CRD Financial Indicators Dashboard

Aligned to PSAB SORP-4 & DBRS Financial Risk Assessment

Trend Legend:	Improving	Stable	Weakening
	▲	●	▼

	2021	2022	2023	2024	2025	Trend
Capital Capacity & Asset Renewal						
#1 Post-CapEx Surplus as % of Total Revenue	29.5%	11.2%	2.5%	-12.2%	-6.9%	▼
What it tells you: Indicates whether current revenues are sufficient to support operations and capital reinvestment without increasing debt or drawing down reserves.						
(Annual Surplus + Amortization – Net Capital Expenditure) / Total Revenue						
DBRS Benchmark:	AAA	AAA	AA	BBB	BBB	
Rolling 5-Year Weighted Average:	***26.1%***	***27.4%***	***25.1%***	***15.9%***	***5.2%***	▼
#2 Asset Sustainability Ratio	4.2x	1.6x	2.3x	2.5x	2.2x	●
What it tells you: Indicates whether capital reinvestment is keeping pace with asset wear or whether the CRD is falling behind on infrastructure renewal.						
Annual Capital Investment / Amortization Expense						
Internal Benchmark:	Strong	Adequate	Strong	Strong	Strong	
Budgetary Flexibility						
#3 Current Ratio	7.5x	2.4x	2.0x	2.3x	5.5x	▲
What it tells you: Indicates whether liquid assets are sufficient to cover short-term obligations and maintain operational cushion.						
Adjusted Current Assets / Adjusted Current Liabilities						
Internal Benchmark:	Strong	Strong	Strong	Strong	Strong	
#4 Debt Service Cost as % of Total Revenue	10.2%	13.1%	12.5%	12.4%	11.5%	●
What it tells you: Shows how much revenue is committed to debt repayment and how much flexibility remains for services and new priorities.						
Debt Service (Principal + Interest) / Total Revenue						
Internal Benchmark:	Moderate	Moderate	Moderate	Moderate	Moderate	
Debt Burden						
#5 Interest Costs as % of Total Revenue	4.0%	5.2%	4.4%	4.8%	5.0%	●
What it tells you: Measures how much revenue is consumed by interest alone, signalling exposure to higher rates and refinancing risk.						
Interest Expense / Total Revenue						
DBRS Benchmark:	AA	AA	AA	AA	AA	
#6 Outstanding Debt as % of Total Revenue	107.9%	131.1%	123.0%	139.8%	149.2%	●
What it tells you: Measures how large the CRD's debt burden is relative to the revenue available to support it.						
Total Amount Borrowed / Total Revenue						
Internal Benchmark:	Moderate	Moderate	Moderate	Moderate	Moderate	
Affordability vs Consumer Price Index (CPI)						
National CPI -Year over Year (YoY) growth	3.4%	6.8%	3.9%	2.4%	2.1%	●
#7 Total Requisition ($M)	$72.6M	$78.1M	$82.1M	$88.5M	$96.2M	
What it tells you: Shows how much the CRD collects through tax requisition each year and whether that growth is outpacing national CPI.						
YoY Growth:	2.3%	7.4%	5.1%	7.8%	8.7%	▼
Growth vs CPI:	< CPI	> CPI	> CPI	>> CPI	>> CPI	
#8 Service Revenue ($M)	$128.1M	$134.6M	$140.7M	$149.2M	$169.3M	
What it tells you: Shows how user-pay revenue is changing relative to national CPI, indicating potential affordability pressure as service charges change.						
YoY Growth:	11.1%	5.1%	4.5%	6.0%	13.5%	▼
Growth vs CPI:	>> CPI	< CPI	> CPI	>> CPI	>> CPI	

Capital Regional District

2025 Financial Performance Measures

These eight indicators provide a concise view of the CRD's financial position and trends. Six align with DBRS Morningstar credit risk dimensions, while two assess core revenue growth relative to national CPI. Results should be read alongside the DBRS Morningstar Canadian Municipal Governments methodology (April 2024) and the 2025 Audited Financial Statements (Notes 3, 4, and 5). Where relevant, the measures are compared with published DBRS thresholds, CRD-selected benchmarks, and national Consumer Price Index. Supporting detail is provided in the Financial Dashboard.

Capital Capacity & Asset Renewal

Can current revenues support operations and capital reinvestment?

1) Post-CapEx Surplus as % of Total Revenue — 5-yr weighted avg: 5.2% | 2025: -6.9%

The five-year weighted average remains positive at 5.2%, supported by stronger results earlier in the period. However, annual results were negative in both 2024 (-12.2%) and 2025 (-6.9%), indicating capital spending exceeded annual operating capacity in each year. The 2025 result improved from 2024, but continued weak annual performance would further narrow the five-year average.

