



CAPITAL REGIONAL DISTRICT 2020 ANNUAL REPORT



Making a difference...together

Greater Victoria,
British Columbia, Canada
Year ended December 31, 2020

TERRITORIAL ACKNOWLEDGEMENT

The CRD acknowledges that it conducts its business in the territory of the Lək'wəḡən (Songhees) and Xwsepsum (Esquimalt) Nations here in the core area, the W̱SÁNEĆ Nations, including W̱JOŁŁP (Tsartlip), BÓKÉĆEN (Pauquachin), S̱ÁUTW, (Tsawout) and W̱SIKEM (Tseycum) on the Saanich Peninsula and Gulf Islands, Sc'ianew (Beecher Bay), T'Sou-ke, and Pacheedaht to the west as well as MÁLEXEL (Malahat) and Pune'laxutth' (Penelekut) Nations. All of whom have lived on these lands since time immemorial.



PHOTO ACKNOWLEDGMENT

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.

Note: some images in this report were taken before COVID-19 health orders came into effect, therefore social distancing and safety measures may not be pictured.

- ▶ Monique **BOOTH**
- ▶ Helene **CYR**
- ▶ Derek **FORD**
- ▶ Dylan **HEWLETT**
- ▶ Jean **PAKVIS**
- ▶ Leanna **RATHKELLY**
- ▶ Bryan **RUNDLE**
- ▶ **SKYSCOPE**
- ▶ Colin **SMITH**
- ▶ Sophie **WOOD**

Table of Contents

Our Organization

The Capital Regional District	2
Message from the Board Chair	4
Message from the Chief Administrative Officer	5
Board of Directors	6
Executive Leadership Team	7
Governance Framework	8

Our Profile

A Resilient Region	10
------------------------------	----

Community Needs

Supporting & Responding to Community Needs	12
Accountability	14
Affordable Housing	14
Arts & Culture	15
Climate Action & Adaptation	15
Economic Development	15
First Nations Relations	16
Health Facilities	16
Landfill & Recycling	16
Parks & Natural Resource Protection	17
Planning & Development	17
Protective Services	18
Recreation	18
Transportation	19
Wastewater Management	19
Water	19

2020 Progress

Delivering on Priorities & Projects	20
Board Priorities	22
Community Wellbeing	22
Climate Action & Stewardship	25
First Nations Reconciliation	27
Advocacy, Governance & Accountability	28
Corporate Priorities	31
Critical Infrastructure	32
Awards	36

2020 Financial Highlights

CRD Financial Reporting Overview	38
CRD Statement of Financial Position	41
CRD Statement of Operations	42
CRD Financial Health	43
CRD Capital Investment	45
CRHD Statement of Financial Position	47
CRHD Statement of Operations	48
CRHD Financial Health	48

Key Documents

List of Reports & Plans	49
-----------------------------------	----

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 425,500 people.

The capital region spans the Territories of approximately 20 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 levels 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 1,773 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.

A map of the Capital Regional District (CRD) area, showing the coastline of southern Vancouver Island and the Gulf Islands. The CRD's jurisdiction is highlighted in a light teal color, while surrounding areas are in a darker teal. The text "The Capital Regional District" is overlaid on the map in a bold, teal font.

The Capital Regional District



OUR ORGANIZATION

Message from the Board Chair

As with other organizations, the CRD needed to adapt quickly to the COVID-19 pandemic in 2020. As a result of strong leadership and staff dedication, the CRD has been able to safely continue delivering services and still make significant progress moving forward on the Board Strategic Priorities.

The crucial services and infrastructure that we operate and maintain are critical to the wellbeing, health and safety of our residents.

The supply and distribution of drinking water, disposal of wastewater and refuse, operation of parks and maintenance of affordable homes, among many other services, required ongoing attention and remain essential in an emergency.

While the CRD has been mandated to deliver these services, we are also committed to working with partners to advance many other initiatives.

In 2020, some of the most visible projects across the region included the completion of the Core Area Wastewater Treatment Plant, the construction of many new affordable housing units as part of the Regional Housing First Program and the acquisition of additional regional parkland.

Another initiative, while less visible but vitally important, included the progress made on the inclusion of First Nations in regional governance and decision-making, a truly significant and important change to CRD governance as part of our commitment to reconciliation.

Looking forward, under the re-established Transportation Committee, the CRD's goal is to identify a list of regional transportation priorities and work with jurisdictional partners and stakeholders to realize them.



Throughout 2020, I enjoyed finding new ways to connect virtually with colleagues, residents and the media about the CRD. It hasn't always been easy to stay connected while staying apart, but I am constantly impressed by our ability to adapt and maintain relationships in difficult times.

Thank you to my Board colleagues for our thoughtful deliberations, to staff for their tremendous efforts in 2020, and I hope 2021 will be a year of collective economic and public health recovery.

I am proud of the resilience shown by the CRD as an organization by continuing to stay on track with projects and operations throughout the COVID-19 pandemic and I am excited about the future ahead.

A handwritten signature in black ink, appearing to read 'Colin Plant', written in a cursive style.

Colin **PLANT**
Chair
Capital Regional District Board

Message from the Chief Administrative Officer

I am exceptionally proud of how our organization was able to adjust and sustain operations through 2020 and continue to make progress on Board and Corporate priorities. We executed a large capital program and saw the construction or completion of many significant projects, despite the challenges presented by the COVID-19 pandemic.

Our staff was able to quickly adjust and safely implement the necessary measures to ensure that essential service delivery continued while respecting public health orders and following our COVID-19 Safety and Exposure Control Plan.

The extraordinary efforts to assess, prepare and deploy new operational procedures demonstrated how prepared, resilient and willing our staff are to meet the needs of the region, and assured residents and customers that our workforce could maintain business continuity.

The CRD focused on developing our organization, investing in infrastructure and improving our systems to effectively manage taxpayer resources and steward our more than \$2.3 billion of assets that contribute to the health and wellbeing of residents.

As we continue to progressively address a growing number of economic, social and governmental issues, I have great confidence in how prepared and capable the organization is to take a leading role for the entire region, now and in the future.

Our vision for achieving exemplary environmental stewardship, a dynamic vibrant economy and an inclusive, caring society was significantly advanced by the many major initiatives in 2020 and by the continued service we were able to provide.



The progress we made is very inspiring given the impacts of the pandemic and the enormous challenges many people will continue to face through the restart and recovery of the economy.

Thank you to our Board for their leadership and to our staff for their dedication and ability to adapt. These efforts made 2020 a successful year of meeting the unexpected challenges and demonstrating that the CRD truly makes a difference...together.

A handwritten signature in black ink, appearing to read 'R. Lapham', written in a cursive style.

Robert **LAPHAM**
Chief Administrative Officer
Capital Regional District
Capital Region Housing Corporation
Capital Regional Hospital District

Board of Directors

The Capital Regional District 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, Colin **PLANT**, Saanich



CRHD Chair Denise **BLACKWELL**, Langford
Vice-Chair, David **SCREECH**, View Royal

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 also officers of the corporation. These officers direct the departments and divisions of the CRD and work collaboratively to:

- ▶ consider strategic issues related to corporate decision-making
- ▶ discuss solutions to organizational challenges
- ▶ provide direction on corporate-wide policies, systems, projects and initiatives
- ▶ ensure employees are empowered to achieve organizational goals

The ELT ensures that corporate policies are clear and appropriate and that there are effective management actions to meet statutory obligations, mitigate risks and report on progress, outcomes and concerns.

The ELT has the administrative responsibility and delegated authority to manage and coordinate various programs, projects and initiatives and makes decisions to support overarching corporate goals that are in the best interests of the organization as a whole.

