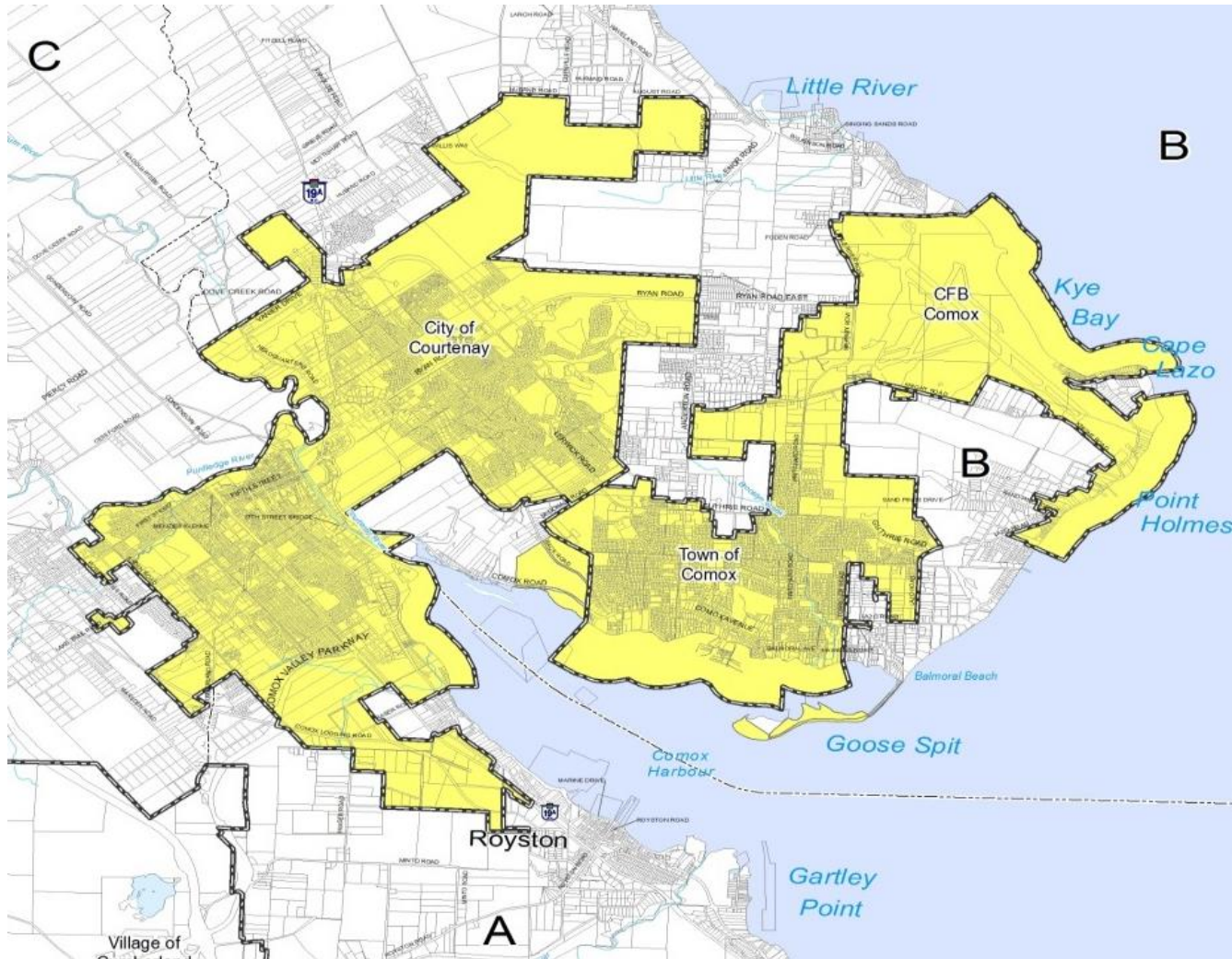


Comox Valley Sewerage System Function # 335-338

2021 – 2025 Financial Plan

Comox Valley Sewerage Service



CV sewer service crew



Comox Valley Sewerage System

2020 Highlights

- ✓ Completion of the CFB Comox PS Upgrade
- ✓ PLC Replacements at CVWPCC and Courtenay PS
- ✓ Completion of the CVWPCC EQ basin
- ✓ Beach nourishment project at Willemar Bluffs



Comox Valley Sewerage System

2021 Work Plan

- Odour control project – bioreactors
- CVWPCC Site Odour Modeling
- DAF 1 and 2 PLC upgrades and Consolidation
- Staff Shower and Change room building for Compost Facility
- CVWPCC overall site Master Plan for Future Expansion
- Major rehabilitation of 2 remaining Primary Clarifiers



