

**2026-2030**  
**Financial Planning**  
**Core Services**  
Water Supply

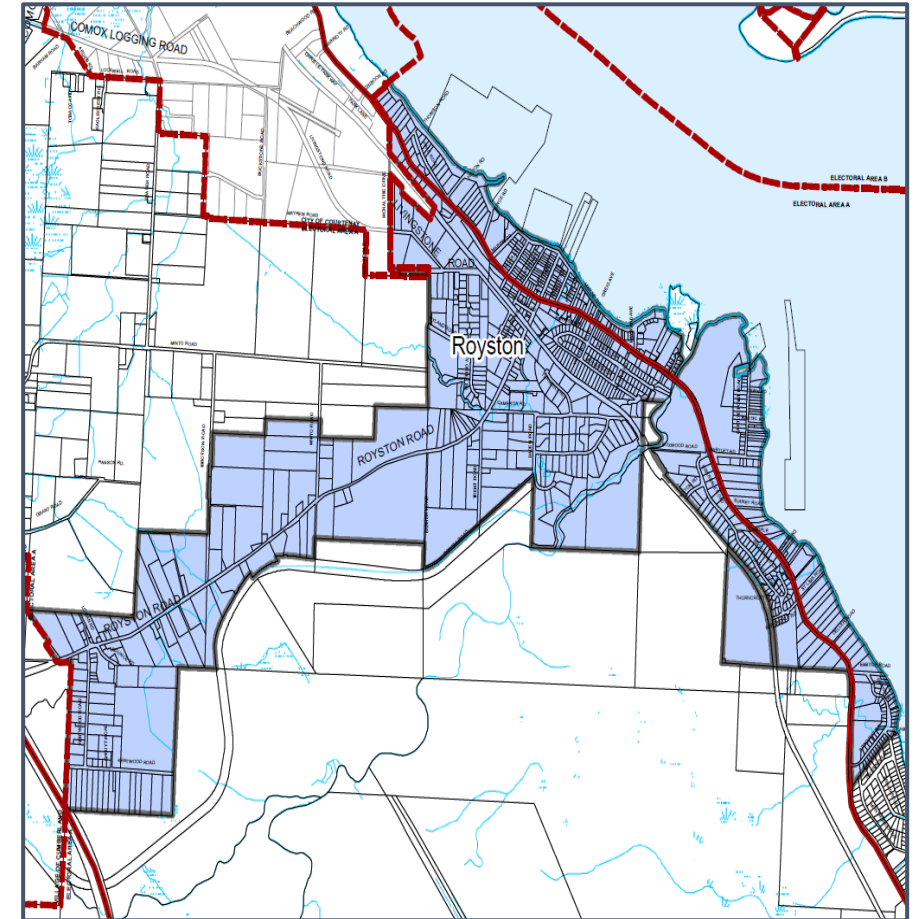
312 Royston Water Service





# Core Service Water Supply

Core Service	Water Supply
Service Name	Royston Water Local Service Area (WLSA)
Service Sub-functions	None
Purpose	For the supply of water to Royston from the Village of Cumberland
Participants	Defined portion of Electoral Area A (Royston)
2026 Proposed Changes to Service	None





