

CAPITAL REGIONAL DISTRICT 2023 ANNUAL REPORT

Greater Victoria,
British Columbia, Canada
Year ended December 31, 2023


Making a difference...together

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?aht (Pacheedaht), Pune'laxutth' (Penelekut), Sc'ianew (Beecher Bay), Songhees, SṪÁUTW (Tsawout), T'Sou-ke, WJOLÉŁP (Tsartlip), WSIKEM (Tseycum), and x^wsepsəm (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 450,000 people. The capital region spans the Territory of 19 First Nations.

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

A photograph of three men in dark jackets standing on a grassy hillside. In the background, there are two tall radio towers with various antennas and dishes. The sky is clear and blue. The men appear to be in a professional discussion, with one holding a tablet.

OUR ORGANIZATION

The CRD is the regional government for 13 municipalities and three electoral areas on southern Vancouver Island and the Gulf Islands.

Message from the Board Chair

As we reflect on the past year, I am proud to share with you the remarkable progress made by the Capital Regional District (CRD). When we began this term as the CRD Board, we 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, sustainable, and resilient region and have shaped our work over the last year.

The CRD Board adopted a revised vision statement and the 2023–2026 Board Strategic Priorities in March 2023. The updated statement reflects our commitment to collaboration, creativity, and decisive leadership in service delivery and emphasizes our dedication to inclusivity. We aim to ensure that all residents have access to a fulfilling quality of life and a healthy environment, now and in the future.

I am very proud of the progress in each of the Board Priority areas, including our commitment to increase affordable housing. In order to build and operate more non-market housing through the Capital Region Housing Corporation (CRHC), we increased the amount we are able to borrow for housing projects.

We explored options to ensure people have access to convenient, green and affordable ways to travel through the region. Our regional parks system was expanded with the acquisition of over 20 hectares of park land.

The 2023 Forum of all Councils brought First Nations and local governments together to strengthen government-to-government relationships and co-create new ways of working together that respect Indigenous self-determination.



We also established the Salt Spring Island Local Community Commission, a unique form of governance under the *Local Government Act*, with commissioners elected from the local community.

These examples represent just a few of the many strides we have made to advance our priorities over the past year. Together, we will continue to address emerging challenges, seize opportunities and build a resilient, vibrant capital region.

Colin **PLANT**
Chair
Capital Regional District Board

Message from the Chief Administrative Officer

I am pleased to share our 2023 Annual Report, which highlights the collective efforts, achievements, and aspirations of our employees. I am grateful for their tireless dedication in advancing our Board and Corporate Priorities while continuing to deliver essential services and programs to our diverse and growing population.

A fully functional organization, one that effectively drives the Board's priorities, hinges on having an engaged and productive staff who consistently fulfill their potential. We have recommitted to our Equity, Diversity and Inclusion principles, embedding them in our everyday practices. It is vital that every employee is celebrated and valued for their unique strengths and experiences. Our first Employee Experience Survey provided a valuable opportunity for all employees to share their perspectives on working at the CRD. The results have offered a deeper understanding of our work environment, organizational climate, and engagement levels. Based on feedback from the survey we are evolving our organizational structure to improve service consistency and create a common vision for how the organization will grow and deliver service in future years.

All this work behind the scenes allows us to better meet the region's community needs and deliver on the Board's Mission, Vision and Priorities. In 2023, we progressed numerous initiatives supporting these priorities.

We are proud to be one of several partners to launch the South Island Indigenous Business Directory, which provides new opportunities for relationships, growth, and partnership between community members and the many Indigenous-owned businesses across the region.

We finalized and adopted our Regional Parks and Trails Strategic Plan in July 2023. This plan defines our vision for the regional parks system and will guide our approach to regional parks and trails over the next 10 years.



We also created community-specific evacuation guides to help Electoral Area residents and visitors prepare for emergency events. These guides include maps of tsunami hazard zones, assembly areas and other important emergency information.

I am proud the CRD was recognized with a Canada's Safest Employers Excellence Award, as it shows that our efforts to create a safe environment for our employees is working. We are encouraged to continue fostering a culture of safety and emphasizing its importance in our policies, programs and practices.

I look forward to working with our diligent staff, partners, and Board in serving the needs of residents, now and into the future. I am confident in the continued progress we will make to benefit our region.

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

Board of Directors

2023–2026 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 Marie-Térèse **LITTLE**, Metchosin

CRHC Chair Zac **DE VRIES**, Saanich
Vice-Chair Jeremy **CARADONNA**, Victoria

CRHD Chair Kevin **MURDOCH**, Oak Bay
Acting Vice-Chair Cliff **MCNEIL-SMITH**, Sidney

Directors

- ▶ Peter **JONES**, North Saanich
- ▶ Doug **KOBAYASHI**, Colwood
- ▶ Colin **PLANT**, Saanich
- ▶ Gary **HOLMAN**, Salt Spring Island Electoral Area
- ▶ Marie-Térèse **LITTLE**, Metchosin
- ▶ Maja **TAIT**, Sooke
- ▶ Kevin **MURDOCH**, Oak Bay
- ▶ Barbara **DESJARDINS**, Esquimalt
- ▶ Cliff **MCNEIL-SMITH**, Sidney
- ▶ Ai **WICKHEIM**, Juan de Fuca Electoral Area
- ▶ Marianne **ALTO**, Victoria
- ▶ Susan **BRICE**, Saanich
- ▶ Judy **BROWNOFF**, Saanich
- ▶ Lillian **SZPAK**, Langford
- ▶ Chris **COLEMAN**, Victoria
- ▶ Paul **BRENT**, Southern Gulf Islands Electoral Area
- ▶ Ken **WILLIAMS**, Highlands
- ▶ Scott **GOODMANSON**, Langford
- ▶ Sid **TOBIAS**, View Royal
- ▶ Zac **DE VRIES**, Saanich
- ▶ Ryan **WINDSOR**, Central Saanich
- ▶ Dave **THOMPSON**, Victoria
- ▶ Dean **MURDOCK**, Saanich
- ▶ Jeremy **CARADONNA**, 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

(from left to right)

