2025 – 2029 Financial Plan

Capital Regional District

Wednesday March 12, 2025

2025 Planning Parameters and Results

Direction for the service planning process and the 2025 provisional budget was set through:

2023-2026 Board Priorities (est. March 2023) subsequently the 2023-2026 CRD Corporate Plan was developed and approved

The Financial Planning Guidelines (May 2024) established a 3.0% target while forecasting 6% increase based on committed initiatives

➲ Plans for 2025 are focused on maintaining core service delivery and delivering remaining initiatives supporting the 2023-2026 Corporate Plan

2025 PROVISIONAL

Operating | $411M
Capital | $283M
Requisition | 6.9%

Consolidated
Requisition | 5.5%
Cost/HH | 5.5%

2025 FINAL

Operating | $412M
Capital | $311M
Requisition | 7.0%

Consolidated
Requisition | 5.6%
Cost/HH | 3.3%

2025 Final Budget

Executive Summary

Capital Region Housing Corp
Operating $32M | Capital $69M

Capital Regional District
Operating $412M | Capital $311M
Requisition Funding
$114M | 7.0%

Capital Regional Hospital District
Operating $33M | Capital $34M
Requisition Funding
$26M | 0.0%

Requisition Funding
$141M | 5.6%

Managing Capital Investments

capital investment more than 5x depreciation while 8% of revenue is committed to long-term debt payments

Supporting Board & Corporate Priorities

continuing to execute multi-year projects while adding initiatives in alignment with the 2023-2026 corporate plan

Adapting to Regional Challenges

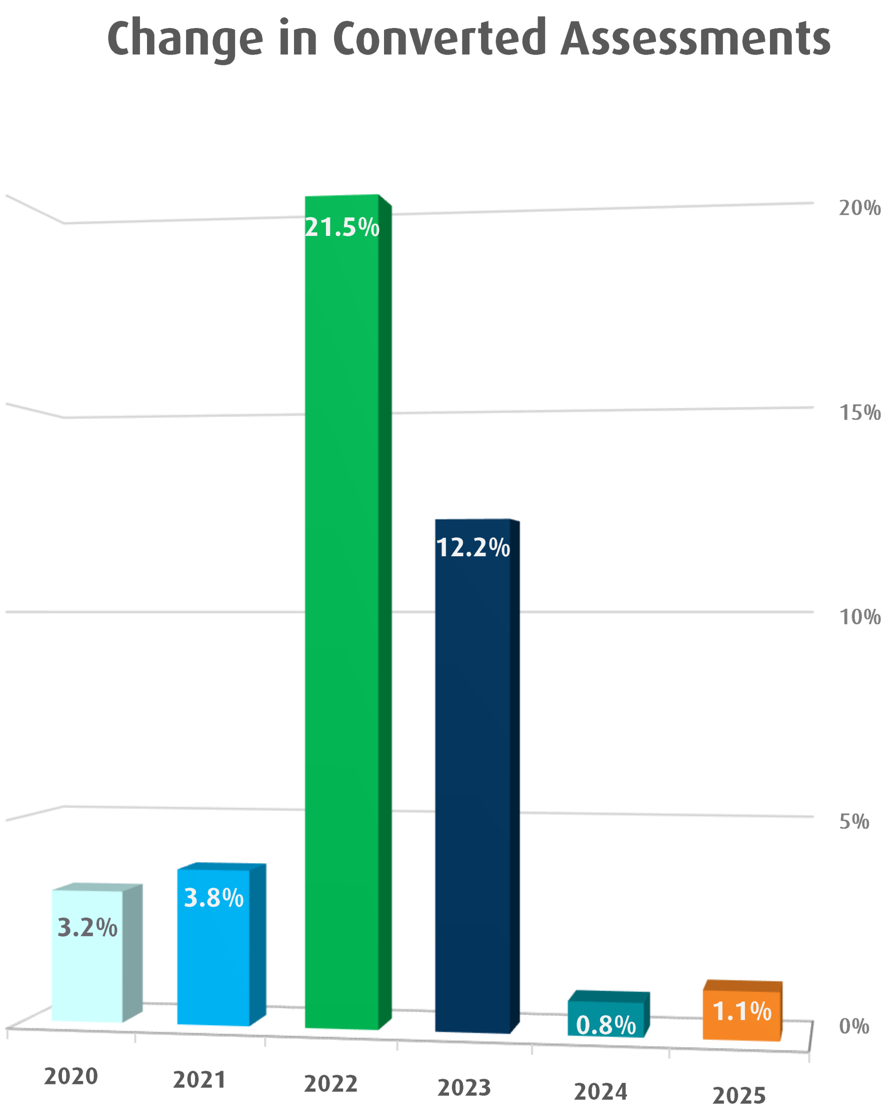
employment challenges, economic uncertainty, continued population growth resulting in increased asset utilization