# 2025 Accomplishments

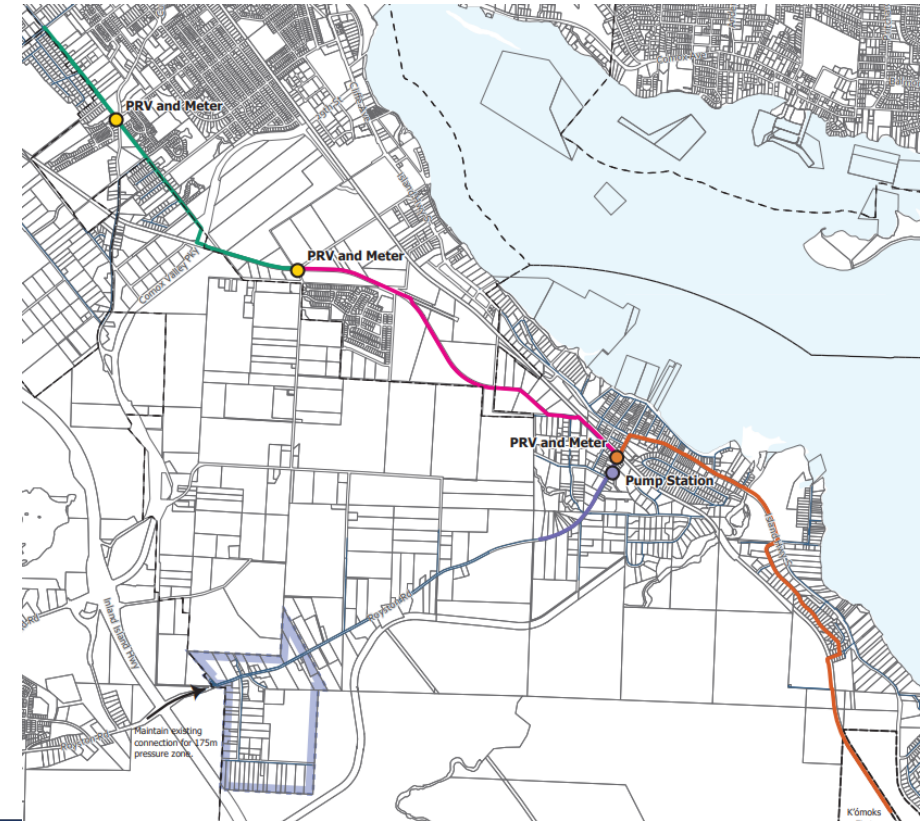
- Mounce Rd watermain and residential service line construction
- Annual residential water meter replacement program (year 5/6)
- Preventative maintenance on all fire hydrants, air valves, line valves and kiosks/chambers





# 2026 Work Plan

- Remaining two PRV chambers and valves to upgrade
- Royston Reservoir meter outlet chamber replacement
- Annual residential water meter replacement program (17 remaining that are significant excavations and archeological permitting required)
- Kentwood pump zone engineering
- Advance WSEP & conversion to regional water





# Trends, Challenges & Opportunities

- Long lead times on supplies is now the norm and utilities are adjusting
- Continued escalation of cost of goods and services
- Increasing traffic, archeological, and safety requirements stretching resources
- Skilled and innovative team that is constantly striving to develop things internally



## 2025 Innovation Example

- Purchased a compressor at beginning of year which can be used for multiple tasks
- Small crews operating in large geographical area
- Ministry road requirements (3 attempts before open cut)
- With input from workers, we retrofitted the compressor internally and built a very versatile unit that saves time and money.



# Strategic Priorities & Initiatives

Type	Initiative	Comment
Board	Complete Water South Extension	Tripartite agreement under development with partner review and approvals expected in spring 2025



# Human Resource

	2026	2027
Opening FTE Balance	2.26	2.28
Addition Request		
Full time	0.02	
Part Time		
Temporary /Casual		
Adjustments		
Total Change	0.02	0.00
Ending FTE Balance	2.28	2.28

- 2026 AM Branch Specialist 0.02 FTE



# Expenses

## Year over Year Change

Category	2025 Approved Budget	2026 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Support Services	\$59,959	\$71,767	\$11,808	19.7%
Personnel Costs	298,656	320,046	21,390	7.2%
Materials, Supplies & Utilities	449,787	504,490	54,703	12.2%
Contract & General Services	178,504	161,567	(16,937)	(9.5%)
Debt Charges	34,000	28,800	(5,200)	(15.3%)
Transfer to Reserves	62,312	-	(62,312)	(100%)
Transfer to Other Services	12,604	76,099	63,495	503.8%
Minor Capital	10,932	5,253	(5,679)	(51.9%)
<b>Total Expenses</b>	<b>\$1,106,754</b>	<b>\$1,168,022</b>	<b>\$61,268</b>	<b>5.5%</b>

## Key Notes

- Bulk water purchases [+50.6K], Signage [+3.3K]
- Condition assessments of linear infrastructure [-15.0K]
- Transfer to service 303 for distribution costs [+63.3K]



# Revenue

## Year over Year Change

## Key Notes

- Consistent with rate increase approved through the 2023 comprehensive rate review.

