



ENGLISHMAN RIVER WATER SERVICE JOINT VENTURE
MANAGEMENT BOARD REGULAR MEETING
AGENDA

Tuesday, May 19, 2020

1:30 P.M.

Held Electronically

Pages

1. **CALL TO ORDER**

The Chief Administrative Officer will call the meeting to order.

Pursuant to Section 4.2 of the Englishman River Water Service Joint Venture Agreement, the Management Board must elect a chair from among its members on the basis of one vote for each member.

2. **ELECTION OF CHAIR**

The elected Chair will assume the Chair.

3. **IN CAMERA**

That the Board proceed to an In Camera meeting pursuant to the following sections of the *Community Charter* to discuss:

90 (1)(g) litigation or potential litigation affecting the municipality.

4. **APPROVAL OF THE AGENDA**

That the agenda be approved as presented.

5. **ADOPTION OF MINUTES**

5.1 **Englishman River Water Service Management Board Meeting - November 25, 2019**

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That the minutes of the Englishman River Water Service Management Board meeting held November 25, 2019, be adopted.

6. **INVITED PRESENTATIONS**

6.1 **Update on Commissioning**

City of Parksville staff to provide a verbal report.

7. DELEGATIONS

8. CORRESPONDENCE

9. UNFINISHED BUSINESS

10. REPORTS

10.1 **Englishman River Water Service Amended 2020-2024 Financial Plan Report** 6
City of Parksville staff to provide a verbal report.

1. That the report from the Englishman River Water Service Management Committee, dated May 4, 2020, entitled "Englishman River Water Service (ERWS) Commissioning Update and Amended Budget Approval" be received.

2. That the Englishman River Water Service Management Board approve the 2020-2024 Amended Financial Plan attached as Schedule A for the Englishman River Water Service.

3. That the Englishman River Water Service Management Board recommends the Joint Ventures adopt their respective portions of the 2020-2024 Amended Financial Plan attached as Schedule A for the ERWS.

4. That the Englishman River Water Service Management Board approve approximately \$197,500 to CH2M Hill for additional consulting services provided in 2019.

10.2 **Englishman River Water Service Joint Venture Draft Audited Financial Statements for the Year Ending December 31, 2019** 30
Lenora Lee, Partner, KPMG to provide a verbal report.

That the Englishman River Water Service Draft Audited Financial Statements be received and approved.

11. BUSINESS ARISING FROM DELEGATIONS

12. NEW BUSINESS

13. ADJOURNMENT

**MINUTES OF THE ENGLISHMAN RIVER WATER SERVICE JOINT VENTURE MEETING OF
THE MANAGEMENT BOARD MEETING**

Monday, November 25, 2019

9:30 A.M.

City of Parksville Forum

100 Jensen Avenue East

In Attendance:	E. Mayne, Chair	Mayor, City of Parksville
	B. Rogers	Director, Regional District of Nanaimo
	L. Wallace	Director, Regional District of Nanaimo
	D. O'Brien	Councillor, City of Parksville

Also in Attendance:	P. Carlyle	Regional District of Nanaimo
	R. Alexander	Regional District of Nanaimo
	S. De Pol	Regional District of Nanaimo
	M. Walters	Regional District of Nanaimo
	G. St. Pierre	Regional District of Nanaimo
	V. Figueira	City of Parksville
	L. Butterworth	City of Parksville
	K. Kehler	City of Parksville
	B. Weir	Town of Qualicum Beach
	R. Graves	Recording Secretary

CALL TO ORDER

The Chair called the meeting to order and respectfully acknowledged the Coast Salish Nation on whose traditional territory the meeting took place.

RISE AND REPORT

Englishman River Water Service (ERWS) Project Update

It was moved and seconded that the Englishman River Water Service Management Board approve the addition of \$500,000.00 to the 2019 and 2020 ERWS capital budgets for the resolution of the water treatment plant effluent discharge issue.

CARRIED UNANIMOUSLY

APPROVAL OF THE AGENDA

It was moved and seconded that the agenda be approved as presented.

CARRIED UNANIMOUSLY

ADOPTION OF MINUTES

Englishman River Water Service Management Board Meeting - September 5, 2019

It was moved and seconded that the minutes of the Englishman River Water Service Management Board meeting held September 5, 2019, be adopted

CARRIED UNANIMOUSLY

REPORTS

Englishman River Water Service (ERWS) Project Update and 2020-2024 Financial Plan

It was moved and seconded that the report from the Englishman River Water Service Management Committee dated November 25, 2019, entitled ERWS Project Update and 2020 - 2024 Financial Plan be received.

CARRIED UNANIMOUSLY

It was moved and seconded that the Englishman River Water Service Management Board approve the 2020 – 2024 Financial Plan as outlined in Table 1 attached to the November 25, 2019, report.

CARRIED UNANIMOUSLY

It was moved and seconded that the Englishman River Water Service Management Board recommends the Joint Ventures accept their portion of the 2020 - 2024 Financial Plan as outlined in Table 1 attached to the November 25, 2019, report.

CARRIED UNANIMOUSLY

Englishman River Water Service (ERWS) 2019 - 2023 Amended Financial Plan

The Chair inquired whether there were any members of the public who wished to provide comment to the Board.

One member of the gallery provided comment to the Board with a question regarding waste discharge and the inclusion of chemicals required.

It was moved and seconded that the report from the Englishman River Water Service Management Committee, dated November 19, 2019, entitled ERWS 2019 - 2023 Amended Financial Plan be received.

CARRIED UNANIMOUSLY

It was moved and seconded that the Englishman River Water Service Management Board accept the 2019 - 2023 Amended Financial Plan as outlined in Schedule 1 attached to the November 19, 2019, report.

CARRIED UNANIMOUSLY

It was moved and seconded that the Englishman River Water Service Management Board recommend the Joint Venture participants adopt their portion of the 2019 - 2023 Amended Financial Plan as outlined in Schedule 1 attached to the November 19, 2019, report.

CARRIED UNANIMOUSLY

ADJOURNMENT

It was moved and seconded that the meeting be adjourned.

CARRIED UNANIMOUSLY

TIME: 9:47 A.M.

CHAIR



May 12, 2020

REPORT TO: ENGLISHMAN RIVER WATER SERVICE MANAGEMENT BOARD

FROM: ENGLISHMAN RIVER WATER SERVICE MANAGEMENT COMMITTEE

SUBJECT: ENGLISHMAN RIVER WATER SERVICE (ERWS) COMMISSIONING UPDATE AND AMENDED BUDGET APPROVAL

PURPOSE: *To provide an update on commissioning of the water treatment plant and present the 2020 amended budget and financial plan.*

EXECUTIVE SUMMARY:

The purpose of this report is to provide the ERWS Board Members with an update on the ERWS commissioning activities and substantial completion of the water treatment plant, planned capital projects for 2020 and to seek approval for the 2020-2024 Amended Financial Plan.

RECOMMENDATION(S):

1. THAT the report from the Englishman River Water Service Management Committee, dated May 4, 2020, entitled "Englishman River Water Service (ERWS) Commissioning Update and Amended Budget Approval" be received.
2. THAT the Englishman River Water Service Management Board approve the 2020-2024 Amended Financial Plan attached as Schedule A for the ERWS.
3. THAT the Englishman River Water Service Management Board recommends the Joint Ventures adopt their respective portions of the 2020-2024 Amended Financial Plan attached as Schedule A for the ERWS.
4. THAT the Englishman River Water Service Management Board approve a payment of approximately \$197,500 to CH2M Hill for additional consulting services provided in 2019.

BACKGROUND:

The ERWS Water Treatment Plant began delivering potable water to residents in Parksville and Electoral Area E (Nanose Bay) in December 2019.

The ERWS was formed in 2011 to secure bulk water supply from the Englishman River for these residents. The ERWS drinking water project included:

- An in-river water supply intake and raw water pumping station designed and located to accommodate how residents and visitors access and use the Englishman River and to protect aquatic habitat.
- Water treatment plant with a capacity of 16 million litres per day of membrane filtration to comply with new water regulatory treatment standards including ultraviolet light and chlorine disinfection.
- Transmission mains to existing water reservoirs supplying homes and businesses of Parksville and the Nanoose Bay Peninsula Water Service Area with potable water.

The total cost of the project was approximately \$41.7 million and was funded with approximately \$12 million from federal and provincial government grants (New Building Canada Fund: Small Communities Fund and Clean Water and Wastewater Fund) and the balance by the City of Parksville and the Regional District of Nanaimo requisitions.

