APPENDIX A

CAPITAL REGIONAL DISTRICT

2026 Budget

Magic Lake Water

Commission Review

NOVEMBER 2025

Service: 2.630 Magic Lake Estates Water **Committee:** Electoral Area

DEFINITION:

LSA -1 To provide and operate water supply and distribution facilities for the Magic Lake Estates Water System.
Specified Area on North Pender Island. Bylaw No. 1874 (June 11, 1991).

PARTICIPATION:

Local Service Area # 1 - D(764) LSA #9.

MAXIMUM LEVY:

Greater of $160,000 or $3.50 / $1,000 of actual assessed value of land and improvements.

MAXIMUM CAPITAL DEBT:

AUTHORIZED:	LA Bylaw No. 3633 (Nov 2009).		$	2,560,000
BORROWED:	SI Bylaw 3677 (Feb 2010).	Matures in 2025	$	(723,000)
BORROWED:	SI Bylaw 3769 (Feb 2011).	Matures in 2026	$	(250,000)
BORROWED:	SI Bylaw 3850 (Aug 2012).	Matures in 2027	$	(559,500)
BORROWED:	SI Bylaw 3882 (Apr 2013).	Matures in 2028	$	(1,002,500)
BORROWED:	SI Bylaw 3910 (July 2013).	Matures in 2028	$	(25,000)
REMAINING AUTHORIZATION:			$	0

COMMITTEE:

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

FUNDING:

Any deficiencies after user charge and/or frontage tax or parcel tax to be levied on taxable school assessments.

User Charge: Annual charge per single family equivalency unit connected to the system.

The consumption charge for water will be the total volume of water metered to the water service connections, measured in cubic meters at the following rate:

- Greater than 50 cubic metres - $0.50 / cubic metre
- Greater than 80 cubic metres - $1.50 / cubic metre

Parcel Tax: LSA-1 Annual charge only on properties capable of being connected to the system.

Turn on/Turn Off Fee: $0 during normal working hours; $25 outside of normal working hours

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

RESERVE FUND:

Magic Lake Estates - Water System Capital Reserve Fund. Bylaw No. 1498
Magic Lake Estates - Water System Operating Reserve Fund. Bylaw No. 4144

