



Notice of Meeting and Meeting Agenda Fernwood and Highland Water Service Commission

Friday, November 7, 2025

10:00 AM

SIMS Boardroom
124 Rainbow Road
Salt Spring Island BC

Budget

[MS Teams Meeting Link](#)

G. Holman, K. Harris, B. Travelbea, and L. Travelbea,

The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We pledge to make our meetings a place where all feel welcome and respected.

1. Territorial Acknowledgment

2. Approval of Agenda

3. Adoption of Minutes

3.1. [25-1103](#) Minutes of November 04-14, 2024 Fernwood and Highland Water Service Commission

Recommendation: That the minutes of the following meetings be adopted as presented:

- November 04, 2024
- November 14, 2024 Budget

Attachments: [Minutes: November 04, 2024](#)
[Minutes: November 14, 2024 Budget](#)

4. New Business

4.1. [25-1104](#) 2026 Operating and Capital Budget

Recommendation: That the Fernwood and Highland Water Service Commission:

A. FERNWOOD AND HIGHLAND WATER SERVICE

1. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2026 Operating and Capital Budget and the Five-Year Financial Plan for the Fernwood and Highland Water Service as presented.

B. HIGHLAND WATER SERVICE

2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2026 Operating and Capital Budget and the Five-Year Financial Plan for the Highland Water Service as presented.

C. FERNWOOD WATER SERVICE

3. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2026 Operating Budget and the Five-Year Financial Plan for the Fernwood Water Service as presented.

Attachments:

[Staff Report: 2026 Operating and Capital Budget](#)

[Appendix A: 2026 Budget Fernwood and Highland Water Service Budget](#)

[Appendix B: 2026 Budget Highland Water Service Budget](#)

[Appendix C: 2026 Budget Fernwood Water Service Budget](#)

4.2. [25-1164](#) Commissioner Appointments

5. Adjournment

Meeting Minutes - Draft

Fernwood and Highland Water Service Commission

Monday, November 4, 2024

11:00 AM

SIMS Boardroom
124 Rainbow Road
Salt Spring Island BC

Budget

PRESENT:

COMMISSION MEMBERS: G. Holman, C. Wentworth B.

STAFF: D. Ovington, Senior Manager, SSI Administration, J. Bilodeau, Manager, Local Services Water and Wastewater Ops., D. Olafson, Manager SSI Engineering, D. Robson, Manager Saanich Peninsula Gulf Island Ops, L. Xu, Manager, Finance Services, and M. Williamson, Committee Clerk, (Recorder)

ABSENT:

COMMISSION MEMBERS: B. Travelbea, L. Travelbea,

Electronic Participation- (EP)

At 11:15am attendance was recorded and the Senior Manager determined that quorum was not met, the meeting was cancelled and rescheduled.

CHAIR

SENIOR MANAGER

Meeting Minutes - Draft

Fernwood and Highland Water Service Commission

Thursday, November 14, 2024

1:30 PM

SIMS Boardroom
124 Rainbow Road
Salt Spring Island BC

Budget-Rescheduled

PRESENT:

COMMISSION MEMBERS: G. Holman, B. Travelbea, L. Travelbea,

STAFF: J. Dales, Senior Manager, Wastewater Infrastructure Ops.; D. Ovington, Senior Manager, SSI Administration; V. Somosan, Senior Manager, Financial Services/ Deputy CFO; J. Bilodeau, Manager, Local Services Water and Wastewater Ops.; D. Olafson, Manager SSI Engineering, L. Xu, Manager, Finance Services (EP); K. Vincent, Senior Financial Advisor, Finance Services (EP); A. Elliyoan, Financial Analyst, Finance Services (EP); M. Williamson, Committee Clerk, (Recorder)

REGRETS:

COMMISSION MEMBERS: C. Wentworth

Electronic Participation- (EP)

These minutes follow the order of the agenda although the sequence may have varied.

The meeting was called to order at 1:35 pm.

1. Territorial Acknowledgment

D. Ovington provided a Territorial Acknowledgement.

2. Approval of Agenda

MOVED By Commissioner B. Travelbea, **SECONDED** by Director Holman,
That agenda for the November 14, 2024, Budget Meeting of the Fernwood and
Highland Water Services Commission be approved as circulated.
CARRIED

3. Adoption of Minutes

3.1. Minutes of October 31, 2023 Fernwood and Highland Water Service Commission Budget Meeting

MOVED By Commissioner B. Travelbea, **SECONDED** by Director Holman, That the minutes of the October 31, 2023 meeting be adopted as amended, by replacing of the words “Maliview Sewer Local” with the words “Fernwood and Highland Water” after the words “...that the” and before the words “Service Commission agenda...” under item 3.

CARRIED

4. New Business

4.1. 2025 Operating and Capital Budget

MOVED by Commissioner L. Travelbea, **SECONDED** by Commissioner B. Travelbea,

That the Fernwood and Highland Water Service Commission:

A. FERNWOOD AND HIGHLAND WATER SERVICE

1. Approve the 2025 operating and capital budget as presented, and that the 2024 actual deficit be balanced on the 2024 Reserve Funds transfer (CRF and/or ORF), and,

2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2025 Operating and Capital Budget and the Five-Year Financial Plan for the Fernwood and Highland Water Service as presented.

B. HIGHLAND WATER SERVICE

1. Approve the 2025 operating and capital budget as presented; and,

2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2025 Operating and Capital Budget and the Five-Year Financial Plan for the Highland Water Service as presented.

C. FERNWOOD WATER SERVICE

1. Approve the 2025 operating budget as presented; and,

2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2025 Operating Budget and the Five-Year Financial Plan for the Fernwood Water Service as presented.

CARRIED

5. Adjournment

MOVED By Commissioner B. Travelbea, **SECONDED** by Director Holman, That the meeting of the Fernwood and Highland Water Service Commission be adjourned at 2:17pm.

CARRIED

CHAIR

SENIOR MANAGER

**REPORT TO FERNWOOD HIGHLAND WATER SERVICE COMMISSION
FRIDAY, NOVEMBER 07, 2025**

SUBJECT 2026 Operating and Capital Budget

ISSUE SUMMARY

To present the 2026 operating and capital budget for Commission review and recommendation for the approval of the Capital Regional District (CRD) Board and for inclusion in the CRD Five-Year Financial Plan, in accordance with Bylaw No 3693, "Salt Spring Island Water, Sewer and Liquid Waste Disposal Commissions Bylaw No. 1, 2010"

BACKGROUND

The Capital Regional District (CRD) is required by legislation under the *Local Government Act* (LGA) to prepare an annual Operating and Capital budget and a five-year Financial Plan. CRD staff have therefore, prepared the financial plan shown in Appendix A.

The Operating Budget includes the regular annual costs to operate the service. The Capital Expenditure Plan shows the anticipated expenditures for capital additions. These may include purchases of new assets or infrastructure, upgrades or improvements to existing assets or asset review and study work potentially leading to future capital improvements.

In preparing the Operating Budget, CRD staff considered:

1. Actual expenditures incurred between 2023 and 2025
2. Anticipated changes in level of service (if any)
3. Maximum allowable tax requisition
4. Annual cost per taxpayer and per SFE

Factors taken into consideration in the preparation of the Capital Expenditure Plan included:

1. Available funds on hand
2. Projects already in progress
3. Condition of existing assets and infrastructure
4. Inputs from Operations and Maintenance
5. Regulatory, environmental, and health and safety factors.

Adjustments for surpluses or deficits from 2025 may be made in January 2026. The CRD Board will give final approval to the budget and financial plan in March 2026.

The Financial Plan for the years 2027 – 2030 is forecasted and can be updated in future years.