Executive Leadership Team

- ▶ Robert **LAPHAM**,
Chief Administrative Officer
- ▶ Kristen **MORLEY**, General Manager,
Corporate Services & Corporate Officer
- ▶ Nelson **CHAN**,
Chief Financial Officer
- ▶ Kevin **LORETTE**, General Manager,
Planning & Protective Services
- ▶ Larisa **HUTCHESON**, General Manager,
Parks & Environmental Services
- ▶ Ted **ROBBINS**, General Manager,
Integrated Water Services

(Shown from left to right below)



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:

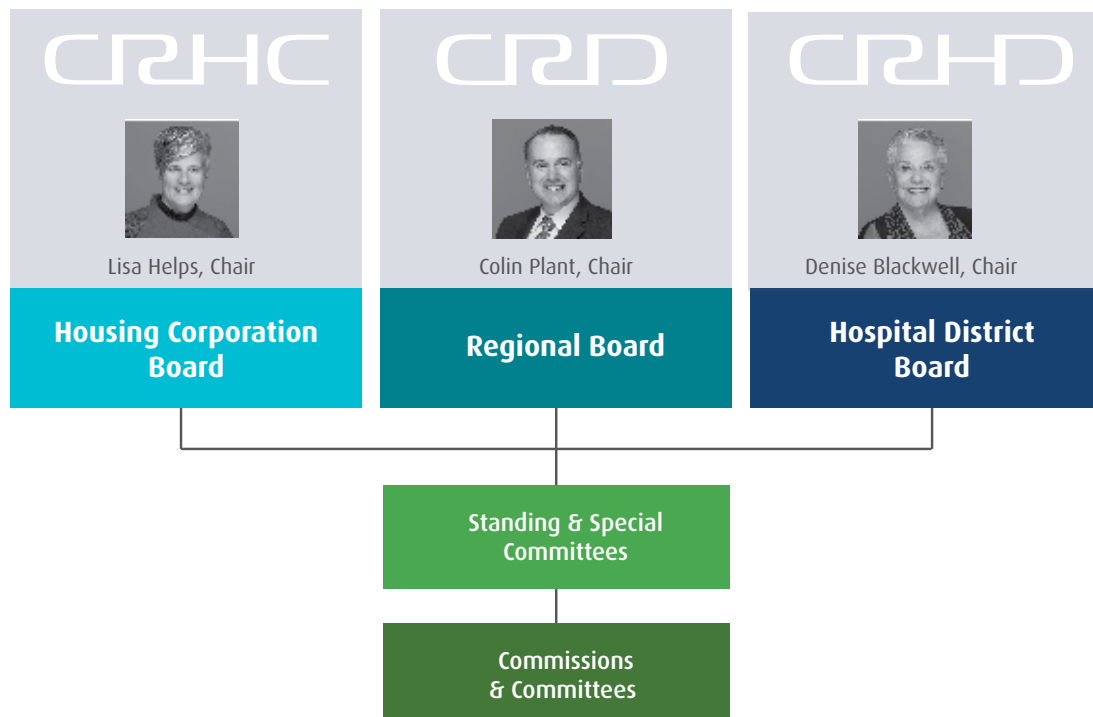
- ▶ For areas outside municipal boundaries (electoral areas), citizens elect one director to the Board during general local elections.
- ▶ Each municipal council appoints one or more elected officials to the Board. The formula is one director for every 25,000 population (or portion thereof).

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 infrastructural development and services.



Meeting the Needs of a Resilient Region

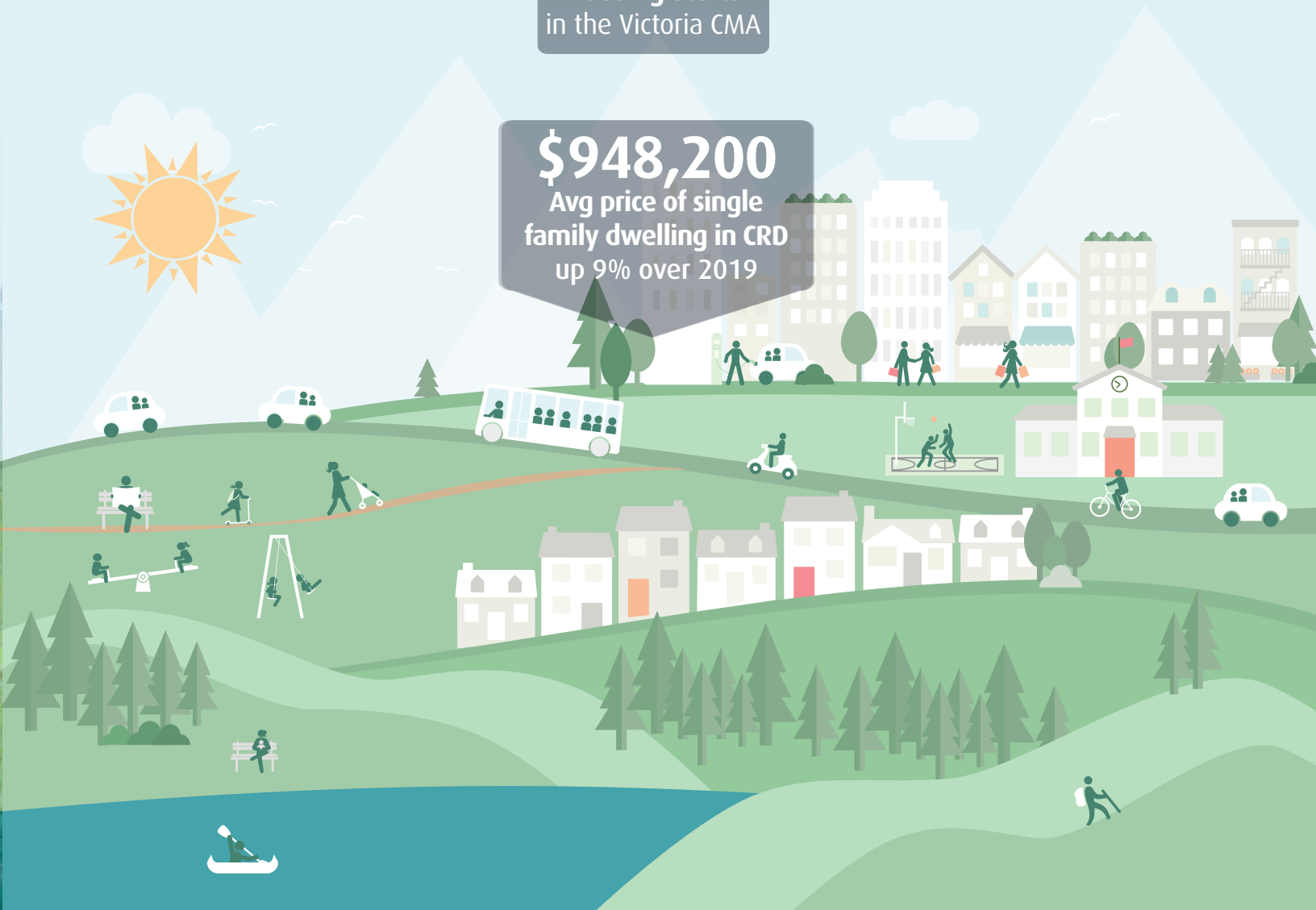
425,500
Residents
up 6.2% since 2016

\$1.4B
Building Permits

3,209
Housing Starts
in the Victoria CMA

1.1%
Inflation Rate
vs 0.7% nationally

\$948,200
Avg price of single
family dwelling in CRD
up 9% over 2019



Supporting and Responding to 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 have been identified to guide the work the organization delivers.

- | | | |
|--------------------------------|--|----------------------------|
| 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 |





2020

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 1,773 units of affordable housing, and the CRD Regional Housing Trust Fund provided over \$11 million to build 959 affordable rental housing units. The CRD-initiated Regional Housing First Program partnered the CRD, BC Housing and the Canada Mortgage and Housing Corporation, each committing \$40 million to create up to 2,000 affordable housing units, including 400 units renting at the provincial income assistance rate, with a total program value of \$600 million.

