Town of Oliver
CANADA'S WINE CAPITAL

Proposed Utility Plan and Impact on Utility Rates

Oct 30, 2024

Agenda

- Review of 2024 Projects
- 2024 Budget Amendments
- 2025 Budget Principles
- Comparison of 2025 Project Plans Between Years – What Changed, What didn't
- 2025-2029 Water and Sewer Budgets
- Rate & Reserve Assumptions
- Water & Sewer Operating Budgets
- Looking into the Future (2030-2034)
- Rate Comparisons
- Timeline going forward

2024 Projects Carrying into 2025

- Water Projects
  - #127 - IRRIGATION CANAL INTAKE SCREENS - $100,000
  - #130 NEW SCADA & PLC's FOR ENTIRE SYSTEM - $50,000
  - #135 BLACKSAGE WINTER SOMESTIC 6" CHLOR - $100,000 (1)
  - #50 BLACK SAGE ELECTRICAL UPGRADES - $250,000
  - #111 - ROCKCLIFFE DOM PUMP STATION - $70,000 (2)
- Sewer Projects
  - #67-ROTARY BEACH DISCHARGE CONNECTION - $40,000

(1) Project changing to Blacksage Fortis Electric Upgrade and New PLC
(2) Budget needs to increase due to well rehab and hydrologist cost

Budget Amendments Requiring Council Motions

- 1) #135 BLACKSAGE WINTER SOMESTIC 6" CHLOR – Budget $100,000
  - Council amends 2024 Water Capital Budget to reallocate $100,000 to Blacksage Fortis Electrical Upgrade and New PLC.
- 2) #111 - ROCKCLIFFE DOM PUMP STATION – Budget $400,000
  - Council amends 2024 Water Capital Budget to increase #111- Rockcliffe Domestic Pump Station project by $70,000 to $470,000 to incorporate well rehab and hydrologist costs with funding from water capital reserve.

BUDGET PRINCIPLES

1. The cost of the water and sewer services should be borne by the users of the service and not subsidized by general property taxes
2. As much as possible domestic water users should not subsidize the operations of non-domestic users
3. Rates should be set at a level to ensure adequate reserves for unanticipated expenses and grant cost-share opportunities
4. Rates should be comparative to local communities and similarly sized municipalities.
5. Maintenance of service continuity and public safety should underlie proposed capital and operating expenditures in water and sewer services.
6. Year 1 (2025) of Five-Year Plan Funded by Reserves Only.

Year to Year Comparison of Capital Plans
2025 Water Budgets

2025 Plan Approved in 2024-2028 FP

FUND	Water		
FUNDING	(All)		
Sum of 24-28		**Column Labels**	
Row Labels	**PROJECT NAME**	**2025**	**Grand Total**
51	Booster station SCADA (6A)	125	125
58	Water Meter Replacements	40	40
98	Similkameen Avenue	566	566
99	Main Street	876	876
105	Pacific Silica River Crossing Design	50	50
110	Proposed Domestic Pump Station design	100	100
	Proposed Domestic Pump Station Testing and Report	150	150
119	New Main Line Isalation 18" Valve Kobau Rd 18	25	25
122	New 12" Isolation Valve at Park Rill System #1	30	30
123	Fairview Irrigation New Flow Meter	30	30
130	New Scada & PLC's for entire system	100	100
Grand Total		**2,092**	**2,092**

Proposed 2025 Capital Expenditures

FUND	Water		
Sum of 25-34		**Column I**	
Row Labels	**PROJECT NAME**	**2025**	**Grand Total**
58	**Water Meter Replacements**	300	300
123	**Fairview Irrigation New Flow Meter**	30	30
130	**New Scada & PLC's for entire system**	125	125
141	**Gate Valve Replacements each year**	20	20
143	**Ionizer Redesign and Revamp**	50	50
145	**Rd. 2 Intake Screen Canal**	115	115
146	**Bridge Pipe Hanger Inspections**	8	8
149	**Hester New Flow Meter**	25	25
161	**Siphon Control Gate**	50	50
172	**Garp Pumphouse Fixes ie: storm drains, drywells, etc.**	50	50
173	**Mud Lake New Pump**	50	50
Grand Total		**823**	**823**

What Changed and Why with Water?

- Overall Budget decreased from $2,092K to $823K. Planning assumption that only water reserves are available in 2025.
- Water meter replacement budget increased by $260K.
- Similkameen and Main Street moved to future years and dependant on grants
- Proposed Domestic Pump Station – testing & design moved to future years
- New Scada – Budget increased due to revised costing in consultant's report
- New projects added for 2025:

143	**Ionizer Redesign and Revamp**	50
145	**Rd. 2 Intake Screen Canal**	115
146	**Bridge Pipe Hanger Inspections**	8
149	**Hester New Flow Meter**	25
161	**Siphon Control Gate**	50
172	**Garp Pumphouse Fixes ie: storm drains, drywells, etc.**	50
173	**Mud Lake New Pump**	50

