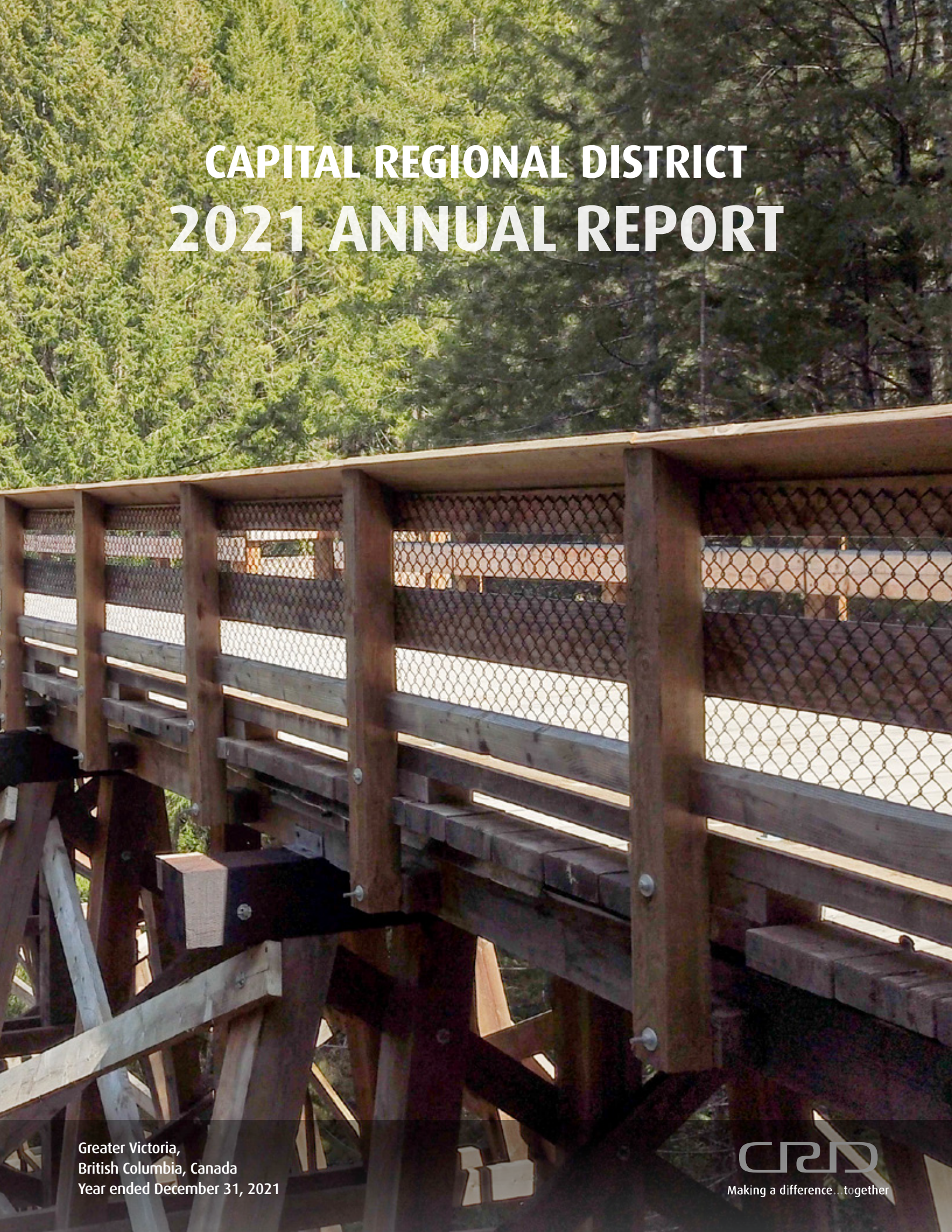


CAPITAL REGIONAL DISTRICT
2021 ANNUAL REPORT

Greater Victoria,
British Columbia, Canada
Year ended December 31, 2021

Making a difference...together

TERRITORIAL ACKNOWLEDGEMENT

The CRD acknowledges that it conducts its business in the territory of the Lək̓ʷəŋən (Songhees) and Xwsepsum (Esquimalt) Nations here in the core area, the W̱SÁNEĆ Nations, including W̱JOŁEŁP (Tsartlip), BOḴEĆEN (Pauquachin), SṮÁUTW̱, (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 MÁLEXEŁ (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.

Cover: Todd Creek Trestle

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

2021 Progress

Delivering on Priorities & Projects. 20
Board Priorities 22
Community Wellbeing. 22
Climate Action & Stewardship 26
First Nations Reconciliation 28
Advocacy, Governance & Accountability . . 29
Major Projects 34
Awards. 36

2021 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 3 electoral areas on southern Vancouver Island and the Gulf Islands, serving more than 432,100 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 1,893 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.



OUR ORGANIZATION

Message from the Board Chair

I want to thank our Board and Commission members for their leadership, dedication and commitment to their roles as we move into the final year of this Capital Regional District Board term. I am honoured to have had the privilege to serve as Board Chair for the full term, working to support everybody who lives, works, creates and plays in this beautiful region.

When we began our term, we set an ambitious agenda. Now, over 95% of the initiatives listed in our corporate plan are either progressing, completed or operationalized. Given the aspirational agenda we began with, this is a major accomplishment. This term, we have used a more focused approach advocating to senior levels of government, asking them to partner with us on important initiatives and projects.

In 2021, we developed a new Climate Action Strategy to reflect our priorities and provide clarity on the CRD's role as a climate action leader over the next five years. We will now begin advancing key pillars of the plan, including work to support, endorse and encourage active, public and zero-emission transportation options.

We have taken steps to develop relationships with Indigenous Leaders based on mutual respect and advancement. The CRD Board approved a number of bylaw changes in 2021 to include First Nations elected representatives on CRD standing committees. We continue to look to First Nations for leadership and guidance on co-creating new decision-making systems to build more inclusive and collaborative governance.

As our population grows, we continue to adapt to meet the needs of our changing region. To achieve the region's climate, transportation and livability targets, we must transform the status-quo approach to our transportation network. We now have a set



of transportation priorities that reflect the unique urban, suburban, rural and remote make-up of the region. These include a combination of large-scale region-wide initiatives and smaller-scale safety initiatives, such as Southern Gulf Islands connectivity.

During our final year, we will keep our momentum moving forward with a focus on our strategic priorities and setting up the future Board for success. I am confident that the decisions and direction made throughout the duration of this Board term will benefit the region for many years to come.



Colin **PLANT**
Chair
Capital Regional District Board

Message from the Chief Administrative Officer

As our tagline says, we make a difference... together. 2021 was an incredibly successful year for the CRD as we maintained continuity of operations, delivering projects and advancing Board priorities.

