

# CAPITAL REGIONAL DISTRICT 2022 ANNUAL REPORT

Greater Victoria,  
British Columbia, Canada  
Year ended December 31, 2022

  
Making a difference...together

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## TERRITORIAL ACKNOWLEDGEMENT

The CRD conducts its business within the traditional territories of many First Nations, including but not limited to BOKÉĆEN (Pauquachin), MÁLEXEŁ (Malahat), P'a:chi:da?ah (Pacheedaht), Pune'laxutth' (Penelekut), Sc'ianew (Beecher Bay), Songhees, STÁUTW (Tsawout), T'Sou-ke, WJOLÉLP (Tsartlip), WSIKEM (Tseycum), and x<sup>w</sup>sepsəm (Esquimalt), all of whom have a long-standing relationship with the land and waters from time immemorial that continues to this day.



## PHOTO ACKNOWLEDGEMENT

The photos in this document were taken within the boundaries of the Capital Regional District. Thank you to the wonderful local professional and staff photographers that contributed photos to this report.

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# The Capital Regional District

The Capital Regional District (CRD) is the regional government for 13 municipalities and three electoral areas on southern Vancouver Island and the Gulf Islands, serving more than 439,950 people.

The capital region spans the traditional territories of many First Nations, of which 11 have Reserve lands and 9 have settlement populations, made up of 4,142 members.

The CRD plays a key role in providing services that can be delivered efficiently and effectively through region-wide or shared service delivery models. These include the regional water supply, solid waste, wastewater treatment, regional parks, housing, 911 call answer and recreation facilities.

The CRD has more than 200 service, infrastructure and financing agreements with municipalities and electoral areas to deliver services in the following categories:

- ▶ **regional**, where all municipalities and electoral areas are served
- ▶ **sub-regional**, where two or more jurisdictions are served
- ▶ **local**, in the electoral areas where the CRD is the local government

The CRD works collaboratively with First Nations and other orders of government and has direct relationships with individuals, businesses, organizations, institutions and communities that access regional utilities and services.

The CRD owns and operates the Capital Region Housing Corporation (CRHC), a non-profit provider of approximately 2,000 affordable rental homes throughout the region, and administers the Capital Regional Hospital District (CRHD). The CRHD invests in traditional health care services and provides capital funding for health care infrastructure, such as health facilities and hospital equipment.



The Capital Regional District



## OUR ORGANIZATION

# Message from the Board Chair

2022 was a year of transformation at the CRD. It marked the end of a very successful Board term, and I would like to thank the outgoing Board, Committee and Commission members who served the region with dedication and vision. You made a lasting impact on our communities through your leadership and collaboration on numerous initiatives and projects.

We also welcomed a new incoming CRD Board, which brings a fresh perspective and energy to tackle the challenges and opportunities ahead. I am honoured to have had the privilege to serve as Board Chair for all four years of the previous term and hope to provide a foundation for the new Board's success as we embark on this new term.

Another significant change in 2022 was the appointment of Ted Robbins, who transitioned from the role of General Manager of Integrated Water Services to Chief Administrative Officer (CAO) in November 2022. We are pleased that this appointment provides continuity and stability for the organization during this period of change.

In 2018, when the previous Board began its term, it set an ambitious agenda. I am proud of the work done over the last four years, with accomplishments ranging from a new Climate Action Strategy, adding nearly 5,000 hectares of new parkland to the region, steps taken to develop relationships with First Nations that are based on mutual respect and advancement, completing the Wastewater Treatment Project, and advancing a more integrated and climate-friendly regional transportation system.

As we concluded the term in 2022, we were able to complete and operationalize almost all the initiatives outlined in the previous Corporate Plan. Some of our biggest accomplishments were related to our more focused approach



to advocating to senior orders of government, asking them to partner with us on important initiatives and projects.

With all the new faces at the Board table and the renewed commitment to work together, the CRD has a real opportunity to make a difference during this new term. We have already identified five key priority areas for our region: transportation, housing, climate action & environment, First Nations, and governance. These priorities reflect our shared goals for a livable, affordable and equitable region, and will guide our work over the next four years.

I look forward to working with our new CAO and all CRD staff to deliver the services people expect from the CRD and to make the quality of life even better in this region by listening, planning, and taking the action needed to implement our new priorities and achieve the desired outcomes.

Colin **PLANT**  
Chair  
Capital Regional District Board

# Message from the Chief Administrative Officer

It is my pleasure to share the 2022 Corporate Annual Report—my first as the CAO of the CRD. I was born and raised in Saanich, in Lekwungen Territory, and have lived in the capital region all my life and am honoured and excited to lead this organization in delivering high-quality services to our residents and communities. The advancements made in 2022 towards our Board and Corporate Priorities are a testament to the talented and dedicated staff across our organization.

Each term, the CRD Board sets the strategic priorities, and establishes goals and outcomes that guide the activities of the organization for the next four years. 2022 marked the end of the 2019–2022 Board Term and over those four years, there have been many accomplishments. 2022 was also the year our former long-serving CAO, Bob Lapham, retired. During his tenure, a number of major projects and corporate initiatives were operationalized, including the Core Area Wastewater Treatment Project. Under Bob's leadership, the organization also developed a comprehensive service and financial planning framework and enhanced corporate reporting processes to name a couple of his many achievements.

I am fortunate to be coming into this role with a long history with the CRD and a sound understanding of the contributions we make together, which are essential to the vibrancy, and livability, of the communities we serve, as well as the economic and environmental sustainability of our region. Over the past year, CRD staff demonstrated remarkable dedication, professionalism and creativity in delivering essential services and programs to our diverse and growing population.

From acquiring new parklands, to continuing funding for affordable housing projects in the region, to approving the Regional Water Supply 30 Year Master Plan, there were many accomplishments in 2022. Corporate Safety



continues to be a priority for our organization and in 2022, our Corporate Safety program earned several awards in the industry for our efforts. We also advanced work in the area of Equity, Diversity and Inclusion and made a corporate commitment that will ground and guide our work in this area.

I look forward to working with the new CRD Board to move its vision for the region forward. The new Board has already confirmed its strategic priorities, and staff are working diligently to support and advance this important work through the newly approved 2023–2026 Corporate Plan. With a strong leadership team, exceptional staff and support from our many partners who are committed to working together, I am confident in the continued progress we will make to benefit our region over the next four years.

Ted **ROBBINS**  
Chief Administrative Officer  
Capital Regional District  
Capital Region Housing Corporation  
Capital Regional Hospital District

# Board of Directors

## 2019–2022 Term

The CRD is governed by a 24-member Board of Directors, supported by more than 75 committees and commissions. The Board is composed of one or more elected officials from each of the municipalities and three electoral areas within the CRD's boundaries. Each municipality has one director for every 25,000 people (or portion thereof). Each electoral area is represented by one director.

The directors also serve on the Capital Region Housing Corporation Board and the Capital Regional Hospital District Board.

**CRD Chair** Colin **PLANT**, Saanich  
**Vice-Chair** Rebecca **MERSEREAU**, Saanich

**CRHC Chair** Lisa **HELPS**, Victoria  
**Vice-Chair** David **SCREECH**, View Royal

**CRHD Chair** Denise **BLACKWELL**, Langford  
**Vice-Chair** Rebecca **MERSEREAU**, Saanich

### Directors

- ▶ Susan **BRICE**, Saanich
- ▶ Barbara **DESJARDINS**, Esquimalt
- ▶ Fred **HAYNES**, Saanich
- ▶ Lisa **HELPS**, Victoria
- ▶ Mike **HICKS**, Juan de Fuca EA
- ▶ Gary **HOLMAN**, Salt Spring Island EA
- ▶ Dave **HOWE**, Southern Gulf Islands EA
- ▶ Ben **ISITT**, Victoria
- ▶ Jeremy **LOVEDAY**, Victoria
- ▶ Rob **MARTIN**, Colwood
- ▶ Cliff **MCNEIL-SMITH**, Sidney
- ▶ Rebecca **MERSEREAU**, Saanich
- ▶ Kevin **MURDOCH**, Oak Bay
- ▶ Geoff **ORR**, North Saanich
- ▶ John **RANNS**, Metchosin
- ▶ David **SCREECH**, View Royal
- ▶ Lanny **SEATON**, Langford
- ▶ Maja **TAIT**, Sooke
- ▶ Ned **TAYLOR**, Saanich
- ▶ Ken **WILLIAMS**, Highlands
- ▶ Ryan **WINDSOR**, Central Saanich
- ▶ Geoff **YOUNG**, Victoria

# Executive Leadership Team

The Executive Leadership Team (ELT) consists of the Chief Administrative Officer, Chief Financial Officer, Corporate Officer, and the General Managers, who are all Officers of the Corporation.

These Officers direct the departments and divisions across the Corporation and work collaboratively to:

- Consider strategic issues related to the organization
- Discuss solutions to organizational challenges
- Make decisions effectively on behalf of the organization and in the interests of the CRD Board
- Provide direction on corporate-wide policies, systems, projects and initiatives
- Ensure our employees are supported and empowered to achieve organizational goals

The success of the organization is measured by how well the entire organization performs in effectively and efficiently delivering services to the residents of the region and in its ability to

advance Board and Corporate Priorities within an approved Board budget. It is a key responsibility of the ELT to ensure that the actions, directions and policies of management are aligned to achieve these objectives, to strengthen our foundational core and to ensure we have an engaged workforce that is valued and supported.

### Executive Leadership Team

(Shown from left to right below)

- ▶ Robert **LAPHAM**, Chief Administrative Officer (*retired November 2022*)
- ▶ Kristen **MORLEY**, General Manager, Corporate Services & Corporate Officer
- ▶ Nelson **CHAN**, General Manager, Finance & Technology, Chief Financial Officer
- ▶ Kevin **LORETTE**, General Manager, Planning & Protective Services
- ▶ Larisa **HUTCHESON**, General Manager, Parks & Environmental Services
- ▶ Ted **ROBBINS**, General Manager, Integrated Water Services *and effective November 2022*, Chief Administrative Officer



# Governance Framework

The CRD is governed by a 24-member Board of Directors, which serves as a political forum and a vehicle for advancing the interests of the region as a whole. The Board is composed of one or more elected officials from each of the local governments within the CRD’s boundaries:

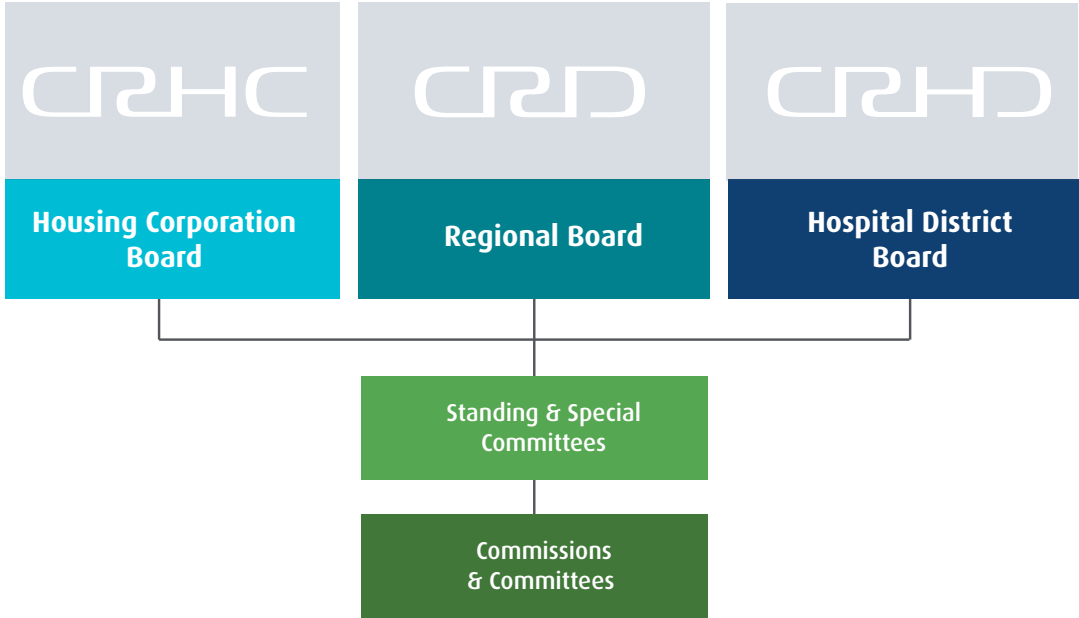
- ▶ For areas outside municipal boundaries (electoral areas), citizens elect one director to the Board during general local elections.
- ▶ Each municipal council appoints one or more elected officials to the Board. The formula is one director for every 25,000 population (or portion thereof).