ARTS & CULTURE

The CRD Arts & Culture Support Service provides various grant funding streams to not-for-profit organizations in 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 municipalities and electoral areas, the CRD manages and funds performing arts venues, libraries and museums, 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 develops both corporate and community-focused mitigation and adaptation strategies. To help the region become climate neutral by 2030, we support local governments in achieving their climate goals and are striving to be greenhouse gas (GHG) emission neutral corporately. At the community level, the Regional Climate Action Strategy guides climate mitigation and adaptation actions for the 200 services the CRD delivers, with some services requiring comprehensive strategies to best respond.



We envision reduced GHG 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 34 regional parks and 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 both 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

The CRD wastewater management services prioritize 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 & stormwater.

WATER

The CRD carefully manages the supply and delivery of safe and sustainable 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 and 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 Priorities and Projects

Board Priorities

To guide the direction and major activities of the Capital Regional District 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 the 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 2020.



AWARDS

The CRD was the recipient of a number of awards in 2020.

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.



2020 PROGRESS

Board Priorities



Community Wellbeing

PLANNING & DEVELOPMENT

The CRD provides knowledge and expertise to explore new areas of regional interest and assess the feasibility of developing new services. This involves coordinating numerous internal and external stakeholders to collect data and conduct research, modelling and analysis on regional, sub-regional and local levels. Information related to population change, employment, land use and transportation supports the development and implementation of both regional district and municipal services. Our data services collect and provide regional information, and through the Regional Growth Strategy Indicators Report, monitors economic development. Building Inspection oversees 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). While we envision additional land acquisitions and increased access to parks and recreational trails for residents, we aim to keep approved plans current and monitor for effectiveness.

TRANSPORTATION

The CRD supports the development and implementation of regional district services and informs transportation and land use planning processes for agencies and both local and senior government. Our transportation service is responsible for data collection, research and modelling related to multi-modal regional travel. We analyze the impacts of actual and projected changes to the transportation system and provide transportation planning advice and expertise to regional, sub-regional and local planning and transportation projects and initiatives, on demand. Our Ready Step Roll initiative successfully delivers active school travel planning services to five schools per year. Our work supports interjurisdictional transportation projects and initiatives that benefit the region as a whole. We envision that residents have access to convenient, green and affordable multi-modal transportation systems that enhance community wellbeing.

CRD TRAFFIC SAFETY COMMISSION AWARDS FOURTH ANNUAL CONSTABLE SARAH BECKETT SCHOLARSHIP

The CRD Traffic Safety Commission (TSC) and Westshore RCMP awarded the fourth annual Constable Sarah Beckett Memorial Scholarship to two recipients in 2020. Cassandra Olson from Belmont Secondary School was awarded the \$2,000 Cst. Sarah Beckett Memorial Scholarship. Faith Brown from Stelly's Secondary School was awarded a \$2,000 scholarship by the Vancouver Island Slain Police Officers Fund, created to honour officers killed in the line of duty. Recipients are selected based on academic achievement, financial need, community service and an expressed interest in pursuing a career in law enforcement.

WESTVIEW HOUSING

Westview opened in Saanich with 73 affordable new homes for low-to moderate-income families, individuals, seniors and adults with disabilities. The CRHC owns and operates the building, which provides studio and 1, 2 and 3 bedroom apartments. The CRHC is the largest not-for-profit housing provider on Vancouver Island with a portfolio of 1,773 units.

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 partners reached agreement to expand the program by contributing additional matching grants of \$10 million each, for a total contribution of \$120 million to this \$600 million initiative. This will ensure the program reaches its target number of 400 homes renting at the provincial income assistance rate for people experiencing chronic homelessness who are ready to live independently with supports.

In December, the program opened West Park in View Royal and Spencer Close in Langford, providing 282 affordable mixed-market rental homes on the Westshore for families and single people with mixed incomes.



Spencer Close

Climate Action and Environmental Stewardship



LAND ACQUISITION

Following the Board's 10-year extension of the Regional Parks Land Acquisition Fund (LAF) in 2019, the CRD was able to acquire and conserve four new areas for regional park purposes, including a 12 hectare addition to Mt. Work Regional Park in Saanich, 41 hectares in Mt. Parke Regional Park on Mayne Island and through donations, 30 hectares near Money Lake on Saturna Island. The CRD Board has also agreed to purchase a 20 hectare property known as the Mountain Road Forest in Saanich in partnership with the Habitat Acquisition Trust.

MOUNTAIN BIKING ADVISORY COMMITTEE

In 2020, a Mountain Biking Advisory Committee (MBAC) was established with the goal of providing advice and guidance to the CRD Regional Parks Committee in developing mountain biking guidelines for regional parks. The MBAC met throughout 2020 and developed an Advice and Guidance Report. This report along with the mountain biking guidelines will be presented to the CRD Regional Parks Committee for review in the spring of 2021. The CRD Regional Parks mountain bike guidelines will assist with the planning of sustainable and quality mountain biking activities within regional parks, giving consideration to all regional park values.

SOLID WASTE MANAGEMENT PLAN

The CRD is developing a new solid waste management plan to reduce and manage solid waste in the capital region. The plan will guide how the region manages solid waste in the coming years and will look at ways to extend the life of the Hartland Landfill through future landfill design options, significantly reducing waste and reusing and/or recycling materials as much as possible.

The draft plan includes proposed strategies and actions for reducing and managing all streams of solid waste—including recyclables, compostable material and garbage—with an eye to extending the life of Hartland Landfill to 2100 and beyond.

Public engagement is a key part of developing the region's Solid Waste Management Plan and feedback from residents was received on the draft. In 2020, an additional consultation period was added to this process and included presentations to First Nations leadership groups in the fall, Hartland site tours for area residents in November and an interactive, live-streamed public information session.

COASTAL FLOOD INUNDATION MAPPING PROJECT

In 2020, the CRD completed and published its Capital Region Coastal Flood Inundation Mapping Project. On behalf of local government and other regional stakeholders, staff worked closely with an inter-municipal and multi-disciplinary project team to complete the project in order to better understand regional impacts from coastal storm flooding due to sea level rise and tsunamis. The project was completed with support from the federal and provincial National Disaster Mitigation Program.

ENERGY RETROFIT SUPPORT THROUGH NEW CLIMATE PROGRAM

Homeowners in the capital region had an opportunity to take action and make their homes more climate friendly through the new Bring It Home 4 The Climate program.

