

# **CAPITAL REGIONAL DISTRICT**

## **2025 BUDGET**

### **Finance**

#### **COMMITTEE REVIEW**

**Service:** 1.017 Finance

**Committee:** Governance Committee & Finance Committee

**DEFINITION:**

Authorized by Letters Patent to provide financial services to the Board of the Capital Regional District.

**SERVICE DESCRIPTION:**

Financial services and systems including budget preparation, financial accounting and reporting, financial analysis, accounts payable and payments, revenue billing and collection, payroll, financial systems support, banking, investments, long term debt and bylaw preparation.

**PARTICIPATION:**

All municipalities and electoral areas.

**MAXIMUM LEVY:**

N/A

**MAXIMUM CAPITAL DEBT:**

N/A

**COMMITTEE:**

Governance Committee and Finance Committee

**FUNDING:**

Requisition and internal recoveries

**Change in Budget 2024 to 2025**  
**Service: 1.017 Finance**

**Total Expenditure**

**Comments**

**2024 Budget**

**9,087,725**

**Change in Salaries:**

Base salary and benefit change	139,893	Inclusive of estimated collective agreement changes
Step increase/paygrade change	149,454	Inclusive of annualization and reclassification of 2024 IBC positions
2.0 FTE Financial Analysts	187,885	2025 IBC 13d-1.1: Support Division IBC - Financial Services (9 months)
1.0 FTE Manager of Finance - Regional Housing	162,077	2025 IBC 5a-1.6: Manager Finance Regional Housing
1.0 FTE Senior Corporate Financial Analyst	96,291	2025 IBC 13c-1.3: Senior Financial Advisor (9 months)
1.0 FTE Manager of Procurement and Supply Chain	163,087	2025 IBC 13a-1.2 Manager of Procurement
(3.0) FTE Asset Management personnel	(444,419)	Reassignment of Asset Management function to IWS in 2025
Other	(12,640)	Discontinued term positions, auxiliary labour, overtime, and standby pay
<b>Total Change in Salaries</b>	<b>441,629</b>	

**Other Changes:**

Field Operations Centre (HQ2)	109,220	Field Operations Centre allocation and debt servicing costs
Building Occupancy	51,280	Facilities allocation
SharePoint Online Upgrade	36,037	Contribution to 2025 IBC 13a-3.1: M365 SharePoint Online Transition to IM
Office and Equipment Costs	93,100	Office costs associated with new on-going and term FTEs
Asset Management Program	(449,540)	Reassignment of Asset Management function to IWS in 2025
Other	(30,624)	
<b>Total Other Changes</b>	<b>(190,527)</b>	

**2025 Budget**

**9,338,826**

**Summary of % Expense Increase**

2025 Base salary and step increases	3.2%
2025 IBC Expense	7.1%
Internal Allocations	2.2%
Asset management budget reallocation	-9.9%
<b>% expense increase from 2024:</b>	<b>2.8%</b>
<i>% Requisition increase from 2024:</i>	<b>2.9%</b>

*Requisition funding is 33% of service revenue*

**Overall 2024 Budget Performance**

(expected variance to budget and surplus treatment)

*There is an estimated one-time favourable variance of \$256,896 (3.3%) due mainly to temporary vacancies on permanent staff positions and hiring new staff at lower pay steps; partially offset by one-time contribution to the general capital fund. This surplus will be transferred to the Legislative and General Operating Reserve.*