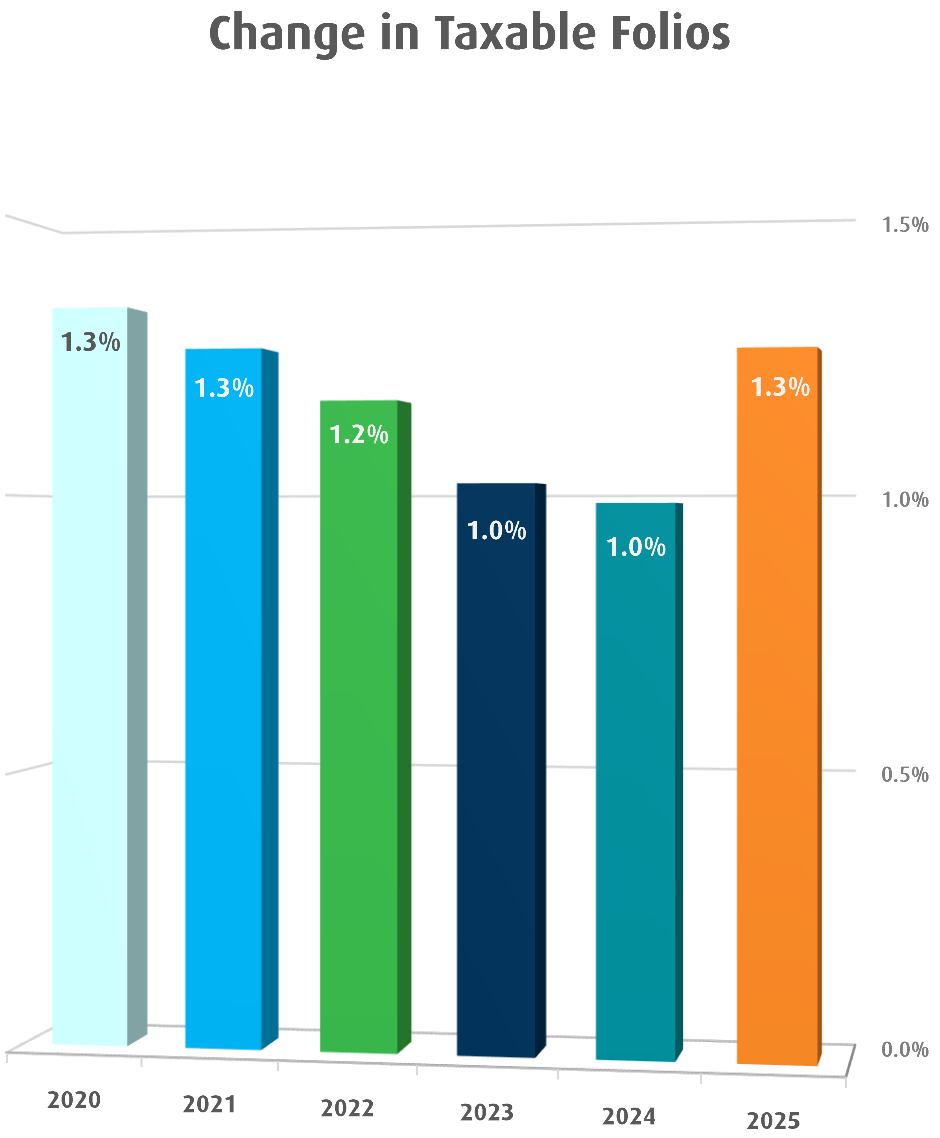
Striving for Financial Sustainability

continued revenue diversification, leveraging partnerships, developing financing strategies