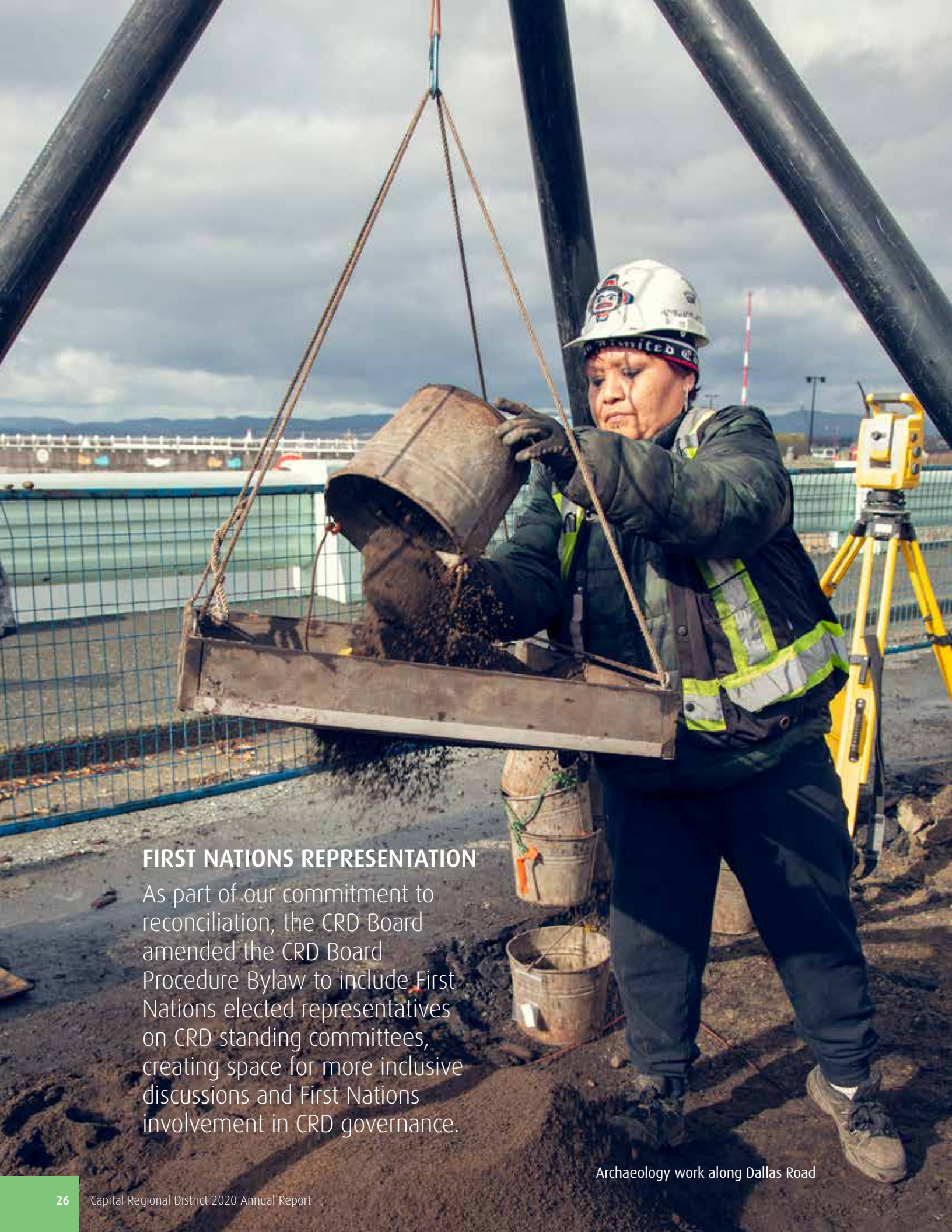
Residential buildings are a large source of greenhouse gas emissions in the capital region, second only to on-road transportation. Homeowners interested in reducing energy consumption benefitted from participating in this program and could also make a difference in reducing our region's carbon footprint.

Through the program, homeowners accessed free virtual home energy check-ups with a Bring It Home Energy Expert, up to \$250 subsidy for a COVID-safe EnerGuide Home Energy Evaluation, supplies to reduce the air leakage in their homes, learning opportunities to increase home energy literacy and support with do-it-yourself projects. They also had access to existing provincial and municipal retrofit incentives offered through the Better Homes BC program, making retrofits more affordable.

Bring It Home was supported by the Federation of Canadian Municipalities Transition 2050 project, the CRD, the District of Central Saanich, the District of Saanich, the Township of Esquimalt and the City of Victoria. The program ran until the end of 2020.



CRD low energy fleet options



FIRST NATIONS REPRESENTATION

As part of our commitment to reconciliation, the CRD Board amended the CRD Board Procedure Bylaw to include First Nations elected representatives on CRD standing committees, creating space for more inclusive discussions and First Nations involvement in CRD governance.

Archaeology work along Dallas Road

First Nations Reconciliation



BIOSOLIDS TRUCKING

In 2020, the CRD signed a Memorandum of Understanding with KENES Transportation, a WSÁNEĆ First Nations partnership company, to contract the trucking of biosolids produced at its Residuals Treatment Facility (RTF).

Under this agreement KENES, a new business created by the WSÁNEĆ Leadership Council (WLC) and Sangan Resource Management, will transport dried biosolids to the Lafarge Canada cement plant in Richmond for up to five years while the CRD develops its long-term management plan for the continued beneficial use of this material.

Seeking out economic development opportunities with First Nations communities is a strategic priority of the Board and a core part of our commitment to shared prosperity and reconciliation. This is the first time the CRD has approached a service contract with this lens, recognizing community capacity and vision in a way that makes good sense, meets our business need to transport this material and hits the triple bottom line of positive social, environmental and financial impact. With provincial approval and these beneficial use contracts now in place, the CRD has started developing a long-term management plan for biosolids that will include public consultation.

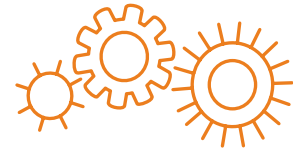
CRD PROTECTION AND CONSERVATION OF HERITAGE SITES POLICY

The First Nations Relations Division engaged Terra Archaeology to provide corporate-wide training to support the new Protection and Conservation of Heritage Sites Policy, which was approved in late January 2020. The policy enhances the requirements of the provincial *Heritage Conservation Act* while addressing the need for a more informed, respectful engagement with local First Nations, and facilitates the protection of archaeological sites during CRD land-altering works that may impact their Traditional Territories. First Nations have been stewards in taking care of the land and water since time immemorial, and the CRD is continuing to respect the Nations traditional land use for cultural and ceremonial practices, food and medicine harvesting, traditional management practices and reclaiming Indigenous place names.

INDIGENOUS CULTURAL PROGRAMMING IN PARKS

In 2020, an Indigenous cultural programmer joined the CRD Regional Parks team in a newly created position. One of the goals of this position is to develop and deliver an interpretive program that aligns with BC's education curriculum requirements for Indigenous content and CRD's reconciliation statement. In 2020, the cultural programmer drafted a school program titled EAGLE (Education & Appreciation Garnered through Listening & Exploring). The program consists of three age-appropriate program outlines and accommodates the unique elements of four regional parks. These draft outlines have been sent to representatives of both the Łə́k'wəṁən and WSÁNEĆ First Nations for review and future discussion. In addition, the cultural programmer developed Indigenous content for existing interpretive programs, exhibits, kiosks and social media and has developed a new self-guided program featuring Indigenous perspectives in regional parks. On November 25, 2020 a virtual tour of Mill Hill Regional Park, featuring an Indigenous perspective, was filmed and recorded in partnership with the Royal BC Museum.

Advocacy, Governance & Accountability



CRD BOARD AFFIRMS PRIORITIES

In their annual review, the CRD Board confirmed that the Strategic Board Priorities identified in the 2019–2022 Corporate Business Plan remain as important as ever, and have renewed their commitment to addressing them. The four priorities are:

- ▶ Community Wellbeing – Transportation & Housing
- ▶ Climate Action & Environmental Stewardship
- ▶ First Nations Reconciliation
- ▶ Advocacy, Governance & Accountability

The Board commented that it was evident staff had taken great care in advancing the strategic priorities by using them to inform day-to-day decision-making. In addition, the Board asked the CRD to:

- ▶ Identify options to accelerate actions on Climate Action
- ▶ Review the Land Acquisition Fund rate
- ▶ Explore the options to further contribute to the region's economic development

This advice from the Board gives the organization clear direction to continue prioritizing initiatives that meaningfully advance the Board Priorities and the Corporate Plan and informs operational plans and budgets for the coming years.

SALT SPRING ISLAND LICENSED PRESCHOOL AND MODULAR CLASSROOM

The Salt Spring Island Parks and Recreation Commission received \$214,600 in funding towards the installation of a new modular classroom located at the Rainbow Road Aquatic Centre. The main purpose of the new building is to create licensed care spaces on Salt Spring Island. The project was completed in 2020 with the licensed care program opening in January of 2021.

