



# Capital Regional District > 2022 Provisional Budget

**Presentation to Committee of the Whole**  
**Wednesday October 27, 2021**

1. Planning Process & Timeline
2. Regional Context
3. Capital Budget
4. Operating Budget
5. Initiative Business Cases
6. Impact on Requisition



## Managing Capital Investments

capital investment is 6.0x depreciation while 11% of revenue is committed to long-term debt payments



## Supporting Board & Corporate Priorities

advancing initiatives to address outstanding commitments in the corporate plan



## Adapting to Regional Challenges

extraordinary economic environment, labour market conditions, unprecedented growth in asset utilization



## Financial Sustainability

continued revenue diversification, leveraging partnerships, developing financing strategies



## OPERATING



Capital Regional District  
**\$309M**



Capital Regional Hospital District  
**\$34M**



Capital Region Housing Corporation  
**\$28M**

Total  
**\$371M**

## CAPITAL



Capital Regional District  
**\$169M**



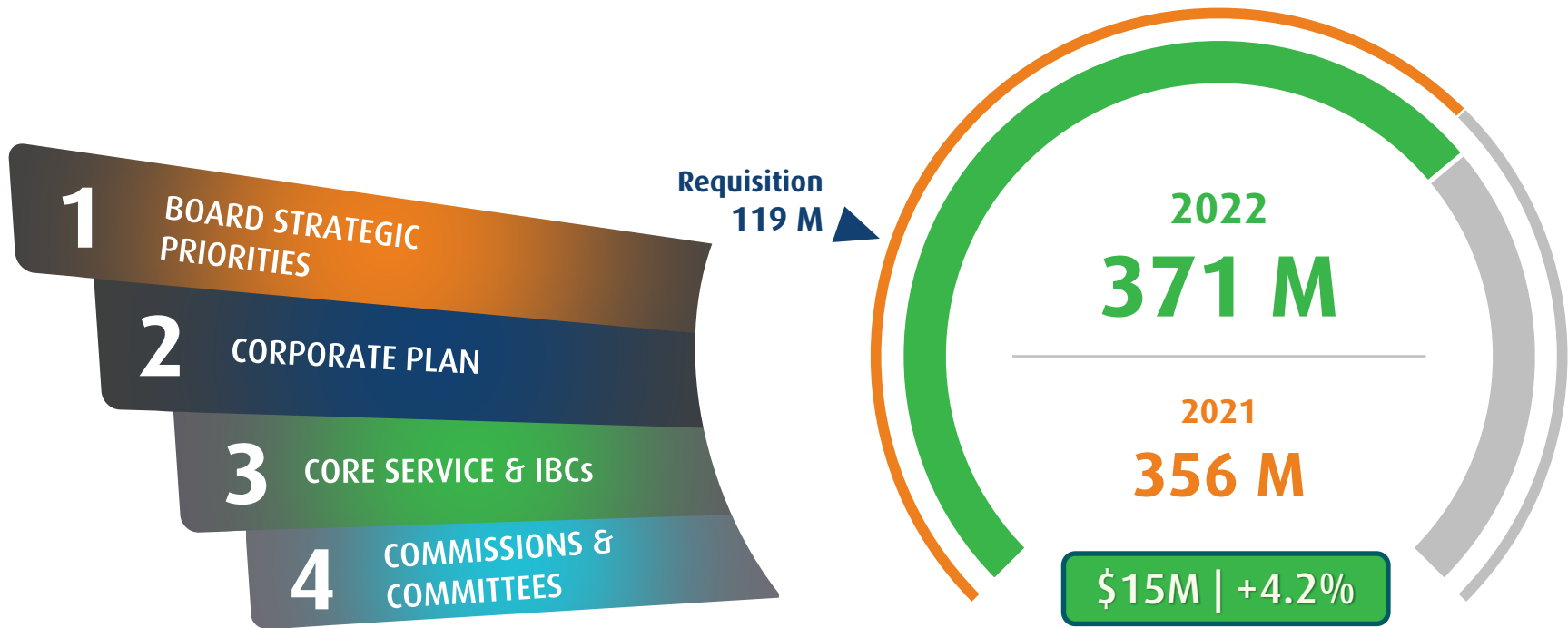
Capital Regional Hospital District  
**\$21M**



Capital Region Housing Corporation  
**\$50M**

Total  
**\$240M**





## REQUISITION FUNDING

\$92.3M | +4.2%



\$26.5M | (6.0%)



\$119M | +1.7%

CRD\*

CRHD

TOTAL

\* Including \$15.4M in municipal debt which is required to flow through the CRD

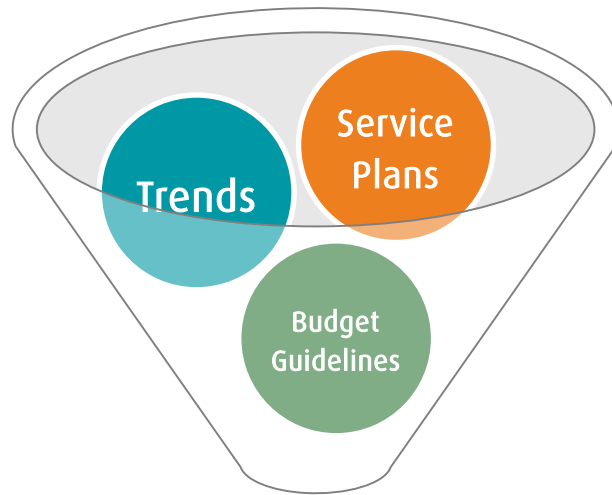
CRD



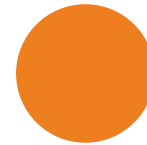
# Planning Process & Timeline >

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## 2022 Provisional Budget



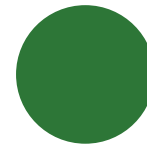
### Service Planning Process

Define appropriate levels of service delivery, adjust impacts, realign resources, evaluate infrastructure



### Trends and Assumptions

Adjustments made for external factors including population growth, demographics, economic, etc.