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

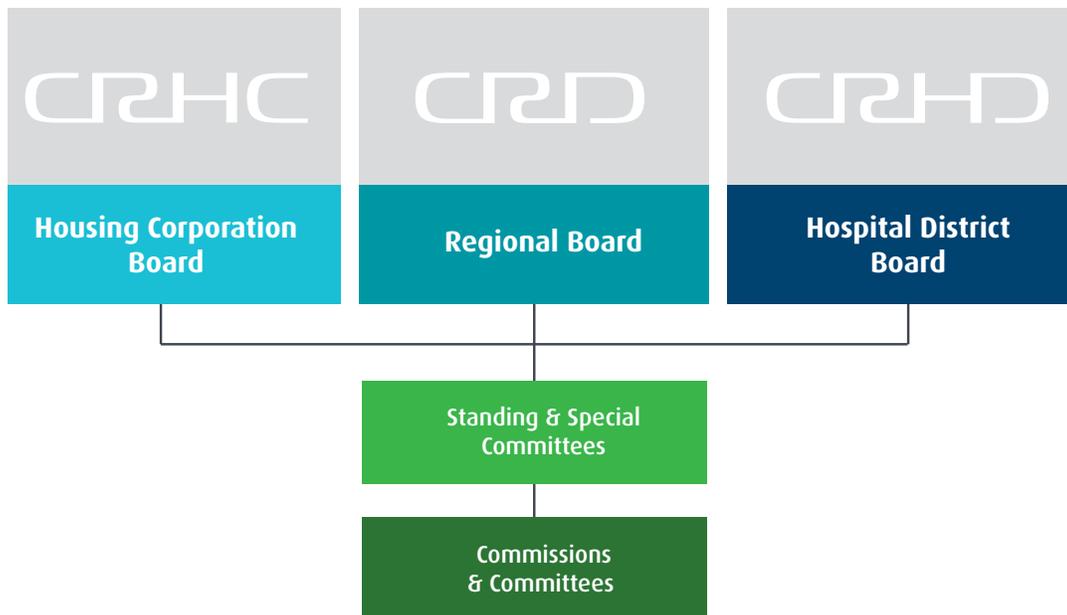
- ▶ For areas outside municipal boundaries (electoral areas), citizens elect one director to the Board during general local elections.
- ▶ Each municipal council appoints one or more elected officials to the Board. The formula is one director for every 25,000 population (or portion thereof).

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.



Mount Maxwell, Salt Spring Island

A Livable, Sustainable and 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 Salish Sea, old-growth rainforests, outdoor adventure and a vibrant arts and culture scene.

The region has experienced 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 partners to ensure we continue to meet the needs of this resilient and growing region through major infrastructure development and services.



Campbell Bay, Mayne Island, HELLSET dancers. Photo: H. Epperson



Hope Bay, Pender Island

A Livable, Sustainable & Resilient Region



457,478

Residents

up 3.3% over 2022



3.7%

Inflation Rate

vs 3.9% nationally



\$2.1B

Building Permits



4,992

Housing Starts
in the Victoria CMA



\$1,268,000

Price of single family dwelling in CRD
up 2.5% over 2022



*Census Metropolitan Area

Supporting and Responding to the 2023–2026 Community Needs

In hearing and responding to the concerns of constituents, the CRD Board identified 16 community needs, grouped into five categories, 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.

Five categories of community needs were identified to guide the work the organization delivered:

- ◆ Utility Services
- ◆ Corporate Services
- ◆ Local Government
- ◆ Community Services
- ◆ Government Relations





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.

Utility Services

Services that are essential to residents' needs and/or mandated by regulation.



Wastewater

Efficient and effective management of the region's wastewater



Water

Safe drinking water and a resilient water supply



Solid Waste & Recycling

Minimize waste disposal and maximize waste diversion



Water main repair

Community Services

Services that address the needs of residents and build a liveable, sustainable region.



Transportation

Residents have access to convenient, green and affordable multi-modal transportation systems that enhance livability



Housing & Health

Residents have access to affordable housing and improved health facilities that enhances livability



Climate Action

Progress on adaptation, reduced greenhouse gas emissions and triple-bottom line solutions that consider social, environmental and economic impacts



Regional Parks

Additional land acquisitions and increased access to parks and recreational trails that respect Indigenous culture and conservation values



Planning

Keep approved plans current and monitor for effectiveness



Safety & Emergency Management

Protect public safety and cooperatively mitigate against, prepare for, respond to and recover from emergencies



Arts & Recreation

Residents have access to appropriate and affordable arts and recreation opportunities that enhance quality of life

Corporate Services

Services that support an effective and efficient organizational administration.



People

An organization staff are proud to be a part of



Open Government

Coordinated and collaborative governance, and leadership in organizational performance and service delivery



Business Systems & Processes

Leading systems and policies to respond to best practices, comply with legislative requirements and deliver sustainable budgets



Information Technology helpdesk

Government Relations

Effective and coordinated advocacy.



Advocacy

Effective and coordinated advocacy



First Nations

Strong relationships with First Nations based on trust and mutual respect, partnerships and working together on shared goals



P'a:chi:da?ah (Pacheedaht) Memorandum of Understanding signing

Local Government

Local services for the residents of the Juan de Fuca, Salt Spring Island and Southern Gulf Islands Electoral Areas.

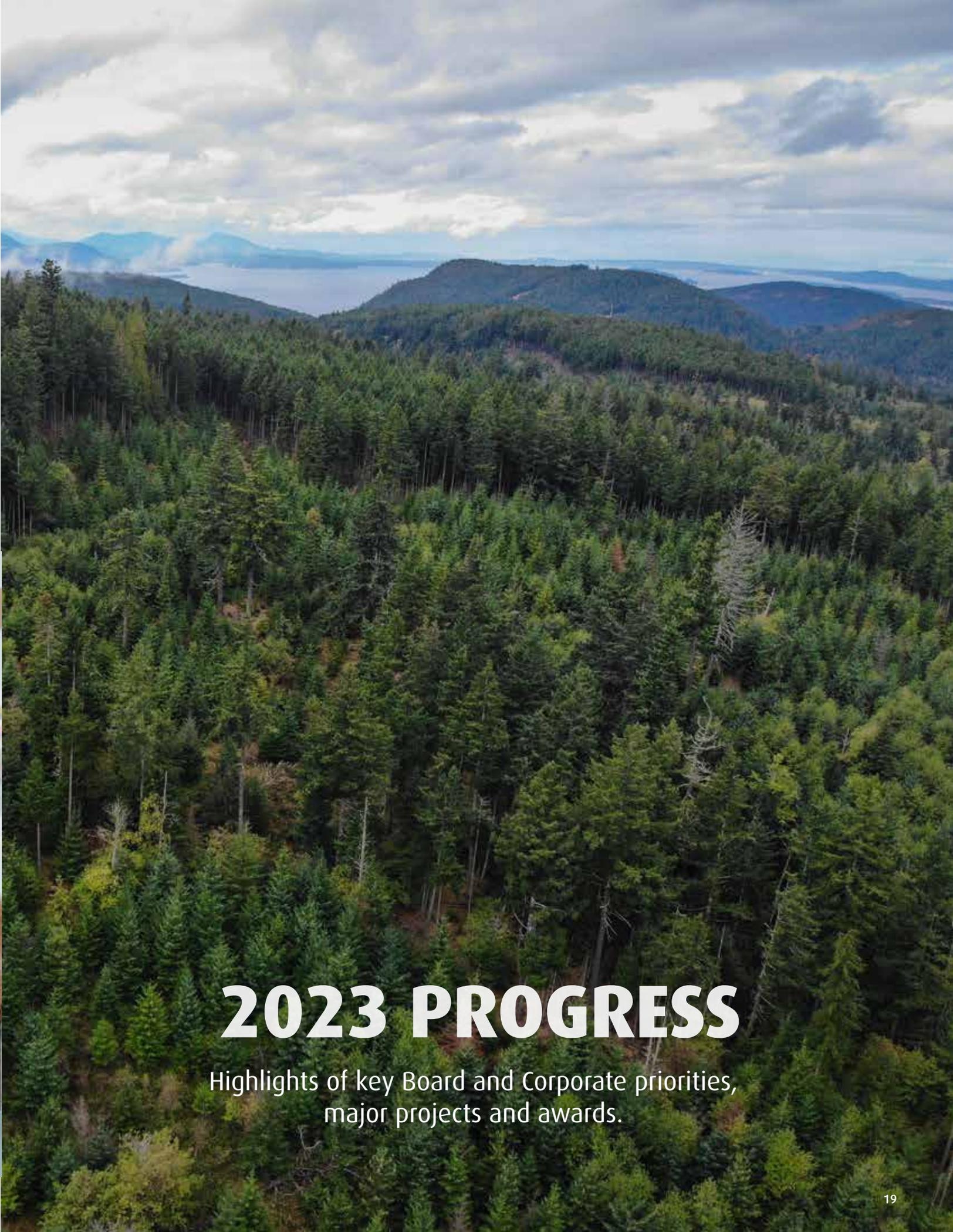


Local Services

Administer and deliver local services in Juan de Fuca, Salt Spring Island and the Southern Gulf Islands



Pender Island administration



2023 PROGRESS

Highlights of key Board and Corporate priorities,
major projects and awards.