We play a critical role throughout the region - planning, developing and executing essential work and responding to community needs and interests with compelling innovation. We always strive for excellence in what we do and, as a dynamic employer, we aim to be adaptable to changing business trends.

The significant growth across the region requires continued capital investment in infrastructure to keep pace with the growing population, now at 432,100 people, and support for development, more than $2B of construction in 2021. The major changes have significantly increased the size of our operating budget and the scale and scope of our operations.

At the CRD, we hold ourselves to a high standard, adopting leading industry best practices to enhance our organizational systems, business processes and governance. We delivered these improvements through innovations in project delivery and capital finance, more strategic advocacy work and recruitment, and more comprehensive corporate reporting and planning, in line with our nationally acknowledged corporate planning process and Organizational Development Plan.

Our corporate-wide commitment to safety was recognized by our recent "COR certified" designation through WorksafeBC's Certificate of Recognition (COR) Program. We also conducted the CRD's first Inclusion and Workplace Culture Survey, a milestone on the CRD's journey toward an Equity, Diversity and Inclusion Framework.



Looking beyond this year, we have developed strategies, procedures and plans to address trends and issues that will impact the organization into the future. There is a critical need for a unified and intentional path forward as we continue to adapt to changing environmental, social, economic and governmental conditions.

We have committed to continuously assess and improve our services, processes, partnerships and advocacy to better achieve results. I am proud of the significant gains and major accomplishments in 2021, all of which are a result of our dedicated Board, capable staff and the many partners, contractors and volunteers whose continued commitment and contribution have allowed us to achieve our goals.



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

Board of Directors

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

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

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

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

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

Directors

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



Executive Leadership Team

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

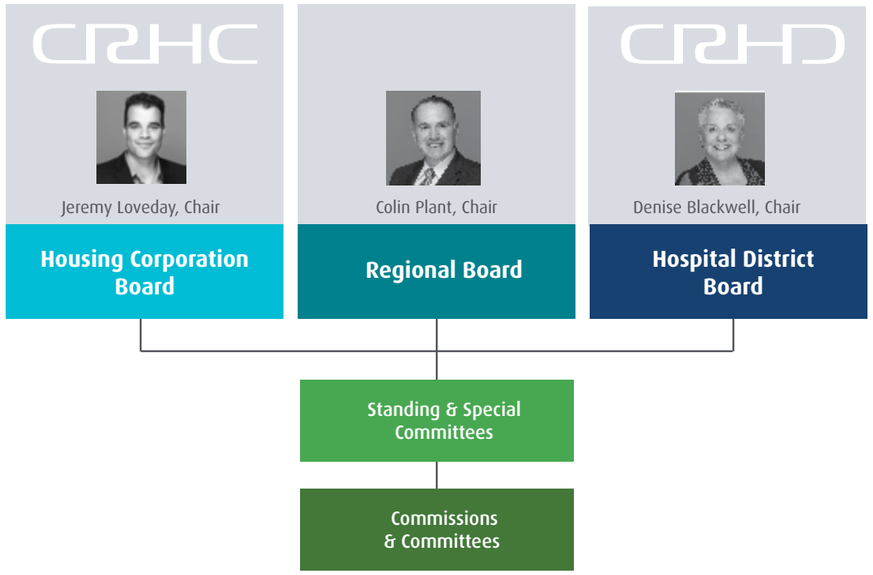
- For areas outside municipal boundaries (electoral areas), citizens elect one director to the Board during general local elections.
- Each municipal council appoints one or more elected officials to the Board. The formula is one director for every 25,000 population (or portion thereof).

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 infrastructure development and services.



Sea to Sea Regional Park

Meeting the Needs of a Resilient Region

432,100
Residents
up **6.2%** since 2017

$2.0B
Building Permits

4,809
Housing Starts
in the Victoria CMA

2.5%
Inflation Rate
vs **3.4%** nationally

$1,161,500
Avg price of single family dwelling in CRD
up 24.6% over 2020

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



COMMUNITY NEEDS

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



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

ACCOUNTABILITY

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



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

AFFORDABLE HOUSING

Affordable housing is key to a strong economy and healthy region. The Capital Region Housing Corporation (CRHC) provides 1,893 units of affordable housing, and the CRD Regional Housing Trust Fund provided over $11.8M to help build 956 affordable rental housing units. The CRD-initiated Regional Housing First Program partnered the CRD, the Province through BC Housing and the Government of Canada through Canada Mortgage and Housing Corporation, to commit $120M to create up to 2,000 affordable housing units, including 20% of units renting at the provincial income assistance rate. The program leverages up to $600M in development.

ARTS & CULTURE

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

CLIMATE ACTION & ADAPTATION

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

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.



Kayla Henry of Noble Riot Dance Theatre Society Photo: Joshua Lawrence

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



We envision reduced Green House Gas emissions, triple bottom-line solutions and progress on adaptation.



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).



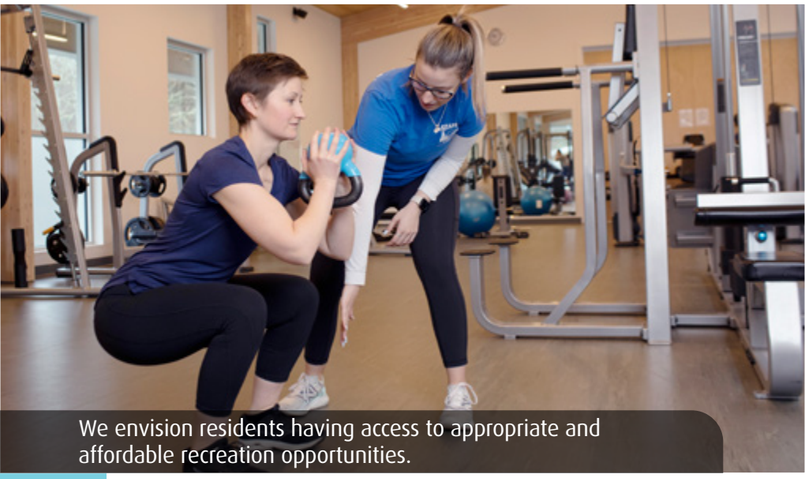
We envision keeping approved plans current and monitoring for effectiveness to ensure we achieve our goals and to remain accountable to CRD residents.



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.

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.

WATER

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



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



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



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

Delivering on Priorities & Projects

Board Priorities

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

COMMUNITY WELLBEING TRANSPORTATION & HOUSING

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

CLIMATE ACTION & ENVIRONMENTAL STEWARDSHIP

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

FIRST NATIONS RECONCILIATION

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

ADVOCACY, GOVERNANCE & ACCOUNTABILITY

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

Corporate Priorities, Projects & Awards

To guide 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 2021.