### Budget Guidelines

Annual Board approval of the Financial Management Strategies and Guidelines

### Review Process

- Board approved Financial Planning Guidelines (Spring 2021)
- Committees & Commissions (Fall)
- Electoral Area Committee (Fall)

### Provisional Budget

- Committee of the Whole review (October 2021)
- Requests authority to expend January through March 2022

### Final Budget

- Authority for expenditures in Operating & Capital Budgets
- Incorporates BC Assessment info
- Approved by end of March 2022



## Regional Context >

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## 2.0<sup>B</sup>

BUILDING PERMITS  
FORECASTED IN 2021

RESULTING IN APPROXIMATELY

## 4250<sup>UNITS</sup>



## 15%



POPULATION GROWTH SINCE 2011

FORECASTED INCREASE OF 1.3% IN 2021



## 3.2%

GREATER VICTORIA CPI  
AS OF AUGUST 2021



## 4.2%

UNEMPLOYMENT RATE  
GREATER VICTORIA – AUGUST 2021



## 22.4%

SINGLE FAMILY DWELLING  
PURCHASE PRICE NEARLY \$1.1 MILLION



## 20-25%

INCREASE IN PARKS VISITORS  
ANNUALLY SINCE 2019



Since 2019 the CRD has added more than **700 new** dwellings. In the next 4 years, we are forecasting **adding another 1500** new dwellings for a combined portfolio of **more than 3500 units** operated by the CRD by 2025.

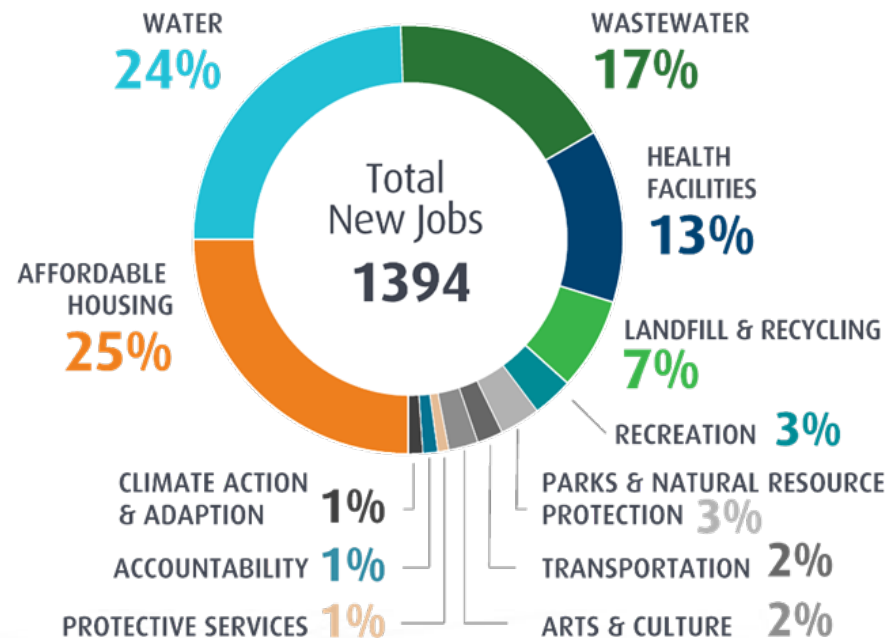


## Number of **NEW JOBS**

IN BC  
**1409**

IN CRD  
**1394**

## JOB CREATION By Community Need



The consolidated capital plan combined investment of \$240M, generates an estimated 1,394 new jobs in the region through the flow of goods and services among various industries.



# CRD Capital Budget >

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2021 | \$286M

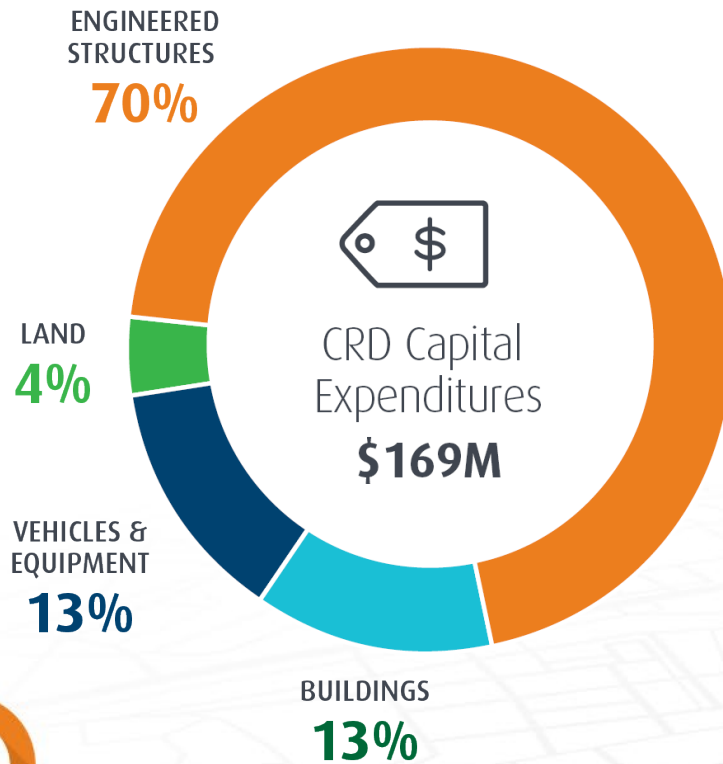


2022 | \$169M

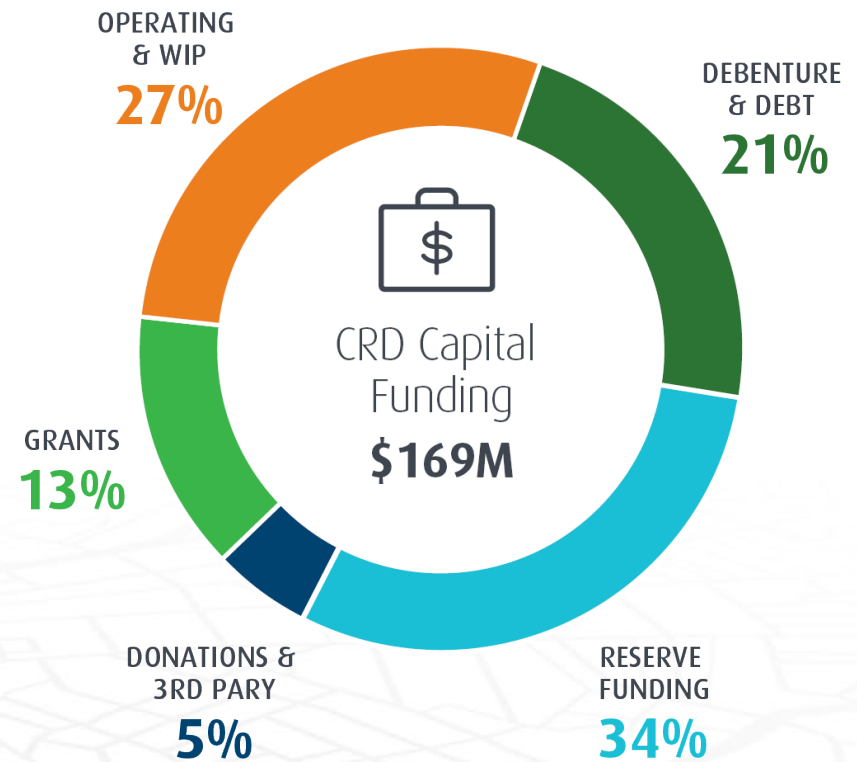


(117.2M) | (41.0%)