Delivering on 2023 Priorities & Projects



Multi-modal transportation



Forum of Councils - First Nations

Board Priorities

To guide the direction and major activities of the CRD for the 2023–2026 mandate, the Board of Directors agreed to focus on five regional priorities:



TRANSPORTATION

Residents have access to convenient, green and affordable multi-modal transportation systems that enhance livability.



HOUSING

Residents have access to affordable housing that enhances livability.



CLIMATE ACTION & ENVIRONMENT

Progress on adaptation, reduced greenhouse gas emissions and triple-bottom line solutions that consider social, environmental and economic impacts.



FIRST NATIONS

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



GOVERNANCE

Effective advocacy, coordinated and collaborative governance, and leadership in organizational performance and service delivery.

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 2023.



AWARDS

The CRD was the recipient of a number of awards in 2023.

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.



Figsard headquarters reception



Board Priorities



Transportation

TRANSPORTATION GOVERNANCE

The CRD is working toward its goal for multi-modal transportation—where people have access to convenient, green and affordable ways to travel through the region. The CRD continues to explore ways to improve decision-making about transportation and accelerate the implementation of the Regional Transportation Plan. In June of 2023, the CRD Board unanimously directed staff to engage with local governments, electoral areas, First Nations, the Province, and relevant partner agencies and gather their input on transportation governance. Following this engagement, the Board directed staff to complete a service design and feasibility study to recommend changes to how the region delivers transportation initiatives. The ultimate objectives for this 2023–2026 Board term are to establish a CRD transportation service and to present options for changes in governance for transportation in the region, including consideration of a new transportation authority.

SALT SPRING ISLAND ACTIVE TRAVEL PLANNING

The CRD has undertaken an island-wide planning process to create a new Active Transportation Network Plan (ATNP) for Salt Spring Island, which has a strong focus on walkability in Ganges Village and active transportation connectivity across the island. Community input was a vital part of planning to help understand the current active transportation network, conditions, and gaps.

The ATNP was released in July of 2023, and directs transportation and infrastructure to focus on implementing five big moves first:

1. 30 km/hr posted speed limit
2. McPhillips Avenue improvements
3. Increasing off-street parking options
4. Land ownership survey of Ganges Village
5. Fulford-Ganges improvements

ELECTORAL AREA EMERGENCY EVACUATION GUIDES

Capital Region electoral area communities now have evacuation guides to help residents and visitors prepare for emergency events. The Household Evacuation Guide provides a quick reference about local hazards and how to prepare for a possible evacuation, including:

- ▶ Community-specific Evacuation Guide Map with tsunami hazard zones, assembly areas and reception centres
- ▶ Trusted sources of emergency information
- ▶ What to do during an evacuation
- ▶ Information on alerts, orders and shelter-in-place
- ▶ Fill-in-the-blank Emergency Plan
- ▶ Evacuation kit checklist

Reading and following the suggestions in the community-specific Household Evacuation Guide and subscribing to the CRD Public Alert Notification System can help residents prepare for an emergency.



Housing

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 11 projects that are in progress or complete:

- ▶ Langford – 4 projects (Twenty-Seven Eighty-Two, Hockley House, Millstream Ridge, Spencer Close)
- ▶ Central Saanich – 1 project (Prosser Place)
- ▶ 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)



Charters Housing property, Sooke



DESIGNATED COMMUNITIES PROGRAM

From 2019–2024, the CRD is administering a \$11.5-million, five-year agreement under the Reaching Home Program. This program continues to fund services that support the needs of those experiencing, or at risk of, homelessness in the region. Funding for the five-year Reaching Home 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.

COLWOOD LONG-TERM CARE BEDS

The Ministry of Health, Island Health and the CRHD announced on March 16, 2023, that more long-term care beds are coming for people living throughout the Greater Victoria area as Island Health prepares to build a new care home in the Westshore. The facility will be on a two-hectare parcel of land, recently acquired by the CRHD. Island Health will lease the land and build, own and operate the new facility. The three-story facility has entered the procurement phase and will be located near the corner of Metchosin Road and Latoria Boulevard in the Royal Bay area of Colwood. It will bring 306 new care home beds to the region, with construction expected to begin in 2025 and complete in 2027.

HOMES WITH 24/7 SERVICES OPEN IN SAANICH

People experiencing homelessness in Saanich now have access to 52 new homes with support services 24 hours a day, seven days a week thanks to a partnership between the Province, through BC Housing, the federal government, and the CRD. Our Place Society will operate the site at 2933, 2941 and 2949 Albina Street providing services that include security, life-skills training, employment assistance and counselling, physical and mental-health resources, meals, and referrals to addiction treatment and recovery services.

2023 GREATER VICTORIA POINT-IN-TIME COUNT

The CRD, in partnership with the Community Social Planning Council (CSPC) and the Alliance to End Homelessness in the capital region, released the 2023 Greater Victoria Point-in-Time (PiT) Count results August 3, 2023. The 2023 PiT count was conducted on the evening of March 7 and identified 1,665 people who were without a home and experiencing a variety of circumstances.

A Regional PiT Count is one tool a community can use to measure and understand the nature, extent and characteristics of homelessness while raising awareness of the need for action.

An accompanying technical appendix was also developed by the CSPC and released with the key findings of the 2023 Greater Victoria Point-in-Time Homeless Study.



Climate Action & Environment

SOLID WASTE STREAM COMPOSITION STUDY AND POLICY CHANGES

The CRD released the results of the 2022 Solid Waste Stream Composition Study on March 8, 2023. The results of the study have led the CRD to implement policy changes that will see more waste diverted from Hartland Landfill beginning January 2, 2024. Highlights of the policy changes to be made include:

- ▶ Banning wood (clean, treated, and salvageable), carpet, and asphalt shingles from being landfilled as they have stable reuse, recycling, and recovery markets.
- ▶ Increasing the general refuse tipping fee and introducing reduced tipping fees for separated loads of treated wood, carpet and asphalt shingles.
- ▶ Introducing waste hauler incentive rates to Hartland Landfill account customers that voluntarily self-report waste collection data and promote multi-stream collection.
- ▶ Implementing a graduated bylaw ticket structure with higher fines for more serious infractions and/or repeated infractions.

