

CAPITAL REGIONAL DISTRICT 2025 ANNUAL REPORT

Greater Victoria,
British Columbia, Canada
Year ended December 31, 2025

CRD
Making a difference...together

TERRITORIAL ACKNOWLEDGEMENT

The CRD conducts its business within the Territories of many First Nations, including but not limited to BOKÉĆEN (Pauquachin), MÁLEXEŁ (Malahat), paaʔčiidʔatx (Pacheedaht), Spune'luxutth (Penelakut), Sc'ianew (Beecher Bay), Songhees, SʔÁUTW (Tsawout), T'Sou-ke, WJŌŁEŁP (Tsartlip), WSIKEM (Tseycum), and x^wsepsum (Kosapsum) Nations, all of whom have a long-standing relationship with the land and waters from time immemorial that continues to this day.



PHOTO ACKNOWLEDGEMENT

The photos in this document were taken within the boundaries of the Capital Regional District. Thank you to the wonderful local, professional and staff photographers that contributed photos to this report.

Table of Contents

Our Organization

The Capital Regional District	2
Message from the Board Chair	4
Message from the Chief Administrative Officer	5
Board of Directors	6
Executive Leadership Team	7
Governance Framework	8

Our Profile

A Livable, Sustainable and Resilient Region	10
--	----

Community Needs

Utility Services	14
Community Services	15
Corporate Services	16
Government Relations	17
Local Government	18

2025 Progress

Delivering on 2025 Priorities and Projects	20
Board Priorities	22
Corporate Priorities	31
Major Projects	33
Awards	36

2025 Financial Highlights

CRD Financial Reporting Overview	38
CRD Statement of Financial Position . . .	40
CRD Statement of Operations	41
CRD Financial Health	43
CRD Capital Investment	45
CRHD Statement of Financial Position . .	47
CRHD Statement of Operations	48
CRHD Financial Health	48

Key Documents

List of Reports and Plans	49
-------------------------------------	----



The Capital Regional District

The Capital Regional District (CRD) is the regional government for 13 municipalities and three electoral areas on southern Vancouver Island and the Gulf Islands, serving over 464,000 people. The region includes traditional territories of many First Nations where 11 of these Nations hold reserve lands.

The CRD plays a key role in providing services that can be delivered efficiently and effectively through region-wide or shared service delivery models. These include the regional water supply, solid waste, wastewater treatment, regional parks, housing, 911 call answer and recreation facilities.

The CRD has more than 200 service, infrastructure and financing agreements with municipalities and electoral areas to deliver services in the following categories:

- ▶ **regional**, where all municipalities and electoral areas are served
- ▶ **sub-regional**, where two or more jurisdictions are served
- ▶ **local**, in the electoral areas where the CRD is the local government

The CRD works collaboratively with First Nations and other orders of government and has direct relationships with individuals, businesses, organizations, institutions and communities that access regional utilities and services.

The Capital Region Housing Corporation (CRHC) is a wholly-owned subsidiary of the CRD and is Vancouver Island's largest non-profit housing provider, serving over 4,000 tenants in over 50 buildings across eight municipalities. The Capital Regional Hospital District (CRHD) is administered by the CRD and invests in traditional health care services and provides capital funding for health care infrastructure, such as health facilities and hospital equipment.



The Capital Regional District



OUR ORGANIZATION

The CRD is the regional government for 13 municipalities and three electoral areas on southern Vancouver Island and the Gulf Islands.

Message from the Board Chair

In 2025, the third year of our Board's term, we expected to see real results from the goals we set at the beginning. I'm happy to say that we are making significant progress.

One of the year's key achievements was advancing the Regional Transportation Service from planning and public engagement into formal service approval. The newly-established service has been designed to strengthen regional coordination, allow for more efficient transportation planning across the region, and help communities stay connected through better and more accessible travel experiences, whether on foot, bike, bus or car. Staff are now underway with the development of a new Regional Transportation Plan.

Transportation planning was further advanced through a new partnership agreement between the Lekwungen Nations and local governments to explore the potential for passenger rail service along the Island Rail Corridor between Victoria and Langford. This collaborative work reflects a shared commitment to reconciliation, regional mobility and long-term transportation solutions.

The Board continued to place importance on building strong, long-term relationships with First Nations in the region. We formalized government-to-government relationships with several First Nations through the development and signing of Protocol Agreements and Memorandums of Understanding. These agreements establish clear frameworks for ongoing dialogue, regular leadership and staff-level engagement, and shared workplans that ensure First Nations priorities, perspectives and Indigenous knowledge are meaningfully incorporated into CRD planning and decision-making.