The Island Health operating permit was issued on November 8, 2019, at which time the 21 day function test was successfully completed before provision of water to residents. An opening ceremony was held on January 9, 2020.

2020 Capital Projects:

There are a number of projects requiring completion in 2020. The automated transfer switch (ATS) which was approved by the Board in 2019 and protects the plant in the case of a power outage, was connected to the generator in January 2020 and is expected to be fully operational after final testing in May. This spring, an additional handrail will be installed at the river intake to provide enhanced safety for staff accessing the river station. This also was an item approved in the 2019 budget but was delayed by the contractor until spring of 2020. In addition to these, a capital contingency of \$25,000 is included in the 2020 budget for unforeseen start-up costs in the first year of water treatment plant operations.

The largest project in 2020 is the installation of the settling ponds. As a cost saving alternative to treating process wastewater through the conventional sanitary sewer system, staff presented a concept in the fall of 2019 using a two-stage settling pond system. A \$470,000 budget was included within the 2020-2024 Provisional Budget to facilitate this design and construction. An additional \$30,000 was included for 2019, bringing the total capital budget to \$500,000. However, the \$30,000 was not spent and is not required to be carried forward as a result of some alternative design options, which reduce the overall capital costs of the project.

Further review and comparisons have taken place and staff are proposing a way to optimize the wastewater handling by using a geosynthetic bag (filter system) to remove treatment plant generated contaminants, in compliance with provincial regulations. The system provides flexibility to adjust the amount of coagulant to fit the needs of the plant, ensuring that it is in constant compliance and provides a more robust solution than the two-stage pond design.

The cost for the design, supply and installation of the geosynthetic bag filtration system is estimated at \$400,000 (including a contingency). The geosynthetic bag system will necessitate operating and maintenance costs in the range of \$46,200 per annum. For fair comparison, staff reviewed the two-stage pond system and found that it too would require an estimated \$48,400 operating cost per annum; however, this was not contemplated within the original 2020-2024 provisional budget presented in the fall of 2019. Both systems allow the plant to operate at its full capacity, while providing enhanced environmental benefits, reducing the discharge to the RDN's French Creek Pollution Control Centre, as well as reducing the overall capital costs.

Wastewater sampling is being undertaken by ERWS operators to facilitate final design, and the tender documents are set to be prepared and issued in summer 2020. The budget for this project is now recommended at \$400,000 for capital, a reduction of \$70,000 from the 2020 provisional budget.

A \$50,000 budget for aquifer storage and recovery (ASR) is included in 2021. Staff will bring a report to the Board next year to summarize data and feasibility studies on aquifer storage.

Staff are re-evaluating the need for a new vehicle and the estimated \$35,000 cost was deferred from the 2020 to the 2024 budget. Staff will assess operating conditions and seek Board approval for a truck in future years, if it is deemed necessary for efficient operation of the plant.

Estimates of additional capital expenditures have been included for 2021-2024 and staff will evaluate those estimates and projects as the first year of operations progresses.

Staff will be compiling preliminary asset management plans for ERWS in 2020 that can be used to provide recommendations with respect to capital reserve contributions for future capital renewal and/or capacity upgrades of the recently constructed capital assets. A summary of these plans and recommendations will be brought forward in a report to the Board in the fall.

2020 Operating Expenses:

Staffing: The operating budget includes 1.5 FTEs for 2020 and staff propose increasing this to two (2) operational FTEs in 2021 and beyond to allow for scheduled staffing 7 days a week. Staff recommend this staffing increase include the addition of a Level III Water Treatment Operator to provide sufficient coverage, technical expertise and operational functionality for the plant. If approved, this position will be shared 50/50 with the City of Parksville Water Distribution division and will work a regular weekend shift. The other 0.5 FTE hours are assigned to Level II operators who are trained to back up the Level 3 and 4 Operators and provide succession planning for the plant.

Since the project was initiated several years ago, the Program Manager role has been filled by City of Parksville staff. Historically this has equalled 30% of the Director's position and 20% of the Manager of Operations position. There is currently a vacancy in the Director of Operations and Engineering position and the City is working actively to recruit for the position. The City's development engineer, reporting to the Director, will be providing a supporting technical role in future. While a portion of the costs of all three positions will be allocated formally to the ERWS, the total cost to the ERWS will remain unchanged.

In addition, the Management Committee provides support from both partners and includes senior management employees from both local governments. No formal charges are allocated for this support, but the committee includes the CAOs and senior managers from the engineering, human resources and finance departments.

Other: Several safety related items require finalizing in 2020 upon commencement of operations. The total costs to complete these items is estimated at \$20,000 and these funds will be taken from the operating contingency that was included in the 2020 Provisional Budget previously approved by the Board with no additional budget increases needed. A chlorine gas monitor is included in the capital budget, but the operating contingency has been reduced by the same amount (\$50,000) to avoid a budget increase for this item.

Other changes to the previously approved 2020 budget include a minor capital item totaling \$25,000 to install offsite improvements (street lights) which was missed in the earlier budget and is included in 2020; insurance

estimates provided for the provisional budget were \$18,000 lower than the final costs; and maintenance costs related to the generator and ponds were added into the budget for 2020-2024.

A maintenance contingency of \$15,000 is included in 2021-2024 operating budget to provide for unforeseen expenditures for the new assets. As with forecasted capital amounts, these operating amounts will be evaluated by staff in relation to the first year of operations.

Budget approval:

Changes from the provisional budget noted above are outlined in Schedule B.

Additional items for consideration:

Included in the 2019 financial statements is an accrued cost of \$197,500 related to a billing received from Jacobs/CH2M for additional consulting services provided during 2019 for the Water Treatment Plant project. The additional billings relate to the following:

Contract 1:

- Water quality analysis
- Raw water pump station hammer/vibration
- Construction schedule extension

Contract 2:

- Resident inspector

These costs will exceed the remaining 2019 project budgets as follows:

	Contract 1	Contract 2	ATS/Equip	Settling Ponds	Total
2019 Approved Budget remaining before adjustments	\$148,789	\$23,133	\$227,497	\$30,000	\$429,420
Accrual of additional CH2M 2019 consulting fees invoice	\$165,800	\$31,700	--	--	\$197,500
2019 final per financial statements	(\$17,011)	(\$8,567)	\$227,497	\$30,000	\$231,920

The prior project manager was aware of these additional services and current staff has reviewed the consultant’s contract for this project, received legal advice, and reviewed our practices related to additional billing from this consultant during the project. Staff recommend that the Board approve payment of this additional invoice. This increase in professional fees is accounted for by reallocating surplus amounts from 2019 capital budgets.

OPTIONS:

1. Receive the report and approve the Amended Financial Plan.
2. Provide the ERWS Management Committee with other direction.

REFERENCES:

Schedule A: ERWS 2020-2024 Financial Plan (Amended)

Schedule B: ERWS 2020-2024 Amended Financial Plan - Changes from the 2020 - 2024 Provisional Financial Plan

Respectfully submitted,

Keeva Kehler, MPA
Chief Administrative Officer, City of Parksville
On behalf of the ERWS/ AWS Management Committee

ENGLISHMAN RIVER WATER SERVICE
2020 - 2024 AMENDED FINANCIAL PLAN (Summarized)

	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
REVENUE AND CONTRIBUTIONS					
<u>Joint Venture Requisitions</u>					
Parkville Requisition (74 %)	\$ 1,184,700	\$ 765,800	\$ 910,300	\$ 720,100	\$ 732,800
RDN Requisition (26%)	416,200	269,000	319,800	253,000	257,500
Total Joint Venture Requisitions	1,600,900	1,034,800	1,230,100	973,100	990,300
<u>Other Revenue</u>					
Grants - Small Communities Fund & CWWF	-	-	-	-	-
Transfer From Reserves	-	-	-	-	-
Total Other Revenue	-	-	-	-	-
TOTAL REVENUE AND CONTRIBUTIONS	\$ 1,600,900	\$ 1,034,800	\$ 1,230,100	\$ 973,100	\$ 990,300
EXPENDITURES					
<u>Operations</u>					
Administration	176,200	154,700	160,700	159,300	162,000
Operations	720,100	655,100	664,400	673,800	683,300
Maintenance	7,000	30,000	30,000	30,000	30,000
Minor Capital	25,000	25,000	70,000	80,000	50,000
Total Operating Expenses	928,300	864,800	925,100	943,100	925,300
<u>Capital</u>					
Land Acquisition & Improvements	35,000	-	-	-	-
Equipment	110,400	50,000	30,000	30,000	65,000
River Intake / Supply Mains	15,000	70,000	275,000	-	-
Water Treatment	112,200	-	-	-	-
Aquifer Storage and Recovery	-	50,000	-	-	-
Settling Ponds	400,000	-	-	-	-
Total Capital	672,600	170,000	305,000	30,000	65,000
TOTAL EXPENDITURES	\$ 1,600,900	\$ 1,034,800	\$ 1,230,100	\$ 973,100	\$ 990,300
NET SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -

ENGLISHMAN RIVER WATER SERVICE

2020 - 2024 AMENDED FINANCIAL PLAN (PARKSVILLE SHARE - 74%)

	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
REVENUE AND CONTRIBUTIONS					
Joint Venture Requisitions					
Parksville Requisition (74 %)	\$ 1,184,700	\$ 765,800	\$ 910,300	\$ 720,100	\$ 732,800
Other Revenue					
Grants - Small Communities Fund & CWWF	-	-	-	-	-
Transfer From Reserves	-	-	-	-	-
Total Other Revenue	-	-	-	-	-
TOTAL REVENUE AND CONTRIBUTIONS	\$ 1,184,700	\$ 765,800	\$ 910,300	\$ 720,100	\$ 732,800
EXPENDITURES					
Operations					
Administration	130,400	114,500	118,900	117,900	119,900
Operations	532,900	484,800	491,700	498,600	505,600
Maintenance	5,200	22,200	22,200	22,200	22,200
Minor Capital	18,500	18,500	51,800	59,200	37,000
Total Operating Expenses	687,000	640,000	684,600	697,900	684,700
Capital					
Land Acquisition & Improvements	25,900	-	-	-	-
Equipment	81,700	37,000	22,200	22,200	48,100
River Intake / Supply Mains	11,100	51,800	203,500	-	-
Water Treatment	83,000	-	-	-	-
Aquifer Storage and Recovery	-	37,000	-	-	-
Settling Ponds	296,000	-	-	-	-
Total Capital	497,700	125,800	225,700	22,200	48,100
TOTAL EXPENDITURES	\$ 1,184,700	\$ 765,800	\$ 910,300	\$ 720,100	\$ 732,800
NET SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -

ENGLISHMAN RIVER WATER SERVICE
2020 - 2024 AMENDED FINANCIAL PLAN (RDN SHARE - 26%)

	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
REVENUE AND CONTRIBUTIONS					
<u>Joint Venture Requisitions</u>					
RDN Requisition (26%)	\$ 416,200	\$ 269,000	\$ 319,800	\$ 253,000	\$ 257,500
<u>Other Revenue</u>					
Grants - Small Communities Fund & CWWF	-	-	-	-	-
Transfer From Reserves	-	-	-	-	-
Total Other Revenue	-	-	-	-	-
TOTAL REVENUE AND CONTRIBUTIONS	\$ 416,200	\$ 269,000	\$ 319,800	\$ 253,000	\$ 257,500
EXPENDITURES					
<u>Operations</u>					
Administration	45,800	40,200	41,800	41,400	42,100
Operations	187,200	170,300	172,700	175,200	177,700
Maintenance	1,800	7,800	7,800	7,800	7,800
Minor Capital	6,500	6,500	18,200	20,800	13,000
Total Operating Expenses	241,300	224,800	240,500	245,200	240,600
<u>Capital</u>					
Land Acquisition & Improvements	9,100	-	-	-	-
Equipment	28,700	13,000	7,800	7,800	16,900
River Intake / Supply Mains	3,900	18,200	71,500	-	-
Water Treatment	29,200	-	-	-	-
Aquifer Storage and Recovery	-	13,000	-	-	-
Settling Ponds	104,000	-	-	-	-
Total Capital	174,900	44,200	79,300	7,800	16,900
TOTAL EXPENDITURES	\$ 416,200	\$ 269,000	\$ 319,800	\$ 253,000	\$ 257,500
NET SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -

SCHEDULE A
ENGLISHMAN RIVER WATER SERVICE
2020 - 2024 DETAILED FINANCIAL BUDGET (AMENDED) (\$)

	2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
REVENUE						
Joint Venture Requisitions						
Parksville Requisition (74 %)	6,629,200	1,184,666	765,752	910,274	720,094	732,822
RDN Requisition (26%)	2,136,400	416,234	269,048	319,826	253,006	257,478
Total Joint Venture Requisitions	8,765,600	1,600,900	1,034,800	1,230,100	973,100	990,300
Other Revenue						
Grants - Small Communities Fund & CWWF	0	0	0	0	0	0
Transfer From Reserves	0	0	0	0	0	0
Total Other Revenue	0	0	0	0	0	0
TOTAL REVENUE	8,765,600	1,600,900	1,034,800	1,230,100	973,100	990,300
EXPENDITURES						
Administration						
Salaries / Wages 7-2-28-7310-300	139,300	65,500	66,700	68,000	69,200	70,600
Administration - Benefits	38,900	13,700	14,100	14,200	14,400	14,700
Seminars/Training 7-2-28-7310-306	3,000	5,500	5,500	5,500	5,500	5,500
Conferences 7-2-28-7310-307	6,000	6,000	6,000	6,000	6,000	6,100
Memberships 7-2-28-7310-311	1,000	1,500	1,500	1,500	1,500	1,500
Contracts 7-2-28-7310-330	127,100					
Consulting 7-2-28-7310-331	15,000	20,000				
Legal Fees 7-2-28-7310-332	3,700	3,800				
Audit Fees 7-2-28-7310-333	7,500	5,000	5,000	5,000	5,000	5,000
Equipment Lease/Rental						
Licences 7-2-28-7310-400	2,000	2,000	2,000	2,000	2,000	2,000
Insurance 7-2-28-7310-400	18,000	42,600	43,300	44,200	45,100	46,000
Advertising 7-2-28-7310-410	500	500	500	500	500	500
Contract Printing 7-2-28-7310-413	500	500	500	500	500	500
Tel / Cable 7-2-28-7310-422	500	1,000	1,000	1,000	1,000	1,000
Meeting Costs 7-2-28-7310-423	1,600	1,600	1,600	1,600	1,600	1,600
Computer Software 7-2-28-7310-431		6,000	6,000	6,000	6,000	6,000
Computer Hardware 7-2-28-7310-432	3,600			3,700		
Parts Materials and Supplies	69,500					
Small Tools, Equipment & Furniture 7-2-28-7310-450	500					
Courier 7-2-28-7310-452	1,000	1,000	1,000	1,000	1,000	1,000
Hydro 7-2-28-7310-461	88,500					
Equipment Res Charge Out 7-2-28-7310-800	5,000					
Total Administration	532,700	176,200	154,700	160,700	159,300	162,000
Operations						
Salaries / Wages 7-2-28-7311-300		198,300	260,400	265,700	271,000	276,300
Pager Pay 7-2-28-7311-300		16,400	16,700	17,000	17,300	17,600
Contracts 7-2-28-7311-330		163,200	17,200	17,300	17,400	17,500

SCHEDULE A
ENGLISHMAN RIVER WATER SERVICE
2020 - 2024 DETAILED FINANCIAL BUDGET (AMENDED) (\$)

			2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Equipment Lease/Rental	7-2-28-7311-340			7,000	5,000	5,000	5,000	5,000
Garbage Disposal	7-2-28-7311-349			10,000	26,000	26,000	26,000	26,000
Parts Materials and Supplies	7-2-28-7311-450			140,200	141,300	141,300	141,300	141,300
Small Tools, Equipment & Furniture	7-2-28-7311-451			1,000	1,000	1,000	1,000	1,000
Gas & Oil	7-2-28-7311-460			0	0	0	0	0
Hydro	7-2-28-7310-461			177,000	180,500	184,100	187,800	191,600
Equipment Res Charge Out	7-2-28-7311-800			7,000	7,000	7,000	7,000	7,000
Total Operating			0	720,100	655,100	664,400	673,800	683,300
Maintenance								
WTP - Contracts	7-2-28-7320-330			7,000	7,000	7,000	7,000	7,000
Settling Ponds - Materials, Supplies	7-2-28-7322-450				8,000	8,000	8,000	8,000
Contingency					15,000	15,000	15,000	15,000
Total Maintenance			0	7,000	30,000	30,000	30,000	30,000
Minor Capital								
Contracts	7-2-28-7350-330							
Parts / Materials	7-2-28-7350-450				25,000	50,000	50,000	50,000
Contingency allowances						20,000		
Raw Water Pump Station				25,000			30,000	
Water Treatment Plant							0	
ASR			0	0	0	0	0	0
Total Minor Capital			0	25,000	25,000	70,000	80,000	50,000
Total Operating Expenses			532,700	928,300	864,800	925,100	943,100	925,300