These changes have the potential to divert up to 40,500 tonnes of waste away from Hartland Landfill each year.



Hartland Landfill



SALT SPRING ISLAND COMPOST FACILITY

A partnership between the CRD, Salt Spring Island Farmland Trust Society (Farmland Trust), Salt Spring Abattoir Society, and Salt Spring Island Community Services Society will create and oversee an on-island composting facility that will process organic materials generated by the island's food businesses (grocers, restaurants, etc.), health-care institutions, schools and the Salt Spring Abattoir.

The facility will be located at the Burgoyne Valley Community Farm and produce Class A compost for use in agriculture, increasing food production and benefiting the entire community.

LAND ACQUISITION

Since 2000, the CRD has actively expanded the regional parks system. With the support of partners, the CRD has acquired nearly 5,000 hectares of land in that time, growing the regional park system from 8,400 ha to more than 13,300 ha. In 2023, the CRD acquired two parcels of land comprised of 10.92 ha adjacent to Elk/Beaver Lake Regional Park on the site of the former Royal Oak Golf Course, and 10 ha that will be added to East Sooke Regional Park. An update to the Land Acquisition Strategy will be initiated in 2024 to reflect the priorities identified in the Regional Parks & Trails Strategic Plan 2022-2032.

PORTLOCK PARK SITE MASTER PLAN

The CRD's Salt Spring Island Parks, Arts, Recreation and Culture (PARC) department is developing a 20-year site master plan for Portlock Park. This project was identified as a priority in the 2019 Salt Spring Island Parks and Recreation Strategic Plan in response to the community's desire for increased access to recreation facilities and infrastructure development for additional playing fields on Salt Spring Island. The site master plan will assess current and future capacity needs to identify suitable expansion opportunities. This plan will inform a phased capital planning approach for new facilities and program amenities based on input provided from First Nations, key partners, and the public.



Portlock Park, Salt Spring Island

REGIONAL PARKS AND TRAILS STRATEGIC PLAN 2022-2032

An updated Regional Parks and Trails Strategic Plan 2022–2032 was developed through the end of 2021 and into 2022. This plan was developed to guide regional parks and trails over the next decade by defining the vision for the regional parks system and setting the foundation for how the CRD can consistently move towards achieving its desired outcomes.

The plan was developed in consultation with agencies, partners and the public, and with ongoing input from First Nations in the region. On July 13, 2022, the CRD Board approved the Regional Parks and Trails Strategic Plan on an interim basis for one year while engagement with First Nations continued. Feedback received from First Nations was incorporated into the final Regional Parks and Trails Strategic Plan 2022–2032 and the plan was officially adopted by the CRD Board on July 12, 2023.

REGIONAL CANADA GOOSE MANAGEMENT SERVICE BYLAW ADOPTED

In February 2023, the CRD Board approved a Canada Goose Management Service Establishment Bylaw that aims to reduce the impact of the rapidly growing Canada Goose population in the region. Recent population studies commissioned by the CRD have shown that the Canada Goose population in the capital region doubles in size every four years which results in increasing ecological, economic, and social impacts to public and private lands, estuaries, and wetlands.

The CRD intends to establish a Regional Canada Goose Management Working Group to take a coordinated approach to outreach and education, development of an egg addling program, coordination of provincial and federal permits, and conducting strategic harvests. The working group will involve representatives from local government, First Nations, stewardship groups, and key interested parties impacted by the large goose population.

GREENHOUSE GAS INVENTORY

The CRD released its regional and local government Greenhouse Gas (GHG) Inventories for the 2022-year on October 12, 2023. The report is published bi-annually and aims to monitor trends and inform planning and programming focused on reducing pollution in the capital region.

Key findings from the report include:

- ▶ The capital region emits approximately 1.86 million tonnes of CO² emissions annually—a 1% increase from 2020.
- ▶ Transportation and buildings account for the most regional carbon pollution (approximately 75%).
- ▶ Natural Gas use accounted for most of the building-related carbon pollution in the region.
- ▶ There has been a decrease in on-road transportation emissions from 2007, but a substantial increase in the number of vehicles in the region.
- ▶ On a per capita basis, the region has seen a 25% decrease in emissions since 2007; including a continued decline between 2020 and 2022.

Given the increase in emissions shown in the report, the CRD Board has directed staff to present new innovative and ambitious options and measures to reduce this trend in future years and achieve our existing 2038 emissions target.



First Nations

ART OF RECONCILIATION COMMUNITY MOSAIC PROJECT

The Art of Reconciliation Community Mosaic Project at Panorama Recreation included two community workshops, as well as an unveiling event. The mosaic was designed by Coast Salish artist Dahlila Charlie from Beecher Bay First Nation and inspired by Orange Shirt Day and National Day of Truth and Reconciliation. The mosaic is on display at Panorama Recreation and will be displayed at several other community spaces in the coming months, before being installed as part of the Art in Reconciliation display.

SOUTH ISLAND INDIGENOUS BUSINESS DIRECTORY

On June 7, 2023, a new Indigenous business directory was launched in Greater Victoria to support Indigenous economic reconciliation by building new relationships and connections.

Created with help from the CRD and various regional partners, the new South Island Indigenous Business Directory provides new opportunities for relationships, growth and partnership between community members and the many Indigenous-owned businesses across the region.

Indigenous businesses and organizations are encouraged to register for the directory, which will continue to grow over time. Participation is free and interested businesses can visit indigenousbusinessdirectoryvi.com/form to register.

AFFORDABLE RENTAL HOMES FOR INDIGENOUS PEOPLE IN SOOKE

On December 13, 2023, BC Housing announced the opening of a new purpose-built rental building at 2170 Charters Road providing access to 75 below-market homes to Indigenous families, Elders and residents in Sooke.

This project is the result of a partnership between the Province, through BC Housing, the federal government, through the Canada Mortgage and Housing Corporation, the CRD, and M'akola Housing Society.

M'akola Housing Society will operate the building and will prioritize Indigenous individuals, seniors and families for the homes. Non-Indigenous residents are also welcome.

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 2023, Indigenous Perspectives programming was offered throughout CRD Regional Parks to over 2,000 people of all ages and backgrounds through public, school and special request programs. Staff also provided cultural programming at the Indigenous People's Day event at Royal Roads University.

FORUM OF ALL COUNCILS

The CRD operates within the Territory of many First Nations, and it is a Board Priority to strengthen our government-to-government relationships and co-create new ways of working together that respect Indigenous self-determination. The 2023 Forum of All Councils was held on October 14, 2023, to bring First Nations and local governments together to move beyond a commitment of Reconciliation towards collaborative action. Building on the Forum held in 2019, the 2023 Forum brings Indigenous and non-Indigenous representatives from across the capital region together to begin co-creating a path towards a future with stronger relationships based on trust, mutual respect, partnerships, and working together on shared goals.

NATIONAL DAY FOR TRUTH AND RECONCILIATION

On National Day for Truth and Reconciliation, September 30, 2023 the CRD proudly flew the Xe Xe Smun' Eem "Our Sacred Children" flag for truth and reconciliation from September 26 to October 4. We were deeply honoured to borrow this powerful symbol from Eddy Charlie and his friend Kristin Spray, co-organizers of Victoria Orange Shirt Day and Xe Xe Smun' Eem.

