APPENDIX B

CAPITAL REGIONAL DISTRICT

2026 Budget

Magic Lake Estates Sewer

Commission Review

NOVEMBER 2025

Service:	3.830 Magic Lake Sewer Utility (Pender)	Committee: Electoral Area

DEFINITION:

To provide, operate and maintain sewage collection and disposal facilities for the Magic Lake Estates Sewerage System Specified Area on North Pender Island (Local Service Establishment Bylaw No. 1873 - June 26, 1991).

PARTICIPATION:

Specified Area - B(764) SA#8

MAXIMUM LEVY:

Greater of $200,000 or $7.10 / $1,000 on actual assessed value of land and improvements.

MAXIMUM CAPITAL DEBT:

AUTHORIZED: LA Bylaw No. 4048 (Dec 2015). Fall Borrowing $1,530,000 for 10 years

COMMITTEE:

Magic Lake Estates Water & Sewer Committee established by Bylaw No. 1870 (November 28, 1990).

FUNDING:

User Charge: Per single family equivalency unit to connected properties only

Parcel Tax: Only on properties capable of being connected to system.

Connection Charge: Actual Engineering and Construction costs, plus 15% Administration costs. The minimum charge is $500.

RESERVE FUND:

Magic Lake Estates sewage system capital reserve fund (Dec 17, 1986). Bylaw No. 1497.

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3.830 - Magic Lake Estates Sewer	2025		BUDGET REQUEST 2026				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2027	2028	2029	2030
OPERATING COSTS										
Sludge Hauling Contracts	111,240	66,340	113,240	(45,000)	-	68,240	69,600	70,990	72,410	73,860
Grit & Waste Sludge Disposal	87,550	40,830	89,130	(45,000)	-	44,130	45,010	45,910	46,830	47,770
Screening Disposal	20,000	10,000	20,360	-	-	20,360	20,770	21,190	21,610	22,040
Repairs & Maintenance	25,200	21,370	25,650	5,000	5,000	35,650	86,260	31,890	32,520	33,180
Allocations	49,553	49,553	51,900	-	-	51,900	52,859	53,916	54,988	56,094
Electricity	25,780	52,000	26,750	27,250	-	54,000	55,080	56,180	57,300	58,450
Supplies	18,220	15,460	18,540	3,000	7,000	28,540	21,970	22,410	22,860	23,310
Labour Charges	338,283	422,233	358,047	100,000	-	458,047	467,440	477,029	486,808	496,800
Other Operating Expenses	47,591	58,361	57,851	2,500	-	60,351	62,097	63,901	65,774	67,717
TOTAL OPERATING COSTS	**723,417**	**736,147**	**761,468**	**47,750**	**12,000**	**821,218**	**881,086**	**843,416**	**861,100**	**879,221**
*Percentage Increase over prior year			5.3%	6.6%	1.7%	13.5%	7.3%	-4.3%	2.1%	2.1%
DEBT / RESERVES										
Transfer to Capital Reserve Fund	46,000	46,000	46,000	-	-	46,000	113,345	130,795	129,875	45,895
Transfer to Operating Reserve Fund	15,000	2,286	20,520	-	-	20,520	50,000	50,000	50,000	50,000
Transfer to Equipment Replacement fund	-	-	-	60,000	-	60,000	60,000	60,000	60,000	60,000
Debt Reserve Fund	530	530	610	-	-	610	310	8,210	13,000	10,000
MFA Principal Payment	133,463	133,463	133,463	-	-	133,463	68,476	46,668	20,403	53,558
MFA Interest Payment	40,640	40,640	40,640	-	-	40,640	24,995	26,820	54,563	113,975
TOTAL DEBT / RESERVES	**235,633**	**222,919**	**241,233**	**60,000**	**-**	**301,233**	**317,126**	**322,493**	**327,841**	**333,428**
TOTAL COSTS	**959,050**	**959,066**	**1,002,701**	**107,750**	**12,000**	**1,122,451**	**1,198,212**	**1,165,909**	**1,188,941**	**1,212,649**
Sludge Disposal Recovery	(11,940)	(11,940)	(12,150)	-	-	(12,150)	(12,390)	(12,640)	(12,890)	(13,150)
TOTAL COSTS NET OF RECOVERIES	**947,110**	**947,126**	**990,551**	**107,750**	**12,000**	**1,110,301**	**1,185,822**	**1,153,269**	**1,176,051**	**1,199,499**
*Percentage Increase over prior year			4.6%	11.4%	1.3%	17.2%	6.8%	-2.7%	2.0%	2.0%
FUNDING SOURCES (REVENUE)										
Transfer from Operating Reserve Fund	-	-	-	-	(12,000)	(12,000)	(55,000)	-	-	-
User Charges	(317,390)	(317,390)	(331,990)	(36,250)	-	(368,240)	(379,290)	(386,880)	(394,620)	(402,510)
Grants in Lieu of Taxes	(3,430)	(3,446)	(3,430)	-	-	(3,430)	(3,430)	(3,430)	(3,430)	(3,430)
Other Revenue	(1,460)	(1,460)	(1,560)	-	-	(1,560)	(1,280)	(1,200)	(1,010)	(1,030)
TOTAL REVENUE	**(322,280)**	**(322,296)**	**(336,980)**	**(36,250)**	**(12,000)**	**(385,230)**	**(439,000)**	**(391,510)**	**(399,060)**	**(406,970)**
REQUISITION - PARCEL TAX	**(624,830)**	**(624,830)**	**(653,571)**	**(71,500)**	**-**	**(725,071)**	**(746,822)**	**(761,759)**	**(776,991)**	**(792,529)**
*Percentage increase over prior year										
User Fees			4.6%	11.4%	0.0%	16.0%	3.0%	2.0%	2.0%	2.0%
Requisition			4.6%	11.4%	0.0%	16.0%	3.0%	2.0%	2.0%	2.0%
Combined			**4.6%**	**11.4%**	**0.0%**	**16.0%**	**3.0%**	**2.0%**	**2.0%**	**2.0%**