Year to Year Comparison of Capital Plans
2025 Sewer Budgets

2025 Plan from Apprv'd in 2024-2028 FP

Year	2025
FUND	Sewer

Row Labels	PROJECT NAME	Total
98	Similkameen Avenue	426.0
99	Main Street	397.0
114	Sanitary Main Hillside to Veterans	60.0
115	Sanitary Main Fir to Lift station	15.0
116	Topping lake pumps/motors	235.0
130	New Scada & PLC's for entire system	20.0
Grand Total		**1,153.0**

Proposed 2025 Capital Expenditures

FUND	Sewer	
Sum of 25-34		**Column**
Row Labels	**PROJECT NAME**	**2025**
130	**New Scada & PLC's for entire system**	100
147	**Bridge Pipe Hanger Inspections**	18
148	**Topping Lake Chlorination Station Elect. Service, MCC's, Pumps and motors Upgrades**	695
150	**Highlift HVAC**	30
153	**Upgrading Drumscreen Wash Lines**	30
Grand Total		**873**

What Changed and Why with Sewer?

- Overall Budget decreased $280K to $873K. Now assuming only sewer reserves are available in 2025.
- Similkameen and Main Street moved to future years and dependant of grants
- New Scada – Budget increased due to revised costing in consultant's report
- Topping Lake – Project #71(from 2024) and Project #116 budgets added to revamped Topping Lake project #148.
- New projects added for 2025:

150	**Highlift HVAC**	30
153	**Upgrading Drumscreen Wash Lines**	30

2025 Water Capital Project Details

- All projects for 2025 have been designated priority one by staff, these are “Must Dos”
- The projects proposed for 2025 are those necessary to maintain service delivery
- Rationale for:
  - Increasing Water Meter Replacement budget
  - Adding Gate Valve Replacements each year
  - Adding Ionizer Redesign and Revamp
  - Adding Rd. 2 Intake Screen Canal
  - Adding Bridge Pipe Hanger Inspections
  - Adding Hester New Flow Meter
  - Siphon Control Gate
  - GARP Pumphouse Fixes
  - Mud Lake Pump Replacement

2025-2029 Capital Plan - Water

FUND	Water							
Sum of 25-34			Column Labels					
Row Labels	PROJECT NAME	Priority	2025	2026	2027	2028	2029	Grand Total
49	Fairview & Station Intersection Improvements Design	P3					15	15
51	Booster station SCADA (6A)	P1			150			150
58	Water Meter Replacements	P1	300	300	300	300	40	1240
63	Canal - Upgrade trash racks	P3					75	75
98	S3-Similkameen Avenue	P1		566				566
99	W8-Main Street Veterns to School	P1		950				950
100	W9-River Crossing Park Dr and Fairview Rd Design	P1					20	20
104	W6-Water reservoir feed line 2 Testing	P1			150			150
	W6-Water reservoir feed line 2	P1			950			950
105	Pacific Silica River Crossing Design	P2					50	50
110	Proposed Domestic Pump Station Testing and Report	P3					150	150
118	Mud Lake Irrigation VFD/Soft Starts electrical Upgrade/HVAC/Flow Meter/New MCC	P2					500	500
119	New Main Line Isalation 18" Valve Kobau Rd 18	P1		40				40
122	2- New 12" Isolation Valve at Park Rill System #1	P1		40				40
123	Fairview Irrigation New Flow Meter	P1	30					30
130	New Scada & PLC's for entire system	P1	125	125	125	125	125	625
134	Rockcliffe Irrigation Irrigation VFD/Soft Starts electrical Upgrade/HVAC/Flow Meter/New MCC	P1		500				500
136	Station St. - Fairview to Co-op and Sawmill Design	P2				30		30
	Station St. - Fairview to Co-op and Sawmill	P2					400	400
137	Okanagan St - Co-op to Haven Design	P3					35	35
141	Gate Valve Replacements each year	P1	20	20	20	20	20	100
142	New Scada Computers	P3					20	20
143	Ionizer Redesign and Revamp	P1	50					50
145	Rd. 2 Intake Screen Canal	P1	115					115
146	Bridge Pipe Hanger Inspections	P1	8					8
149	Hester New Flow Meter	P1	25					25
160	Diversion Control Gates and Motors	P1				500		500
	Diversion Control Gates and Motors Design/Investigation	P1		50				50
161	Siphon Control Gate	P1	50					50
162	Black Sage 2B River Intake Gate	P1			350			350
172	Garp Pumphouse Fixes ie: storm drains, drywells, etc.	P1	50					50
173	Mud Lake New Pump	P1	50					50
174	Well Decommisioning Tucelnuit	P1			100			100
175	Well Decommisioning CPR	P1			100			100
176	Well Decommisioning Blacksage	P1				35		35
Grand Total			823	2591	2245	1010	1450	8119

Irrigation Projects (2025-2029)

