

CAPITAL REGIONAL DISTRICT

2025 BUDGET

Core Area Wastewater - Combined View

COMMITTEE REVIEW

Change in Budget 2024 to 2025

Service: 3.717 & 3.798C Core Area Wastewater

Total Expenditure

Comments

2024 Budget

55,267,326

Operation Changes:

	335,974	Labour charge-out rate increased, primarily due to salary benefits increases resulting from a collective agreement
Allocation - IWS Operations	145,262	Asset Management allocation transferred from Corporate to IWS
	82,478	2025 IBC 2b-2.3 Systems Maintenance Technologist
	5,406	SharePoint transition
Allocation - Standard Overhead	238,249	Allocation based on the percentage of the prior year's budget and the budgeted cost for 2025
Allocation - Other	202,000	2025 IBC 1b-4.2 Innovative Work Unit to support Biosolids Management Strategy
	183,157	Inflationary increases for Enviro Monitoring & Marine Protection, Infrastructure Engineering, Facilities Management
RTF Operations and Biotreatment and Disposal	300,000	Additional legal cost
	(640,759)	A significant reduction due to align with the biosolids strategy commitment
	174,150	Inflation increase
Operating - Other	500,000	One-time and ongoing cleaning backwash tank
	305,310	Recognize growing insurance premiums
	70,000	Annual host community impact to the Township of Esquimalt
	48,385	Inflationary increases for equipment contract services and other ongoing expenses
Repairs & Maintenance	439,127	Increase in cyclical maintenance cost due to inspection, maintenance and replacement of equipment
Electricity & Utilities	37,637	Inflationary increases
Supplies - Chemical & Other	478,120	A 15% increase on chemical increase
Reserve Transfers	100,000	Increasing annual capital reserve to partially restore to original plan

Capital/ Debt Changes:

Transfer to Capital Reserve	504,041	Increasing annual capital reserve to partially restore to original plan
CAWW Debt	1,750,877	Increase debt servicing cost as some debt funded capital projects transition from planning stage to the construction phase
Other	167,124	Interest expense and debt reserve contribution increase

Total Other Changes 5,426,538

2025 Budget

60,693,864

% expense increase from 2024:	9.8%	Requisition funding is 96.3% of combined service revenue
% Requisition increase from 2024 (if applicable):	9.4%	

Overall 2025 Budget Performance
(expected variance to budget and surplus treatment)

3.717 - Core Area Wastewater Operations
 'A deficit of \$800,000 (2.29%) is forecasted due to overspending on wasteludge disposal. The variance will be covered by Operating Reserve Fund