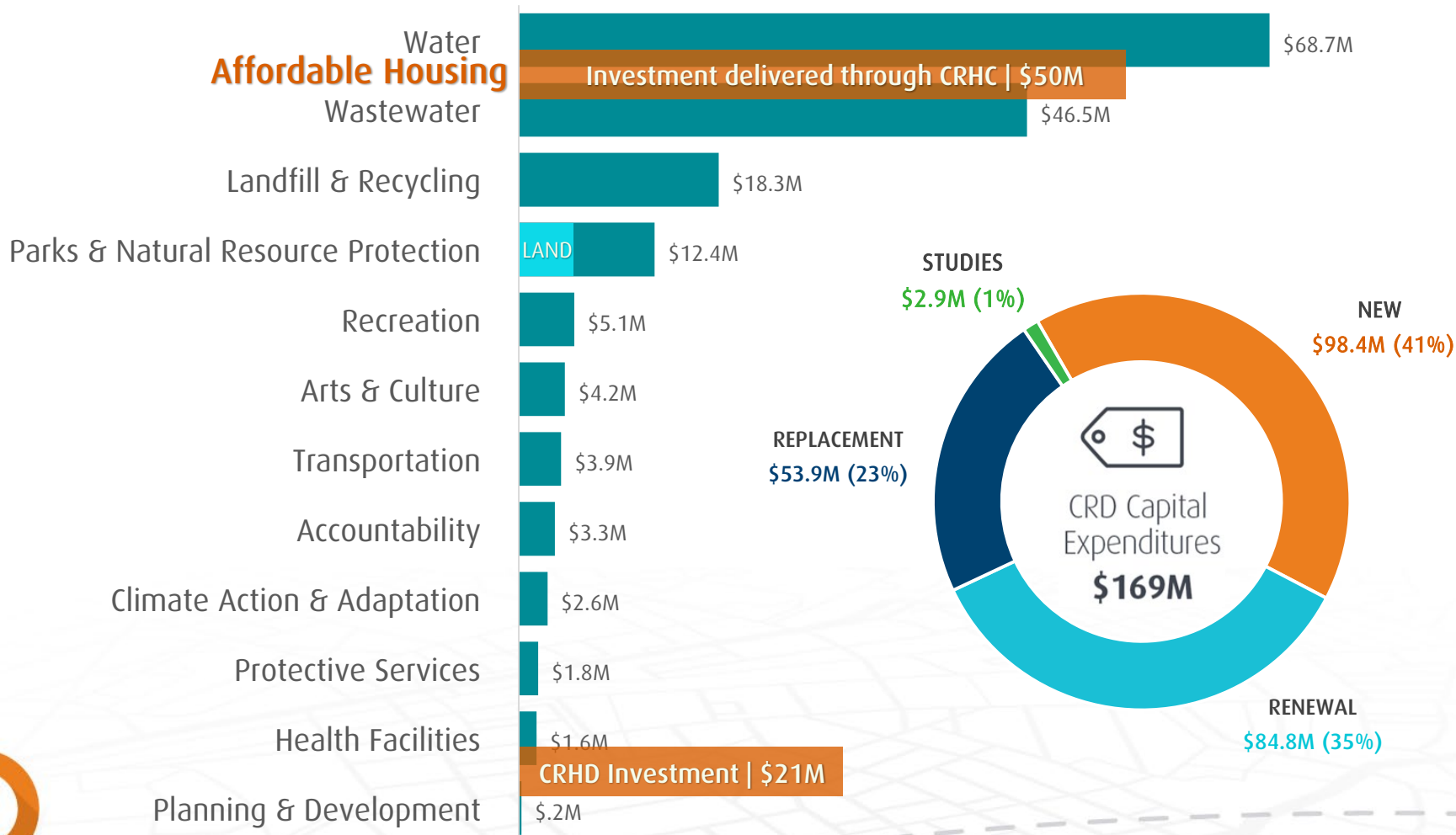
## WHERE THE MONEY GOES



## WHERE THE MONEY COMES FROM



## Community Needs





# Regional Parks Service > Land Acquisition

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1 

## 1. PARKS STRATEGIC & MANAGEMENT PLANS

identifies general areas of acquisition interest or with regional park potential

(Board approved documents)

## 4. ACQUISITION APPROVAL

report outcome negotiations, purchase options & financial implications

(Board or CAO approval)

## 5. COMPLETE ACQUISITION

conveyance of lands are completed and the CRD retains title

2 

## 2. LAND ACQUISITION STRATEGY

a two-year strategy providing the committee and Board with a roadmap for acquiring land

(Board approved document)

3 

## 3. LIST OF PROPOSED ACQUISITIONS

bi-annual list of properties proposed to be acquired and estimated value, provides staff with mandate to negotiate acquisition

(Board approved document)