All members also sit on the Capital Region Housing Corporation (CRHC) Board and the Capital Regional Hospital District (CRHD) Board. Board meetings are held once a month and are open to the public.

Collectively, these Boards establish the CRD vision, set priorities and provide direction on service delivery, collaboration and partnerships. Various committees and commissions oversee delivery of services and report to the CRD, CRHC and CRHD Boards.

The chair and vice-chair of each regional board are elected from among the directors at an inaugural meeting held each November. Next, the regional board chairs define various committees and their membership.

To make decisions, directors must vote. The CRD uses special voting rules based on population and the combination of participants in each service. Some votes are unweighted (one vote per director) and others are weighted based on population (one vote per 5,000 population or portion thereof).



## OUR PROFILE

The CRD has more than 200 service, infrastructure and financing agreements with municipalities and electoral areas to deliver services.

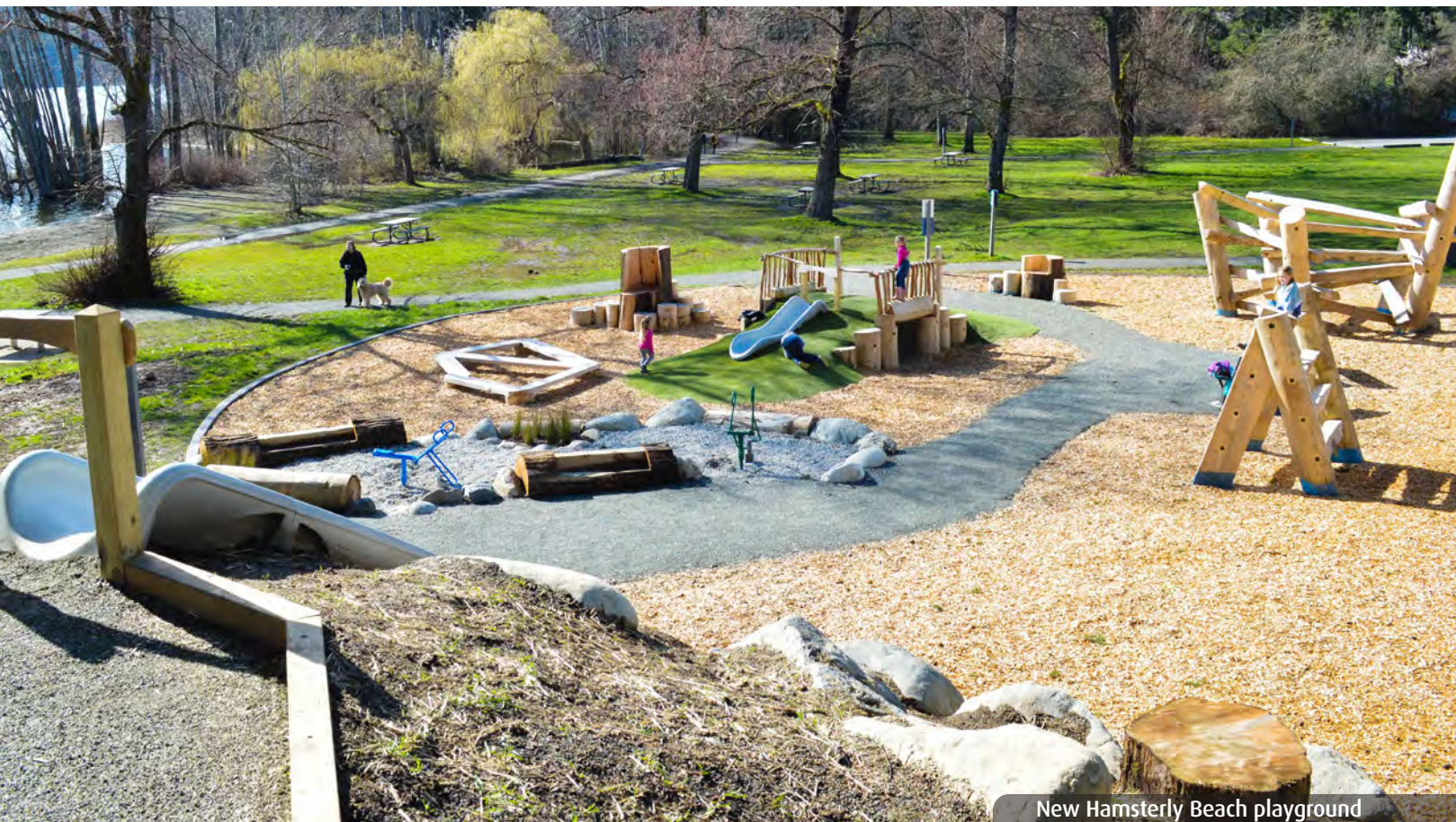
# A Resilient Region

Encompassing 237,000 hectares, including 70 Gulf Islands, the capital region is a sought-after destination, renowned for its mild climate, beautiful coastlines and natural ecosystems.

The region offers a balance between rural and urban lifestyles, including the farming communities in North Saanich, the evergreen hills of Sooke, the artisan networks on the Gulf Islands and the government and business hub of Victoria, the province's capital city. It is home to the Canadian Pacific Naval Fleet and multiple post-secondary educational institutions, including Camosun College, Royal Roads University and the University of Victoria.

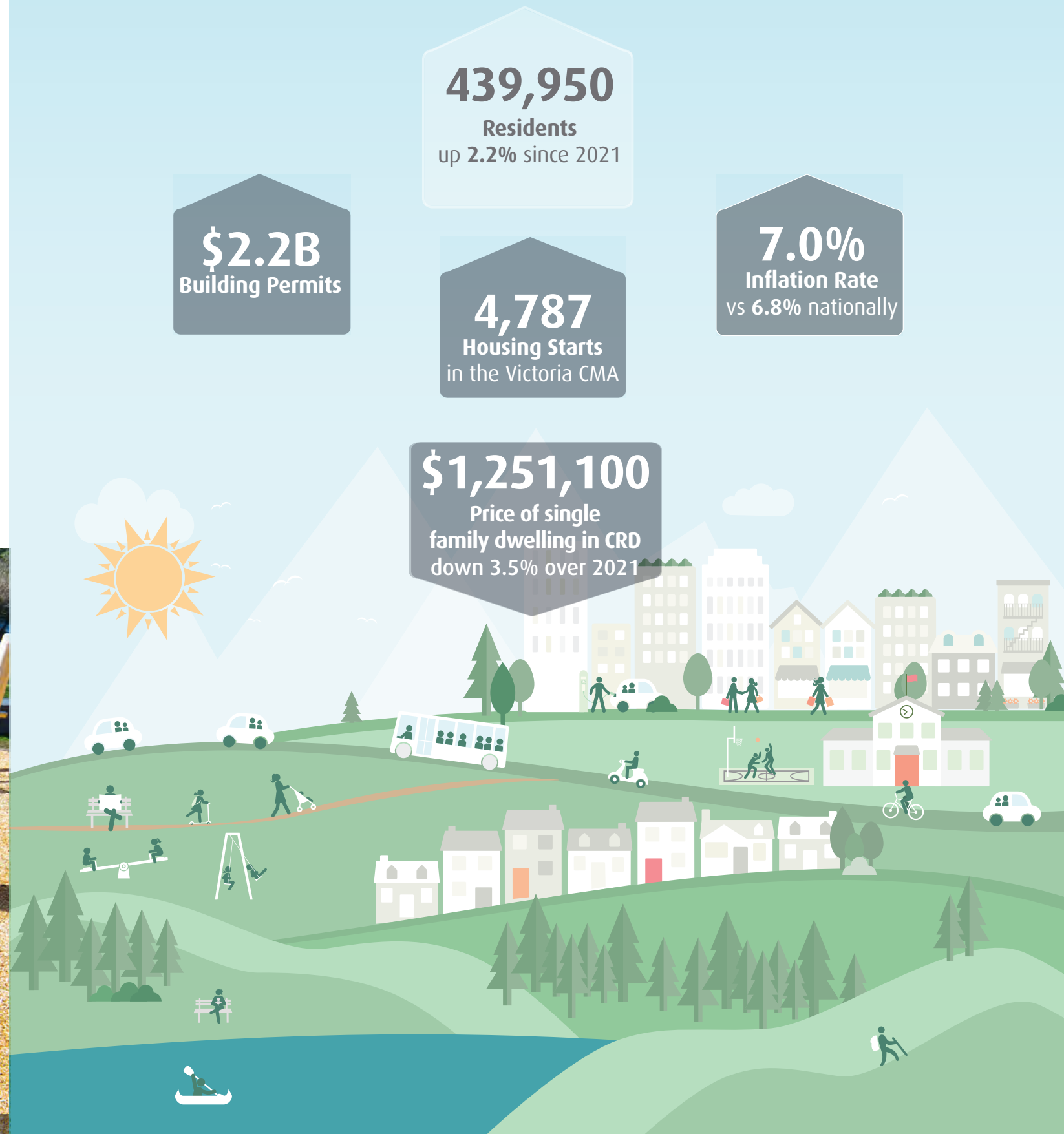
Tourism, technology, health care and government services are key industries in the region, a place where residents and tourists can enjoy the Pacific Ocean, old-growth rainforests, outdoor adventure and a vibrant arts and culture scene.

The region has seen a steady increase in population and sustained growth in housing starts and property values. The CRD will continue to work with local residents, community groups, businesses, First Nations, major institutions, municipalities and other stakeholders to ensure we continue to meet the needs of this resilient and growing region through major infrastructure development and services.



New Hamsterly Beach playground

# Meeting the Needs of a Resilient Region



# Supporting and Responding to the 2019–2022 Community Needs

In hearing and responding to the concerns of constituents, the CRD Board identified 15 community needs to focus and drive work. Through strategic and corporate planning, the strategic course for the CRD is set over a four-year mandate to respond to community needs and to deliver on the Board’s mission, vision and priorities and the organization’s ongoing service mandates and approved plans.

The CRD budget cycle ensures that we respond to changes in our external and internal environments. The Executive Leadership Team identifies projects that enhance our corporate capacity to ensure we are well-positioned to meet evolving Board and community needs. Each spring, the corporate annual report is presented to demonstrate progress, capture major accomplishments and summarize financial highlights.

The following 15 community needs were identified to guide the work the organization delivered.

- |                                |  |                            |
|--------------------------------|--|----------------------------|
| 1. Affordable Housing          | 6. Parks & Natural Resource Protection | 11. Planning & Development |
| 2. Transportation              | 7. Protective Services                 | 12. Arts & Culture         |
| 3. First Nations Relations     | 8. Wastewater                          | 13. Recreation             |
| 4. Economic Development        | 9. Landfill & Recycling                | 14. Health Facilities      |
| 5. Climate Action & Adaptation | 10. Water                              | 15. Accountability         |



## COMMUNITY NEEDS

For each community need identified in our Corporate Plan, the CRD Board approved an outcome statement to capture what we envision our work will accomplish.





We envision being leaders in accountability through transparency, organizational performance and service delivery.

## ACCOUNTABILITY

The CRD leads organizational accountability through corporate best practices and effective financial and audit reporting. Guided by our Organizational Development Plan, we continually strengthen the organization and engage employees by investing in operational efficiency and transparency systems to ensure public access to CRD information and through ongoing workforce training and development. Our Corporate Plan and Board Strategic Priorities inform service and financial planning to best serve our communities. Exceptional customer service and service delivery are central to our operations.



We envision residents having access to affordable housing that enhances wellbeing and reduces homelessness in the community.