SCHEDULE A
ENGLISHMAN RIVER WATER SERVICE
2020 - 2024 DETAILED FINANCIAL BUDGET (AMENDED) (\$)

		2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Capital - Program Summary							
Equipment - Automatic Transfer Switch	7-6-28-9749-330	0	110,400	0	0	0	0
Equipment - Vehicle Purchase	7-6-28-9749-450		0	0	0	0	35,000
Small Equipment Contingency	7-6-28-9749-450	0	0	50,000	30,000	30,000	30,000
Total Equipment		0	110,400	50,000	30,000	30,000	65,000
Land Purchase & Improvements - Administration	7-6-28-9750-300	0	0	0	0	0	0
Land Purchase & Improvements - Contracts	7-6-28-9750-330	0	35,000	0	0	0	0
Land Purchase & Improvements - Consulting	7-6-28-9750-331	0	0	0	0	0	0
Land Purchase & Improvements -Equip charge out	7-6-28-9750-800	0	0	0	0	0	0
Land Purchase & Improvements - Parts & Materials	7-6-28-9750-450	0	0	0	0	0	0
Total Property Acquisition		0	35,000	0	0	0	0
River Intake / Supply Mains - Administration	7-6-28-9751-300		0	0	0	0	0
River Intake / Supply Mains - Contracts/Engineering	7-6-28-9751-330/331	392,900	15,000	70,000	275,000	0	0
River Intake / Supply Mains - Legal	7-6-28-9751-332	0	0	0	0	0	0
River Intake / Supply Mains - Advertising	7-6-28-9751-410	0	0	0	0	0	0
River Intake / Supply Mains - Meetings	7-6-28-9751-423	0	0	0	0	0	0
River Intake / Supply Mains - Parts / Supplies	7-6-28-9751-450	0	0	0	0	0	0
River Intake / Supply Mains - Equip. Charge Out	7-6-28-9751-800	0	0	0	0	0	0
River Intake / Supply Mains - Equip. Lease / Rent	7-6-28-9751-340	0	0	0	0	0	0
Joint Transmission Main - Contracts/Engineering	7-6-28-9754-330/331	31,600	0	0	0	0	0
Joint Transmission Main - Administration	7-6-28-9754-300	0	0	0	0	0	0
Joint Transmission Main - Parts / Supplies	7-6-28-9754-450	0	0	0	0	0	0
Joint Transmission Main - Equip. Charge Out	7-6-28-9754-800	0	0	0	0	0	0
COP Transmission Main - Contracts/Engineering	7-6-28-9755-330/331	548,700	0	0	0	0	0
COP Transmission Main - Administration	7-6-28-9755-300	0	0	0	0	0	0
COP Transmission Main - Parts / Supplies	7-6-28-9755-450	0	0	0	0	0	0
Total River Intake / Supply Mains		973,200	15,000	70,000	275,000	0	0

SCHEDULE A
ENGLISHMAN RIVER WATER SERVICE
2020 - 2024 DETAILED FINANCIAL BUDGET (AMENDED) (\$)

		2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Water Treatment - Administration	7-6-28-9752-300	0	0	0	0	0	0
Water Treatment - Travel	7-6-28-9752-307		0	0	0	0	0
Water Treatment - Contracts/Engineering	7-6-28-9752-330/331	7,199,700	62,200	0	0	0	0
Water Treatment - Equip. Lease / Rental	7-6-28-9752-340	0	0	0	0	0	0
Water Treatment - Rent & Lease	7-6-28-9752-345	0	0	0	0	0	0
Water Treatment - Insurance / Permits	7-6-28-9752-400	0	0	0	0	0	0
Water Treatment - Advertising	7-6-28-9752-410	0	0	0	0	0	0
Water Treatment - Meeting Costs	7-6-28-9752-423	0	0	0	0	0	0
Water Treatment - Parts and Materials	7-6-28-9752-450	0	0	0	0	0	0
Water Treatment - Small Tools, Equip, Furniture	7-6-28-9752-451	30,000	50,000	0	0	0	0
Water Treatment - Courier	7-6-28-9752-452	0	0	0	0	0	0
Water Treatment - Equip Res Charge	7-6-28-9752-800	0	0	0	0	0	0
Water Treatment - Vehicle Purchase			0	0	0	0	0
Water Treatment - Gas & Oil	7-6-28-9752-460	0	0	0	0	0	0
Water Treatment - Hydro	7-6-28-9752-461						
Total Water Treatment		7,229,700	112,200	0	0	0	0

SCHEDULE A
ENGLISHMAN RIVER WATER SERVICE
2020 - 2024 DETAILED FINANCIAL BUDGET (AMENDED) (\$)

		2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Capital - Program Summary							
Aquifer Storage and Recovery - Administration	7-6-28-9753-300	0	0	0	0	0	0
Aquifer Storage and Recovery - Contracts	7-6-28-9753-330	0	0	0	0	0	0
Aquifer Storage and Recovery - Engineering	7-6-28-9753-331	0	0	50,000	0	0	0
Aquifer Storage and Recovery - Equip Rental	7-6-28-9753-340	0	0	0	0	0	0
Aquifer Storage and Recovery - Meeting Costs	7-6-28-9753-423	0	0	0	0	0	0
Aquifer Storage and Recovery - Advertising	7-6-28-9753-410	0	0	0	0	0	0
Aquifer Storage and Recovery - Parts / Materials	7-6-28-9753-450	0	0	0	0	0	0
Aquifer Storage and Recovery - Small Tools	7-6-28-9753-451	0	0	0	0	0	0
Aquifer Storage and Recovery - Courier	7-6-28-9753-452	0	0	0	0	0	0
Aquifer Storage and Recovery - Hydro	7-6-28-9753-461	0	0	0	0	0	0
Aquifer Storage and Recovery - Equip Res Charge Out	7-6-28-9753-800	0	0	0	0	0	0
Total Aquifer Storage and Recovery		0	0	50,000	0	0	0
Settling Ponds - Salaries and Wages	7-6-28-9756-300	0	0	0	0	0	0
Settling Ponds - Benefits	7-6-28-9756-301	0	0	0	0	0	0
Settling Ponds - Consulting/Contract	7-6-28-9756-330	30,000	400,000	0	0	0	0
Settling Ponds - Legal	7-6-28-9756-423	0	0	0	0	0	0
Settling Ponds - Advertising	7-6-28-9756-410	0	0	0	0	0	0
Settling Ponds - Meetings	7-6-28-9756-450	0	0	0	0	0	0
Settling Ponds - Parts,Materials and Supplies	7-6-28-9756-451	0	0	0	0	0	0
Settling Ponds - Courier & Delivery	7-6-28-9756-452	0	0	0	0	0	0
Settling Ponds - Equipment Reserve	7-6-28-9756-461	0	0	0	0	0	0
Total Settling Ponds		30,000	400,000	0	0	0	0
Total Capital		8,232,900	672,600	170,000	305,000	30,000	65,000
TOTAL EXPENDITURES		8,765,600	1,600,900	1,034,800	1,230,100	973,100	990,300

SCHEDULE A Cont'd
Parksville Requisition - ERWS
2020 - 2024 DETAILED FINANCIAL BUDGET (AMENDED) (\$)

	2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
REVENUE						
Joint Venture Requisitions						
Parksville Requisition (74%)	6,629,206	1,184,666	765,752	910,274	720,094	732,822
Other Revenue						
Grants - Small Communities Fund & CWWF	0	0	0	0	0	0
Transfer From Reserves	0	0	0	0	0	0
Total Other Revenue	0	0	0	0	0	0
TOTAL REVENUE	6,629,206	1,184,666	765,752	910,274	720,094	732,822
EXPENDITURES						
Administration	74%	74%	74%	74%	74%	74%
Salaries / Wages	103,082	48,470	49,358	50,320	51,208	52,244
Administration - Benefits	28,786	10,138	10,434	10,508	10,656	10,878
Seminars/Training	2,220	4,070	4,070	4,070	4,070	4,070
Conferences	4,440	4,440	4,440	4,440	4,440	4,514
Memberships	740	1,110	1,110	1,110	1,110	1,110
Contracts	94,054	0	0	0	0	0
Consulting	11,100	14,800	0	0	0	0
Legal Fees	2,738	2,812	0	0	0	0
Audit Fees	5,550	3,700	3,700	3,700	3,700	3,700
Equipment Lease/Rental	0	0	0	0	0	0
Licences	1,480	1,480	1,480	1,480	1,480	1,480
Insurance	13,320	31,524	32,042	32,708	33,374	34,040
Advertising	370	370	370	370	370	370
Contract Printing	370	370	370	370	370	370
Tel / Cable	370	740	740	740	740	740
Meeting Costs	1,184	1,184	1,184	1,184	1,184	1,184
Computer Software		4,440	4,440	4,440	4,440	4,440
Computer Hardware	2,664	0	0	2,738	0	0
Parts Materials and Supplies	51,430	0	0	0	0	0
Small Tools, Equipment & Furniture	370	0	0	0	0	0
Courier	740	740	740	740	740	740
Hydro	65,490	0	0	0	0	0
Equipment Res Charge Out	3,700	0	0	0	0	0
Total Administration	394,198	130,388	114,478	118,918	117,882	119,880