Changes since Provisional Approval

2025 Assessment Impacts





Comparison of Budgets

2025 PROVISIONAL

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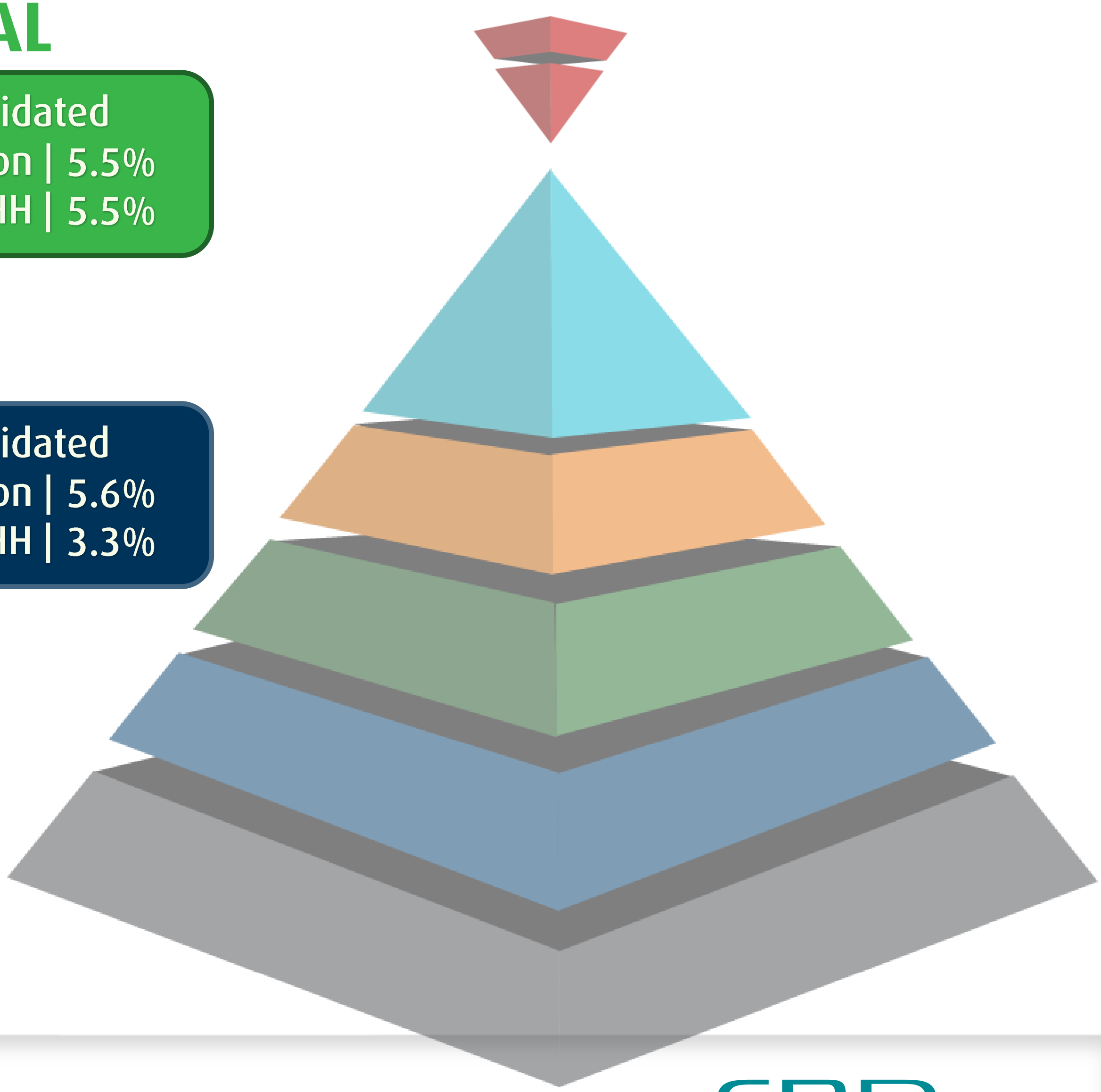
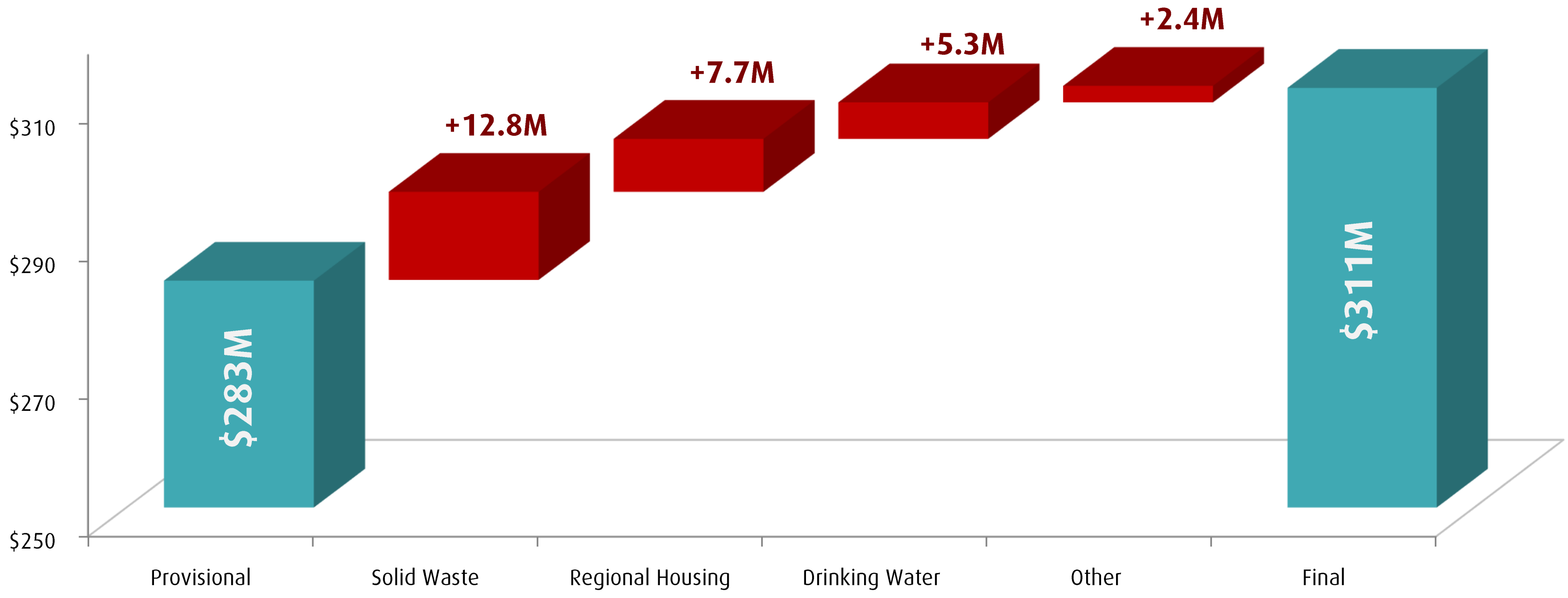