4 

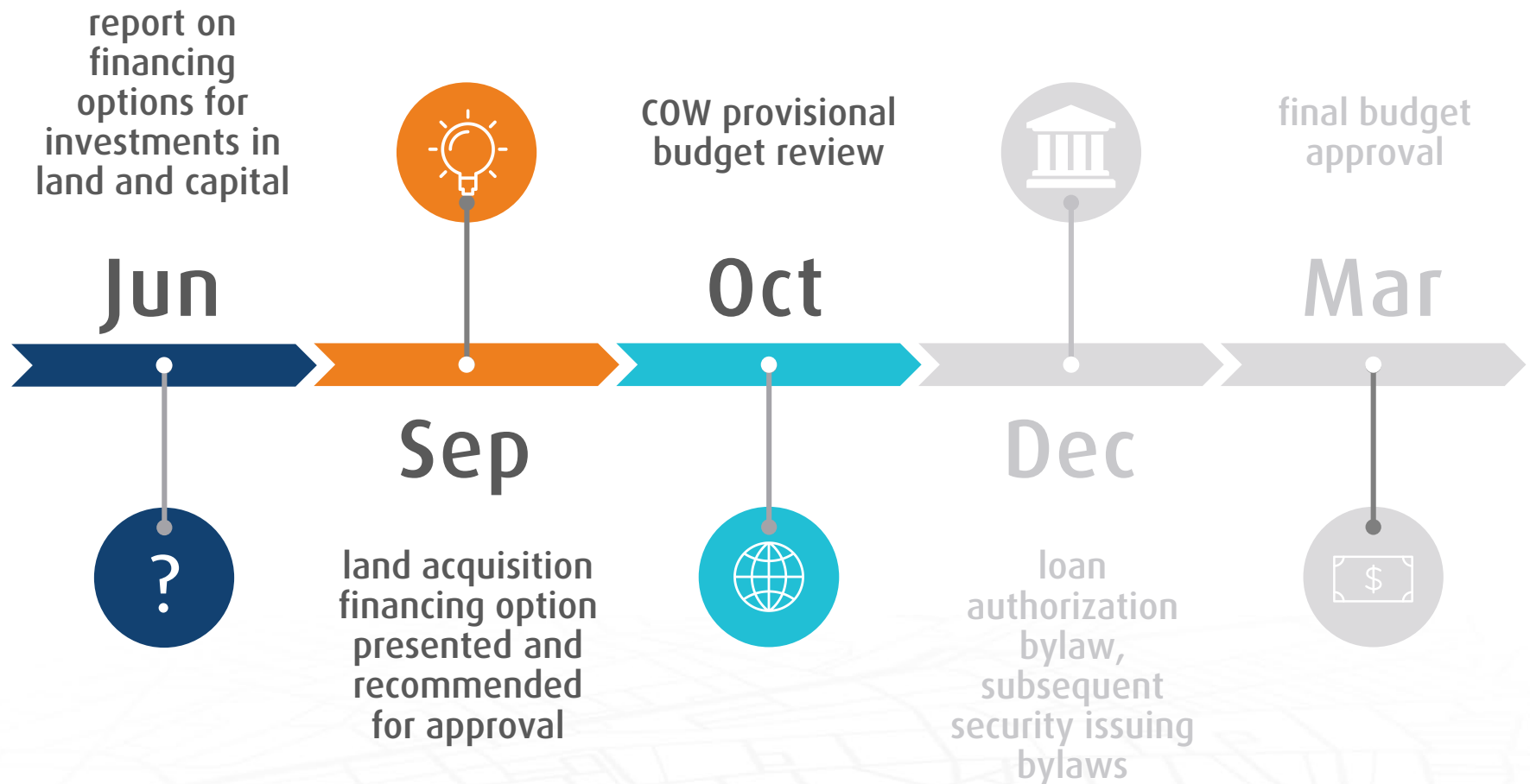
## 6. REPORTING ANNOUNCABLES

following execution of all documentation by both parties, reporting annual results of land acquisitions

(received by Board)

5 

6 

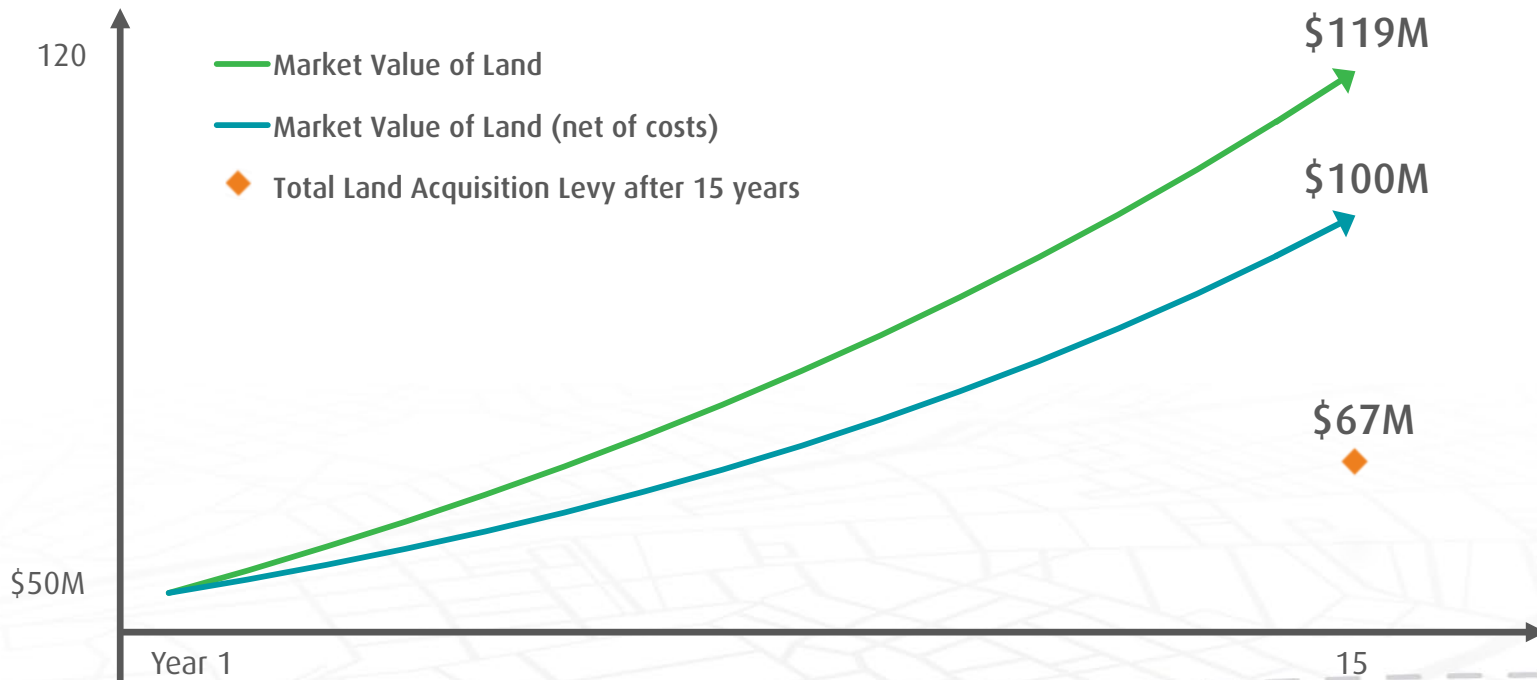


## Financing Strategy



The report to committee proposes a shift from the current financing strategy of saving-to-purchase, to acquiring land through borrowing.

Historically, the practice has been to save the annual levy until there are sufficient funds to acquire a property. The report proposes a pivot, utilizing the annual levy capacity to fund debt payments, which can unlock capacity to purchase land that would otherwise be unattainable.



