



Date: March 28, 2023

To: Mayor Sherry Senis and Council Members

From: R. Lane Vance, Manager of Financial Services
Adam Tobin, Manager of Public Works

Subject: Woodland Acres Budget 2023

Status: For Direction.

Recommendation

That the report regarding the Woodland Acres Budget 2023 be received for information; and

That Council adopt the Budget Compliance Report for expenses excluded from the 2023 Woodland Acres budget as outlined in and as a requirement of Ontario Regulation 284/09; and

That the 2023 budget for Department # 32 Woodland Acres - Water and Sewer be approved as presented; and

That the respective 2023 flat rate water and sewer charges for the Woodland Acres Water and Sewer Area be included in the 2023 tax rate by-law.

Information

All revenues and expenses related to the Woodland Acres service area are included in department # 32. The majority of the expenses relate to either water and sewer utility charges or the operating and management fees paid to Peterborough Utilities Services as the accredited operating authority.

In addition, transfers to accumulated revenue and reserves ensure that the service area has sufficient funds to offset operational anomalies and approved capital projects.

The Township is required to follow the accounting standards established by the Public Sector Accounting Board (PSAB) and as such a PSAB Compliance report is also provided.

Strategic Plan Reference

Goal # 2 - Achieve excellence in governance and service delivery.

The annual budget process demonstrates *fiscal responsibility* and ensures that resources are managed responsibly and that taxpayers in the affected area continue to receive the best value for their service area charge.

Environmental Impact

The completion of the Woodland Acres Booster Station generator project will improve emissions as the new units are built to current standards.

Financial Impact

In 2022, the fixed capital charge to each household was removed as the internally financed debt for the capital investments was fully paid. With that substantial annual charge completed, the charge per property was reduced by \$360 as a renewed operating budget was established.

The 2023 rate as proposed will maintain the renewed operating budget, base maintenance budget and reserve allocations for both sewer and water in the service area.

The annual rate as proposed reflects an increase of \$24.87 or 2% per household. This will allow the Township to pay increased PUG contract costs and water supply/sewage collection costs.

Attachments

- PSAB Compliance Report – Woodland Acres
- Budget Narrative and Worksheets – Department # 32
- Capital Worksheets and Attachments
- Reserve Summary for Woodland Acres

Adam Tobin

Prepared By: Adam Tobin
Manager of Public Works

R. Lane Vance

Prepared By: R. Lane Vance
Manager of Financial Services/Treasurer

Janice Lavalley

Approved By: Janice Lavalley
CAO

Township of Selwyn
2023 PSAB Budget Reconciliation
For Ontario Regulation 284/09

Description	Woodland
Non Water & Sewer Rates per water & sewer budgets	187,156
Water & Sewer Rates	435,707
Total Township revenues per budget	<u>622,863</u>
Less transfer from reserves - water & sewer budgets	-187,156
Less increase in Unfunded Capital	-----
Less funding from Debenture Proceeds	-----
Total PSAB revenues	<u>435,707</u>
Total Township expenses per Water & Sewer budgets	622,863
Add Annual Amortization (2021 updated as initial estimate)	54,733
Less TCA costs in budget (from below)	-42,371
Less transfer to reserves - water & sewer budgets	-303,063
Less reduction in unfunded capital	0
Less debt principal repayments	0
Total PSAB expenses	<u>332,162</u>
Annual surplus/(deficit) in PSAB format	<u>103,545</u>

2023 Budgeted TCA Costs

Woodland Acres - water & sewer	42,371
Total	<u>42,371</u>

Department 32 – Woodland Acres – Water and Sewer

Overview

This Department captures costs related to water and sewer in the Woodland Acres water and sewer service area, inclusive of the Summer Lane subdivision.

The Woodland Acres water distribution system obtains its water from the City of Peterborough's municipal water system. The Peterborough Utilities Commission owns and operates the Peterborough water system (MOE # 220000497). The Annual report for this system may be viewed on the Selwyn Township website at

<https://www.selwynthowship.ca/en/resident-services/water-private-and-municipal.aspx#Drinking-Water-Quality-Management-Standard-DWQMS->.

The Woodland Acres system receives water from a trunk watermain that delivers it to the water booster pumping station at Woodland Drive and Woodward Avenue. The watermain on Hetherington Avenue to Woodland Drive further supports, and creates redundancy, to this supply. The water distribution system consists of approximately 4,651 meters of water mains, 26 hydrants and 334 individual water services.

The sewer collection system consists of approximately 4,520 meters of sewer main and 73 sewer manholes. All sewage collected in the service area flows via gravity through a trunk sewer main to the Peterborough sewer system.

Revenue

The ratepayers of Woodland Acres pay their respective costs related to water and sewer in their service area through their tax bill. These annual costs are charged as flat rate charges on the final bill and divided over two installments.

Expenditures

The primary operating expenses that the Township needs to recover are those costs paid to Peterborough Utilities (PUG) for the purchase and distribution of water, collection and disposal of wastewater and the ongoing operation and management of the system.

Overall service area reserve levels continue to build through annual reserve contributions, to be in place for future year distribution and collection system replacements/capital maintenance.

Operating Charge

In 2023, the base operating fee to PUG under the operating agreement will increase by 3%. Additional charges have been estimated related to emergency call outs, valve and hydrant maintenance, and costs related to water main breaks and sewer lateral maintenance.