SALT SPRING ISLAND NORTH GANGES TRANSPORTATION PROJECT

In 2020, the CRD completed construction of Phase 3 of the approximately \$1.7 million North Ganges Transportation project. This included the installation of sidewalks, bike lanes, crosswalks and stormwater drainage systems along Rainbow Road and Lower Ganges Road with improvements at the intersections of Rainbow Road and Upper Ganges Road, and Park Drive with the Lower Ganges Road. The project has provided long-awaited additional active transportation infrastructure to downtown Salt Spring Island and significantly improved pedestrian and cycling safety in the areas.

SOUTHERN GULF ISLANDS CONNECTIVITY PROJECT UPDATE

In 2020, the CRD contracted TANEx Engineering to create a Connectivity Infrastructure Design Plan for the Southern Gulf Islands. The project builds on work done by the CRD in 2019 to document community perceptions and experiences regarding internet connectivity on Galiano, Mayne, Pender and Saturna Islands ("Phase 1"). The project is expected to be completed in April 2021.

SOUTHERN GULF ISLANDS TRANSPORTATION SERVICE

In 2020, the CRD advanced a study to consider establishment of an Integrated Transportation Service for the Southern Gulf Islands. This service would create new opportunities for public transit, active transportation and inter-island passenger ferry travel — all integrated to enable multi-modal travel options throughout the islands. The study will be underway throughout 2021 with recommendations for possible service establishment in 2022.



Salt Spring Island Preschool

SOUTHERN GULF ISLANDS LIAISON PROGRAM

In 2020, the Southern Gulf Islands Liaison Program saw much success and has been continued to 2022. This program has island-based CRD contractors coordinating some CRD projects on Galiano, Pender, Mayne and Saturna Islands. The liaisons also share information, connect community groups and facilitate community member access to various CRD staff and services.

2020 ARTS DEVELOPMENT OPERATING GRANTS, PROJECTS AND FUNDING

In 2020, 92 not-for-profit organizations throughout the region received \$2,491,400 in overall funding approved by the CRD Arts Commission through the Arts & Culture Support Service.

Grants were given to emerging and established organizations to support arts programming in participating municipalities, providing support in a particularly challenging year. This funding allowed organizations to continue developing inspiring and accessible arts and culture, while adapting programming in compliance with COVID-19 regulations.

Arts organizations continued to bring communities together in a year where connection was particularly necessary given the cancellation of large in-person gatherings. To continue delivering the creativity that defines the arts, organizations adapted programming for the times; activities in 2020 included online gatherings and workshops, drive-in and pop-up events, virtual galleries, podcasts, livestreams and recordings of performances, and stay-at-home activity kits for children. Information about funding recipients and activities can be found at crd.bc.ca/arts.

Public conversations about performing arts facilities in the CRD were conducted virtually over the year, resulting in a report and recommendations regarding arts facilities for the region.



Corporate Priorities



ORGANIZATIONAL DEVELOPMENT PLAN UPDATE

The 2017 CRD Organizational Development Plan (ODP) was established on two foundational strategies to continue moving our organization forward on its path of success: Strengthening Our Foundational Core and Engaging our Employees.

In 2020, a pilot Performance Management process for CRD managers was launched to foster stronger alignment of employee performance to corporate goals. We continued to build the foundations of our Diversity and Inclusion Framework by establishing a working group, approving a staff position to support the Framework and educating managers and staff. We improved technological business solutions by developing a new Enterprise Asset Management System, a mobile maintenance work order system and a Cyber Security Education program.

While COVID-19 tested our organization in 2020, our focus on business continuity was able to proceed in tandem with the new requirement for an organization-wide COVID-19 Safety and Exposure Control Plan and with IT support for remote access and MS Teams. An employee survey on CRD programs, practices and policies and the implementation of the Occupational Health and Safety Certification of Recognition are planned for 2021.

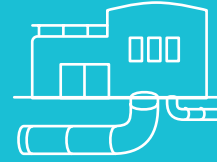
CRD'S EMERGENCY OPERATING CENTRE

In March, the CRD activated a corporate Emergency Operations Centre in response to the COVID-19 global pandemic. The CRD has maintained critical services and infrastructure throughout the ongoing public health emergency, and continues to provide reliable and essential services that play a significant role in economic recovery for the region. Many CRD services are vital to community wellbeing and the vast majority of CRD operations maintained service levels by implementing new measures to address health risks and safety.

CYBER SECURITY PROGRAM

Information Technology resources are valuable corporate assets that enable and support the business of the CRD. The CRD's Cyber Security Program promotes the implementation of appropriate security controls, processes and tools to mitigate cyber security risk and protect confidential and personal information. One goal of the CRD's Cyber Security Program is to build a security-aware culture that provides CRD staff with the information they need to spot and react to potential security problems at the office and at home. To reach this goal, the CRD has adopted a Security Awareness Training program.

Critical Infrastructure



WASTEWATER TREATMENT PROJECT

The Government of Canada, the Government of British Columbia and the CRD announced in December that the Wastewater Treatment Project is now treating wastewater and is exceeding regulatory requirements. The \$775 million Wastewater Treatment Project provides tertiary treatment for the core area municipalities of Victoria, Esquimalt, Saanich, Oak Bay, View Royal, Colwood and Langford, and the Esquimalt and Songhees Nations. It was approved in 2016 and has been under construction for four years.

The Wastewater Treatment Project consists of three main components:

The McLoughlin Point Wastewater Treatment Plant in Esquimalt can treat 108 megalitres of wastewater per day to a tertiary level – one of the highest levels of treatment available.

The Residuals Treatment Facility at Hartland Landfill in Saanich turns residual solids, piped from the wastewater treatment plant, into what are known as Class A biosolids. These are the highest quality by-product suitable for beneficial use.

The Conveyance System carries wastewater from across the core area to the treatment plant, and residual solids to the Residuals Treatment Facility at Hartland Landfill. Major upgrades to pump stations, sewer mains, integrated monitoring and controls and an attenuation tank were part of the project.

SOUTHERN GULF ISLANDS HARBOURS & DOCKS FACILITIES

Under the Southern Gulf Islands Harbours Service (SGIHS), there are 12 dock facilities on six islands owned and operated by the CRD. These facilities are a vital link for island community residents and visitors, providing moorage, access points for supplies and mail delivery, water taxi and ambulance services, Royal Canadian Search and Rescue, and refuge in case of inclement weather or emergency.

In 2020, the SGIHS capital projects included starting construction of a new dock facility at Anson Road and installing a large new float at the Miner's Bay Dock, both on Mayne Island.

- ▶ **Anson Road Dock** — The new public dock on Mayne Island will provide 91 meters of boat moorage, space for approximately 30 boats. The upland portion of the dock will consist of upper and lower gravel parking lots and public access to the waterfront. The project will be completed in 2021.
- ▶ **Miner's Bay Dock** — The Miner's Bay Dock is located on the northeast side of Mayne Island facing Active Pass, the main shipping route between south Vancouver Island and the lower mainland. To better withstand the conditions at the location and improve the safety and usability of the dock, the CRD constructed a new float and anchoring system and re-aligned the dock.



McLoughlin Point Wastewater Treatment Plant



SEAPARC building expansion

SEAPARC EXPANSION

SEAPARC opened a new weight room and fitness studio expansion at the Leisure Complex in Sooke in early 2020. This project was made possible with the assistance of a \$1.24 million grant from the Federal Gas Tax Fund.

TODD CREEK TRESTLE

CRD Regional Parks completed restoration of the Todd Creek Trestle along the Galloping Goose Regional Trail near Sooke Potholes Regional Park. This four-storey wooden trestle is over 100 years old and is a landmark of the Canadian National Railway. This restoration work adds an additional 35-50 years to the life span of the structure.