## Financing Strategy Mechanics



EXAMPLE	2021	2022	2023	2024	2025	2026
Loan Authorization	\$50M					
acquisition with security issuing bylaws		5.0	5.0	5.0	5.0	5.0
maximum borrowing constraint		45.0	40.0	35.0	30.0	25.0
change in debt servicing per year		0.08	0.37	0.46	0.75	0.84
Total Debt Servicing for New Land		0.08	0.45	0.83	1.21	1.59



# CRD Operating Budget >

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2021 | \$297M

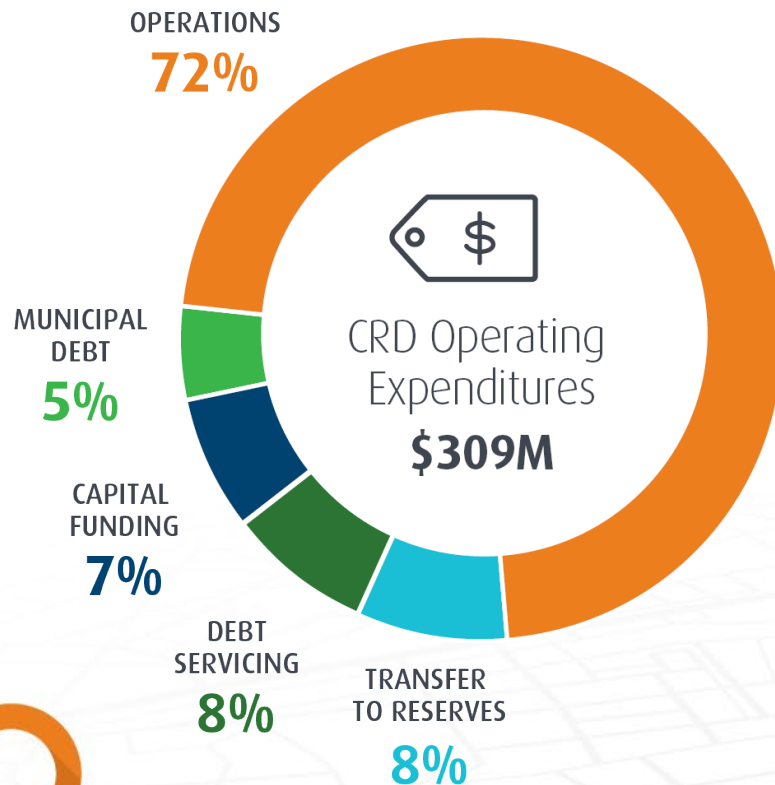


2022 | \$309M

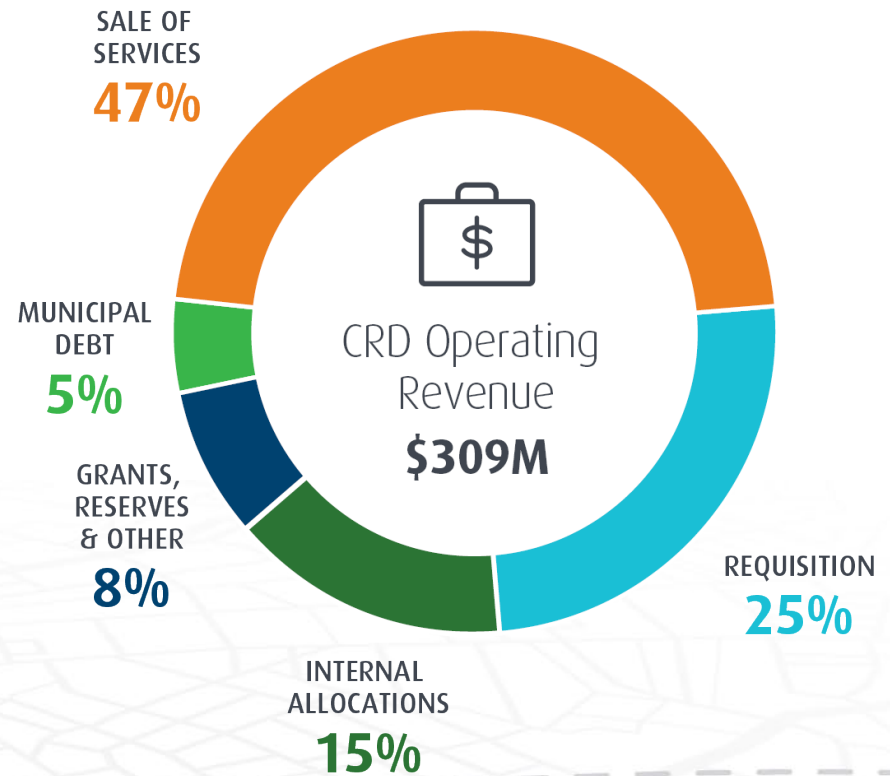


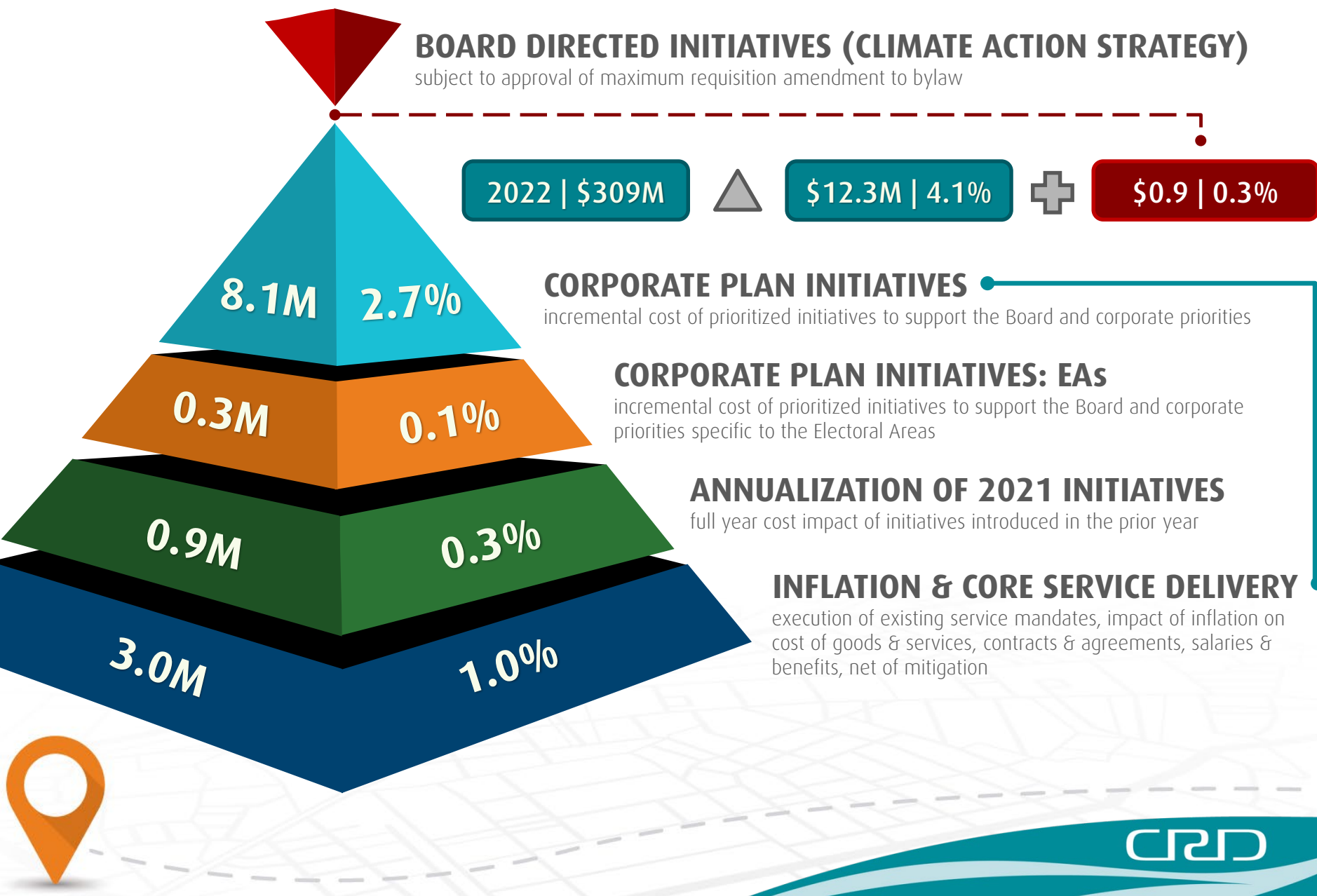
\$12.3M | 4.1%

## WHERE THE MONEY GOES



## WHERE THE MONEY COMES FROM







# Community Needs > Initiative Business Cases

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## Legislative & General Government



As the overarching administrative service for the corporation, all municipalities and electoral areas cost share in functions including; Board Expenditures, the Executive Leadership Team, Human Resources, Health & Safety, Communications, Finance & Technology, Corporate Services, and Corporate Emergency. Core operating services rely on the support of Legislative & General Government to effectively execute and deliver their mandate.

### ACCOUNTABILITY

16 out of 45 IBCs

\$3.2M out of \$8.4M



## Initiative Business Case Summary



The Corporate Plan identifies actions that respond to community needs and deliver on the Board's mission, vision and priorities and the organization's ongoing service mandates and approved plans. The Corporate Plan, together with service plans, will drive the resource allocation decisions and set performance measures.

Community Need			2022 IBCs	\$M	Community Need			2022 IBCs	\$M
1	<a href="#">Affordable Housing</a>		2	0.4	9	<a href="#">Landfill &amp; Recycling</a>		3	0.2
2	<a href="#">Transportation</a>		3	0.8	10	<a href="#">Water</a>		3	0.2
3	<a href="#">First Nations Relations</a>		2	0.2	11	<a href="#">Planning &amp; Development</a>		1	0.0
4	<a href="#">Economic Development</a>		1	0.0	12	<a href="#">Arts &amp; Culture</a>		-	-
5	<a href="#">Climate Action &amp; Adaptation*</a>		2	0.1	13	<a href="#">Recreation</a>		3	0.2
6	<a href="#">Parks &amp; Natural Resource Protection</a>		4	2.8	14	<a href="#">Health Facilities</a>		-	
7	<a href="#">Protective Services</a>		2	0.1	15	<a href="#">Accountability</a>		16	3.2
8	<a href="#">Wastewater</a>		3	0.2					