1.017 - FINANCE	2024		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	2025 ONGOING	ONE-TIME	TOTAL	2026	2027	2028	2029
<u>OPERATING COSTS:</u>										
Salaries and Wages	7,206,303	6,629,499	7,038,592	609,340	-	7,647,932	8,120,425	8,117,678	8,351,909	8,508,406
Allocations	328,522	328,522	393,861	-	36,037	429,898	465,925	459,305	476,801	485,930
Auditing Expense	83,000	83,000	86,000	-	-	86,000	89,000	90,780	92,600	94,450
Contract for Services	714,220	300,934	77,480	-	179,096	256,576	250,000	250,000	250,000	250,000
Postage & Freight	255,170	228,630	262,820	-	-	262,820	268,080	273,450	278,920	284,500
Supplies	87,890	73,563	78,640	-	14,000	92,640	80,610	80,030	81,620	83,250
Other Operating Expenses	377,620	370,866	350,860	23,500	55,600	429,960	481,275	470,973	480,903	491,119
<b>TOTAL OPERATING COSTS</b>	<b>9,052,725</b>	<b>8,015,014</b>	<b>8,288,253</b>	<b>632,840</b>	<b>284,733</b>	<b>9,205,826</b>	<b>9,755,314</b>	<b>9,742,216</b>	<b>10,012,752</b>	<b>10,197,655</b>
*Percentage Increase over prior year			-8.4%	7.0%	3.1%	1.7%	6.0%	-0.1%	2.8%	1.8%
<u>CAPITAL / RESERVE</u>										
Transfer to Equipment Replacement Fund	35,000	35,000	35,000	-	-	35,000	35,000	35,000	35,000	35,000
Transfer to General Capital Fund	-	400,000	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL / RESERVES</b>	<b>35,000</b>	<b>435,000</b>	<b>35,000</b>	<b>-</b>	<b>-</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>
Debt Expenditures	-	-	98,000	-	-	98,000	203,000	304,332	304,332	304,332
<b>TOTAL COSTS</b>	<b>9,087,725</b>	<b>8,450,014</b>	<b>8,421,253</b>	<b>632,840</b>	<b>284,733</b>	<b>9,338,826</b>	<b>9,993,314</b>	<b>10,081,548</b>	<b>10,352,084</b>	<b>10,536,987</b>
*Percentage Increase over prior year			-7.3%	7.0%	3.1%	2.8%	7.0%	0.9%	2.7%	1.8%
<u>REVENUE</u>										
US Bank Rebate	(61,980)	(61,980)	(63,840)	-	-	(63,840)	(65,120)	(66,420)	(67,750)	(69,110)
Provincial Grants	(60,000)	(60,000)	(60,000)	-	-	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
Sales of Services	(240,330)	(215,348)	(256,980)	-	-	(256,980)	(262,120)	(267,360)	(272,710)	(278,160)
Other	(90,406)	(89,117)	(93,201)	-	-	(93,201)	(96,015)	(98,900)	(101,868)	(104,911)
Allocation Recoveries	(107,680)	(107,680)	(208,910)	-	-	(208,910)	(395,530)	(500,690)	(504,620)	(508,640)
Transfer from Reserve	(796,833)	(442,289)	(161,303)	-	(179,096)	(340,399)	(165,977)	-	-	-
<b>TOTAL REVENUES</b>	<b>(1,357,228)</b>	<b>(976,413)</b>	<b>(844,235)</b>	<b>-</b>	<b>(179,096)</b>	<b>(1,023,331)</b>	<b>(1,044,762)</b>	<b>(993,370)</b>	<b>(1,006,948)</b>	<b>(1,020,821)</b>
<b>NET COSTS</b>	<b>7,730,497</b>	<b>7,473,601</b>	<b>7,577,018</b>	<b>632,840</b>	<b>105,637</b>	<b>8,315,495</b>	<b>8,948,553</b>	<b>9,088,178</b>	<b>9,345,137</b>	<b>9,516,166</b>
*Percentage increase over prior year Net Costs			-2.0%	8.2%	1.4%	7.6%	7.6%	1.6%	2.8%	1.8%
<u>AUTHORIZED POSITIONS:</u>										
Salaried	50.0	50.0	47.0	4.0	-	51.0	53.5	53.5	53.5	53.5
Term	3.5	3.5	3.0	1.0	-	4.0	3.5	1.5	1.5	1.0

**CAPITAL REGIONAL DISTRICT**  
**FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2025 to 2029**

<b>Service No.</b>	<b>1.017</b>							
	<b>Finance</b>	<b>Carry Forward from 2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>TOTAL</b>

**EXPENDITURE**

Buildings	\$850,000	\$5,100,000	\$0	\$0	\$0	\$0	\$5,100,000
Equipment	\$0	\$30,182	\$32,754	\$49,321	\$49,321	\$43,567	\$205,145
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$850,000</b>	<b>\$5,130,182</b>	<b>\$32,754</b>	<b>\$49,321</b>	<b>\$49,321</b>	<b>\$43,567</b>	<b>\$5,305,145</b>