SCHEDULE A Cont'd
Parkville Requisition - ERWS

2020 - 2024 DETAILED FINANCIAL BUDGET (AMENDED) (\$)

			2019	2020	2021	2022	2023	2024
			Budget	Budget	Budget	Budget	Budget	Budget
Operating								
	Salaries / Wages	7-2-28-7311-300		146,742	192,696	196,618	200,540	204,462
	Pager Pay			12,136	12,358	12,580	12,802	13,024
	Contracts	7-2-28-7311-330		120,768	12,728	12,802	12,876	12,950
	Equipment Lease/Rental			5,180	3,700	3,700	3,700	3,700
	Garbage Disposal	7-2-28-7311-349		7,400	19,240	19,240	19,240	19,240
	Parts Materials and Supplies	7-2-28-7311-450		103,748	104,562	104,562	104,562	104,562
	Small Tools, Equipment & Furniture	7-2-28-7311-451		740	740	740	740	740
	Gas & Oil	7-2-28-7311-460		0	0	0	0	0
	Hydro	7-2-28-7310-461		130,980	133,570	136,234	138,972	141,784
	Equipment Res Charge Out	7-2-28-7311-800		5,180	5,180	5,180	5,180	5,180
	Total Operating		0	532,874	484,774	491,656	498,612	505,642
Maintenance								
	WTP - Contracts	7-2-28-7320-330	0	5,180	5,180	5,180	5,180	5,180
	Settling Ponds - Materials, Supplies	7-2-28-7322-450	0	0	5,920	5,920	5,920	5,920
	Contingency		0	0	11,100	11,100	11,100	11,100
	Total Maintenance		0	5,180	22,200	22,200	22,200	22,200
Minor Capital								
	Contracts	7-2-28-7350-330	0	0	0	0	0	0
	Parts / Materials	7-2-28-7350-450	0	0	0	0	0	0
	Contingency allowances		0	0	18,500	37,000	37,000	37,000
	Raw Water Pump Station		0	0	0	14,800	0	0
	Water Treatment Plant		0	18,500	0	0	22,200	0
	ASR		0	0	0	0	0	0
	Total Minor Capital		0	18,500	18,500	51,800	59,200	37,000
Total Expenses			394,198	686,942	639,952	684,574	697,894	684,722

SCHEDULE A Cont'd
Parkville Requisition - ERWS

2020 - 2024 DETAILED FINANCIAL BUDGET (AMENDED) (\$)

		2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Capital - Program Summary		74%	74%	74%	74%	74%	74%
Equipment - Automatic Transfer Switch	7-6-28-9749-330		81,696	0	0	0	0
Equipment - Vehicle Purchase	7-6-28-9749-450		0	0	0	0	25,900
Small equipment Contingency			0	37,000	22,200	22,200	22,200
Total Equipment			81,696	37,000	22,200	22,200	48,100
Land Purchase & Improvements - Administration	7-6-28-9750-300	0	0	0	0	0	0
Land Purchase & Improvements - Contracts	7-6-28-9750-330	0	25,900	0	0	0	0
Land Purchase & Improvements - Consulting	7-6-28-9750-331	0	0	0	0	0	0
Land Purchase & Improvements -Equip charge out	7-6-28-9750-800	0	0	0	0	0	0
Land Purchase & Improvements - Parts & Materials	7-6-28-9750-450	0	0	0	0	0	0
Total Property Acquisition		0	25,900	0	0	0	0
River Intake / Supply Mains - Administration	7-6-28-9751-300	0	0	0	0	0	0
River Intake / Supply Mains - Contracts/Engineering	7-6-28-9751-330/331	290,746	11,100	51,800	203,500	0	0
River Intake / Supply Mains - Legal	7-6-28-9751-332	0	0	0	0	0	0
River Intake / Supply Mains - Parts / Supplies	7-6-28-9751-450	0	0	0	0	0	0
River Intake / Supply Mains - Equip. Charge Out	7-6-28-9751-800	0	0	0	0	0	0
River Intake / Supply Mains - Equip. Lease / Rent	7-6-28-9751-340	0	0	0	0	0	0
Joint Transmission Main - Contracts/Engineering	7-6-28-9754-330/331	23,384	0	0	0	0	0
Joint Transmission Main - Administration	7-6-28-9754-300	0	0	0	0	0	0
Joint Transmission Main - Parts / Supplies	7-6-28-9754-450	0	0	0	0	0	0
Joint Transmission Main - Equip. Charge Out	7-6-28-9754-800	0	0	0	0	0	0
COP Transmission Main - Contracts/Engineering	7-6-28-9755-330/331	548,700	0	0	0	0	0
COP Transmission Main - Administration	7-6-28-9755-300	0	0	0	0	0	0
COP Transmission Main - Parts / Supplies	7-6-28-9755-450	0	0	0	0	0	0
Total River Intake / Supply Mains		862,830	11,100	51,800	203,500	0	0

SCHEDULE A Cont'd
Parksville Requisition - ERWS
2020 - 2024 DETAILED FINANCIAL BUDGET (AMENDED) (\$)

		2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Water Treatment - Administration	7-6-28-9752-300	0	0	0	0	0	0
Water Treatment - Travel	7-6-28-9752-307		0	0	0	0	0
Water Treatment - Contracts/Engineering	7-6-28-9752-330/331	5,327,778	46,028	0	0	0	0
Water Treatment - Equip. Lease / Rental	7-6-28-9752-340	0	0	0	0	0	0
Water Treatment - Rent & Lease	7-6-28-9752-345	0	0	0	0	0	0
Water Treatment - Parts and Materials	7-6-28-9752-450	0	0	0	0	0	0
Water Treatment - Small Tools, Equip, Furniture	7-6-28-9752-451	22,200	37,000	0	0	0	0
Water Treatment - Courier	7-6-28-9752-452	0	0	0	0	0	0
Water Treatment - Equip Res Charge	7-6-28-9752-800	0	0	0	0	0	0
Water Treatment - Vehicle Purchase		0	0	0	0	0	0
Water Treatment - Gas & Oil	7-6-28-9752-460	0	0	0	0	0	0
Water Treatment - Hydro	7-6-28-9752-461						
Total Water Treatment		5,349,978	83,028	0	0	0	0

SCHEDULE A Cont'd
Parksville Requisition - ERWS

2020 - 2024 DETAILED FINANCIAL BUDGET (AMENDED) (\$)