JUAN DE FUCA WATER DISTRIBUTION SERVICE ASBESTOS CEMENT PIPE REPLACEMENT PROGRAM

The Juan de Fuca Water Distribution Service has been investing in infrastructure renewal annually to ensure the system remains safe and reliable. The Asbestos Cement Pipe Watermain Replacement Program has been part of water mains and service infrastructure across the West Shore communities. Five projects were completed as part of the program during 2020, investing \$4 million renewing over 3,500 metres of water main along Scafe Road, Hockley Avenue, and Walfred Road in the City of Langford and Kaltasin Road in the District of Sooke.

THE SUMMIT OPENING

The CRD and Island Health welcomed seniors living with complex health issues and dementia to a brand-new place to call home at The Summit, an \$86 million, 320 bed modern long-term care home in Victoria's Quadra Village neighbourhood.

Residents at The Summit will have private bedrooms with ensuite bathrooms, grouped into "houses" (clusters of 16-24 residents). Private rooms offer a significant benefit for residents as an effective way to help keep them safe from the spread of communicable illnesses, such as influenza and the COVID-19 virus.

The site also includes a hair salon and a dialysis room to eliminate the need to travel to the hospital. Outdoor spaces include patios on every floor, a secure central courtyard on the main floor and a walking path around the property.

The Summit was developed through an innovative partnership between Island Health and the Capital Regional Hospital District (CRHD) to develop a long term care facility.

Construction on The Summit began in 2016. Plans to open the facility in April 2020 were paused to facilitate the building's use as a possible field hospital during the COVID-19 pandemic. With the oversight of Island Health's Chief Medical Health Officer, The Summit officially opened in July 2020.



Awards



BC TOP EMPLOYER & GREEN EMPLOYER AWARDS

For the fourth year in a row, the CRD was recognized as one of BC's Top Employers and has previously been recognized as one of Canada's Greenest Employers, with announcements of this program honour pending. 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.

GOVERNMENT FINANCE OFFICERS ASSOCIATION AWARDS

The Government Finance Officers Association of US & Canada recognized the CRD with three awards for best practices in financial management and reporting. These awards reflect the CRD's commitment to meeting the highest principles of financial reporting in both the United States and Canada.

- ▶ **Distinguished Budget Award** (best practices in budgeting)
- ▶ **Canadian Award for Excellence in Financial Reporting** (going beyond minimum requirements in the spirit of transparency & full disclosure)
- ▶ **Popular Annual Financial Reporting Award** (recognizes local government financial reports specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance)



Lab services staff featured for the Green Employer Award

An aerial photograph of a city waterfront. In the foreground, there is a large, modern industrial facility with several long, rectangular buildings and complex piping systems. The facility is situated on a peninsula or near a body of water. In the middle ground, a large body of water, likely a harbor or bay, stretches across the frame. Several boats and ships are visible on the water. In the background, a dense city skyline is visible, featuring numerous high-rise buildings and a prominent church spire. The sky is overcast with soft, diffused light. The overall color palette is muted, with a lot of greys, blues, and muted greens.

2020 FINANCIAL HIGHLIGHTS

Financial Reporting Overview

The Capital Regional District (CRD) is pleased to provide this consolidated financial overview for the 2020 fiscal year.

Our Region

The economic uncertainty in 2020 due to the global COVID-19 pandemic led to provincial restrictions, operational health and safety measures impacting service delivery, and increased unemployment throughout the region. While unemployment showed signs of improvement towards the end of 2020, rates remained more than 50% higher than 2019.¹

Throughout the year, with the exception of CRD recreation centres, demand for services remained strong and some services experienced record utilization. In 2020, visitations to Regional Parks increased by more than 25%, landfill tipping tonnage grew by 2.8%, and water consumption rose by 2.0%. Proactive management and continuous adjustments of service delivery resulted in minor impacts to the organization's overall financial health.

The Consumer Price Index (CPI) for greater Victoria was 1.1%, compared to Vancouver at 0.6% and British Columbia at 0.8%; significantly higher than the national average of 0.7%.² The average price of a single family home grew by 9.0% to \$948,200.³ As of December 2020, the region's unemployment rate was amongst the lowest in Canada at 5.8% and lower by comparison to 7.2%⁴ in BC, and 8.8%⁵ nationally.

Property assessment values across the region increased to \$127 billion versus \$125 billion in 2019 (increase of 2%). The annual increase remains lower from recent highs of 9%, 16% and 18% in 2019, 2018 and 2017 respectively.⁶ New building permit values increased 26% to \$1.4 billion⁷ while housing starts decreased by 8.3% in 2020⁸ suggesting that while construction is expected to decline in the near term, activity will rise in the future.

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.



425,500
Residents
up 6.2%
since 2016

1.1%
Inflation Rate
vs 0.7% nationally

5.8%
Unemployment
Lowest in Canada
(8.8%) & BC (7.2%)

53%
of Housing Starts
are Rental Units

Each year, the CRD prepares audited financial statements in accordance with legislative requirements and presents them at a public Board meeting for approval. The 2020 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 financial highlights for 2020.

More Information

Find the complete 2020 Statement of Financial Information and related documents at:
www.crd.bc.ca/about/financial-accountability.



\$1,275
Avg market rent/mo
in Victoria CMA

¹ www.workbc.ca/labour-market-industry/b-c-s-economy/labour-market-snapshots.aspx?month=December&year=2020

² www2.gov.bc.ca/assets/gov/data/statistics/economy/cpi/cpi_annual_averages.pdf

³ www.vreb.org/media/attachments/view/doc/stats_release_2021_02/pdf/stats_release_2021_02.pdf

⁴ www.workbc.ca/labour-market-industry/b-c-s-economy/labour-market-snapshots.aspx?month=December&year=2020

⁵ www.todocanada.ca/january-2021-a-quick-glance-at-unemployment-rates-across-canada/

⁶ BC Assessment 2021 Tax Roll

⁷ CRD Regional Planning Division Stats

⁸ www150.statcan.gc.ca/n1/en/type/data?MM=1#tables (Table: Canada Mortgage and Housing Corporation housing starts, under construction and completions in selected census metropolitan areas, annual 1, 2, 3)

2020 Operating Budget



Capital Regional District

\$283M



Capital Regional Hospital District

\$37M



Capital Region Housing Corporation

\$20M

Total

\$340M

2020 Capital Budget



Capital Regional District

\$402M



Capital Regional Hospital District

\$32M



Capital Region Housing Corporation

\$15M

Total

\$449M

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 \$20.0 million, primarily due to an increase in cash and investments and accounts receivable offset by an increase in debt. Amounts invested in capital assets in 2020 totalled \$230.9 million contributing to the net increase in accumulated surplus of \$251.9 million.

	2020	2019	2018
	(in millions)	(in millions)	(in millions)
Financial assets			
Cash and investments	\$362.7	\$298.7	\$238.3
Accounts receivable	\$35.0	\$23.2	\$25.0
Member municipality debt	\$146.9	\$153.0	\$150.8
Restricted cash – MFA Debt Reserve Fund	\$3.9	\$4.0	\$3.2
Land for resale	–	\$8.3	\$19.1
	\$548.5	\$487.2	\$436.4
Financial liabilities			
Accounts payable and accrued liabilities	\$117.2	\$111.3	\$94.5
Deferred revenue	\$32.7	\$16.0	\$16.4
Short-term debt – CRHC	\$61.3	–	–
Long-term debt – CRD, CRHC, & member municipalities	\$405.0	\$447.3	\$384.5
Landfill closure liability	\$11.3	\$10.7	\$10.1
Other long-term liabilities	\$1.4	\$2.3	\$2.8
	\$628.9	\$587.6	\$508.3
Net debt	(\$80.4)	(\$100.4)	(\$71.9)
Non-financial assets*			
Tangible capital assets	\$1,760.5	\$1,529.6	\$1,246.4
Inventory of supplies and prepaid expenses	\$2.7	\$1.7	\$1.4
	\$1,763.2	\$1,531.3	\$1,247.8
Accumulated surplus	\$1,682.8	\$1,430.9	\$1,175.9

*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 2020, revenue increased by \$1.8 million. This increase was driven primarily by an increase in developer contributions of \$2.4 million, an increase in rental revenue from CRHC of \$1.3 million, and an increase in other revenue and sale of service revenue of \$1.2 million. This was offset by a \$3.0 million decrease in government grants. The change in expenses for 2020 relates primarily to an increase in salaries, wages and benefits, and contract for services and consultants related to third party payments. Financial surpluses generated from operations are generally carried forward and used to make principal debt repayments and reduce the appropriate service requisitions or funding requirements.