Category	2025 Approved Budget	2026 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Parcel Tax	\$259,700	\$297,920	\$38,220	14.7%
Sale of Services	759,308	811,409	52,101	6.9%
Transfers from Reserve	30,434	24,693	(5,741)	(18.9%)
Prior Year Surplus	57,312	34,000	(23,312)	(40.7%)
<b>Total Revenue</b>	<b>\$1,106,754</b>	<b>\$1,168,022</b>	<b>\$61,268</b>	<b>5.5%</b>



# Funding Sources

Rate Component	2025	2026	2027	2028	2029	2030
<b>User Rates</b>						
% Increase	7%	7%	7%	7%	7%	3.5%
Cost for Avg User (248m <sup>3</sup> /yr)	\$692	\$740	\$792	\$848	\$907	\$939
<b>Parcel Tax</b>						
% Increase	15%	15%	15%	15%	15%	15%
Cost per Parcel	\$265	\$304	\$350	\$402	\$463	\$532
10-year CICC Parcel Tax	-	-	\$439	\$439	\$439	\$439
<b>Total Annual Cost of Water for Average User</b>	<b>\$957</b>	<b>\$1,045</b>	<b>\$1,581</b>	<b>\$1,689</b>	<b>\$1,809</b>	<b>\$1,910</b>



# Operating Budget: 2027-2030 Projections

Category	2027	2028	2029	2030
Parcel Tax	\$773,531	\$824,491	\$884,271	\$951,891
Sale of Services	867,158	926,809	990,636	996,918
Transfer from Reserve	133,188	9,379	7,575	13,470
<b>Total Revenue</b>	<b>\$1,773,877</b>	<b>\$1,760,679</b>	<b>\$1,882,482</b>	<b>\$1,962,279</b>
Support Services	\$75,167	\$76,144	\$78,716	\$81,317
Personnel Costs	332,451	344,272	356,554	369,315
Materials, Supplies, Utilities	516,034	532,008	504,143	514,762
Contract & General Service	174,975	143,467	147,047	150,717
Debt Charges	167,040	161,280	284,129	341,724
Transfer to Reserve	1,020	1,040	8,498	-
Transfer to Other Services	501,806	496,949	497,738	498,646
Minor Capital	5,384	5,519	5,657	5,798
<b>Total Expenses</b>	<b>\$1,773,877</b>	<b>\$1,760,679</b>	<b>\$1,882,482</b>	<b>\$1,962,279</b>

# 312 Royston Water

## 2026-2035 Capital Planning





# Asset Management Update

- Engage AM specialist
- Progress asset inventory/replacement schedule
- Support corporate AM program development
- Development of condition assessment program
- Develop risk/criticality model
- Complete implementation of CMMS





# Asset Management Advancement

<b>Operating</b>	<b>2026 (Y2)</b>	<b>2027 (Y3)</b>	<b>2028 (Y4)</b>	<b>2029 (Y5)</b>	<b>Total</b>
Human Resource	\$1,445	\$2,576	\$2,576	\$2,576	\$9,173
Consultants	25,000	25,000	-	-	50,000
Shared Benefit	1,720	2,995	1,008	376	6,099
<b>Total Operating Cost</b>	<b>\$28,165</b>	<b>\$30,571</b>	<b>\$3,584</b>	<b>\$2,952</b>	<b>\$65,272</b>



# 2026-2030 Capital Plan

	2026	2027	2028	2029	2030
Herondale Reservoir	\$40,000	-	-	-	-
Kentwood Pump Zone	-	\$400,000	-	-	-
Watermain Replacements	-	-	-	\$1,594,060	\$769,901
<b>Total</b>	<b>\$40,000</b>	<b>\$400,000</b>	-	<b>\$1,594,060</b>	<b>\$769,901</b>

