

# Robson-Raspberry Improvement District

## Draft Budget 2025

Reviewed by RRID Trustees March 12th, 2025, Edited as per trustee notes Apr 9 2025

### OPERATING BUDGET 2025

INCOME	Actuals for 2024	Values for 2025
4020 Taxes and Tolls	\$ 660,107.06	\$ 698,345.00
4040 Connection Turn On/Off	\$ 2,600.00	\$ 2,600.00
4050 Interest Taxes and Tolls	\$ 7,721.87	\$ 7,700.00
4060 Interest Income-Banks	\$ 52,234.20	\$ 52,000.00
4061 Interest Income - GIC Investments	\$ -	\$ 10,600.00
4070 Rent	\$ 5,400.00	\$ 9,600.00
4400 Repair Services Income	\$ 8,814.49	
Uncategorized Income	\$ -	
<b>Total Income</b>	<b>\$ 736,877.62</b>	<b>\$ 780,845.00</b>
EXPENSES	Actuals for 2024	Values for 2025
5300 Shipping, Freight, and Delivery	\$ 1,458.86	\$ 1,500.00
5310 Drum Deposit/Refund	\$ 2,000.00	n/a
5450 Honorarium	\$ 6,700.00	\$ 6,700.00
5610 Accounting and Audit	\$ 37,196.50	\$ 38,000.00
5612 Legal	\$ 24,913.28	\$ 5,000.00
5615 Advertising/Promotional	\$ 3,445.98	\$ 500.00
5625 License fees & Dues	\$ 3,220.68	\$ 3,300.00
5629 Loan & Interest Expense	\$ 205,560.00	\$ 205,000.00
5630 Bank charges	\$ 7,642.20	\$ 5,700.00
5638 WTP Supplies & Equipment	\$ 18,099.59	\$ 18,500.00
1869 Purchase Fixed Assets - WTP	\$ 19,964.81	\$ 11,500.00
5640 Distribution Supplies & Equipment	\$ 59.19	\$ 100.00
5641 WTP Chemicals & Consumables	\$ 30,105.88	\$ 31,000.00
5645 Sub Contractor Expense	\$ 93,245.38	\$ 120,000.00
5650 Power Utility Operating	\$ 32,527.52	\$ 32,500.00
5680 Water License	\$ 250.00	\$ 250.00
5682 Water Sampling & Analysis	\$ 3,929.25	\$ 6,000.00
5685 Insurance	\$ 35,607.00	\$ 37,000.00
5700 Office/General Administrative Expenses	\$ 3,122.84	\$ 3,500.00
5705 Power Utility Office	\$ 3,586.35	\$ 3,600.00
5730 Auto-Vehicle Expense	-\$ 4.29	\$ -
5765 Repair and maintenance-Water Distribution	\$ 61,104.20	\$ 62,000.00
5766 Repair and maintenance/WTP	\$ 27,062.33	\$ 27,000.00
5767 Repair and maintenance-Office	\$ 10,588.00	\$ 11,000.00
5780 Telephone and Internet	\$ 7,894.89	\$ 4,000.00
5784 Mileage	\$ 39.90	\$ 100.00
5790 Utilities	\$ 402.21	\$ 500.00
5410 Wages & Salaries	\$ 59,941.71	\$ 63,500.00
<b>Total Expenses</b>	<b>\$ 699,664.26</b>	<b>\$ 697,750.00</b>
<b>NET OPERATING INCOME (Income Less Expenses)</b>	<b>\$ 37,213.36</b>	<b>\$ 83,095.00</b>
Less Depreciation Expense (non-cash expense)	\$ 149,395.00	\$ 260,000.00
<b>Change in Net Assets</b>	<b>-\$ 112,181.64</b>	<b>-\$ 176,905.00</b>

WTP RENEWAL BUDGET 2025	Actuals for 2024	Values for 2025
TRANSFER IN FROM WTP SAVINGS	-	\$ 21,000.00
PURCHASES OF FIXED ASSETS	Actuals for 2024	Values for 2025
1869 Calcium Hypochlorite dosing skid	-	\$ 21,000.00
<b>Total Fixed Assets Cost</b>	<b>\$ -</b>	<b>\$ 21,000.00</b>

**Robson-Raspberry Improvement District (RRID)**  
**2025 Budget Overview**

Dear Residents,

The RRID Board of Trustees has reviewed and approved the following budget and have voted to release it to the RRID users to help with transparency and to show the actual state of the RRID. The intent of this writeup is to just add some explanation to the accounting codes / categories.