Continuing a long history of investing in the Water Supply Area for Greater Victoria, the CRD finalized an agreement to purchase 1,973 hectares of land from the Kapoor Lumber Company, a property long identified as a priority for protecting the drinking water supply.



Its location allows the CRD to expand the protected area surrounding water supply infrastructure, strengthening control over lands that influence water quality, watershed security and future infrastructure needs.

The CRD Board also approved moving forward with thermal processing of biosolids at the Residuals Treatment Facility at Hartland Landfill. This represents a meaningful advancement in how we will manage residuals, reduce environmental impacts and make responsible use of regional infrastructure. It reflects our commitment to long-term solutions that protect the environment while supporting essential services.

As we look ahead, the upcoming local government election will bring change and renewal. This transition offers an important opportunity to build on the progress made to date, to welcome new perspectives and continue advancing regional priorities on behalf of residents.

In a year shaped by uncertainty, the CRD remained focused on progress. Together, we continue to move our region forward thoughtfully, collaboratively, steadily and with confidence.

Cliff **MCNEIL-SMITH**

Chair
Capital Regional District Board

Message from the Chief Administrative Officer

It is my pleasure to highlight the progress the CRD has made over the past year as we continued to advance the CRD Board's priorities, enhance service delivery, support our incredibly dedicated employees and respond to the evolving needs of residents across the region. Guided by a commitment to continuous improvement, collaboration and accountability, we remain focused on building a more connected, sustainable and inclusive region where communities can thrive.

One of our biggest accomplishments in 2025 was the official launch of the new Regional Transportation Service. This milestone represents a major step forward in strengthening regional coordination and advancing a more integrated approach to transportation. By working closely with local governments and partners on transit, active transportation and road safety, we are laying the foundation for a more seamless and connected transportation network that better serves our communities.

In 2025, we launched CRD Evolves, an initiative to guide the next phase of the CRD's organizational journey. Detailed plans for implementing the CRD Evolves goals and transforming operations began in January 2025. As part of CRD Evolves, a new Electoral Area Services Department was established to strengthen support for locally-driven projects and services across the Electoral Areas of Juan de Fuca, Salt Spring Island and the Southern Gulf Islands. The new department will streamline administration and operations by centralizing functions, ensuring that resources are allocated more efficiently and effectively.

Environmental sustainability also remained a top priority. In 2025, the Hartland Renewable Natural Gas Facility began capturing landfill gas produced by decomposing waste and transforming it into Renewable Natural Gas. That gas is then injected directly into FortisBC's natural gas system, where it helps heat homes and businesses and fuel vehicles across the region. Over the next 25 years, this



will reduce greenhouse gas emissions by as much as 475,000 tonnes of carbon dioxide, the equivalent of removing the total emissions from 105,000 Canadian homes over the same period.

Inclusion and community connection continue to be central to who we are as an organization. One of the many community events the CRD participated in was the 2025 Victoria Pride Parade. CRD staff, families and friends joined the float for a joyful celebration that reflected our shared values of diversity, respect and belonging.

I am also proud to recognize the outstanding work of our water services teams. Their commitment to high quality drinking water for Greater Victoria was celebrated when the CRD received the "Best of the Best" award for best tasting tap water in the province at the 2025 BC Water & Wastewater Conference.

As we look ahead, the CRD remains committed to creating strong partnerships, protecting the environment, and delivering high-quality services that help ensure our region remains a great place for everyone to live, work, visit and thrive.

Ted **ROBBINS**

Chief Administrative Officer
Capital Regional District
Capital Region Housing Corporation
Capital Regional Hospital District

Board of Directors

2023–2026 Term

The CRD is governed by a 24-member Board of Directors, supported by more than 75 committees and commissions. The Board is composed of one or more elected officials from each of the municipalities and three electoral areas within the CRD's boundaries. Each municipality has one director for every 25,000 people (or portion thereof). Each electoral area is represented by one director.

The directors also serve on the Capital Region Housing Corporation Board and the Capital Regional Hospital District Board.