## AFFORDABLE HOUSING

Affordable housing is key to a strong economy and healthy region. The Capital Region Housing Corporation (CRHC) provides 1,877 units of affordable housing, and the CRD Regional Housing Trust Fund provided over \$11.8M to help build 956 affordable rental housing units. The CRD-initiated Regional Housing First Program partnered the CRD, the Province through BC Housing, and the Government of Canada through Canada Mortgage and Housing Corporation, to commit \$120M to create up to 2,000 affordable housing units, including 20% of units renting at the provincial income assistance rate. The program leverages up to \$600M in development.

## ARTS & CULTURE

The CRD Arts & Culture Support Service provides grants to non-profit organizations developing arts programming, which in turn create artistic, social and economic benefits for the region. By supporting, promoting and celebrating the arts, the CRD contributes to the development of a healthy, livable and vibrant community and fosters collaboration between arts organizations, funders and audiences. On behalf of participating jurisdictions, the CRD funds performing arts venues, and non-profit organizations producing arts programming, in addition to developing, operating and maintaining numerous local amenities. The Service is guided by the CRD Arts & Culture Support Service Strategic Plan.



We envision strategic investment to maximize the artistic, social and economic contribution that arts organizations make to the quality of life of our residents.

## CLIMATE ACTION & ADAPTATION

The CRD Climate Action Service works with partners to identify, support and execute corporate and community-focused mitigation and adaptation initiatives. To help the region greatly reduce greenhouse gas emissions and prepare for climate impacts, we support local governments in achieving their climate goals. The Climate Action Strategy guides climate mitigation and adaptation actions for over 200 services the CRD provides.



We envision reduced green house gas emissions, triple bottom-line solutions and progress on adaptation.

## ECONOMIC DEVELOPMENT

As the local government for the Salt Spring Island, Southern Gulf Islands and Juan de Fuca electoral areas, the CRD advances committee and commission-directed projects and provides data and recommendations from the CRD Regional Information Service. The Salt Spring Island Community Economic Development Commission and the Southern Gulf Islands Community Economic Sustainability Commission develop strategies to foster resilient and sustainable local economies.



We envision increasing economic development potential in the region, with a special emphasis on sustainable, resilient local economies for all the communities in the capital region.



We envision strong relationships with First Nations based on trust and mutual respect, partnerships and working together on shared goals.

### FIRST NATIONS RELATIONS

The First Nations Relations Service supports the CRD and its Board to build strong and enduring relationships with neighbouring First Nations governments. We are committed to respectfully and appropriately engaging those First Nations communities in regional strategies, decision-making and shared interests. Priorities include implementing the actions and recommendations outlined in the First Nations Task Force Final Report. Underpinning the report is a Statement of Reconciliation, which will guide the organization’s initiatives at the Board, leadership and staff level.



We envision effectively contributing to improved community health and wellbeing.

### HEALTH FACILITIES

The Capital Regional Hospital District (CRHD) fosters a healthy region by investing in traditional health care services, developing and improving health care facilities and providing capital funding for infrastructure, such as acute care, residential care and hospital equipment. The CRHD strategically acquires property, plans and delivers capital projects, and partners with Island Health on public health bylaws and capacity-building through a Community Health Network. The CRHD and the CRD share the same Board of Directors and Officers.



We envision minimizing waste disposal and maximizing waste diversion.

### LANDFILL & RECYCLING

The CRD’s comprehensive and ever-evolving solid waste management system minimizes waste and maximizes resource recovery. The Environmental Resource Management Service operates the landfill, oversees solid waste planning, explores opportunities for resource recovery and identifies best practices to further reduce waste, increase recycling and mitigate climate change. The CRD seeks the best use for waste resources through initiatives such as methane gas capture and the diversion of kitchen scraps from the landfill.



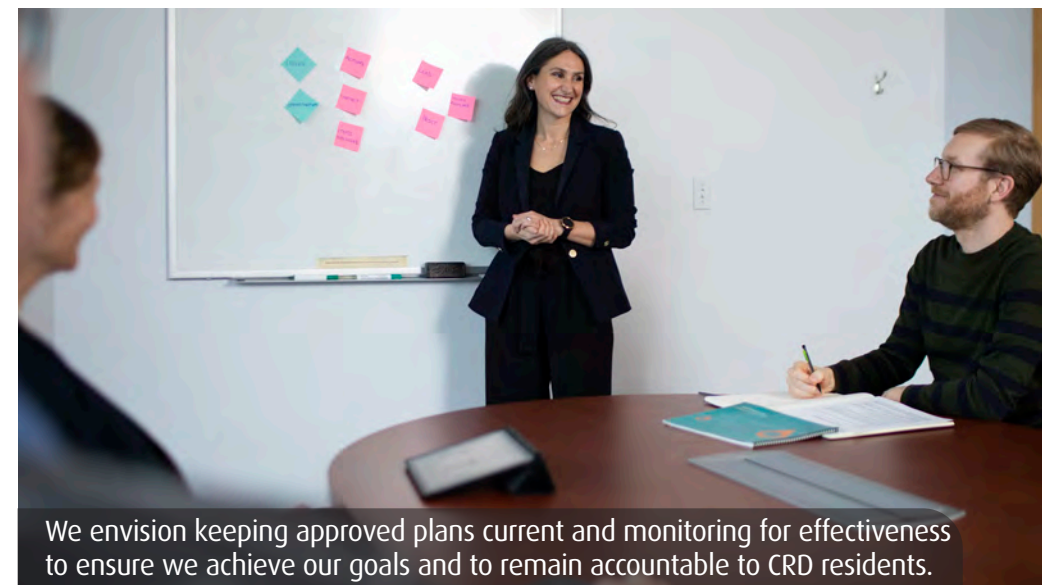
We envision additional land acquisitions and increased access to parks and recreational trails for residents.

### PARKS & NATURAL RESOURCE PROTECTION

The CRD protects and manages more than 13,000 hectares of spectacular natural areas in 33 regional parks and four regional trails on southern Vancouver Island and the Gulf Islands, providing outdoor experiences and activities that improve personal health and foster appreciation and respect for the region’s natural environments. Guided by the Regional Parks Strategic Plan, the CRD develops and maintains park facilities, offers interpretive programs for continued park stewardship and plans for future land acquisitions focused on parcels with high potential for conserving and restoring our natural resources.

### PLANNING & DEVELOPMENT

The CRD provides information on and analysis of the region’s population, development, land use, transportation, housing and employment trends. Transportation planning, as well as developing, implementing, maintaining and updating a regional growth strategy, supports regional sustainability and quality of life. Building Inspection is responsible for overseeing the construction, alteration, repair or demolition of buildings within the capital region’s three electoral areas (Juan de Fuca, Salt Spring Island and the Southern Gulf Islands).



We envision keeping approved plans current and monitoring for effectiveness to ensure we achieve our goals and to remain accountable to CRD residents.



We envision effective regional cooperation in protecting public safety and preparing for, responding to and recovering from emergencies.

### PROTECTIVE SERVICES

CRD Protective Services continues to maintain safety, good order and public health through emergency management and animal control and by enforcing bylaws using education, mediation, fines and injunctions. Collaborating with other agencies and partners ensures a coordinated and effective response to regional emergencies and bylaw enforcement, and furthers involvement in the Public Alert Notification System and the Regional Emergency Management Partnership. As the local government for three electoral areas, the CRD supports volunteer fire departments and local-level emergency services.



We envision residents having access to appropriate and affordable recreation opportunities.

### RECREATION

A diverse range of recreation opportunities in the capital region ensures a healthy, high quality of life for residents and visitors who can enjoy indoor activities, such as swimming, skating and fitness, as well as outdoor activities like golf, skateboard and tennis. The CRD owns and operates three recreation centres across the region: Panorama Recreation, SEAPARC Leisure Complex and Salt Spring Island Recreation.

### TRANSPORTATION

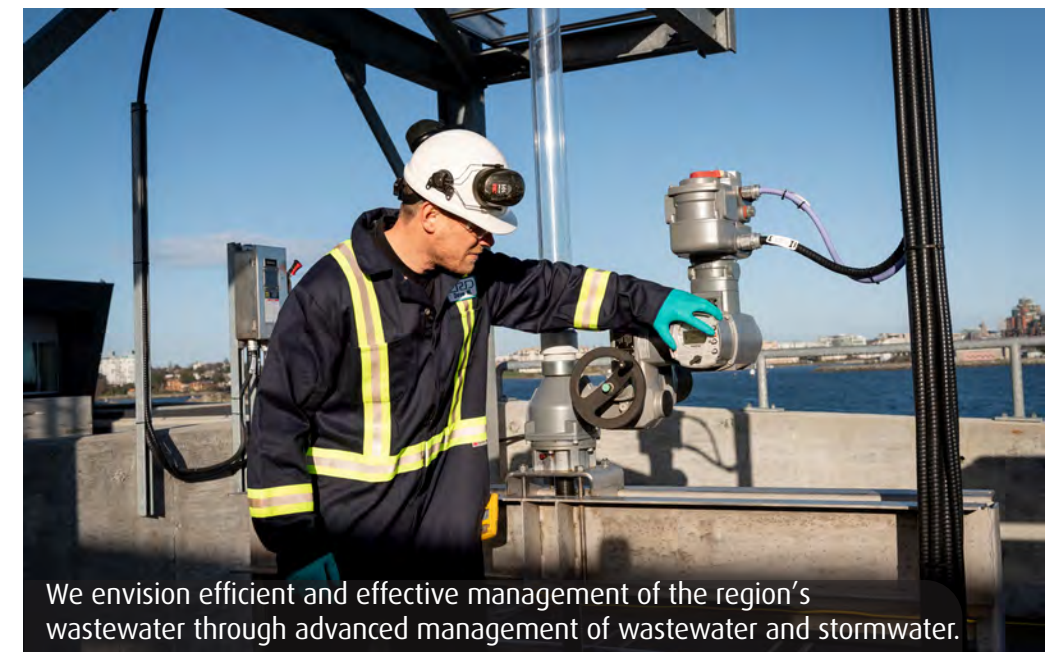
The CRD supports local governments and partner agencies to implement a multi-modal transportation system, enabling residents to access activities and the natural wonders of our region. Our Regional Information and Planning Service coordinates with regional and provincial stakeholders, collects and analyzes data, conducts research and analysis and enables partners to advance active transportation programming. Our work supports inter-jurisdictional transportation projects and initiatives that benefit the region as a whole.



We envision residents having access to convenient, green and affordable multi-modal transportation systems that enhance community wellbeing.

### WASTEWATER

CRD Wastewater Management Services prioritizes the health of residents and the environment. We work with municipalities, electoral areas and industry to ensure consistent wastewater management, while protecting urban and rural watersheds and the marine environment. These services manage liquid waste, septic systems and wastewater collection, treatment and disposal infrastructure across the region. Five of the six secondary wastewater treatment plants we operate are in the electoral areas. The Core Area Liquid Waste Management Plan applies to Colwood, Esquimalt, Langford, Oak Bay, Saanich, Victoria and View Royal. The Saanich Peninsula Liquid Waste Management Plan applies to North Saanich, Central Saanich and the Town of Sidney.



We envision efficient and effective management of the region's wastewater through advanced management of wastewater and stormwater.

### WATER

The CRD carefully manages the supply and delivery of safe drinking water through the Regional Water Supply System serving Greater Victoria, and distributes water directly to customers in several municipalities and electoral areas. Delivering safe drinking water from source to tap includes protecting the source, disinfecting the water, monitoring water quality, operating and maintaining transmission and distribution systems and investing in infrastructure renewal.



We envision a sustainable and resilient water supply for CRD residents.

# Delivering on 2022 Priorities & Projects

## Board Priorities

To guide the direction and major activities of the CRD for the 2019–2022 mandate, the Board of Directors agreed to focus on four regional priorities:



### COMMUNITY WELLBEING – TRANSPORTATION & HOUSING

The CRD Board will advocate, collaborate and form partnerships to address the affordable housing and transportation needs of the region’s diverse and growing population.



### CLIMATE ACTION & ENVIRONMENTAL STEWARDSHIP

The CRD Board will encourage and implement bold action on climate change by enhancing its natural and built assets to achieve environmental resilience, food security and continued wellbeing of our current and future residents.



### FIRST NATIONS RECONCILIATION

The CRD Board will take measurable steps toward strengthening government-to-government relationships with First Nations to foster shared prosperity for all.



