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**REPORT TO THE FINANCE COMMITTEE
MEETING OF WEDNESDAY, MAY 06, 2026**

SUBJECT **Bylaw No. 4768: 2026 to 2030 Financial Plan Bylaw, 2026, Amendment Bylaw No. 1, 2026**

ISSUE SUMMARY

The 2026 to 2030 Financial Plan was adopted on March 11, 2026. Amendments to the Plan are required to authorize revised operating and capital expenditures.

BACKGROUND

The Capital Regional District (CRD) Board approved the 2026 to 2030 Financial Plan (Bylaw No. 4751, “2026 to 2030 Financial Plan Bylaw, 2026”) on March 11, 2026.

Under Section 374(2) of the *Local Government Act*, a financial plan may be amended at any time to incorporate budget changes. As new information becomes available, the CRD Board may revise the financial plan accordingly.

The impact of the proposed amendments to the 2026 budget of the Five-Year 2026 to 2030 Financial Plan are highlighted in Table 1.

Table 1: Impact of Proposed Amendments to the 2026 Budget (Five-Year Financial Plan)

Service	Description	Budget	Funding	Net Impact	Committee / Commission Approval
Royal Theatre	Maximum requisition adjustment	Operating	Requisition	(\$1,131)	Staff Directed
Feasibility Studies Reserve Fund	Performing Arts Facilities Service resource: 1.0 FTE	Operating	Requisition	\$0	CRD Board March 11, 2026
Land Banking & Housing	Thuthiqut Hulelum (Forest Homes) Affordable Housing Project	Capital	Capital Funds on Hand	\$1,268,888	CRD Board March 11, 2026
Otter Point Fire Protection	Fire Engine 23 Replacement	Capital	Reserves	\$300,000	Otter Point Fire Protection and Emergency Response Commission, March 11, 2026

Service	Description	Budget	Funding	Net Impact	Committee / Commission Approval
Southern Gulf Islands (SGI) Small Craft Harbour Facilities	Anson Road Dock Electrification	Capital	Reserves and Donation	\$130,000	SGI Harbours Commission, April 24, 2026
Regional Water Supply	New Field Operations Centre Sanitary Line	Capital	Grant and Capital Funds on Hand	\$2,955,000	Regional Water Supply Commission April 15, 2026
	Land and Site Works	Capital	Capital Funds on Hand	(\$2,000,000)	
Saanich Peninsula Wastewater	District Energy System Condition Assessment	Capital	Reserves	\$100,000	Saanich Peninsula Wastewater Treatment Plant, April 2, 2026
	Decarbonization Improvements	Capital	Reserves	(\$100,000)	

The proposed Financial Plan amendment Bylaw No. 4768 incorporates the changes in Table 1 and is attached as Appendix A, inclusive of an updated Schedule A and B.

ALTERNATIVES

Alternative 1

The Finance Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4768, “2026 to 2030 Financial Plan Bylaw, 2026, Amendment Bylaw No. 1, 2026”, be introduced and read a first, second and third time;
2. That Bylaw No. 4768 be adopted; and
3. That the revised Staff Establishment Chart as attached as Appendix B be approved.

Alternative 2

That Bylaw No. 4768 be deferred pending further analysis by Capital Regional District staff.

IMPLICATIONS

Financial Implications

Royal Theatre

The Royal Theatre budget was set at the estimated maximum requisition based on the total assessment for the service area at the time of the 2026 Final Budget. Revised assessment data for 2026 received subsequent to the Final Budget was lower in total assessment value. This results in decreasing the requisition for the service from \$598,711 to \$598,304, staying within the maximum requisition level established for this service. In addition, the 2025 final assessment received in March 2026 has resulted in an additional \$724 adjustment for maximum requisition for 2025, which needs to be refunded in 2026. This results in a total reduction of requisition adjustment of \$1,131, to keep the service under maximum requisition for both 2025 and 2026.