Capital Investment Changes

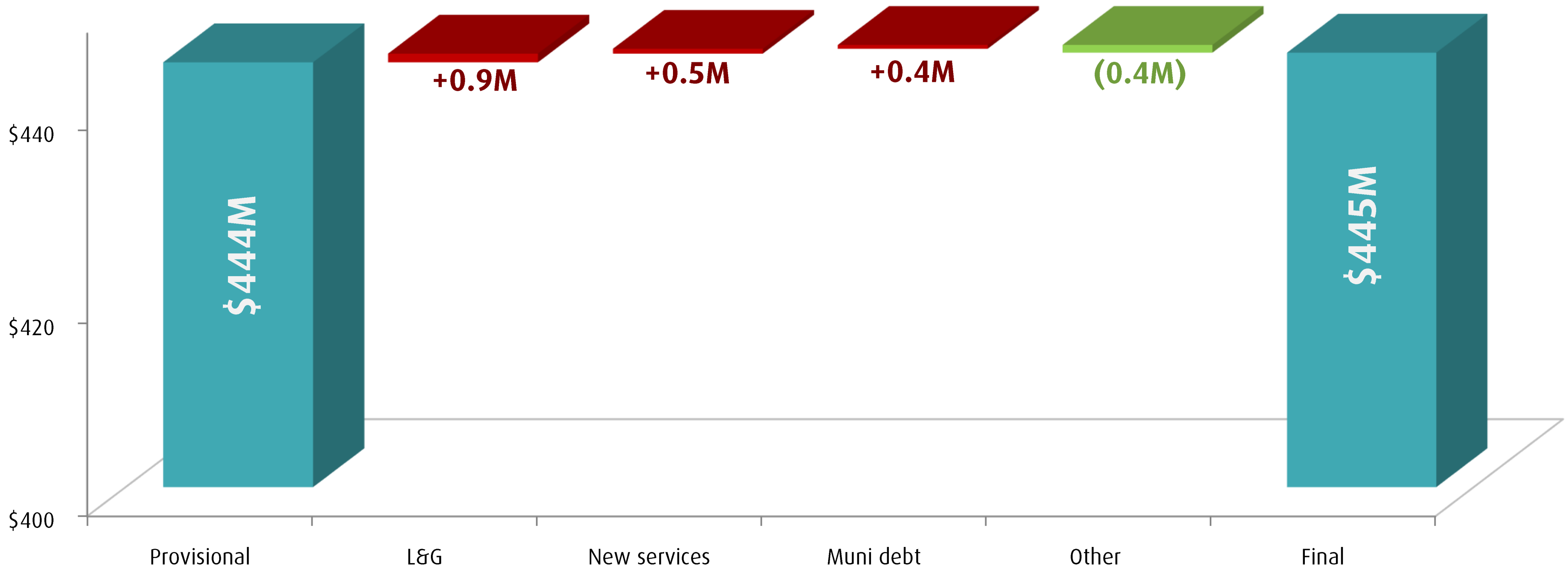
Capital Investment increased by $28.2M or 10.0%



Solid Waste Disposal	Carryforward of various projects: $6.9M landfill gas, $3.5M Hartland Amenity Project, $1.1M Cell 5 liner, $0.5M for diversion transfer station and $0.3M for north end fence replacement.
Regional Housing	Carryforward of various projects: $6.2M Verdier land purchase, $0.9M water and sewer infrastructure at Galiano Green and $0.3M committed to the Regional Housing First Program within Land, Banking, and Housing.
Drinking Water	Carryforward of $2.4M for comprehensive pump station upgrades in JDFWD, $1.6M for dam safety instrumentation and surveillance integration, $0.9M for the Cecelia meter replacement for RWS and $0.3 for SPWS system upgrade and expansion.
Other	Carryforward of $1.6M for Regional Trestle Renewal Widening and Lighting Project, and the Selkirk Trestle in Regional Parks. Deferrals of $0.4M for regional electric vehicle charging infrastructure in the climate action service and $0.3M in closeout costs for the Bowker sewer rehabilitation.