Irrigation Projects	2025	2026	2027	2028	2029	Total
Canal - Upgrade trash racks	-	-	-	-	75,000	75,000
Mud Lake Irrigation VFD/Soft Starts electrical Upgrade/HVAC/Flow Meter/New MCC	-	-	-	-	500,000	500,000
New Main Line Isalation 18" Valve Kobau Rd 18		40,000				40,000
Fairview Irrigation New Flow Meter	30,000					30,000
Rockcliffe Irrigation Irrigation VFD/Soft Starts electrical Upgrade/HVAC/Flow Meter/New MCC		500,000				500,000
New Scada & PLC's for entire system	62,500	62,500	62,500	62,500	62,500	312,500
New Scada Computers					10,000	10,000
Ionizer Redesign and Revamp	50,000					50,000
Rd. 2 Intake Screen Canal	115,000					115,000
Hester New Flow Meter	25,000					25,000
Diversion Control Gates and Motors				500,000		500,000
Diversion Control Gates and Motors Design/Investigation		50,000				50,000
Siphon Control Gate	50,000					50,000
Black Sage 2B River Intake Gate			350,000			350,000
Well Decommisioning Blacksage				35,000		35,000
Mud Lake New Pump	50,000	-	-	-	-	50,000
	382,500	652,500	412,500	597,500	647,500	2,692,500

2025 Sewer Capital Project Details

- All projects for 2025 have been designated priority one by staff, these are “Must Dos”
- The projects proposed for 2025 are those necessary to maintain service delivery
- Rationale for:
  - Delaying Similkameen and Main Street projects.
  - Increasing Scada project budget
  - Revamping Topping Lake project
  - Adding Highlift HVAC project
  - Upgrading Drumscreen Wash Lines

2025-2029 Capital Plan - Sewer

FUND	Sewer

Sum of 25-34			Column Labels					
Row Labels	PROJECT NAME	Priority	2025	2026	2027	2028	2029	Grand Total
49	Fairview & Station Intersection Improvements Design	P3					10	10
98	S3-Similkameen Avenue	P1		426				426
99	W8-Main Street Veterns to School	P1		435				435
100	S7-River Crossing Park Dr and Fairview Rd Design	P1					15	15
114	S2-Sanitary Main Hillside to Veterans	P1			350			350
	S2-Sanitary Main Hillside to Veterans Design	P1		40				40
115	S9-Sanitary Main Fir to Lift station	P2				300		300
	S9-Sanitary Main Fir to Lift station Design	P2			15			15
117	Future Design of Wastewater Treatment System upgrade	P3					125	125
125	Reclaim Waterline investigation/testing	P2			150			150
	Reclaim Waterline Design	P2			75			75
130	New Scada & PLC's for entire system	P1	100	100	100			300
136	Station St. - Fairview to Co-op and Sawmill Design	P2				30		30
	Station St. - Fairview to Co-op and Sawmill	P2					300	300
137	Okanagan St - Co-op to Haven Design	P3					35	35
142	New Scada Computers	P3					10	10
147	Bridge Pipe Hanger Inspections	P1	17.5					17.5
148	Topping Lake Chlorination Station Elect. Service, MCC's, Pumps and motors Upgrades	P1	695					695
150	Highlift HVAC	P1	30					30
151	Influent Lifstation Elec. Upgrades	P1		125				125
152	Scott Rd Lifstation Upgrades	P2				175		175
153	Upgrading Drumscreen Wash Lines	P1	30					30
154	Bing to Hillside SIPP/CIPP Sewer Main in Rear Yards Design	P1			35			35
	Bing to Hillside SIPP/CIPP Sewer Main in Rear Yards	P1				350		350
163	S1 - Fariview to Sawmill Rd. Sanitary Main Replacement Design	P1		40				40
	S1 - Fariview to Sawmill Rd. Sanitary Main Replacement	P1			900			900
Grand Total			872.5	1166	1625	855	495	5013.5

Rate & Reserve Projection Assumptions

- Assumptions for All Scenarios
  - 2% inflation in operating costs from 2026-2029
  - Interest rate on reserves 3%
  - All P&I on debt is charged to consolidated water fund, not irrigation operations
- Scenario One:
  - 0% utility rate increases in 2025, 5% each year for 2026-2029
- Scenario Two:
  - 11% increase in irrigation in 2025 only, 5% each year (2026-2029)
- Scenario Three:
  - 5% increase in domestic water, 0% in irrigation for 2025, 5% each year (2026-2029)
- Scenario Four:
  - 6% increase in domestic water, 6% in irrigation for 2025, 5% each year (2026-2029)
  - 0% increase in sewer for 2025, 5% each year (2026-2029)

SCENARIO ONE
RESERVE PROJECTIONS (0% Rate Increase for 2025, 5% all other years)

Scenario Increases Water

	2025	2026	2027	2028	2029
Scenario A - Base (Consumption)	0%	5%	5%	5%	5%
Scenario A - Base (Fixed)	0%	5%	5%	5%	5%
Scenario A - Base (Parcel Taxes)	0%	5%	5%	5%	5%
Transfers to Water Capital Reserve	539,350	693,628	1,076,612	1,334,122	1,507,084
Water Capital Reserve Balances	-129,427	-510,799	-379,187	-55,065	407,223
Water Capital Reserve Budgeted Spending	823,000	1,075,000	945,000	1,010,000	1,050,000

