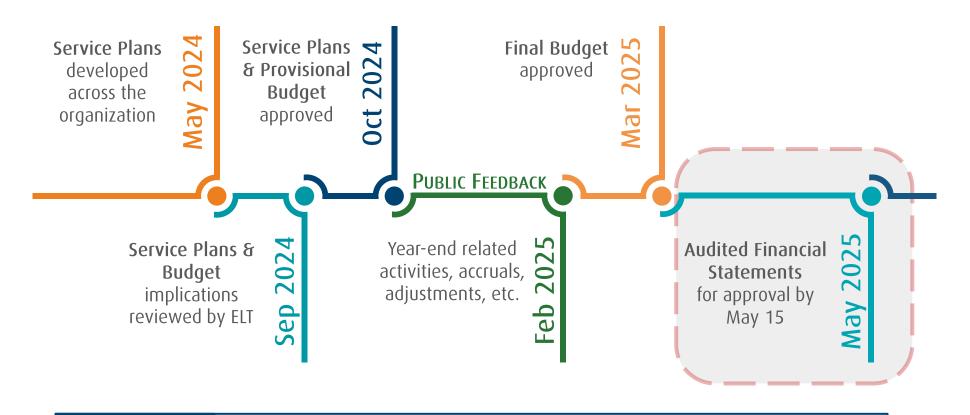
2024 Statement of Financial Information

Capital Regional District Wednesday May 7, 2025



Conclusion of the 2024 Planning & Reporting Process

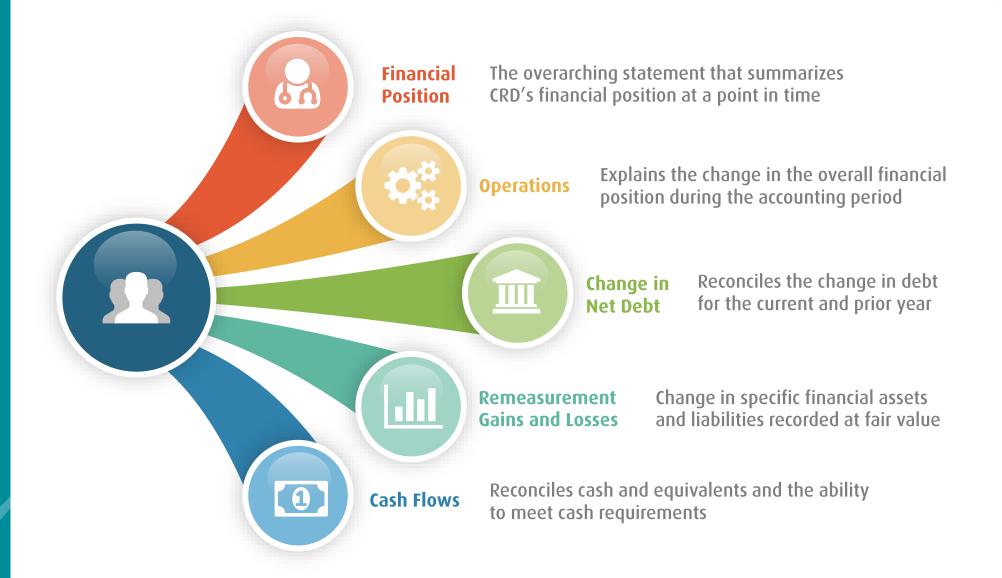


CRD Audited Financial Statements

- Legislation requires statements be approved and submitted to the Ministry of Municipal Affairs and Housing by May 15
- Financial Statements are prepared on an accrual basis (as required by PSAB)
- Consolidated statements include all CRD services and CRHC



What are the Five Required Financial Statements?





How do the Financial Statements Relate?