BUDGET OVERVIEW

A. FERNWOOD AND HIGHLAND WATER SERVICE

Operating Budget

It is projected that total operating expenses in 2025 will be over budget by approximately \$73,040. Factors contributing to the operating overage include emergency response and corrective maintenance primarily due to the following events:

- Emergency response to water system breaks at:
 - 143 Maliview Dr service repair
 - 152 Fairway Dr service repair
 - 272 Maliview water main break
 - 320 Maliview Dr main valve repair
 - 124 Fer de Lance Rd main valve repair
 - 890 Walkerhook water main break
 - 321 Maliview service meter relocate to property line due to suspected leak
 - 188 Langs Rd replace leaking standpipe valve
 - 110 Southbank water main break. Tree on main
 - 214 Maliview Dr water main break
 - Maliview PRV station 3" PRV failure
 - 273 Maliview Dr New Service installed due to leak on neighbour's property
 - 196 Maliview Dr Service replacement, leak on service
 - Trincomali Heights Upper Reservoir pressure pump failure and replacement
 - 1128 North Beach Rd service meter leak
 - 325 Fernwood Rd service repair
- Water Treatment Plant:
 - Manganese Water Quality Advisory, sampling, flushing, temporary intake
 - Chlorine analyzer corrective maintenance
 - Saturator air compressor pressure switch replacement
 - Chlorine room ventilation and heater repair
 - Re-cable floats to backwash waste sump float

The debt servicing cost will be \$16,886 below the budget since the planned new borrowing of \$790,000 in 2025 is now deferred to 2026 and 2028.

It is projected that the 2025 operating revenue will be approximately \$410 under budget mainly due to lower than budgeted water sales.

This results in an overall service deficit of approximately \$56,564 (\$73,040 - \$16,886 + \$410). To balance the operating budget at the end of year, the actual deficit will be recovered by 2025 reserve fund transfers, namely the Capital Reserve Fund (CRF) and/or Operating Reserve Fund (ORF). In the event of the deficit cannot be fully recovered by reserve transfers in 2025, the deficit must immediately be included as expenditure to be recovered from revenue in 2026 financial plan as required by *Local Government Act* (LGA) Section 374(11).

Operating costs for 2026 (excluding one-time cyclical programs for reservoir cleaning and additional water testing for \$22,500 in 2026 funded by Operating Reserve Fund) has increased

by \$53,272 (14.2%) compared to 2025. The increase is to account for consistent and foreseeable emergency response, additional repairs and maintenance, and increases to core inflation.

Municipal Finance Authority (MFA) Debt

Loan Authorization Bylaw 3754 to borrow \$500,000 was approved and adopted in 2011 for the construction of a combined Highland-Fernwood water supply system. Table 1 below summarizes the detailed information for existing MFA debt issue related to LA3754.

Table 1 – Existing Debt Summary

MFA Issues	Term	Borrowing Year	Retirement Year	Refinance Year	Original Interest Rate	Current Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
LA3754-117	15	2011	2026	2021	3.25%	1.47%	\$500,000	\$26,841	\$7,350	\$34,191

Operating Reserve Fund

Operating Reserve Fund (ORF) is used to fund cyclical maintenance activities, equipment and supplies purchases that typically do not occur on an annual basis to mitigate the swings in expense and revenue requirement year over year. Typical maintenance activities include hydrant/standpipe maintenance, reservoir cleaning and inspection, and intake maintenance. Additionally, the ORF is also used to respond to unforeseen events and operating emergencies.

The ORF transfers planned in the budget are evaluated and guided by the CRD Operating Reserve Guidelines endorsed by the CRD Board. The target balance for the service is ranged from \$42,000 to \$115,000.

It is proposed that the 2026 transfer to the Operating Reserve Fund be set at \$30,000. The Operating Reserve Fund balance at the end of 2025 is projected to be \$120,804. There is \$42,500 of planned maintenance to be funded by the Operating Reserve over the next five years.

Capital Reserve Fund

The Capital Reserve Fund (CRF) is to be used to pay for capital expenditures that are not funded by other sources such as grants, operating budget, or debt.

The CRF transfers planned in the budget are evaluated and influenced by the funding required to support the five-year capital expenditure plan and the emergency response to infrastructure failures, also guided by the CRD Capital Reserve Funding Guidelines endorsed by the CRD Board. The target balance for the service to be maintained is approximately \$1,098,000.

It is proposed that the 2026 budgeted transfer to the Capital Reserve Fund be set at \$118,070. The Capital Reserve Fund balance at the end of 2025 is projected to be \$253,190.

Capital Expenditure Plan

The 5-year plan includes \$6,383,000 of expenditures to be funded by the service's Capital funds on hand, Capital Reserve Fund, grants and new debt. Public engagement (21-01) \$50,000 Capital is planned to take place in 2026 to advance the required borrowing process.

Projects scheduled for 2026 comprise:

1. The water treatment plant SCADA and PLC replacement includes a design (26-01) \$40,000 reserve, and the construction phase (23-07) which is funded by \$300,000 debt and \$120,000 CWF grant.
2. The assessment and demolition of the Fernwood Pump Station at St. Mary's (24-01) is funded by \$80,000 reserve.
3. AC Water Main replacement strategy and preliminary design (21-04) \$100,000 debt and \$15,000 reserve
4. The Highland Middle reservoir design project (24-10) is funded by \$80,000 reserve
5. The critical spares program (24-06) will continue in 2026 with \$12,000 capital carried forward
6. Review and design of a new PRV station at upper Maliview (26-02) & (26-03) are planned for 2026 with \$30,000 grant for design and \$50,000 reserve for construction.
7. The intake location project to reduce manganese at the intake (26-04) is funded by \$30,000 reserve and \$130,000 CWF grant.

Larger debt funded projects include the replacement of the upper and middle reservoir at Highland and replacement of the AC mains which are planned for 2028-2030.

Table 2 below provides the future debt servicing cost simulation for analytical purposes with the indicative interest rate provided by MFA at the time of simulation. Part of the debt servicing is for the project 29-01 Phased program of AC water main replacement for total estimated project budget of \$13,000,000. Only \$1,950,000 debt planned in 2029-2030 is simulated in the table below as the remaining budget of another \$11,050,000 is outside the scope of the five-year 2026-2030 capital plan. Debt funded projects will be carried out upon receiving electoral consent. The debt simulation is for seven (7) projects for a total of \$5,465,000. Please refer to the 2026 – 2030 Five Year Capital Plan in Appendix A for details on these projects.

Table 2 - Future New Debt Simulation

	<i>Term</i>	<i>Borrowing Year</i>	<i>Retirement Year</i>	<i>Refinance Year</i>	<i>Estimated Interest Rate</i>	<i>Principal</i>	<i>Principal Payment</i>	<i>Interest Payment</i>	<i>Total Annual Debt Cost</i>
Future Borrowing(s) Estimation	25	2026	2051	2036	4.80%	\$400,000	\$10,201	\$19,200	\$29,401
	25	2028	2053	2038	4.85%	\$2,415,000	\$61,592	\$117,128	\$178,720
	25	2029	2054	2039	4.85%	\$1,530,000	\$39,021	\$74,205	\$113,226
	25	2030	2055	2040	4.85%	\$1,120,000	\$28,564	\$54,320	\$82,884
Total						\$5,465,000	\$139,378	\$264,853	\$404,231

At the commencement of each loan, 1% of the gross amount borrowed is withheld and retained by MFA as Debt Reserve Fund (DRF). In order to provide the full amount to fund the capital project, this 1% DRF amount is budgeted in operating budget in the year of borrowing. However, there is no principal payment required in the year of borrowing. The estimated debt servicing cost of \$404,231 equates to approximately \$1,213.91 cost per parcel.

Capital Project Fund

As specific capital projects are approved, the funding revenues for them are transferred into the Capital Project Fund from the Capital Reserve Fund. Any funds remaining upon completion of a project are transferred back to the Capital Reserve Fund for use on future capital projects.

User Charge and Parcel Tax

Fixed user charge, parcel tax, and variable sale of water based on consumption fund the service. Properties connected to the water system pay the annual user charge and all properties within the local service area are responsible for the parcel tax. The tiered water consumption rates are unchanged from 2025.

The water consumption charge is measured in cubic meters over a three-month billing period at the following tiered rates:

- First 38 cubic meters or portion - \$0.64 per cubic meter
- Next 68.0 cubic metres or portion - \$2.00 per cubic meter
- Greater than 106 cubic meters - \$5.13 per cubic meter

Table 3 below summarizes the 2026 over 2025 changes for parcel tax and user charge.