### ADVOCACY, GOVERNANCE & ACCOUNTABILITY

The CRD Board will advocate for infrastructure, regulatory, legislative, financial and operational support, focus its governance and committees/commissions on advancing regional, sub-regional and local priorities and work to resolve issues that the CRD does not have the direct mandate to address.

## Corporate Priorities, Projects & Awards

To guide effective development and coordination, the Executive Leadership Team identified key priorities and projects to enhance corporate capacity and delivery of services.



### CORPORATE PRIORITIES

With a focus on Accountability, Corporate Priorities include: Business Capacity & Continuity, Fiscal Responsibility, Transparency, Efficiency & Collaboration and Customer Service.



### MAJOR PROJECTS

As an essential and critical infrastructure service provider, a number of capital projects were progressed and completed in 2022.



### AWARDS

The CRD was the recipient of a number of awards in 2022.

As many initiatives and projects span multiple years and involve other organizations, the achievements described here capture only a snapshot of our organization’s work.



# 2022 PROGRESS

New accessible fishing dock at Elk/Beaver Lake Regional Park

# Board Priorities

## Community Wellbeing



### THE REGIONAL HOUSING FIRST PROGRAM (RHFP)

The RHFP is an equal partnership agreement between the CRD, the Government of BC through BC Housing, and the Government of Canada through the Canada Mortgage and Housing Corporation (CMHC). The equal partnership will see a direct investment of \$120 million to create up to 2,000 units of affordable housing, as part of the \$600 million program, including up to 400 units renting at the provincial income assistance rate to address the needs of people experiencing homelessness on southern Vancouver Island and the Gulf Islands.

The RHFP currently includes 10 projects that are in progress or complete:

- ▶ Langford – 3 projects (Hockley House, Millstream Ridge, Spencer Close)
- ▶ Central Saanich – 1 project (Prosser)
- ▶ Salt Spring Island – 1 project (Croftonbrook)
- ▶ Sooke – 2 projects (Drennan and Charters)
- ▶ Victoria – 2 projects (Cedar Grove, Michigan Square)
- ▶ View Royal – 1 project (West Park)

### ROUND TWO – RAPID HOUSING

In November 2021, the Honourable Ahmed Hussen, Minister of Housing and Diversity and Inclusion, along with Colin Plant, Chair of the Capital Regional District, announced details of a \$11.3 million federal allocation to support the creation of new affordable homes for individuals and families in the CRD through the Cities Stream under the expanded Rapid Housing Initiative (RHI). House of Courage, located at 865 Catherine Street, was under construction throughout 2022. It will provide 45 homes for Indigenous Peoples experiencing or at risk of homelessness. The four-storey, purpose-built modular supportive housing building will be operated by the Aboriginal Coalition to End Homelessness Society. Residents will benefit from around-the-clock on-site staff support, including daily meal services, employment and life-skills programming, health and wellness services, and culturally appropriate support.

### REACHING HOME PROGRAM

From 2019–2024, the CRD will be administering an \$11.5-million, five-year agreement under the Designated Communities Program. This program continues to fund services that support the needs of those experiencing, or at risk of, homelessness in the region. The CRD acted as the administrator for the Reaching Home Indigenous Homelessness funding from 2019-2022. As of April 1, 2022, the Victoria Native Friendship Centre is the community entity supporting this program. Funding for the five-year Designated Communities funding stream is being allocated to initiatives that address outcomes identified in the 2019-2024 Community Plan To End Homelessness, and are recommended by the Reaching Home Community Advisory Board.

### LONG-TERM LEASE WITH BC HOUSING ON SALT SPRING ISLAND

The CRD plans to enter into a 60-year lease with BC Housing to develop supportive housing on Salt Spring Island. At the October 12, 2022 CRD Board meeting, the decision was made to lease the entire property at 161 Drake Road to BCH instead of subdividing the area. The current proposed project will not require the whole property and BCH has committed to working with the CRD and the local community to identify future opportunities for additional housing on the site.

### LADY MINTO EMERGENCY DEPARTMENT EXPANSION

Construction on the \$12.8 million emergency department expansion project at Lady Minto Hospital began in 2022. Capital costs are being shared by the Lady Minto Hospital Foundation, that has pledged \$9.8 million, and the CRD, which will contribute \$3 million.

The emergency department redevelopment project includes a 420 square metre (4,500 square feet) building addition, linked to the existing hospital by a new front entry, that will increase the number of treatment rooms/bays from four to eight. Other improvements include an interview room, a medication area, dedicated check-in desk, nursing/team care station with sight lines to all assessment and treatment areas, ambulance bay, decontamination site, accessible washrooms, and an expanded patient and family waiting area.



Lady Minto groundbreaking event

### SOUTHERN GULF ISLANDS HOUSING STRATEGY ENDORSED

The Southern Gulf Islands (SGI) Housing Strategy states, like many communities in the CRD, housing affordability is the result of complex factors. In the SGI Electoral Area, these factors are compounded by the unique characteristics of the islands as rural, remote, environmentally sensitive, and growth constrained. The basis of the recommendations in the Housing Strategy reflect the information learned through the 2018 CRD Housing Needs Assessment and the updated SGI Market Analysis conducted in 2022, combined with years of community input and engagement accumulated through land use planning processes.

### FIRST ANNUAL NILS JENSEN MEMORIAL BURSARY AWARDED

Nils Jensen served on the CRD Board from 2012 to 2018 and Chaired the CRD Board from 2014 to 2015. Nils also served as the Regional Water Supply Commission Chair from 2002 to 2011. Nils passed away in 2019.

The CRD announced that the first annual Nils Jensen Memorial Bursary of \$2,500 was awarded to Tahlia Cook, a student from Saanich School District No. 63. This newly-established bursary, funded by Nils' family, will be awarded to the local school districts on a rotating basis. The participating secondary school principals will recommend a student to receive the award on the basis of financial need and an interest in environmental protection or water security.

### ELK/BEAVER LAKE REGIONAL PARK NATURE PLAYGROUND COMPLETE

The playground at Hamsterly Beach in Elk/Beaver Regional Park has been replaced with a new nature playground. Elk/Beaver Regional Park is the busiest park in our system, with close to two million visits in 2021 – so this playground will see a lot of use.

Key elements of the new playground include accessible play elements, zones for different ages, and natural structures that encourage physical literacy for differing abilities. The playground was built using the existing landscape, local timbers and green infrastructure, providing a sustainable connection to the lake ecosystem.

### NEW, RATED MOUNTAIN BIKING TRAILS

Mountain bikers in the CRD now have more safe, sanctioned trails to explore. Twelve kilometres of new, designated, and rated mountain bike trails in Thetis Lake Regional Park officially opened in October 2022. These new trails provide a safer, greater connection to nature, and a visitor experience that differs from other mountain bike trails within the CRD parks system. They provide primarily blue-rated cross country trails and are designated as multi-use for a range of park users, including mountain bikers, walkers, hikers and trail runners.

### JUMPSTART INCLUSIVE MULTI SPORT COURT

The CRD and Canadian Tire Jumpstart Charities (Jumpstart) announced the opening of a Jumpstart Inclusive Multi Sport Court at the Panorama Recreation Centre, designed to accommodate physical, cognitive and sensory play for kids of all abilities.

### SALT SPRING ISLAND ACTIVE TRAVEL PLANNING

The CRD is undertaking an island-wide planning process to create a new Active Transportation Network Plan for Salt Spring Island, which will have a strong focus on walkability in Ganges Village and active transportation connectivity across the island.

Community input is a vital part of planning to help understand the current active transportation network, conditions and gaps. Information provided during the process will inform a list of actions, recommendations and top priorities. In 2022, Salt Spring Islanders were invited to get involved with active travel planning by helping to identify active transportation network gaps and priorities for the future of active transportation on the island.

### NEW SPORTS BOX OPENS IN SOOKE

People of all ages and abilities have a new recreation space where they can meet, play and compete in Sooke. June 27, 2022 marked the official opening of the sport box at 2430 Phillips Road.

The box has been built to lacrosse box specifications and will serve a variety of community activities including lacrosse, ball hockey, basketball and community events. SEAPARC will operate the facility and the District of Sooke will maintain the surrounding trails and park.



Opening event of the new Sooke Sport box

## Climate Action & Environmental Stewardship



### LAND ACQUISITION

Since 2000, the CRD has actively expanded the regional parks system through use of the Land Acquisition Fund. With the support of partners, the CRD has acquired approximately 4,900 hectares of land in that time, growing the regional park system from 8,400 ha to more than 13,300 ha.

In 2022, the CRD acquired four parcels of land totalling 9.8 hectares adjacent to Mill Hill Regional Park and 15.9 hectares that will be added to East Sooke Regional Park. In addition, the 15.5 hectare Wrigglesworth Lake Community Park, adjacent to Sooke Hills Wilderness Regional Park, was transferred to CRD Regional Parks.

### BIODIVERSITY CHALLENGE

In Spring 2022, the CRD competed alongside more than 400 urban areas across the world to see how many wild species could be recorded on iNaturalist, a free and simple-to-use app, over a four-day period. Residents were encouraged to get outside, snap photos and upload observations about the plants, animals and fungi found in their backyards or local watersheds to the CRD Biodiversity Challenge iNaturalist project.

Observing and learning about the natural world around us is a key step in conserving nature for future generations and creates opportunities for both stewardship activities and positive environmental impacts.

### MOUNT WORK REGIONAL PARK MANAGEMENT PLAN – PUBLIC FEEDBACK

The CRD is developing a management plan for Mount Work Regional Park that will guide conservation, development and use of the park over the next 15 years. The second round of public and stakeholder engagement to gauge support for the draft plan took place in 2022. The CRD is continuing to work with the W̱SÁNEĆ Leadership Council to ensure the management plan addresses the interests of First Nations.

### RETHINK WASTE COMMUNITY GRANT

The CRD celebrated Earth Day 2022 with the launch of the brand new Rethink Waste Community Grant program. As one of the key actions identified in the region's new Solid Waste Management Plan, the Rethink Waste Community Grant program will provide funding for the development and implementation of community-based projects that will reduce the amount of waste sent to Hartland Landfill each year. Examples of eligible projects include the creation of a pop-up free store, three stream waste removal at community events (compost, recycling and garbage), and developing repair workshops or events.

### CONDUCTED FIRE SMART PROGRAMS IN THE ELECTORAL AREAS FOR WILDFIRE RESILIENCY

The CRD supports communities in the Juan de Fuca, Southern Gulf Islands, and Salt Spring Island Electoral Areas to reduce wildfire risk. CRD FireSmart helped electoral area residents stay safe from wildfire in 2022. The program provides free home assessments, rebates for FireSmart home improvements, and woody debris disposal events in each of the 14 electoral area communities.

### CRD REGIONAL PARKS AND TRAILS INTERIM STRATEGIC PLAN

An updated Regional Parks and Trails Interim Strategic Plan 2022–2032 has been developed to guide regional parks and regional trails over the next decade. It defines the vision for our regional parks system and sets the foundation for how the CRD can consistently move towards achieving its desired outcomes. The plan was developed in consultation with agencies, stakeholders and the public, and with ongoing input from First Nations in the region. In July 2022, the plan received interim approval for one year and will provide additional engagement opportunities with First Nations to deepen an understanding of issues and interests, and allow reconciliation efforts identified in the Strategic Plan to commence.



## First Nations Reconciliation



### INTERCULTURAL SKILLS TRAINING FOR DIRECTORS & CRD STAFF

The CRD Board was offered an Introduction to Cultural Perspectives Training, to support CRD Directors in building positive, respectful and reciprocal working relationships with First Nations. Twenty six Directors and Alternate Directors participated, while 642 CRD staff participated in a Cultural Competency seminar that provided an overview of colonization history in Canada, from first contact to the social impact of residential schools on the lives of Indigenous Peoples. Through understanding our shared history, participants learned the importance of reflecting on unearned advantage and building cultural intelligence to become effective allies.

In addition, 152 CRD staff who work directly with members from the local First Nations participated in a more in-depth 'Building Local Relationships' workshop to develop strategies to strengthen their relationships with Indigenous individuals, organizations and communities. The workshops were experiential, utilizing the knowledge of invited speakers.