		2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Capital - Program Summary							
Aquifer Storage and Recovery - Administration	7-6-28-9753-300	0	0	0	0	0	0
Aquifer Storage and Recovery - Contracts	7-6-28-9753-330	0	0	0	0	0	0
Aquifer Storage and Recovery - Engineering	7-6-28-9753-331	0	0	37,000	0	0	0
Aquifer Storage and Recovery - Equip Rental	7-6-28-9753-340	0	0	0	0	0	0
Aquifer Storage and Recovery - Meeting Costs	7-6-28-9753-423	0	0	0	0	0	0
Aquifer Storage and Recovery - Advertising	7-6-28-9753-410	0	0	0	0	0	0
Aquifer Storage and Recovery - Parts / Materials	7-6-28-9753-450	0	0	0	0	0	0
Aquifer Storage and Recovery - Small Tools	7-6-28-9753-451	0	0	0	0	0	0
Aquifer Storage and Recovery - Courier	7-6-28-9753-452	0	0	0	0	0	0
Aquifer Storage and Recovery - Hydro	7-6-28-9753-461	0	0	0	0	0	0
Aquifer Storage and Recovery - Equip Res Charge Out	7-6-28-9753-800	0	0	0	0	0	0
Total Aquifer Storage and Recovery		0	0	37,000	0	0	0
Settling Ponds - Salaries and Wages	7-6-28-xxxx-300		0	0	0	0	0
Settling Ponds - Benefits	7-6-28-xxxx-301		0	0	0	0	0
Settling Ponds - Consulting/Contract	7-6-28-xxxx-330	22,200	296,000	0	0	0	0
Settling Ponds - Legal	7-6-28-xxxx-423		0	0	0	0	0
Settling Ponds - Advertising	7-6-28-xxxx-410		0	0	0	0	0
Settling Ponds - Meetings	7-6-28-xxxx-450		0	0	0	0	0
Settling Ponds - Parts, Materials and Supplies	7-6-28-xxxx-451		0	0	0	0	0
Settling Ponds - Courier & Delivery	7-6-28-xxxx-452		0	0	0	0	0
Settling Ponds - Equipment Reserve	7-6-28-xxxx-461		0	0	0	0	0
Total Settling Ponds		22,200	296,000	0	0	0	0
Total Capital		6,235,008	497,724	125,800	225,700	22,200	48,100
TOTAL EXPENDITURES		6,629,206	1,184,666	765,752	910,274	720,094	732,822

SCHEDULE A Cont'd
Regional District of Nanaimo Requisition - ERWS
2020 - 2024 DETAILED FINANCIAL BUDGET (AMENDED) (\$)

	2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
REVENUE						
Joint Venture Requisitions						
RDN Requisition (26%)	2,136,394	416,234	269,048	319,826	253,006	257,478
Other Revenue						
Grants - Small Communities Fund & CWWF	0	0	0	0	0	0
Transfer From Reserves	0	0	0	0	0	0
Total Other Revenue	0	0	0	0	0	0
TOTAL REVENUE	2,136,394	416,234	269,048	319,826	253,006	257,478
EXPENDITURES						
Administration	26%	26%	26%	26%	26%	26%
Salaries / Wages 7-2-28-7310-300	36,218	17,030	17,342	17,680	17,992	18,356
Administration - Benefits	10,114	3,562	3,666	3,692	3,744	3,822
Seminars/Training 7-2-28-7310-306	780	1,430	1,430	1,430	1,430	1,430
Conferences 7-2-28-7310-307	1,560	1,560	1,560	1,560	1,560	1,586
Memberships 7-2-28-7310-311	260	390	390	390	390	390
Contracts 7-2-28-7310-330	33,046	0	0	0	0	0
Consulting 7-2-28-7310-331	3,900	5,200	0	0	0	0
Legal Fees 7-2-28-7310-332	962	988	0	0	0	0
Audit Fees 7-2-28-7310-333	1,950	1,300	1,300	1,300	1,300	1,300
Equipment Lease/Rental	0	0	0	0	0	0
Licences 7-2-28-7310-400	520	520	520	520	520	520
Insurance	4,680	11,076	11,258	11,492	11,726	11,960
Advertising 7-2-28-7310-410	130	130	130	130	130	130
Contract Printing 7-2-28-7310-413	130	130	130	130	130	130
Tel / Cable 7-2-28-7310-422	130	260	260	260	260	260
Meeting Costs 7-2-28-7310-423	416	416	416	416	416	416
Computer Software 7-2-28-7310-431		1,560	1,560	1,560	1,560	1,560
Computer Hardware	936	0	0	962	0	0
Parts Materials and Supplies	18,070	0	0	0	0	0
Small Tools, Equipment & Furniture 7-2-28-7310-450	130	0	0	0	0	0
Courier 7-2-28-7310-452	260	260	260	260	260	260
Hydro 7-2-28-7310-461	23,010	0	0	0	0	0
Equipment Res Charge Out	1,300	0	0	0	0	0
Total Administration	138,502	45,812	40,222	41,782	41,418	42,120
Operations						
Salaries / Wages 7-2-28-7311-300		51,558	67,704	69,082	70,460	71,838
Pager Pay		4,264	4,342	4,420	4,498	4,576

			2019	2020	2021	2022	2023	2024
			Budget	Budget	Budget	Budget	Budget	Budget
	Contracts	7-2-28-7311-330		42,432	4,472	4,498	4,524	4,550
	Equipment Lease/Rental			1,820	1,300	1,300	1,300	1,300
	Garbage Disposal	7-2-28-7311-349		2,600	6,760	6,760	6,760	6,760
	Parts Materials and Supplies	7-2-28-7311-450		36,452	36,738	36,738	36,738	36,738
	Small Tools, Equipment & Furniture	7-2-28-7311-451		260	260	260	260	260
	Gas & Oil	7-2-28-7311-460		0	0	0	0	0
	Hydro	7-2-28-7310-461		46,020	46,930	47,866	48,828	49,816
	Equipment Res Charge Out	7-2-28-7311-800		1,820	1,820	1,820	1,820	1,820
	Total Operating		0	187,226	170,326	172,744	175,188	177,658
Maintenance								
	WTP - Contracts	7-2-28-7320-330	0	1,820	1,820	1,820	1,820	1,820
	Settling Ponds - Materials, Supplies	7-2-28-7322-450	0	0	2,080	2,080	2,080	2,080
	Contingency		0	0	3,900	3,900	3,900	3,900
	Total Maintenance		0	1,820	7,800	7,800	7,800	7,800
Minor Capital								
	Contracts	7-2-28-7350-330	0	0	0	0	0	0
	Parts / Materials	7-2-28-7350-450	0	0	0	0	0	0
	Contingency allowances		0	0	6,500	13,000	13,000	13,000
	Raw Water Pump Station		0	0	0	5,200	0	0
	Water Treatment Plant		0	6,500	0	0	7,800	0
	ASR		0	0	0	0	0	0
	Total Minor Capital		0	6,500	6,500	18,200	20,800	13,000
Total Expenses			138,502	241,358	224,848	240,526	245,206	240,578

		2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Capital - Program Summary		26%	26%	26%	26%	26%	26%
Equipment - Automatic Transfer Switch	7-6-28-9749-330		28,704	0	0	0	0
Equipment - Vehicle Purchase	7-6-28-9749-450		0	0	0	0	9,100
Small equipment Contingency			0	13,000	7,800	7,800	7,800
Total Equipment			28,704	13,000	7,800	7,800	16,900
Land Purchase & Improvements - Administration	7-6-28-9750-300	0	0	0	0	0	0
Land Purchase & Improvements - Contracts	7-6-28-9750-330	0	9100	0	0	0	0
Land Purchase & Improvements - Consulting	7-6-28-9750-331	0	0	0	0	0	0
Land Purchase & Improvements -Equip charge out	7-6-28-9750-800	0	0	0	0	0	0
Land Purchase & Improvements - Parts & Materials	7-6-28-9750-450	0	0	0	0	0	0
Total Property Acquisition		0	9,100	0	0	0	0
River Intake / Supply Mains - Administration	7-6-28-9751-300	0	0	0	0	0	0
River Intake / Supply Mains - Contracts/Engineering	7-6-28-9751-330/331	102,154	3,900	18,200	71,500	0	0
River Intake / Supply Mains - Legal	7-6-28-9751-332	0	0	0	0	0	0
River Intake / Supply Mains - Advertising	7-6-28-9751-410	0	0	0	0	0	0
River Intake / Supply Mains - Meetings	7-6-28-9751-423	0	0	0	0	0	0
River Intake / Supply Mains - Parts / Supplies	7-6-28-9751-450	0	0	0	0	0	0
River Intake / Supply Mains - Equip. Charge Out	7-6-28-9751-800	0	0	0	0	0	0
River Intake / Supply Mains - Equip. Lease / Rent	7-6-28-9751-340	0	0	0	0	0	0
Joint Transmission Main - Contracts/Engineering	7-6-28-9754-330/331	8,216	0	0	0	0	0
Joint Transmission Main - Administration	7-6-28-9754-300	0					
Joint Transmission Main - Parts / Supplies	7-6-28-9754-450	0					
Joint Transmission Main - Equip. Charge Out	7-6-28-9754-800	0					
COP Transmission Main - Contracts/Engineering	7-6-28-9755-330/331	0					
COP Transmission Main - Administration	7-6-28-9755-300	0					
COP Transmission Main - Parts / Supplies	7-6-28-9755-450	0					
Total River Intake / Supply Mains		110,370	3,900	18,200	71,500	0	0