CRD **Chair** Cliff **MCNEIL-SMITH**, Sidney
Vice-Chair Marie-Térèse **LITTLE**, Metchosin

CRHC **Chair** Zac **DE VRIES**, Saanich
Vice-Chair Jeremy **CARADONNA**, Victoria

CRHD **Chair** Kevin **MURDOCH**, Oak Bay
Acting Vice-Chair Scott **GOODMANSON**, Langford

Directors

- ▶ Peter **JONES**, North Saanich
- ▶ Doug **KOBAYASHI**, Colwood
- ▶ Colin **PLANT**, Saanich
- ▶ Gary **HOLMAN**, Salt Spring Island Electoral Area
- ▶ Marie-Térèse **LITTLE**, Metchosin
- ▶ Maja **TAIT**, Sooke
- ▶ Kevin **MURDOCH**, Oak Bay
- ▶ Barbara **DESJARDINS**, Esquimalt
- ▶ Cliff **MCNEIL-SMITH**, Sidney
- ▶ Ai **WICKHEIM**, Juan de Fuca Electoral Area
- ▶ Marianne **ALTO**, Victoria
- ▶ Susan **BRICE**, Saanich
- ▶ Judy **BROWNOFF**, Saanich
- ▶ Lillian **SZPAK**, Langford
- ▶ Chris **COLEMAN**, Victoria
- ▶ Paul **BRENT**, Southern Gulf Islands Electoral Area
- ▶ Ken **WILLIAMS**, Highlands
- ▶ Scott **GOODMANSON**, Langford
- ▶ Sid **TOBIAS**, View Royal
- ▶ Zac **DE VRIES**, Saanich
- ▶ Ryan **WINDSOR**, Central Saanich
- ▶ Dave **THOMPSON**, Victoria
- ▶ Dean **MURDOCK**, Saanich
- ▶ Jeremy **CARADONNA**, Victoria



Executive Leadership Team

The Executive Leadership Team (ELT) consists of the Chief Administrative Officer, Chief Financial Officer, Corporate Officer and the General Managers, who are all Officers of the Corporation.

These Officers direct the departments and divisions across the Corporation and work collaboratively to:

- ▶ Consider strategic issues related to the organization
- ▶ Discuss solutions to organizational challenges
- ▶ Make decisions effectively on behalf of the organization and in the interests of the CRD Board
- ▶ Provide direction on corporate-wide policies, systems, projects and initiatives
- ▶ Ensure our employees are supported and empowered to achieve organizational goals

The success of the organization is measured by how well the entire organization performs in effectively and efficiently delivering services to the residents of the region and in its ability to advance Board and Corporate priorities within an

approved Board budget. It is a key responsibility of the ELT to ensure that the actions, directions and policies of management are aligned to achieve these objectives, to strengthen our foundational core and to ensure we have an engaged workforce that is valued and supported.

Executive Leadership Team

(from left to right)

- ▶ Nelson **CHAN**, General Manager, Finance & Technology and Chief Financial Officer
- ▶ Alicia **FRASER**, General Manager, Infrastructure & Water Services
- ▶ Luisa **JONES**, General Manager, Parks, Recreation & Environmental Services
- ▶ Ted **ROBBINS**, Chief Administrative Officer
- ▶ Kevin **LORETTE**, General Manager, Housing, Planning & Protective Services
- ▶ Kristen **MORLEY**, General Manager, Corporate Services and Corporate Officer
- ▶ Stephen **HENDERSON**, General Manager, Electoral Area Services



Governance Framework

The CRD is governed by a 24-member Board of Directors, which serves as a political forum and a vehicle for advancing the interests of the region as a whole. The Board is composed of one or more elected officials from each of the local governments within the CRD’s boundaries:

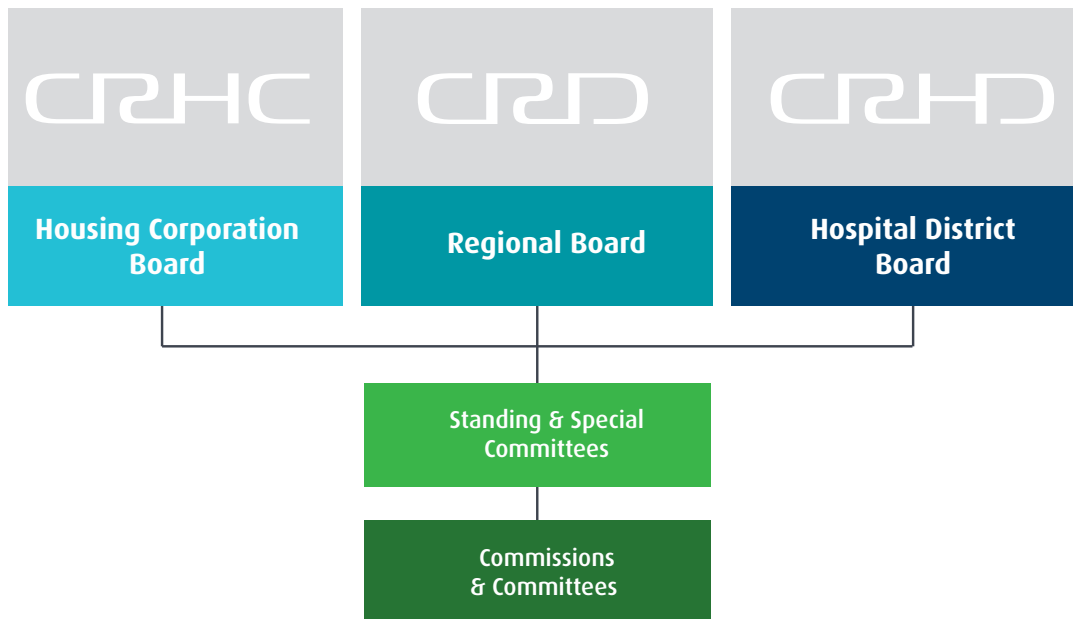
- ▶ For areas outside municipal boundaries (electoral areas), citizens elect one director to the Board during general local elections.
- ▶ Each municipal council appoints one or more elected officials to the Board. The formula is one director for every 25,000 population (or portion thereof).

All members also sit on the Capital Region Housing Corporation (CRHC) Board and the Capital Regional Hospital District (CRHD) Board. Board meetings are held once a month and are open to the public.

Collectively, these Boards establish the CRD vision, set priorities and provide direction on service delivery, collaboration and partnerships. Various committees and commissions oversee delivery of services and report to the CRD, CRHC and CRHD Boards.

The chair and vice-chair of each regional board are elected from among the directors at an inaugural meeting held each November. Next, the regional board chairs define various committees and their membership.

To make decisions, directors must vote. The CRD uses special voting rules based on population and the combination of participants in each service. Some votes are unweighted (one vote per director) and others are weighted based on population (one vote per 5,000 population or portion thereof).





OUR PROFILE

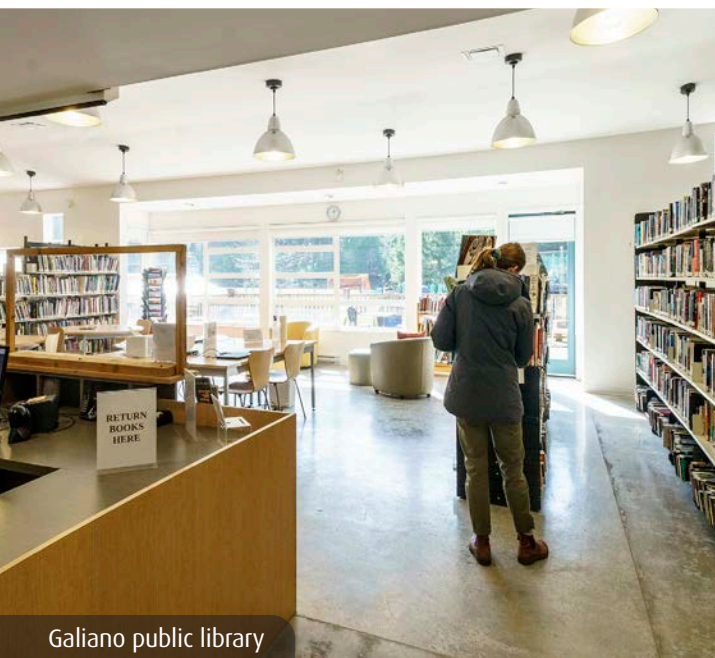
The CRD has more than 200 service, infrastructure and financing agreements with municipalities, electoral areas and First Nations to deliver services.



Regional Parks volunteers



Greenglade Recreation



Galiano public library

The Capital Region

Encompassing 237,000 hectares, including 70 Gulf Islands, the capital region is a sought-after destination, renowned for its mild climate, beautiful coastlines and natural ecosystems.

The region offers a balance between rural and urban lifestyles, including the farming communities in North Saanich, the evergreen hills of Sooke, the artisan networks on the Gulf Islands and the government and business hub of Victoria, the province's capital city. It is home to the Canadian Pacific Naval Fleet and multiple post-secondary educational institutions, including Camosun College, Royal Roads University and the University of Victoria.

Tourism, technology, health care and government services are key industries in the region, a place where residents and tourists can enjoy the Salish Sea, old-growth rainforests, outdoor adventure and a vibrant arts and culture scene.