	2020	2019	2018
	(in millions)	(in millions)	(in millions)
Revenue			
Requisition – CRD	\$71.0	\$67.6	\$63.7
Sale of services	\$115.3	\$109.5	\$105.0
Other revenue	\$231.6	\$239.4	\$109.9
Requisition – municipal debt	\$15.3	\$14.9	\$15.4
	\$433.2	\$431.4	\$294.0
Expenses			
General government services	\$22.1	\$20.4	\$14.6
Protective services	\$10.9	\$10.5	\$10.8
Sewer, water and garbage services	\$84.5	\$81.4	\$76.4
Planning and development services	\$2.5	\$2.5	\$2.4
Affordable housing – rental expenses	\$17.8	\$16.5	\$14.7
Recreation and cultural services	\$26.9	\$28.6	\$28.0
Other	\$2.8	\$2.3	\$2.2
Municipal debt servicing	\$15.4	\$15.0	\$15.5
	\$182.9	\$177.2	\$164.6
Annual surplus	\$250.3	\$254.2	\$129.4

CRD Financial Health (Consolidated CRD+CRHC)

Current Ratio

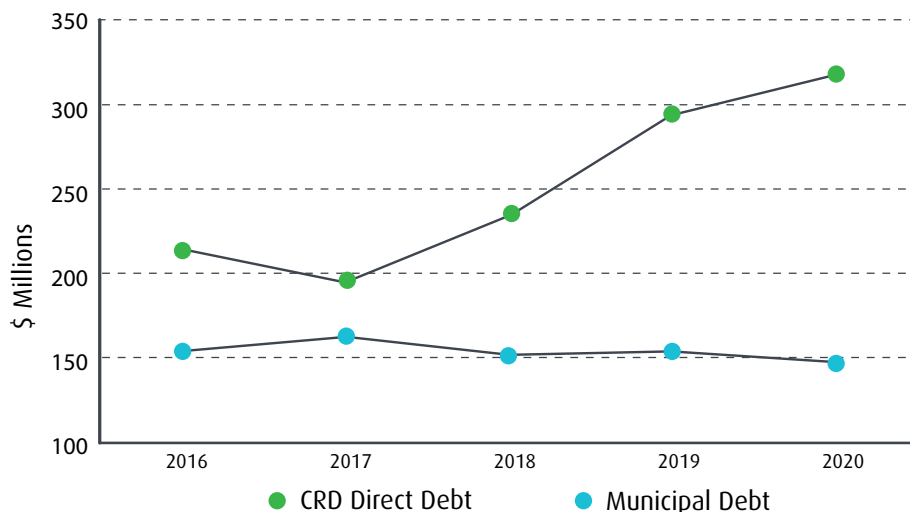
The current ratio is a measure of the liquidity of an organization, meaning the CRD's ability to meet current obligations through current assets. A high ratio indicates a greater ability to meet budgeted and unexpected expenditures. Generally, a current ratio greater than one is considered healthy for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

CURRENT RATIO

7.3

Debt

Debt includes CRD, CRHC and member municipalities. Short-term debt increased by \$61.3 million in CRHC related to new housing purchases through the Regional Housing First Program. This debt was rolled into long-term mortgages subsequent to year-end. Long-term debt decreased by \$42.3 million to \$405.0 million in 2020. The majority of the decrease comes from CRD which paid down \$36.1 million in total. \$30.9 million related to WTP debt repayments as the project nears completion. The remaining decrease relates to member municipality debt which decreased by \$6.1 million.



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 2020, excluding \$133.2 million investment towards the WTP, new debt funded \$71.6 million out of the CRD's capital investment balance of \$135.2 million.

CAPITAL INVESTMENT
FUNDED BY NEW DEBT

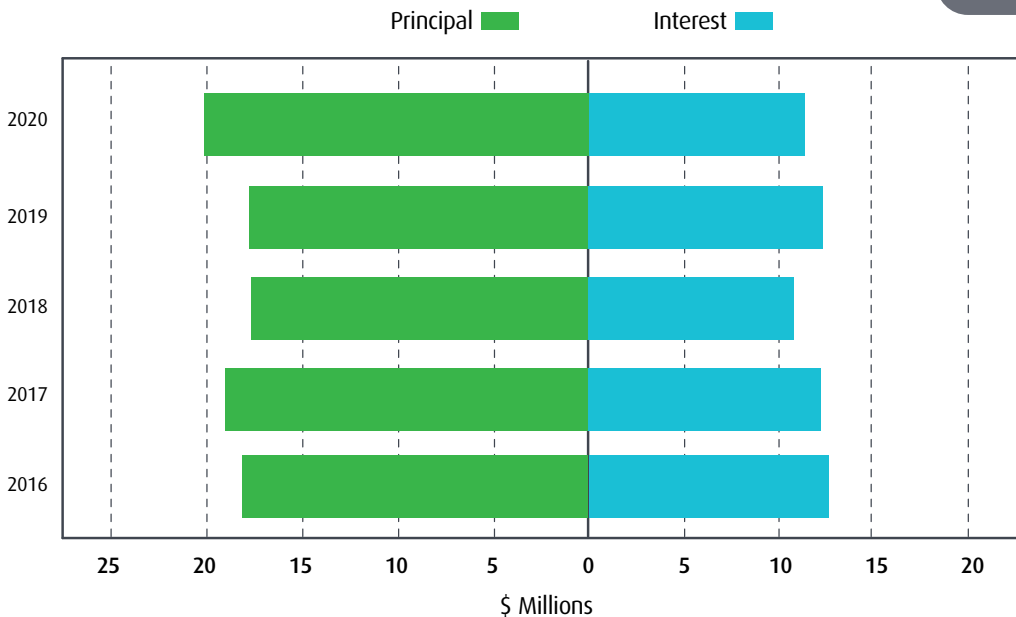
53.0%

Payments on Debt

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

**PRINCIPAL PORTION
OF DEBT PAYMENTS**

65.0%

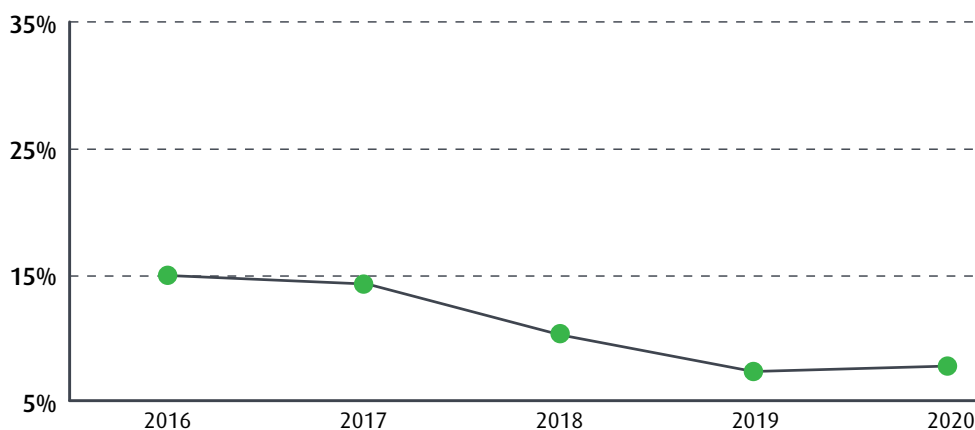


Debt Servicing Costs

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) have been trending down year over year. In 2020, debt servicing costs were \$31.9 million and revenue was \$417.8 million.*

**DEBT SERVICE COSTS
TO TOTAL REVENUE**

7.6%



*Revenue excludes debt servicing costs paid by member municipalities.