CRD

45 IBCs = \$8.4M

+ \$0.9M

CRD

## Affordable Housing



We envision that residents have access to affordable housing that enhances community well-being.

CRD Initiatives		\$000's		
1a-2	Housing Planning & Capital Region Housing Corporation (CRHC) Operations: invest in/build Provincial Income Assistance rate, market rate & affordable housing units through the Regional Housing First Program and operate housing projects through the CRHC	\$220		
		Req	Fees	A/O
		66%	-	34%
1a-10	Reaching Home Program: collaboration with BC Housing and Island to lead the development of a coordinated access system supported by the Homeless Individuals and Families Information System	\$178		
		Req	Fees	A/O
		-	-	100%



## Transportation



We envision that residents have access to convenient, green and affordable multi-modal transportation systems that enhance community well-being.

CRD Initiatives		\$000's		
2a-1.1	Transportation Data Collection, Modelling & Priority Implementation: cyclical update of Origin & Destination Household Travel Survey and Regional Transportation Model	\$753		
		Req	Fees	A/O
		-	-	100%
2a-1.2	Transportation Priorities Implementation: development and delivery of implementation strategies	\$6		
		Req	Fees	A/O
		100%	-	-
2e-3	SGI Transportation Service Establishment: delivery of a transportation service establishment bylaw for SGI and electoral assent process	\$15		
		Req	Fees	A/O
		100%	-	-



## First Nations Relations



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

CRD Initiatives		\$000's		
3a-3	Protection & Conservation of Heritage Sites Policy Implementation: creation of in-house archeologist position to support policy implementation & next steps	\$126		
		Req	Fees	A/O
		100%	-	-
3a-5	Reconciliation Action Plan: development of action plan in consultation with senior staff and First Nations to determine appropriate areas of priority	\$45		
		Req	Fees	A/O
		100%	-	-



# Economic Development

 We envision increasing economic development potential in the region.

CRD Initiatives		\$000's		
4a-1	SGI Connect – Internet Service Establishment: broadband connectivity service establishment/amendment bylaw for SGI and potential electoral assent process	\$20		
		Req	Fees	A/O
		100%	-	-



## Climate Action & Adaptation



We envision reduced GHG emissions, triple bottom-line solutions and progress on adaptation.