Department 32 – Woodland Acres – Water and Sewer

Projected water consumption charges from PUG operations have been budgeted to include a 2.19% rate increase as approved by the Peterborough Water Commission.

The PUG collects charges for sanitary services on behalf of the City of Peterborough, this collection surcharge is established as 104.46% of the water rate and also included in the budget.

In addition to typical maintenance items outlined above, in 2023 the Township will contract for all hydrants to be prepped and repainted. This project builds on the surface condition assessment completed in 2022 and demonstrates good preventative maintenance practices. These efforts will extend the useful life of the assets and visually presents a good image to the users of the system.

Capital Projects

Capital maintenance items related to the system are included in the 2023 budget. These items include;

- Booster Station – backup generator replacement (project completion)

This project is finally nearing completion after various industry supply and vendor related delays.

Please see the detailed capital worksheets for additional project specific information and related photos.

Township of Selwyn
Budget Worksheets 2023

Department 32 - Woodland Acres Water & Sewer

Details	2021 Year to Date Actuals	2021 Approved Budget	2022 Year to Date Actuals	2022 Approved Budget	2023 Proposed Budget
Revenues:					
Area Rate Charges to Ratepayers	545,087	545,933	426,545	422,970	435,707
Transfers from Reserves	155,734	235,742	122,525	183,470	187,156
Total Revenues	700,821	781,675	549,070	606,440	622,863
Expenditures:					
General Administration					
- Supplies and Overhead	17,478	22,969	19,491	28,889	30,733
- Services Hired - PUS	42,134	46,134	44,109	45,398	46,698
- Water Purchases	80,011	96,000	77,876	90,000	85,000
- Sewage Collection	82,263	90,000	80,145	92,628	88,791
- System Maintenance	5,299	10,000	9,871	25,000	26,207
Capital Charges					
- Capital Maintenance	69,054	149,061	16,086	81,265	42,371
- Interest	8,185	8,188	0	0	0
- Change in Unfinanced	139,960	139,960	0	0	0
Transfers to Reserves	256,439	219,363	301,492	243,260	303,063
Total Expenditures	700,821	781,675	549,070	606,440	622,863
Balance	0	0	0	0	0

Township of Selwyn
Water and Sewer Budget

Date: March 28, 2023

Capital Budget 2023

Department Name: **Woodland Acres Water**

General Ledger Code(s):

2.32.4752.6360

Capital Project Name: **Standby Generator Replacement (continuation and project completion)**

Description:

Township staff issued a Tender for replacement of the standby generator located at the Woodland Acres Booster Station. Included in the tender was the removal of the current unit and associated appurtenances with the installation of an outdoor stand-alone unit. Council approved tender award to Supply Point Inc. at their March 23, 2021 regular Council meeting. Due to unexpected production delays the contractor was unable to secure generator delivery in the 2021 operating year. In anticipation of generator delivery some site work was completed. Despite supply delays and contractor delays, the generator has been installed and final site remediation will be completed in 2023.

Attachments:

Photo

Supporting Rationale:

Sub-Committee Support:

Not Applicable

On August 14, 2020, under the direction of Peterborough Utilities Services Inc., Gary Holtz Hydrocarbon Fuels Consulting and Investigation Services conducted a "Comprehensive Inspection" of the diesel engine generator systems at various Selwyn water and wastewater facilities. The subsequent report noted a long list of various compliance issues primarily related to fuel systems and combustions/ventilation air dampers and interlocks. Although these systems were compliant with requirements in 2001, they do not meet current Fuel Oil Regulations and/or Installation Code for Oil-Burning Equipment referenced for diesel generators.

Strategic Plan/Related Plans Reference:

Achieve excellence in governance and service delivery.

Estimated Total Project Cost

\$119,039

Costs in Current Year's Budget

\$42,371

Financial Plan:

This project is capital maintenance and as such funded from the Woodland Acres Water Reserve.

Part of Long Term Replacement Schedule:

Capital Project

Other Key Considerations:

(accessibility, impact on future operations, annual savings, etc.)

The replacement of this generator will ensure facility compliance with uninterrupted operation during power outages. Repair costs will be significantly reduced and the new units will be more efficient with far cleaner exhaust emissions.

Generator System Replacement at Woodland Acres Booster Station

2023



Township of Selwyn
 Working Funds and Reserves
 Water and Sewer - Woodland Acres

Dept. #	Details	Balance Jan. 1, 2023	Transfers Into Reserves	(revenue) Transfers from Reserves	(capital) Transfers from Reserves	Balance Before Interest	Interest Allocation	Budgeted Balance Dec. 31, 2023
<u>Working Funds:(Accumulated Revenue)</u>								
Dept. 32	Woodland Acres - Sewer	74,205	74,400	-74,205		74,400	---	74,400
Dept. 32	Woodland Acres - Water	70,579	70,800	-70,579		70,800	---	70,800
	Total Working Funds	144,785	145,200	-144,785	-----	145,200	0	145,200
<u>Specific Reserves:</u>								
Dept. 32	Woodland Acres Sewer	629,055	75,000			704,055	10,561	714,616
Dept. 32	Woodland Acres Water	839,041	82,863		-42,371	879,533	13,193	892,726
	Total Specific Reserves	1,468,096	157,863	0	-42,371	1,583,588	23,754	1,607,342
	Grand Total	1,612,881	303,063	-144,785	-42,371	1,728,788	23,754	1,752,542