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3.830D - Magic Lake Estates Sewer - Debt Only 6M Phase 1 Wastewater Treatment Plan Upgrade	2025 BOARD BUDGET	2025 ESTIMATED ACTUAL	BUDGET REQUEST 2026 CORE BUDGET	ONGOING	ONE-TIME	TOTAL	FUTURE PROJECTIONS 2027	2028	2029	2030
DEBT										
Debt Reserve Fund	1,520	1,520	1,760	-	-	1,760	1,760	1,760	1,760	1,760
MFA Principal Payment	111,887	111,887	111,887	-	-	111,887	111,887	111,887	111,887	111,887
MFA Interest Payment	118,798	118,798	118,798	-	-	118,798	118,798	118,798	118,798	118,798
TOTAL DEBT	**232,205**	**232,205**	**232,445**	**-**	**-**	**232,445**	**232,445**	**232,445**	**232,445**	**232,445**
FUNDING SOURCES (REVENUE)										
MFA Debt Reserve Earning	(1,520)	(1,520)	(1,760)	-	-	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)
Grants in Lieu of Taxes	(1,201)	(1,201)	(1,201)	-	-	(1,201)	(1,201)	(1,201)	(1,201)	(1,201)
REQUISITION - PARCEL TAX	**(229,484)**	**(229,484)**	**(229,484)**	**-**	**-**	**(229,484)**	**(229,484)**	**(229,484)**	**(229,484)**	**(229,484)**
*Percentage increase over prior year Requisition			0.0%			0.0%	0.0%	0.0%	0.0%	0.0%

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Magic Lake Estates Sewer
Reserve Summary Schedule
2026 - 2030 Financial Plan

Reserve/Fund Summary

	Estimated	Budget				
	2025	2026	2027	2028	2029	2030
Operating Reserve Fund	47,993	56,513	51,513	101,513	151,513	201,513
Capital Reserve Fund	426,103	387,103	260,448	266,243	396,118	442,013
Equipment Replacement Fund	-	10,000	20,000	30,000	40,000	50,000
Total	**474,095**	**453,615**	**331,960**	**397,755**	**587,630**	**693,525**

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Reserve Schedule

Reserve Fund: 3.830 Magic Lake Sewer System - Operating Reserve Fund - Bylaw 4144

Reserve fund used for: unforeseen operational repairs and maintenance; infrequent maintenance activities such as treatment facility tankage draining/cleaning/inspection etc.

Reserve Cash Flow

Fund: **1500**	**Estimated**	**Budget**				
Fund Centre: **105217**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Beginning Balance	43,923	47,993	56,513	51,513	101,513	151,513
Transfer from Ops Budget	2,270	20,520	50,000	50,000	50,000	50,000
Planned Expenditures	-	(12,000)	(55,000)	-	-	-
Planned Maintenance Activity		Sewer flushing ($12K)	Outfall Inspection ($15K) and sewer flushing ($40K)			
Interest Income*	1,800					
Ending Balance $	**47,993**	**56,513**	**51,513**	**101,513**	**151,513**	**201,513**

Assumptions/Background:
* Interest in planning years nets against inflation which is not included.