Consolidated water deficit needs to be addressed by higher rates or reduced capital/operating expenditures

Scenario Increases Water Irrigation

	2025	2026	2027	2028	2029
Scenario A - Base (Irrigation)	0%	5%	5%	5%	5%
Net Operating (Surplus) Deficit	-246,081	-290,026	-336,791	-386,532	-439,413
Water Canal Capital Budgeted Spending	382,500	652,500	412,500	597,500	647,500
Cumulative (Surplus) Deficit	136,419	498,893	574,602	785,570	993,657

Deficit in irrigation operations should be addressed by higher rates or reduced capital/operating expenditures

Scenario Increases Sewer

	2025	2026	2027	2028	2029
Scenario A - Base (Fixed & Usage)	0%	5%	5%	5%	5%
Scenario A - Base (Parcel Taxes)	0%	5%	5%	5%	5%
Transfers to Sewer Capital Reserve	597,737	670,196	739,566	813,198	891,298
Sewer Capital Reserve Balances	140,947	515,849	901,359	885,971	1,619,293
Sewer Capital Reserve Budgeted Spendng	873,000	305,000	375,000	855,000	195,000

SCENARIO TWO
RESERVE PROJECTIONS (11% Rate Increase for 2025 irrigation, 5% all other years for irrigation to cover its operating deficit)

Scenario Increases Water

	2025	2026	2027	2028	2029
Scenario A - Base (Consumption)	0%	5%	5%	5%	5%
Scenario A - Base (Fixed)	0%	5%	5%	5%	5%
Scenario A - Base (Parcel Taxes)	0%	5%	5%	5%	5%
Transfers to Water Capital Reserve	682,110	843,527	1,233,996	1,499,372	1,680,617
Water Capital Reserve Balances	15,475	-215,998	72,998	571,901	1,229,134
Water Capital Reserve Budgeted Spending	823,000	1,075,000	945,000	1,010,000	1,050,000

Small surplus in consolidated water now created

Scenario Increases Water Irrigation

	2025	2026	2027	2028	2029
Scenario A - Base (Irrigation)	11%	5%	5%	5%	5%
Net Operating (Surplus) Deficit	-388,841	-439,925	-494,175	-551,782	-612,946
Water Canal Capital Budgeted Spending	382,500	652,500	412,500	597,500	647,500
Cumulative (Surplus) Deficit	-6,341	206,234	124,559	170,277	204,831

Operating Deficit in irrigation eliminated by rate increase

SCENARIO THREE
RESERVE PROJECTIONS (5% Rate increase for consolidated water, 0% for irrigation in 2025)

Scenario Increases Water

	2025	2026	2027	2028	2029
Scenario A - Base (Consumption)	5%	5%	5%	5%	5%
Scenario A - Base (Fixed)	5%	5%	5%	5%	5%
Scenario A - Base (Parcel Taxes)	5%	5%	5%	5%	5%
Transfers to Water Capital Reserve	683,839	841,819	1,228,765	1,490,458	1,681,654
Water Capital Reserve Balances	17,229	-215,952	67,813	557,512	1,215,366
Water Capital Reserve Budgeted Spending	823,000	1,075,000	945,000	1,010,000	1,050,000

Small surplus remains in consolidated water

Scenario Increases Water Irrigation

	2025	2026	2027	2028	2029
Scenario A - Base (Irrigation)	0%	5%	5%	5%	5%
Net Operating (Surplus) Deficit	-246,213	-290,164	-336,936	-386,684	-439,573
Water Canal Capital Budgeted Spending	382,500	652,500	412,500	597,500	647,500
Cumulative (Surplus) Deficit	136,287	498,623	574,187	785,003	992,930

Deficit in irrigation operations now being covered by domestic water

The issue with this scenario is that P1 projects in 2026 cannot move forward due to lack of reserves

It would take a 6% across the board increase to put water reserve in the black by end of 2026

SCENARIO FOUR – RECOMMENDED APPROACH
RESERVE PROJECTIONS (6% Rate increase for water in 2025, 5% for each year (2026-2029)

Scenario Increases Water

	2025	2026	2027	2028	2029
Scenario A - Base (Consumption)	6%	5%	5%	5%	5%
Scenario A - Base (Fixed)	6%	5%	5%	5%	5%
Scenario A - Base (Parcel Taxes)	6%	5%	5%	5%	5%
Transfers to Water Capital Reserve	790,621	953,282	1,345,125	1,611,831	1,808,397
Water Capital Reserve Balances	125,613	5,838	412,140	1,035,363	1,836,197
Water Capital Reserve Budgeted Spending	823,000	1,075,000	945,000	1,010,000	1,050,000