The CRD remains steadfast in our commitment to listening, learning, and forging a path toward stronger relationships with the First Nations in whose Territories we operate. Together, we strive for a future where reconciliation is more than a word; it is a lived reality, where the truth is recognized, the wounds of the past heal, and the respect for Indigenous self-determination grows stronger.



Mosaic Project event



Governance

2023–2026 BOARD PRIORITIES AND CORPORATE PLAN

In March 2023, the CRD Board approved its priorities and affirmed its commitment to climate action and reconciliation. The priorities in transportation, housing, climate action and environment, First Nations and governance, reflect their shared vision and highlight what key work will be advanced over the Board term. The CRD Board undertakes a planning process at the outset of each new term of office. The objective of the planning process is for the Board to confirm the Board vision and set strategic priorities to focus organizational initiatives. Following the endorsement of the Board Priorities, the CRD developed an accompanying Corporate Plan, which was approved in April 2023. The Corporate Plan and divisional service plans align CRD services, programs and activities with Board Priorities and drive organizational performance and service delivery outcomes. The CRD Corporate Plan outlines how the CRD will respond to community needs and deliver on the CRD Board Priorities, ongoing service commitments and approved plans over the four year term. To ensure the CRD is accountable and appropriately resourced, the CRD Board reviews and approves these plans, determines funding and timing and measures progress through quarterly and annual reports.

SALT SPRING ISLAND LOCAL COMMUNITY COMMISSION

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. In Spring 2023, a public election was held for four commissioners in accordance with the *Local Government Act*. On May 31, 2023, the CRD announced the final results for the SSI LLC elections, which identifies four commissioners, together with Gary Holman, Salt Spring Island Electoral Area Director, to form the LCC.

An LCC, with an elected membership, is a unique form of governance under the *Local Government Act*, with commissioners elected from the local community to oversee Island-wide CRD service delivery.

GRANT FUNDING FOR ELECTORAL AREAS

Every year, the CRD administers grants and funding for local projects in the Juan de Fuca, Salt Spring Island, and Southern Gulf Islands Electoral Areas. In 2022, the CRD distributed \$3 million of funding to 28 projects in these three Electoral Areas through the Government of Canada's Community-Building Fund.

Additionally, the CRD awarded over \$149,000 through electoral area Grants-in-Aid to 31 projects for initiatives benefitting local communities, and over \$43,000 in COVID-19 Safe Restart Grants-in-Aid to seven projects.



Corporate Priorities

ELECTORAL AREA WILDFIRE EXPOSURE MAPS

New wildfire exposure maps for the CRD Electoral Areas of Juan de Fuca, Salt Spring Island and Southern Gulf Islands will help electoral area residents understand their wildfire risk profile.

The CRD and Islands Trust collaborated on creating the wildfire exposure maps to help prioritize mitigation efforts. This new approach is designed to support wildfire prevention and mitigation efforts across a variety of land ownership classes. Exposure mapping is developed through a simple scientific approach that identifies where wildfires are most likely to impact developed areas.

EQUITY, DIVERSITY AND INCLUSION (EDI)

Through 2023, the CRD EDI steering committee and EDI working team were renewed and expanded. They discuss EDI matters and use their lived and professional experiences to problem-solve and inform sound decision-making.

Across these two groups, there is strong representation not only in the diversity of the work the CRD carries out but also as it relates to the diversity of the people who make up our organization. By intentionally embedding EDI principles in our everyday practices, we will continue to live out our commitment to EDI:

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.



Pride parade CRD staff volunteers



Kuba Oms at Cook Street Village block party. Photo: Emma Rossu

ARTS DEVELOPMENT OPERATING GRANTS, PROJECTS AND FUNDING

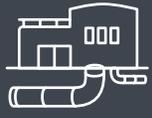
CRD Arts and Culture Support Service funded 93 local not-for-profit arts organizations through 2023, with \$2,684,670 supporting the creation and presentation of arts programming, and providing stability to the arts, one of the sectors hardest hit economically by the COVID-19 pandemic (based on Statistics Canada, Labour Force Survey 2020). In early 2023, the CRD Arts & Culture Support Service engaged the region's residents to provide their insights to support development of the 2024-27 CRD Arts & Culture Strategic Plan. This engagement included an online survey seeking input from both the arts sector and audiences, as well as focused events and consultations with arts workers and organizations.

CORPORATE SAFETY

Our Corporate Occupational Health & Safety (OHS) Program continues to have a positive impact on our employees and our safety culture. Our approach focuses on preventing injuries and the severity of injuries, as well as following a best practice approach to disability, namely: 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.

In 2023 we implemented a number of modules in our Safety Management System. These modules included Incident Management, Return to Work Case Management, Hazard Reports, Safety Committees, Worker Certifications, and Inspections, which have resulted in improved safety information reporting and communication.

We have increased our WorkSafeBC Annual Assessment discount from 33% to 37% and received an additional 10% discount from Certificate of Recognition (COR) Certification for a total discount of 47%.



Major Projects

TSUNAMI PORTAL

The CRD and the Province launched the Capital Region Tsunami Information Portal at PrepareYourself.ca to empower residents and visitors to make informed emergency preparedness plans and keep people safe during a tsunami.

The project was developed with input from local governments and First Nations across the capital region, and provincial, federal, community and academic partners.

The Capital Region Tsunami Information Portal is a Regional Emergency Management Partnership (REMP) initiative. The REMP provided project management support for developing the information portal and partnered with GeoBC to create the tool enabling residents and visitors to understand the distribution of tsunami risk across the capital region.

MINERS BAY DOCK

The CRD Southern Gulf Islands Harbour Commission is embarking on a new project to restore the busy Miners Bay Dock with investment support from Island Coastal Economic Trust's Capital and Innovation Program. Miners Bay dock is a critical community gateway into the vibrant business area of Mayne Island relied on heavily by tourists and islanders. The project will include new decking, benches, and railings, a shelter for visitors including water taxi and float plane users, as well as signage and interpretive panels in a later phase.



Miners Bay Dock, Mayne Island



Salt Spring Island Centennial Park plaza

SALT SPRING ISLAND CENTENNIAL PARK PLAZA UPGRADES

The CRD's Salt Spring Island Parks, Arts, Recreation & Culture (PARC) services have received \$561,748 in grant funding from Pacific Economic Development Canada (PEDC) to complete additional upgrades to Centennial Park. The Centennial Park Plaza has been identified as the next phase of park upgrades as part of the approved 20-year Master Plan. Work on this phase began in 2022 and included detailed designs to replace the park plaza and install lighting. This upgrade includes the removal and replacement of the existing park concrete and brick paver plaza, additional drainage, lighting, landscaping, and furnishings. Existing trees inside and along the plaza are to be retained. Construction is scheduled to occur during the market off-season, November 1, 2023 to March 31, 2024.

REGIONAL 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 2023 CRHD budget, approved in March 2023. The CRHD partners with Island Health and community partner 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.