		2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Water Treatment - Administration	7-6-28-9752-300	0	0	0	0	0	0
Water Treatment - Travel	7-6-28-9752-307						
Water Treatment - Contracts/Engineering	7-6-28-9752-330/331	1,871,922	16,172	0	0	0	0
Water Treatment - Equip. Lease / Rental	7-6-28-9752-340	0	0	0	0	0	0
Water Treatment - Rent & Lease	7-6-28-9752-345	0	0	0	0	0	0
Water Treatment - Insurance	7-6-28-9752-400	0	0	0	0	0	0
Water Treatment - Advertising	7-6-28-9752-410	0	0	0	0	0	0
Water Treatment - Meeting Costs	7-6-28-9752-423	0	0	0	0	0	0
Water Treatment - Parts and Materials	7-6-28-9752-450	0	0	0	0	0	0
Water Treatment - Small Tools, Equip, Furniture	7-6-28-9752-451	7,800	13,000	0	0	0	0
Water Treatment - Courier	7-6-28-9752-452	0	0	0	0	0	0
Water Treatment - Equip Res Charge	7-6-28-9752-800	0	0	0	0	0	0
Water Treatment - Vehicle Purchase		0	0	0	0	0	0
Water Treatment - Gas & Oil	7-6-28-9752-460	0	0	0	0	0	0
Water Treatment - Hydro	7-6-28-9752-461						
Total Water Treatment		1,879,722	29,172	0	0	0	0

		2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
Capital - Program Summary							
Aquifer Storage and Recovery - Administration	7-6-28-9753-300	0	0	0	0	0	0
Aquifer Storage and Recovery - Contracts	7-6-28-9753-330	0	0	0	0	0	0
Aquifer Storage and Recovery - Engineering	7-6-28-9753-331	0	0	13,000	0	0	0
Aquifer Storage and Recovery - Equip Rental	7-6-28-9753-340	0	0	0	0	0	0
Aquifer Storage and Recovery - Meeting Costs	7-6-28-9753-423	0	0	0	0	0	0
Aquifer Storage and Recovery - Advertising	7-6-28-9753-410	0	0	0	0	0	0
Aquifer Storage and Recovery - Parts / Materials	7-6-28-9753-450	0	0	0	0	0	0
Aquifer Storage and Recovery - Small Tools	7-6-28-9753-451	0	0	0	0	0	0
Aquifer Storage and Recovery - Courier	7-6-28-9753-452	0	0	0	0	0	0
Aquifer Storage and Recovery - Hydro	7-6-28-9753-461	0	0	0	0	0	0
Aquifer Storage and Recovery - Equip Res Charge Out	7-6-28-9753-800	0	0	0	0	0	0
Total Aquifer Storage and Recovery		0	0	13,000	0	0	0
Settling Ponds - Salaries and Wages	7-6-28-xxxx-300		0	0	0	0	0
Settling Ponds - Benefits	7-6-28-xxxx-330		0	0	0	0	0
Settling Ponds - Consulting/Contract	7-6-28-xxxx-331	7,800	104,000	0	0	0	0
Settling Ponds - Legal	7-6-28-xxxx-423		0	0	0	0	0
Settling Ponds - Advertising	7-6-28-xxxx-410		0	0	0	0	0
Settling Ponds - Meetings	7-6-28-xxxx-450		0	0	0	0	0
Settling Ponds - Parts,Materials and Supplies	7-6-28-xxxx-451		0	0	0	0	0
Settling Ponds - Courier & Delivery	7-6-28-xxxx-452		0	0	0	0	0
Settling Ponds - Equipment Reserve	7-6-28-xxxx-461		0	0	0	0	0
Total Settling Ponds		7,800	104,000	0	0	0	0
Total Capital		1,997,892	174,876	44,200	79,300	7,800	16,900
TOTAL EXPENDITURES		2,136,394	416,234	269,048	319,826	253,006	257,478

ERWS
 2020-2024 Amended Financial Plan
 Changes from 2020-2024 Provisional Financial Plan

Schedule B

	2020	2021	2022	2023	2024	
Funding - Increases						
Parksville Requisition (74%)	98,400	254,400	391,900	200,000	204,900	
RDN Requisition (26%)	34,500	89,300	137,600	70,200	72,000	
	\$ 132,900	\$ 343,700	\$ 529,500	\$ 270,200	\$ 276,900	
Carryforward Expenditures						
- <u>Minor capital projects</u>						
Streetlights required by WTP Development Permit	25,000					Budgeted in 2019
- <u>Capital projects</u>						
Automatic Transfer Switch	110,400					Budgeted in 2019
Handrail at River Intake Station	15,000					
Total Carryforward Expenditures changes	\$ 150,400	\$ -	\$ -	\$ -	\$ -	
Operating Budget Changes - Incr / (Decr)						
Administraton Expenditures						
Insurance	\$ 18,100	\$ 18,700	\$ 19,700	\$ 20,500	\$ 20,800	Actual was much higher than anticipated
Operations Expenditures						
Salaries and wages - 1.5 to 2.0 FTEs	-	58,200	59,400	60,600	61,800	
Reallocate to chlorine monitor (capital)	(50,000)	-	-	-	-	Budget transfer
Settling ponds - waste disposal	14,000	36,000	36,000	36,000	36,000	Trucking and Dump fees
Settling ponds - Polymer	1,200	2,300	2,300	2,300	2,300	
Utilities	-	3,500	7,100	10,800	11,000	Inflationary increases
Maintenance Expenditures						
Generator	7,000	7,000	7,000	7,000	7,000	Annual maintenance/testing
Settling ponds - bag replacement	-	8,000	8,000	8,000	8,000	
Contingency		15,000	15,000	15,000	15,000	Actual maintenance still being determined
Minor Capital						
Contingency		25,000	50,000	50,000	50,000	
Membranes - Condition Assessment				30,000		
Intake - Sand separators Condition assessment			20,000			
Total Operating Budget Changes - Incr (decr)	\$ (9,700)	\$ 173,700	\$ 224,500	\$ 240,200	\$ 211,900	
Capital Budget Changes -Incr / (Decr)						
Expenditures						
Land Improvements - railway crossing	35,000					May be required by ICF
Small Equipment contingency		50,000	30,000	30,000	30,000	
River Intake		50,000	200,000			Screen cover for water diversion
River Intake		20,000	75,000			Pump shaft alignment/seal adjustment
WTP -programming/integration	37,200					Completion of project
WTP -contingency	25,000					Contingency for undefined start up costs
WTP -chlorine monitor	50,000					New safety item
Settling ponds	(70,000)					Reduce budget to \$400,000
Vehicle	(35,000)				35,000	Move vehicle out 4 years
ASR	(50,000)	50,000				Move out 1 year
Total Capital Budget Changes	\$ (7,800)	\$ 170,000	\$ 305,000	\$ 30,000	\$ 65,000	
Total Increase in Expenditures	\$ 132,900	\$ 343,700	\$ 529,500	\$ 270,200	\$ 276,900	

ENGLISHMAN RIVER WATER SERVICE JOINT VENTURE
AUDITED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

ENGLISHMAN RIVER WATER SERVICE JOINT VENTURE

AUDITED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

Independent Auditors' Report

Statement of Financial Position

Statement of Operations and Joint Venturers' Accumulated Surplus

Notes to Financial Statements



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INDEPENDENT AUDITORS' REPORT

To the Management Board of Englishman River Water Service Joint Venture

Opinion

We have audited the financial statements of Englishman River Water Service Joint Venture (the Entity), which comprise:

- the statement of financial position as at December 31, 2019
- the statement of operations and joint venturers' accumulated surplus for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements as at and for the year ended December 31, 2019 of the Entity are prepared, in all material respects, in accordance with the financial reporting framework described in Note 1 in the financial statements.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Financial Reporting Framework

We draw attention to Note 1 in the financial statements, which describes the applicable financial reporting framework.

The financial statements are prepared to comply with the reporting provisions of the joint venture agreement dated July 1, 2016 between Regional District of Nanaimo and City of Parksville.