AWARDS

The CRD was the recipient of a number of awards in 2021.

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.



Macaulay Pump Station

Board Priorities

Community Wellbeing

THE REGIONAL HOUSING FIRST PROGRAM (RHFP)

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

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

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

RAPID HOUSING INITIATIVE

The CRD works collaboratively with municipal, federal and provincial partners to build safe, vibrant and accessible communities. In 2020 and 2021, the CRD received $24.4 million through the federal Rapid Housing Initiative.

The CRD is using 13.1 million and working in partnership with the Province, through BC Housing, and the Districts of Saanich and Central Saanich to deliver up to 91 new homes with 24/7 wraparound supports for people experiencing and at risk of homelessness.

Approximately 52 of these supportive homes will be located at 2933, 2941 and 2949 Albina Street in Saanich and approximately 39 homes will be developed at 1909 Prosser Road. In 2021, an additional $11.3 million was awarded to support development of 45 units on Catherine Street in Victoria. These homes will support Indigenous Peoples in the region who are experiencing homelessness, and will be operated by the Aboriginal Coalition to End Homelessness Society. This four-storey modular housing project will provide residents with 24/7 culturally-appropriate supports.

Croftonbrook Phase 3
Croftonbrook is an affordable housing development, operated by Islanders Working Against Violence, located at 132 Corbett Road on Salt Spring Island. Phase II of the project is complete and fully rented and Phase III is currently under construction. The project includes 11 units for individuals who can live independently with supports, with rent set to match the provincial income assistance rate (currently $375/month).

Prosser Road
Low-to-moderate income families and individuals will benefit from 51 new affordable homes planned at 1909 Prosser Road in the District of Central Saanich, as part of the Regional Housing First Program (RHFP.) Properties funded by the RHFP provide a mix of rental options, including units for people who are ready to live independently. Flexible, mobile services may be delivered based on the individual needs of people in those units. Total project cost is estimated at $17 million, including a $3 million RHFP equity purchase, a $3.25 million Investment in Housing Innovation grant from BC Housing and $615,000 in grant funding from the Regional Housing Trust Fund.

Spencer Road
The CRD, in partnership with the Province of BC and the Capital Region Housing Corporation (CRHC), has started construction of 58 new affordable homes at 2782 Spencer Road in Langford. BC Housing is providing $5.9 million through the Community Housing Fund toward the $19.9 million project, which is located near Langford's urban centre. 2782 Spencer will be a 5-storey wood-framed building with a mix of unit sizes from studio to 2-bedroom, providing homes for low-to-moderate income seniors, individuals and families, including those with disabilities.



Croftonbrook Phase 3

PENDER ISLAND HEALTH CARE REFERENDUM

In November, the eligible electors voted in favour of adopting a bylaw authorizing the CRD to establish a service to contribute to the costs incurred by the Pender Island Health Care Society in operating the Pender Islands Health Care Centre and to raise a maximum annual requisition for the purpose of funding the operating costs of the service.

The Pender Islands Health Care Society facilitates access to primary health care and complementary services to support the health and wellbeing of the Pender Islands Community. The Pender Islands Health Care Centre Contribution Service will allow the CRD to support the Society by providing operational funding to ensure consistent service delivery and to supplement existing grant and contract revenue received by the Society.

OAK BAY LODGE PUBLIC ENGAGEMENT

The second round of public engagement for the future use of Oak Bay Lodge property at 2251 Cadboro Bay Road took place in the summer of 2021. The CRHD was looking for feedback on proposed services and building options for the property. The options presented were informed by a regional healthcare assessment, in collaboration with Island Health. As well, feedback from participants in round one of public consultation provided valuable input to the CRHD on key healthcare priorities. A rezoning application will be submitted to the District of Oak Bay for consideration.

ESQUIMALT URGENT AND PRIMARY CARE CENTRE

People in Esquimalt and neighbouring communities will have access to more comprehensive everyday health care with the opening of the Esquimalt urgent and primary care centre (UPCC) at 890 Esquimalt Road. Island Health will operate the UPCC with the support of the Ministry of Health and the CRHD.

The UPCC will provide care for people experiencing non-life-threatening conditions, who need to see a health-care provider within 12 to 24 hours but do not require an emergency department visit. The UPCC will also be attaching patients to a regular primary care provider if they do not have one.

ROYAL BAY LAND ACQUISITION

In 2021, the Capital Regional Hospital District (CRHD) Board approved the acquisition of five acres of vacant land on Metchosin Road south of Latoria Boulevard to build a health-related facility. The acquisition of the Royal Bay site helps to improve the long-term health care needs of the region.

PANORAMA MULTI-SPORT GRANT

With support and funding from Greater Victoria Canadian Tire Dealers, Canadian Tire Jumpstart Charities gifted the Peninsula Recreation Commission a 13,200 square foot Jumpstart Inclusive Multisport Court through its Inclusive Play Project. The decision to partner was made by the Peninsula Recreation Commission at its March 25, 2021 meeting.

The project total is estimated at $1.2 million. Canadian Tire Jumpstart Charities is providing the inclusive multisport court, in addition to supporting some of the site preparation costs. The CRD Board approved the remaining $663,461 to come from the Peninsula Recreation Commission's capital plan for the site preparation, playground relocation, surfacing upgrades, design and permit fees and project management.

EXPANDING LADY MINTO HOSPITAL

A $10.4 million expansion project will bring improvements to emergency department patient care and privacy at Lady Minto Hospital. Capital costs for the project are being shared by the Lady Minto Hospital Foundation, which has pledged $7.4 million, and the CRHD, which will contribute $3 million.

The project will construct a new 420 square metre (4,500 square feet) emergency department that will double the number of acute and primary care patients that can be treated at one time, a mental health and substance use treatment room, a medication area, dedicated triage desk, nursing/team care station with sight lines to all assessment and treatment areas, ambulance bay, decontamination site, accessible washrooms, and expanded patient and family waiting area.

CRD TRAFFIC SAFETY COMMISSION SCHOLARSHIPS

The CRD Traffic Safety Commission gave two Camosun College students scholarships. Monica Amos received the fifth annual $2,000 Cst. Sarah Beckett Memorial Scholarship and Bryce Schiebel received an $1,800 scholarship from the Vancouver Island Slain Police Officers Fund and Deputy Commissioner Jennifer Strachan Retirement Donation. Selection is based on academic achievement, financial need, community service, and an expressed interest in pursuing a career in law enforcement.