### CONSERVATION AND PROTECTION OF HERITAGE SITES

The First Nations Relations Division hired an in-house archaeologist to support the implementation of the CRD Conservation and Protection of Heritage Sites Policy and to further develop relationships and information sharing with First Nations regarding archaeological and Indigenous cultural heritage management and conservation.

### COMMUNICATIONS FRAMEWORK

Helping to deliver on our mandate to develop positive and collaborative relationships with First Nations, the First Nations Relations Communications Framework provides a guide for CRD employees on the essentials of respectful, concise, constructive and professional internal and intergovernmental communication.

Diplomatic intergovernmental communication may have several desired outcomes, including to inform, consult, collaborate and empower. All external messages need to be considered and appropriately communicated to ensure effective delivery and intended impact. Knowing what you want to communicate and who you want to communicate it to will determine how you send your message with appropriate consideration of how history, culture, age and gender can play a part in communication styles. The First Nations Relations Communications Framework supports staff in knowing when and how to reach out to First Nations, with tips on language and approach.

This framework was developed by staff, based on feedback from across the organization on how we can improve in our communications internally and externally with Nations. The document will be updated annually to reflect the dynamics of our evolving relationships with First Nation governments in the region

### PARKS INDIGENOUS PROGRAMMING

The CRD hired a full-time Cultural Programmer in 2020 and rolled out a variety of Exploring Indigenous Perspectives programming, including guided walks, story times, school programs, and special request programs. This programming helps increase visitor connection to, and awareness of, the cultural significance of the land, plants and animals, the seasons for Indigenous Peoples, and helps contribute to cultural safety in regional parks. In 2022, programming was offered throughout CRD parks to almost 1,000 people of all ages and backgrounds.

### PROCUREMENT POLICY

In 2022, the CRD Procurement Policy was amended to enable greater consideration of Indigenous procurement opportunities and to support economic goals and capacity building for Indigenous businesses and communities, while still ensuring that staff have appropriate guidance and oversight.

### NATIONAL DAY FOR TRUTH AND RECONCILIATION

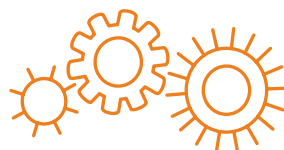
On the National Day for Truth and Reconciliation, September 30, 2022, the CRD was honoured to fly the Xe Xe Smun' Eem "Our Sacred Children" flag for truth and reconciliation, in honour of all residential school survivors and those who did not make it back home. The flag was loaned to the CRD by Eddy Charlie, a survivor of the Kuper Island Indian Industrial School, and his friend Kristin Spray. Eddy and Kristin work together as co-organizers of Victoria Orange Shirt Day and Xe Xe Smun' Eem. CRD Board Chair, Colin Plant, was invited to speak at an event in remembrance of the thousands of Indigenous children who died at residential schools, and in acknowledgment of the intergenerational trauma that many survivors have experienced and still live with every day. The CRD is committed to listening, learning and taking steps towards better relationships with the First Nations on whose traditional territories we do our work.



CRD Chair Colin Plant speaking at the Orange Shirt Day ceremony



## Advocacy, Governance & Accountability



### REGIONAL ALTERNATIVE APPROVAL PROCESSES

In 2022, the CRD initiated two regional Alternative Approval Processes (AAPs). The first AAP considered the establishment of a regional Canada Goose Management Service, and the second AAP considered the borrowing of \$36 million for the purpose of acquiring, designing, and constructing solid waste facilities and site improvements. In both cases, at the close of the deadline it was determined that less than 10% of registered voters responded and elector assent was obtained.

### PANORAMA RECREATION 5-YEAR STRATEGIC PLAN

The Peninsula Recreation Commission, which provides recreation programs and services throughout the Saanich Peninsula, has developed, adopted, and released the Panorama Recreation 2022–2026 Strategic Plan. The new plan will prioritize and guide future initiatives for the delivery of recreational programs and services for the local community. The plan will ensure that the Peninsula Recreation Commission and Panorama Recreation staff will make informed decisions for the delivery of recreation programming and facilities that are effective, efficient and align with community need.

### LOCAL COMMUNITY COMMISSION FOR SALT SPRING ISLAND ESTABLISHMENT

On December 14, 2022, the CRD Board adopted Bylaw No. 4507, establishing a Salt Spring Island (SSI) Local Community Commission (LCC), following voter endorsement by referendum. The SSI LCC will be comprised of five members, one of whom will be the Electoral Area Director for Salt Spring Island, Gary Holman. In Spring 2023, a public election will be held for four commissioners in accordance with the *Local Government Act* (LGA). An LCC, with an elected membership, is the highest form of delegated commission contemplated in an electoral area under the LGA.

### UKRAINE SUPPORT

The CRD stands in solidarity with the people of Ukraine as the war continues. As a sign of support, we lit the CRD Headquarters in yellow and blue last year and continue to fly the Ukrainian flag. We also made a contribution of supplies to the Compassionate Warehouse efforts, including 200 water bottles, 500 adult and children’s toothbrushes and about 100 colouring booklets with crayons.

### ARTS DEVELOPMENT OPERATING GRANTS, PROJECTS AND FUNDING

CRD Arts and Culture Support Service funded 83 arts organizations through 2021, with \$2,545,500 supporting the creation and presentation of arts programming, and providing stability to the arts, one of the sectors hardest hit economically by the COVID-19 pandemic (based on Statistics Canada, Labour Force Survey 2020).

In December 2021, the CRD convened online for the Arts Champions Summit, bringing together the region’s arts community to discuss and progress equity in the sector. In addition to highlighting the work of local organizations and champions, the Summit hosted Canada Council Chair Jesse Wentz for a conversation on the future of the arts.

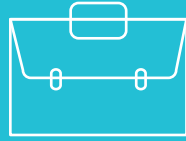
In 2021, the CRD Arts & Culture’s Arts Advisory Council also formed an Equity, Diversity and Inclusion (EDI) subcommittee to further the development of an EDI lens on grants and operations, a process that will continue through 2022, based on the EDI Implementation Framework.

The CRD also facilitated discussions of how to better support performing arts facilities and explored options for meeting the region’s needs.



Sarah Pitman, Jesse Wilson, Violet Brownsey, Willis Taylor and Hannah Ockenden in *As You Like It*, GVSF 2022, directed by Barbara Poggemiller. Photo: Lara Eichhorn

# Corporate Priorities



## CRD ORIGIN DESTINATION HOUSEHOLD TRAVEL SURVEY

From October through November 2022, invited residents received a letter and instructional brochure from the CRD asking them to complete the Origin Destination Household Travel Survey. Updated every five years, the Origin Destination Household Travel Survey data creates a profile of travel patterns in the region. Survey results provide the CRD, municipalities, First Nations and provincial agencies with information critical for decisions on future transportation options.

## EQUITY, DIVERSITY AND INCLUSION

The Equity, Diversity and Inclusion (EDI) Steering Committee and the Executive Leadership Team finalized the Commitment to Equity, Diversity & Inclusion in 2022:

*At the Capital Regional District, we are committed to creating an inclusive workplace culture that celebrates the uniqueness of individuals – where differences are recognized, appreciated and responded to in ways that fully respect each person’s background, lived experiences, talents and strengths.*

*We value equity, diversity, and inclusion and are committed to listening, learning and evolving on this journey to improve the sense of belonging for everyone at the CRD.*

Our commitment to EDI will serve as a broad foundation to guide the overall direction of the continued development and implementation of the EDI Framework. It will be reviewed annually by the EDI Steering Committee to ensure it remains in alignment with our EDI goals and to determine if it requires revision.

## SALT SPRING ISLAND WILDFIRE TRAINING

Residents of electoral area communities live amongst natural and developed areas, exposing residents to wildfire risk. Protective Services staff engaged electoral area communities on how to understand wildfire risk, what to expect during a wildfire, and what they can do to prepare, through a webinar series called Living with Fire in 2021. These webinars were developed with fire departments and conservation groups, and were a novel partnership between local Emergency Programs, Parks Canada, and Salt Spring Island Fire Rescue. There was high participation in both the live webinars and YouTube postings, with 1,300 views and counting. Specific webinars for each electoral area were developed to ensure unique geography and vulnerabilities were included.

## CORPORATE SAFETY

In 2022, CRD Corporate Safety completed an internal Certificate of Recognition (COR) Maintenance audit to maintain COR Certification and received an audit score of 95%.

Our Corporate Occupational Health & Safety (OHS) Program continues to have a positive impact on our employees and our safety culture. We have increased our WorkSafeBC Annual Assessment discount from 29.8% to 33% and received an additional 10% discount from COR Certification for a total discount of 43%.

Our approach focuses on preventing injuries and the severity of injuries, as well as following a best practice approach to disability: prevention, management and worksite resources, and early intervention and timely return to work processes.

Compared to our peers in our WorkSafeBC Classification Unit, the CRD has a lower injury rate, fewer time loss claims and shorter duration of claims, demonstrating a safer work environment for our employees.

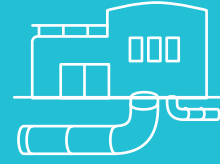
We implemented programs such as Supplementary Occupational Health & Safety, First Aid, Contractor Management, Office Safety, Electrical Safety, Non-Ionizing Radiation, and Drone Safety. We also conducted trainings for OHS, Lockout and De-energization, and Workplace Inspections.

In response to WorkSafeBC’s Process Safety Initiative, which ensures employers are meeting their responsibilities to prevent, mitigate, prepare for, and respond to process-related incidents with potentially catastrophic outcomes, we created a new, best practice, McLoughlin Point Wastewater Treatment Project Emergency Response Plan. We also completed a Hazard Inventory of the new MPWWTP infrastructure and created multiple Safe Work Practices and Safe Job Procedures to ensure the safety of our employees.



McLoughlin Point Wastewater Treatment Plant Safety Tour

# Major Projects



## REGIONAL WATER SUPPLY 30-YEAR MASTER PLAN

The CRD developed the 2022 Regional Water Supply 30-year Master Plan, which includes a proposed infrastructure program intended to improve the water supply and transmission system and add redundancy to critical components to address hazards and risks. The plan recommends projects to be implemented over the next 30 years based on the projected population, the impacts of climate change, and water treatment needs resulting from changing raw water quality characteristics and regulatory requirements over time.

## CRHD SUPPORTS REGIONS HEALTHCARE INFRASTRUCTURE

The CRHD Board approved a capital bylaw of \$6.71 million to authorize funding of healthcare minor capital and equipment projects in the region. This funding was identified in the 2022 CRHD budget, which was approved in March 2022. The CRHD partners with Island Health and community stakeholder agencies to develop and improve healthcare facilities in the region and provide capital funding for infrastructure such as acute care, residential care, and hospital equipment.

## MALIVIEW WASTEWATER TREATMENT PLANT UPGRADE

The CRD will receive funding through the Investing in Canada Infrastructure Program – Rural and Northern Communities Program. The \$1,989,000 in joint federal-provincial funding will enable completion of upgrades to the Maliview Wastewater System on Salt Spring Island while significantly reducing costs to be covered by local ratepayers.

Detailed design work is currently underway to refine cost estimates and inform next steps, including a decision to proceed with a borrowing bylaw and begin construction in 2023.

## CRD AWARDS CONTRACT FOR NEW LANDFILL GAS UPGRADE FACILITY

The CRD will contract Waga Energy, through its subsidiary Hartland Renewable Resource Group, to design, build and operate a new CRD facility that will upgrade the biogas generated at Hartland Landfill to Renewable Natural Gas.

This project is expected to reduce the capital region’s greenhouse gas emissions by approximately 450,000 tonnes of carbon dioxide over the next 25 years, the equivalent of removing 3,900 cars from the road or heating 3,000 homes with a heat pump instead of oil.

## AGREEMENT IN PRINCIPLE FOR SALT SPRING ISLAND FIRE HALL

In May 2022, the Salt Spring Island Fire Protection District announced an agreement in principle with the CRD for a \$1 million Community Works Fund (gas tax) contribution towards construction of a proposed new fire hall on Salt Spring Island. This arrangement with the CRD was contingent on approval by Fire District ratepayers to build a new fire hall, which was achieved after the 2022 Salt Spring Island fire hall referendum passed.

