

**REPORT TO ELECTORAL AREAS COMMITTEE
MEETING OF WEDNESDAY, DECEMBER 13, 2023**

SUBJECT **Bylaw Nos. 4586 and 4587: Fees and Charges Bylaw Amendments for Utilities within the Three Electoral Areas**

ISSUE SUMMARY

To update the utility rates for the three electoral areas as recommended by the respective Commissions and Committees, and as included in the 2024 Financial Plan.

BACKGROUND

Amendments to the Electoral Area utilities fees and charges bylaws are recommended annually to reflect the rates included in the service budgets and preliminary financial plan for the forthcoming year. All local service Commissions and Committees have recommended their respective 2024 budgets, inclusive of the changes to fees and charges.

The proposed fee and charges amendments are intended to cover the projected net cost of service delivery inclusive of reserve contributions for the upcoming year. Board approval is required in advance of the effective billing period January 1 through December 31, 2024.

With final surplus and deficits not yet completed, results will be monitored to identify any material impact, and these would be incorporated into a rate adjustment and bylaw amendment after final year end results.

Appendix C contains a comparison of changes to rates contained in each of the two bylaws: Bylaw No. 4586 (Appendix A) and Bylaw No. 4587 (Appendix B).

Bylaw No. 4586 covers all Salt Spring Island Electoral Area Sewer, Water and Liquid Waste Disposal Fees and Charges. Bylaw No. 4587 covers all Southern Gulf Islands and Juan de Fuca Electoral Areas Sewer, Water and Street Lighting Fees and Charges.

ALTERNATIVES

Alternative 1

The Electoral Areas Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4586, "Salt Spring Island Liquid Waste, Sewer, and Water Fees and Charges Bylaw No. 1, 2012, Amendment Bylaw No. 17, 2023", be introduced and read a first, second, and third time; and
2. That Bylaw No. 4586 be adopted.
3. That Bylaw No. 4587, "Southern Gulf Islands and Juan de Fuca Electoral Areas Utilities and Street Lighting Fees and Charges Bylaw No. 1, 2012, Amendment Bylaw No. 12, 2023", be introduced and read a first, second, and third time; and
4. That Bylaw No. 4587 be adopted.

Alternative 2

That this report be referred back to staff for additional information.

IMPLICATIONS

Financial Implications

Changes in fees and charges are required for local utility services in the three Electoral Areas to maintain adequate levels of funding for annual operating costs inclusive of reserve contributions and debt servicing. The recommended rates are effective January 1 through December 31, 2024 and reflect estimates of the 2023 surpluses and/or deficits.

CONCLUSION

Utilities within the Electoral Areas require changes to fees and charges, to reflect user fees required to fund operating and capital budgets. The Commissions and Committees have recommended their respective 2024 service budget for Board approval; this approval is required prior to January 1, 2024, to attain the revenue targets specified in the 2024 service budgets.

RECOMMENDATION

The Electoral Areas Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4586, "Salt Spring Island Liquid Waste, Sewer, and Water Fees and Charges Bylaw No. 1, 2012, Amendment Bylaw No. 17, 2023", be introduced and read a first, second, and third time; and
2. That Bylaw No. 4586 be adopted.
3. That Bylaw No. 4587, "Southern Gulf Islands and Juan de Fuca Electoral Areas Utilities and Street Lighting Fees and Charges Bylaw No. 1, 2012, Amendment Bylaw No. 12, 2023", be introduced and read a first, second, and third time; and
4. That Bylaw No. 4587 be adopted.

Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Alicia Fraser, P. Eng., General Manager, Integrated Water Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

- Appendix A: Bylaw No. 4586 and Schedules
Appendix B: Bylaw No. 4587 and Schedules
Appendix C: Changes to Fees and Charges Summary