Traffic Safety Commission Scholarships

Climate Action & Environmental Stewardship

LAND ACQUISITION

In 2021, the CRD was able to acquire and conserve two new areas for regional park purposes, including a 13.8 hectare addition to Mount Work Regional Park in Saanich. With the previous acquisition of 12.1 hectares in December 2020, the CRD has added almost 26 hectares of forested land to Mount Work Regional Park. The CRD also purchased a nearly 50 acre property known as the Mountain Road Forest in Saanich, in partnership with the Habitat Acquisition Trust.

MOUNTAIN BIKING ADVISORY COMMITTEE

In May 2021, the CRD Regional Parks Mountain Biking Guidelines and short-term actions to support the Mountain Biking Advisory Committee Advice and Guidance Report were passed by the CRD Board. These Guidelines will play an important role in the enhancement and growth of sustainable quality mountain biking experiences in the regional parks system, where deemed appropriate.

The Guidelines recognize that mountain biking groups play a key role in championing mountain biking etiquette and sanctioned trails, monitoring and advocating for safe and quality experiences, and celebrating the recreational community. In alignment with the Guidelines, the CRD announced in December 2021 that it signed a license agreement with the Sooke Bike Club to maintain existing authorized mountain bike rated trails in Sea to Sea Regional Park, the second-largest CRD Regional Park, to create a better quality mountain biking experience.

SOLID WASTE MANAGEMENT PLAN

The CRD has spent the last several years developing a new management plan to reduce how much material is sent to Hartland Landfill and guide how the region's solid waste is managed in a safe, secure and sustainable way now and in the future.

Following a second phase of public engagement in winter 2020, the CRD Board approved a final Solid Waste Management Plan for the region and next steps for implementation in May 2021.

The final Plan includes 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.

BIODIVERSITY CHALLENGE

In May 2021, the CRD celebrated the International Day for Biological Diversity with the CRD's first-ever virtual, family-friendly Biodiversity Challenge. Residents were encouraged to get outside, snap photos and upload observations about the plants, animals and fungi found in their backyards or local watersheds to the CRD Biodiversity Challenge iNaturalist project.

Now an annual event, the CRD's Biodiversity Challenge encourages people to explore and appreciate the diversity of species and ecosystems that can be found across the capital region. Observing and learning about the natural world around us is a key step in conserving nature for future generations and creates opportunities for both stewardship activities and positive environmental impacts.

COOL IT

The CRD and its municipal partners celebrated students across the region for their participation in this year's Cool It! Climate Leadership Training program.

In 2021, the CRD sponsored 20 classrooms to participate in the regional program, with an additional 10 workshops sponsored by the District of Saanich and the City of Victoria in each of their communities. During the challenge, 860 students committed to 5,568 actions that reduce energy and carbon emissions at home, which will result in a projected savings of 160 tonnes of CO_2e annually, if continued for one year.

Congratulations to this year's participants and winning classes at Oaklands Elementary (Victoria), Cedar Hill Middle School (Saanich), KELSET Elementary (regional) and Pender Island Elementary (regional).

E&N RAIL TRAIL

The section of the E&N Rail Trail between the railway crossing on Atkins Avenue and Savory School in Langford is substantively complete and now open for public use. The E&N Rail Trail – Humpback Connector is being constructed largely within the E&N rail corridor, in phases over a number of years, and will be approximately 17 kilometres in length when complete.

This newest section creates a continuous 13 kms of trail between Jacklin Road in Langford and Esquimalt Road in Victoria. The CRD received a $1 million grant, through the BC Active Transportation program (formerly BikeBC), toward its completion. The regional trail provides an important active transportation and recreation link between Victoria and the western communities.



E&N Rail Trail

First Nations Reconciliation

FIRST NATIONS REPRESENTATION

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

The bylaw changes create a flexible model of inclusion where First Nations elected representatives can formally participate and vote on items of interest at CRD standing committees. CRD staff reached out to elected Councils and staff from local Nations to discuss how they envision participation at the committee level and any further interests related to government-to-government relations.

WASTEWATER INTERPRETIVE SIGNS & FIRST NATIONS ART AT MACAULAY

Through collaboration with the Pacific Peoples Partnership, Esquimalt Nation and Songhees Nation, three beautiful artworks were designed and installed at Macaulay Point to honour the traditional territory of the Lekwungen speaking Peoples. A carved peace house post, a Chief's Chair, and copper art installation entitled "kinship" are described in a nearby interpretive sign, along with the artists' bios.

CRD STATEMENT FOR THE NATIONAL DAY FOR TRUTH AND RECONCILIATION

The federal government declared September 30 as the National Day for Truth and Reconciliation. The CRD acknowledges the harm that was done to Indigenous Peoples by Canada's residential schools and the ongoing impacts and intergenerational trauma that are felt by Indigenous communities to this day.

In honour of all residential school survivors, the CRD flew an orange flag for truth and reconciliation from September 27 to October 4. Eddy Charlie, a survivor of the Kuper Island Indian Industrial School, loaned the flag to the CRD. He and Kristin Spray work together as co-organizers of Victoria's Orange Shirt Day and Xe Xe Smun'Eem.

The CRD is committed to listening, learning, and taking steps toward better relationships with the First Nations on whose traditional territories we do our work.



Truth & Reconcilliation Flag

Advocacy, Governance & Accountability

CRD BOARD AFFIRMS PRIORITIES

In its 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 that significant progress has been made in advancing this work. The four priorities are:

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

The Board acknowledged the organization's continued effort to substantively advance priority initiatives and indicated strong support to sustain this effort through the last year of the Board's 2019-2022 term.

With this clear direction, new initiatives were brought forward in 2021 to continue advancing the Board's priorities. These initiatives generally fall into one of three categories:

- Large projects that required advanced planning and are now ready for delivery.
- Changes to help meet increasing demand for services, aligned to the region's population growth.
- Investment in improvements so that the organization can wisely manage growing pressures on service delivery and maintain performance levels

SEAPARC IMMUNIZATION CLINIC

Island Health hosted Vaccine Clinics in the SEAPARC multi-purpose room from March to September 2021. SEAPARC provided an accessible and central location. Program locations were adjusted and there was minimal impact on SEAPARC services.



SEAPARC Immunization Clinic

ANIMAL SHELTER BEQUEST

The estate of Francis Gordon Ainsworth has bequeathed $518,000 to the CRD Animal Shelter. Mr. Ainsworth and his late partner, Mr. Carter, donated annually to the CRD Animal Shelter as a way to honour their much-loved pet, Whiskey the Cat.

Located at 5401 Pat Bay Highway, the facility offers temporary shelter for lost domestic animals and an adoption program for stray, lost, abandoned or injured animals. Mr. Ainsworth and Mr. Carter learned about the work of the CRD at a community outreach event where the animal shelter was promoting its work. Inspired by staff's passion for animal welfare, they became annual donors to help provide new beds for dogs, hide-and-perch boxes for the cats, and fund extreme medical cases.