As a result, the financial statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the financial reporting framework described in Note 1 in the financial statements; this includes determining that the applicable financial reporting framework is an acceptable basis for the preparation of the financial statements in the circumstances, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

DATE
Victoria, Canada

DRAFT

ENGLISHMAN RIVER WATER SERVICE JOINT VENTURE

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

	<u>2019</u>	<u>2018</u>
FINANCIAL ASSETS		
Grants Receivable (note 3)	\$ 609,434	\$ 3,127,772
FINANCIAL LIABILITIES		
Due to Joint Venturers (note 4)	<u>609,434</u>	<u>3,127,772</u>
NET FINANCIAL ASSETS	-	-
NON-FINANCIAL ASSETS		
Tangible Capital Assets (note 5)	<u>42,236,490</u>	<u>33,855,482</u>
JOINT VENTURERS' ACCUMULATED SURPLUS (note 6)	<u>\$ 42,236,490</u>	<u>\$ 33,855,482</u>

Approved:

ENGLISHMAN RIVER WATER SERVICE JOINT VENTURE

STATEMENT OF OPERATIONS AND JOINT VENTURERS' ACCUMULATED SURPLUS

YEAR ENDED DECEMBER 31, 2019

	City of Parksville	Regional District of Nanaimo	Town of Qualicum Beach	2019 Total	2018 Total
ACCUMULATED SURPLUS PRIOR TO REALLOCATION AT BEGINNING OF YEAR	<u>\$ 26,617,309</u>	<u>\$ 7,139,449</u>	<u>\$ 98,724</u>	<u>\$ 33,855,482</u>	<u>\$ 20,716,122</u>
Expenses					
Administration	60,173	21,142	-	81,315	16,708
Operations	<u>236,506</u>	<u>83,097</u>	<u>-</u>	<u>319,603</u>	<u>-</u>
	<u>296,679</u>	<u>104,239</u>	<u>-</u>	<u>400,918</u>	<u>16,708</u>
	26,320,630	7,035,210	98,724	33,454,564	20,699,414
Add: Capital grant (note 2)	268,550	9,328	-	277,878	4,492,229
Add: Joint venturers' contributions	<u>6,374,965</u>	<u>2,129,083</u>	<u>-</u>	<u>8,504,048</u>	<u>8,663,839</u>
	32,964,145	9,173,621	98,724	42,236,490	33,855,482
Accumulated surplus prior to reallocation at end of year					
Town of Qualicum Beach contribution reallocated (note 6)	<u>73,056</u>	<u>25,668</u>	<u>(98,724)</u>	<u>-</u>	<u>-</u>
ACCUMULATED SURPLUS AT END OF YEAR (note 6)	<u>\$ 33,037,201</u>	<u>\$ 9,199,289</u>	<u>\$ -</u>	<u>\$ 42,236,490</u>	<u>\$ 33,855,482</u>

ENGLISHMAN RIVER WATER SERVICE JOINT VENTURE

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

Englishman River Water Service is a joint venture of the City of Parksville and the Regional District of Nanaimo. The purpose of the joint venture is the design, construction, installation, operation, maintenance and replacement of bulk water supply and treatment facilities, which is to supply water within the boundaries of Parksville and the existing local water service areas in the Regional District of Nanaimo.

The joint venturers entered into an agreement on July 10, 2011. A new agreement was signed by the venturers on July 1, 2016.

The costs of tangible capital assets, administrative expenses and maintenance expenses of the bulk water system are generally apportioned as follows:

City of Parksville	74.0%
Regional District of Nanaimo	26.0%

The Springwood transmission line was 100% funded and apportioned, to the City of Parksville. Certain capital planning costs in the early stages of project development were split equally between the partners (note 5).

Operational costs are shared between the City of Parksville and the Regional District of Nanaimo based on their share of water used from the Englishman River.

1. BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Joint Venture Agreement between the Regional District of Nanaimo and the City of Parksville dated July 1, 2016.

Amounts payable by ERWS are presented on a net basis with the due to/from Joint Venturers. Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Amortization is not recorded on tangible capital assets of the Joint Venture as the Joint Venturers each record amortization on their share of the tangible capital assets in their own consolidated financial statements.

These financial statements are prepared to comply with the reporting provisions of the Joint Venture Agreement between the Regional District of Nanaimo and the City of Parksville dated July 1, 2016. As a result, the financial statements may not be suitable for another purpose.

ENGLISHMAN RIVER WATER SERVICE JOINT VENTURE

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

2. CAPITAL GRANTS

In March 2016 the Province of BC signed an agreement (Project # N20002) with the City of Parksville to provide grant funding for the Water Treatment Plant project from the New Building Canada Fund-Small Communities Fund grant program. The funding is for the design and construction of a new Water Intake, Water Treatment Plant and other related works for the Englishman River Water Service. The grant is not to exceed the lesser of \$6,000,000 and two thirds of the eligible costs incurred between June 9, 2015 and March 31, 2020. This grant is allocated to the Venturers' based on their ownership share of the project.

In March 2017 the Province of BC signed an agreement (Project # C40145) with the City of Parksville to provide grant funding for the Drinking Water Supply Transmission Mains and Secondary Membrane Water Treatment from the Clean Water and Wastewater Fund grant program. The funding is for the design and construction of new water transmission mains, backwash water treatment, sand separators and other related works for the Englishman River Water Service. The grant is not to exceed the lesser of \$6,063,128 and 83% of the eligible costs incurred between April 1, 2016 and March 31, 2020. The majority of this grant relates to works that are funded entirely by the City of Parksville.

	<u>City of Parksville</u>	<u>Regional District of Nanaimo</u>	<u>Total</u>
<u>2019 Grant Allocation</u>			
Grant Project # N20002	\$ -	\$ -	\$ -
Grant Project # C40145	268,550	9,328	277,878
	<u>\$ 268,550</u>	<u>\$ 9,328</u>	<u>\$ 277,878</u>
<u>2018 Grant Allocation</u>			
Grant Project # N20002	\$ 931,363	\$ 327,235	\$ 1,258,598
Grant Project # C40145	2,878,803	354,828	3,233,631
	<u>\$ 3,810,166</u>	<u>\$ 682,063</u>	<u>\$ 4,492,229</u>

ENGLISHMAN RIVER WATER SERVICE JOINT VENTURE

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

3. GRANTS RECEIVABLE

	<u>2019</u>	<u>2018</u>
Grant Project # N20002	\$ -	\$ 1,617,220
Grant Project # C40145	609,434	1,510,552
	<u>\$ 609,434</u>	<u>\$ 3,127,772</u>

4. DUE TO JOINT VENTURERS

	<u>2019</u>	<u>2018</u>
Due to City of Parksville	\$ 602,123	\$ 3,094,607
Due to (from) Regional District of Nanaimo	7,311	33,165
	<u>\$ 609,434</u>	<u>\$ 3,127,772</u>

5. TANGIBLE CAPITAL ASSETS

	<u>Cost</u>	
	<u>2019</u>	<u>2018</u>
Machinery & equipment	\$ 12,485	\$ -
Infrastructure:		
River intake plant & equipment	9,483,750	-
Water treatment plant & equipment	24,321,141	-
Joint transmission line	1,122,771	-
Springwood transmission line	6,962,798	-
Work in progress:		
Machinery & equipment	10,018	-
Infrastructure	-	33,531,955
Aquifer storage and recovery	323,527	323,527
	<u>\$ 42,236,490</u>	<u>\$ 33,855,482</u>

During 2008 to 2010 capital planning was in progress for the River intake and Water treatment plant. The cost sharing arrangement between the Joint Venture partners was an equal share of the costs for the capital planning, so a portion of the initial capital costs totalling \$118,000 are not apportioned between the partners at the current 74%, 26% split. The Springwood transmission line was also constructed as part of the entire project but it was 100% funded and is 100% owned, by the City of Parksville.

ENGLISHMAN RIVER WATER SERVICE JOINT VENTURE

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

6. ACCUMULATED SURPLUS

Accumulated surplus is comprised of equity in tangible capital assets.

	<u>2019</u>	<u>2018</u>
City of Parksville	\$ 33,037,201	\$ 26,690,365
Regional District of Nanaimo	<u>9,199,289</u>	<u>7,165,117</u>
	<u>\$ 42,236,490</u>	<u>\$ 33,855,482</u>

The Town of Qualicum Beach made a contribution of \$98,724 to the planning costs of the water intake and treatment facility. Subsequent to their contribution, the Town of Qualicum Beach chose to discontinue their participation in the water intake and treatment facility. The costs associated with the planning of the water intake and treatment facility were transferred to the Englishman River Water Services Joint Venture. As the Town of Qualicum Beach is not an equity participant in the Englishman River Water Service Joint Venture, the contribution by the Town of Qualicum Beach has been allocated to the City of Parksville and Regional District of Nanaimo based on their participating interests. The City of Parksville and Regional District of Nanaimo have agreed that the contribution may be applied against the cost of buying-in to the joint venture should the Town of Qualicum Beach choose to participate in the venture in the future.