		(22,500)	(90,000)		
Finholm St: Hwy 19A to Hirst			15,000	160,000	
Harnish Ave: Moilliet to James	(46,300)	(185,000)			
Hirst Ave: Hwy 4A to MacMillian	57,500				
Hwy 19a - McMillan to McVickers		35,000	130,000	30,000	10,000
Jensen Ave West: McMillan to Moilliet	(60,000)	(412,000)			
Memorial Ave: Hwy 4A to MacMillian	76,200				
Mills St: Hwy 19A to Pioneer			19,300	132,000	
Morison Ave: Hwy 4A to McMillian			31,500	171,000	
Morison Avenue: Finholm to Acacia			35,000	230,000	
Nanoose Ave: Pym to Renz				(47,500)	(190,000)
Newcastle Ave Pym to Renz				(47,500)	(190,000)
Sanderson Road: Phillips to Pym				15,000	100,000
Springwood Reservoir #1 expansion	(350,000)	350,000			
Stanford Ave: Corfield to Shelly		(240,000)	(890,000)		
Stanford Ave: McCarter to Corfield		(25,000)	(80,000)		
Sunset Blvd: Mills east				11,000	119,000
Wheeler Ave: Kinglsey St west	(26,200)	(105,000)			
Willow St: #330 N to Rushton		(11,300)	(45,000)		
Woodland Dr.: Acacia to end					(45,000)
Works Adjacent to Development/Construction	60,000				
City share of ERWS Capital costs (50% DCC funded)	347,800				

# WATER FUND

## Capital Plan 2020 - 2024

See Five year Minor Capital and Capital worksheet (Appendix B)

[2020 Draft Provisional Budget.xlsx](#)

# CITY OF PARKSVILLE

## 2020 - 2024 Provisional Financial Plan

### Water Utility Fund

### Draft Budget Bylaw

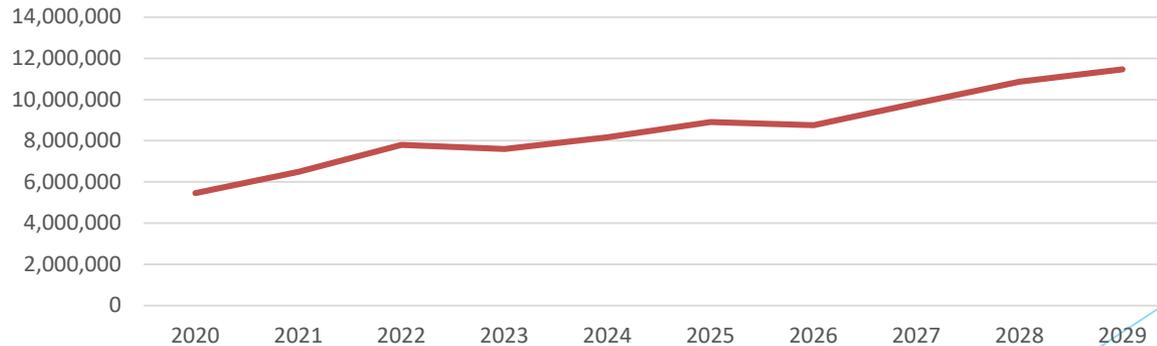
		<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>Revenues</b>						
	Water Parcel Taxes	\$ 52,000	\$ 53,000	\$ 54,100	\$ 55,200	\$ 56,300
	Fees and Charges					
	User Fees	3,925,600	4,109,800	4,230,200	4,368,500	4,509,300
	Other	6,000	6,300	6,500	6,700	6,900
	Interest on Reserves	100,000	136,600	162,300	195,100	189,800
	Grants and Developer contributions	-	-	-	-	-
	Actuarial Reduction of Debt	15,600	21,400	14,000	19,000	24,100
	Transfers From Other Funds & Reserves					
	DCC Fund	525,300	677,300	315,500	315,500	315,500
	General Revenue Fund	66,000	68,200	70,000	71,800	73,700
	Sewer Utility Fund	14,000	14,100	14,300	14,400	14,600
<b>Total Funding Sources</b>		<b>4,704,500</b>	<b>5,086,700</b>	<b>4,866,900</b>	<b>5,046,200</b>	<b>5,190,200</b>
<b>Expenses</b>						
	Municipal Purposes					
	Administration	985,500	1,005,200	1,025,300	1,045,800	1,066,700
	Service of Supply	1,253,800	1,025,600	1,023,300	1,043,600	1,064,500
	Trans & Distribution	463,300	473,100	482,900	492,800	502,900
	Minor capital	55,000	51,000	-	-	27,100
	Interest on Long Term Debt	166,880	164,400	161,900	161,900	161,900
	Amortization of Tangible Capital Assets	633,000	653,000	653,000	653,000	653,000
<b>Total Expenses</b>		<b>3,557,480</b>	<b>3,372,300</b>	<b>3,346,400</b>	<b>3,397,100</b>	<b>3,476,100</b>
<b>Net Income from Operations</b>		<b>1,147,020</b>	<b>1,714,400</b>	<b>1,520,500</b>	<b>1,649,100</b>	<b>1,714,100</b>