SOUTHERN GULF ISLANDS TRANSPORTATION SERVICE ENGAGEMENT

The CRD gathered public input into a Southern Gulf Islands Transportation Integration Plan for the Southern Gulf Islands Electoral Area. The goal is to develop a plan for an integrated transportation service model that supports walking and cycling networks, public transportation options, and passenger ferries to supplement travel services on and between the largest Southern Gulf Islands: Galiano, Mayne, Saturna, and North and South Pender Islands, with possible links to Salt Spring Island or Sidney on Vancouver Island.

With a new service, the CRD could provide funding for the community buses (public transit), facilitate improvements to active transportation networks (for walking, cycling and rolling), and integrate with opportunities for additional inter-island travel between the islands (beyond BC Ferries). Subject to CRD Board approval, voters will decide in a referendum at the General Election in October 2022.

EMERGENCY OPERATING CENTRES

During an emergency or disaster, there is an immediate and quickly escalating need for timely and accurate information about what has happened and what is being done. Under the *Emergency Program Act*, the CRD is the local authority for the three Electoral Areas (EA)(s). The CRD Emergency Operations Center (EOC) provides policy direction, corporate coordination, financial oversight and access to CRD resources, and is the conduit for access to larger provincial and federal response mechanisms.

The CRD EOC was activated a record number of times during 2020 and 2021. During an emergency the CRD's Protective Services will activate an Emergency Operation Centre to support an emergency site or support our municipal, indigenous, provincial, or federal adjacent authorities. The EOC is directed by the Senior Manager of Protective Services and trained staff from across the CRD are deployed to support emergency operations.

In 2021, the CRD EOC was been activated for:

- COVID-19 (continuation from 2020)
- Drought
- Zim Kingston Container Ship Fire
- Atmospheric River

SALT SPRING ISLAND WILDFIRE TRAINING

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

ARTS DEVELOPMENT OPERATING GRANTS, PROJECTS AND FUNDING

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

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

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

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



The cast and crew of WONDERHEADS Christmas Carol, December 2021

Corporate Priorities

ORGANIZATIONAL DEVELOPMENT PLAN UPDATE

The CRD Organization 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.

2021 saw the further refinement of service planning and our business continuity plans, while juggling the added challenges of serious weather events and disasters throughout the year. Our commitment to safety was validated by our recent designation as being "COR certified" through WorksafeBC's Certificate of Recognition (COR) Program, which was made possible by staff engagement and participation in this process.

We conducted the CRD's first Inclusion and Workplace Culture Survey in December which represented a milestone in the CRD's journey toward developing an EDI Framework.

In 2021, we continued to adapt to new changes in information technology, space planning to serve our growing workforce to deliver on priorities and developed systems to support the organization such as Enterprise Asset Management, mobile maintenance work order system and ongoing learning in areas of cyber security.

CORPORATE SAFETY – COR CERTIFICATION

The OHS Certificate of Recognition (COR) Program encourages employers to create an occupational health and safety management system that goes beyond the current legal requirements. The voluntary program recognizes employers that proactively improve workplace safety and are dedicated to continual improvement. The CRD has achieved COR Certification with a final audit score of 95%.

NEW ENGAGEMENT PLATFORM

The CRD launched a new digital engagement platform available at GetInvolved.crd.bc.ca, allowing residents and visitors to participate online using a mix of interactive features, including a survey and community mapping tool, from any location.

NEW PUBLIC ALERT NOTIFICATION SYSTEM

The CRD coordinates local emergency programs for Juan de Fuca, Southern Gulf Islands and Salt Spring Island electoral areas. Residents in the three electoral areas are encouraged to register for local public alert notifications at www.crd.bc.ca/pans. The public alert notification system was upgraded to Alertable in May 2021.

McLoughlin Point Wastewater Treatment Plant

Major Projects

DRAKE ROAD TRAIL UPGRADE

The CRD Salt Spring Island Parks and Recreation Commission (PARC) received $90,127 in funding through the Investing in Canada Infrastructure Program – COVID-19 Resilience Infrastructure Stream (ICIP-CVRIS). Thanks in part to this funding, PARC has completed the Drake Road Trail Upgrade Project.

The Drake Road (Bishops Walk) Trail is a connector trail starting at Cypress View Road through to Drake Road where users can then access Salt Spring Commons, Mouat Park and the downtown core. During winter months or following heavy rains, sloped sections of the trail become flooded, resulting in the trail being inaccessible for users. This project will address the drainage issues on the trail through a Storm Water Management plan which will include recommendations for trail materials and will improve drainage and direct runoff water away from the trail.

MAGIC LAKE ESTATES INFRASTRUCTURE UPGRADE

The CRD will receive $5.65 million through the Investing in Canada Infrastructure Program – Green Infrastructure Environmental Quality Stream to help fund $11.56 million in upgrades to the Magic Lake Estates Wastewater Collection and Treatment System on North Pender Island, in the Southern Gulf Islands Electoral Area. The wastewater system provides service to approximately 700 properties. The community of Magic Lake Estates is primarily a rural residential development which was originally serviced by a private sewer utility and in 1981 the service transferred to the CRD.

MALIVIEW WASTEWATER SYSTEM INFRASTRUCTURE UPGRADE

Design work began in 2021 to upgrade the Maliview Wastewater Treatment System to comply with provincial requirements, federal wastewater regulations and the *Fisheries Act*. Virtual open houses provided an overview of the upgrades and funding options for the project that serves 94 lots.

The total estimated cost to upgrade the system back to a safe, reliable state that meets regulatory requirements is approximately $2.21 million. The CRD has applied for federal and provincial grant funding for up to 90% of the eligible project costs.

WATER OPTIMIZATION STUDY

In March 2021, North Salt Spring Waterworks District (NSSWD) and the CRD released the Salt Spring Island Water Optimization Report. The Government of BC provided $40,000 in grant funding to conduct a joint study in 2019. The report provides options for improving on-island water governance and administration, and building a collaborative strategy for accessing federal and provincial funding to address Salt Spring's much-needed water infrastructure needs.

WASTEWATER TREATMENT PROJECT

The Wastewater Treatment Project Board has successfully fulfilled its role and has presented the CRD with the Wastewater Treatment Project Completion Report and Governance Transition Report. The CRD, through the Project Board, planned, procured and constructed the Wastewater Treatment Project from May 2016 to May 2021. In 2021, the CRD received over $450 million in grants toward the $775 million project from provincial and federal partners.

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 McLoughlin Point 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.

The CRD is responsible for managing and optimizing the operation and maintenance of each Project component and any impacts on the operation of other components of the core area wastewater system. Ongoing optimization is anticipated to extend well into the performance period, which ends in January 2023.