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2.630 - Magic Lake Water	2025 BOARD BUDGET	2025 ESTIMATED ACTUAL	BUDGET REQUEST 2026 CORE BUDGET	2026 ONGOING	2026 ONE-TIME	2026 TOTAL	FUTURE PROJECTIONS 2027	2028	2029	2030
OPERATING COSTS										
Repairs & Maintenance	71,470	114,300	23,150	-	40,000	63,150	48,610	49,070	24,560	25,050
Allocations	59,519	59,519	64,004	-	-	64,004	65,225	66,562	67,909	69,304
Water Testing	22,060	26,560	22,782	-	-	22,782	23,436	24,109	24,803	25,516
Electricity	54,050	45,000	56,080	-	-	56,080	57,200	58,340	59,510	60,700
Supplies	64,450	69,310	71,800	-	-	71,800	73,240	74,700	76,200	77,720
Labour Charges	488,120	580,000	517,441	50,000	-	567,441	578,787	590,357	602,169	614,210
Other Operating Expenses	65,050	69,330	67,492	-	-	67,492	69,328	71,171	73,083	75,046
TOTAL OPERATING COSTS	**824,719**	**964,019**	**822,749**	**50,000**	**40,000**	**912,749**	**915,826**	**934,309**	**928,234**	**947,546**
*Percentage Increase over prior year			-0.2%	6.1%	4.9%	10.7%	0.3%	2.0%	-0.7%	2.1%
DEBT / RESERVES										
Transfer to Operating Reserve Fund	26,885	26,885	61,250	-	-	61,250	90,000	100,000	100,000	100,000
Transfer to Capital Reserve Fund	40,000	-	48,910	-	-	48,910	121,545	147,815	178,255	175,490
MFA Debt Reserve Fund	1,070	1,070	850	-	-	850	9,980	14,470	10,000	-
MFA Debt Principal	137,425	137,425	98,613	-	-	98,613	85,193	78,749	59,296	84,800
MFA Debt Interest	73,712	73,712	67,248	-	-	67,248	76,626	85,624	124,888	161,263
TOTAL DEBT / RESERVES	**279,092**	**239,092**	**276,871**	**-**	**-**	**276,871**	**383,344**	**426,658**	**472,439**	**521,553**
TOTAL COSTS	**1,103,811**	**1,203,111**	**1,099,620**	**50,000**	**40,000**	**1,189,620**	**1,299,170**	**1,360,967**	**1,400,673**	**1,469,099**
*Percentage Increase over prior year			-0.4%	4.5%	3.6%	7.8%	9.2%	4.8%	2.9%	4.9%
FUNDING SOURCES (REVENUE)										
Estimated Balance c/fwd from 2025 to 2026	-	(88,515)		-	88,515	88,515	-	-	-	-
Transfer from Operating Reserve Fund	(45,000)	(45,000)	-	-	(40,000)	(40,000)	(25,000)	(25,000)	-	-
Sales - Water	(22,000)	(22,000)	(22,000)	-	-	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)
User Charges	(427,931)	(427,931)	(445,050)	(21,000)	(36,910)	(502,960)	(518,050)	(543,950)	(571,150)	(599,709)
Lease Revenue	(8,100)	(8,100)	(8,100)	-	-	(8,100)	(8,100)	(8,100)	(8,100)	(8,100)
MFA Debt Surplus Fund	-	-	-	-	-	-	-	-	-	-
Other Revenue	(3,320)	(14,105)	(3,110)	-	-	(3,110)	(3,000)	(2,750)	(2,290)	(2,300)
TOTAL REVENUE	**(506,351)**	**(605,651)**	**(478,260)**	**(21,000)**	**11,605**	**(487,655)**	**(576,150)**	**(601,800)**	**(603,540)**	**(632,109)**
REQUISITION - PARCEL TAX	**(597,460)**	**(597,460)**	**(621,360)**	**(29,000)**	**(51,605)**	**(701,965)**	**(723,020)**	**(759,167)**	**(797,133)**	**(836,990)**
*Percentage increase over prior year										
Sales - Water			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
User Fees			4.0%	4.9%	8.6%	17.5%	3.0%	5.0%	5.0%	5.0%
Requisition			4.0%	4.9%	8.6%	17.5%	3.0%	5.0%	5.0%	5.0%
Combined			**3.9%**	**4.8%**	**8.5%**	**17.1%**	**2.9%**	**4.9%**	**4.9%**	**4.9%**

APPENDIX A

Magic Lake Water
Reserve Summary Schedule
2026 - 2030 Financial Plan

Reserve/Fund Summary

	Estimated	Budget				
	2025	**2026**	**2027**	**2028**	**2029**	**2030**
Operating Reserve Fund	5,646	26,896	91,896	166,896	266,896	366,896
Capital Reserve Fund	770,964	557,874	524,419	612,234	710,489	885,979
Capital Reserve Fund - Settlement Fund	598,487	598,487	598,487	598,487	598,487	598,487
Total	**1,375,096**	**1,183,256**	**1,214,801**	**1,377,616**	**1,575,871**	**1,851,361**

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Reserve Schedule

Reserve Fund: 2.630 Magic Lakes Estate Water - Operating Reserve Fund - Bylaw 4144

Reserve fund used for: unforeseen operational repairs and maintenance; infrequent maintenance activities such as reservoir cleaning and inspection, hydrant maintenance etc.

Reserve Cash Flow

Fund:	**1500**	**Estimated**	**Budget**				
Fund Centre:	**105212**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Beginning Balance		22,911	5,646	26,896	91,896	166,896	266,896
Transfer from Ops Budget		26,885	61,250	90,000	100,000	100,000	100,000
Transfer to Ops Budget		(45,000)	(40,000)	(25,000)	(25,000)	-	-
Planned Maintenance Activity		Fire Hydrant Corrective Maintenance & WTP ROV inspection	Frigate & Captains Tank cleaning & inspection	Water distribution system flushing program Ph1	Water distribution system flushing program Ph2		
Interest Income*		850					
Ending Balance $		**5,646**	**26,896**	**91,896**	**166,896**	**266,896**	**366,896**

Assumptions/Background:

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

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Reserve Schedule

Reserve Fund: 2.630 Magic Lakes Estate Water - Capital Reserve Fund

Bylaw 1498

Reserve Cash Flow

Fund:	**1024**	**Estimated**	**Budget**				
Fund Centre:	**101368**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Beginning Balance		448,592	770,964	557,874	524,419	612,234	710,489
Transfer from Ops Budget		-	48,910	121,545	147,815	178,255	175,490
Transfer to Cap Fund		(150,000)	(262,000)	(155,000)	(60,000)	(80,000)	-
Transfer from Cap Fund		453,972**					
Interest Income*		18,400					
Ending Balance $		**770,964**	**557,874**	**524,419**	**612,234**	**710,489**	**885,979**

Assumptions/Background:

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

** Estimated Surplus from Water System Upgrades, substantially completed in 2016.

APPENDIX A

Reserve Schedule

Reserve Fund: 2.630 Magic Lakes Estate Water - Capital Reserve Fund (Settlement Funds)

Bylaw 1498

Reserve Cash Flow

Fund:	**1024**	**Estimated**	**Budget**				
Fund Centre:	**102245**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Beginning Balance		674,487	598,487	598,487	598,487	598,487	598,487
Transfer to Cap Fund		(100,000)	-	-	-	-	-
Interest Income*		24,000					
Ending Balance $		**598,487**	**598,487**	**598,487**	**598,487**	**598,487**	**598,487**

Assumptions/Background:

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

CAPITAL REGIONAL DISTRICT

FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2026 to 2030

Service No.	2.630 Magic Lake Estates Water (Pender)	Carry Forward from 2025	2026	2027	2028	2029	2030	TOTAL
	EXPENDITURE							
	Buildings	$0	$0	$0	$0	$0	$0	$0
	Equipment	$0	$0	$0	$0	$0	$0	$0
	Land	$0	$0	$0	$0	$0	$0	$0
	Engineered Structures	$143,000	$405,000	$1,080,000	$1,460,000	$1,080,000	$0	$4,025,000
	Vehicles	$0	$0	$0	$0	$0	$0	$0
		$143,000	**$405,000**	**$1,080,000**	**$1,460,000**	**$1,080,000**	**$0**	**$4,025,000**
	SOURCE OF FUNDS							
	Capital Funds on Hand	$143,000	$143,000	$0	$0	$0	$0	$143,000
	Debenture Debt (New Debt Only)	$0	$0	$925,000	$1,400,000	$1,000,000	$0	$3,325,000
	Equipment Replacement Fund	$0	$0	$0	$0	$0	$0	$0
	Grants (Federal, Provincial)	$0	$0	$0	$0	$0	$0	$0
	Donations / Third Party Funding	$0	$0	$0	$0	$0	$0	$0
	Reserve Fund	$0	$262,000	$155,000	$60,000	$80,000	$0	$557,000
		$143,000	**$405,000**	**$1,080,000**	**$1,460,000**	**$1,080,000**	**$0**	**$4,025,000**

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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.

APPENDIX A

CAPITAL REGIONAL DISTRICT

5 YEAR CAPITAL PLAN

2026 - 2030

Service #: 2.630

Service Name: Magic Lake Estates Water (Pender)