The region has experienced a steady increase in population and sustained growth in housing starts and property values. The CRD will continue to work with local residents, community groups, businesses, First Nations, major institutions, municipalities and other partners to ensure we continue to meet the needs of this resilient and growing region through major infrastructure development and services.

A Livable, Sustainable and Resilient Region

↑
464,082
Residents
up 0.7% over 2024¹

↓
2.3%
Inflation Rate
vs 2.1% nationally²

↑
\$2.0B
Building Permit
Construction Value
up 1.9% over 2024³

↑
4,859
Housing Starts
in the Victoria CMA*
up 16% over 2024⁴

↓
\$1,255,000
Price of single
family dwelling in CRD
down 4.7% over 2024⁵



* Census Metropolitan Area

¹ www2.gov.bc.ca/gov/content/data/statistics/people-population-community/population/population-estimates

² data.gov.bc.ca/dataset/2c75c627-3eb6-41ee-bb54-7b089eade484/resource/93e4367b-56af-4e1c-aea7-48fb48f0727c/download/cpi_annual_averages

³ www.crd.bc.ca/about/data/regional-information/monthly-permit-reporting-tool

⁴ www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/housing-data/data-tables/housing-market-data/starts-completions-units-under-construction-geography

⁵ <https://static1.squarespace.com/static/68472c05ac6e5e2e8284f236/t/69c6fa56a96ffb6f1b878aaf/1774647894870/01.+2025-12+Full+Statistical+News+Release.pdf>

Supporting and Responding to the 2023–2026 Community Needs

In hearing and responding to the concerns of constituents, the CRD Board identified 16 community needs, grouped into five categories, to focus and drive work. Through strategic and corporate planning, the strategic course for the CRD is set over a four-year mandate to respond to community needs and to deliver on the Board’s mission, vision and priorities and the organization’s ongoing service mandates and approved plans.

The CRD budget cycle ensures that we respond to changes in our external and internal environments. The Executive Leadership Team identifies projects that enhance our corporate capacity to ensure we are well-positioned to meet evolving Board and community needs. Each spring, the corporate annual report is presented to demonstrate progress, capture major accomplishments and summarize financial highlights.

Five categories of community needs were identified to guide the work the organization delivered:

- Utility Services
- Corporate Services
- Local Government
- Community Services
- Government Relations





COMMUNITY NEEDS

For each community need identified in our Corporate Plan, the CRD Board approved an outcome statement to capture what we envision our work will accomplish.

Utility Services

Services that are essential to residents' needs and/or mandated by regulation.



Wastewater

Efficient and effective management of the region's wastewater



Water

Safe drinking water and a resilient water supply



Solid Waste & Recycling

Minimize waste disposal and maximize waste diversion



Watershed tour guide

Community Services

Services that address the needs of residents and build a liveable, sustainable region.



Transportation

Residents have access to convenient, green and affordable multi-modal transportation systems that enhance livability



Housing & Health

Residents have access to affordable housing and improved health facilities that enhance livability



Climate Action

Progress on adaptation, reduced greenhouse gas emissions and triple-bottom line solutions that consider social, environmental and economic impacts



Regional Parks

Additional land acquisitions and increased access to parks and recreational trails that respect Indigenous culture and conservation values



Planning

Keep approved plans current and monitor for effectiveness



Safety & Emergency Management

Protect public safety and cooperatively mitigate against, prepare for, respond to and recover from emergencies



Arts & Recreation

Residents have access to appropriate and affordable arts and recreation opportunities that enhance quality of life

Corporate Services

Services that support an effective and efficient organizational administration.



People

An organization staff are proud to be a part of



Open Government

Coordinated and collaborative governance, and leadership in organizational performance and service delivery



Business Systems & Processes

Leading systems and policies to respond to best practices, comply with legislative requirements and deliver sustainable budgets



Career service recognition event

Government Relations

Effective and coordinated advocacy.



Advocacy

Effective and coordinated advocacy



First Nations

Strong relationships with First Nations based on trust and mutual respect, partnerships and working together on shared goals



Sc'ianew Water Agreement signing ceremony

Local Government

Local services for the residents of the Juan de Fuca, Salt Spring Island and Southern Gulf Islands Electoral Areas.



Local Services

Administer and deliver local services in Juan de Fuca, Salt Spring Island and the Southern Gulf Islands



Ganges Harbour, Salt Spring Island



2025 PROGRESS

Highlights of key Board and Corporate priorities,
major projects and awards.