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Reserve Schedule

Reserve Fund: 3.830 Magic Lake Sewer System - Capital Reserve Fund

Bylaw 1497

Reserve Cash Flow

Fund: 1042	Estimated	Budget				
Fund Centre: 101386	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Beginning Balance	425,103	426,103	387,103	260,448	266,243	396,118
Transfer from Ops Budget	46,000	46,000	113,345	130,795	129,875	45,895
Transfer to Cap Fund	(60,000)	(85,000)	(240,000)	(125,000)	-	-
Transfer from Cap Fund	-					
Interest Income*	15,000					
Ending Balance $	**426,103**	**387,103**	**260,448**	**266,243**	**396,118**	**442,013**

Assumptions/Background:

* Interest in planning years nets against inflation which is not included.

Reserve Schedule

Reserve Fund: 3.830 Magic Lake Sewer System - Equipment Replacement Fund

To be created in 2025

Reserve Cash Flow

Fund: 1022	Estimated	Budget				
Fund Centre: TBD	2025	2026	2027	2028	2029	2030
Beginning Balance	-	-	10,000	20,000	30,000	40,000
Transfer from Ops Budget	-	60,000	60,000	60,000	60,000	60,000
Planned Purchases	-	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Interest Income	-					
Ending Balance $	**-**	**10,000**	**20,000**	**30,000**	**40,000**	**50,000**

Assumptions/Background:

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CAPITAL REGIONAL DISTRICT

FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2026 to 2030

Service No. 3.830 Magic Lake Sewer Utility (Pender)	Carry Forward from 2025	2026	2027	2028	2029	2030	TOTAL
EXPENDITURE							
Buildings	$0	$0	$0	$0	$0	$0	$0
Equipment	$60,000	$160,000	$50,000	$50,000	$50,000	$50,000	$360,000
Land	$0	$0	$0	$0	$0	$0	$0
Engineered Structures	$100,000	$135,000	$240,000	$925,000	$1,300,000	$1,000,000	$3,600,000
Vehicles	$0	$0	$0	$0	$0	$0	$0
	$160,000	**$295,000**	**$290,000**	**$975,000**	**$1,350,000**	**$1,050,000**	**$3,960,000**
SOURCE OF FUNDS							
Capital Funds on Hand	$160,000	$160,000	$0	$0	$0	$0	$160,000
Debenture Debt (New Debt Only)	$0	$0	$0	$800,000	$1,300,000	$1,000,000	$3,100,000
Equipment Replacement Fund	$0	$50,000	$50,000	$50,000	$50,000	$50,000	$250,000
Grants (Federal, Provincial)	$0	$0	$0	$0	$0	$0	$0
Donations / Third Party Funding	$0	$0	$0	$0	$0	$0	$0
Reserve Fund	$0	$85,000	$240,000	$125,000	$0	$0	$450,000
	$160,000	**$295,000**	**$290,000**	**$975,000**	**$1,350,000**	**$1,050,000**	**$3,960,000**

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Definitions for the 5-year Capital Plan

Asset Class	Asset class is used to classify assets for financial reporting in accordance with the Public Sector Accounting Board (PSAB) 3150. **L** - Land **S** - Engineering Structure **B** - Buildings **V** - Vehicles **E** - Equipment
Capital Expenditure Type	Capital expenditure type is used for reporting on asset investments and may be used to justify operational needs for a service. **Study** - Expenditure for feasibility and business case report. **New** - Expenditure for new asset only **Renewal** - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service **Replacement** - Expenditure replaces an existing asset
Carryforward	Represents the carryforward amount from the prior year capital plan that is remaining to be spent. Forecast this spending over the next 5 years.
Funding Source	**Debt** - Debenture Debt (new debt only) **ERF** - Equipment Replacement Fund **Grant** - Grants (Federal, Provincial) **Cap** - Capital Funds on Hand **Other** - Donations / Third Party Funding **Res** - Reserve Fund **WU** - Water Utility If there is more than one funding source, additional rows are shown for the project.