PROJECT DESCRIPTION				PROJECT BUDGET & SCHEDULE										
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward	2026	2027	2028	2029	2030	5 - Year Total auto-populates
21-04	Renewal	Buck Lake Dam Repairs - Phase 1	Conduct additional inspections, minor repairs, and performance analysis highlighted in the 2019 Dam Safety Review. Phase 2 dam improvements to be completed in the following five years.	$ 202,000	S	Res	$ -	$ 22,000	$ -	$ -	$ -	$ -	$ 22,000
21-04	Renewal				S	Cap	$ 13,000	$ 13,000	$ -	$ -	$ -	$ -	$ 13,000
23-01	Renewal	Decommission Magic Lake old Syphon and Replacement of CSP Spill Culverts - Engineering Assessment	Engineering assessment and coordination with Dam Safety Office to develop a plan for decommissioning of the old syphon and replacement of twin CSP spillway culverts.	$ 80,000	S	Res	$ -	$ -	$ 80,000	$ -	$ -	$ -	$ 80,000
23-02	New	ISOPAC Permanent Handling & Storage	Study and design for permenant solution to reduce drum waste and operator handling	$ 80,000	S	Cap	$ 70,000	$ 70,000	$ -	$ -	$ -	$ -	$ 70,000
26-01	Renewal	Buck Lake Dam Repairs - Phase 2	Conduct additional geotechnical investigations, seepage analysis, monitoring, tree removal and the next DSR (2029).	$ 360,000	S	Res	$ -	$ 145,000	$ 75,000	$ 60,000	$ 80,000	$ -	$ 360,000
26-02	Replacement	WTP Process Pipe Condition Assessment	Conduct an updated condition assessment for process piping in the water treatment plant with potential spot repairs or maintenance (funded from settlement fund)	$ 100,000	S	Cap	$ 60,000	$ 60,000	$ -	$ -	$ -	$ -	$ 60,000
26-03	Study	Petition / Alternative Approval Process	Conduct public consultation to inform strategies to borrow necessary future capital funds.	$ 20,000	S	Res	$ -	$ 20,000	$ -	$ -	$ -	$ -	$ 20,000
27-01	Replacement	Water Main Replacement	Replacement of select watermains within the distribution network to address leaks and reduce non revenue water.	$ 2,000,000	S	Debt	$ -	$ -	$ 200,000	$ 800,000	$ 1,000,000	$ -	$ 2,000,000
27-02	Replacement	Captains Tank Replacement	Preliminary placeholder budget to be updated following prelim design and aligned with AAP/Petition.	$ 1,100,000	S	Debt	$ -	$ -	$ 500,000	$ 600,000	$ -	$ -	$ 1,100,000
26-04	New	SCADA Improvements	Improvements to SCADA system	$ 25,000	S	Res	$ -	$ 25,000	$ -	$ -	$ -	$ -	$ 25,000
26-05	Renewal	Kiosk Insulation	Additional insulation to PRS Kiosks (Signal Hill, Compass Cres, Capstan Lane, Schooner Way).	$ 50,000	S	Res	$ -	$ 50,000	$ -	$ -	$ -	$ -	$ 50,000
27-03	New	ISOPAC Permanent Handling & Storage	Installation work following study and successful loan authorization.	$ 225,000	S	Debt	$ -	$ -	$ 225,000	$ -	$ -	$ -	$ 225,000
													$ -
													$ -
													$ -
			Grand Total	**$ 4,242,000**			**$ 143,000**	**$ 405,000**	**$ 1,080,000**	**$ 1,460,000**	**$ 1,080,000**	**$ -**	**$ 4,025,000**

APPENDIX A

Service: **2.630** **Magic Lake Estates Water (Pender)**

Project Number	21-04	**Capital Project Title**	Buck Lake Dam Repairs - Phase 1	**Capital Project Description**	Conduct additional inspections, minor repairs, and performance analysis highlighted in the 2019 Dam Safety Review. Phase 2 dam improvements to be completed in the following five years.
Project Rationale	Resulting from the Hatch 2019 Dam Safety Review, funds are required to conduct additional inspections, minor dam repairs, and performance analysis. Phase 2 dam improvements to be completed in the following five years.				

Project Number	23-01	**Capital Project Title**	Decommission Magic Lake old Syphon and Replacement of CSP Spill Culverts - Engineering Assessment	**Capital Project Description**	Engineering assessment and coordination with Dam Safety Office to develop a plan for decommissioning of the old syphon and replacement of twin CSP spillway culverts.
Project Rationale	The old syphon at Magic Lake is no longer required, and does not function. Funds are required to remove the overland and underwater pipe, and decommission the underground pipe.				

Project Number	23-02	**Capital Project Title**	ISOPAC Permanent Handling & Storage	**Capital Project Description**	Study and design for permenant solution to reduce drum waste and operator handling
Project Rationale	Safety improvements to reduce Operator injury when handling the ISOPAC drums were carried out in 2019-2020. A permanent solution to reduce the use of drums which cannot be readily disposed of, was initiated in concept in 2024 and is anticipated to continue into 2025 for implementation.				

Project Number	26-01	**Capital Project Title**	Buck Lake Dam Repairs - Phase 2	**Capital Project Description**	Conduct additional geotechnical investigations, seepage analysis, monitoring, tree removal and the next DSR (2029).
Project Rationale	Resulting from the Hatch 2019 Dam Safety Review, funds are required to conduct additional geotechnical investigations, seepage analysis and monitoring, tree removal, and the next Dam Safety Review (2029).				