McLoughlin Point Wastewater Treatment Plant

Awards

ASSOCIATION OF CONSULTING ENGINEERS OF CANADA

The CRD Core Area Wastewater Project won an Award of Excellence from the Association of Consulting Engineers of Canada. The project was entered in the Project Management Category and included the CRD's recognition as a major contributor to the overall management of the project.

BC TOP EMPLOYER & GREEN EMPLOYER AWARDS

For the fifth year in a row the CRD was recognized as one of BC's Top Employers and as one of Canada's Greenest Employers. 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.

CANADA'S SAFEST EMPLOYER AWARD

The CRD's exemplary health and safety record was acknowledged when it won an award of Excellence in the 2021 Canada's Safest Employers award.

CANADA INNOVATION INITIATIVE AWARD

In 2021, the CRD received the 2020 Canada Innovation Initiative Award from the Tunnelling Association of Canada for the McLoughlin Point Wastewater Treatment Plant Cross Harbour Force Main and Outfall. The Tunnelling Association of Canada promotes and advances Canadian tunnelling and underground excavation technologies.

GFOA AWARDS

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

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

UNITED WAY - THANKS A MILLION AWARD

The CRD raised more than $40,000 in 2021, making our overall 25-year donation over a million dollars! As such we are proudly recognized with the "Thanks A Million" award from the United Way.



McLoughlin Point Wastewater Treatment Plant

2021 FINANCIAL HIGHLIGHTS

Financial Reporting Overview

The Capital Regional District (CRD) is pleased to provide this consolidated financial overview for the 2021 fiscal year.

Our Region

Demand for CRD services remained strong as population growth continued to drive development and construction across the region. Various indicators signal a strong and vibrant regional economy.

Since 2011, the population of the CRD has grown 18%, or 1.4% in the last year.[1] Provincially, 3 out of the top 4 growing municipalities were in the CRD, (1) Langford 6.5% population growth, (3) Sooke with 4.0%, and (4) North Saanich 3.5%.[2] Increases in population drive the need for investments in infrastructure to meet the higher demand on CRD services. Regional park visitations have increased by 20-25% annually since 2019, while landfill tipping tonnage grew by 8.3%, and water consumption rose by 6.3%.

Building permit activity in 2021 was $2.0 billion, a 37% increase from prior year. Housing starts in Greater Victoria set a new record in 2021 with 4,809 new homes, a 50% increase compared to 2020.[3]

For 2021, the Consumer Price Index (CPI) for Greater Victoria was 2.5%, compared to Vancouver at 2.7% and British Columbia at 2.8%, strong signs of recovery when compared to the 2020 rates of 1.1%, 0.6% and 0.8% respectively.[4]

In January 2022, BC Stats reported Victoria's unemployment rate was 3.9%, down from 5.2% in January 2021, where the region added 9,200 jobs over the period.[5] The province and national unemployment rate as of January 2022 was 5.1% and 6.5% respectively.[6]

In January 2022, the Victoria Real Estate Board reported the average price of a single family home reached a record $1,161,500, an increase of 24.6% from the prior year. Additionally, real estate listings decreased by 43.7% compared to the same month in 2021.[7]

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 2021 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 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.

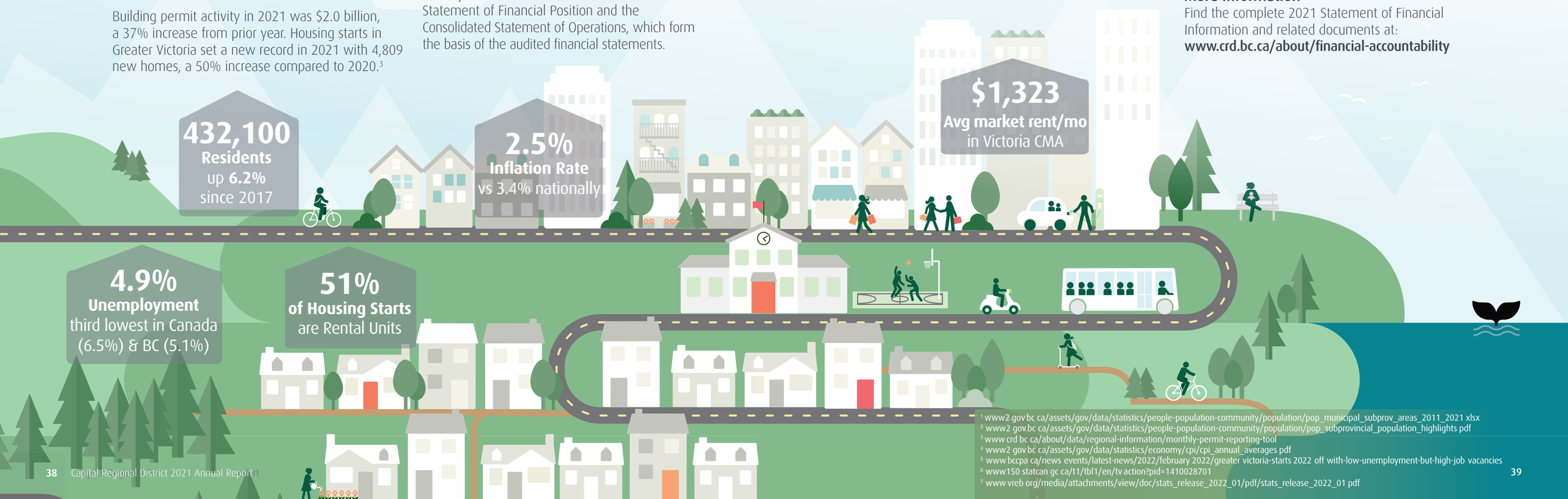
As an entity of the CRD, the CRHC's financial statements are consolidated within the audited CRD financial statements as required by PSAB standards.

Capital Regional Hospital District

The 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 2021.

More Information

Find the complete 2021 Statement of Financial Information and related documents at:
www.crd.bc.ca/about/financial-accountability



[1] www2 gov bc ca/assets/gov/data/statistics/people-population-community/population/pop_municipal_subprov_areas_2011_2021 xlsx
[2] www2 gov bc ca/assets/gov/data/statistics/people-population-community/population/pop_subprovincial_population_highlights pdf
[3] www crd bc ca/about/data/regional-information/monthly-permit-reporting-tool
[4] www2 gov bc ca/assets/gov/data/statistics/economy/cpi/cpi_annual_averages pdf
[5] www bccpa ca/news events/latest-news/2022/february 2022/greater victoria-starts 2022 off with-low-unemployment-but-high-job vacancies
[6] www150 statcan gc ca/t1/tbl1/en/tv action?pid=1410028701
[7] www vreb org/media/attachments/view/doc/stats_release_2022_01/pdf/stats_release_2022_01 pdf

2021 Operating Budget

Capital Regional District
$296M

Capital Regional Hospital District
$36M

Capital Region Housing Corporation
$24M

Total
$356M

2021 Capital Budget

Capital Regional District
$284M

Capital Regional Hospital District
$35M

Capital Region Housing Corporation
$33M

Total
$352M

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 increased by $18.6 million due primarily to an increase in long-term debt for capital investment. Amounts invested in capital assets in 2021 increased by $188.9 million contributing to the net increase in accumulated surplus of $171.0 million.