Table 3 – Parcel Tax and User Charge Summary

Budget Year	Parcel Tax	Taxable Folios Numbers	Parcel Tax per Folio*	User Charge	SFE** Numbers	User Charge per SFE	Parcel Tax & User Charge
2025	\$87,756	333	\$277.37	\$435,538	320	\$1,361.06	\$1,638.43
2026	\$96,530	333	\$305.10	\$461,670	321	\$1,438.22	\$1,743.32
Change (\$)	\$8,774	0	\$27.73	\$26,132	1	\$77.16	\$104.89
Change (%)	10.00%	0.00%	10.00%	6.00%	0.31%	5.67%	6.40%

* Includes the 5.25% collection fee charged by the Ministry of Finance (not CRD revenue).

** Single Family Equivalent

The 2026 fixed user charge per SFE and tiered water consumption rates based on the budget will be included in the fees and charges bylaw to be approved by the CRD Board, effective as of January 2026.

A. HIGHLAND WATER SERVICE

Operating Budget

The sole purpose of this budget is to repay existing debt and to complete the Middle Reservoir and Upper Reservoir repair/replacement work.

Municipal Finance Authority (MFA) Debt

Loan Authorization Bylaw 3580 to borrow \$559,000 was approved and adopted in 2009 for water distribution system upgrades and construct of a new water treatment plant. Table 4 below summarizes the detailed information for existing MFA debt issue related to LA3580. MFA issue LA3580-106 for \$250,000 borrowing with \$18,110 annual debt cost was retired in 2024, therefore removed from the table below.

Table 4 - Existing Debt Summary

MFA Issues	Term	Borrowing Year	Retirement Year	Refinance Year	Original Interest Rate	Current Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
LA3580-118	15	2012	2027	2022	3.40%	3.39%	\$150,680	\$8,653	\$5,108	\$13,761
Total							\$150,680	\$8,653	\$5,108	\$13,761

Capital Expenditure Plan

The 5-year plan includes \$16,000 of expenditures related to Middle Reservoir repairs and Upper Reservoir repair/replacement work to be carried forward into 2026.

Capital Project Fund

As specific capital projects are approved, the funding revenues for them are transferred into this Capital Project Fund from multiple funding sources if applicable, including Capital Reserve Fund (CRF), grant funding, external contributions and debt. Any funds remaining upon completion of a project will be transferred back to its original funding source(s).

Parcel Tax

Parcel tax funds the service. Table 5 below summarizes the 2026 over 2025 changes for parcel tax. The major increase in 2026 is due to MFA debt issue 106 retirement in 2024, which had resulted in MFA Debt reserve earning. This earning was consequently carried to 2025 budget as a surplus to partially fund 2025 debt servicing costs.

Table 5 – Parcel Tax Summary

Budget Year	Parcel Tax	Taxable Folios Numbers	Parcel Tax per Folio*
2025	\$8,544	254	\$35.40
2026	\$13,678	254	\$56.68
Change (\$)	\$5,134	0	\$21.28
Change (%)	60.11%	0.00%	60.11%

* Includes the 5.25% admin fee charged by the Ministry of Finance (not CRD revenue)

B. FERNWOOD WATER SERVICE

Operating Budget

The sole purpose of this budget is to repay existing debt.

Municipal Finance Authority (MFA) Debt

Loan Authorization Bylaw 3581 to borrow \$195,000 was approved and adopted in 2009 for water distribution system upgrades and interconnection to new Highlands's water treatment plant. Table 6 summarizes the detailed information for existing MFA debt issue related to LA3581. MFA issue LA3581-106 for \$100,000 borrowing with \$7,244 annual debt cost was retired in 2024, therefore removed from the table below.

Table 6 - Existing Debt Summary

MFA Issues	Term	Borrowing Year	Retirement Year	Refinance Year	Original Interest Rate	Current Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
LA3581-110	15	2010	2025	2020	4.50%	1.28%	\$50,000	\$2,684	\$320*	\$3,004
LA3581-118	15	2012	2027	2022	3.40%	3.39%	\$45,000	\$2,584	\$1,526	\$4,110
Total							\$95,000	\$5,268	\$1,846	\$7,114

*Spring borrowing; interest payment is half in the year of retirement.

Capital Expenditure Plan

There is no capital expenditures planned for this debt servicing only budget.

Parcel Tax

Parcel tax funds the service. Table 7 below summarizes the 2026 over 2025 changes for parcel tax. The major decrease in 2026 is due to MFA debt issue 110 retirement in 2025 consequently reducing debt servicing costs in 2026.

Table 7 – Parcel Tax Summary

Budget Year	Parcel Tax	Taxable Folios Numbers	Parcel Tax per Folio*
2025	\$5,034	79	\$67.07
2026	\$1,967	79	\$26.21
Change (\$)	-\$3,067	0	-\$40.86
Change (%)	-60.93%	0.00%	-60.93%

* Includes the 5.25% admin fee charged by the Ministry of Finance (not CRD revenue)

RECOMMENDATION

That the Fernwood and Highland Water Service Commission:

A. FERNWOOD AND HIGHLAND WATER SERVICE

1. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2026 Operating and Capital Budget and the Five-Year Financial Plan for the Fernwood and Highland Water Service as presented.

B. HIGHLAND WATER SERVICE

2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2026 Operating and Capital Budget and the Five-Year Financial Plan for the Highland Water Service as presented.

C. FERNWOOD WATER SERVICE

3. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2026 Operating Budget and the Five-Year Financial Plan for the Fernwood Water Service as presented.

Submitted by:	Dan Ovington, BBA , Senior Manager, Salt Spring Island Electoral Area
Concurrence:	Jason Dales, B.Sc, WD IV, Senior Manager, Infrastructure Operations
Concurrence:	Varinia Somosan, CPA, CGA, Sr. Mgr., Financial Services / Deputy CFO
Concurrence:	Stephen Henderson, MBA, P.G.Dip.Eng, BSc, General Manager, Electoral Area Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

Appendix A: [2026 Budget Fernwood and Highland Water Service Budget](#)

Appendix B: [2026 Budget Highland Water Service Budget](#)

Appendix C: [2026 Budget Fernwood Water Service Budget](#)

CAPITAL REGIONAL DISTRICT

2026 Budget

Highland/Fernwood Water (SSI)

Commission Review

NOVEMBER 2025

DEFINITION:

To construct water works for the provision, supply, treatment, conveyance, storage and distribution of water for the Salt Spring Island Highland and Fernwood Water Service, Bylaw No. 3753 (April 13, 2011). Amended Bylaw No. 3878 (Aug. 14, 2013).

PARTICIPATION:

Local Service Area #63, 3(764)

MAXIMUM LEVY:

Greater of \$350,000 or \$2.572 / \$1,000 of actual assessed value of land and improvements.

MAXIMUM CAPITAL DEBT:

Authorized:	LA3754 (April 13, 2011)	\$500,000
Borrowed:	SI Bylaw 3800 (Aug 10, 2011) Matures 2026	(\$500,000)
Remaining:		<hr/> \$0

COMMISSION:

Fernwood and Highland Water Service Commission - Bylaw 4371 (Dec. 09, 2020)

FUNDING:

Parcel Tax: Annual, levied only on all properties capable of being connected to the system.

User Charge: Annual Fixed Fee per single family dwelling unit or equivalent.
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:

- First 38 cubic metres or portion - \$0.64 / cubic metre
- Next 68 cubic metres or portion - \$2.00 / cubic metre
- Greater than 106 cubic metres - \$5.13 / cubic metre

Water Connection Charge: Actual cost for the connection.