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Service: **2.630** **Magic Lake Estates Water (Pender)**

Project Number	26-02	**Capital Project Title**	WTP Process Pipe Condition Assessment	**Capital Project Description**	Conduct an updated condition assessment for process piping in the water treatment plant with potential spot repairs or maintenance (funded from settlement fund)
Project Rationale	Utilizing funding from previous settlement, allocate funding for further assessment and planning for process pipe repairs and possible replacement.				

Project Number	26-03	**Capital Project Title**	Petition / 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	27-01	**Capital Project Title**	Water Main Replacement	**Capital Project Description**	Replacement of select watermains within the distribution network to address leaks and reduce non revenue water.
Project Rationale	Interim budget to advance watermain replacements within the water system. Budget and prioritization will be further refined continually through planning and design. To include overland HDPE pipe feeding zone 570 from WTP.				

Project Number	27-02	**Capital Project Title**	Captains Tank Replacement	**Capital Project Description**	Preliminary placeholder budget to be updated following prelim design and aligned with AAP/Petition.
Project Rationale					

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Service: **2.630** **Magic Lake Estates Water (Pender)**

Project Number	26-04	**Capital Project Title**	SCADA Improvements	**Capital Project Description**	Improvements to SCADA system
Project Rationale					

Project Number	26-05	**Capital Project Title**	Kiosk Insulation	**Capital Project Description**	Additional insulation to PRS Kiosks (Signal Hill, Compass Cres, Capstan Lane, Schooner Way).
Project Rationale					

Project Number	27-03	**Capital Project Title**	ISOPAC Permanent Handling & Storage	**Capital Project Description**	Installation work following study and successful loan authorization.
Project Rationale					

2.630 - Magic Lake Water Utility (Pender)

