



2024-2028 Water, Sewer and Solid Waste

Financial Plan Highlights



CITY OF
COURTENAY

PRESENTED BY
CITY OF COURTENAY STAFF

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Water and Sewer Financial Plan Overview

Water and Sewer services are self funded utilities and are not assisted with funding from general taxation.

Two major sources of revenue:

1. Utility fees: to cover operational expenses
Such as bulk water purchase, CVRD sewer requisition and operation, monitoring and maintenance expenses
2. Frontage taxes: to cover capital expenses
Such as asset renewal or expansion, depreciation, repairs that extend the life of an asset and contribution to reserves

Water and Sewer Financial Plan Overview

❖ City Utility Fees impacted by:

- Regional long-term capital investment leading to increased CVRD bulk water rate & sewer requisition
- Increased permit and regulatory requirements in City operations

❖ Financial Plans developed based on Asset Management for sustainable service delivery

- Emphasis on preventative maintenance to extend the life of the City's assets

Water and Sewer Financial Plan Overview

- ❖ Water and Sewer Financial Plan is a collaborative effort involving:
Public Works – Engineering – Finance
- ❖ The *Community Charter* requires a municipality to have a five year financial plan adopted annually before May 15th
- ❖ Now seeking approval of proposed financial plans and to implement proposed utility fees to cover the anticipated costs of the services
- ❖ Next steps:
 - Amend Fees and Charges Bylaws for 2024
 - Amend Frontage Tax Bylaws for 2024
 - Incorporate Water and Sewer Financial Plan into the City's Consolidated Financial Plan

2024 Water Budget Highlights



Water Fund Overview

- ❖ Regional and Municipal components each play a vital role in providing water services to City of Courtenay residents
- ❖ The Comox Valley Regional District manages the treatment and transmission to six different water systems in the region including the City of Courtenay
- ❖ Comox Valley Regional District planned capital upgrades and expansion of water infrastructure, including the recently commissioned water treatment facility, resulting in increased bulk water rates
- ❖ City of Courtenay water utility infrastructure includes over 170 km of water main, 1 booster pump station, 7 pressure zones, and nearly 10,000 individual connections

2024 Water Operating Budget Overview

- ❖ Water Operating Expenses increase by \$1,100,400 or 14% from 2023 Budget due to:

- CVRD bulk water purchase \$848,400k

Actual and projected rate : 2022 - \$0.80 / m³

2023 - \$0.96 / m³

2024 - \$1.00 / m³

4% rate
increase

+\$218,188k due to rate increase

+\$630,212k due to projected increase in consumption

- Water Operations of \$338,500k mostly attributed to Water service expense (\$256k) being matched to the increase cost in reactions to system failures

Water Distribution Operations

- ❖ In BC, drinking water quality is controlled through provincial and federal regulations administered by the Local Health Authority
Under these regulations, the City is required to provide safe and reliable potable water services
- ❖ The City owns and operates a Class 3 (III) water distribution system
- ❖ Our systems are monitored by a Supervisory Control and Data Acquisition (SCADA) 24/7/365
- ❖ Operational activities mandated by the Ministry of Health in combination with industry best practises or engineering standards include;
ensuring proper distribution operations, maintenance and monitoring of the water system and its facilities, including; pumping/booster stations. Providing compliance sampling, uni-directional flushing, cross connection control programs. Staff education and annual re-certification, contingency or emergency plans & master planning

2024 Water Fund Expenses

	2023 BUDGET	2024 BUDGET	BUDGET increas/(decrease	VARIANCE %
WATER EXPENSES				
Contributions to Other Governments	\$ 5,454,700	\$ 6,303,100	\$ 848,400	16%
Water Administration	633,000	603,900	(29,100)	-5%
Water Fleet	64,300	6,900	(57,400)	-89%
Water Operations				
JOB 11000 Water Main	169,300	210,600	41,300	24%
JOB 11100 Water Service	405,200	661,400	256,200	63%
JOB 11200 Water Distribution Value	99,900	90,600	(9,300)	-9%
JOB 11300 Water Hydrant/Blow off	218,500	219,100	600	27%
JOB 11400 Water Meter	244,500	244,100	(400)	-16%
JOB 11500 Water Facilities	103,200	105,100	1,900	2%
JOB 11600 Water Quality & X-connect Control	80,500	120,700	40,200	50%
JOB 11700 Water Conservation Program	32,400	32,700	300	1%
JOB 11800 Water Leak Detection	27,600	35,300	7,700	28%
New Connections	100,000	100,000		0%
Total Water Operations	\$ 1,481,100	\$ 1,819,600	\$ 338,500	23%
Internal Transfers				
Internal Transfer - Common Costs	\$ 1,299,800	\$ 1,360,700	\$ 60,900	5%
Internal Transfer - To Other Funds (capital)	785,800	200,000	(585,800)	-75%
Internal Transfer - To Reserves and Allowances	891,100	393,600	(497,500)	-56%
Total Internal Transfers	\$ 2,976,700	\$ 1,954,300	\$ (1,022,400)	-34%
Water Debt Servicing	\$ 29,300	\$ 29,300	\$ -	0%
Total WATER EXPENSES	\$ 10,639,100	\$ 10,717,100	\$ 78,000	1%