Small 2026 surplus remains in consolidated water

Scenario Increases Water Irrigation

	2025	2026	2027	2028	2029
Scenario A - Base (Irrigation)	6%	5%	5%	5%	5%
Net Operating (Surplus) Deficit	-324,102	-371,930	-422,786	-476,828	-534,223
Water Canal Capital Budgeted Spending	382,500	652,500	412,500	597,500	647,500
Cumulative (Surplus) Deficit	58,398	338,968	328,682	449,354	562,631

Subsidy by domestic water reduced by $77,889

Scenario Increases Sewer

	2025	2026	2027	2028	2029
Scenario A - Base (Fixed & Usage)	0%	5%	5%	5%	5%
Scenario A - Base (Parcel Taxes)	0%	5%	5%	5%	5%
Transfers to Sewer Capital Reserve	597,737	670,196	739,566	813,198	891,298
Sewer Capital Reserve Balances	140,947	515,849	901,359	885,971	1,619,293
Sewer Capital Reserve Budgeted Spendng	873,000	305,000	375,000	855,000	195,000

Unfunded P1 Projects in 2026

Water Projects

98	S3-Similkameen Avenue	P1	Grant		566
99	W8-Main Street Veterns to School	P1	Grant		950

Sewer Project

98	S3-Similkameen Avenue	P1	Grant		426
99	W8-Main Street Veterns to School	P1	Grant		435

General Project

98	S3-Similkameen Avenue	P1		650
99	W8-Main Street Veterns to School	P1		1173

These two P1 projects need a non-reserve funding source (Debt/Grant/Equity) to move forward.

#98 & #99 had design work completed in 2024 so are “shovel-ready” should grants become available

There is enough dollars in sewer reserve but not enough in water or general reserve to do either project under any scenario

Although both projects are P1, the first priority would be #99 -Main Street

Options Available for Council to Consider in Order to Move forward with #99 Main Street project in 2026

- Increase water rates and borrow funds
  - It would require a 15% increase in 2025, followed by 10% in 2026 to fund #99 Main Street (Veterans to School) water portion of project
  - Does not address the general fund component of $1.173M which could be covered by Growing Community Fund projected balance of $1.6M or borrowing
  - OR
- Only borrow funds for water & general portions of project and leave rate increases at 6% per annum or
  - Externally through MFA – 4.01% current rate
  - Internally from unrestricted surplus - $4.9M – rate set internally
- Delay project unless grant becomes available

Water Operations

SUMMARY	2025 Budget	2024 Budget	Variance	%	2023 Actual	% 25 to 23	2022 Actual	2021 Actual	2020 Actual
Total User Fees and Sale of Services	(3,579,694)	(3,397,131)	(182,563)	5.4%	(2,913,005)	22.9%	(2,765,948)	(2,655,165)	(2,295,091)
Total Other Revenue from Own Sources	(132,445)	(136,071)	3,626	-2.7%	(129,040)	2.6%	(140,059)	(555,598)	(28,846)
Total Parcel Taxes	(791,385)	(613,524)	(177,861)	29.0%	(530,440)	49.2%	(503,497)	(481,037)	(461,486)
Total OPERATING REVENUES	**(4,503,524)**	**(4,146,726)**	**(356,798)**	8.6%	**(3,579,985)**	25.8%	**(3,434,810)**	**(3,691,800)**	**(2,835,423)**
Total Administration	1,044,654	1,107,180	(62,526)	-5.6%	981,075	6.5%	783,255	637,440	697,694
Total Other Water Supply	111,786	123,622	(11,836)	-9.6%	91,910	21.6%	88,534	84,621	80,755
Total Purification & Treatment	164,009	165,790	(1,781)	-1.1%	102,348	60.2%	82,434	59,776	67,629
Total Service of Supply	41,137	48,774	(7,637)	-15.7%	14,154	190.6%	11,616	15,301	53,114
Total Transmission & Distribution	832,263	694,382	137,881	19.9%	821,933	1.3%	576,384	628,383	601,513
Total Pumping Power	346,590	388,612	(42,022)	-10.8%	317,862	9.0%	321,722	340,363	310,674
Total Pump Maintenance	180,698	179,129	1,569	0.9%	128,959	40.1%	123,805	129,611	185,105
Total Customer Billing & Collections	34,217	32,735	1,482	4.5%	20,309	68.5%	83,699	202,624	68,305
Total Principal Payments	540,607	549,428	(8,821)	-1.6%	529,572	2.1%	390,208	384,107	377,554
Total Interest Payments	324,530	342,840	(18,310)	-5.3%	326,290	-0.5%	320,567	151,698	149,278
Total OPERATING EXPENSES	3,620,491	3,632,492	(12,001)	-0.3%	3,334,412	8.6%	2,782,224	2,633,924	2,591,621
(SURPLUS)DEFICIT	(883,033)	(514,234)	(368,799)		(245,573)		(652,586)	(1,057,876)	(243,802)