RESERVE FUND:

Established by Bylaw #3907 (April 16, 2014)

2.621 - Highland/Fernwood Water (SSI)

	2025		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2027	2028	2029	2030
<u>OPERATING COSTS</u>										
Sludge Hauling Contract	10,250	9,500	10,430	-	-	10,430	10,640	10,850	11,070	11,290
Waste Sludge Disposal	15,920	15,920	16,520	-	-	16,520	16,850	17,190	17,530	17,880
Repairs & Maintenance	9,720	11,500	17,460	-	20,000	37,460	17,810	18,170	38,530	18,900
Allocations	26,577	26,577	26,538	-	-	26,538	27,054	27,615	28,186	28,787
Water Testing	20,380	29,980	25,064	-	2,500	27,564	25,560	26,070	26,590	27,120
Electricity	22,660	24,000	23,510	-	-	23,510	23,980	24,460	24,950	25,450
Supplies	25,420	25,200	28,870	-	-	28,870	29,430	30,010	30,610	31,230
Labour Charges	222,730	269,850	253,930	-	-	253,930	259,010	264,190	269,470	274,860
Other Operating Expenses	21,030	35,200	25,637	-	-	25,637	26,260	26,897	27,557	28,227
TOTAL OPERATING COSTS	374,687	447,727	427,959	-	22,500	450,459	436,594	445,452	474,493	463,744
*Percentage Increase over prior year			14.2%		6.0%	20.2%	-3.1%	2.0%	6.5%	-2.3%
<u>DEBT / RESERVES</u>										
Transfer to Capital Reserve Fund	128,340	128,340	118,070	-	-	118,070	175,215	164,495	60,385	26,859
Transfer to Operating Reserve Fund	30,000	-	30,000	-	-	30,000	20,000	20,000	10,000	10,000
MFA Debt Principal	26,841	26,841	26,841	-	-	26,841	10,201	10,201	71,793	110,814
MFA Debt Interest	16,336	7,350	12,150	-	-	12,150	19,200	48,482	154,879	224,113
MFA Debt Reserve Fund	8,110	210	4,240	-	-	4,240	-	24,150	15,300	11,200
TOTAL DEBT / RESERVES	209,627	162,741	191,301	-	-	191,301	224,616	267,328	312,357	382,986
TOTAL COSTS	584,314	610,468	619,260	-	22,500	641,760	661,210	712,780	786,850	846,730
*Percentage Increase over prior year			6.0%		3.9%	9.8%	3.0%	7.8%	10.4%	7.6%
<u>FUNDING SOURCES (REVENUE)</u>										
Transfer from Operating Reserve Fund	-	(26,564)	-	-	(22,500)	(22,500)	-	-	(20,000)	-
Sales - Water	(60,000)	(59,000)	(60,000)	-	-	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
User Charges	(435,538)	(435,538)	(461,670)	-	-	(461,670)	(489,370)	(518,730)	(539,480)	(561,060)
Other Revenue	(1,020)	(1,610)	(1,060)	-	-	(1,060)	(830)	(840)	(860)	(880)
TOTAL REVENUE	(496,558)	(522,712)	(522,730)	-	(22,500)	(545,230)	(550,200)	(579,570)	(620,340)	(621,940)
REQUISITION - PARCEL TAX	(87,756)	(87,756)	(96,530)	-	-	(96,530)	(111,010)	(133,210)	(166,510)	(224,790)
*Percentage increase over prior year										
Sales			0.0%			0.0%	0.0%	0.0%	0.0%	0.0%
User Fee			6.0%			6.0%	6.0%	6.0%	4.0%	4.0%
Requisition			10.0%			10.0%	15.0%	20.0%	25.0%	35.0%
Combined			6.0%			6.0%	7%	8%	8%	10%

Highland/Fernwood Water (SSI)
Reserve Summary Schedule
2026 - 2030 Financial Plan

Reserve/Fund Summary

	Estimated	Budget				
	2025	2026	2027	2028	2029	2030
Operating Reserve Fund	120,804	128,304	148,304	168,304	158,304	168,304
Capital Reserve Fund	253,190	68,260	172,475	281,970	262,355	289,214
Total	373,995	196,565	320,780	450,275	420,660	457,519

Reserve Schedule

Reserve Fund: 2.621 Highland/Fernwood Water (SSI) - 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: Fund Centre:	1500 105205	Estimated	Budget				
		2025	2026	2027	2028	2029	2030
Beginning Balance		141,568	120,804	128,304	148,304	168,304	158,304
Transfer from Ops Budget		-	30,000	20,000	20,000	10,000	10,000
Deficit Recovery		(26,564)					
Expenditures		-	(22,500)	-	-	(20,000)	-
Planned Maintenance Activity			\$20k Reservoir cleaning & inspection; \$2.5k Manganes testing			Reservior cleaning & inspection	
Interest Income*		5,800					
Ending Balance \$		120,804	128,304	148,304	168,304	158,304	168,304

Assumptions/Background:

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

Reserve Schedule

Reserve Fund: 2.621 Highland/Fernwood Water (SSI) - Capital Reserve Fund - Bylaw 3991

For capital repairs, additions and improvements to water system infrastructure

Reserve Cash Flow

Fund: Fund Centre:	1088 102156	Estimated	Budget				
		2025	2026	2027	2028	2029	2030
Beginning Balance		116,563	253,190	68,260	172,475	281,970	262,355
Transfer from Ops Budget		128,340	118,070	175,215	164,495	60,385	26,859
Transfer from Cap Fund		12,968					
Transfer to Cap Fund		(10,000)	(303,000)	(71,000)	(55,000)	(80,000)	-
Interest Income*		5,320					
Ending Balance \$		253,190	68,260	172,475	281,970	262,355	289,214

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.	2.621 Highland & Fernwood Water (SSI)	Carry Forward from 2025	2026	2027	2028	2029	2030	TOTAL
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EXPENDITURE

Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$40,000	\$0	\$0	\$0	\$0	\$0	\$40,000
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$844,000	\$1,032,000	\$71,000	\$2,510,000	\$1,610,000	\$1,120,000	\$6,343,000	
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$844,000	\$1,072,000	\$71,000	\$2,510,000	\$1,610,000	\$1,120,000	\$6,383,000	

SOURCE OF FUNDS

Capital Funds on Hand	\$89,000	\$89,000	\$0	\$0	\$0	\$0	\$89,000	
Debenture Debt (New Debt Only)	\$690,000	\$400,000	\$0	\$2,415,000	\$1,530,000	\$1,120,000	\$5,465,000	
Equipment Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Grants (Federal, Provincial)	\$0	\$280,000	\$0	\$40,000	\$0	\$0	\$320,000	
Donations / Third Party Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Reserve Fund	\$65,000	\$303,000	\$71,000	\$55,000	\$80,000	\$0	\$509,000	
	\$844,000	\$1,072,000	\$71,000	\$2,510,000	\$1,610,000	\$1,120,000	\$6,383,000	

Definitions for the 5-year Capital Plan

Asset Class	<p>Asset class is used to classify assets for financial reporting in accordance with the Public Sector Accounting Board (PSAB) 3150.</p> <p>L - Land S - Engineering Structure B - Buildings V - Vehicles E - Equipment</p>
Capital Expenditure Type	<p>Capital expenditure type is used for reporting on asset investments and may be used to justify operational needs for a service.</p> <p>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</p>
Carryforward	<p>Represents the carryforward amount from the prior year capital plan that is remaining to be spent. Forecast this spending over the next 5 years.</p>
Funding Source	<p>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</p> <p>If there is more than one funding source, additional rows are shown for the project.</p>

CAPITAL REGIONAL DISTRICT

5 YEAR CAPITAL PLAN

2026 - 2030

Service #:

2.621

Service Name

Highland & Fernwood Water (SSI)