2) Asset Sustainability Ratio — 2025: 2.2x | Benchmark: Strong (>= 2.0x)

The CRD invested $2.16 for every $1.00 of depreciation in 2025, comfortably above the 1.0x replacement threshold. While down from 2.45x in 2024 and 4.24x in 2021, the ratio still points to solid capital reinvestment. The recent decline warrants monitoring but does not indicate underinvestment.

Budgetary Flexibility

Does the CRD retain capacity to absorb unforeseen costs or new priorities?

3) Current Ratio — 2025: 5.5x | Benchmark: Strong (>= 2.0x)

Liquidity strengthened materially in 2025, with the current ratio rising to 5.47x from 2.27x in 2024. This is the strongest result since 2021 and remains well within the strong range, providing a substantial buffer for cash flow timing and unexpected short-term costs. On the adjusted basis used in the dashboard, liquidity appears sound.

4) Debt Service Cost as % of Total Revenue — 2025: 11.5% | Benchmark: Moderate (10%-15%)

Debt service consumed 11.5% of revenue in 2025, down from 12.4% in 2024 and below the 2022 peak of 13.1%. The ratio remains within the CRD's moderate internal benchmark range and comfortably below the Province's 25% limit used in municipal assessments. This indicates debt service remains manageable within the current revenue base.

Debt Burden

How large is the debt burden, and how much revenue is absorbed by interest?

5) Interest Costs as % of Total Revenue — 2025: 5.0% | DBRS Rating: AA (1.5%-9.0%)

Interest costs increased modestly to 5.0% of revenue in 2025 from 4.8% in 2024. The ratio remains within the DBRS AA range (1.5%–9.0%) and has stayed within a narrow 4.0%–5.2% band since 2021. Revenue growth has helped contain the interest burden despite higher borrowing costs.

6) Outstanding Debt as % of Total Revenue — 2025: 149.2% | Benchmark: Moderate (100%-150%)

Outstanding debt reached 149.2% of total revenue in 2025, up from 107.9% in 2021 and just below the >150% High threshold. The ratio remains in the Moderate internal benchmark tier, but only narrowly. The trend indicates leverage has grown faster than revenue and should remain a key monitoring item.

Affordability vs Consumer Price Index (CPI)

How are core revenue streams growing relative to inflation?

7) Total Requisition ($M) — 2025: $96.2M | YoY Growth: 8.7% | Benchmark: >> CPI (Well Above CPI)

Total requisition reached $96.2M in 2025, increasing 8.7% year over year versus national CPI of 2.1%. This places 2025 in the "Well Above" CPI category. Growth above CPI may reflect service expansion, capital delivery, or board-approved funding decisions, but it also signals that the tax requisition is rising faster than general inflation.

8) Service Revenue ($M) — 2025: $169.3M | YoY Growth: 13.5% | Benchmark: >> CPI (Well Above CPI)

Service revenue reached $169.3M in 2025, up 13.5% year over year versus national CPI of 2.1%. This places 2025 in the "Well Above" CPI category and indicates user-fee growth materially exceeded general inflation in the year. Depending on service mix and cost drivers, that may support cost recovery but can also add affordability pressure.

Overall Assessment

CRD's financial profile remains sound, supported by strong liquidity and solid asset reinvestment. In 2025, the current ratio was 5.5x and the asset sustainability ratio remained strong at 2.2x, while debt service represented 11.5% of total revenue. Five-year weighted post-CapEx surplus remained positive at 5.2%, although annual results were negative in 2024 and 2025. Leverage and interest burden remain manageable but are trending higher, while revenue growth remained well above national CPI.

Key strengths:

- **Strong liquidity:** The current ratio was 5.5x.
- **Manageable debt service:** Debt service represented 11.5% of total revenue.
- **Positive five-year post-CapEx surplus:** Five-year weighted post-CapEx surplus remained positive at 5.2%.
- **Moderate interest burden:** Interest burden was 5.0% of revenue, within the DBRS AA range.
- **Solid asset reinvestment:** The asset sustainability ratio remained strong at 2.2x.

Areas to watch:

- **Negative annual post-CapEx results:** Annual post-CapEx results were negative in both 2024 (-12.2%) and 2025 (-6.9%).
- **Elevated leverage:** Outstanding debt reached 149.2% of total revenue in 2025, just below the >150% High threshold.
- **Higher interest burden:** Interest burden increased modestly to 5.0% from 4.8% in 2024.
- **Requisition growth above inflation:** Requisition increased 8.7% year over year in 2025, well above national CPI.
- **Service revenue growth above inflation:** Service revenue increased 13.5% year over year in 2025, well above national CPI.

Overall, the trends are consistent with a growing regional government continuing to invest in long-lived infrastructure. The five-year post-CapEx surplus remains positive, but leverage has increased faster than revenue. Preserving balance-sheet flexibility will depend on maintaining operating capacity as capital and debt needs evolve.