3.798C - Debt - Core Area Wastewater Capital
 Breakeven

3.717 & 3.798C - Core Area Wastewater Combined Summary

	2024		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2026	2027	2028	2029
3.717 - OPERATING COSTS:										
Allocation - IWS Operations	7,348,647	7,348,647	7,829,883	82,478	5,406	7,917,767	8,104,893	8,262,326	8,428,431	8,597,878
Allocation - Overhead	2,441,121	2,441,121	2,679,370	-	-	2,679,370	2,759,752	2,814,947	2,871,246	2,928,670
Allocation - EPRO, Engineer	4,711,501	4,711,501	4,894,658	202,000	-	5,096,658	5,204,906	5,314,665	5,426,692	5,541,052
RTF Operations and Biotreatment and Disposal	7,646,376	8,634,181	7,479,767	-	-	7,479,767	7,323,363	7,469,829	7,619,226	7,771,611
Operating - Other	2,284,275	2,237,883	2,637,970	220,000	350,000	3,207,970	3,340,459	3,482,429	3,634,712	3,798,347
Repairs & Maintenance	1,264,873	1,135,000	1,269,000	-	435,000	1,704,000	1,493,980	2,004,250	1,602,920	2,192,972
Electricity & Utilities	3,436,258	3,321,258	3,473,895	-	-	3,473,895	3,543,373	3,614,238	3,686,516	3,760,243
Supplies - Chemical & Other	4,359,080	4,446,080	4,837,200	-	-	4,837,200	4,933,940	5,032,620	5,133,280	5,235,940
TOTAL OPERATING COSTS	33,492,131	34,275,671	35,101,743	504,478	790,406	36,396,627	36,704,666	37,995,304	38,403,024	39,826,713
*Percentage Increase over prior year	29,635,016	2.34%	4.81%	1.51%	2.36%	8.67%	0.85%	3.52%	1.07%	3.71%
3.717 - RESERVE:										
Transfer to Operating Reserve	700,000	700,000	700,000	-	-	700,000	900,000	900,000	1,000,000	1,000,000
Transfer to Equipment Replacement Fund	-	-	100,000	-	-	100,000	400,000	500,000	600,000	600,000
3.798C - CAPITAL OBLIGATION										
Transfer to RTF Capital	5,529,745	5,529,745	5,529,745	-	-	5,529,745	5,529,745	5,529,745	5,529,745	5,529,745
3.798C - RESERVE:										
Transfer to Capital Replacement Reserve	1,617,078	1,617,078	2,121,119	-	-	2,121,119	3,121,119	3,121,119	4,121,119	5,521,119
Transfer to WTP Debt Retirement Reserve	5,346,360	5,346,360	5,418,160	-	-	5,418,160	5,489,960	5,561,760	5,633,560	5,994,778
TOTAL CAPITAL / RESERVES	13,193,183	13,193,183	13,869,024	-	-	13,869,024	15,440,824	15,612,624	16,884,424	18,645,642
CAWTP Debt	6,698,640	6,782,582	6,722,164	-	-	6,722,164	6,640,040	6,568,240	6,496,440	4,735,222
CAWW Debt	1,711,709	1,627,678	3,457,939	-	-	3,457,939	4,661,985	5,918,164	6,959,381	8,190,010
3.798C - Total Debt Expenditures	8,410,349	8,410,260	10,180,103	-	-	10,180,103	11,302,025	12,486,404	13,455,821	12,925,232
MFA Debt Reserve	171,663	171,663	248,110	-	-	248,110	104,860	135,110	149,360	60,860
Debt Repayment	-	-	-	-	-	-	-	-	10,283,553	41,134,212
TOTAL COSTS	55,267,326	56,050,777	59,398,980	504,478	790,406	60,693,864	63,552,375	66,229,442	79,176,181	112,592,659
*Percentage Increase over prior year		1.42%	7.48%	0.91%	1.43%	9.82%	4.71%	4.21%	19.55%	42.21%
Internal Recoveries	(212,240)	(212,240)	(216,480)	-	-	(216,480)	(216,480)	(220,810)	(225,226)	(229,731)
TOTAL COSTS LESS INTERNAL RECOVERIES	55,055,086	55,838,537	59,182,500	504,478	790,406	60,477,384	63,335,895	66,008,632	78,950,955	112,362,928
*Percentage Increase over prior year		1.42%								
FUNDING SOURCES (REVENUE)										
Surplus Balance carry forward	-	-	-	-	-	-	-	-	-	-
Transfer from Own funds	-	-	-	-	-	-	-	-	(10,283,553)	(41,134,212)
Grants in Lieu of Taxes	(1,367,105)	(1,367,016)	(1,367,017)	-	-	(1,367,017)	(1,318,010)	(1,318,010)	(1,318,010)	(1,318,010)
Transfer from Operating Reserve	(420,849)	(420,849)	-	(70,000)	(790,406)	(860,406)	(150,000)	(365,000)	(95,000)	(640,000)
Revenue - Other	(20,870)	(20,870)	(20,870)	-	-	(20,870)	(20,870)	(20,870)	(20,870)	(20,870)
TOTAL REVENUE	(1,808,824)	(1,808,735)	(1,387,887)	(70,000)	(790,406)	(2,248,293)	(1,488,880)	(1,703,880)	(1,717,433)	(43,113,092)
REQUISITION	(53,246,262)	(54,029,802)	(57,794,613)	(434,478)	-	(58,229,091)	(61,847,015)	(64,304,752)	(67,233,523)	(69,249,836)
*Percentage increase over prior year		1.47%	8.54%	0.82%	0.00%	9.36%	6.21%	3.97%	4.55%	3.00%
PARTICIPANTS: Victoria, Oak Bay, Esquimalt, Saanich, View Royal, Colwood, Langford										