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
21-01	New	Public Engagement for Future Projects	Petition, referendum or AAP and public engagement for funding projects.	\$ 50,000	S	Cap	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
21-04	New	Water main AC replacement strategy and preliminary design	Conduct water main replacement assessment and develop a phased replacement strategy. (13 km).	\$ 115,000	S	Debt	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
21-04	New	Water main AC replacement strategy and preliminary design	CRD Project Management		S	Res	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000
21-05	New	Water Main AC replacement detailed design	Water Main AC replacement detailed design. Includes CRD project management.	\$ 230,000	S	Debt	\$ -	\$ -	\$ -	\$ -	\$ 230,000	\$ -	\$ 230,000
29-01	New	Phased program of AC Water main replacement	Engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/m over 5 years). Includes construction services and CRD project management	\$ 13,000,000	S	Debt	\$ -	\$ -	\$ -	\$ -	\$ 1,300,000	\$ 650,000	\$ 1,950,000
24-01	New	Fernwood PS Hazard Assess and Demolition	Assessment of hazard and demolition. Includes CRD project management.	\$ 80,000	S	Res	\$ 60,000	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000
25-01	New	Fence installation around storage reservoirs	Install fencing around all reservoirs and WTP. Includes CRD project management.	\$ 140,000	S	Res	\$ -	\$ -	\$ 50,000	\$ 45,000	\$ 45,000	\$ -	\$ 140,000
26-01	Study	SCADA Design	SCADA Design	\$ 40,000	E	Res	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
23-07	Renewal	WTP SCADA Upgrades - WTP Communications and Control Upgrades	To upgrade RTU programming software to Workbench. Replace the RTU and PLC controller due to age and criticality to current CRD I/O standards. At end of life for SCADAPAC 357e Series PLCs and add equipment feedback wiring to monitor valve position, motor speed etc. Includes CRD project management.	\$ 420,000	S	Debt	\$ 220,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
23-07	Renewal	WTP SCADA Upgrades - WTP Communications and Control Upgrades	CWF funding to support WTP SCADA upgrades		S	Grant	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ 120,000
24-10	New	Replace or re-line Middle Reservoir - Design	Middle Reservoir is leaking and needs a new liner or to be replaced. Includes CRD project management.	\$ 80,000	S	Res	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000
24-11	New	Replace or re-line Middle Reservoir - Construction	Replace or re-line Middle Reservoir - Construction. Includes construction services and CRD project management	\$ 1,085,000	S	Debt	\$ -	\$ -	\$ -	\$ 1,085,000	\$ -	\$ -	\$ 1,085,000
28-01	New	Highland Upper Reservoir Replacement	Construction to replace existing leaking upper reservoir. Includes CRD project management.	\$ 1,330,000	S	Debt	\$ -	\$ -	\$ -	\$ 1,330,000	\$ -	\$ -	\$ 1,330,000
24-03	New	WTP driveway improvements	Gravel portion of driveway requires regular maintenance to provide safe access to buildings. Upgrade driveway to asphalt or concrete. Includes CRD project management.	\$ 35,000	S	Res	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$ -	\$ 35,000
24-06	New	Critical Spares; Chlorine pump and coagulant pump	Purchase spares. Includes CRD project management.	\$ 12,000	S	Cap	\$ 12,000	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 12,000
24-09	New	Addition of another tank is required for backwashing of two filters in sequence.	Rinse water tank currently allows only one filter backwash at a time due to its size. Includes CRD project management	\$ 16,000	S	Res	\$ -	\$ -	\$ 16,000	\$ -	\$ -	\$ -	\$ 16,000
27-01	Study	Update Asset Management Plan	Revise McElhanney Condition Assessment to SAMP.	\$ 50,000	S	Grant	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ 40,000
27-01	Study	Update Asset Management Plan	CRD Project Management		S	Res	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000
25-02	Study	Investigate DAF Residual Disposal Alternatives	Investigate alternatives for the disposal of DAF residuals.	\$ 5,000	S	Res	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
22-01	New	Back up Power	Construction of back up power system. Includes CRD project management.	\$ 470,000	S	Debt	\$ 470,000	\$ -	\$ -	\$ -	\$ -	\$ 470,000	\$ 470,000
26-02	Study	Mailview PRV #2	Design review of PRV #2 at upper Mailview	\$ 30,000	S	Grant	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000
26-03	New	Mailview PRV #2	Construction of PRV #2 at upper Mailview (includes CRD project management)	\$ 50,000	S	Res	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
19-01	Replacement	Replace intake	Construct new intake and screen	\$ 227,000	S	Cap	\$ 13,000	\$ 13,000	\$ -	\$ -	\$ -	\$ -	\$ 13,000
24-05	Replacement	Fernwood Reservoir 1. Repair roof top railing and check for building code compliance and replace or repair	Code compliance/replacement and ladder enclosure and upper railing are rusting and require assessment. Includes CRD project management. (early approval)	\$ 23,500	S	Cap	\$ 14,000	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ 14,000
24-05	Replacement	Fernwood Reservoir 1. Repair roof top railing and check for building code compliance and replace or repair	early approval		S	Res	\$ -	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ 8,000
26-04	New	H-F Intake Location	WQ sampling program to determine intake location and for modifications to the intake to achieve the proposed location	\$ 160,000	S	Grant	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000
26-04	New	H-F Intake Location			S	Res	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000
			Grand Total	\$ 17,648,500			\$ 844,000	\$ 1,072,000	\$ 71,000	\$ 2,510,000	\$ 1,610,000	\$ 1,120,000	\$ 6,383,000

Service: 2.621 Highland & Fernwood Water (SSI)

Project Number 21-01

Capital Project Title Public Engagement for Future Projects

Capital Project Description Petition, referendum or AAP and public engagement for funding projects.

Project Rationale Public engagement for the intake and upper reservoir projects to inform residents so they can make informed decision on approval and borrowing..

Project Number 22-01

Capital Project Title Back up Power

Capital Project Description Construction of back up power system. Includes CRD project management.

Project Rationale Design and construction of a backup power system needed in the event of a power failure to continue to provide water to the community.

Project Number 21-04

Capital Project Title Water main AC replacement strategy and preliminary design

Capital Project Description Conduct water main replacement assessment and develop a phased replacement strategy (13 km).

Project Rationale The asbestos cement water main system needs to be replaced so this will assess the system and create a strategy to deal with it along with design drawings and specifications.

Project Number 21-05

Capital Project Title Water Main AC replacement detailed design

Capital Project Description Water Main AC replacement detailed design. Includes CRD project management.

Project Rationale Develop detailed design for the replacement of the asbestos cement water distribution piping system based on the strategy developed in Project 21-04.

Service: 2.621 Highland & Fernwood Water (SSI)

Project Number 29-01

Capital Project Title Phased program of AC Water main replacement

Capital Project Description Engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/m over 5 years). Includes construction services and CRD project management.

Project Rationale The asbestos cement water main system needs to be replaced. This project is for the engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/meter over 10 years).

Project Number 24-01

Capital Project Title Fernwood PS Hazard Assess and Demolition

Capital Project Description Assessment of hazard and demolition. Includes CRD project management.

Project Rationale This project will assess the hazards and demolish the obsolete Fernwood Pump Station.

Project Number 25-01

Capital Project Title Fence installation around storage reservoirs

Capital Project Description Install fencing around all reservoirs and WTP. Includes CRD project management.

Project Rationale This fence is required for community safety (child access etc.) and security of the asset (vandalism).

Project Number 23-07

Capital Project Title WTP SCADA Upgrades - WTP Communications and Control Upgrades

Capital Project Description To upgrade RTU programming software to Workbench. Replace the RTU and PLC controller due to age and criticality to current CRD I/O standards. At end of life for SCADAPAC 357e Series PLCs and add equipment feedback wiring to monitor valve position, motor speed etc. Includes CRD project management.

Project Rationale Various improvements identified in the AMP and by Operations including upgrade RTU programming software to Workbench. Replace the RTU and PLC controller due to age and criticality to current CRD I/O standards.

Service: 2.621 Highland & Fernwood Water (SSI)

Project Number 24-03

Capital Project Title WTP driveway improvements

Capital Project Description Gravel portion of driveway requires regular maintenance to provide safe access to buildings. Upgrade driveway to asphalt or concrete. Includes CRD project management.

Project Rationale Current access road is filled with potholes and creates a hazard for vehicles.

Project Number 24-05

Capital Project Title Fernwood Reservoir 1. Repair roof top railing and check for building code compliance and replace or repair

Capital Project Description Code compliance/replacement and ladder enclosure and upper railing are rusting and require assessment. Includes CRD project management. (early approval)

Project Rationale E H & S issue. Current railing needs to be relaced as it does not meet O H & S requirements.

Project Number 24-06

Capital Project Title Critical Spares; Chlorine pump and coagulant pump

Capital Project Description Purchase spares. Includes CRD project management.

Project Rationale These components are critical facility operation and should be on hand for easy replacement to ensure continued service.

Project Number 24-09

Capital Project Title Addition of another tank is required for backwashing of two filters in sequence.

Capital Project Description Rinse water tank currently allows only one filter backwash at a time due to its size. Includes CRD project management.

Project Rationale Operational issue. Another tank will proved efficiencies and reduce maintenance costs.

Project Number 24-10

Capital Project Title Replace or re-line Middle Reservoir - Design

Capital Project Description Middle Reservoir is leaking and needs a new liner or to be replaced. Includes CRD project management.

Project Rationale Tank is at the end of its useful life and needs to be re-line or ideally, replaced. This is the design phase of the project.

Service: 2.621 Highland & Fernwood Water (SSI)

Project Number 24-11

Capital Project Title

Replace or re-line Middle Reservoir - Construction

Capital Project Description

Replace or re-line Middle Reservoir - Construction. Includes construction services and CRD project management.