**SOURCE OF FUNDS**

Capital Funds on Hand	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Debenture Debt (New Debt Only)	\$0	\$3,000,000	\$0	\$0	\$0	\$0	\$3,000,000
Equipment Replacement Fund	\$0	\$30,182	\$32,754	\$49,321	\$49,321	\$43,567	\$205,145
Grants (Federal, Provincial)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Donations / Third Party Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund	\$750,000	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000
	<b>\$850,000</b>	<b>\$5,130,182</b>	<b>\$32,754</b>	<b>\$49,321</b>	<b>\$49,321</b>	<b>\$43,567</b>	<b>\$5,305,145</b>

**CAPITAL REGIONAL DISTRICT**

**5 YEAR CAPITAL PLAN**

**2025 - 2029**

**Service #:** 1.017

**Service Name:** Finance

PROJECT DESCRIPTION				PROJECT BUDGET & SCHEDULE									
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward from 2024	2025	2026	2027	2028	2029	5 - Year Total
25-01	Replacement	Computer	Computer and Office Equipment Replacement	\$ 30,182	E	ERF		\$ 30,182	\$ -	\$ -	\$ -	\$ -	\$ 30,182
26-01	Replacement	Computer	Computer and Office Equipment Replacement	\$ 32,754	E	ERF		\$ -	\$ 32,754	\$ -	\$ -	\$ -	\$ 32,754
27-01	Replacement	Computer	Computer and Office Equipment Replacement	\$ 49,321	E	ERF		\$ -	\$ -	\$ 49,321	\$ -	\$ -	\$ 49,321
28-01	Replacement	Computer	Computer and Office Equipment Replacement	\$ 49,321	E	ERF		\$ -	\$ -	\$ -	\$ 49,321	\$ -	\$ 49,321
29-01	Replacement	Computer	Computer and Office Equipment Replacement	\$ 43,567	E	ERF		\$ -	\$ -	\$ -	\$ -	\$ 43,567	\$ 43,567
24-02	New	Office Renovations	Office Renovations	\$ 100,000	B	Cap	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
24-03	New	Additional Office Space at IWS Field Office	First year project costs related to construction of additional office space at the IWS Field Office.	\$ 5,000,000	B	Res	\$ 750,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
24-03	New	Additional Office Space at IWS Field Office	First year project costs related to construction of additional office space at the IWS Field Office.		B	Debt		\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000
													\$ -
													\$ -
													\$ -
													\$ -
			<b>Grand Total</b>	<b>\$ 5,305,145</b>				<b>\$ 5,130,182</b>	<b>\$ 32,754</b>	<b>\$ 49,321</b>	<b>\$ 49,321</b>	<b>\$ 43,567</b>	<b>\$ 5,305,145</b>

**Reserve Schedule**

**Reserve Fund: 1.017 Finance**

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**Reserve Cash Flow**

<b>Fund: 1022 Fund Center: 101420</b>	<b>Estimated</b>	<b>Budget</b>				
ERF Group: FIN.ERF	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Beginning Balance</b>	413,696	370,741	375,559	377,805	363,484	349,163
<b>Actual Purchases</b>	(81,549)					
<b>Planned Purchases (Based on Capital Plan)</b>		(30,182)	(32,754)	(49,321)	(49,321)	(43,567)
<b>Transfer from Operating Budget</b>	35,000	35,000	35,000	35,000	35,000	35,000
<b>Interest Income</b>	3,594	-	-	-	-	-
<b>Ending Balance \$</b>	<b>370,741</b>	<b>375,559</b>	<b>377,805</b>	<b>363,484</b>	<b>349,163</b>	<b>340,596</b>

**Assumptions/Background:**  
 2025 - Replace 6 standard laptops, 1 semi-ruggedized laptop, peripherals and binding equipment  
 2026 - Replace 3 standard laptops, peripherals, and postage meter for print shop  
 2027 - Replace 22 standard laptops, and 1 ultra-portable laptop, plus peripherals  
 2028 - Replace 22 standard laptops, and 1 ultra-portable laptop, plus peripherals  
 2029 - Replace 19 standard laptops, and 1 ultra-portable laptop, plus peripherals