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REPORT TO THE FINANCE COMMITTEE
MEETING OF WEDNESDAY, NOVEMBER 05, 2025

SUBJECT **Bylaw No. 4717: 2025 to 2029 Financial Plan Bylaw, 2025, Amendment Bylaw No. 4, 2025**

ISSUE SUMMARY

The 2025 to 2029 Financial Plan was adopted on March 12, 2025 then subsequently approved amendments on May 14, July 9 and September 10, 2025. Amendments to the financial plan are required to authorize revised operating and capital expenditures.

BACKGROUND

The Capital Regional District (CRD) Board approved the 2025 to 2029 Financial Plan (Bylaw No. 4665, “2025 to 2029 Financial Plan Bylaw, 2025”) on March 12 and then amendment bylaws on May 14 (Bylaw No. 4676, “2025 to 2029 Financial Plan Bylaw, 2025, Amendment Bylaw No. 1, 2025”), July 9 (Bylaw No. 4695, “2025 to 2029 Financial Plan Bylaw, 2025, Amendment Bylaw No. 2, 2025”) and September 10 (Bylaw No. 4710, “2025 to 2029 Financial Plan Bylaw, 2025, Amendment Bylaw No. 3, 2025”).

Amendments are required in accordance with Section 374(2) of the *Local Government Act* (LGA), which states that the financial plan may be amended at any time by bylaw to incorporate changes in the budget. As new information becomes available, and pursuant with Section 374 of the LGA, the CRD Board may further revise the financial plan.

The impact of the proposed amendments to the 2025 budget of the Five-Year 2025 to 2029 Financial Plan are highlighted in Table 1.

Table 1: Impact of Proposed Amendments to the 2025 Budget (Five-Year Financial Plan)

Service	Description	Budget	Funding	Net Impact $	Committee / Commission Approval
Surfside Park Estates Water	Replacement of Ultraviolet (UV) Equipment	Capital	Reserves	7,500	Surfside Park Estates Water Service Committee, June 26, 2025
	Deferral of Source Water Surveillance Project from 2025 to 2026	Capital	Reserves	(7,500)	Surfside Park Estates Water Service Committee, June 26, 2025
Galiano Parks	Morning Beach Trail Improvements	Capital	Reserves	(15,000)	Galiano Parks and Recreation Commission, September 4, 2025

Service	Description	Budget	Funding	Net Impact $	Committee / Commission Approval
Galiano Parks	Scorpion Beach Access Improvements	Capital	Reserves	8,000	Galiano Parks and Recreation Commission, September 4, 2025
	Cayzer Beach Access Improvements	Capital	Reserves	7,000	Galiano Parks and Recreation Commission, September 4, 2025
Juan de Fuca Community Planning	Vehicle Replacement	Capital	Reserves	25,000	Staff Directed
Magic Lake Estates Sewer	Wastewater Improvements - Pump Station and Treatment Plant Upgrades	Capital	Capital on Hand	300,550	Staff Directed

The proposed financial plan amendment Bylaw No. 4717 incorporates the changes in Table 1 and is attached as Appendix A, inclusive of an updated Schedule B.

ALTERNATIVES

Alternative 1
The Finance Committee recommends to the Capital Regional District Board:
1. That Bylaw No. 4717, “2025 to 2029 Financial Plan Bylaw, 2025, Amendment Bylaw No. 4, 2025”, be introduced and read a first, second and third time; and
2. That Bylaw No. 4717 be adopted.

Alternative 2
That Bylaw No. 4717 be deferred pending further analysis by Capital Regional District staff.

IMPLICATIONS

Financial Implications

Surfside Park Estates Water

The budget for the Replacement of UV Equipment project needs to be increased by $7,500 due to cost escalation of required UV system components. At the June 26, 2025 meeting, the Surfside Estates Water Service Commission approved an amendment to increase the budget from $7,500 to $15,000, funded from the Capital Reserve Fund by deferring $7,500 of the Source Water Surveillance project from 2025 to 2026.

Galiano Parks

At the September 4, 2025 meeting, the Galiano Island Parks and Recreation Commission approved an amendment to add two new shovel-ready projects to the 2025 capital plan, funded by the Capital Reserve Fund. The Scorpion Beach Access Improvement project ($8,000 budget) would repair a footpath to avoid further degradation, and the Cayzer Beach Access Improvement project ($7,000 budget) would repair a staircase that is a safety risk.

To offset the spending on these new projects and due to archaeological and permit delays affecting the start of the Morning Beach Trail Improvement project, the Commission approved an amendment to reduce the 2025 budget from $35,000 to $20,000, funded by the Capital Reserve Fund.

Community Planning – Juan de Fuca

The 2025 capital plan includes $40,000 for a vehicle replacement. Staff are directing a $25,000 increase in the budget, for a total of $65,000, due to the higher cost of an electric vehicle. This change is in alignment with the CRD's vehicle replacement policy and will be funded from the Equipment Replacement Fund.

Magic Lake Estates Sewer System

In September 2024, the New Schooner Wastewater Treatment Plant was partially commissioned and handed over to the CRD Operations Team. As the commissioning phase continued, operational staff identified several additional improvements that are directly related to the capital project completion. These improvements include facility treatment process optimization, labour for programing adjustments, additional onsite field technical equipment to monitor the new treatment process, and correction of several treatment plant operating deficiencies. In addition, several safety items needed for compliance with WorkSafe BC regulatory requirements were identified. These additional items require a budget increase of $300,550, for a total amended project budget of $11,953,815, to be funded by uncommitted capital on hand.

CONCLUSION

In compliance with the *LGA*, the proposed amending Bylaw No. 4717 authorizes changes required to Bylaw No. 4665, "2025 to 2029 Financial Plan Bylaw, 2025", which the CRD Board approved on March 12, 2025.

RECOMMENDATION

The Finance Committee recommends to the Capital Regional District Board:
1. That Bylaw No. 4717, "2025 to 2029 Financial Plan Bylaw, 2025, Amendment Bylaw No. 4, 2025", be introduced and read a first, second and third time; and
2. That Bylaw No. 4717 be adopted.

Submitted by:	Varinia Somosan, CPA, CGA, Senior Manager, Financial Services / Deputy Chief Financial Officer
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer & General Manager, Finance & Technology
Concurrence:	Kristen Morley, J.D., Corporate Officer & General Manager, Corporate Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT

Appendix A: Bylaw No. 4717, “2025 to 2029 Financial Plan Bylaw, 2025, Amendment Bylaw No. 4, 2025”, with Schedule B