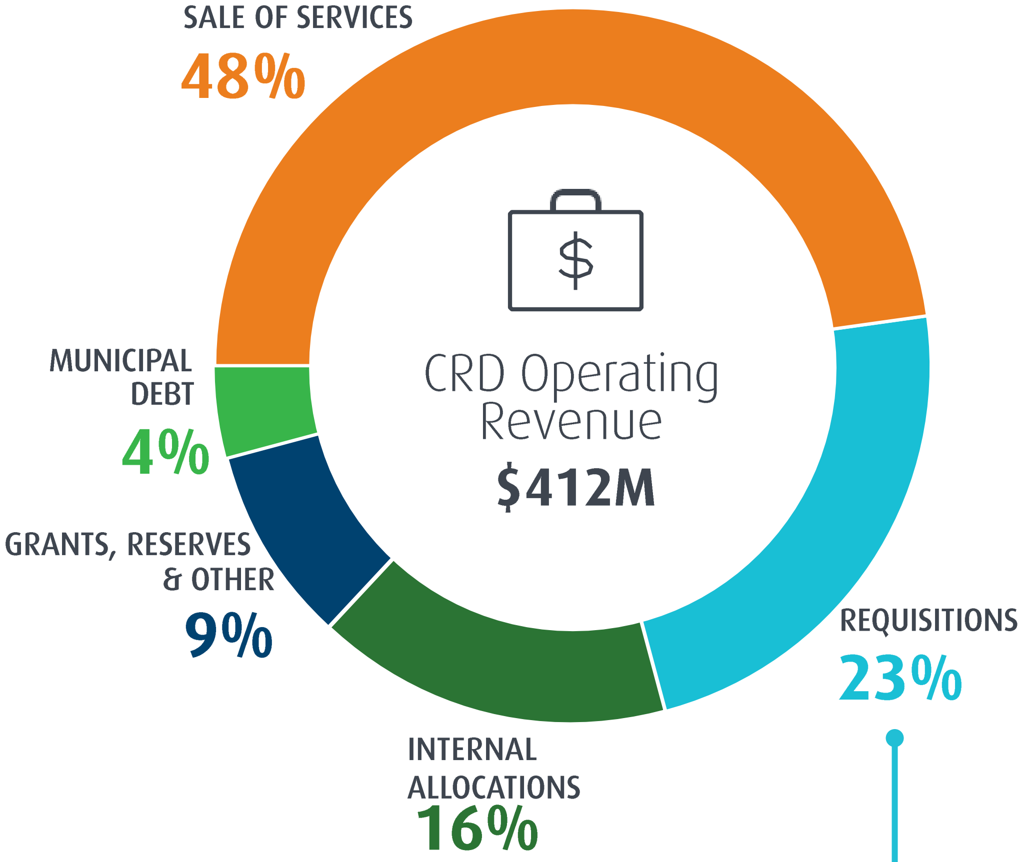
Consolidated Operating Budget Changes

Operating Expenditures increased by $1.4M or 0.3%



Legislative & General	$0.8M carryforward on corporate initiatives: Electronic Data Records Management System, feasibility study for centralizing procurement, First Nations Initiatives and Engagement, CRD employee experience survey Phase 2 and Equity, Diversity, Inclusion and Accessibility strategy. $0.1M in actuarial, auxiliary and contracted business continuity support in legal services.
New Service Establishments	The establishment of two new regional services: $0.3M Foodlands Access and $0.2M Biodiversity & Environmental Stewardship.
Municipal Debt	Increased debt servicing costs for the City of Colwood and the Town of Sidney. These debt changes resulted from new debt issuances subsequent to the 2025 Provisional Financial Plan approval.
Other	($1.2M) in reduced electricity and operating contract costs, due to the delayed completion of the Renewable Natural Gas Project, +$0.3 carryforward on initiatives for Saanich Peninsula wastewater, Regional parks, Panorama Recreation and the Salt Spring Island Integrated Housing Strategy, +0.1M Board-directed regional engagement for the housing affordability strategy, +0.4M net change across 87 services.

Operating Budget Funding



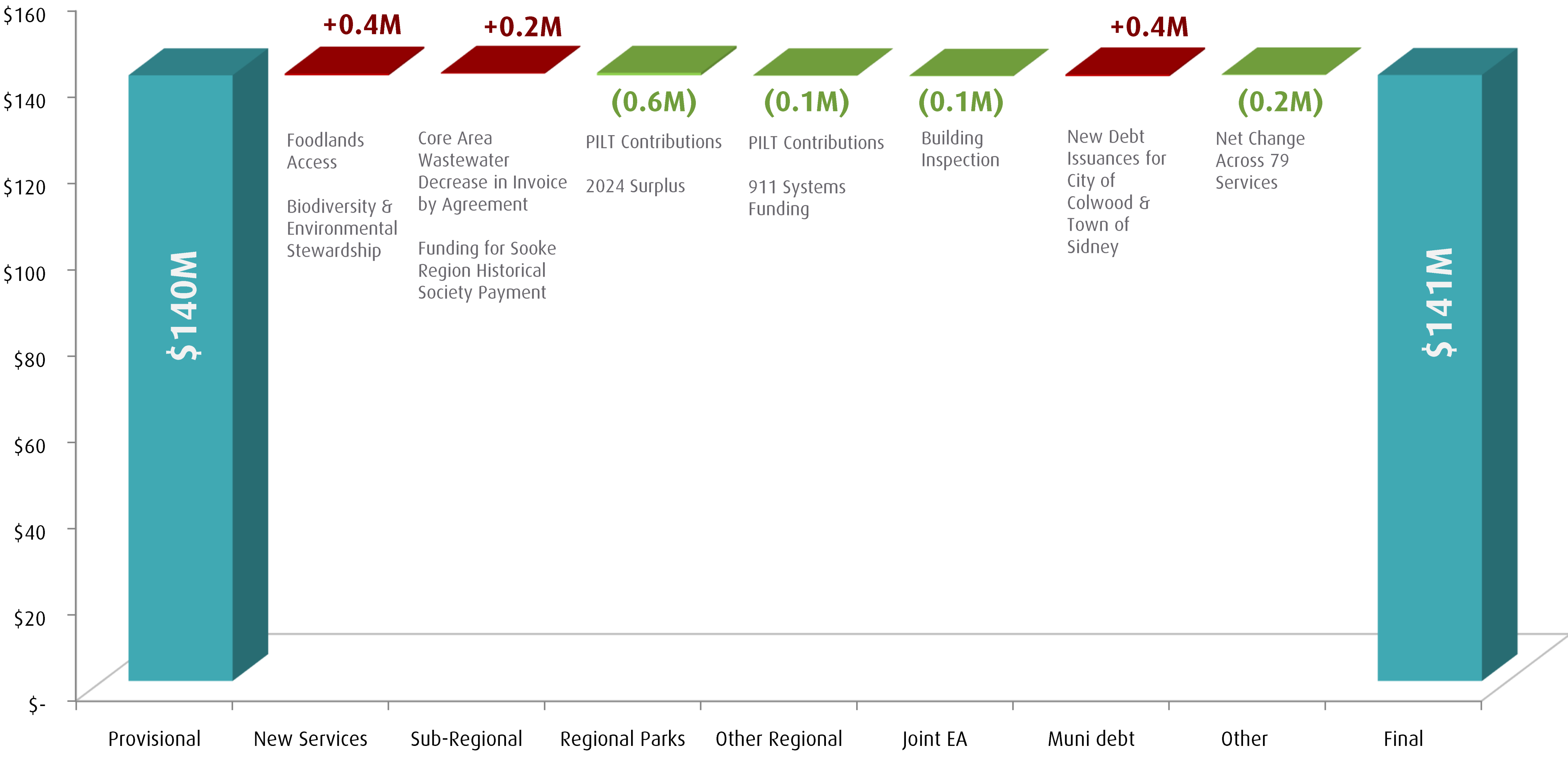
Sale of Services	196.7
Requisitions	96.2
Internal Allocations	64.0
Grants, Reserves & Other	37.5
Municipal Debt	17.9
Total	$412M