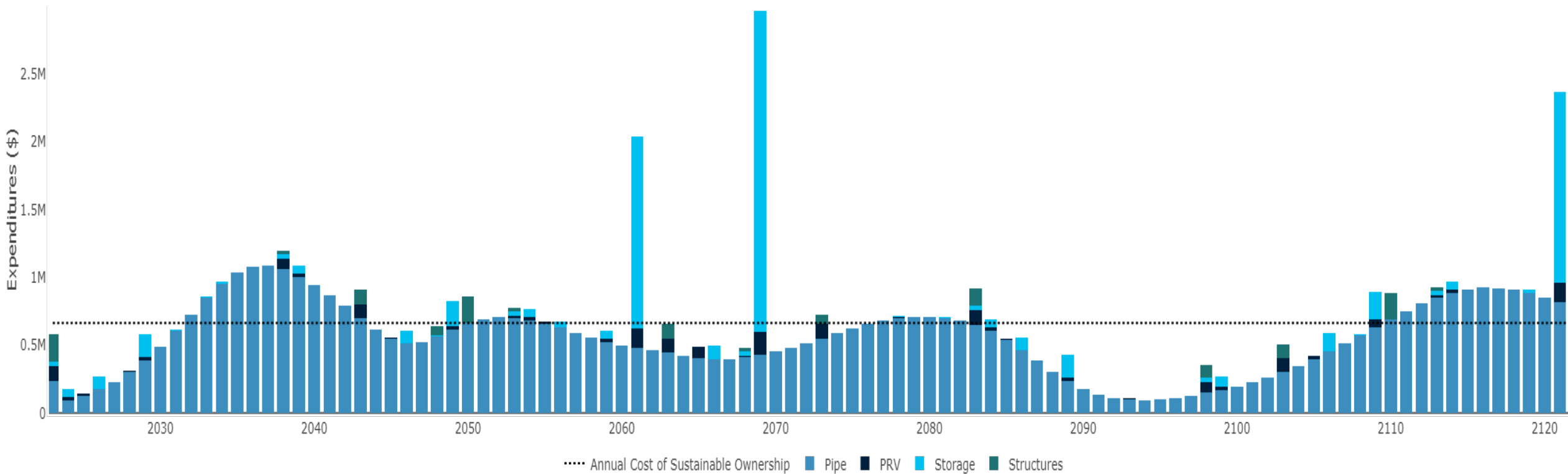


# 2031-2035 Long-Term Capital Plan

	2031	2032	2033	2034	2035
Watermain Replacements	\$1,112,224	\$1,243,449	\$1,575,070	\$1,333,017	\$1,477,088
<b>Total</b>	<b>\$1,112,224</b>	<b>\$1,243,449</b>	<b>\$1,575,070</b>	<b>\$1,333,017</b>	<b>\$1,477,088</b>