	2021	2020	2019
Financial assets	**(in millions)**	**(in millions)**	**(in millions)**
Cash and investments	$357.7	$362.7	$298.7
Accounts receivable	$55.7	$35.0	$23.2
Member municipality debt	$185.5	$146.9	$153.0
Restricted cash – MFA Debt Reserve Fund	$4.1	$3.9	$4.0
Land for resale	–	-	$8.3
	$603.0	**$548.5**	**$487.2**
Financial liabilities			
Accounts payable and accrued liabilities	$31.0	$117.2	$111.3
Deferred revenue	$49.0	$32.7	$16.0
Short-term debt – CRHC	$25.7	$61.3	-
Long-term debt – CRD, CRHC, & member municipalities	$582.9	$405.0	$447.3
Landfill closure liability	$11.9	$11.3	$10.7
Other long-term liabilities	$1.5	$1.4	$2.3
	$702.0	**$628.9**	**$587.6**
Net debt	**($99.0)**	**($80.4)**	**($100.4)**
Non-financial assets*			
Tangible capital assets	$1,949.4	$1,760.5	$1,529.6
Inventory of supplies and prepaid expenses	$3.4	$2.7	$1.7
	$1,952.8	**$1,763.2**	**$1,531.3**
Accumulated surplus	**$1,853.8**	**$1,682.8**	**$1,430.9**

*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 2021, revenue decreased by $25.9 million. This decrease was primarily due to ($43.7) million less from government grants, offset by a $12.8 million increase in sale of services. The net increase in expenses of $51.7 million relates primarily to a $40.7 million increase in sewer, water, and garbage services expenses. This increase reflects the now operational Wastewater Treatment Plant (WTP). 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.

	2021	2020	2019
Revenue	**(in millions)**	**(in millions)**	**(in millions)**
Requisition – CRD	$72.6	$71.0	$67.6
Sale of services	$128.1	$115.3	$109.5
Other revenue	$191.3	$231.6	$239.4
Requisition – municipal debt	$15.3	$15.3	$14.9
	$407.3	**$433.2**	**$431.4**
Expenses			
General government services	$23.4	$22.1	$20.4
Protective services	$11.1	$10.9	$10.5
Sewer, water and garbage services	$125.2	$84.5	$81.4
Planning and development services	$2.8	$2.5	$2.5
Affordable housing – rental expenses	$20.8	$17.8	$16.5
Recreation and cultural services	$29.2	$26.9	$28.6
Other	$6.7	$2.8	$2.3
Municipal debt servicing	$15.4	$15.4	$15.0
	$234.6	**$182.9**	**$177.2**
Annual surplus	**$172.7**	**$250.3**	**$254.2**

CRD Financial Health (Consolidated CRD+CRHC)

Current Ratio

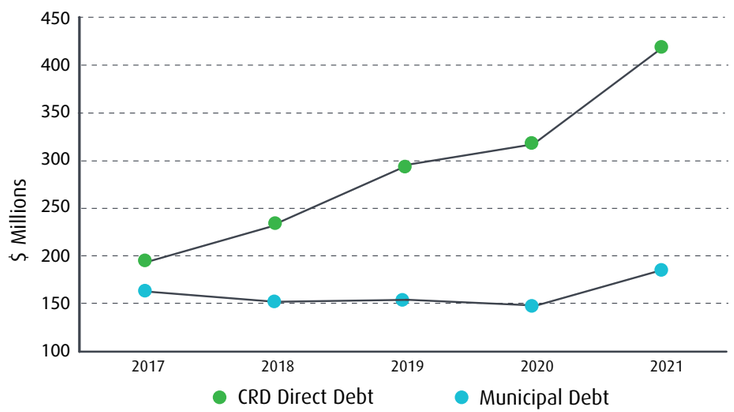
The current ratio is a measure of the liquidity of an organization, meaning the CRD's ability to meet current obligations through current assets. A high ratio indicates a greater ability to meet budgeted and unexpected expenditures. Generally, a current ratio greater than one is considered healthy for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

CURRENT RATIO

7.5

Debt

Debt includes balances for CRD, CRHC, member municipalities and third party debt. Short-term debt decreased by ($35.6) million as CRHC short-term debt was converted to long-term mortgages for the Spencer and West Park properties. Long-term debt increased by $177.9 million due to $62.0 million in new debt for the Public Private Partnership (P3) agreement for the Residuals Treatment Facility and an additional $85.4 million in new mortgages for the Spencer, West Park and Hockley House affordable housing projects. The remaining increase is largely due to a $38.7 million increase to member municipality and third party debt.



Assets Funded by Debt

The Capital Investment Funded by New Debt ratio measures the current year acquisition of capital assets that are funded by new debt. In 2021, excluding $166.7 million investment toward the WTP, new debt funded $30.9 million out of CRD's capital investment balance of $81.3 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