CRD Capital Investment (Consolidated CRD+CRHC)

The CRD's capital assets continue to grow as the organization invests in infrastructure to meet capacity demands and the Board's strategic priorities and corporate plan.

Additions to Capital Assets in 2020

Capital Regional District

\$258.9M



Other (includes vehicles & works in progress)

\$44.6M



Engineered structures

\$117.4M



Land

\$15.8M



Machinery
& equipment

\$4.4M



Buildings

\$76.7M

Capital Region Housing Corporation

\$9.5M



Machinery
& equipment

\$1.7M



Buildings

\$4.3M



Land under
pre-paid lease

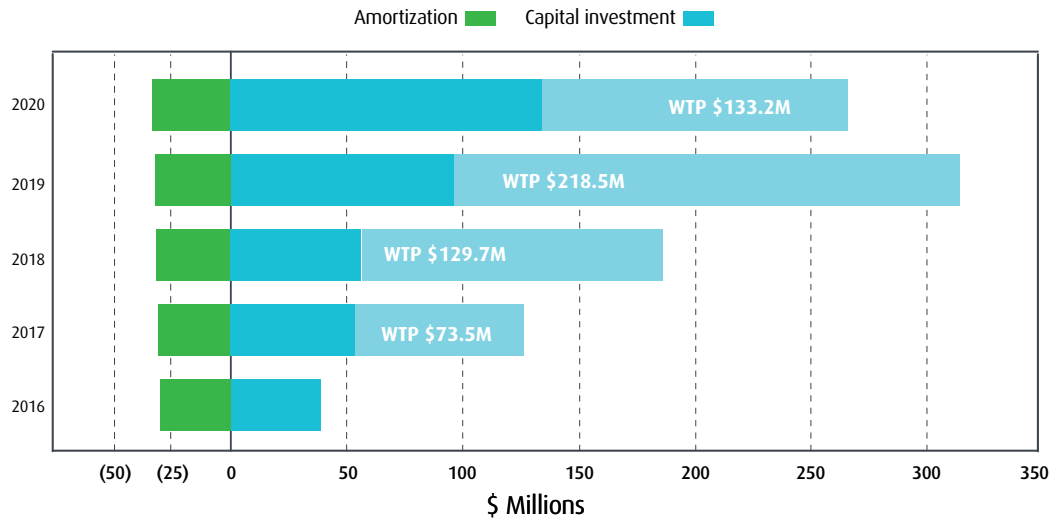
\$3.6M

Capital Investment & Amortization

This ratio is the amount of capital invested in infrastructure for every dollar that assets depreciate each year. In 2020, investment in capital was \$268.4 million, which includes \$133.2 million in acquisitions for the WTP. Excluding the impact of WTP, the investment in capital was \$135.2 million compared to amortization of \$33.8 million.

INVESTMENT IN
CAPITAL OVER
AMORTIZATION

7.9x

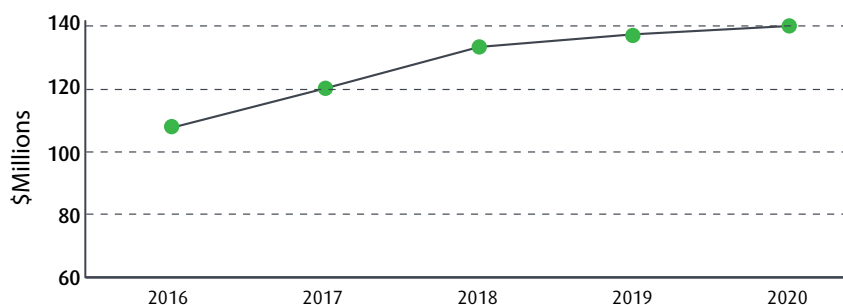


Contributions to Reserves

Contributions to reserves are needed to reduce costs of borrowing for asset renewal, replacement and to mitigate risk of asset failure. Reserves are essentially savings supporting sustainable service delivery while balancing fluctuations in requisition and user fees. Transfers to operating and capital reserves increased the total reserve to \$141.4 million in 2020, an increase of \$3.6 million.

RESERVE BALANCE

\$141.4M



CRHD Statement of Financial Position

This statement presents the Capital Regional Hospital District's assets, liabilities, tangible capital assets and accumulated deficit. The net debt for 2020, also represented as total assets minus total liabilities, is \$117.7 million. The overall position is a deficit, since the CRHD primarily borrows funds to distribute capital grants in support of regional hospitals, equipment and other investments in infrastructure. These grants are recorded as expenses rather than assets owned by the CRHD.

The accumulated deficit decreased by \$28.5 million, as a result of capital investment in The Summit at Quadra Village; an asset where the CRHD retains ownership.

	2020	2019	2018
	(in millions)	(in millions)	(in millions)
Financial assets			
Cash and cash equivalents	\$23.6	\$30.4	\$26.5
Investments	–	–	\$26.0
Accounts receivable	\$0.8	\$0.3	\$0.8
Prepaid expenses	–	–	\$0.1
Restricted cash – MFA Debt Reserve Fund	\$3.9	\$4.1	\$4.1
Land for resale*	–	–	\$0.0
	\$28.3	\$34.8	\$57.5
Financial liabilities			
Accounts payable and other liabilities	\$3.8	\$8.5	\$8.9
Deferred revenue	\$0.4	–	–
Due to Capital Regional District	–	\$0.1	\$0.1
Long-term debt	\$141.8	\$161.7	\$175.3
	\$146.0	\$170.3	\$184.3
Net debt	(\$117.7)	(\$135.5)	(\$126.8)
Non-financial assets*			
Tangible capital assets	\$99.7	\$89.0	\$58.5
	\$99.7	\$89.0	\$58.5
Accumulated deficit	(\$18.0)	(\$46.5)	(\$68.3)

*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 \$28.5 million was an increase of \$6.7 million over 2019. The increase was due to the \$9.3 million non-cash recognition of revenue related to the fair value of the Oak Bay Lodge donation from Island Health and \$4.1 million in lease revenue from The Summit property. This was offset by \$1.2 million decrease in requisitions and \$0.8 million decrease in interest income. Expenses increased by \$4.6 million due to \$2.6 million increase in grants to district hospitals and \$3.1 million in amortization on the new Summit property. This was offset by a \$1.6 million decrease in interest on long-term debt.

	2020	2019	2018
	(in millions)	(in millions)	(in millions)
Revenue			
Requisition	\$29.4	\$30.6	\$30.4
Other revenue	\$20.6	\$8.0	\$7.7
	\$50.0	\$38.6	\$38.1
Expenses			
Grants to district hospitals	\$9.0	\$6.4	\$7.4
Interest and operating expenses	\$12.5	\$10.4	\$11.5
	\$21.5	\$16.8	\$18.9
Annual surplus	\$28.5	\$21.8	\$19.2

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

5.9

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

6.3X



Key Documents

We have a comprehensive list of reports and plans available on the CRD website at 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



Capital Regional District

625 Fisgard Street
Victoria, BC V8W 2S6
250.360.3000

www.crd.bc.ca
Twitter: @crd_bc
Facebook: Capital Regional District