DEVELOPMENT COST CHARGE (DCC) PROGRAM

The CRD is working towards implementing a Regional Water Supply (RWS) DCC Program to help fund eligible growth-related projects identified through the RWS 2022 Master Plan and 2023 RWS Capital Plan. In May 2023, the Regional Water Supply Commission directed staff to proceed with developing and implementing a DCC program and bylaw. Many local governments in BC have established DCC programs in place, including most municipalities in Greater Victoria.

MALIVIEW WASTEWATER TREATMENT PLANT UPGRADE

The CRD received a grant of \$1,989,000 in joint federal-provincial funding through the Investing in Canada Infrastructure Program – Rural and Northern Communities Program. The funding will enable completion of much needed upgrades to the Maliview Wastewater System on Salt Spring Island. Upgrades to the Maliview Wastewater System are currently underway. Major equipment has been purchased allowing additional detailed design work for the remainder of the facility to proceed. The project is estimated to be completed by the end of 2025.

REGIONAL WATER SUPPLY 30-YEAR MASTER PLAN

The CRD is continuing work on testing water quality and gathering information to support the future design of various projects identified in the 2022 Regional Water Supply Master Plan. In 2024, the CRD will begin preliminary design of upgrades to two transmission mains and develop decommissioning options for the existing Smith Hill Tank to ensure compatibility with future plans for the site.



Water main upgrades



Awards

SAFEST EMPLOYER AWARD

In 2023, the CRD was recognized with a Canada's Safest Employers Excellence Award. We received this award due to our commitment to human resources policies and programs emphasizing safety and safe practices, our commitment to continued employee professional development, and our continued emphasis on workplace safety.

GREENEST EMPLOYER AWARD

The CRD was recognized as one of Canada's Greenest Employers in 2023. This award recognizes our commitment to environmental sustainability and innovation in our operations and services. The environmental programs and earth-friendly policies recognized by this award include the CRD's ongoing zero-emissions fleet initiative, LEED Gold-certification for CRD Headquarters and the educational workshops and programs the CRD hosts for residents and businesses as part of its Climate Action Strategy.

CONTRIBUTION TO CONSERVATION

Thanks to the CRD's commitment to nature, 33 regional parks on Vancouver Island are now officially recognized as part of Canada's conservation network and are contributing toward Canada's conservation targets. The CRD is a trailblazer for reporting locally protected and conserved areas directly in the national database and is a prime example of how local governments can make meaningful contributions to national and international conservation targets.

BC RECREATION AND PARKS ASSOCIATION (BCRPA) AWARDS

Both CRD Regional Parks and Panorama Recreation received BCRPA Excellence Awards.

Regional Parks received a Program Excellence Award for the Exploring Indigenous Perspectives Program, which enables park visitors to gain a better understanding and respect for the cultural history of the region.

Panorama Recreation received a Facility Excellence Award for projects under \$3 million for our Canadian Tire Jumpstart Charities Multi Sport Court. The 13,200 square foot Jumpstart Multi Sport Court has removed barriers to being active by providing free, accessible outdoor options for physical activity and sport to all ages and community members with a variety of abilities.



Jumpstart multi-sport court, Panorama Recreation



2023 FINANCIAL HIGHLIGHTS

CRD Financial Reporting Overview

The CRD is pleased to provide this consolidated financial overview for the 2023 fiscal year.

Our Region

The Canadian economy faced stagnation in the second quarter of 2023, with early indications pointing towards a flat gross domestic product for July and a contraction in August. This slowdown is attributed to muted economic demand and a reduced pace of inflation.

The Bank of Canada increased the key overnight lending rate twice in 11 months (March 2023 through January 2024), moving from 4.5% to 5.0% in an attempt to reign inflation back to their long-standing target of 2.0%.¹

In Greater Victoria, the annual average Consumer Price Index (CPI) decreased to 3.7% in 2023, which was lower than Vancouver at 4.3% and provincially at 3.9%.² Meanwhile, the unemployment rate in Greater Victoria climbed to 4.2% in December 2023 but remained below the provincial and national rates of 5.4% and 5.8%.³

Population growth in Greater Victoria continues to outpace the province as a whole, with a growth rate of 18.3% over the last 9 years and 3.3% over 2022.⁴ In 2023, seven municipalities in the CRD exceeded the average BC municipal population growth rate of 3.0%.

In December 2023, the benchmark home price in the region was reported at \$1,268,000, a 2.5% increase from the 2022 measure of \$1,236,500.⁵ Active listings have surged to 2,132 in December 2023, marking a significant 26.3% increase compared to the 1,688 active listings recorded in 2022. With continued population growth, pressure on housing affordability in the region is expected to persist.

Following a mid-year slowdown in the value of construction permits, the latter half of 2023 returned to historic highs. Although the total number of permits issued for the year decreased by (21.4%) to 3,101, there was a smaller (5.5%) decline in permit values. This trend suggests a market transition towards fewer high-value projects. Permits in 2023 totalled \$2.1 billion.⁶ Regional housing starts increased by 4.3% to 4,992 for the calendar year 2023 compared to 2022.⁷ However, as housing starts typically lag behind building permit issuance, this uptick may be temporary, suggesting a potential slowdown in 2024.

With population growth accelerating through 2023, population is expected to continue to be a significant economic driver locally, pushing demand for housing, jobs and CRD services higher into 2024.



457,478
Residents
up 3.3% over 2022

3.7%
Inflation Rate
vs 3.9% nationally

The infographic features a stylized landscape with green hills, a person on a bicycle, and various buildings. A white box with a grey border contains the population data, and another white box with a grey border contains the inflation rate data. Arrows indicate the direction of change for each metric.



3.7%
Average Unemployment
fourth lowest in Canada

4,992
Housing Starts
in the Victoria CMA⁸

The infographic features a stylized landscape with green hills, trees, and buildings. A white box with a grey border contains the unemployment rate data, and another white box with a grey border contains the housing starts data. Arrows indicate the direction of change for each metric.

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 2023 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:

1. Statement of Financial Position
2. Statement of Operations
3. Statement of Change in Net Debt
4. Statement of Remeasurement Gains and Losses
5. Statement of Cash Flows

The CRD also includes several 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 CRD 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 2023.

More Information

Find the complete 2023 Statement of Financial Information and related documents at:
www.crd.bc.ca/about/financial-accountability



*Census Metropolitan Area

1 www.bankofcanada.ca/core-functions/monetary-policy/key-interest-rate
2 www2.gov.bc.ca/gov/content/data/statistics/economy/consumer-price-index
3 www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410038001
4 www2.gov.bc.ca/gov/content/data/statistics/people-population-community/population/population-estimates
5 www.vreb.org/media/attachments/view/doc/stats_release_2023_12/pdf/stats_release_2023_12.pdf
6 www.crd.bc.ca/about/data/regional-information/monthly-permit-reporting-tool
7 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

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 2023 annual surplus contributed to the \$20.7 million increase in financial assets in the year. The increase in liabilities of \$27.5 million reflects the additional short-term debt required for the construction of capital projects and the additional long-term debt due to two new mortgages for CRHC, netted by the decrease in deferred grant revenue that was received in prior years and spent in 2023. Amounts invested in capital assets in 2023 increased by \$85.0 million contributing to the net increase in accumulated surplus of \$80.5 million.