2025 Final Budget	2025 Preliminary	Δ $	Δ %
$96.2M	$96.5M	($0.3M)	(0.3%)

2024 Budget
$88.5M

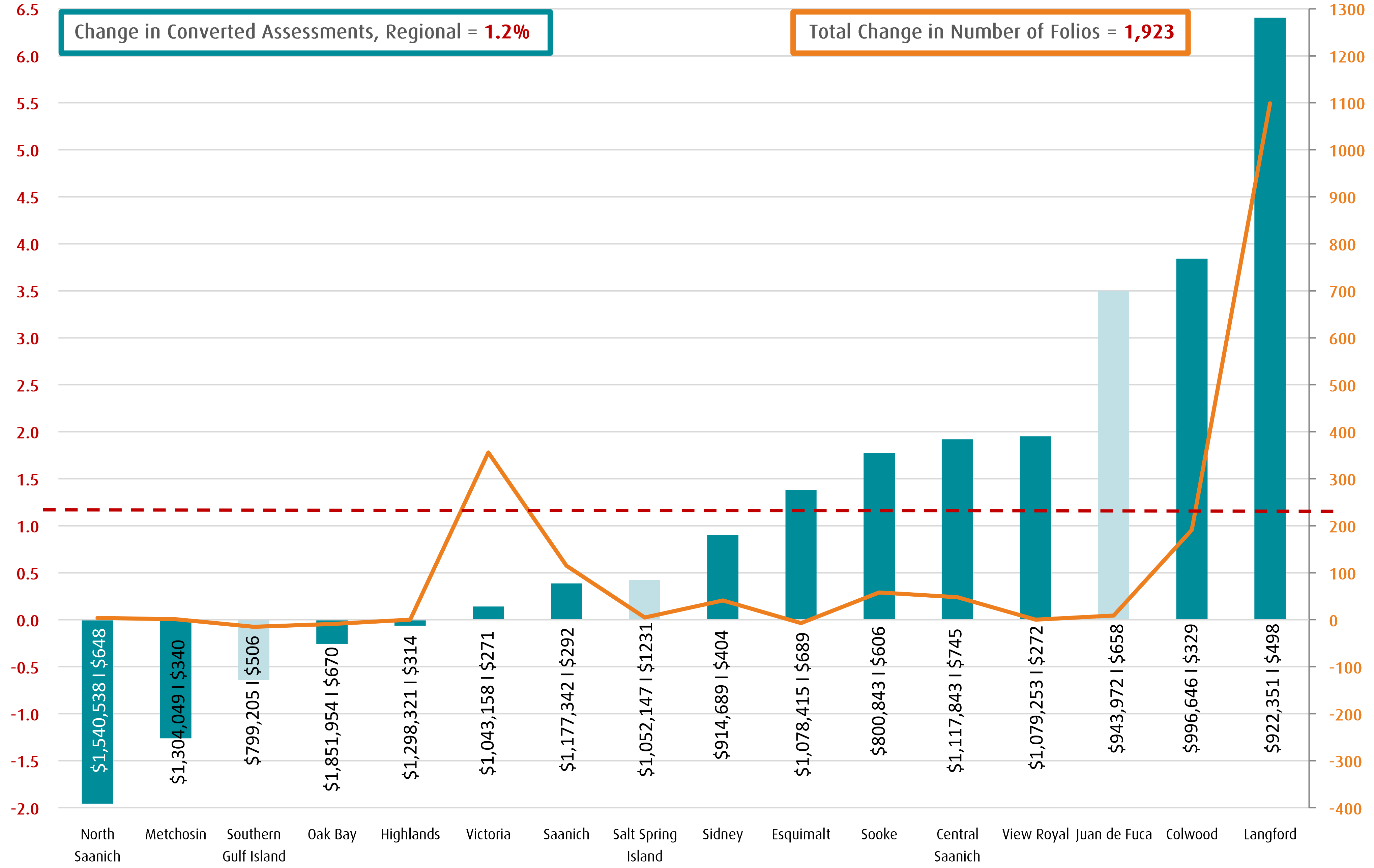
Consolidated Requisition Funding Changes