CRD Initiatives		\$000's		
5a-1.2	Community Energy Specialist: position conversion to maintain existing service level for partners	\$9		
		Req	Fees	A/O
		100%	-	-
5a-1.5	Corporate Climate Action Reserve Fund Increase: increase funding to make up for loss of grant funding	\$60		
		Req	Fees	A/O
		100%	-	-
pending bylaw changes	Initiatives driven by the revised Climate Action Strategy, developed in response to the CRD Board's declaration of a Climate Emergency	\$935		
		Req	Fees	A/O
		100%	-	-



## Parks & Natural Resource Protection



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

CRD Initiatives		\$000's		
6a-13	Elk/Beaver Lake Aerator Maintenance: maintenance and monitoring of new aeration equipment	\$100		
		Req	Fees	A/O
		100%	-	-
6a-18	Accessibility Study: evaluation of current regional parks system against accessibility standards/best practices	\$30		
		Req	Fees	A/O
		100%	-	-
6c-1.3	SSI Crime Prevention in Community Parks: increase to bylaw patrol hours to deter crime and antisocial behaviour in SSI Community Parks	\$10		
		Req	Fees	A/O
		-	-	100%
6g-1	Regional Parks Service: comprehensive service level review of Regional Parks services	\$2,568		
		Req	Fees	A/O
		99%	-	1%



## Protective Services




We envision increased regional co-operation in protecting public safety and preparing for, responding to and recovering from emergencies.

CRD Initiatives		\$000's		
7a-1.1	Emergency Management Software: licensing costs for new regional Emergency Management Software	\$66		
		Req	Fees	A/O
		-	-	100%
7c-2	Fire Service Compliance & Coordination: extension of existing contracted role to help fire services achieve and maintain compliance	\$70		
		Req	Fees	A/O
		28%	-	72%



## Wastewater

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

CRD Initiatives		\$000's		
8a-1.3	Saanich Peninsula Liquid Waste Management Plan: development of a detailed inflow and infiltration reduction program for the Peninsula	\$65		
		Req	Fees	A/O
		100%	-	-
8a-1.4	Biosolids Research Assistant: development of short- and long-term biosolids management plans	\$86		
		Req	Fees	A/O
		3%	-	97%
8a-1.5	Lab Services Core Area Wastewater Treatment Plant (CAWTP): support for lab services during evaluation of longer-term CAWTP requirements	\$84		
		Req	Fees	A/O
		-	-	100%



## Landfill & Recycling

 We envision minimizing waste disposal and maximizing waste diversion.

CRD Initiatives		\$000's		
9a-1.2	Solid Waste Initiatives Coordinator: deployment of planned waste diversion initiatives from the Solid Waste Management Plan (SWMP)	\$98		
		Req	Fees	A/O
		9%	91%	-
9b-2.1	Communications Assistant: support for SWMP for education and outreach related to waste diversion initiatives	\$26		
		Req	Fees	A/O
		-	100%	-
9d-1	Landfill Maintenance Worker: staffing increase to address ongoing site maintenance needs	\$85		
		Req	Fees	A/O
		10%	90%	-



## Water



We envision a sustainable and resilient water supply.

CRD Initiatives		\$000's		
10a-2	Infrastructure Integration Technician: on-boarding of new assets and proactive monitoring and management of asset conditions with operations and engineering teams	\$63		
		Req	Fees	A/O
		12%	88%	-
10d-3	Watershed Hydrology Monitoring: expansion and increase of watershed hydrology monitoring in the Greater Victoria Water Supply Area	-		
		Req	Fees	A/O
		-	-	-
10e-1	IWS Contracts Coordinator: departmental contract coordination and support for corporate & legislated procurement policies & procedures	\$87		
		Req	Fees	A/O
		-	100%	-



# Planning & Development

 We envision keeping approved plans current and monitoring for effectiveness.

CRD Initiatives		\$000's		
11c-2	Building Inspection Information Service: staffing adjustment to address increasing demand for information services	\$41		
		Req	Fees	A/O
		100%	-	-



## Recreation



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

CRD Initiatives		\$000's		
13a-1.5	SSI Community Centre: maintenance of SSI Community Centre (formerly SSI Island Middle School)	\$137		
		Req	Fees	A/O
		73%	1%	26%
13a-1.6	Panorama Preschool Program: provision of preschool childcare through recreational programming	\$69		
		Req	Fees	A/O
		21%	79%	-
13a-2	Sooke Sun River Sport Box: operationalization of new multi-sport box in the community of Sun River	\$25		
		Req	Fees	A/O
		100%	-	-



## Accountability



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

CRD Initiatives		\$000's		
15b-2.1	Asset Management: the final phase required to deliver a centralized asset register for nearly \$3 billion in assets across CRD services supporting long term planning and management throughout the lifecycle while standardizing and consolidating reporting on health condition and risk	\$434		
		Req	Fees	A/O
		100%	-	-
15b-2.2	Grant Support: increasing the current organization-wide coordination function from 1.0 to 1.5 FTEs in support of more than \$30 million in grant revenue annually (excluding CAWTP & Housing) to maximize external grant opportunities	\$51		
		Req	Fees	A/O
		100%	-	-
15c-1.4	Human Resource Information System (HRIS): modernization of system & processes to ensure regulatory compliance and to provide timely, accurate & easily accessible HR information	\$554		
		Req	Fees	A/O
		58%	-	42%
15c-1.5	Safety Management System: deployment of new system to ensure regulatory compliance through recording, tracking and reporting on health & safety and risk	\$48		
		Req	Fees	A/O
		100%	-	-



## Accountability (Cont'd)



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

CRD Initiatives		\$000's		
15d-1	Board Orientation & Strategic Plan 2023-2026: orientation for Directors and identification of strategic priorities for next four years	\$58		
		Req	Fees	A/O
		-	-	100%
15d-2	Electoral Areas Elections: coordination of elections in the electoral areas	\$40		
		Req	Fees	A/O
		100%	-	-
15f-1.3	Electronic Documents and Records Management System: modernization of corporate records management program framework	\$949		
		Req	Fees	A/O
		53%	-	47%
15f-1.11	Corporate Security – Monitoring & Incident Response: 24/7 monitoring, detection and cybersecurity incident response service	\$80		
		Req	Fees	A/O
		100%	-	-



## Accountability *(Cont'd)*



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

CRD Initiatives		\$000's		
15f-1.14	Digital Communications Governance & Support Services: transitioning to digital tools to meet changing needs and expectations of employees and the public. Enhancing capacity to deliver digital marketing focusing on campaigns, a data-driven strategy and social media presence.	\$176		
		Req	Fees	A/O
		100%	-	-
15f-1.15	FOI & Privacy Role Conversion: staffing adjustment to address increase in service demand	\$7		
		Req	Fees	A/O
		100%	-	-
15f-1.16	Corporate Safety Resourcing: development, implementation and coordination of health & safety programs and initiatives, to ensure regulatory compliance.	\$172		
		Req	Fees	A/O
		4%	-	96%
15f-1.17	Corporate Accounting Standards: driven by changes by the Public Sector Accounting Board. Identified in the audit findings report where compliance is required by 2023 for audited financial statements.	\$256		
		Req	Fees	A/O
		100%	-	-



## Accountability *(Cont'd)*



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

CRD Initiatives		\$000's		
15f-1.18	Regional Ortho-photography Data Acquisition Program: currently a 2 year cyclical program capturing data and imaging for the region. Proposed change to smooth the impact annually.	\$50		
		Req	Fees	A/O
		100%	-	-
15f-1.21	Associate Legal Counsel: staffing adjustment to address increase in service demand	\$139		
		Req	Fees	A/O
		100%	-	-
15f-1.23	Legislative Services Support: staffing adjustment to address increase in service demand	\$96		
		Req	Fees	A/O
		100%	-	-
15f-1.24	Executive Services Departmental Support: staffing adjustment to address increase in service demand	\$97		
		Req	Fees	A/O
		100%	-	-



## Arts & Culture



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

## Health Facilities



We envision effectively contributing to improved community health and well-being.