2021 Financial Plan -Revenue

Operating	2020 Budget	2021 Recommended Budget	Increase (Decrease)
Revenue			
Requisition	6,400,000	6,800,000	400,000
Sale Services User Fees	1,039,045	989,204	(49,841)
Other Revenue/Recoveries	700	700	-
Prior Years Surplus	519,510	-	(519,510)
	\$ 7,959,255	\$ 7,789,904	\$ 169,351

- **5.5% increase to requisition** in 2021
- Revenue forecasted to remain unchanged from KFN
- DND revenue to increase proportional to wastewater generation and operational budget
- Rates for septage disposal increase proportional to municipal requisition

	2020	2021	2022	2023	2024	2025
2020-2024	\$6.4 M	\$6.8 M	\$7.2 M	\$7.6 M	\$8.3 M	-
2021-2025	-	\$6.8M	\$7.2M	\$7.6M	\$8.0M	\$8.4M

2021 Financial Plan - Personnel

Operating	2020 Budget	2021 Recommended Budget	Increase (Decrease)
Revenue			
Requisition	6,400,000	6,800,000	400,000
Sale Services User Fees	1,039,045	989,204	(49,841)
Other Revenue/Recoveries	700	700	-
Prior Years Surplus	519,510	-	(519,510)
	\$ 7,959,255	\$ 7,789,904	\$ 169,351
Expenditures			
Personnel Costs	1,777,633	1,910,333	132,700

- **7% increase** in personnel costs:
 - New electrical/ instrumentation technician position in 2021
 - Increases to wages and benefits
 - 2021 first full year of new operator position hired in 2020
 - Anticipated wage increase for senior operators

2021 Financial Plan - Operating

Operating	2020 Budget	2021 Recommended Budget	Increase (Decrease)
Revenue			
Requisition	6,400,000	6,800,000	400,000
Sale Services User Fees	1,039,045	989,204	(49,841)
Other Revenue/Recoveries	700	700	-
Prior Years Surplus	519,510	-	(519,510)
	\$ 7,959,255	\$ 7,789,904	\$ 169,351
Expenditures			
Personnel Costs	1,777,633	1,910,333	132,700
Directors Remuneration	7,200	8,400	1,200
Operating	2,630,117	2,563,710	(66,407)

- Operating costs expected to **decrease by approximately 3%**
 - Operating cost savings identified as part of COVID-19 response and renewal plan

2021 Financial Plan –Reserves

Operating	2020 Budget	2021 Recommended Budget	Increase (Decrease)
Revenue			
Requisition	6,400,000	6,800,000	400,000
Sale Services User Fees	1,039,045	989,204	(49,841)
Other Revenue/Recoveries	700	700	-
Prior Years Surplus	519,510	-	(519,510)
	\$ 7,959,255	\$ 7,789,904	\$ 169,351
Expenditures			
Personnel Costs	1,777,633	1,910,333	132,700
Directors Remuneration	7,200	8,400	1,200
Operating	2,630,117	2,563,710	(66,407)
Contribution to Reserve	2,515,253	2,292,482	(222,771)

- Capital works and DCC reserves are drawn to minimum levels over the financial plan to help fund capital projects

At December 31, 2020:

- Capital works reserve: \$6,566,854
- Development cost charge reserve: \$7,971,043
- Future expenditure reserve: \$224,286

2021 Financial Plan - Capital

Capital Funding Sources	2020 BV	20201PB	Increase (Decrease)
Debt Proceeds	3,000,000	-	(3,000,000)
Transfer from Reserve	9,239,000	8,633,873	(605,127)
\$ 12,239,000	\$ 8,633,873	\$ (3,605,127)	
Funding Applied			
Capital Projects & Equip	12,239,000	8,633,873	(3,605,127)
\$ 12,239,000	\$ 8,633,873	\$ (3,605,127)	