**CITY OF PARKSVILLE**  
**2020 - 2024 Provisional Financial Plan**  
**Water Utility Fund**  
**Draft Budget Bylaw (continued)**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>Other non operating budget items</b>					
Capital expenditures	\$ (942,300)	\$ (1,152,800)	\$ (696,900)	\$ (2,339,100)	\$ (1,610,700)
Principal Payments on Long Term Debt	(162,400)	(162,400)	(153,600)	(153,600)	(153,600)
Transfers to Other Funds	-	-	-	-	-
Transfers from appropriated reserves					
Capital reserve funds	-	-	-	-	-
Carryforward reserve	-	-	-	-	-
Gas Tax Reserve	-	-	-	-	-
Capital borrowing	-	-	-	-	-
Actuarial Reduction of Debt	(15,600)	(21,400)	(14,000)	(19,000)	(24,100)
Amortization of tangible capital assets	633,000	653,000	653,000	653,000	653,000
<b>Annual cash surplus (deficit)</b>	<b>661,740</b>	<b>1,032,821</b>	<b>1,311,022</b>	<b>(207,577)</b>	<b>580,724</b>
Transfers from (to) unappropriated reserves					
From Accumulated Surplus	-	-	-	207,577	-
To Accumulated Surplus	(661,740)	(1,032,821)	(1,311,022)	-	(580,724)
<b>Financial Plan Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# PROJECTED WATER UTILITY FUND UNRESTRICTED SURPLUS AT END OF YEAR

Year	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
End Balance	5,462,300	6,493,100	7,802,100	7,592,500	8,171,200
Year	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
End Balance	8,901,674	8,760,305	9,814,633	10,859,431	11,459,128



## Other items to be considered

- ▶ Water Treatment Plant Reserve Fee - \$36.40/yr per account (approx. \$230,000 annually) - Remove fee or retain and transfer to Capital reserve for WTP expansion.
- ▶ Freeze 2019 rates for 2020 (approx. \$76,000/yr)



QUESTIONS/COMMENTS

INPUT FROM COUNCIL  
INPUT FROM THE PUBLIC

# SEWER FUND

# 2020-2024 Sewer Operating Budget Adjustments

	2020	2021	2022	2023	2024
<b><u>Previously budgeted significant item</u></b>					
Sewer User Fees (recovery of RDNWW charges)	250,000	500,000	750,000	1,000,000	1,250,000
<b><u>Budget Changes -Increases (decreases)</u></b>					
<b><u>Operating</u></b>					
<b><u>Expenditures</u></b>					
Minor Capital - Works Adjacent to Development	40,000				
Minor Capital - Sewer Easements	10,000				

# 2020-2024 Sewer Capital Budget Adjustments

Capital	2020	2021	2022	2023	2024
<b>New Capital Budget Items &amp; Changes -Increases (decreases)</b>					
Bagshaw St: Stanford to Hwy 19A	60,000	445,000			
Banks Ave: Moilliet east	(27,600)	(105,000)			
Craig St: Hwy19A to 40m North of Jensen			(45,000)	(212,000)	
Dogwood: Bay to SRW		(60,000)			
Dogwood: Rushton North and South		(23,800)	(95,000)		
Hirst Ave: Hwy 4A to MacMillian	112,500				
Finholm St: Hwy 19A to Hirst			25,000	180,000	
Hwy 19A: Corfield to McVickers					155,000
Hwy 19A: McCarter to Corfield				95,000	340,000
Hwy 19A: McCarter to Hwy 4a			115,000	415,000	
Hwy 19A: Hwy 4a to McMillan		45,000	165,000		
Jensen Ave: Hwy 4A to Moilliet	(45,000)	(180,000)			
Jensen Ave West Upgrade	(102,500)	(307,500)			
McKinnon Street: Hirst to Harnish		Design complete-2019. Moved project out to 2029			
Memorial Ave: Hwy 4A to McMillan	(125,000)	200,000			
Morison: 4A to McMillan			35,000	115,000	
Morison Avenue: Finholm to Acacia			55,000	350,000	
Nanoose Ave: Pym to Renz				(37,500)	(150,000)
Newcastle Ave Pym to Renz				(37,500)	(150,000)
Rowan Ave: Finholm to Acacia	(13,800)	(55,000)			
Stanford Ave:Blower to Mills	(5,000)	(50,000)			
Stanford Ave:McCarter to Corfield	(100,000)				
Stanford: Corfield to Blower					
Sunset Blvd: Mills east				25,000	160,000
Wallis Street: morison to End		Design complete-2019. Moved project out to 2029			
Weld St: 19a to Jensen			(50,000)	(225,000)	

# SEWER FUND

## Capital Plan 2020 - 2024

See Five year Minor Capital and Capital worksheet (Appendix B)