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CAPITAL REGIONAL DISTRICT

5 YEAR CAPITAL PLAN

2026 - 2030

Service #: 3.830

Service Name: Magic Lake Sewer Utility (Pender)

Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	PROJECT BUDGET & SCHEDULE Total Project Budget	Asset Class	Funding Source	Carryforward	2026	2027	2028	2029	2030	5 - Year Total auto-populates
21-02	Renewal	Wastewater Improvements - Pump Station and Treatment Plant Upgrades	1. Renew Galleon and Schooner Pump Stations 2. Replace Cannon WWTP with a new pump station 3. Upgrade Schooner WWTP (headworks, EQ tank, 2nd aeration tank, new clarifiers, electrical/genset) 4. Commissioning	$ 11,953,815	S	Cap	$ 100,000	$ 100,000	$ -	$ -	$ -	$ -	$ 100,000
24-01	Replacement	Towable Genset Replacement	Replacement of the towable genset as it is nearing the end of life.	$ 110,000	E	Res	$ -	$ 50,000	$ -	$ -	$ -	$ -	$ 50,000
24-01	Replacement	Towable Genset Replacement	Replacement of the towable genset as it is nearing the end of life.		E	Cap	$ 60,000	$ 60,000	$ -	$ -	$ -	$ -	$ 60,000
27-01	Study	Petition or Alternative Approval Process	Conduct public consultation to inform strategies to borrow necessary future capital funds.	$ 20,000	S	Res	$ -	$ -	$ 20,000	$ -	$ -	$ -	$ 20,000
28-01	Renewal	CCTV Inspection of AC Pipe	Conduct a CCTV inspection of all remaining asbestos cement pipe to monitor its condition and identify pipe that might require replacemen	$ 125,000	S	Res	$ -	$ -	$ -	$ 125,000	$ -	$ -	$ 125,000
27-02	Renewal	Pump Stations - Mechanical and Electrical Upgrades (Replace when grai received or sufficient funds in CRF)	Renew Buccaneer, Capstan, Cutlass and Masthead Pump Stns	$ 2,100,000	S	Res	$ -	$ -	$ 100,000	$ -	$ -	$ -	$ 100,000
27-02	Renewal				S	Debt	$ -	$ -	$ -	$ 800,000	$ 1,200,000	$ -	$ 2,000,000
28-03	Replacement	AC Sewer Pipe Replacement	Based on CCTV inspection, replace portions of AC sewer pipe that are at end of life.	$ 2,000,000	S	Debt	$ -	$ -	$ -		$ 100,000	$ 1,000,000	$ 1,100,000
27-03	Replacement	Chart PS RTU	Connectivity to SCADA Server.	$ 115,000	S	Res	$ -	$ 15,000	$ 100,000	$ -	$ -	$ -	$ 115,000
26-01	New	WWTP Optimization	Budget for ongoing operational improvements for additional instrumentation, analytical improvements, etc as operations familiarize and fine tune operation of the plan	$ 40,000	S	Res	$ -	$ 20,000	$ 20,000	$ -	$ -	$ -	$ 40,000
26-02	Replacement	Annual Provisional - Equipment Replacement Fund.	Budget for mechanical and electrical equipment replacement needed for replacement.	$ 250,000	E	ERF	$ -	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 250,000
													$ -
													$ -
													$ -
													$ -
			Grand Total	**$ 16,713,815**			**$ 160,000**	**$ 295,000**	**$ 290,000**	**$ 975,000**	**$ 1,350,000**	**$ 1,050,000**	**$ 3,960,000**

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Service:	3.830	Magic Lake Sewer Utility (Pender)

Project Number	21-02	**Capital Project Title**	Wastewater Improvements - Pump Station and Treatment Plant Upgrades	**Capital Project Description**	1. Renew Galleon and Schooner Pump Stations 2. Replace Cannon WWTP with a new pump station 3. Upgrade Schooner WWTP (headworks, EQ tank, 2nd aeration tank, new clarifiers, electrical/genset)
Project Rationale	Wastewater Improvements - Pump Station and Treatment Plant Upgrades. Commissiong in progress.				

Project Number	24-01	**Capital Project Title**	Towable Genset Replacement	**Capital Project Description**	Replacement of the towable genset as it is nearing the end of life.
Project Rationale	Replacement of the towable genset as it is nearing the end of life.				

Project Number	27-01	**Capital Project Title**	Petition or Alternative Approval Process	**Capital Project Description**	Conduct public consultation to inform strategies to borrow necessary future capital funds.
Project Rationale	Funding to conduct an Alternative Approvals Process to solicit public approval to secure debt in order to carry out necessary future Capital improvements.				

Project Number	28-01	**Capital Project Title**	CCTV Inspection of AC Pipe	**Capital Project Description**	Conduct a CCTV inspection of all remaining asbestos cement pipe to monitor its condition and identify pipe that might require replacement.
Project Rationale	CCTV inspections of AC sewer mains to prioritize replacement.				