	2023	2022 Restated	2021 Restated
	(in millions)	(in millions)	(in millions)
Financial assets			
Cash and investments	\$413.0	\$401.0	\$357.7
Accounts receivable	\$36.3	\$24.8	\$55.7
Member municipality debt	\$174.7	\$176.4	\$185.5
Restricted cash – MFA Debt Reserve Fund	\$3.0	\$4.1	\$4.1
	\$627.0	\$606.3	\$603.0
Financial liabilities			
Accounts payable and accrued liabilities	\$39.9	\$37.4	\$31.0
Deferred revenue	\$33.2	\$48.1	\$49.0
Short-term debt	\$44.4	\$23.0	\$25.6
Long-term debt	\$575.5	\$559.0	\$582.9
Other long-term liabilities	\$1.2	\$1.4	\$1.6
Asset retirement obligations	\$27.3	\$25.1	\$24.0
	\$721.5	\$694.0	\$714.1
Net debt	(\$94.5)	(\$87.7)	(\$111.1)
Non-financial assets*			
Tangible capital assets	\$2,076.6	\$1,991.6	\$1,953.7
Inventory of supplies and expenses	\$5.8	\$3.5	\$3.4
	2,082.4	\$1,995.1	\$1,957.1
Accumulated surplus	\$1,987.9	\$1,907.4	\$1,846.0

*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 2023, revenue increased by \$52.4 million. This was primarily due to the following:

- ▶ \$37.2 million increase in government grants
- ▶ \$6.1 million increase in water sales and recreation centre revenue
- ▶ \$6.0 million increase investment income

The increase in expenses of \$41.4 is reflective of higher cost pressure as inflation was 3.7% for the year and includes the following:

- ▶ \$25.9 million in general government services due to disbursements of housing grants related to the Rapid Housing Initiative
- ▶ \$10.2 million in salaries and benefits costs with the collective agreement inflationary increases and a 4.5% increase in full-time staff
- ▶ \$2.7 million of amortization expense due to organizational growth in capital investment

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.

	2023	2022 Restated	2021 Restated
	(in millions)	(in millions)	(in millions)
Revenue			
Requisition	\$82.1	\$78.1	\$72.6
Sale of services	\$140.7	\$134.6	\$128.1
Other revenue	\$139.5	\$96.9	\$188.9
Municipal debt servicing	\$17.3	\$17.6	\$15.3
	\$379.6	\$327.2	\$404.9
Expenses			
General government services	\$62.1	\$36.2	\$29.2
Protective services	\$13.4	\$11.8	\$11.1
Sewer, water and garbage services	\$143.1	\$136.5	\$125.8
Planning and development services	\$4.0	\$2.9	\$2.9
Affordable housing – rental expenses	\$22.3	\$19.8	\$18.7
Recreation and cultural services	\$38.4	\$34.5	\$29.2
Transportation services	\$1.0	\$0.9	\$0.9
Municipal debt servicing	\$17.4	\$17.7	\$15.4
	\$301.7	\$260.3	\$233.2
Annual surplus	\$77.9	\$66.9	\$171.7

2023 Operating Budget



Capital Regional District
\$337M



Capital Regional Hospital District
\$33M



Capital Region Housing Corporation
\$28M

Total

\$398M

2023 Capital Budget



Capital Regional District
\$218M



Capital Regional Hospital District
\$21M



Capital Region Housing Corporation
\$53M

Total

\$292M

CRD Financial Health (Consolidated CRD+CRHC)

Current Ratio

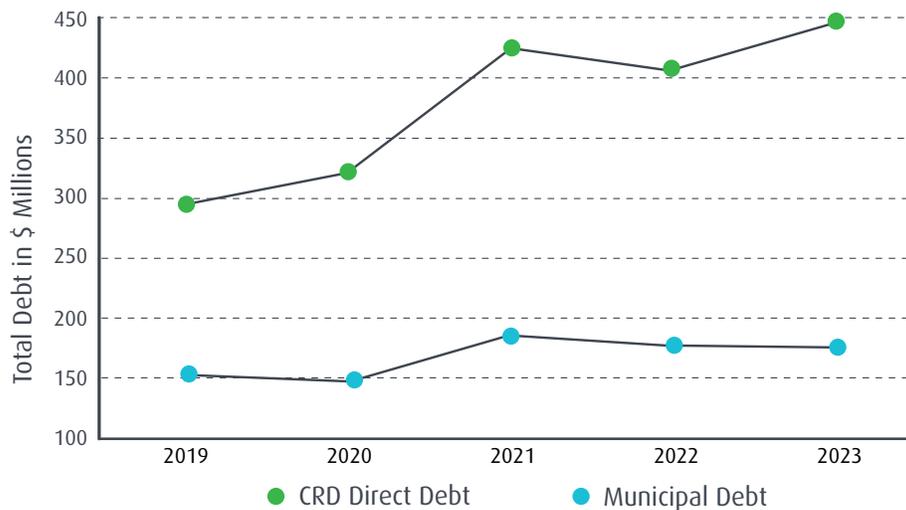
The current ratio is a measure of the liquidity of an organization, meaning the CRD's ability to meet current obligations through current assets. A high ratio indicates a greater ability to meet budgeted and unexpected expenditures. Generally, a current ratio greater than one is considered healthy for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

CURRENT RATIO

2.0

Debt

Debt includes balances for CRD, CRHC and member municipalities. Short-term debt increased by \$21.4 million. This was primarily due to additional temporary financing during construction of housing redevelopment and other capital projects. Long-term debt increased by \$16.5 million as two new mortgages were placed for CRHC during the year.



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 2023, new debt funded \$73.0 million out of CRD's capital investment balance of \$149.9 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

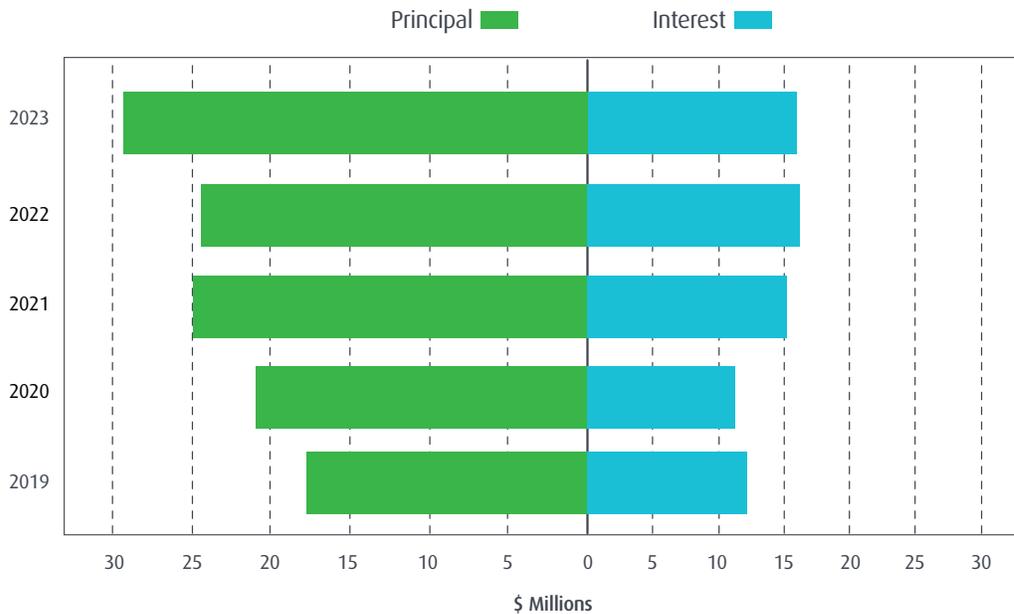
48.7%

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 principal. In 2023, the portion of debt payments going to principal increased due to the early payment of \$4.3 million in long-term debt.