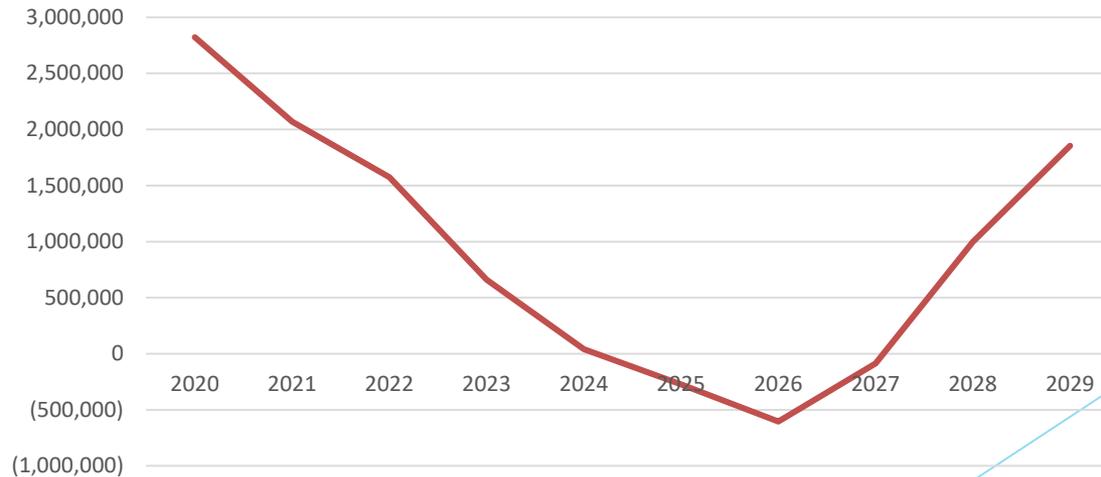
[2020 Draft Provisional Budget.xlsx](#)

**CITY OF PARKSVILLE**  
**2020 - 2024 Provisional Financial Plan**  
**Sewer Utility Fund**  
**Draft Budget Bylaw**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>Funding Sources</b>					
Sewer Parcel Taxes	\$ 37,900	\$ 39,000	\$ 40,200	\$ 41,400	\$ 42,700
Fees and Charges					
User Fees	1,709,800	2,067,900	2,419,500	2,789,700	3,179,300
Other	2,000	2,000	2,000	2,100	2,100
Interest on Reserves	75,000	70,600	51,800	39,400	16,500
Grants and Developer Contributions	-	-	-	-	-
Transfers From Other Funds & Reserves					
DCC Fund	-	-	64,500	-	-
<b>Total Funding Sources</b>	<b>1,824,700</b>	<b>2,179,500</b>	<b>2,578,000</b>	<b>2,872,600</b>	<b>3,240,600</b>
<b>Expenditures</b>					
Municipal Purposes					
Administration	939,000	958,900	978,600	998,700	1,019,200
Collection System & Pumping Stations	281,800	291,700	299,500	307,600	315,800
Minor Capital	50,000	32,100	-	-	108,200
Amortization of Tangible Capital Assets	295,000	295,000	295,000	295,000	295,000
<b>Total Expenditures</b>	<b>1,565,800</b>	<b>1,577,700</b>	<b>1,573,100</b>	<b>1,601,300</b>	<b>1,738,200</b>
<b>Net Income (Loss) from Operations</b>	<b>258,900</b>	<b>601,800</b>	<b>1,004,900</b>	<b>1,271,300</b>	<b>1,502,400</b>
<b>Other non operating budget items</b>					
Capital expenditures	\$ (276,800)	\$ (880,300)	\$ (775,300)	\$ (1,533,300)	\$ (1,118,600)
Transfers to Other Funds	(520,000)	(770,000)	(1,020,000)	(1,270,000)	(1,520,000)
Transfers from appropriated reserves					
Capital reserve funds	-	-	-	323,100	220,800
Carryforward reserve	-	-	-	-	-
Amortization of tangible capital assets	295,000	295,000	295,000	295,000	295,000
<b>Annual cash surplus (deficit)</b>	<b>(242,900)</b>	<b>(753,500)</b>	<b>(495,400)</b>	<b>(913,900)</b>	<b>(620,400)</b>
Transfers from (to) unappropriated reserves					
From Accumulated Surplus	242,900	753,500	495,400	913,900	620,400
To Accumulated Surplus	-	-	-	-	-
<b>Financial Plan Surplus (Deficit)</b>	<b>\$ -</b>				

# PROJECTED SEWER UTILITY FUND UNRESTRICTED SURPLUS AT END OF YEAR

Year	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
End Balance	2,823,519	2,070,019	1,574,619	660,719	40,319
Year	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
End Balance	(273,745)	(603,274)	(86,452)	997,415	1,855,045



# Other items to be considered

- ▶ None at this time.



QUESTIONS/COMMENTS

INPUT FROM COUNCIL

INPUT FROM THE PUBLIC