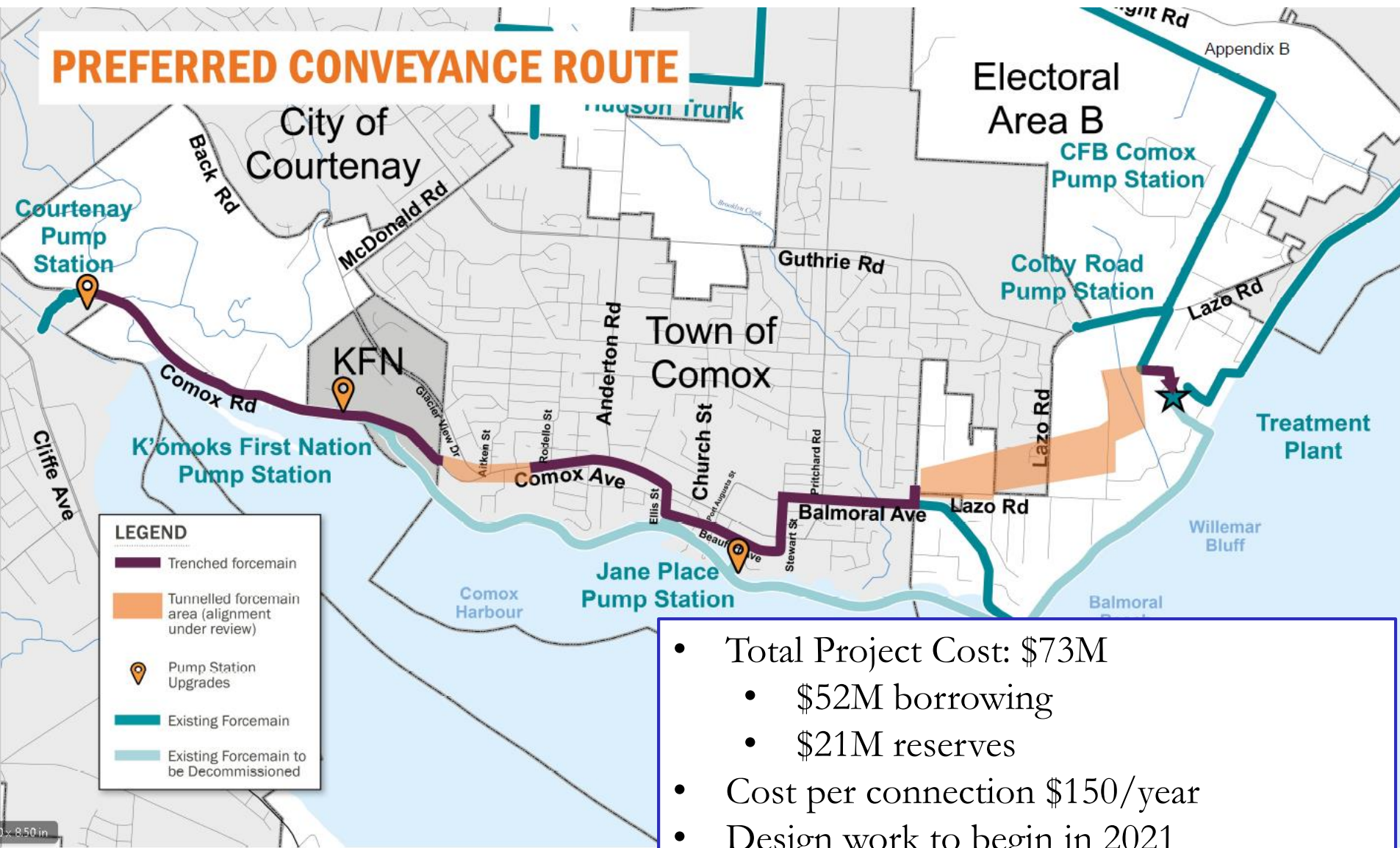
- Spending drivers → age and capacity of the infrastructure
- Funded by → capital works reserves, DCC reserves and long term debt

2021 Work plan – Capital Projects

Support of the financial plan will also demonstrate support for the operating and capital projects/ contracts included within the plan.

Project	2020 CFWD's	2021
Sewer conveyance upgrades		\$4.2 M
Odour control – bioreactors	\$4M	
EQ basin/ basement piping	\$125k	
CFB Comox PS	\$82 k	
Vehicle purchase		\$50k
Annual capital projects	\$50k	\$160 k
TOTAL	\$4.2M	\$4.4M

PREFERRED CONVEYANCE ROUTE



- Total Project Cost: \$73M
 - \$52M borrowing
 - \$21M reserves
- Cost per connection \$150/year
- Design work to begin in 2021
- AAP to be completed 2021

In summary...

FISCAL RESPONSIBILITY:

- CVSS in a period of intense capital spending
- Capital funding strategy strives to spread impact out over existing and future users

CLIMATE CRISIS AND ENVIRONMENTAL STEWARDSHIP AND PROTECTION:

- Primary driver of LWMP → eliminate environmental risk
- All new infrastructure designed for resilience to sea level rise and climate change.

COMMUNITY PARTNERSHIPS:

- The LWMP process involves intensive consultation with stakeholders
- The service is a collaboration between service participants

INDIGENOUS RELATIONS:

- December 2020 Community Benefits & Accommodation Agreement signed
- Commitment to adhere to KFN cultural heritage policy