

## **Finance Report 2025**

### **Ships Point Improvement District**

#### **Overview of Financial Performance**

The financial results for 2025 have surpassed expectations. Through the adoption of refined administration methods and enhanced bookkeeping practices, we achieved efficiencies that allowed us to operate under budget.

#### **Cost Savings and Administrative Improvements**

A greater reliance on volunteer hours from Board members, combined with contracted bookkeeping services, has improved our tracking of revenue and expenses. As a result, administrator costs have been reduced by nearly 50%.

#### **Fire Department Achievements**

The Fire Chief was successful in securing over \$36,000.00 in provincial (UBCM) grant funding and managed to finish the year approximately \$20,000.00 below budget.

#### **Waterworks Updates and Capital Projects**

Waterworks proceeded largely as planned, except for the replacement of the pumphouse Programmable Logic Controller (PLC), which evolved into a complex, multi-layered project needing significant outside expertise and labour. Although this led to costs exceeding our budget projection, most of the equipment is eligible for capitalization. Funding for this capital project was sourced from the Waterworks Capital Reserve Fund, ensuring no additional financial burden for SPID property owners.

The Waterworks Capital Reserve Fund has proven to be an effective financial instrument for the District. Its primary purpose is to facilitate the repayment of loans associated with the ongoing three-phase water main replacement, which was initiated in 2017. Additionally, the fund supports various capital projects as they arise, ensuring that necessary improvements and maintenance can be undertaken without undue financial strain.

#### **2026 Budget and Reserve Fund Developments**

Looking ahead to 2026, taxes and tolls have not been increased, and the budget has been reduced in certain areas. To comply more closely with Provincial guidelines regarding the separation of Water and Fire services, we are establishing a Fire Capital Reserve Fund. Rather than introducing a CRF levy, the new fund will be initiated using surplus funds from 2025.

## **5-Year Fire Department Capital Plan**

### **Fire Department Capital Reserve Fund Structure**

The Fire Department Capital Reserve Fund will be established following the model of the Water Capital Reserve Fund. In 2026, surplus funds from 2025 will be used to seed the new fund, with the intention to repeat this process in 2027 utilizing surplus funds from 2026. By 2027, SPID ratepayers will have completed repayments on the Provincial Government loan for the purchase of fire truck #75. At that point, it is anticipated that a Fire Department levy will be introduced for the Capital Reserve Fund beginning in 2028.

### **Major Capital Purchase: Self Contained Breathing Apparatus (SCBA) Replacement**

Unlike the Water Works capital plan, which includes annual cost projections, the Fire Department foresees only one significant capital purchase in the next five years: the replacement of Self Contained Breathing Apparatus (SCBA) packs. The tanks in these packs have a mandated lifecycle of 15 years. Currently, the Fire Department's oldest tanks date back to 2012, with the newest acquired in 2017.

### **SCBA Replacement Cost Estimates**

To inform the replacement decision, the Fire Department has gathered three quotes for the cost of replacing the SCBA packs in the current year:

- Scott: \$151,241
- Drager: \$159,283
- MSA: \$184,274

### **Anticipated Financing**

In 2028, it is likely that a bank loan will be required to finance the SCBA replacement. This loan will be structured similarly to the water Capital Reserve Fund arrangement, with repayments drawn from the Improvement District's investment account.

Rob Vreugde  
Finance Officer  
Ships Point Improvement District