

CAPITAL REGIONAL DISTRICT 2026

BUDGET

Core Area Wastewater - Combined View

CORE AREA LIQUID WASTE MANAGEMENT COMMITTEE

Change in Budget 2025 to 2026

Service: 3.717 & 3.798C Core Area Wastewater

Total Expenditure

Comments

2025 Budget

62,293,864

Operation Changes:

Allocation - IWS Operations	532,166	Labour charge-out rate increased by an average of 6.1%, primarily due to salary benefits increases resulting from a collective agreement
Allocation - Standard Overhead	232,360	Allocation based on the percentage of the prior year's budget and the budgeted cost for 2026
Allocation - EPRO, Engineering	80,789 170,954	Establishment of a new division — <i>Environmental Innovation</i> Inflationary increases for Enviro Monitoring & Marine Protection, Infrastructure Engineering, Facilities Management
RTF Operations and Biotreatment and Disposal	158,033	Inflationary increases on the HRMG contract and others, with the disposal budget aligned to 2025 actuals
Operating - Other	(250,000) 114,330	Reduction in overall contract services due to a one-time backwash tank cleaning expense that occurred in 2025 Inflationary increases for equipment and other ongoing expenses
Repairs & Maintenance	(399,400)	Decrease in cyclical maintenance costs following recent inspections, maintenance, and equipment replacement
Electricity & Utilities	248,496 97,609	Increase in water charges is due to accurate meter readings and higher consumption Increase consumption and Inflationary cost adjustments
Supplies - Chemical & Other	163,530	Inflation-driven cost increases for supplies and chemicals
Total Other Changes	<u>1,148,867</u>	

Capital/ Debt Changes:

Transfer to Capital Reserve	1,000,000	Increasing annual capital reserve to restore to original plan
CAWW Debt	(613,955)	No additional principal repayment is anticipated in 2026
Other	69,181	Interest expense and debt reserve contribution increase
Total Other Changes	<u>455,226</u>	

2026 Budget

63,897,956

% expense increase from 2025:

2.6%

Requisition funding is 97.1% of combined service revenue

% Requisition increase from 2025 (if applicable):

6.7%

Overall 2025 Budget Performance

(expected variance to budget and surplus treatment)

3.717 - Core Area Wastewater Operations

"A surplus of \$635,000 is forecasted and will be transferred to the Operating Reserve.

3.798C - Debt - Core Area Wastewater Capital

"There is a one-time favorable variance forecasted at \$1,500,000, primarily due to savings from delaying a portion of the loan. This amount will be split between the Capital Reserve Fund and Debt Reserve Fund, \$1,000,000 and \$500,000 allocated to each respectively.

3.717 - OPERATING COSTS:

Allocation - IWS Operations	7,917,767	8,043,253	8,449,933	-	-	8,449,933	8,742,168	8,921,040	9,101,274	9,285,156
Allocation - Overhead	2,679,370	2,679,370	2,911,730	-	-	2,911,730	2,964,141	3,023,424	3,083,893	3,145,570
Allocation - EPRO, Engineering	5,096,658	5,021,122	5,348,401	-	-	5,348,401	5,491,132	5,638,203	5,788,924	5,943,804
RTF Operations and Biotreatment and Disposal	9,079,767	9,026,617	9,237,800	-	-	9,237,800	9,116,600	9,298,800	7,209,300	7,353,500
Operating - Other	3,307,970	3,409,000	3,172,300	-	-	3,172,300	3,261,915	3,354,620	3,450,534	4,149,852
Repairs & Maintenance	1,704,000	1,555,000	1,304,600	-	-	1,304,600	1,594,690	1,360,070	1,970,790	2,571,790
Electricity & Utilities	3,373,895	3,594,690	3,720,000	-	-	3,720,000	3,794,400	3,870,326	3,947,712	4,026,683
Supplies - Chemical & Other	4,837,200	4,031,805	5,000,730	-	-	5,000,730	5,100,750	5,307,358	5,413,510	5,521,760
Thermal Process	-	-	-	-	-	-	-	-	1,500,000	1,530,000
TOTAL OPERATING COSTS	37,996,627	37,360,857	39,145,493	-	-	39,145,493	40,065,796	40,773,841	41,465,937	43,528,115
*Percentage Increase over prior year		-1.67%	3.02%	0.00%	0.00%	3.02%	2.35%	1.77%	1.70%	4.97%
3.717 - RESERVE:										
Transfer to Operating Reserve	700,000	1,335,770	700,000	-	-	700,000	1,300,000	1,400,000	1,400,000	1,500,000
Transfer to Equipment Replacement Fund	100,000	100,000	100,000	-	-	100,000	400,000	600,000	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	2,121,119	3,121,119	3,121,119	-	-	3,121,119	3,121,119	3,371,119	4,771,119	13,531,369
Transfer to WTP Debt Retirement Reserve	5,418,160	5,924,762	5,489,960	-	-	5,489,960	5,561,760	5,633,560	5,994,778	-
TOTAL CAPITAL / RESERVES	13,869,024	16,011,396	14,940,824	-	-	14,940,824	15,912,624	16,534,424	18,295,642	21,161,114
CAWTP Debt	6,737,879	6,737,879	6,661,460	-	-	6,663,460	6,558,240	6,496,440	4,735,222	2,219,750
CAWW Debt	3,457,939	2,083,732	2,994,579	-	-	2,994,579	4,771,205	6,330,391	8,578,079	10,194,990
3.798C - Total Debt Expenditures	10,195,818	8,821,611	9,656,039	-	-	9,658,039	11,329,445	12,826,831	13,313,301	12,414,740
MFA Debt Reserve	232,395	100,000	153,600	-	-	153,600	163,710	252,110	185,760	136,760
Debt Repayment								10,283,553	41,134,212	
TOTAL COSTS	62,293,864	62,293,864	63,895,956	-	-	63,897,956	67,471,575	80,670,759	114,394,852	77,240,729
*Percentage Increase over prior year		0.00%	2.57%	0.00%	0.00%	2.58%	5.59%	19.56%	41.80%	-32.48%
Internal Recoveries	(216,480)	(216,480)	(216,480)	-	-	(216,480)	(220,810)	(225,226)	(229,731)	(234,326)
TOTAL COSTS LESS INTERNAL RECOVERIES	62,077,384	62,077,384	63,679,476	-	-	63,681,476	67,250,765	80,445,533	114,165,121	77,006,403
*Percentage Increase over prior year		0.00%								
FUNDING SOURCES (REVENUE)										
Surplus Balance carry forward	-	-	-	-	-	-	-	-	-	-
Transfer from Own funds	-	-	-	-	-	-	-	(10,283,553)	(41,134,212)	-
Grants in Lieu of Taxes	(1,454,245)	(1,454,245)	(1,454,245)	-	-	(1,454,245)	(1,454,245)	(1,454,245)	(1,454,245)	(1,454,245)
Transfer from Operating Reserve	(2,460,406)	(2,460,406)	(170,000)	-	-	(170,000)	(395,000)	(95,000)	(640,000)	(1,225,000)
Revenue - Other	(20,870)	(20,870)	(20,870)	-	-	(20,870)	(20,870)	(20,870)	(20,870)	(20,870)
TOTAL REVENUE	(3,935,521)	(3,935,521)	(1,645,115)	-	-	(1,645,115)	(1,870,115)	(11,853,668)	(43,249,327)	(2,700,115)
REQUISITION	(58,141,863)	(58,141,863)	(62,034,361)	-	-	(62,036,361)	(65,380,650)	(68,591,865)	(70,915,794)	(74,306,288)
*Percentage increase over prior year		0.00%	6.69%	0.00%	0.00%	6.70%	5.39%	4.91%	3.39%	4.78%
PARTICIPANTS: Victoria, Oak Bay, Esquimalt, Saanich, View Royal, Colwood, Langford										