Feasibility Study Reserve / Performing Arts Facilities Service

On April 8, 2026, the CRD Board approved Bylaw No. 4704 establishing the Performing Arts Facilities Service. Initial costs for establishing the service are approved within the 2026 budget under the Feasibility Study Reserve Fund service. With approval of the establishment of the Performing Arts Facilities Service, the planned 1.0 full-time equivalent (FTE) Program Coordinator to support the new service can now be added to the Staff Establishment Chart (SEC). The inclusion of this FTE in the SEC is possible now that the related service has been established. There is no change required to the budget for this adjustment. Appendix B highlights the inclusion of the 1.0 FTE to the 2026-2030 revised SEC.

Land Banking & Housing

A revision is required for the Thuthiqt Hulelum (Forest Homes) Affordable Housing project, to reflect approved budget to be carried forward from 2025 into the 2026 capital plan. This results in updating the carry-forward of \$1,085,208 to \$2,354,096 from capital funds on hand, to be spent in 2026. This will result in a total change of \$1,268,888 for the project in 2026. Project timelines have been adjusted to reflect increased construction work in 2026 resulting from delays in 2025.

Otter Point Fire Protection and Emergency Response Service

On March 11, 2026, the Otter Point Fire Protection and Emergency Response Commission approved a budget amendment for the Fire Engine 23 Replacement project to align with the terms of the purchase. The total project budget was increased by \$25,000 to \$925,000 funded by the equipment replacement fund. Spending in 2026 was increased by \$300,000 to \$600,000 and the 2028 budget was reduced by \$275,000 to \$325,000.

Southern Gulf Islands Small Craft Harbour Facilities Service

On April 24, 2026, the Southern Gulf Islands Harbours Commission approved an amendment to add the Anson Road Dock Electrification project to the 2026 capital plan. The project includes 12 marine power receptacles and electrical connections as well as a dock webcam. The project budget of \$130,000 is funded by \$85,000 in donations and \$45,000 capital reserve funds.

Regional Water Supply

On April 15, 2026, the Regional Water Supply Commission recommended that the CRD Board approve a budget increase of \$995,000 for the New Field Operations Centre Building project, to support the installation of a sanitary line funded by a grant from the City of Langford. The Commission also recommended reallocating \$2,000,000 from the Land and Site Works project to the New Field Operations Centre Building, reflecting the original intent that these funds support the Field Operations Centre project.

Saanich Peninsula Wastewater

On April 2, 2026, the Saanich Peninsula Wastewater Commission recommended that the CRD Board approve the reallocation of \$100,000 from the Decarbonization Improvements project for the treatment plant to the District Energy System Condition Assessment project. This funding will support an investigation into the potential expansion of the District Energy System using recovered wastewater heat from the Saanich Peninsula Wastewater Treatment Plant. The project will provide a detailed understanding of asset condition and establish a foundation for further engineering evaluations related to potential service expansion. Following the reallocation, the overall 2026 spending remains unchanged.

CONCLUSION

In compliance with the *Local Government Act*, the proposed amending Bylaw No. 4768 authorizes changes required to Bylaw No. 4751, “2026 to 2030 Financial Plan Bylaw, 2026,” which the CRD Board approved on March 11, 2026.

RECOMMENDATION

The Finance Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4768, “2026 to 2030 Financial Plan Bylaw, 2026, Amendment Bylaw No. 1, 2026”, be introduced and read a first, second and third time;
2. That Bylaw No. 4768 be adopted; and
3. That the revised Staff Establishment Chart as attached as Appendix B be approved.

Submitted by:	Varinia Somosan, CPA, CGA, Senior Manager, Financial Services & Deputy Chief Financial Officer
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer & General Manager, Finance & Technology
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Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT

Appendix A: Bylaw No. 4768, “2026 to 2030 Financial Plan Bylaw, 2026, Amendment Bylaw No. 1, 2026” with Schedule A and Schedule B

Appendix B: Revised Staff Establishment Chart 2026-2030