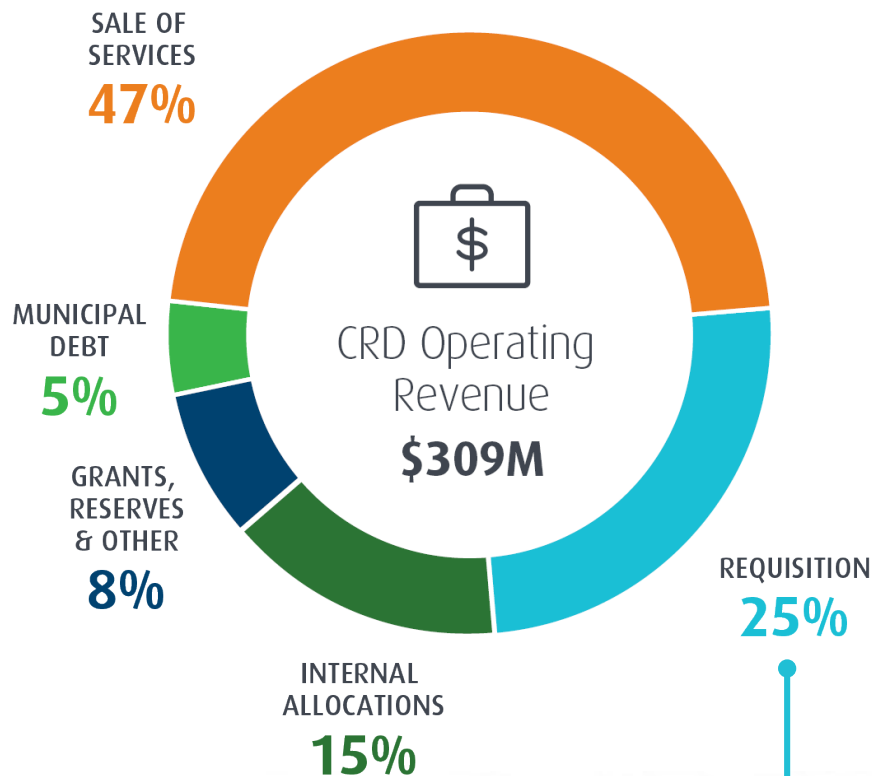
CRD Initiatives	\$000's
No new initiatives	





# CRD Operating Budget Funding >

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Sale of Services	145.8
Requisitions	76.9
Internal Allocations	47.3
Grants, Reserves & Other	23.8
Municipal Debt	15.4
<b>Total</b>	<b>\$309.2M</b>

2022 Provisional	2021 Final	Δ \$	Δ %
\$76.9M	\$73.6M	\$3.3M	4.5%

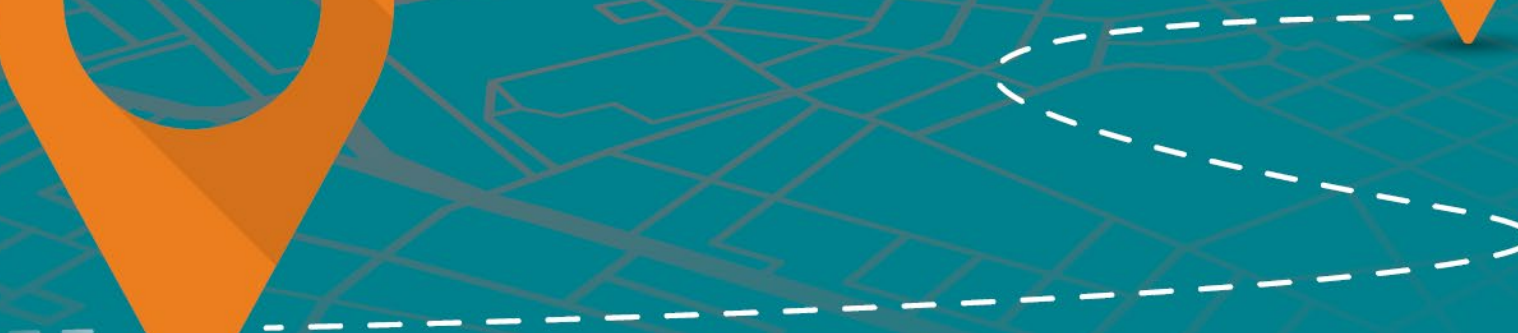
+\$0.9M

+1.3%

BOARD DIRECTED INITIATIVES

Municipalities & EAs	Impact of Assessment	CRD Provisional	CRD Cost per HH	Consolidated Cost per HH
Colwood	-	4.4%	4.4%	0.5%
Esquimalt	-	4.0%	4.0%	1.4%
Langford	-	(0.6%)	(0.6%)	(1.9%)
Oak Bay	-	3.1%	3.1%	0.3%
Saanich	-	6.3%	6.3%	3.7%
Victoria	-	6.1%	6.1%	0.9%
View Royal	-	6.1%	6.1%	(0.7%)
Central Saanich	-	3.2%	3.2%	0.9%
Highlands	-	4.4%	4.4%	0.2%
Metchosin	-	3.6%	3.6%	(0.2%)
North Saanich	-	4.7%	4.7%	1.5%
Sidney	-	5.2%	5.2%	0.3%
Sooke	-	5.7%	5.7%	2.9%
Juan de Fuca	-	3.5%	3.5%	1.7%
Salt Spring Island	-	4.6%	4.6%	3.3%
Southern Gulf Islands	-	5.5%	5.5%	3.3%
<b>Total</b>	-	<b>4.5%</b>	<b>4.5%</b>	<b>1.7%</b>

BOARD DIRECTED INITIATIVES +1.3%



Questions >

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