Project Number	27-02	**Capital Project Title**	Pump Stations - Mechanical and Electrical Upgrades (Replace when grant received or sufficient funds in CRF)	**Capital Project Description**	Renew Buccaneer, Capstan, Cutlass and Masthead Pump Stns
Project Rationale	Additional funding required to carry out the works to upgrade Capstan, Cutlass (top priorities) as well as Buccaneers and Masthead (secondary priority).				

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Service:	**3.830**	**Magic Lake Sewer Utility (Pender)**

Project Number	28-03	**Capital Project Title**	AC Sewer Pipe Replacement	**Capital Project Description**	Based on CCTV inspection, replace portions of AC sewer pipe that are at end of life.
Project Rationale	Replacement of AC sewer pipes based on CCTV. Cost estimation to be further developed following CCTV and concept design.				

Project Number	27-03	**Capital Project Title**	Chart PS RTU	**Capital Project Description**	Connectivity to SCADA Server.
Project Rationale					

Project Number	26-01	**Capital Project Title**	WWTP Optimization	**Capital Project Description**	Budget for ongoing operational improvements for additional instrumentation, analytical improvements, etc as operations familiarize and fine tune operation of the plant.
Project Rationale					

Project Number	26-02	**Capital Project Title**	Annual Provisional - Equipment Replacement Fund.	**Capital Project Description**	Budget for mechanical and electrical equipment replacement needed for replacement.
Project Rationale					

3.830 - Magic Lake Sewer Utility (Pender)

Capital Projects Fund

Updated @ Oct 03, 2025

Year	Project#	Capital Plan#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
						Expenditure Actuals	Remaining Spending	
2020	CE.708	21-02	Open	MLE Wastewater Treatment Plant Upgrade	11,953,815	11,743,246	210,569	11,953,816
2021	CE.775	21-01	Open	MLE Safety Upgrades	30,000	10,408	19,592	30,000
2025	CE.895.1601	24-01	Open	Towable Genset Replacement	60,000	263	59,737	60,000
				Total	**12,043,815**	**11,753,917**	**289,898**	**12,043,816**

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Service:	3.830 Magic Lake Sewe	3.830 Magic Lake Sewer Utility (Pender)	Committee: Electoral Area

Year	Taxable Folios	Parcel Tax 1 per Folio	Taxable Folios	Parcel Tax 2 per Folio	SFE's	User Charge per SFE	Total Tax(1&2) & Charges	Bylaw
2017	713	$750.36			623	$271.12	**$1,021.48**	4170
2018	713	$750.37			623	$300.40	**$1,050.77**	4233
2019	713	$777.60			623	$381.54	**$1,159.14**	4274
2020	714	$1,029.82			630	$394.02	**$1,423.83**	4337
2021	714	$850.30	577	$144.49	635	$394.02	**$1,388.81**	4389
2022	712	$866.26	575	$387.35	639	$405.70	**$1,659.31**	4471
2023	709	$869.92	573	$430.01	642	$416.04	**$1,715.97**	4524
2024	709	$900.54	573	$421.48	651	$447.08	**$1,769.10**	4586
2025	709	$927.55	573	$421.52	651	$487.54	**$1,836.61**	4649
2026	709	$1,076.36	573	$421.52	651	$565.65	**$2,063.53**	

Change from 2025 to 2026								
		$148.81		*$0.00*		*$78.11*	*$226.92*	
		16.04%		*0.00%*		*16.02%*	*12.36%*	

Total Parcel Tax(1) and Charges (lump-sum payment option only)	**$1,642.01**
Change from 2025 to 2026	*$226.92*
	16.04%

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Magic Lake Estates Sewer
Funding Analysis 2022-2026
2026
1,076.36
421.52
565.65
2025
927.55
421.52
487.54
2024
900.54
421.48
447.08
2023
869.92
430.01
416.04
2022
866.26
387.35
405.70
0.00
500.00
1,000.00
1,500.00
2,000.00
2,500.00
Parcel Tax 1
Parcel Tax 2
User Fee

Service: **3.830D Magic Lake Sewer - Debt Service Only - 6M**

Bylaw 4363

Total Folios	709	
Folios Paid by One-time Lump Sum	137	*one of the the folios that paid the lump-sum is exempt now*