**State of our Accounts:** (As of April 30, 2025)

Total money in Operating account: \$588,016.36

Total money in Regular Water Treatment Plant Savings account: \$481,707.42

Total money in Capital Expenditures Charge (CEC) account <sup>i</sup>: \$104,976.96

Total money in Renewal Reserve account <sup>ii</sup>: \$207,523.67

CEC and Renewal Reserve accounts are not able to have money taken out of them unless a bylaw is passed, see the end foot notes for the official wording.

To keep it simple, we have \$588,016.36 currently in Operating funds. Not all of the money is in from the water bill payments yet, nor interest etc.

**Income overview –**

In 2025 we are anticipating a total income of \$780,845 which is a pick-up of \$43,967.38 from the year previous. This is higher due to some investment changes, and an increase in rental income, and the tax, toll and additional acres rate changes.

**Accounting Code Notes:**

**INCOME ACCOUNTS:**

4040 – This is from residents calling to have water turn on / off. It costs \$50 per interaction.

4050 – 10% Late Penalties, from residents not paying the water bills on time.

4060 – Interest from banks: This category is because we have a special loan that essentially pays us interest but then goes to the interest we are being charged for the loan. (lowers our cost of borrowing a lot).

-4061 – We must keep a certain amount of money available that is “untouchable” without a bylaw being passed, etc. This money must be “liquid”, and we have found a much better return rate with Kootenay savings, which allows us to keep our untouchable money liquid,

satisfying the governments requirements on the irrigation district, and allows us to make a little bit more income. Essentially, we went from 1% return to 2.65%. More work is planned on this to try to keep getting as much interest as possible while meeting the government requirements.

4070 – this is rental income from the hair salon which is under new ownership.

4400 - Repair services income, isn't a service we are selling, it's money that we spent repairing the RRID portion of a service that was damaged by a homeowner, and/or contractor. This gets added in as income because we are anticipating that money back from said homeowner / contractor.

### **Expenses overview:**

This is going to be somewhat confusing, but we are expecting a “profit” or Net Gain of +\$83,095. But because the RRID moves funds into the Renewal Fund for future upgrades/repairs (also known as depreciation/amortization expense), we are going to be negative -\$176,905. Essentially, we must be diligent and aside enough money to “rebuild” the plant at the end of its life. Currently, we are not setting aside anywhere near enough money to do this. Childs Chanton last year did a depreciation calculation and determined we needed to set aside \$149,395 per year. The RRID has calculated out how much we anticipate we will need for our renewal reserve (see below chart). The RRID has some grant funding to get us a sealed engineer renewal fund calculation, but this is a multi-year project. We have also decided that it would be dishonest to the public if we didn't start budgeting using this in house estimate. From now on, we'll begin budgeting based on this estimate. Once we receive the engineer's calculated number, we'll switch to that, though we expect it to be very similar to our current estimate

## ASSET RENEWAL COSTS

## FOR INFORMATION ONLY

## ROBSON-RASPBERRY IMPROVEMENT DISTRICT

In House Estimate

30 years

2% Inflation (NOT USED)