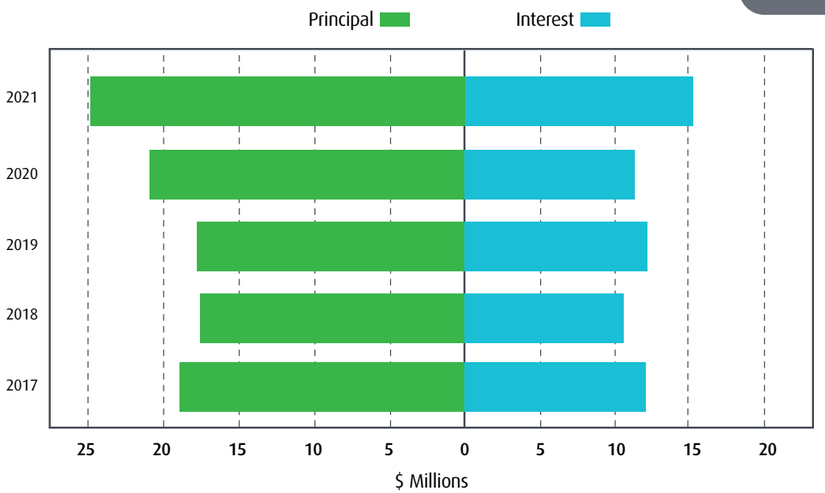
44.4%

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

62.2%

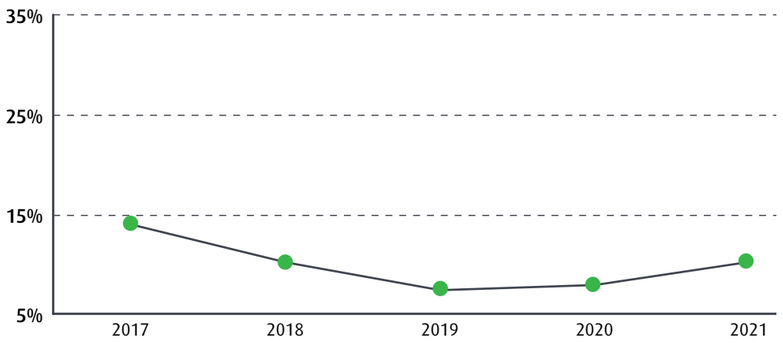


Debt Servicing Costs

The Debt Service Costs to Total Revenue ratio is the percentage of revenue committed to the payment of interest and principal on temporary and long-term debt. A high percentage indicates greater use of revenue for the repayment of debt and less ability to adjust to unplanned events and changing circumstances. The CRD's debt servicing costs (excluding member municipality and third party debt servicing costs) in 2021 was $40.0 million and total revenue was $392.0 million.* Corporate guidelines monitor the percentage of revenue committed to debt repayment limiting commitments to within performance indicator benchmarks.*

DEBT SERVICE COSTS TO TOTAL REVENUE

10.2%



*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 2021

Capital Regional District **$237.1M**

- Other (includes vehicles & works in progress) $21.2M
- Engineered structures $170.0M
- Land $13.9M
- Machinery & equipment $4.4M
- Buildings $27.6M

Capital Region Housing Corporation **$11.0M**

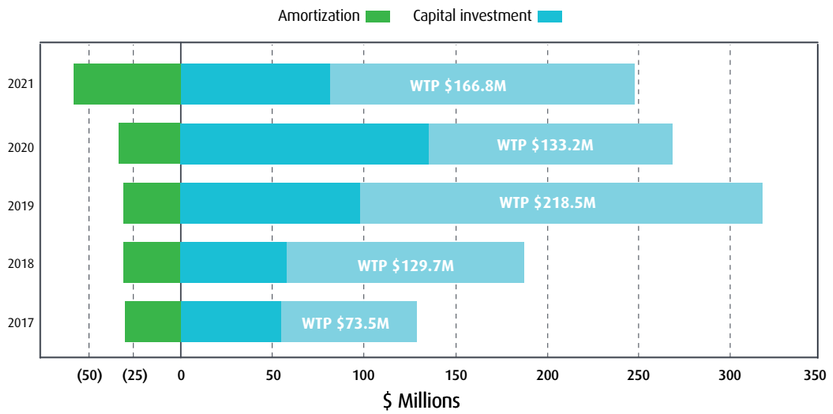
- Machinery & equipment $2.2M
- Buildings $7.2M
- Land under pre-paid lease $1.6M

Capital Investment & Amortization

This ratio is the amount of capital invested in infrastructure for every dollar that assets depreciate each year. In 2021, investment in capital was $248.1 million, which includes $166.8 million in acquisitions for the WTP. Excluding the impact of the WTP, the investment in capital was $81.3 million. Total amortization in the year was $58.5 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

4.2x

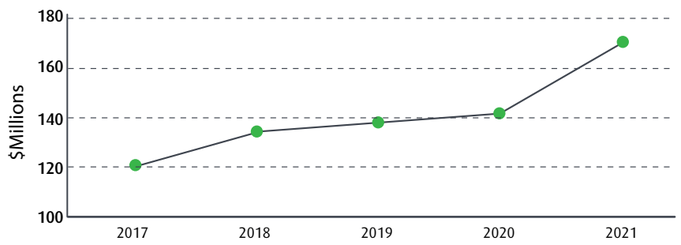


Contributions to Reserves

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 users fees. Transfers to operating and capital reserves increased the total reserve to $170.3 million in 2021, an increase of $28.9 million.

RESERVE BALANCE

$170.3M



CRHD Statement of Financial Position

This statement presents the Capital Regional Hospital District's assets, liabilities, tangible capital assets and accumulated deficit. The accumulated surplus for 2021, also represented as total assets minus total liabilities, is $0.4 million. The overall position is typically a deficit, since the CRHD primarily borrows funds to distribute capital grants to the region's hospitals to purchase equipment and invest in infrastructure. These grants are recorded as expenses rather than assets owned by the CRHD.

The accumulated surplus/(deficit) increased by $18.4 million to a surplus position primarily due to the reduction in long-term debt and an increase in tangible capital assets.

	2021	2020	2019
Financial assets	**(in millions)**	**(in millions)**	**(in millions)**
Cash and cash equivalents	$17.7	$23.6	$30.4
Investments	$5.0	–	–
Accounts receivable	$0.2	$0.8	$0.3
Prepaid expenses	–	–	–
Restricted cash – MFA Debt Reserve Fund	$3.6	$3.9	$4.1
Land for resale*	–	–	–
	$26.5	**$28.3**	**$34.8**
Financial liabilities			
Accounts payable and other liabilities	$2.5	$3.8	$8.5
Deferred revenue	$0.4	$0.4	–
Due to Capital Regional District	$1.8	–	$0.1
Long-term debt	$128.3	$141.8	$161.7
	$133.0	**$146.0**	**$170.3**
Net debt	**($106.5)**	**($117.7)**	**($135.5)**
Non-financial assets*			
Tangible capital assets	$106.9	$99.7	$89.0
	$106.9	**$99.7**	**$89.0**
Accumulated surplus/(deficit)	**$0.4**	**($18.0)**	**($46.5)**

*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 $18.5 million was a decrease of $10.0 million over 2020. The decrease in surplus is attributable to a decrease in contributed revenue net of decreased grants to district hospitals and a decrease in interest expense on long-term debt.

	2021	2020	2019
Revenue	**(in millions)**	**(in millions)**	**(in millions)**
Requisition	$28.1	$29.4	$30.6
Other revenue	$11.5	$20.6	$8.0
	$39.6	**$50.0**	**$38.6**
Expenses			
Grants to district hospitals	$9.5	$9.0	$6.4
Interest and operating expenses	$11.6	$12.5	$10.4
	$21.1	**$21.5**	**$16.8**
Annual surplus	**$18.5**	**$28.5**	**$21.8**

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

4.9

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

5.5X

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





www.crd.bc.ca

Capital Regional District
625 Fisgard Street
Victoria, BC V8W 2S6

250.360.3000
Twitter: @crd_bc
Facebook: Capital Regional District