Consolidated Requisition increased by $0.1M or 0.1%



Impacts to Participants

Impact of Assessment & Folios

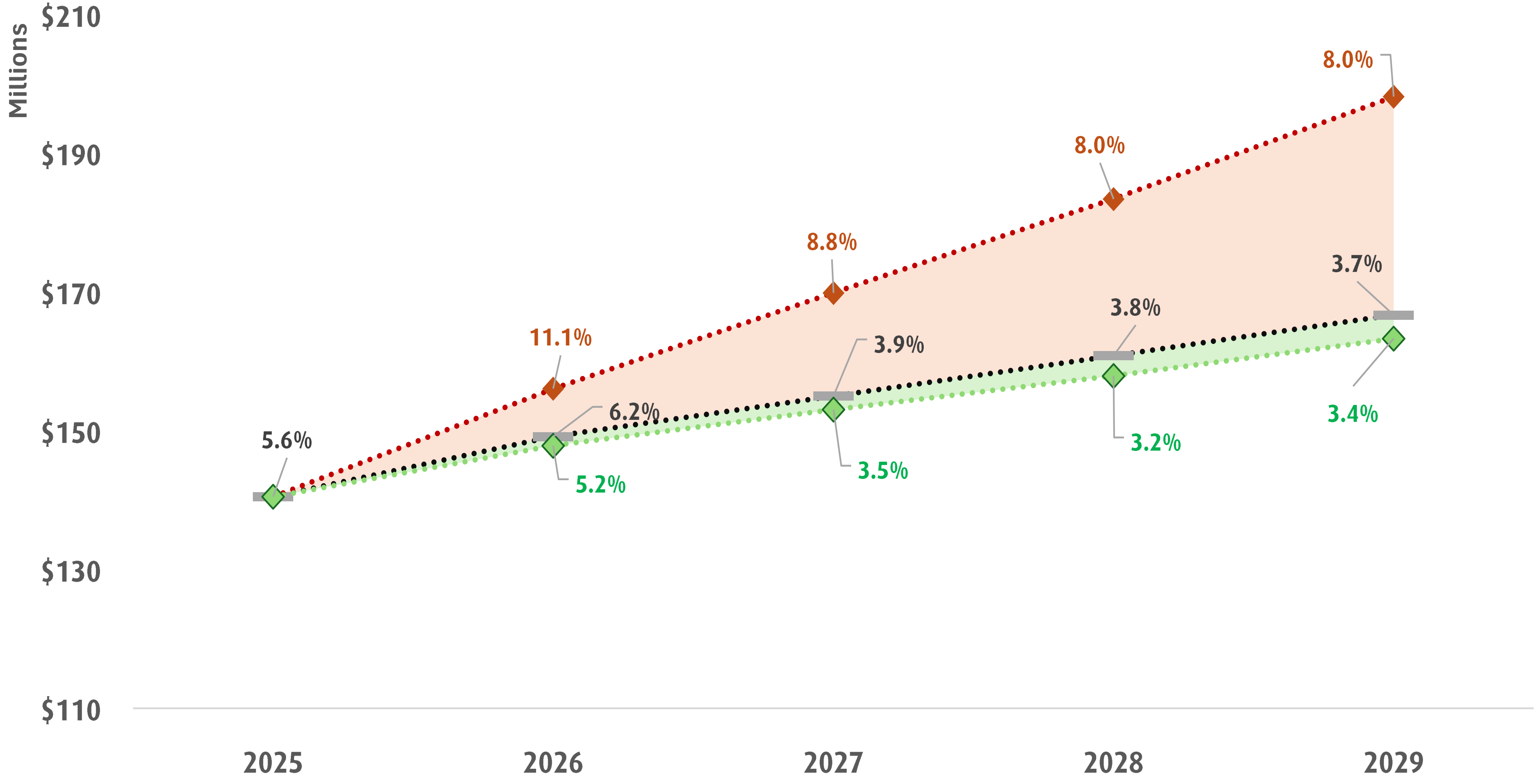


Requisition by Participant

	A	+ B	= C	→ D	→ E	→ F	→ G
Municipalities & EAs	Impact of Cost Apportionment	All Other CRD	CRD Final	CRD & Municipal Debt	CRD, CRHD & Municipal Debt	Consolidated Cost per HH %	Consolidated Cost per HH $
Central Saanich	0.4%	7.0%	7.4%	6.6%	5.7%	2.5%	$22.89
Colwood	0.5%	7.0%	7.5%	7.9%	6.6%	2.2%	$11.25
Esquimalt	0.1%	13.1%	13.2%	5.1%	4.5%	5.3%	$57.27
Highlands	(1.0%)	8.6%	7.6%	(0.7%)	(0.9%)	(0.8%)	($4.33)
Langford	2.4%	10.7%	13.1%	13.1%	11.5%	1.7%	$10.00
Metchosin	(2.8%)	8.7%	5.9%	5.9%	3.1%	3.0%	$14.45
North Saanich	(1.2%)	7.7%	6.5%	5.9%	3.9%	2.5%	$22.90
Oak Bay	(1.1%)	8.6%	7.5%	7.5%	5.1%	5.1%	$43.39
Saanich	(1.3%)	7.5%	6.2%	2.3%	1.5%	0.8%	$4.55
Sidney	0.2%	7.5%	7.7%	9.2%	7.2%	5.0%	$28.15
Sooke	0.4%	7.7%	8.1%	7.2%	6.3%	4.3%	$31.98
Victoria	(0.4%)	6.9%	6.5%	5.0%	3.4%	1.4%	$6.93
View Royal	0.0%	7.0%	7.0%	7.6%	5.8%	4.7%	$23.87
Juan de Fuca*	1.2%	10.4%	11.6%	11.6%	10.1%	10.2%	$71.82
Salt Spring Island*	(0.2%)	11.6%	11.4%	11.4%	10.1%	9.9%	$122.50
Southern Gulf Islands*	(0.5%)	8.0%	7.5%	7.5%	5.8%	6.1%	$34.73
Total	-	8.7%	8.7%	7.0%	5.6%	3.3%	$22.83

* Excludes Local Defined Areas

Consolidated Five-Year Requisition Forecast



Future requisition forecasts consider various factors such as inflation, impact of tariffs, demographic shifts, population growth and other macro-economic conditions. These forecasts are based on current regional population trends and are updated to reflect emerging federal and provincial policies.