Project Rationale Tank is at the end of its useful life and needs to be re-line or ideally, replaced. This is the construction phase of the project.

Project Number 28-01

Capital Project Title

Highland Upper Reservoir Replacement

Capital Project Description

Construction to replace existing leaking upper reservoir. Includes CRD project management.

Project Rationale Highland Upper Reservoir replacement. Design work completed, construction is next step.

Project Number 27-01

Capital Project Title

Update Asset Management Plan

Capital Project Description

Revise McElhanney Condition Assessment to SAMP.

Project Rationale Revise existing AMP to include facility modifications and additions since last AMP.

Project Number 19-01

Capital Project Title

Replace intake

Capital Project Description

Construct new intake and screen

Project Rationale Replace temporary inlet line and intake structure.

Project Number 25-02

Capital Project Title

Investigate DAF Residual Disposal Alternatives

Capital Project Description

Investigate alternatives for the disposal of DAF residuals.

Project Rationale Investigate alternatives for the disposal of DAF residuals to reduce disposal costs.

Service: 2.621 Highland & Fernwood Water (SSI)

Project Number 22-03

Capital Project Title Safety Improvements for WTP

Capital Project Description Design and installation of lifting apparatus over saturator vessel and rescue apparatus over DAF tank.

Project Rationale E H & S issue. Design and installation of lifting apparatus over saturator vessel and rescue apparatus over DAF tank.

Project Number 26-01

Capital Project Title SCADA Design

Capital Project Description SCADA Design

Project Rationale Design of Various improvements identified in the AMP and by Operations including upgrade RTU programming software to Workbench. Replace the RTU and PLC controller due to age and criticality to current CRD I/O standards. Includes CRD proj mgmt

Project Number 26-02

Capital Project Title Maliview PRV #2

Capital Project Description Design review of PRV #2 at upper Maliview

Project Rationale Design of PRV to reduce pressure at Maliview PRV#1 Review existing PRV #2 design

Project Number 26-03

Capital Project Title Maliview PRV #2

Capital Project Description Construction of PRV #2 at upper Maliview (includes CRD proj mgmt)

Project Rationale Construction of PRV to reduce pressure at Maliview PRV#1

Project Number 26-04

Capital Project Title H-F Intake Location

Capital Project Description WQ sampling program to determine intake location and for modifications to the intake to achieve the proposed location

Project Rationale To initiate a WQ sampling program to determine intake location and for modifications to the intake to achieve the proposed location

2.621 - Highland/Fernwood Water (SSI)

Capital Projects

Updated @ Sep 09, 2025

Year	Project#	Capital Plan#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
						Expenditure Actuals	Remaining Spending	
2019	CE.677.7501	19-01	Open	Water Intake and Screen	227,000	178,530	48,470	227,000
2019	CE.699.4501	19-03	Close	Safe Work Procedures	17,000	4,146	12,854	17,000
2021	CE.735.4501	21-02	Open	Power generation equipment - Design	59,000	53,548	5,452	59,000
2023	CE.677.4601	22-03	Close	Safety Improvement for H&F WTP	40,000	21,402	18,598	40,000
2024	CE.677.4602	24-06	Open	Spares, Chlorine & Coagulant Pumps	12,000	164	11,836	12,000
2024	CE.677.4603	24-04	Close	Safety chain replacement WTP	13,000	12,696	304	13,000
2024	CE.677.4502	21-01	Open	Public Engagement High/Fern Water	50,000	81	49,919	50,000
2024	CE.677.5101	24-05	Open	Reservoir 1. Repair roof top railing	15,500	10,213	5,287	15,500
				Totals	433,500	280,781	152,720	433,500

Service:

2.621 Highland/Fernwood Water (SSI)

Committee: Electoral Area

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax Per Folio</u>	<u>SFEs</u>	<u>User Charge Per SFE</u>	<u>Total Tax & Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2017	333	\$173.84	319	\$817.51	\$991.35	4208	\$149,011
2018	333	\$173.84	319	\$861.75	\$1,035.58	4236	\$167,935
2019	333	\$173.84	320	\$858.15	\$1,031.99	4311	\$177,921
2020	333	\$179.60	321	\$881.88	\$1,061.48	4339	\$191,456
2021	333	\$237.05	321	\$1,182.53	\$1,419.58	4395	\$201,818
2022	333	\$237.05	321	\$1,182.53	\$1,419.58	4470	\$281,106
2023	333	\$237.05	321	\$1,217.09	\$1,454.14	4525	\$308,761
2024	333	\$245.36	321	\$1,289.82	\$1,535.18	4586	\$284,303
2025	333	\$277.37	320	\$1,361.06	\$1,638.43	4648	\$292,554
2026	333	\$305.10	321	\$1,438.22	\$1,743.32		

Change from 2025 to 2026

\$27.73

10.00%

\$77.16

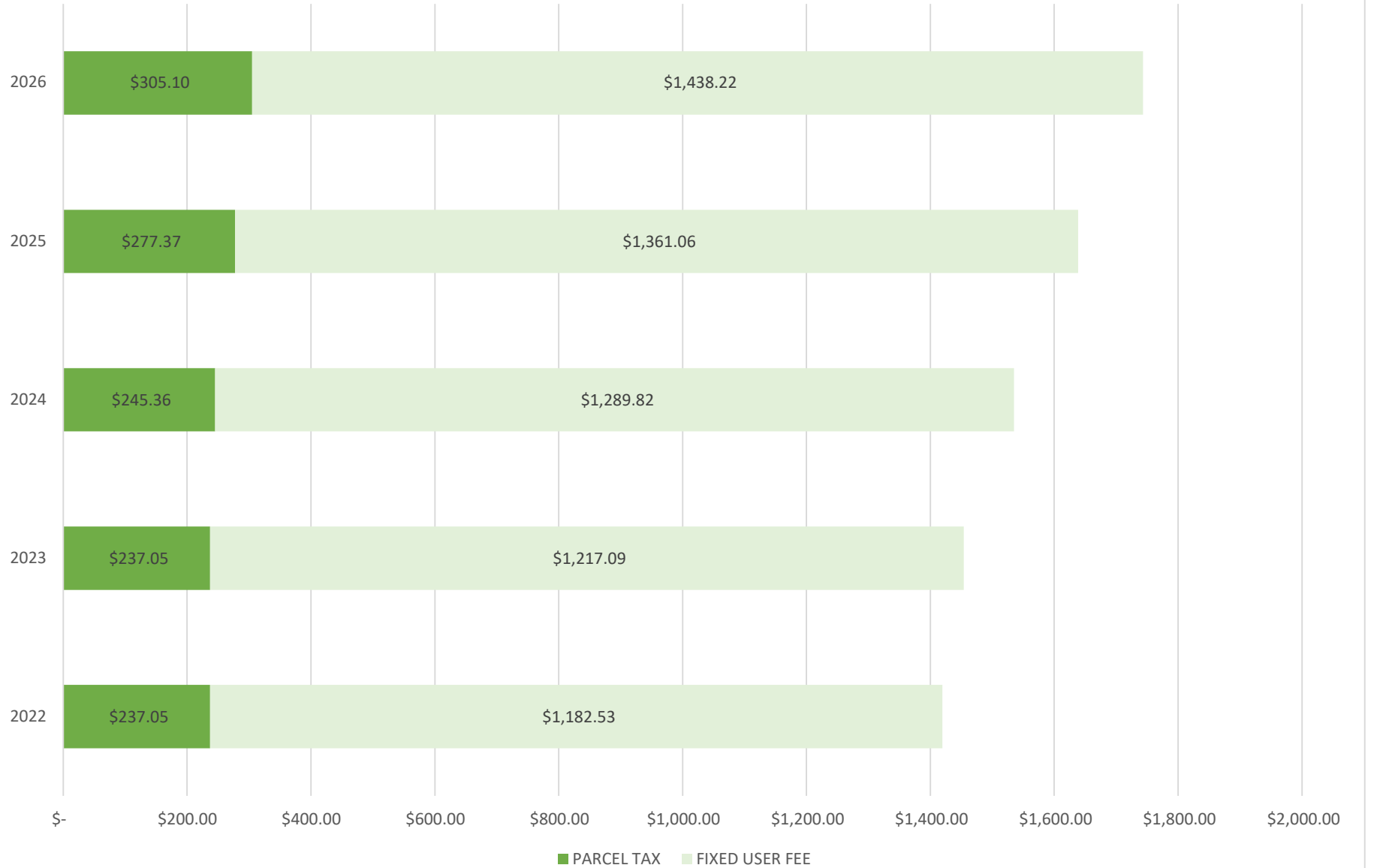
5.67%

\$104.89

6.40%

* A variable consumption charge is paid in addition to the fixed user charge and parcel tax.