21-Mar-25

Replacement Assumptions	Qty	Life Span (Yrs)	Renewal Events	Year 2025 Unit Price	Year 2055 Unit Price	Cost (Year 2025 Dollars)	Notes - Installation included.
Ultrafiltration Skid, ea	3	15	2.0	\$200,000	\$0	\$1,200,000	
UV Skid, Complete Replacement	1	30	1.0	\$400,000		\$400,000	
UV Control Panels, ea	3	30	1.0	\$39,000		\$117,000	
Raw Water Pumps, ea	3	20	1.5	\$15,000		\$67,500	
Booster Pumps, ea	2	20	1.5	\$15,000		\$45,000	
CIP System	1	20	1.5	\$20,000		\$30,000	
Chlorination Duplex Skid	1	15	2.0	\$15,000		\$30,000	
Air Compressors, ea	2	10	3.0	\$25,000		\$150,000	
Strainers, ea	3	10	3.0	\$5,000		\$45,000	
Raw Water Pond	1	30	1.0	\$20,000		\$20,000	
Treated Water Tank	1	30	1.0	\$50,000		\$50,000	
Building Repairs	1	30	1.0	\$50,000		\$50,000	
Distribution System	1	30	1	\$5,000,000		\$5,000,000	
Universal Meters	525	30	1	\$1,000		\$525,000	
Programming Upgrade	0	30	1	\$150,000		\$0	
30-Year Major Equipment Replacement Cost						\$ 7,729,500	
Annualized Renewal Cost						\$ 257,650	
Initial Capital Cost						\$ 9,000,000	
Repairs & Servicing Allowance at 30-years						2.86% of capital per year	

## Account Code notes:

## EXPENSE ACCOUNTS:

5300 Shipping, Freight, and Delivery – general shipping freight and delivery charges mainly for parts.

5310 Drum Deposit/Refund– When we send drums back we get a refund for the deposit on the drums, this is actually a bit harder than it seems as the shipping for said drums usually cost the same as the drum refund. (this will hopefully be essentially eliminated by the Chlorine Puck skid we are looking at purchasing).

5450 Honorarium– Honorarium paid to trustees. \$1300 per trustee and \$1500 for the Chair.

5610 Accounting and Audit– Self explanatory, this is what we pay to Child's Chanton for the audit that is required by the Local Government Act. Exact Earnings is now doing the majority of our bookkeeping, bill payments etc., (our administrator handles accounts receivable), and also what we paid to QuickBooks.

5612 Legal– We are awaiting a ruling from the court, we don't anticipate anymore legal fees, but just encase we budgeted \$5,000. To be clear, the RRID never attempted to "sue"

anyone, the RRID was taken to court, these were defense costs. The RRID is hoping that we get all these legal fees back.

5615 Advertising/Promotional – Advertising costs – The RRID had to hire multiple positions in 2024, we are expecting this to go down. This is the advertising, newsletters, and other costs we are charged. For example, putting the AGM dates in the newsletter.

5625 License fees & Dues – Licenses and fees, BC Ministry water licenses, electrical permits etc.

5629 Loan & Interest Expense – The loan on the plant. We owe \$1,378,000.00 on the Water treatment plant, from 2013. We pay \$155,000 on principal and approximately \$50,560 in interest. (the interest is complicated due to the interest swapping mentioned in income, but the auditor gave us this number).

5630 Bank charges – Bank charges from payment processing, for payroll, and parts, etc.

5638 WTP Supplies & Equipment – Supplies for the WTP (Water Treatment Plant). This could be anything from general PVC fittings, valves, etc.

1869 Purchase Fixed Assets – WTP – Fixed assets we purchased using Operating funds. This was the new wet-screw air compressor due to our failing air compressors. We anticipate at least 10 years of service out of this but can get a lot more (we have some plans in place to attempt to get even more).

5640 Distribution Supplies & Equipment – This is just misc. fittings, and misc. parts etc. required for repairs of the water lines.

5641 WTP Chemicals & Consumables – This is chlorine mostly, along with some other chemicals. We are attempting to cut this cost way down by upgrading to the puck system. Which we have budgeted 21k this year to purchase.

5645 Subcontractor Expense – This is mainly our 2 operators who are both contractors to us, along with a \$20,000 fee for yearly technical support of the computerized monitoring systems. We are anticipating an increase in subcontractor costs.