Although inflation is expected to remain low in 2025, its ultimate trajectory remains uncertain. Factors such as Bank of Canada monetary policy, evolving US-Canada trade relations, and the broader global economic climate could either accelerate or dampen inflationary pressures. Meanwhile, persistent challenges - unemployment rates, logistics disruptions, and supply chain constraints (in part due to tariffs) - are likely to influence the cost-of-service delivery.

Financial Health Indicators

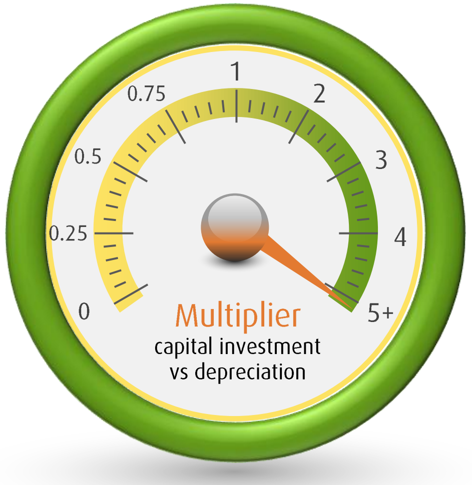
Financial Health Indicators

Investing for the Future

Measure: the amount of capital invested in infrastructure for every dollar that assets depreciate each year.

Result: in 2025, the investment in capital will be $311M* vs $59M in amortization. This yields a 5.3x multiplier.

*Amortization based on net book value as per the audited financial statements from the preceding year.



Saving for a Rainy Day

Measure: reserves provide sources of funding for uncontrollable factors and allow the CRD to set aside funds for future capital requirements.

Result: in 2025, reserve contributions will total $30M vs a $412M* operating budget. The result is 7.3%.

* Includes municipal debt servicing costs

Financial Health Indicators

Debt Affordability

Measure: the amount of revenue committed to debt repayment for existing and new capital.

Result: in 2025, debt servicing costs will account for $26M* out of the total revenue of $323M**. This equates to 7.9%.

* excludes municipal borrowing
** excludes municipal debt (17.9M), internal allocations (64.0M), and surplus carryforward (7.7M).

Debt Management

Measure: the amount of capital investment that will be funded by debt (instead of operating or reserves).

Result: in 2025, debt will fund approximately 42.6% of total capital investment of $311M.

Financial Plan Summary

Managing Capital Investments

capital investment is 5.3x depreciation while 7.9% of revenue is committed to long-term debt payments

Supporting Board & Corporate Priorities

advancing initiatives in alignment with community needs in the 2023-2026 corporate plan

Adapting to Regional Challenges

persistent economic challenges, constrained labour market, continued long-term growth in asset utilization

Financial Sustainability

continued revenue diversification, leveraging partnerships, developing financing strategies

Thank you

@crdvictoria

Capital Regional District

CRDVictoria

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Municipalities & EAs	Impact of Cost Apportionment	All Other CRD	CRD Final	CRD & Municipal Debt	CRD, CRHD & Municipal Debt	Consolidated Cost per HH %	Consolidated Cost per HH $
Central Saanich	0.4%	7.0%	7.4%	6.6%	5.7%	2.5%	$954
Colwood	0.5%	7.0%	7.5%	7.9%	6.6%	2.2%	$532
Esquimalt	0.1%	13.1%	13.2%	5.1%	4.5%	5.3%	$1,142
Highlands	(1.0%)	8.6%	7.6%	(0.7%)	(0.9%)	(0.8%)	$526
Langford	2.4%	10.7%	13.1%	13.1%	11.5%	1.7%	$612
Metchosin	(2.8%)	8.7%	5.9%	5.9%	3.1%	3.0%	$501
North Saanich	(1.2%)	7.7%	6.5%	5.9%	3.9%	2.5%	$953
Oak Bay	(1.1%)	8.6%	7.5%	7.5%	5.1%	5.1%	$898
Saanich	(1.3%)	7.5%	6.2%	2.3%	1.5%	0.8%	$575
Sidney	0.2%	7.5%	7.7%	9.2%	7.2%	5.0%	$592
Sooke	0.4%	7.7%	8.1%	7.2%	6.3%	4.3%	$769
Victoria	(0.4%)	6.9%	6.5%	5.0%	3.4%	1.4%	$516
View Royal	0.0%	7.0%	7.0%	7.6%	5.8%	4.7%	$534
Juan de Fuca*	1.2%	10.4%	11.6%	11.6%	10.1%	10.2%	$775
Salt Spring Island*	(0.2%)	11.6%	11.4%	11.4%	10.1%	9.9%	$1360
Southern Gulf Islands*	(0.5%)	8.0%	7.5%	7.5%	5.8%	6.1%	$604
Total	-	8.7%	8.7%	7.0%	5.6%	3.3%	$716

* Excludes Local Defined Areas

CRD