**PRINCIPAL PORTION
OF DEBT PAYMENTS**

65.0%

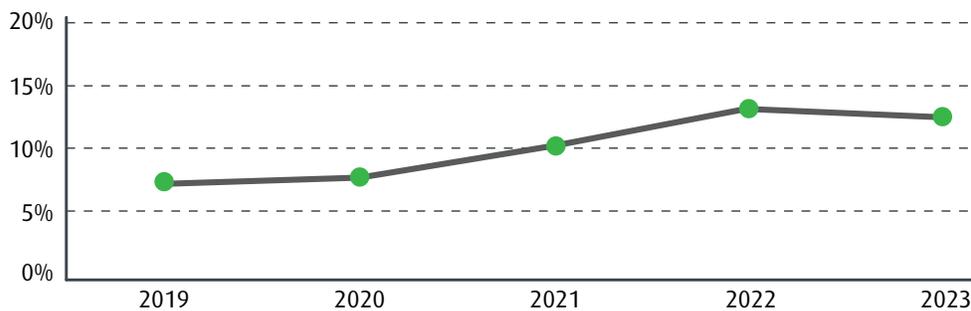


Debt Servicing Costs

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) in 2023 was \$45.1 million and total revenue was \$362.2 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**

12.5%



*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 2023

Capital Regional District

\$109.4M



Other (includes vehicles & works in progress)

\$45.6M



Engineered Structures

\$24.4M



Land

\$12.7M



Machinery & Equipment

\$7.4M



Buildings

\$19.3M

Capital Region Housing Corporation

\$40.5M



Machinery & Equipment

\$3.3M



Buildings

\$36.3M



Land Under Prepaid Lease

\$0.9M

Capital Investment & Amortization

This ratio is the amount of capital invested in infrastructure for every dollar that assets depreciate each year. In 2023, investment in capital was \$149.9 million and total amortization was \$64.6 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

2.3x

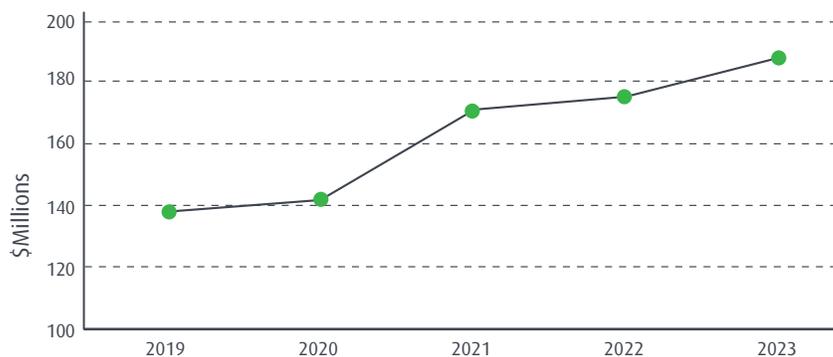


Contributions to Reserves

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 \$186.9 million in 2023, an increase of \$12.4 million.

RESERVE BALANCE

\$186.9M



CRHD Statement of Financial Position

This statement presents the Capital Regional Hospital District's (CRHD) assets, liabilities, tangible capital assets and accumulated surplus. The accumulated surplus for 2023, also represented as total assets minus total liabilities, is \$39.6 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 increase in assets of \$7.1 million reflects the surplus earnings from operations and the District's investment strategy to move funds on hand into longer-term holdings. The decrease in liabilities of \$14.8 million is largely due to long-term debt maturities exceeding new debt borrowings in 2023.

	2023	2022 Restated	2021 Restated
	(in millions)	(in millions)	(in millions)
Financial assets			
Cash and cash equivalents	\$10.2	\$18.6	\$17.7
Investments	\$24.0	\$9.0	\$5.0
Accounts receivable	\$1.4	\$0.4	\$0.2
Restricted cash – MFA Debt Reserve Fund	\$2.8	\$3.3	\$3.6
	\$38.4	\$31.3	\$26.5
Financial liabilities			
Accounts payable and other liabilities	\$3.9	\$3.2	\$2.4
Deferred revenue	\$0.4	\$0.4	\$0.4
Due to Capital Regional District	–	–	\$1.8
Long-term debt	\$98.4	\$114.0	\$128.3
Asset retirement obligations	\$0.6	\$0.5	\$0.5
	\$103.3	\$118.1	\$133.4
Net debt	(\$64.9)	(\$86.8)	(\$106.9)
Non-financial assets*			
Tangible capital assets	\$104.5	\$107.4	\$107.2
	\$104.5	\$107.4	\$107.2
Accumulated surplus	\$39.6	\$20.6	\$0.3

*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 \$19.0 million was a decrease of \$1.3 million from 2022 despite stable requisition revenue in the year. The decrease is largely attributable to more grants paid to district hospitals during the year as construction claims increased.

	2023	2022 Restated	2021 Restated
	(in millions)	(in millions)	(in millions)
Revenue			
Requisition	\$26.5	\$26.5	\$28.1
Other revenue	\$12.1	\$11.8	\$11.5
	\$38.6	\$38.3	\$39.6
Expenses			
Grants to district hospitals	\$8.8	\$6.6	\$9.5
Interest and operating expenses	\$10.8	\$11.4	\$11.6
	\$19.6	\$18.0	\$21.1
Annual surplus	\$19.0	\$20.3	\$18.5

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

5.7

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

6.2X

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:

UTILITY SERVICES

Core Area Liquid Waste Management Plan
Regional Water Supply Strategic Plan
Regional Water Supply Master Plan
Solid Waste Management Plan

COMMUNITY SERVICES

Arts & Culture Strategic Plan
Climate Action Strategy
Land Acquisition Strategy
Panorama Recreation Strategic Plan
SEAPARC Strategic Plan
Regional Food & Agricultural Strategy
Regional Growth Strategy
Regional Housing Affordability Strategy
Regional Parks and Trails Strategic Plan
Regional Trails Management Plan
Regional Transportation Priorities and Plan

CORPORATE SERVICES

Corporate Asset Management Strategy
Corporate Communications & Engagement Strategic Plan
Corporate Plan
People, Safety & Culture Strategic Plan

GOVERNMENT RELATIONS

Advocacy Strategy
First Nations Task Force Final Report
Statement of Reconciliation

LOCAL GOVERNMENT

Juan de Fuca Parks and Recreation Strategic Plan
Rainbow Recreation Centre Site Master Plan
Salt Spring Island Active Transportation Network Plan
Salt Spring Island Parks and Recreation Strategic Plan
Salt Spring Island Pedestrian and Cycling Master Plan
Southern Gulf Islands Active Transportation Plan
Southern Gulf Islands Housing Strategy



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