Sewer Operations

SUMMARY	2025 Budget	2024 Budget	Variance	%	2023 Actual	% 25 to 23	2022 Actual	2021 Actual	2020 Actual
Total User Fees	(1,403,547)	(1,397,583)	(5,964)	0.4%	(1,082,165)	29.7%	(1,010,316)	(960,079)	(788,683)
Total Other Revenue	(19,796)	(27,030)	7,234	-26.8%	(19,073)	3.8%	(27,206)	(24,732)	(19,712)
Total Parcel Taxes	(390,503)	(392,729)	2,226	-0.6%	(299,787)	30.3%	(283,667)	(270,745)	(258,792)
Total REVENUES	**(1,813,846)**	**(1,817,342)**	**3,496**	-0.2%	**(1,401,025)**	29.5%	**(1,321,189)**	**(1,255,556)**	**(1,067,187)**
Total Administration	410,391	397,193	13,198	3.3%	353,210	16.2%	316,405	287,676	311,221
Total Operations	66,981	65,283	1,698	2.6%	54,364	23.2%	50,295	31,840	47,934
Total Collection	281,634	285,417	(3,783)	-1.3%	184,295	52.8%	138,459	173,732	160,186
Total Treatment Disposal	457,103	499,677	(42,574)	-8.5%	413,478	10.6%	454,618	404,059	421,634
Total OPERATING EXPENDITURES	**1,216,109**	**1,247,570**	**(31,461)**	-2.5%	**1,005,347**	21.0%	**959,777**	**897,307**	**940,975**
(SURPLUS) DEFICIT	(597,737)	(569,772)	(27,965)		(395,678)		(361,412)	(358,249)	(126,212)

Summary of Utility Related Debt

EXPIRY	Rate	Fund	Purpose	2024 Payment	2024 Principal	2024 Interest	2024 Balance	2025 Payment
2024	4.975%	Water	Water SYSTEM #2 - 10 INCH LOOPING	5,020.94	2,879.00	2,141.94	-	
2024	4.975%	Water	Other HESTER CR/SYST	12,018.04	6,891.14	5,126.90	-	
2024	4.975%	Water	Water TUCELNUIT WATER EXT	9,579.84	5,493.08	4,086.76	-	
2024	4.975%	Water	Water SAWMILL RD EXT	512.88	294.08	218.80	-	
2025	4.170%	Water	Water 2010 WATER PROJECTS	8,114.40	6,633.10	1,481.30	11,181.10	8,114.40
2028	5.150%	Water	Water RURAL TWINNING	143,676.48	63,003.36	80,673.12	501,100.35	143,676.48
2025	3.350%	Water	Water WATER PROJECTS	214,753.61	201,057.15	13,696.46	207,792.51	214,753.56
2026	2.100%	Water	Water 2013-2014 WATER CAPITAL PROJE	91,157.15	73,469.89	17,687.26	188,931.04	91,157.15
2045	2.000%	Water	Water-Gallagher Lake Water Siphon	407,435.97	189,707.97	217,728.00	6,095,841.36	407,435.97

Debt Retiring in 2024 will save the Town $27K in interest and principal starting in 2025.

- Water SYSTEM #2 - 10 INCH LOOPING
- Other HESTER CR/SYST
- Water TUCELNUIT WATER EXT
- Water SAWMILL RD EXT

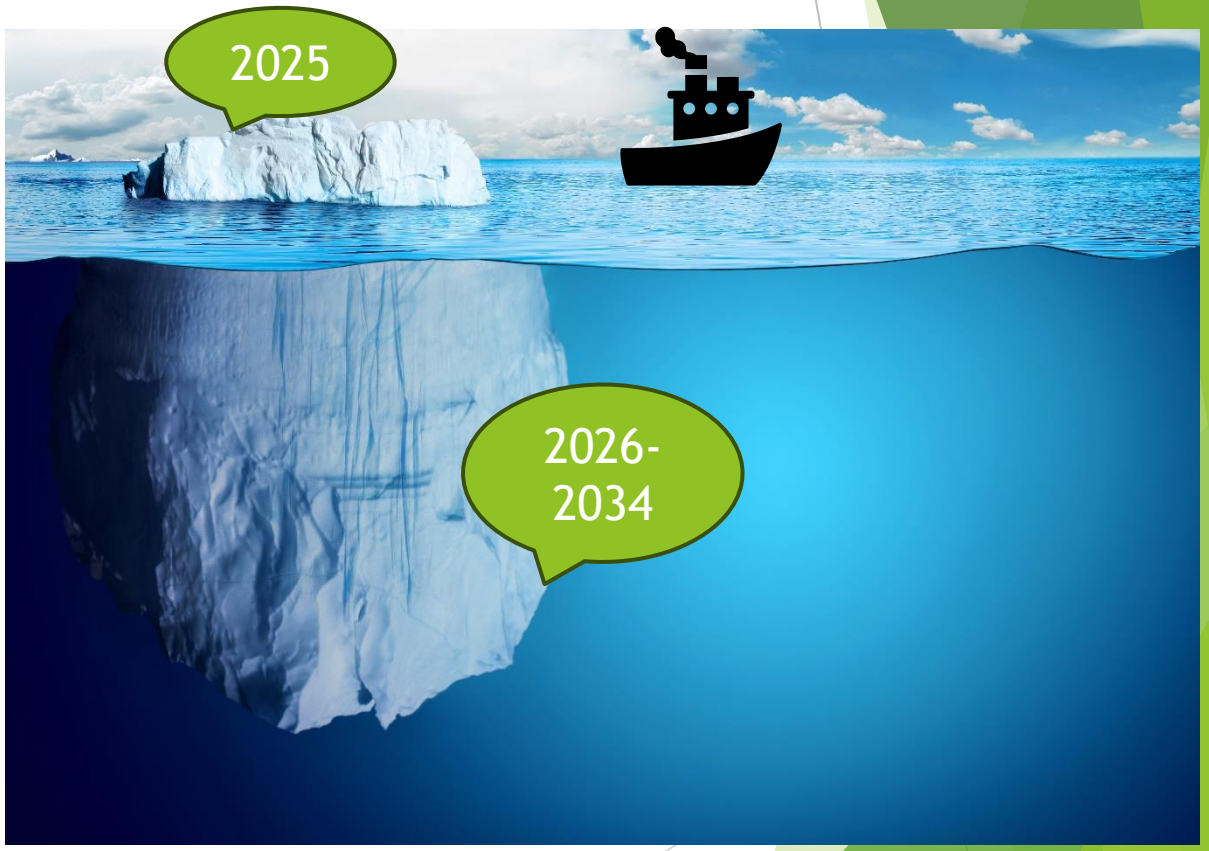
Debt Retiring in 2025 will save the Town $223K in interest and principal starting in 2026