## REGIONAL CRITICAL INFRASTRUCTURE EMERGENCY EXERCISE

The CRD completed a full functional exercise of the Dam Emergency Plan for the Sooke Lake Reservoir dams over two days on September 22 and October 28, 2022. These exercises allowed the CRD to test its response to a progressively worsening and potentially catastrophic failure of the Sooke Lake dams. While this scenario is very unlikely, it is incumbent upon the region to plan and prepare for worst-case scenarios related to our critical infrastructure operations. The lessons learned during these exercises will help guide emergency preparedness and response preparations for the unlikely possibility of critical infrastructure failures, as well as enhancing the region’s preparedness for all other major emergency responses.



CRD Emergency Operating Centre Test Exercise

# Awards



## BC TOP EMPLOYER & GREEN EMPLOYER AWARDS

In 2022, the CRD was recognized as one of BC's Top Employers and as one of Canada's Greenest Employers for the fifth year in a row. We received these awards as a result of our progressive human resources policies and programs, our commitment to continued employee professional development, and our impactful environmental programs and earth-friendly policies.

## BC MUNICIPAL SAFETY ASSOCIATION AWARDS

In 2022, the CRD was recognized for excellence in safety for local government. We are the proud recipients of both the 2022 Organizational Safety Excellence Award and the 2022 Occupational Health & Safety Leadership Award. The BC Municipal Safety Association empowers employers to create healthier and safer workplaces through the sharing of knowledge and resources.

## GOVERNMENT FINANCE OFFICER AWARDS

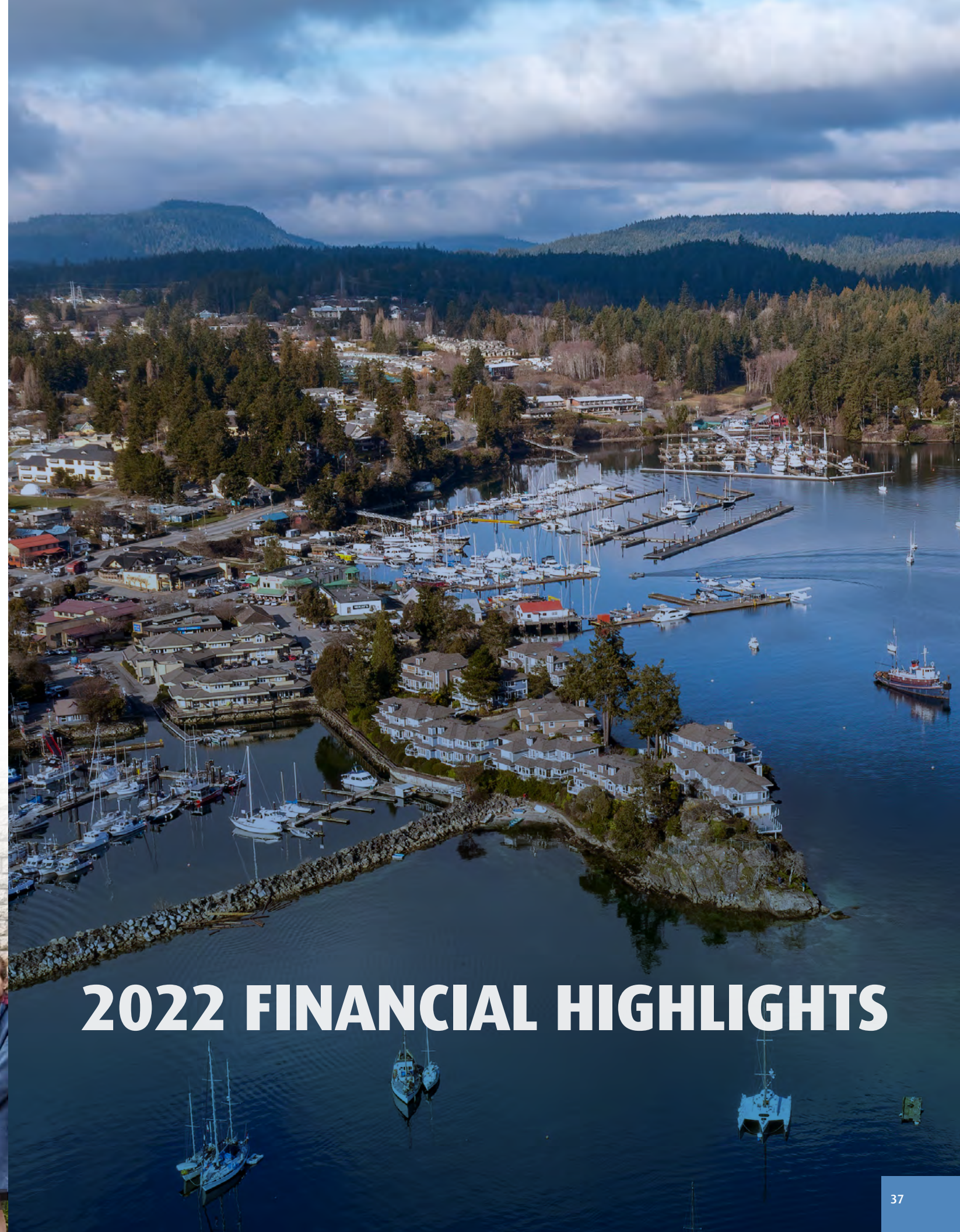
For the second year in a row, the Government Finance Officers Association of US and Canada recognized the CRD with three awards for best practices in financial management and reporting, reflecting the CRD's commitment to meeting the highest principles of financial reporting in both the US and Canada.

- ▶ Distinguished Budget Award
- ▶ Canadian Award for Excellence in Financial Reporting
- ▶ Popular Annual Financial Reporting Award

The Innovative Idea Award was received based on the body of work in financial and fiscal management. Examples include Optimizing Debt Financing; Socially Responsible Investments; Capital Reserve Guidelines, which linked to the Corporate Asset Management Strategy and policy; the Parks Acquisition Financing Strategy, which unlocked borrowing to enable greater capacity to meet the Board's strategy on ecological preservation; and climate response and others.



Staff accepting Government Finance Officers Association triple crown award



# 2022 FINANCIAL HIGHLIGHTS

# Financial Reporting Overview

The Capital Regional District (CRD) is pleased to provide this consolidated financial overview for the 2022 fiscal year.

## Our Region

Over the past year, key economic indicators such as unemployment and inflation have undergone significant changes through the COVID-19 recovery. Low unemployment rates have returned and been accompanied with 30-year high inflation rates prompting action by national policy makers.

The Bank of Canada increased the key overnight lending rate eight times in eleven months (March 2022 through January 2023), moving from 0.25% to 4.5% in an attempt to reign inflation back to their long-standing target of 2%.<sup>1</sup>

In Greater Victoria, the annual Consumer Price Index (CPI) increased 7.0% in the year, a larger increase than Vancouver at 6.8% and provincially at 6.9%.<sup>2</sup> Meanwhile, the unemployment rate in Greater Victoria dropped to a four-year low of 3.3% in January 2023 (lower than pre-pandemic levels) and below the provincial and national rates of 4.3% and 5.0%.<sup>3</sup>

Population growth in Greater Victoria continues to outpace the province as a whole, with a growth rate of 19.7% over the last twelve years and 2.2% over 2021.<sup>4</sup> In 2022, nine municipalities in the CRD exceeded the average BC municipal population growth rate of 1.4%.<sup>5</sup>

Strong population growth and increased inflation continue to apply pressure on housing supply and prices in the region. Despite a 133.7% rise in active listings over last year, the benchmark value of a single-family home in January 2023 remains high at \$1,251,100. While this is a (3.5%) decrease over the same month in 2022, it is a smaller decline than rates across BC and Canada.<sup>6</sup>

Building permit values were stronger in 2022 totaling \$2.2 billion, a 12.5% increase over 2021.<sup>7</sup> However, housing starts in Greater Victoria, often lagging behind building permits, totaled 4,787 down (0.5%) compared to 2021.<sup>8</sup>

## Our Process

This report includes the CRD's Consolidated Statement of Financial Position and the Consolidated Statement of Operations, which form the basis of the audited financial statements.

Each year, the CRD prepares audited financial statements in accordance with legislative requirements and presents them at a public Board meeting for approval. The 2022 financial statements were prepared by management in accordance with Canadian Public Sector Accounting Board (PSAB) standards, and were audited by KPMG LLP.

Under PSAB regulations, governments are required to present five statements with explanatory notes:

- ▶ Statement of Financial Position
- ▶ Statement of Operations
- ▶ Statement of Change in Net Debt
- ▶ Statement of Remeasurement Gains and Losses
- ▶ Statement of Cash Flows

The CRD also includes a number of schedules for additional reference. The consolidated financial statements include all CRD divisions and departments.

## Capital Region Housing Corporation

The Capital Region Housing Corporation (CRHC) is a non-profit organization wholly owned by the Capital Regional District and is governed by the same 24-member Board of Directors as the CRD.

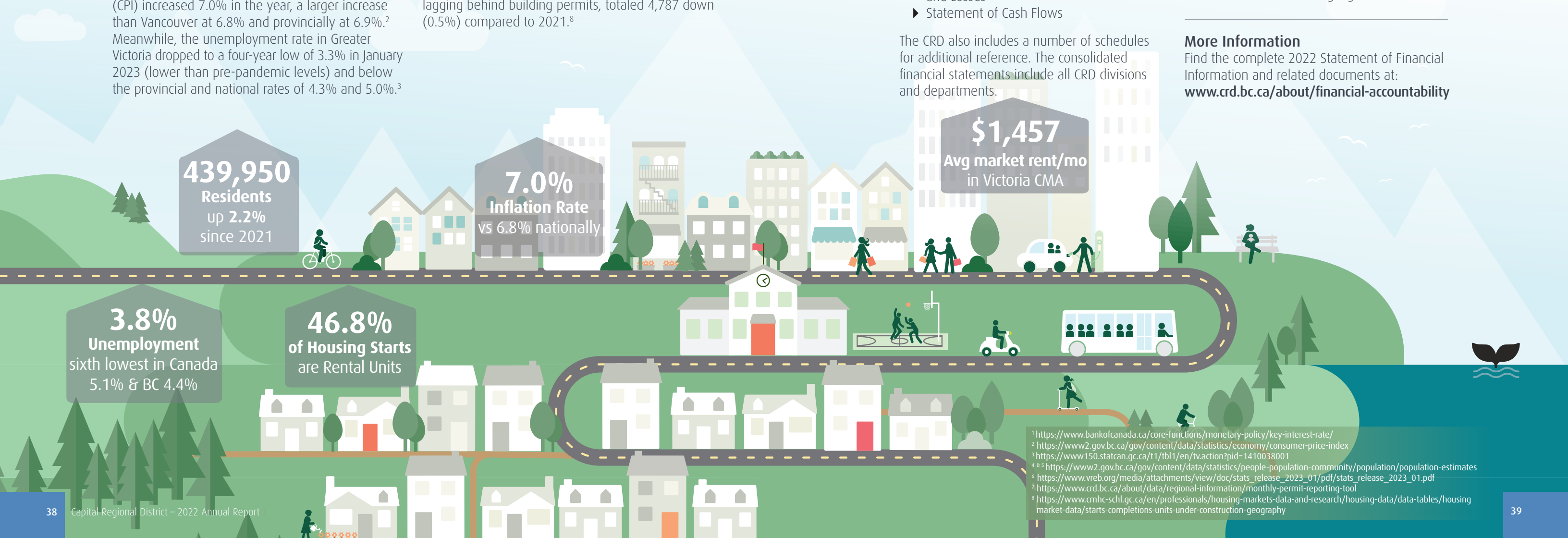
As an entity of the CRD, the CRHC's financial statements are consolidated within the audited CRD financial statements as required by PSAB standards.

## Capital Regional Hospital District

The Capital Regional Hospital District (CRHD) operates under the authority of the Hospital District Act and shares the same boundaries, directors and administrative staff as the CRD. It partners with Island Health and community agencies to develop and improve health-related facilities in the region. The CRHD prepares a set of audited financial statements independent from the CRD. Page 47 features a brief summary of the CRHD's financial highlights for 2022.