Highland/Fernwood Water (SSI) Funding Analysis 2022 - 2026



CAPITAL REGIONAL DISTRICT

2026 Budget

Highland Water System (SSI)

Commission Review

NOVEMBER 2025

Service: 2.620 Highland Water (SSI)

Committee: Electoral Area

DEFINITION:

To provide and operate water supply and distribution facilities for the Salt Spring Island Highland Water System Specified Area.
Bylaw No. 847 (March 25, 1981). Local Service Establishment Bylaw No. 1937 (October 9, 1991).

PARTICIPATION:

Local Service Area #13, H(764)

MAXIMUM LEVY:

Greater of \$120,000 or \$5.50 / \$1,000 of actual assessed value of land and improvements.

MAXIMUM CAPITAL DEBT:

Authorized:	LA3580 (April 3, 2009)	\$559,000
Borrowed:	SI Bylaw 3634 (2009, 4.13%)	(\$250,000)
	SI Bylaw 3817 (2012, 3.4%)	(\$150,680)
Expired:		(\$158,320)
Remaining:		<hr/> \$0

COMMISSION:

Fernwood and Highland Water Service Commission- Bylaw 4371 (Dec. 09, 2020)

FUNDING:

Any deficiencies after user charge and/or frontage tax or parcel tax to be levied on taxable school assessments, excluding property that is taxable for school purposes by Special Act.

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

RESERVE FUND:

Highland Water System Capital Reserve Fund, Bylaw No. 1501 (Dec. 17, 1986)

2.620 - Highland Water System (SSI) - Debt Only

	2025		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2027	2028	2029	2030
<u>OPERATING COSTS</u>										
Allocations	23	23	17	-	-	17	17	-	-	-
TOTAL OPERATING COSTS	23	23	17	-	-	17	17	-	-	-
*Percentage Increase over prior year						-26.1%	0.0%	NA	NA	NA
<u>DEBT</u>										
MFA Debt Principal	8,653	8,653	8,653	-	-	8,653	8,653	-	-	-
MFA Debt Interest	5,108	5,108	5,108	-	-	5,108	2,554	-	-	-
MFA Debt Reserve Fund	60	60	70	-	-	70	70	-	-	-
TOTAL DEBT	13,821	13,821	13,831	-	-	13,831	11,277	-	-	-
TOTAL COSTS	13,844	13,844	13,848	-	-	13,848	11,294	-	-	-
*Percentage Increase over prior year						0.0%	-18.4%	NA	NA	NA
<u>FUNDING SOURCES (REVENUE)</u>										
Estimated Balance c/fwd from 2025 to 2026	-	100	(100)	-	-	(100)	-	-	-	-
Balance c/fwd from 2024 to 2025	(5,240)	(5,240)	-	-	-	-	-	-	-	-
MFA Debt Reserve Earnings	(60)	(60)	(70)	-	-	(70)	(70)	-	-	-
Other Income	-	(100)	-	-	-	-	-	-	-	-
TOTAL REVENUE	(5,300)	(5,300)	(170)	-	-	(170)	(70)	-	-	-
REQUISITION - PARCEL TAX	(8,544)	(8,544)	(13,678)	-	-	(13,678)	(11,224)	-	-	-
*Percentage increase over prior year Requisition						60.1%	-17.9%	NA	NA	NA

CAPITAL REGIONAL DISTRICT
FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2026 to 2030

Service No.	2.620	Carry						
	Highland Water (SSI)	Forward	2026	2027	2028	2029	2030	TOTAL
		from 2025						

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	\$16,000	\$16,000	\$0	\$0	\$0	\$0	\$16,000
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$16,000	\$16,000	\$0	\$0	\$0	\$0	\$16,000

SOURCE OF FUNDS

Capital Funds on Hand	\$16,000	\$16,000	\$0	\$0	\$0	\$0	\$16,000
Debenture Debt (New Debt Only)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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	\$0	\$0	\$0	\$0	\$0	\$0
	\$16,000	\$16,000	\$0	\$0	\$0	\$0	\$16,000

Definitions for the 5-year Capital Plan

Asset Class	<p>Asset class is used to classify assets for financial reporting in accordance with the Public Sector Accounting Board (PSAB) 3150.</p> <p>L - Land S - Engineering Structure B - Buildings V - Vehicles E - Equipment</p>
Capital Expenditure Type	<p>Capital expenditure type is used for reporting on asset investments and may be used to justify operational needs for a service.</p> <p>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</p>
Carryforward	<p>Represents the carryforward amount from the prior year capital plan that is remaining to be spent. Forecast this spending over the next 5 years.</p>
Funding Source	<p>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</p> <p>If there is more than one funding source, additional rows are shown for the project.</p>

CAPITAL REGIONAL DISTRICT

5 YEAR CAPITAL PLAN

2026 - 2030

Service #: 2.620

Service Name: Highland Water (SSI)

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
16-01	Renewal	Infrastructure Upgrades (Valve Distribution)	Middle and Upper Reservoir Repairs	\$ 126,973	\$	Cap	\$ 16,000	\$ 16,000	\$ -	\$ -	\$ -	\$ -	\$ 16,000
													\$ -
													\$ -
													\$ -
													\$ -
													\$ -
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													\$ -
													\$ -
													\$ -
													\$ -
													\$ -
			Grand Total	\$ 126,973			\$ 16,000	\$ 16,000	\$ -	\$ -	\$ -	\$ -	\$ 16,000

Service:	2.620	Highland Water (SSI)
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Project Number	16-01	Capital Project Title	Infrastructure Upgrades (Valve Distribution)	Capital Project Description	Middle and Upper Reservoir Repairs
Project Rationale	These funds are reserved for Highland only upgrade/repairs/replacement. The middle reservoir needs an access hatch and a replacement of a failed outlet piping and it has also recently starts to leak. The upper reservoir has been leaking and needs to be replaced. The fund is reserved for the repair of Middle reservoir and the planning, option analysis and the design of Upper Reservoir replacement.				

2.620 - Highland Water System (SSI)

Capital Projects

Updated @ Sep 09, 2025

Year	Project#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
					Expenditure Actuals	Remaining Spending	
2020	CE.360	Open	Middle and Upper Reservoir Replacement	126,973	106,236	20,737	126,973
			Totals	126,973	106,236	20,737	126,973

Service:

2.620 Highland Water System (SSI)

Committee: Electoral Area

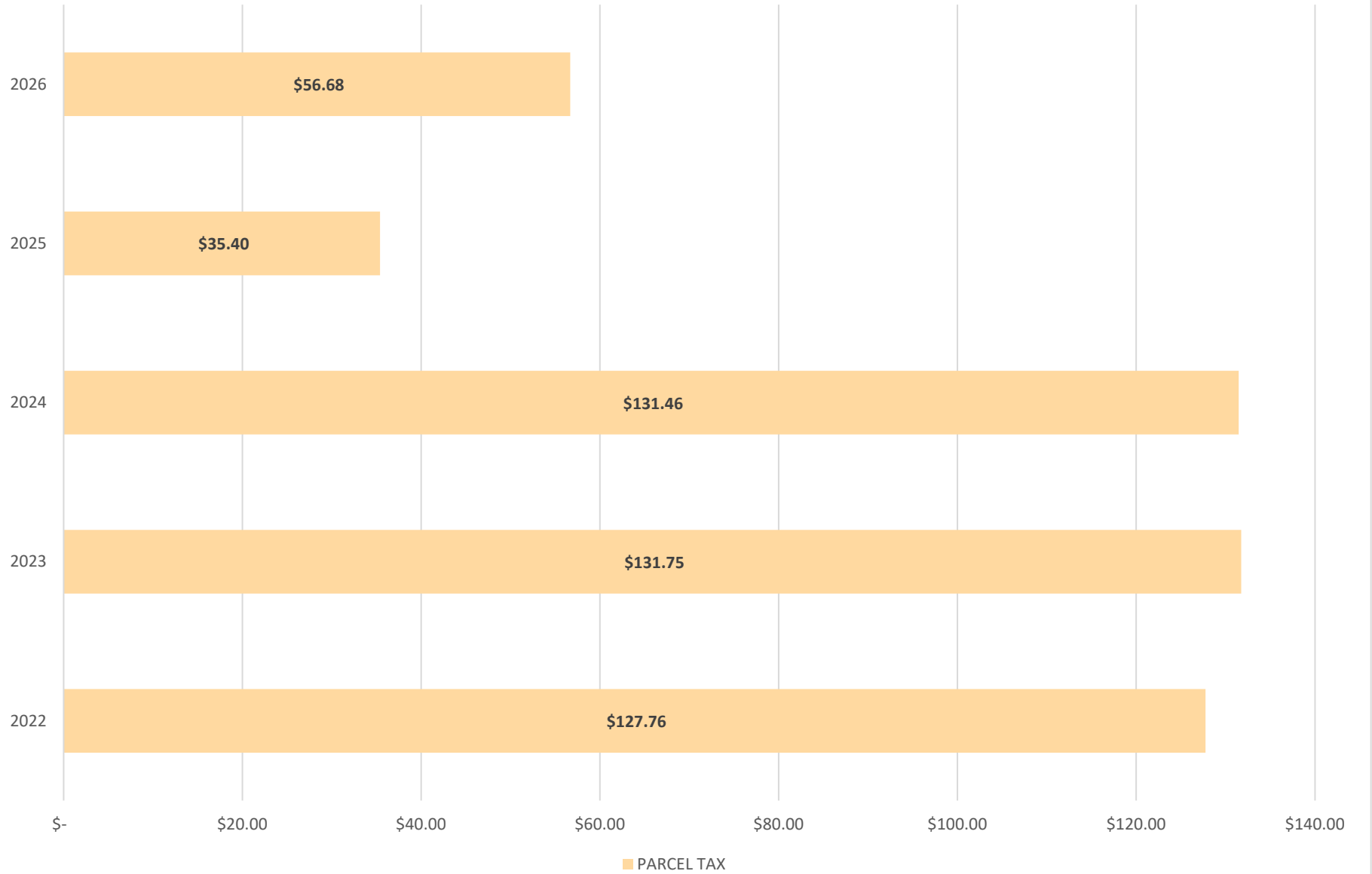
<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>Number SFE's</u>	<u>User Charge</u>	<u>Bylaw</u>	<u>Actual Assessments</u>	<u>Converted Assessments</u>
2017	254	\$153.88	244	\$0.00	4208	104,068,888	10,464,573
2018	254	\$154.27	244	\$0.00	4236	116,044,437	11,668,285
2019	254	\$152.65	239	\$0.00	4311	126,933,707	12,762,562
2020	254	\$126.44	246	\$0.00	4339	136,331,012	13,701,537
2021	254	\$128.95	246	\$0.00	4395	139,308,437	14,017,388
2022	254	\$127.76	246	\$0.00	4470	195,287,412	19,657,255
2023	254	\$131.75	246	\$0.00	4525	214,230,545	21,563,060
2024	254	\$131.46	246	\$0.00	4586	196,291,058	19,741,241
2025	254	\$35.40	246	\$0.00	4648	204,900,733	20,588,624
2026	254	\$56.68	246	\$0.00			

Change from 2025 to 2026

\$21.28

60.11%

Highland Water System(SSI)
Funding Analysis 2022 - 2026



CAPITAL REGIONAL DISTRICT

2026 Budget

Fernwood Water (SSI)

Commission Review

NOVEMBER 2025

Service: **2.660 Fernwood Water (SSI)**

Committee: Electoral Area

DEFINITION:

To provide, operate and maintain water supply and distribution facilities for the Fernwood Water Local Service Area on Salt Spring Island Bylaw No. 1772 (January 1990). Amended Bylaw No. 2034 (July 15, 1992).

PARTICIPATION:

Fernwood Area of Salt Spring Island. Local Service Area #6, F(764).

MAXIMUM LEVY:

Greater of \$56,000 or \$5.07 / \$1,000 of actual assessed value of land and improvements.

MAXIMUM CAPITAL DEBT:

AUTHORIZED:	LA Bylaw No. 3581 (April 8, 2009)	\$195,000
BORROWED:	SI Bylaw 3634 (Nov 2009)	\$ (100,000) <i>Retired in 2024</i>
	SI Bylaw 3677 (Feb 2010)	\$ (50,000) <i>Retires in 2025</i>
	SI Bylaw 3817 (May 2012)	\$ (45,000) <i>Retires in 2027</i>
REMAINING:		<hr/> \$0

COMMISSION:

Fernwood and Highland Water Service Commission- Bylaw 4371 (Dec. 09, 2020)

FUNDING:

Any deficiencies after user charge and/or parcel tax to be levied on taxable hospital assessments.
Parcel Tax: - Annual, levied only on properties capable of being connected to the system.

MAXIMUM OPERATING EXPENDITURE:

Under Bylaw No. 2187 - Maximum requisition greater of \$56,000 or \$5.07 / \$1,000 of actual assessments for land and improvements.

RESERVE FUND BYLAW:

Bylaw No. 1832.

2.660 - Fernwood Water (SSI) - Debt Only

	2025		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	2026 ONGOING	ONE-TIME	TOTAL	2027	2028	2029	2030
<u>OPERATING COSTS</u>										
Allocations	11	11	10	-	-	10	10	-	-	-
TOTAL OPERATING COSTS	11	11	10	-	-	10	10	-	-	-
*Percentage Increase over prior year						-9.1%	0.0%	NA	NA	NA
<u>DEBT</u>										
MFA Debt Principal	5,268	5,268	2,584	-	-	2,584	2,584	-	-	-
MFA Debt Interest	1,846	1,846	1,526	-	-	1,526	763	-	-	-
MFA Debt Reserve Fund	40	40	20	-	-	20	20	-	-	-
TOTAL DEBT	7,154	7,154	4,130	-	-	4,130	3,367	-	-	-
TOTAL COSTS	7,165	7,165	4,140	-	-	4,140	3,377	-	-	-
<u>FUNDING SOURCES (REVENUE)</u>										
Estimated Balance c/fwd from 2025 to 2026	-	2,153	(2,153)	-	-	(2,153)	-	-	-	-
Balance c/fwd from 2024 to 2025	(2,091)	(2,091)	-	-	-	-	-	-	-	-
MFA Debt Reserve Earnings	(40)	(2,133)	(20)	-	-	(20)	(20)	-	-	-
Other Revenue	-	(60)	-	-	-	-	-	-	-	-
TOTAL REVENUE	(2,131)	(2,131)	(2,173)	-	-	(2,173)	(20)	-	-	-
REQUISITION - PARCEL TAX	(5,034)	(5,034)	(1,967)	-	-	(1,967)	(3,357)	-	-	-
*Percentage increase over prior year Requisition						-60.9%	70.7%	NA	NA	NA

Service:

2.660 Fernwood Water (SSI)

Committee: Electoral Area

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>SFEs</u>	<u>User Charge</u>	<u>Tax & Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2017	79	\$256.46	73	\$0.00	\$256.46	4208	40,186.91
2018	79	\$257.80	73	\$0.00	\$257.80	4236	44,942.60
2019	79	\$252.87	74	\$0.00	\$252.87	4311	51,890.35
2020	79	\$215.00	75	\$0.00	\$215.00	4339	50,987.50
2021	79	\$179.76	75	\$0.00	\$179.76	4395	55,124.65
2022	79	\$192.02	75	\$0.00	\$192.02	4470	62,509.50
2023	79	\$195.29	75	\$0.00	\$195.29	4525	85,818.67
2024	79	\$194.79	75	\$0.00	\$194.79	4586	88,012.38
2025	79	\$67.07	75	\$0.00	\$67.07	4648	87,653.77
2026	79	\$26.21	75	\$0.00	\$26.21		

Change from 2025 to 2026

-\$40.86

-60.93%

Fernwood Water (SSI)
Funding Analysis 2022 - 2026