- Water 2010 WATER PROJECTS

Are we Heading Towards an Infrastructure Iceberg?

Over the next 10 years we are projecting $42.3 million in capital expenditures in water and sewer funds.

- $13.2 million (31%) is projected to be funded by reserves
- $12.1 million (29%) by debt
- $17.0 million (40%) by grant



Capital Plan (2030-2034) Part 1 Water & Sewer

Sum of 25-34			Column Labels					
Row Labels	PROJECT NAME	FUND	2030	2031	2032	2033	2034	Grand Total
40	Sawmill Road Rehabilitation	Sewer			1,070			1,070
		Water			65			65
49	Fairview & Station Intersection Improvements	Sewer				200		200
		Water				500		500
58	Water Meter Replacements	Water	40	40	40	40	40	200
68	50 kW Photovoltaic System - Equalization Ponds	Sewer	380					380
69	S-5 Airport Street Alley Skagit to Similkameen Design	Sewer				17		17
		Water				5		5
	S-5 Airport Street Alley Skagit to Similkameen	Sewer					342	342
		Water					200	200
100	S7-River Crossing Park Dr and Fairview Rd	Sewer	275					275
	W9--River Crossing Park Dr and Fairview Rd	Water	350					350
101	Kootenay Street	Water					745	745
	Kootenay Street	Sewer					581	581
	Kootenay Street Design	Sewer				20		20
		Water				30		30
102	Main Reservoir Drain	Water				300		300
	Main Reservoir Drain Design	Water			30			30
105	Pacific Silica River Crossing	Water	450					450
106	Earl Crescent Water Relining	Water				225		225
	Earl Crescent Water Relining Investigation/ Design	Water			30			30
107	Laneway between Skagit and Similkameen	Water					375	375
	Laneway between Skagit and Similkameen Design	Water				35		35
108	Okanagan St - Similkameen to Skagit	Sewer			150			150
	Okanagan St - Similkameen to Skagit	Water			350			350
	Okanagan St - Similkameen to Skagit Design	Sewer		20				20
		Water		20				20

Capital Plan (2030-2034) Part 2 Water & Sewer

Sum of 25-34			Column Labels					
Row Labels	PROJECT NAME	FUND	2030	2031	2032	2033	2034	Grand Total
109	Black Sage River Water Crossing	Water			350			350
	Black Sage River Water Crossing Design	Water		25				25
110	Proposed Domestic Pump Station	Water		5,695				5,695
	Proposed Domestic Pump Station design	Water	100					100
	Proposed Domestic Pump Station Loop Lines	Water		1,500				1,500
113	S6-Sanitary Main McKinney Road SIPP/CIPP Design	Sewer		25				25
	S6-Sanitary Main McKinney Road SIPP/CIPP	Sewer			250			250
117	Wastewater Treatment System Upgrades	Sewer				5,000		5,000
125	Reclaim Waterline Replacement	Sewer					3,500	3,500
137	Okanagan St - Co-op to Haven	Sewer	200					200
		Water	350					350
141	Gate Valve Replacements each year	Water	20	20	20	20	20	100
142	New Scada Computers	Sewer					10	10
		Water					20	20
159	Sleeve New Irrigation Main Gala to Siphon Investigation/NDT	Water		150				150
	Sleeve/Line New Canal Irrigation Design	Water			150			150
	Sleeve/Line NewCanal Irrigation	Water				3,000		3,000
(blank)	W2-Park Drive Water Looping	Water		375				375
	W2-Park Drive Water Looping Design	Water	20					20
	W12-Fairview Okanagan to Kootney Design	Water	5					5
	W12-Fairview Okanagan to Kootney Water Main	Water		200				200
	W13-Sawmill Similkameen to Spruce Design	Water		20				20
	W13-Sawmill Similkameen to Spruce Water Main	Water			300			300
	W14- Similkameen Airport to Cessna Design	Water				20		20
	W14- Similkameen Airport to Cessna Water Main	Water					375	375
	W11-Lakeside Merlot to Eastside Water Main Replacement	Water				300		300
	W11-Lakeside Merlot to Eastside Water Main Replacement Design	Water			20			20
	W10-McKinney Rd. Park to Hospital Water Main Replacement	Water			285			285
	W10-McKinney Rd. Park to Hospital Water Main Replacement Design	Water		15				15
Grand Total			2,190	8,105	3,110	9,712	6,208	29,325