Delivering on 2025 Priorities and Projects



Board Priorities

To guide the direction and major activities of the CRD for the 2023–2026 mandate, the Board of Directors agreed to focus on five regional priorities:



TRANSPORTATION

Residents have access to convenient, green and affordable multi-modal transportation systems that enhance livability.



HOUSING

Residents have access to affordable housing that enhances livability.



CLIMATE ACTION & ENVIRONMENT

Progress on adaptation, reduced greenhouse gas emissions and triple-bottom line solutions that consider social, environmental and economic impacts.



FIRST NATIONS

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



GOVERNANCE

Effective advocacy, coordinated and collaborative governance, and leadership in organizational performance and service delivery.

Corporate Priorities, Projects and Awards

To guide effective development and coordination, the Executive Leadership Team identified key priorities and projects to enhance corporate capacity and delivery of services.



CORPORATE PRIORITIES

With a focus on accountability, Corporate Priorities include: Business Capacity & Continuity, Fiscal Responsibility, Transparency, Efficiency & Collaboration and Customer Service.



MAJOR PROJECTS

As an essential and critical infrastructure service provider, a number of capital projects were progressed and completed in 2025.



AWARDS

The CRD was the recipient of a number of awards in 2025.

As many initiatives and projects span multiple years and involve other organizations, the achievements described here capture only a snapshot of our organization's work.



Emergency operations



Facilities Management staff



Board Priorities



Transportation

ADOPTION OF REGIONAL TRANSPORTATION SERVICE BYLAW

The CRD launched an Alternative Approval Process to seek elector approval to establish a new Regional Transportation Service and advance regional connectivity and integrated mobility. The bylaw was approved by the CRD Board and adopted after receiving elector assent. The new service will create a unified regional transportation vision, develop new programs, expand data and analysis, coordinate regional policies and manage regional trails and infrastructure.

The next step is to integrate existing transportation functions under one umbrella and develop a new long-term Regional Transportation Plan to identify regional transportation priorities. The CRD will continue working with residents, First Nations, local governments and transportation providers on the management and planning of regional trails and transportation networks, ensuring they continue to serve as vital, well-maintained connections as the region continues to grow.

REGIONAL TRESTLES RENEWAL, TRAILS WIDENING AND LIGHTING PROJECT

The CRD is advancing upgrades to high-use sections of the Galloping Goose and Lochside Regional Trails to improve safety, accessibility and capacity as trail use continues to grow. Trail improvements include:

- ▶ Renewing the Brett, Selkirk and Swan Lake trestles
- ▶ Widening up to 4 km of the Galloping Goose Regional Trail between Selkirk Trestle and Grange Road (adjacent to McKenzie Avenue)
- ▶ Widening 2 km of the Lochside Regional Trail between the Switch Bridge and McKenzie Avenue/Borden Street
- ▶ Adding energy-efficient lighting for visibility and safety

In 2025, pre-construction work on the Selkirk Trestle was completed. The design phase of the project remains on track for expected completion in 2026 and includes technical design, permitting, environmental review and partner coordination. Construction is planned to begin in 2026 on the Galloping Goose Regional Trail between the Selkirk Trestle and Grange Road.

JUAN DE FUCA ACTIVE TRANSPORTATION NETWORK PLAN

The Juan de Fuca Active Transportation Network Plan has been completed. The plan focuses on refining and developing active transportation connections within and between communities of the Juan de Fuca Electoral Area, with an emphasis on Port Renfrew, Jordan River, Shirley, Otter Point and East Sooke.

The plan was developed in partnership with Bunt & Associates Engineering Ltd. and PWL Partnership Landscape Architects Inc., with funding provided by the CRD, the Province of British Columbia and the Government of Canada through the Active Transportation Fund and the Community Works (Gas Tax) Fund.



Housing

SUPPORTIVE, AFFORDABLE HOMES OPEN ON SALT SPRING ISLAND

The CRD provided land on a long-term lease for a nominal fee for the construction of 32 supportive homes for adults who are experiencing or at risk of homelessness, and four affordable homes for people who can live independently.

The new building at 161 Drake Road on Salt Spring Island is owned by the province, through BC Housing, and operated by the Lookout Housing and Health Society.

CALEDONIA REDEVELOPMENT PROJECT

In 2025, the CRHC opened the Caledonia redevelopment in Victoria’s Fernwood neighborhood, delivering 158 new affordable rental housing units within two apartment and three townhouse buildings. Developed in partnership with BC Housing through the Community Housing Fund, the project includes 32 units at provincial assistance rates, landscaped outdoor spaces, urban agriculture features and shared community amenities. The redevelopment replaces an aging townhouse complex and expands the site to incorporate the former Fairey Technical Building.