Capital Projects

Updated @ Sep 26, 2025

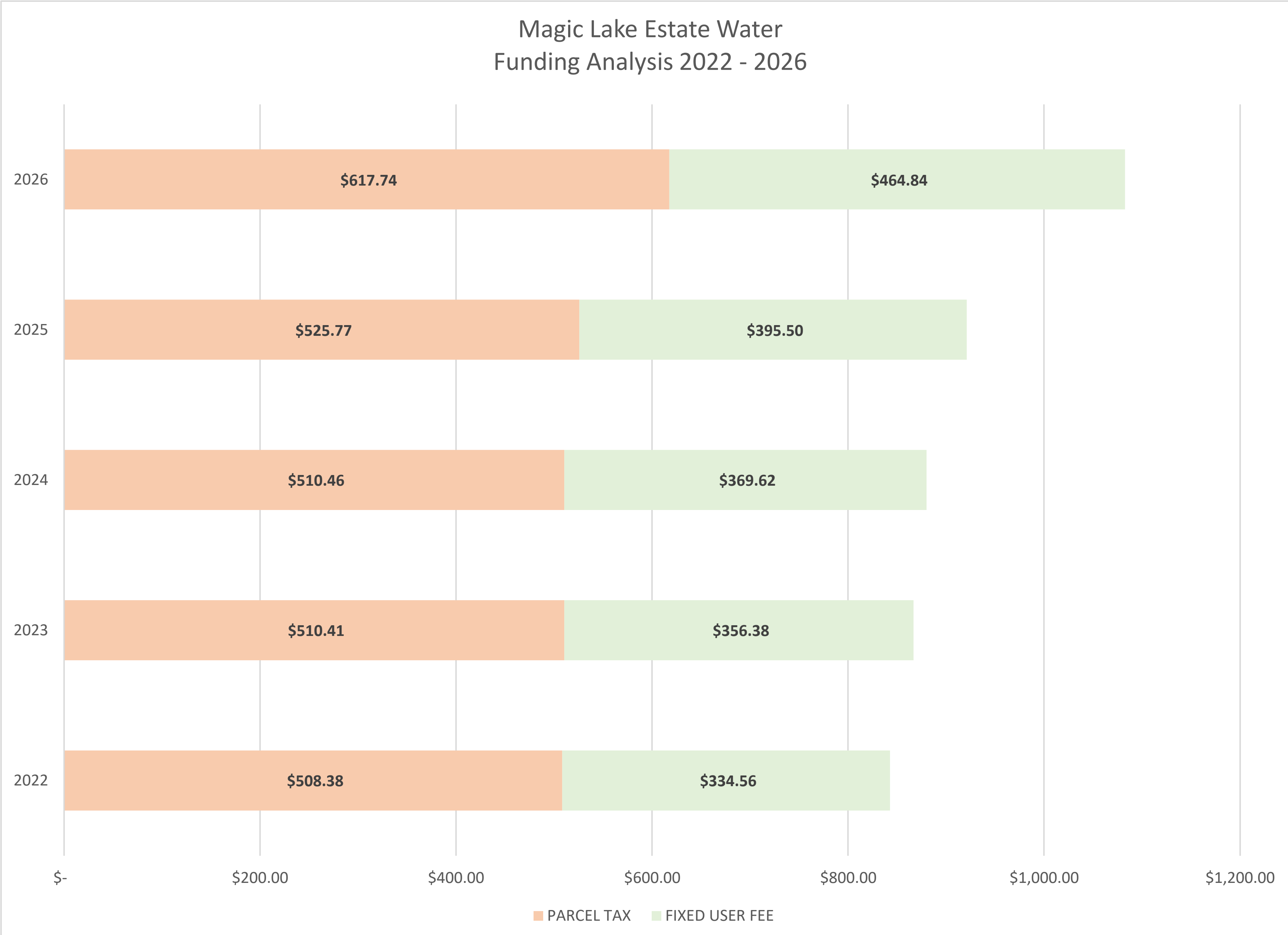
Year	Project#	Capital Plan#	Status	Capital Project Description	Total Project Budget	Spending		Cap on Hand
						Expenditure Actuals	Remaining Spending	
2010	CE.258.4602		Close	Water System Upgrade	8,976,806	8,622,667	354,139	8,976,806
2021	CE.744	21-03	Open	MLE Safety Improvements	20,000	11,604	8,396	20,000
2021	CE.678	21-04	Open	Buck Lake Dam Upgrades	180,000	93,858	86,142	180,000
2024	CE.779.4501	23-02	Open	ISOPAC Permanent Handling & Storage	80,000	2,459	77,542	80,000
2025	CE.899.7501	26-02	Open	Pipes assessment & replacement	100,000	17,000	83,000	100,000
2025	CE.899.4501	25-01	Open	Captains Tank Concept Design	30,000	-	30,000	30,000
				Totals	**9,386,806**	**8,747,588**	**639,219**	**9,386,806**

APPENDIX A

Service:	2.630	Magic Lake Water	Committee: Electoral Area

Year	Taxable Folios	Parcel Tax Per Folio	SFE's	User Charge Per SFE*	Total Tax & Charges	Bylaw	Actual Assessments $(000's)
2017	1,203	$497.81	1,020	$280.31	**$778.12**	4170	$328,977
2018	1,203	$497.81	1,020	$291.37	**$789.18**	4233	$407,279
2019	1,203	$497.81	1,028	$302.10	**$799.91**	4274	$469,844
2020	1,202	$497.81	1,034	$321.96	**$819.76**	4337	$510,125
2021	1,202	$497.81	1,043	$329.39	**$827.20**	4389	$544,464
2022	1,199	$508.38	1,050	$334.56	**$842.94**	4471	$757,029
2023	1,196	$510.41	1,059	$356.38	**$866.79**	4524	$880,056
2024	1,196	$510.46	1,072	$369.62	**$880.08**	4587	$866,832
2025	1,196	$525.77	1,082	$395.50	**$921.27**	4649	$867,939
2026	1,196	$617.74	1,082	$464.84	**$1,082.58**		
Change from 2025 to 2026							
		$91.97		*$69.34*	*$161.31*		
		17.49%		*17.53%*	*17.51%*		

APPENDIX A


Magic Lake Estate Water
Funding Analysis 2022 - 2026
2026
$617.74
$464.84
2025
$525.77
$395.50
2024
$510.46
$369.62
2023
$510.41
$356.38
2022
$508.38
$334.56
$-
$200.00
$400.00
$600.00
$800.00
$1,000.00
$1,200.00
PARCEL TAX
FIXED USER FEE