2024-2028 Water Capital Projects

Project description	2024 Proposed Budget	2025 Proposed Budget	2026 Proposed Budget	2027 Proposed Budget	2028 Proposed Budget	Total 2024- 2028 Budget
Braidwood Road - Road & Utility - Water Component				10,000	500,000	510,000
Cousins Avenue Upgrades			59,400	779,500		838,900
New PRV Connection to 87 Zone (Cumberland - Arden)			30,000	300,000		330,000
Sandpiper / Millard Water Main Upgrade	19,200					19,200
South Courtenay PRV and Booster Station Upgrades (Buckstone Rd)			50,000	500,000		550,000
Water Smart Initiatives - District Meter Zone	400,000	75,000	400,000	75,000	400,000	1,350,000
Grand Total	419,200	75,000	539,400	1,664,500	900,000	3,598,100

2024 Water Revenue Requirements

- ❖ Recommended 4.5% increase to water user fees
- ❖ Recommended 4.5% increase to frontage fee
- ❖ Impact for a Single Residential Dwelling is +\$29.84

	2023 BUDGET	2024 BUDGET	BUDGET increas / (decrease)	VARIANCE %
WATER REVENUE				
Water Revenues				
Frontage-Parcel Taxes	\$ (1,234,900)	\$ (1,293,700)	\$ (58,800)	5%
User Fees	(7,942,400)	(8,645,700)	(703,300)	9%
Other Revenues	(294,300)	(474,000)	(179,700)	61%
Transfers from Surplus /	(1,167,500)	(303,700)	863,800	-74%
Total Water Revenues	(10,639,100)	(10,717,100)	(78,000)	1%

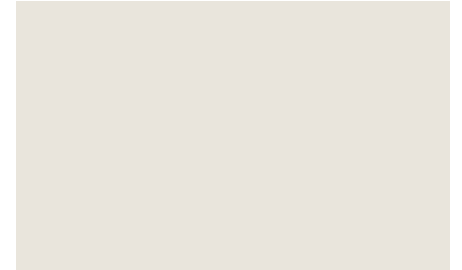
	2023	2024	\$ Change	% Change
User Fee	\$ 536.82	\$ 560.98	\$ 24.16	4.5%
Frontage	\$ 127.49	\$ 133.16	\$ 5.68	4.5%
Total	\$ 664.31	\$ 694.14	\$ 29.84	4.5%

- ❖ Water Master Plan and Water Rates Review to be completed 2024 will inform the water revenue requirements for future years

2024 Water Operating Budget Overview

Transfers, Contributions & Surplus	2024 Budget	2023 Budget
Transfer of revenue to fund Water capital projects	\$200,000	\$582,500
Contribution to Asset Management Water Reserve	\$300,000	\$300,000
Contributions to other Water Reserves (Utility, M&E, MFA)	\$93,600	\$93,600
Surplus / (Use of Surplus)	Use of surplus (\$303,700)	Use of Surplus \$(450,800)

2024 Water Budget Highlights



Questions?

2024 Sewer Budget Highlights



**City of
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2024-2028 Water, Sewer and Solid Waste Financial Plan Highlights

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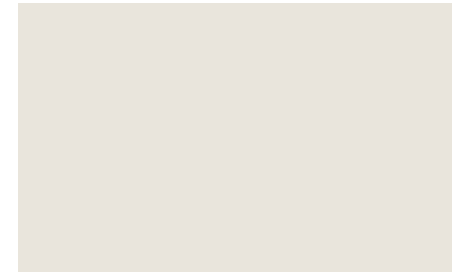
Sewer Fund Overview

- ❖ Regional and Municipal components each play a vital role in providing sewer services to City of Courtenay residents
- ❖ The Comox Valley Regional District owns and operates conveyance and treatment of wastewater for the communities of Courtenay, Comox, K'ómoks First Nation and CFB Comox (19 Wing)
- ❖ City of Courtenay sewer utility infrastructure includes over 150 km of sanitary sewer main, 12 sanitary lift stations, 23 pumps, and nearly 7,000 individual connections.

2024 Sewer Operating Budget Overview

- ❖ Operating Expenses increase by \$1m or 11% from 2023 budget due to:
 - CVRD regional sewer service requisition +\$992k or 19%
 - Represents 60.5% of Sewer Operating Expenses
 - Sewer admin expense increase \$50.6k – portion of additional engineer tech
 - Sewer operations expense increase \$189.4k – increase in equipment charge out rates \$92k, Contract services for responses and connections \$80k

Sewer Collection Operations



- ❖ In BC, municipal wastewater is managed through the Provincial Environmental Management Act under the Municipal Wastewater Regulation.