Statement of Financial Position	2024	2023
Financial Assets		
Cash & Cash Equivalents	XXX	XXX
Other Assets	XXX	XXX
_	XXX	XXX
Financial Liabilities		
Accounts Payable	XXX	XXX
Other Liabilities	XXX	XXX
	XXX	XXX
Net Financial Assets (Debt)	XXX	XXX
Non-Financial Assets		
Tangible Capital Assets	XXX	XXX
Other Non-Financial Assets	XXX	XXX
_	XXX	XXX
Accumulated Surplus is comprised of;		
Accumulated Operating Surplus	XXX	XXX
Accumulated Remeasurement Gains/Losses	XXX	XXX

Explaining Changes in Financial Position

Statement of Cash Flow	2024	2023
Operating Transactions	Х	Χ
Capital Transactions	Χ	Χ
Investing Transactions	Х	Χ
Financing Transactions	X	Χ
	X	Χ
Cash & Equivalents at Beginning of Year	X	Χ
Cash & Equivalents at End of Year	x	X

Statement of Net Debt	2024	2023
Annual Surplus	Χ	Χ
Acquisition of Tangible Capital Assets	X	Х
	Χ	Χ
Net Debt at Beginning of Year	X	Х
Net Debt at End of Year	Х	Х

Statement of Operations	2024	2023	
Revenue	Χ	Χ	
Expenses	X	Χ	_
	Х	Χ	
Accumulated Surplus Beginning of Year	X	Χ	
Accumulated Surplus End of Year	Х	Х	

Statement of Remeasurement Gains	2024	2023
Accumulated Remeasurement Opening	Х	Χ
Net Remeasurement Gains (Losses)	X	Χ
Accumulated Remeasurement Close	Х	X



Key Takeaways from the Financial Statements



1 Delivering Services



2 Investments for our Future



3 Managing our Cost of Debt



4 Diversifying our Revenue

In 2024, the
Capital Regional District
continued focus on
supporting Regional
Priorities identified in
the Corporate and
Strategic Plan

Capital investments were 2.4x the rate of depreciation

The CRD manages \$2.2B in assets in support of service delivery 12% of total revenue was used to service long-term debt

The generally accepted upper benchmark from lending authorities is 25%

24% of total revenue was raised through requisition from municipalities and electoral areas while 43% from sale of services



Investments Made for our Future

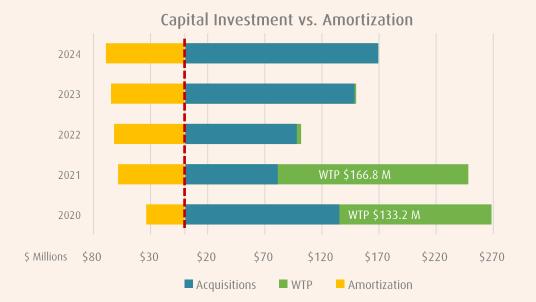


Investments Made for our Future

2024 capital investment was 2.4x the rate of depreciation

2024 net book value of tangible capital assets is \$2.2 billion

The 2025-2029 5-year financial plan includes TCA additions of \$883 million







Managing the Cost of Debt



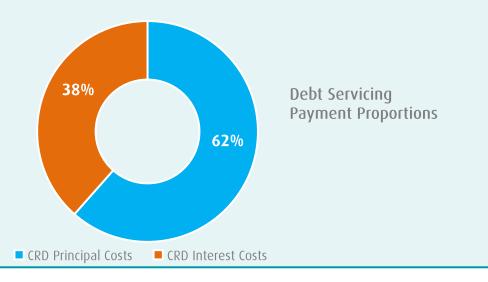
Managing our Cost of Debt

12% of total revenue was used to service long-term debt

In 2024, total CRD debt matured to where the proportion of principal payments were 62% of servicing costs compared to 38% on interest