Caledonia Redevelopment Project, Victoria



RURAL HOUSING PROGRAM PILOT PROJECT GRANTS

The Rural Housing Program Pilot Project launched two grant streams: Rural Housing Pre-Development Funding (RHPDF) and the Accessory Dwelling Unit Incentive Program. These pilot projects support community-led housing solutions in a rural island context and enable the CRD to test approaches for addressing housing challenges in smaller communities.

Applications were developed and accepted for both streams. For RHPDF, the CRD also created a financial feasibility tool and guide and invited expressions of interest between April and June 2025 to support equitable distribution of funding across eligible projects.

300 NEW RENTAL HOMES UNDERWAY IN GREATER VICTORIA

Campus View and Village on the Green, both CRHC owned and operated properties, will undergo redevelopment to help boost the supply of purpose-built rentals in the Greater Victoria Area. All the new homes are expected to open in 2028.

These projects will be possible due to support from the province through BC Builds, BC Housing grants and repayable low interest construction financing. BC Builds developments will have a minimum of 20% of homes with rents at least 20% below-market rate. The homes supported by the CRHC surpass this BC Builds program target and will have 20% of homes at shelter rates of \$445 for people with very low incomes.

CRHC BOARD INITIATES FUTURE HOUSING VISION

The CRHC Board began discussions on an ambitious vision for the next 20 years with the CRHC 2045: “A Path to 5,000” Framework. The Framework will establish a foundation for continued collaboration between the CRHC, the CRD and other orders of government and guide the CRHC towards the objective of providing up to 5,000 affordable rental homes to meet the needs of people living within the capital region by 2045. Adopting the Framework will guide the CRHC in its work toward delivering up to 2,000 additional new rental homes between 2031 and 2045.

2025 GREATER VICTORIA POINT-IN-TIME COUNT RESULTS

In partnership with the Community Social Planning Council, the CRD completed the 2025 Greater Victoria Point-in-Time (PiT) Count, funded through the Government of Canada’s Reaching Home program.

The 2025 PiT Count was conducted on March 25 and 26 and identified 1,749 people experiencing homelessness. The initiative engaged 130 volunteers, community partners and supporters, including the Housing Justice Project, to better identify gaps in data collection and inform both short and long-term strategies to address homelessness across Greater Victoria.



Climate Action and Environment

RESIDENTS INVITED TO HELP SHAPE UPDATED BLUEPRINT FOR BOWKER CREEK

In partnership with local governments and community partners, the Bowker Creek Initiative invited residents to learn about the Bowker Creek Blueprint updates underway and share their feedback.

The updated Blueprint will guide Bowker Creek Initiative member municipalities, School District #61, the CRD, the community and other land stewards as they work to manage and restore the Bowker Creek Watershed and creek corridor into the future.

LONG-TERM BIOSOLIDS MANAGEMENT STRATEGY

The CRD Board selected Australian engineering company, Pyrocal PTY Ltd., to integrate innovative technology into the region's Wastewater Treatment System to convert biosolids into biochar. The proposed system is designed as an added component to the Residuals Treatment Facility at Hartland Landfill and will process all Class A biosolids produced by the CRD. The costs of biochar production using this technology are expected to be competitive with the CRD's current out-of-region management options.

Staff will return to the Board with a refined financial analysis, operations plan, project agreement and proposed approach to seek electors' approval for financing before seeking direction to commit to the full project costs. The project will also include public engagement, collaboration with First Nations, and completion of required provincial and local regulatory approvals, including the *Environmental Management Act* air emissions authorization, anticipated to take up to two years.



Residuals Treatment Facility at Hartland Landfill



HARTLAND LANDFILL PRODUCING RENEWABLE NATURAL GAS FOR FORTISBC

In partnership with FortisBC Energy Inc. and Waga Energy Canada, the CRD started producing Renewable Natural Gas (RNG) at the first RNG facility on Vancouver Island, located at Hartland Landfill. The \$32 million Hartland Renewable Natural Gas facility captures landfill gas and converts it into lower-carbon energy, with the capacity to produce up to 360,000 gigajoules annually and reduce regional greenhouse gas emissions by up to 475,000 tonnes of carbon dioxide, supporting regional and provincial climate goals.

Waga Energy will operate and maintain the facility on the CRD's behalf for 25 years, while the CRD remains responsible for ownership and operation of Hartland Landfill and the landfill's gas collection system.