Under these regulations, the City is required to safeguard public health by providing safe the reliable conveyance of wastewater through to the regional treatment facility or an ownership transfer location.

- ❖ The City owns and operates a Class 3 (III) wastewater collection system
- ❖ Our systems are monitored by a Supervisory Control and Data Acquisition (SCADA) 24/7/365
- ❖ Operational activities mandated by the Ministry of Health in combination with industry best practises and engineering standards include;

ensuring proper conveyance operations, maintenance and monitoring of the wastewater facilities, including lift stations. Preventative maintenance and flushing programs. Staff education and annual re-certification, contingency or emergency plans & master planning.

2024 Sewer Fund Operating Expenses

	2023	2024	INCREASE	VARIANCE
	BUDGET	BUDGET	(DECREASE)	%
SEWER EXPENSES				
Contributions to Other Governments	\$ 5,272,200	\$ 6,264,000	\$ 991,800	19%
Sewer Administration	541,200	591,800	50,600	9%
Sewer Fleet	49,000	25,500	(23,500)	(48%)
Sewer Operations				
JOB 12000 Sewer Gravity Main	185,000	245,400	60,400	33%
JOB 12100 Sewer Service	105,900	219,200	113,300	107%
JOB 12200 Sewer Manhole/Chamber	23,800	26,400	2,600	11%
JOB 12300 Sewer Valve	14,200	13,400	(800)	(6%)
JOB 12400 Sewer Forcemain	14,200	13,400	(800)	(6%)
JOB 12500 Sewer Lift Station	285,300	304,500	19,200	7%
JOB 12600 Sewer Inflow & Infiltration	70,600	66,100	(4,500)	(6%)
New Connections	40,000	40,000		
Total Sewer Operations	\$ 739,000	\$ 928,400	\$ 189,400	26%
Internal Transfers				
Internal Transfer - Common Costs	\$ 1,054,800	\$ 1,103,400	\$ 48,600	5%
Internal Transfer - To Other Funds	277,700	658,500	380,800	137%
Internal Transfer - To Reserves and Allowances	1,069,900	375,500	(694,400)	(65%)
Total Internal Transfers	\$ 2,402,400	\$ 2,137,400	\$ (265,000)	(11%)
Sewer Debt Servicing	\$ 309,500	\$ 407,700	\$ 98,200	32%
Total SEWER EXPENSES	\$ 9,313,300	\$ 10,354,800	\$ 1,041,500	11%

2023 Sewer Capital Projects

Project description	2024 Proposed Budget	2025 Proposed Budget	2026 Proposed Budget	2027 Proposed Budget	2028 Proposed Budget	Total 2024- 2028 Budget
Anderton Sanitary Lift Station	238,500	309,000	3,229,500			3,777,000
Braidwood Road - Road & Utility - Sewer Component				10,000	500,000	510,000
Comox Rd Sewer Crossing	4,000,000					4,000,000
Cousins Avenue Upgrades			59,400	779,500		838,900
Sewer - 1st Street Lift Station Replacement	3,439,078					3,439,078
Sewer - SCADA Server/Firewall Replacement	20,000					20,000
Sewer Equipment - Lift Station Pumps	60,000					60,000
South Courtenay Sewer System - Phase 1	948,000	10,747,500				11,695,500
South Courtenay Sewer System - Phase 2			860,000	9,747,000		10,607,000
Grand Total	8,705,578	11,056,500	4,148,900	10,536,500	500,000	34,947,478



2024 Sewer Revenue Requirements

- ❖ Recommended 10% increase to user fees
- ❖ Recommended 4.5% increase to frontage fee
- ❖ Impact for a Single Residential Dwelling is +\$49.92

	2023	2024	BUDGET	
			INCREASE	VARIANCE
	BUDGET	BUDGET	(DECREASE)	%
Sewer				
SEWER REVENUE				
Sewer Revenues				
Frontage-Parcel Taxes	\$ (2,120,200)	\$ (2,222,700)	\$ (102,500)	5%
User Fees	(6,534,700)	(7,500,700)	(966,000)	15%
Other Revenues	(60,000)	(60,000)		
Transfers from Surplus/Reserves	(598,400)	(571,400)	27,000	(5%)
Total Sewer Revenues	\$ (9,313,300)	\$ (10,354,800)	\$ (1,041,500)	11%