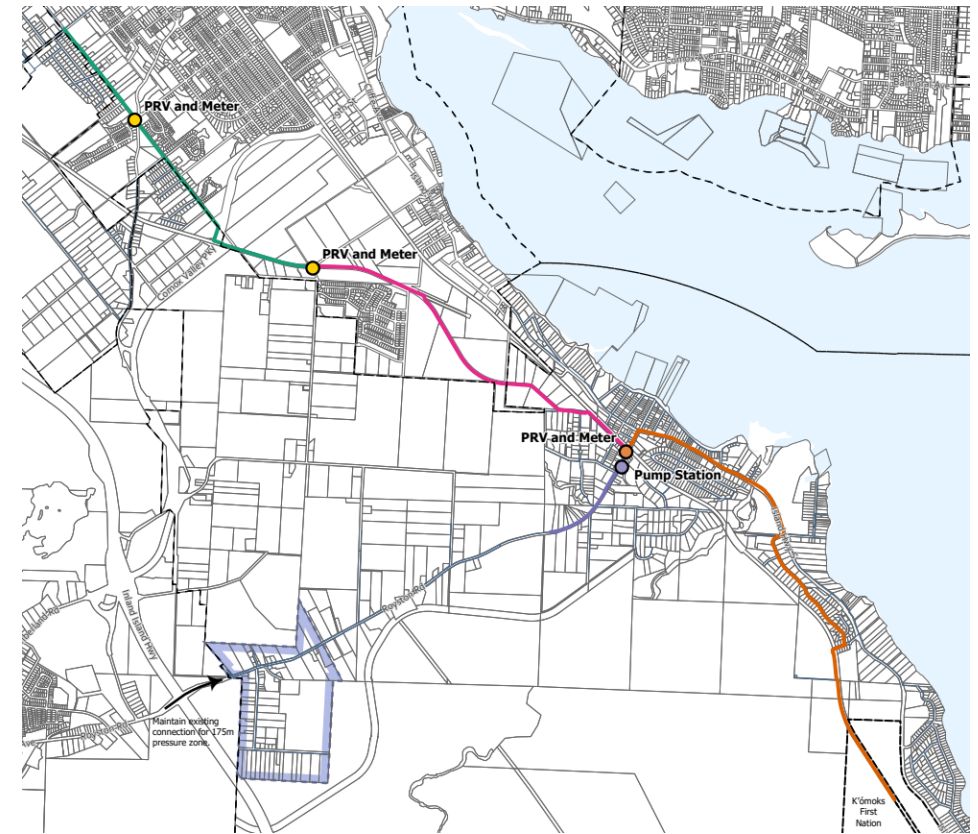
# Long Term Capital Plan





# Conversion to CV Regional Water Supply

- Royston WLSA proposed partner in Water South Extension Project (WSEP)
- Royston costs= \$2.5 M
  - Portion of water transmission main costs
  - Booster pump station
  - Watermain on Royston Road
- Funding
  - Community Works funding      \$835,000
  - Reserves                                      765,000
  - Borrowing                                      900,000
- \$3.3 M CICC repaid to CVWS over 10 years





# 2026-2030 Debt Servicing

	2026	2027	2028	2029	2030
Short Term Debt – Principal	-	\$144,000	\$144,000	\$144,000	\$144,000
Long Term Debt – Principal	-	-	-	72,530	107,560
Debt – Interest	\$28,800	23,040	17,280	67,599	90,164
<b>Total</b>	<b>\$28,800</b>	<b>\$167,040</b>	<b>\$161,280</b>	<b>\$284,129</b>	<b>\$341,724</b>
Operating Costs	1,168,022	1,773,877	1,760,679	1,882,482	1,962,279
<b>Debt as % of Operating Costs</b>	<b>2.5%</b>	<b>9.4%</b>	<b>9.2%</b>	<b>15.1%</b>	<b>17.4%</b>



# Reserves

## Projected Balances

Reserve	2025 Ending Balance
312 – Future Expenditure Reserve	\$389,547
839 – Capital Works Reserve	816,182
891 – Capital Cost Charge Reserve	77,470
<b>Total</b>	<b>\$1,283,199</b>



# Future Expenditure Reserve (312)

## Projected Balances

	2026	2027	2028	2029	2030
Opening Balance	\$389,547	\$364,854	\$232,686	\$224,347	\$217,833
Add: Contributions to Reserve	-	-	-	-	-
Less: Transfers from Reserve	24,693	132,168	8,339	6,514	13,470
<b>Ending Balance</b>	<b>\$364,854</b>	<b>\$232,686</b>	<b>\$224,347</b>	<b>\$217,833</b>	<b>\$204,363</b>



# Capital Works Reserve (839)

## Projected Balances

	2026	2027	2028	2029	2030
Opening Balance	\$816,182	\$776,182	\$376,182	\$376,182	\$383,619
Add: Contributions to Reserve	-	-	-	7,437	-
Less: Transfers from Reserve	40,000	400,000	-	-	-
<b>Ending Balance</b>	<b>\$776,182</b>	<b>\$376,182</b>	<b>\$376,182</b>	<b>\$383,619</b>	<b>\$383,619</b>








# Capital Cost Charge Reserve (891)

## Projected Balances

	2026	2027	2028	2029	2030
Opening Balance	\$77,470	\$77,470	\$77,470	\$77,470	\$77,470
Add: Contributions to Reserve	-	-	-	-	-
Less: Transfers from Reserve	-	-	-	-	-
<b>Ending Balance</b>	<b>\$77,470</b>	<b>\$77,470</b>	<b>\$77,470</b>	<b>\$77,470</b>	<b>\$77,470</b>



# Summary

<b>Fiscal Responsibility</b> 	<b>Climate Crisis &amp; Environmental Stewardship &amp; Protection</b> 	<b>Community Partnerships</b> 	<b>Indigenous Relations</b> 	<b>Accessibility, Diversity, Equity &amp; Inclusion</b> 
<p>Asset Management</p> <p>Fair &amp; sustainable water rates established for 2024 through rate review</p>	<p>Fully metered system</p> <p>Conservation user rate structure</p> <p>Reliable &amp; resilient infrastructure</p>	<p>Management of service by EASC</p> <p>Partnering on WSEP</p>	<p>Close communication with K'ómoks First Nation on relevant initiatives</p>	<p>Equitable access to water</p> <p>Consider applications from property owners for water system extension</p>



# Options & Recommendations

That the proposed 2026-2030 financial plan for the Service 312 Royston Water Service be approved.





Questions?