AGED OUT PIPING INFRASTRUCTURE

- AC (Asbestos Concrete) and VC (Vicaulic Clay) have a useful life of 50 years.
- Our AC and VC, on average, have been in the ground for 59 years.
- In-Town
  - In the 10-year plan we are replacing 7.9 km of domestic AC.
  - Remaining AC piping to be replaced 11.7km and 2.15km of irrigation.
  - In the 10-year plan we are replacing 2.14km of AC sewer main and 2.8km of VC sewer main.
  - Remaining AC sewer piping to be replaced is 3.7km and VC 4.0km.
- Rural
  - In the 10-year plan we are replacing 700m of irrigation/domestic AC
  - Remaining Domestic AC to be replaced is 12.6km.
  - Remaining Domestic/Irrigation AC to be replaced is 1.7km.
  - Remaining Irrigation AC to be replaced is 41.2km

At the end of the 10 year plan these pipes will be 70 years old!

Current Utility Rate Comparisons

Oliver has 2nd lowest residential water but 2nd highest agricultural water

Fixed & Variable Rate	Oliver	Keremeos	Osoyoos	Osoyoos (2025)	Peachland	Summerland
Single Family Residential	$694.26	$401.70	$1,556.45	$1699.52	$1,071.00	$943.62
Agricultural (Farm)	$3,053.30	$2,007.00	$3,721.00	$4,785.00	$2,068.00	$2,267.80
Sewer	$570.38	$250.00	$771.40	$816.40	$373.93	$665.64

Residential Single family assumes BC average annual utilization of 318 M3

Agricultural assumes 10-acre parcel

How do our rates compare? Depends on what you look at.

Municipality	Population	Per Capita User Fees - 2024	Per Capita Total Property Taxes & Charges - 2024
Keremeos	1,608	189.95	1912.18
Princeton	2,894	409.12	3323.71
Peachland	5,789	447.24	2777.17
Penticton	36,885	643.24	2626.15
Summerland	12,042	675.4	2632.93
Oliver	5,094	906.89	2736.34
Osoyoos	5,556	1441.48	3982.92

User fees include sewer, water and garbage

Oliver has the fourth highest per capita Total Property Taxes & Charges behind Osoyoos, Princeton & Peachland

Oliver has the second highest per capita user fees next to Osoyoos

Taxes & Charges on a Representative House - 2024

Municipality	Home Value	Total Variable Rate Taxes	Total Residential User Fees	Total Residential Property Taxes & Charges
Princeton	373,062	2,033	652	2,685
Keremeos	473,995	2,816	380	3,318
Oliver	624,998	2,852	1,253	4,400
Merritt	444,902	3,158	881	4,417
Osoyoos	712,642	3,162	1,624	4,956
Summerland	878,446	3,581	1,458	5,524
Penticton	772,659	3,823	1,579	5,402
Peachland	944,181	4,107	783	5,309

Oliver is the third lowest comparing Total Residential Property Taxes & Charges ahead of Princeton & Keremeos

Oliver is third lowest variable rate taxes on an average home

Oliver is in middle of the pack for Residential User Fees

Budget Timeline

- December 2, 2024 – Review of revised water & sewer budgets and rates, 1,2 & 3’rd reading of revised bylaws
- December 9, 2024 – Adoption of Water, Parcel Tax and Sewer Revised Bylaws
- January 6, 2025 – Presentation of 2025-2029 Capital Budget
- January 27, 2025 – Presentation of 2025-2029 Operating & Capital Budgets
- February 24, 2025 – Presentation of 2025-2029 Financial Plan
- February 25-March 26 Public Feedback Period
- March 31, 2025 – Presentation of 2025-2029 Financial Plan
- April 22, 2025 – Adoption of 2025-2029 Financial Plan
- May 12, 2025 – Adoption of 2025 Tax Bylaw

QUESTIONS/COMMENTS