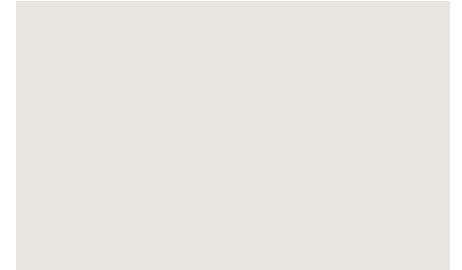
Sewer Utility Charge Change Summary

	2023	2024	\$ Change	% Change
User Fee	\$ 398.76	\$ 438.64	\$ 39.88	10.0%
Frontage	\$ 223.54	\$ 233.58	\$ 10.04	4.5%
Total	\$ 622.30	\$ 672.22	\$ 49.92	8.0%

2023 Sewer Operating Budget Overview

Transfers, Contributions & Surplus	2024 Budget	2023 Budget
Transfer of revenue to fund Sewer capital projects	\$658,500	\$267,700
Contribution to Asset Management Sewer Reserve	\$300,000	\$300,000
Contributions to other Sewer Reserves	\$75,500	\$75,500
Surplus / (Use of Surplus)	Use of Surplus \$571,400	Surplus \$106,500

2024 Sewer Budget Highlights



Questions?

2024 Solid Waste Budget Highlights



**City of
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2024-2028 Water, Sewer and Solid Waste Financial Plan Highlights

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2024 Solid Waste Fund Overview

- ❖ Regional and Municipal components each play a vital role in provision of solid waste collection services to City of Courtenay residents
- ❖ Regional Solid Waste Service infrastructure includes:
 - Waste Management Centre, Organic Composting Facility
 - Transfer Stations, Recycling Depots
- ❖ City of Courtenay Solid Waste infrastructure includes:
 - Automated collection container and collection services within our boundaries
- ❖ City provides solid waste collection services via a contracted service provider

2024 Solid Waste, Recyclables & Organic Waste Collection Budget Highlights

The 2024 Solid Waste budget includes a recommended increase of \$120 to the residential user fee, from \$237.50 to \$357.50 and an increase of \$86.50 to the strata fee from \$237.50 to \$324.00.

This increase is required in order to maintain a self funding service and cover those significant increases:

- New Collection contract increase of 77%
- \$110 / mt tipping fees for yard waste and organics, previously disposed at no costs

2024 Solid Waste, Recyclables & Organic Waste Collection Budget Overview

- ❖ 2024-2028 Solid Waste Budget based on single residential and multi-residential curbside servicing
- ❖ Solid Waste Service is a self funded service - user fee based service
- ❖ Fully Automated Collection Services commenced on January 2, 2024
- ❖ Services include weekly organic waste collection and alternating bi-weekly recycling garbage collection



2024 Solid Waste, Recyclables & Organic Waste Collection Budget Highlights

	2023 BUDGET	2024 BUDGET	BUDGET INCREASE (DECREASE)	VARIANCE %
Solid Waste Services				
SOLID WASTE REVENUE				
Solid Waste Revenue	\$ (2,739,600)	\$ (3,919,900)	\$ (1,180,300)	43%
Total SOLID WASTE REVENUE	\$ (2,739,600)	\$ (3,919,900)	\$ (1,180,300)	43%
SOLID WASTE EXPENSES				
Solid Waste				
JOB 15007 Solid Waste Admin	319,000	387,300	68,300	21%
JOB 15016 Solid Waste Old Container Program		30,000	30,000	
Solid Waste Contracted Services	1,499,200	2,649,200	1,150,000	77%
Solid Waste Tipping Fees	922,200	893,400	(28,800)	(3%)
Solid Waste Cart Exchange Costs		200,000	200,000	
Solid Waste Seasonal Excess Yard Waste		20,000	20,000	
Total Solid Waste	2,740,400	4,179,900	1,439,500	53%
Total SOLID WASTE EXPENSES	2,740,400	4,179,900	1,439,500	53%
Total Solid Waste Services (surplus) / deficit	\$ 800	\$ 260,000	\$ 259,200	



2024 Solid Waste Budget Highlights

Questions?

2024 Combined Utility Rates

For 2024, the total proposed increase for a single residential dwelling is \$199.76 or 13.1%.

Utilities	2023	2024	\$ Change	% Change
Water User fee	\$ 536.82	\$ 560.98	\$ 24.16	4.5%
Water Frontage*	\$ 127.49	\$ 133.16	\$ 5.68	4.5%
Sewer User fee	\$ 398.76	\$ 438.64	\$ 39.88	10.0%
Sewer Frontage*	\$ 223.54	\$ 233.58	\$ 10.04	4.5%
Solid Waste	\$ 237.50	\$ 357.50	\$ 120.00	50.5%
Total Utilities	\$ 1,524.11	\$ 1,723.86	\$ 199.76	13.1%



2024-2028 Water, Sewer and Solid Waste Budget and User Rates

Financial Plan Highlights



**City of
Courtenay**

2024-2028 Water, Sewer and Solid Waste Financial Plan Highlights

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