## More Information

Find the complete 2022 Statement of Financial Information and related documents at: [www.crd.bc.ca/about/financial-accountability](http://www.crd.bc.ca/about/financial-accountability)



**439,950**  
Residents  
up 2.2%  
since 2021

**7.0%**  
Inflation Rate  
vs 6.8% nationally

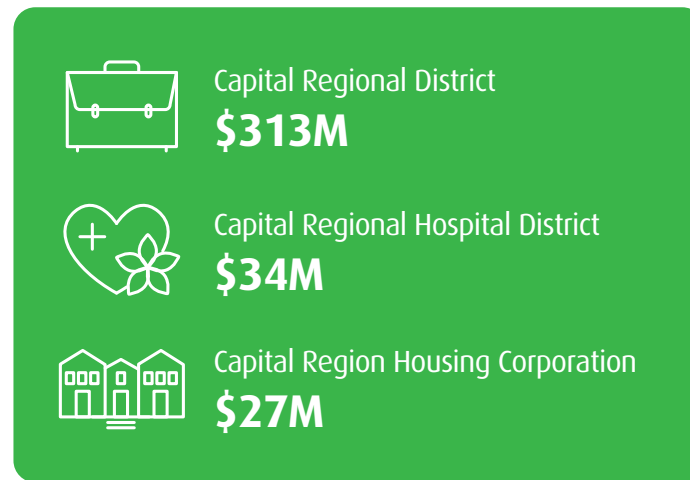
**\$1,457**  
Avg market rent/mo  
in Victoria CMA

**3.8%**  
Unemployment  
sixth lowest in Canada  
5.1% & BC 4.4%

**46.8%**  
of Housing Starts  
are Rental Units

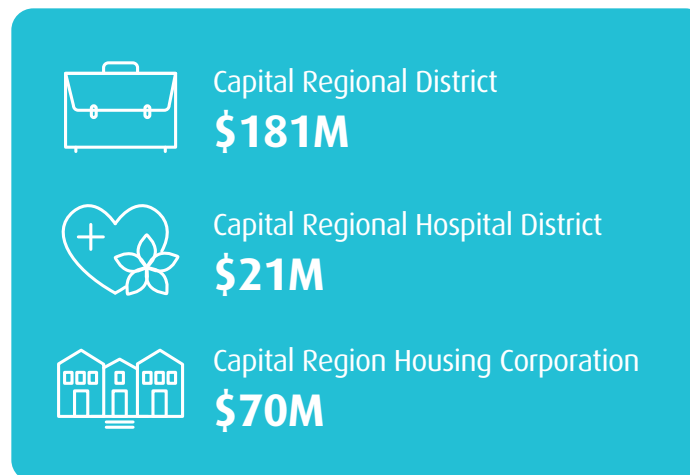
<sup>1</sup> <https://www.bankofcanada.ca/core-functions/monetary-policy/key-interest-rate/>  
<sup>2</sup> <https://www2.gov.bc.ca/gov/content/data/statistics/economy/consumer-price-index>  
<sup>3</sup> <https://www150.statcan.gc.ca/t1/ib1/en/tv.action?pid=1410038001>  
<sup>4</sup> <sup>5</sup> <https://www2.gov.bc.ca/gov/content/data/statistics/people-population-community/population/population-estimates>  
<sup>6</sup> [https://www.vreb.org/media/attachments/view/doc/stats\\_release\\_2023\\_01/pdf/stats\\_release\\_2023\\_01.pdf](https://www.vreb.org/media/attachments/view/doc/stats_release_2023_01/pdf/stats_release_2023_01.pdf)  
<sup>7</sup> <https://www.crd.bc.ca/about/data/regional-information/monthly-permit-reporting-tool>  
<sup>8</sup> <https://www.cmhc-schl.gc.ca/en/professionals/housing-markets-data-and-research/housing-data/data-tables/housing-market-data/starts-completions-units-under-construction-geography>

## 2022 Operating Budget



Total  
**\$374M**

## 2022 Capital Budget



Total  
**\$272M**

## CRD Statement of Financial Position (Consolidated CRD+CRHC)

This statement presents the organization's assets, liabilities, net debt position and accumulated surplus or equity position. The net debt position decreased by \$23.7 million due primarily to a decrease of \$23.9 million in long term debt. Amounts invested in capital assets in 2022 increased by \$38.5 million contributing to the net increase in accumulated surplus of \$62.4 million.

	2022	2021	2020
	(in millions)	(in millions)	(in millions)
<b>Financial assets</b>			
Cash and investments	\$401.1	\$357.7	\$362.7
Accounts receivable	\$24.7	\$55.7	\$35.0
Member municipality debt	\$176.4	\$185.5	\$146.9
Restricted cash – MFA Debt Reserve Fund	\$4.1	\$4.1	\$3.9
Land for resale	-	-	-
	<b>\$606.3</b>	<b>\$603.0</b>	<b>\$548.5</b>
<b>Financial liabilities</b>			
Accounts payable and accrued liabilities	\$37.4	\$31.0	\$117.2
Deferred revenue	\$48.1	\$49.0	\$32.7
Short-term debt	\$23.0	\$25.7	\$61.3
Long-term debt	\$559.0	\$582.9	\$405.0
Landfill closure liability	\$12.7	\$11.9	\$11.3
Other long-term liabilities	1.4	\$1.5	\$1.4
	<b>\$681.6</b>	<b>\$702.0</b>	<b>\$628.9</b>
<b>Net debt</b>	<b>(\$75.3)</b>	<b>(\$99.0)</b>	<b>(\$80.4)</b>
<b>Non-financial assets*</b>			
Tangible capital assets	\$1,987.9	\$1,949.4	\$1,760.5
Inventory of supplies and expenses	\$3.6	\$3.4	\$2.7
	<b>\$1,991.5</b>	<b>\$1,952.8</b>	<b>\$1,763.2</b>
<b>Accumulated surplus</b>	<b>\$1,916.2</b>	<b>\$1,853.8</b>	<b>\$1,682.8</b>

\*Non-financial assets are resources that are normally held for service provision over one or more future periods.

# CRD Statement of Operations (Consolidated CRD+CRHC)

This statement identifies the results of the organization’s financial activities for the year by presenting revenues less expenses, resulting in the organization’s annual surplus on a PSAB basis. Overall, in 2022, revenue decreased by (\$77.7) million. This was primarily due to a decrease of (\$84.2) million in government capital grants for the construction of the Wastewater Treatment Plant (WTP). This was offset by a \$6.5 million increase in sale of services revenues lead by increases in Hartland Landfill tipping fees and returns to pre-pandemic levels at recreation centers. The increase in expenses of \$27.1 is reflective of higher cost pressure as inflation was 7% for the year. In addition, salaries and benefits costs increased by \$8.8 million with a new collective agreement, amortization expense increased by \$2.8 million from a full year of amortization of the Residuals Treatment Facility, and interest on debt increased by \$1.4 million. Financial surpluses generated from operations are generally carried forward to pay for capital and used to make principal debt repayments. In some cases, surpluses are used to reduce the appropriate service requisitions or funding requirements.

	2022	2021	2020
	(in millions)	(in millions)	(in millions)
<b>Revenue</b>			
Requisition	\$78.1	\$72.6	\$71.0
Sale of services	\$134.6	\$128.1	\$115.3
Other revenue	\$96.9	\$188.9	\$231.6
Municipal debt servicing	\$17.6	\$15.3	\$15.3
	<b>\$327.2</b>	<b>\$404.9</b>	<b>\$433.2</b>
<b>Expenses</b>			
General government services	\$28.9	\$23.4	\$22.1
Protective services	\$11.8	\$11.1	\$10.9
Sewer, water and garbage services	\$136.0	\$125.2	\$84.5
Planning and development services	\$2.9	\$2.8	\$2.5
Affordable housing – rental expenses	\$19.4	\$18.4	\$17.8
Recreation and cultural services	\$34.4	\$29.2	\$26.9
Other	\$8.2	\$6.7	\$2.8
Municipal debt servicing	\$17.7	\$15.4	\$15.4
	<b>\$259.3</b>	<b>\$232.2</b>	<b>\$182.9</b>
<b>Annual surplus</b>	<b>\$67.9</b>	<b>\$172.7</b>	<b>\$250.3</b>

# CRD Financial Health (Consolidated CRD+CRHC)

## Current Ratio

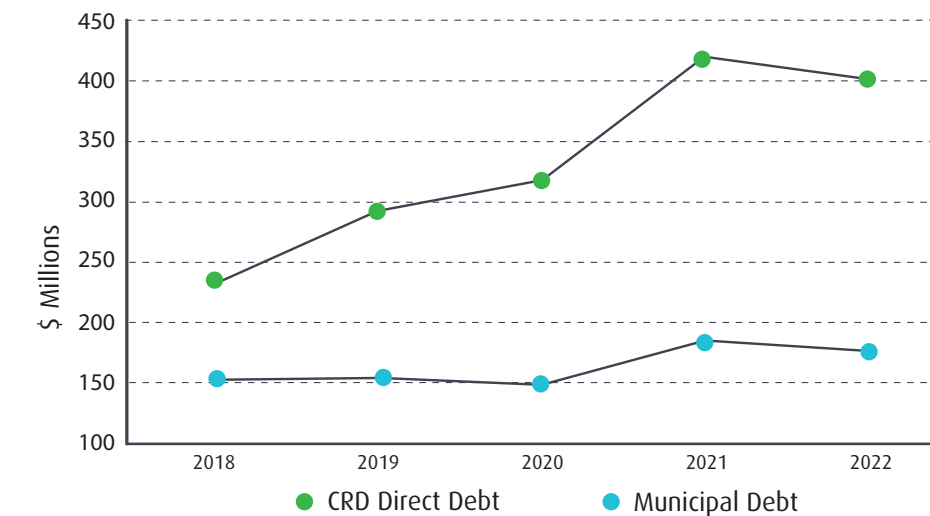
The current ratio is a measure of the liquidity of an organization, meaning the CRD’s ability to meet current obligations through current assets. A high ratio indicates a greater ability to meet budgeted and unexpected expenditures. Generally, a current ratio greater than one is considered healthy for a government entity.

CURRENT RATIO

2.4

## Debt

Debt includes balances for CRD, CRHC and member municipalities. Short term debt decreased by (\$2.7) million. This was primarily due to (\$13.0) million net repayment of funds borrowed to manage the timing of significant WTP cash flows, (\$9.0) million was converted to long-term debt, and a net increase of \$19.0 million in construction financing for CRHC affordable housing projects. Long term debt decreased by (\$23.9) million as repayments exceeded new borrowing and transfers from short term debt, and a lower proportion of capital projects were funded by debt.



## Assets Funded by Debt

The Capital Investment Funded by New Debt ratio measures the current year acquisition of capital assets that are funded by new debt. In 2022, excluding \$3.7 million invested towards the WTP, new debt funded \$27.8 million out of CRD’s capital investment balance of \$98.0 million. Debt funding levels are managed through corporate guidelines which set ideal levels of reserve and debt based on asset life matching benefit to community with timing of cost recovery.