5650 Power Utility Operating – Cost of Power to run the plant.

5680 Water License – This is a different water license, for Interior Health's drinking water/environmental operating.

5682 Water Sampling & Analysis – A detailed water study will be logged and used in the future for expansions, or modifications to the WTP. This information is critical to properly design a plant that can handle our freshet, etc. This historic information wasn't available

when the plant was initially designed and from that we are confident that it was designed poorly.

5685 Insurance – Insurance on everything, we have tried to get this cheaper but there are very little options available for improvement districts providing safe drinking water. If someone from the public wants to volunteer to help us on this, we would greatly appreciate it.

5700 Office/General Administrative Expenses– This is office materials paper, letters, etc.,

5705 Power Utility Office – Cost of power to run the office and street lights.

5730 Auto-Vehicle Expense – This is for the RRID truck that is no longer in service. The -4.29 is from an ICBC rebate in 2024, so our truck generated income.

5765 Repair and maintenance-Water Distribution – This is repairs from damages to mains and submains of the distribution system. The income generated from 4400 repair services goes towards this bill. Not all damage is chargeable to a homeowner as the RRID is responsible for repair of all community water lines, this is mostly just general wear and tear breakages, and maintenance.

5766 Repair and maintenance/WTP – This is parts for the WTP, and maintenance work.

5767 Repair and maintenance-Office – This is repairs to the office and maintenance, etc.

5780 Telephone and Internet – This is just our phone and internet package. Big push to get this lowered in cost. Had some billing issues that are now sorted out.

5784 Mileage – Mileage charged by RRID employees.

5790 Utilities – Gas heat for the office.

5410 Wages & Salaries – Wages of our 2 RRID employees.

## **WTP RENEWAL BUDGET 2025**

1869 Calcium Hypochlorite dosing skid - This is the budgeted amount for the puck upgrade to lower our costs on chlorine.

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### **Disbursement of Money from a CEC Fund**

CECs are deposited into a reserve fund and together with interest earned on the fund, must only be used for the purpose for which they were collected. This includes a capital cost payment or the payment of a debt incurred to finance the capital works for which the charge was established (i.e. items included in the improvement district's works plan and capital expenditure program).

A capital expenditure charge disbursement bylaw (see sample in Section D) must be registered with the Inspector of Municipalities prior to expending monies from the CEC fund. The steps in the process are as follows:

- A capital expenditure charge disbursement bylaw must be submitted to the Ministry along with an engineering report, design drawings, cost estimate and indication of the amount of the cost of the capital work project that will be financed by the CEC Fund, by other funds, or by borrowing.
- The Ministry will review the bylaw to determine whether the project is eligible to be financed from the capital expenditure charge fund.
- Once the bylaw is registered with the Inspector, the improvement district can take a copy of the bylaw to their financial institution to have the funds released.
- Once the funds are released, work on the project can begin.

In the event a cost overrun occurs on a project, a new capital expenditure charge disbursement bylaw must be submitted for the consideration of the Inspector.

### **Disbursement**

A board of trustees intending to spend money from a renewal reserve fund needs to pass a renewal reserve fund disbursement bylaw. When the bylaw is submitted to the Inspector of Municipalities for registration the following needs to be included, as applicable:

- An estimate of total cost of the capital project or expenditure and the amount that is proposed to be financed from the renewal reserve fund and by other means.
- An engineering study and design drawings. If the proposed works are included in an engineering study previously submitted to the Ministry, it does not need to be resubmitted.

When the renewal reserve fund disbursement bylaw has been registered with the Inspector, a copy of the bylaw is usually required by the financial institution in order for the money to be released from the renewal reserve fund. Any amount up to the maximum contained in the bylaw can be withdrawn from the fund. This information must be provided to the improvement district's auditor.

If a cost overrun occurs in the cost of the project, another renewal reserve fund expenditure bylaw will be necessary.

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