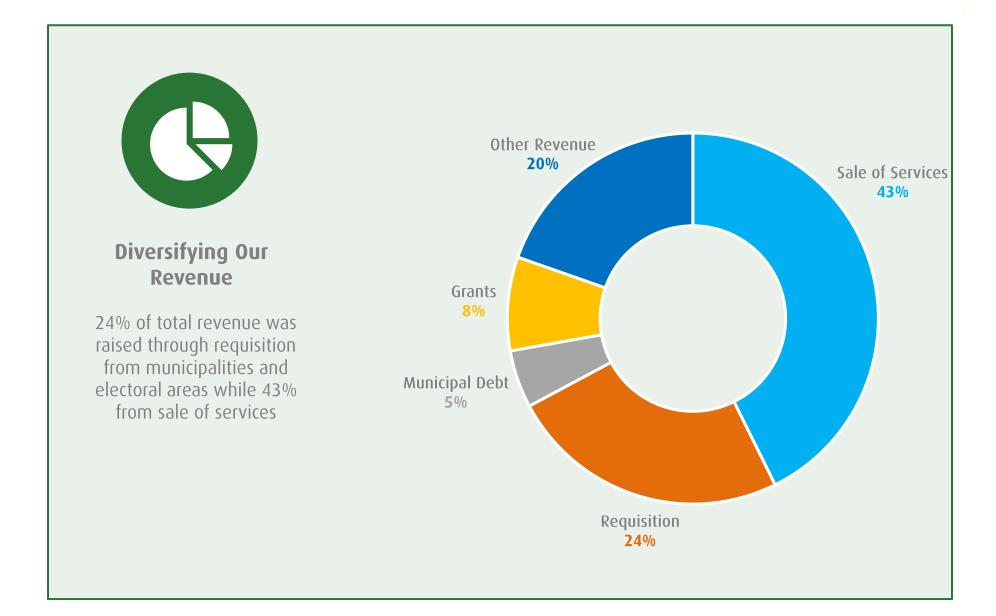
Debt Service Costs to Total Revenue







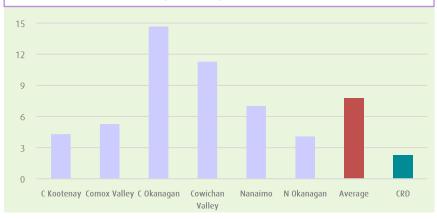
Diversifying Revenue Streams



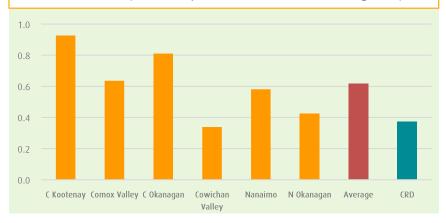


Regional District Benchmarking

Quick Ratio: Measure of short-term liquidity or the ability to pay immediate financial obligations (greater than 1 is ideal)



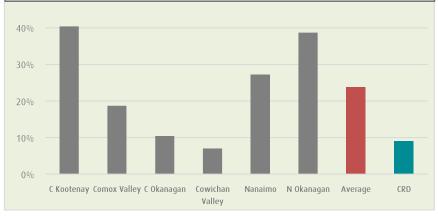
Debt-to-Equity Ratio: Measure of financial leverage, or using debt to increase value (essential public service utilities average 1.2)



Interest Coverage Ratio: Measures how easily a company can pay interest on outstanding debt (greater than 2 is ideal)



Capital Reserve Health: Measure of ability to finance long-term investment projects, also acts as buffer during financial hardship



CRD from 2024 Audited Financial Statement, Source for Rest: Local Government Statistics 2023, by Ministry of Municipal Affairs and Housing, https://www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/statistics/regional-district-general-financial-statistics, March 2025.

Excluded from comparison due to size of region (less than \$10M or greater than \$300M in costs); Central Coast, Metro Vancouver, Mount Waddington, North Coast, Peace River.



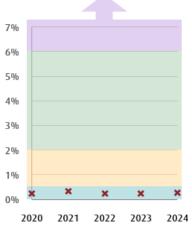
DBRS Credit Rating



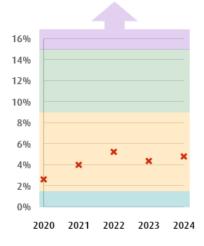
DBRS is the largest rating agency in Canada and fourth largest in the world. Using the rating methodology for municipal government, CRD results are shown below.



Net Tax-Supported Debt Per Capita



Net Tax-Supported Debt as a Percentage of Assessment



Interest Costs as a Percentage of Revenue

AAA

The capacity for the payment of financial obligations is exceptionally high and unlikely to be adversely affected by future events.

AA

The capacity for the payment of financial obligations is considered high. Differs from AAA only to a small degree. Unlikely to be significantly vulnerable to future events.

Α

The capacity for the payment of financial obligations is substantial. May be vulnerable to future events, but considered manageable.

BBB

Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.

Rating Canadian Municipal Governments: Canadian Municipal Government Financial Risk Metrics, by DBRS (Dominion Bond Rating Service), May 2022





Thank you