CAPITAL INVESTMENT FUNDED BY NEW DEBT

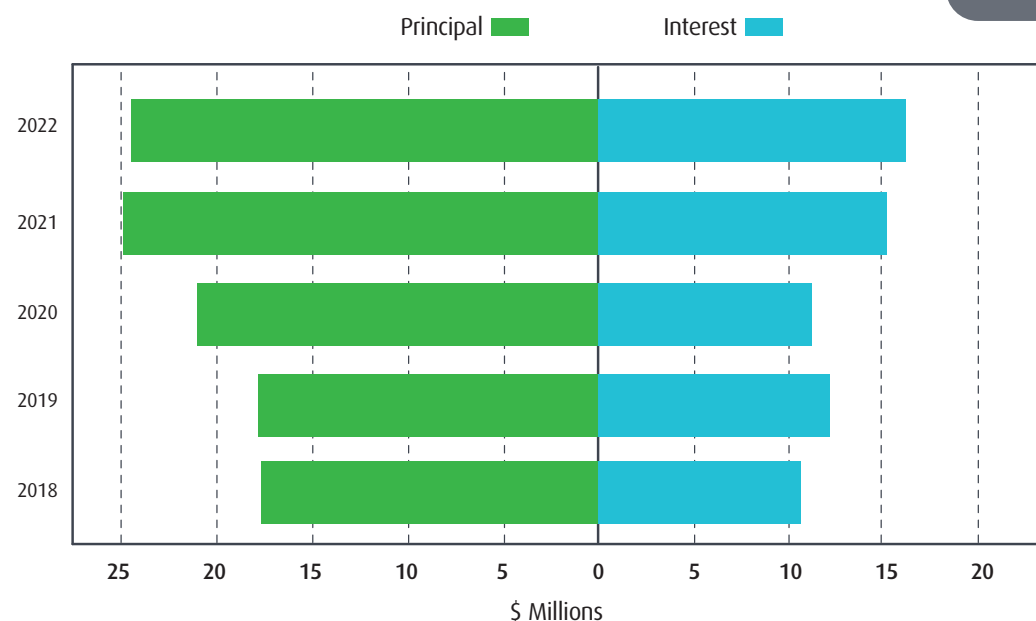
28.4%

### Payments on Debt

The table below shows the split between principal and interest of total debt payments in the last five years. The portion of debt payments going to pay interest is trending lower, as a result of reduced principle.

PRINCIPAL PORTION OF DEBT PAYMENTS

60.2%

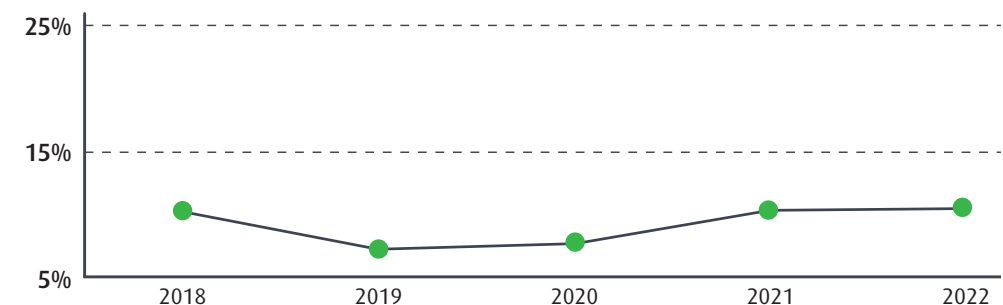


### Debt Servicing Costs

The Debt Service Costs to Total Revenue ratio is the percentage of revenue committed to the payment of interest and principal on temporary and long-term debt. A high percentage indicates greater use of revenue for the repayment of debt and less ability to adjust to unplanned events and changing circumstances. The CRD's debt servicing costs (excluding member municipality debt servicing costs) in 2022 was \$32.4 million and total revenue was \$309.4 million.\* Corporate guidelines monitor the percentage of revenue committed to debt repayment limiting commitments to within performance indicator benchmarks.\*

DEBT SERVICE COSTS TO TOTAL REVENUE

10.5%



\*Revenue excludes debt servicing costs paid by member municipalities and other third parties.

## CRD Capital Investment (Consolidated CRD+CRHC)

The CRD's capital assets continue to grow as the organization invests in infrastructure projects to support Board-approved service levels, as well as corporate and strategic priorities.

### Additions to Capital Assets in 2022

Capital Regional District

\$65.5M



Other (includes vehicles & works in progress)

\$29.8M



Engineered structures

\$22.2M



Land

\$3.3M



Machinery & equipment

\$6.3M



Buildings

\$3.9M

Capital Region Housing Corporation

\$36.3M



Machinery & equipment

\$2.1M



Buildings

\$34.2M

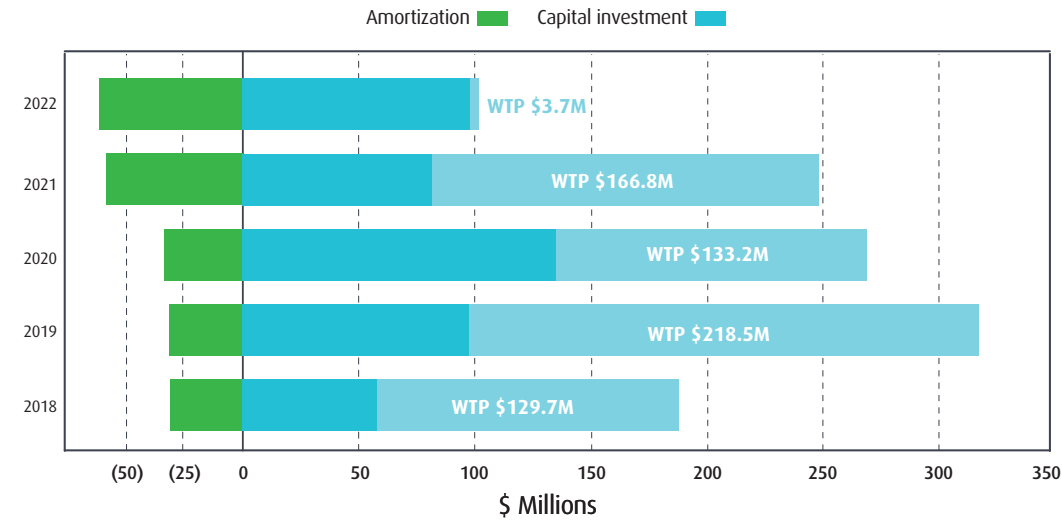


### Capital Investment & Amortization

This ratio is the amount of capital invested in infrastructure for every dollar that assets depreciate each year. In 2022, investment in capital was \$101.8 million, which includes \$3.7 million in acquisitions for the WTP. Total amortization in the year was \$61.3 million. Sustainable service delivery plans and long-term asset planning address the level of reinvestment as assets depreciate with use over time.

INVESTMENT IN CAPITAL OVER AMORTIZATION

1.7x

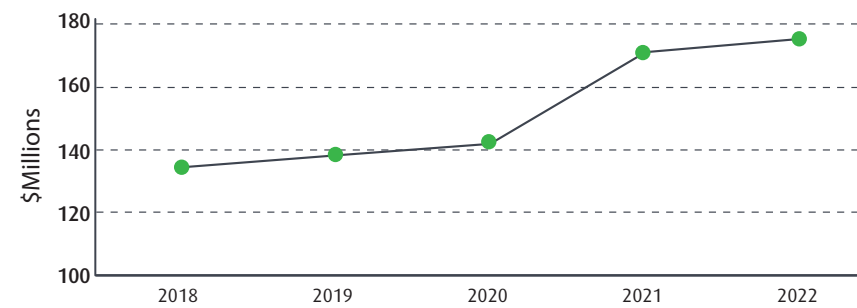


### Contributions to Reserves

Contributions to reserves are needed to reduce costs of borrowing for asset renewal, replacement and to mitigate risk of asset failure. Reserves are guided by corporate reserve guidelines which set targets on savings supporting sustainable service delivery while balancing fluctuations in requisition and user fees. Transfers to operating and capital reserves increased the total reserve to \$174.5 million in 2022, an increase of \$4.2 million.

RESERVE BALANCE

\$174.5M



## CRHD Statement of Financial Position

This statement presents the Capital Regional Hospital District’s assets, liabilities, tangible capital assets and accumulated surplus. The accumulated surplus for 2022, also represented as total assets minus total liabilities, is \$20.8 million. The CRHD primarily borrows funds to distribute capital grants to the region’s hospitals to purchase equipment and invest in infrastructure. These grants are recorded as expenses rather than assets owned by the CRHD.

The accumulated surplus increased by \$20.4 million primarily due to the reduction of (\$14.3) million in long-term debt and an increase of \$4.0 million in investments.

	2022	2021	2020
	(in millions)	(in millions)	(in millions)
<b>Financial assets</b>			
Cash and cash equivalents	\$18.6	\$17.7	\$23.6
Investments	\$9.0	\$5.0	-
Accounts receivable	\$0.4	\$0.2	\$0.8
Restricted cash – MFA Debt Reserve Fund	\$3.3	\$3.6	\$3.9
	<b>\$31.3</b>	<b>\$26.5</b>	<b>\$28.3</b>
<b>Financial liabilities</b>			
Accounts payable and other liabilities	\$3.2	\$2.5	\$3.8
Deferred revenue	\$0.4	\$0.4	\$0.4
Due to Capital Regional District	-	\$1.8	-
Long-term debt	\$114.0	\$128.3	\$141.8
	<b>\$117.6</b>	<b>\$133.0</b>	<b>\$146.0</b>
<b>Net debt</b>	<b>(\$86.3)</b>	<b>\$106.5</b>	<b>(\$117.7)</b>
<b>Non-financial assets*</b>			
Tangible capital assets	\$107.1	\$106.9	\$99.7
	<b>\$107.1</b>	<b>\$106.9</b>	<b>\$99.7</b>
<b>Accumulated surplus/(deficit)</b>	<b>\$20.8</b>	<b>\$0.4</b>	<b>(\$18.0)</b>

\*Non-financial assets are resources that are normally held for service provision over one or more future periods.

# CRHD Statement of Operations

This summary identifies the result of the CRHD’s financial activities for the year by presenting revenues less expenses, resulting in the organization’s annual surplus on a PSAB basis. The annual surplus of \$20.3 million was an increase of \$1.8 million over 2021, despite lower requisition revenue in the year. The increase is largely attributable to less grants paid to district hospitals during the year as construction claims slowed.

	2022	2021	2020
<b>Revenue</b>	<b>(in millions)</b>	<b>(in millions)</b>	<b>(in millions)</b>
Requisition	\$26.5	\$28.1	\$29.4
Other revenue	\$11.8	\$11.5	\$20.6
	<b>\$38.3</b>	<b>\$39.6</b>	<b>\$50.0</b>
<b>Expenses</b>			
Grants to district hospitals	\$6.6	\$9.5	\$9.0
Interest and operating expenses	\$11.4	\$11.60	\$12.5
	<b>\$18.0</b>	<b>\$21.10</b>	<b>\$21.5</b>
<b>Annual surplus</b>	<b>\$20.3</b>	<b>\$18.5</b>	<b>\$28.5</b>

## CRHD Financial Health

### Current Ratio

The current ratio is a measure of the liquidity of an organization, meaning the CRHD’s ability to meet current obligations through current assets. A high ratio indicates a greater ability to meet budgeted and unexpected expenditures. Generally, a current ratio greater than one is considered healthy for a government entity.

**CURRENT RATIO**  
**7.3**

### Interest Coverage Ratio

This ratio is a measure of the organization’s ability to meet interest expense obligations on temporary and long-term debt. A high ratio indicates a greater ability to meet budgeted and unexpected expenditures. Generally, an interest coverage ratio greater than two is considered healthy for a government entity.

**INTEREST COVERAGE RATIO**  
**5.6X**

## Key Documents

We have a comprehensive list of reports and plans available on the CRD website at [www.crd.bc.ca/plans](http://www.crd.bc.ca/plans). Below are a selection of the resources available:

### COMMUNITY WELLBEING – TRANSPORTATION & HOUSING

- Capital Region Housing Corporation (CRHC) Strategic Plan
- Regional Housing Affordability Strategy (RHAS)
- Regional Growth Strategy (RGS)
- Regional Transportation Strategy (RTP)

### CLIMATE ACTION & ENVIRONMENTAL STEWARDSHIP

- Corporate Climate Action Strategy (CCAS)
- Regional Climate Action Strategy (RCAS)
- Regional Food & Agricultural Strategy (RFAS)
- Regional Parks Strategic Plan
- Solid Waste & Resource Management Plan (SWMP)

### FIRST NATIONS RECONCILIATION

- First Nations Task Force Final Report
- Statement of Reconciliation

### ADVOCACY, GOVERNANCE & ACCOUNTABILITY

- Regional Water Supply Strategic Plan
- Advocacy Strategy
- CRD Arts & Culture Support Service Strategic Plan

### OTHER

- Organizational Development Plan (ODP)
- Corporate Asset Management Strategy (CAMS)
- Board Priorities
- Corporate Plan



[www.crd.bc.ca](http://www.crd.bc.ca)

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