Year	Taxable Folios	Parcel Tax per Folio
2021	577	$144.49
2022	575	$387.35
2023	573	$430.01
2024	573	$421.48
2025	573	$421.52
2026	573	$421.52
2027	573	$421.52
2028	573	$421.52
2029	573	$421.52
2030	573	$421.52

Change from 2025 to 2026

$0.00

0.00%

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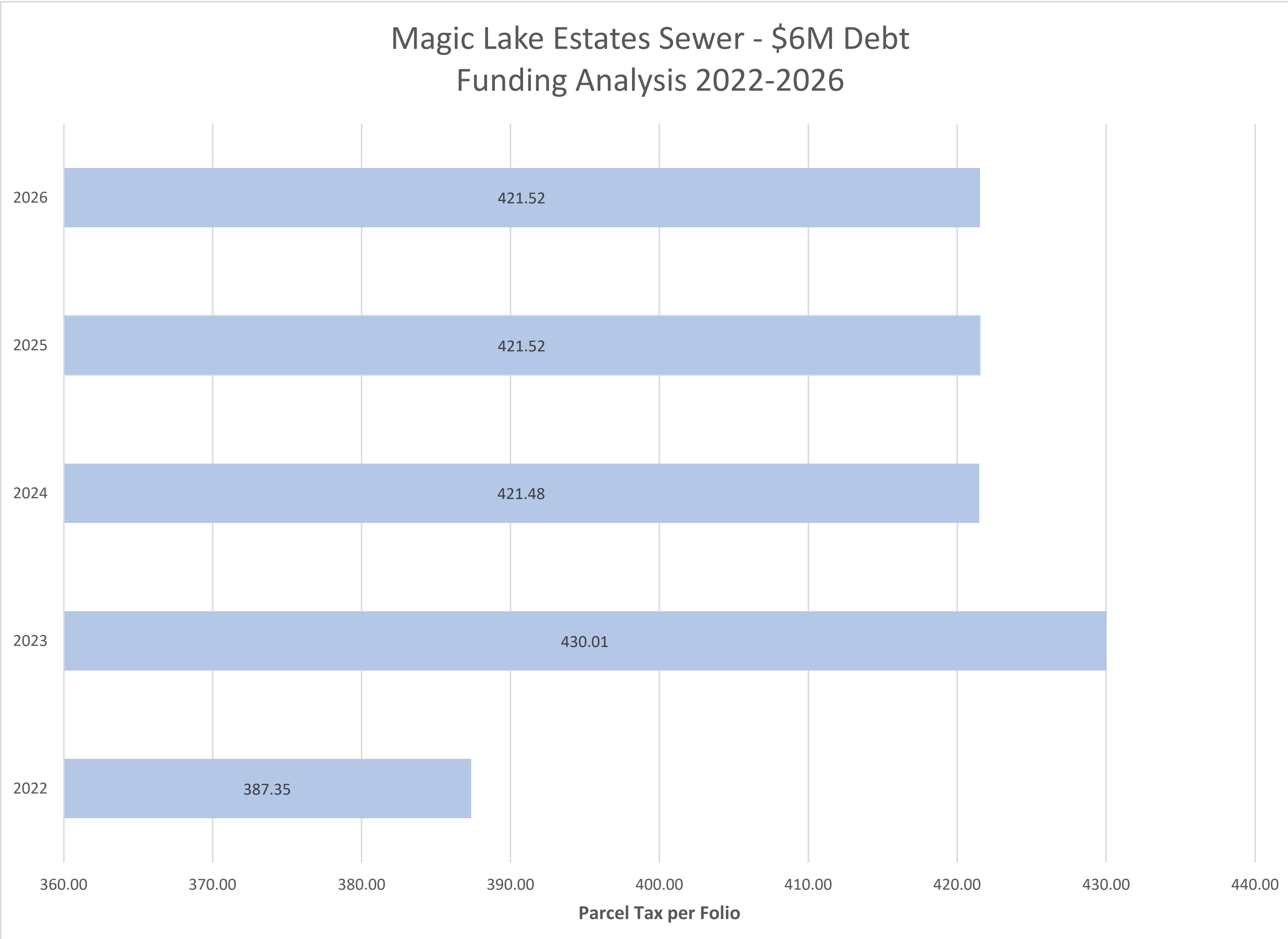
Magic Lake Estates Sewer - $6M Debt
Funding Analysis 2022-2026
2026
421.52
2025
421.52
2024
421.48
2023
430.01
2022
387.35
360.00
370.00
380.00
390.00
400.00
410.00
420.00
430.00
440.00
Parcel Tax per Folio