FortisBC will pay a fixed price per gigajoule for the RNG and will be responsible for the costs associated with injecting the RNG into its gas distribution system. The new landfill gas upgrade facility will be fully self-funded through revenues from biogas sales.

TWO REGIONAL ALTERNATIVE APPROVAL PROCESSES: FOODLANDS ACCESS SERVICE AND BIODIVERSITY STEWARDSHIP COORDINATION

The CRD Board has approved bylaws to establish two new regional services: the Regional Foodlands Access Service and the Biodiversity and Environmental Stewardship Service. Both bylaws were adopted after receiving elector assent through separate Alternative Approval Processes.

The Foodlands Access Service will support food security and agricultural access through initiatives such as a five-year farming pilot study at Bear Hill Regional Park and potential grant funding to support farmers and landowners who participate in the BC Land Matching Program.

The Biodiversity and Environmental Stewardship Service establishes a regional role in ecosystem preservation and restoration and environmental protection through education and partnerships with First Nations, as well as other government and non-government organizations.

SOLID WASTE MARKET RESEARCH AND ENGAGEMENT STUDY RESULTS

The CRD has completed its Solid Waste Market Research and Engagement Study exploring attitudes and behaviours of residents and businesses towards solid waste reduction and management practices. The findings will help build education and outreach initiatives supporting the Solid Waste Management Plan (SWMP) target of reducing regional waste by more than one-third by 2031.

The results from the study indicate strong public support for core waste management practices, growing use of recycling services at Hartland Landfill and ongoing challenges related to recycling certain materials, which highlights opportunities to expand education and disposal options across the region. This study is one of three that the Solid Waste Advisory Committee recommended to gather data and metrics related to monitoring the SWMP. The Waste Generator Study and Solid Waste Stream Composition Study are scheduled to occur over the next several years.



First Nations

CRD AND X^wSEPSƏM (KOSAPSUM) NATION SIGN MEMORANDUM OF UNDERSTANDING

The CRD and the x^wsepsə́m (Kosapsum) Nation signed a Memorandum of Understanding, formalizing their government-to-government relationship and setting commitments to work together on priority areas. This partnership will foster a deeper understanding and integration of Indigenous knowledge and leadership in regional planning and service delivery.

CRD AND S^TÁUTW (TSAWOUT) FIRST NATION SIGN MEMORANDUM OF UNDERSTANDING

The CRD and S^TÁUTW (Tsaowout) First Nation signed a Memorandum of Understanding (MOU) that will help the CRD integrate S^TÁUTW's perspectives and wisdom into the CRD's initiatives. The MOU will enhance regional service delivery and create opportunities for collaborative economic growth and community well-being.

CRD, TSARTLIP AND TSEYCU M FIRST NATIONS SIGN MEMORANDUM OF UNDERSTANDING

The CRD, WJOLELP (Tartlip) and WSIKEM (Tseycum) First Nations, through the WSÁNEĆ Leadership Council (WLC), signed a Memorandum of Understanding formalizing their government-to-government relationship. This collaboration will help foster a more inclusive approach to regional government, build stronger relationships and provide tangible, on-the-ground benefits by facilitating direct dialogue and immediate problem-solving.



WSÁNEĆ Leadership Council Memorandum of Understanding signing ceremony



CRD & SONGHEES NATION FORMALIZE THEIR GOVERNMENT-TO-GOVERNMENT RELATIONSHIP

The CRD and the Songhees Nation have signed a government-to-government Protocol Agreement that will guide the parties in a renewed relationship founded on mutual respect, collaboration and shared prosperity. The Protocol Agreement creates a structure for their relationship, identifying clear topics for collaboration and enhancing communication. It moves beyond principles into action, establishing new processes to ensure projects affecting Songhees' territory and interests will be shaped in collaboration with Songhees leadership from the outset.

LEKWUNGEN NATIONS AND LOCAL GOVERNMENTS TO EXPLORE THE FUTURE OF ISLAND RAIL CORRIDOR

A coalition of First Nations and local governments, including the CRD and several municipalities in the region, launched the Reconciliation Corridor Initiative to explore passenger rail service between Victoria and Langford along the Island Rail Corridor. Led by the Kosapsum and Songhees Nations, the partnership signed a Reconciliation Corridor Agreement and will pursue a shared, reconciliation-based approach to corridor planning, including potential realignment, transit-oriented development and economic opportunities. A technical feasibility study is underway, with results expected within 12 to 16 months to inform future evidence-based decisions.



Reconciliation Corridor Initiative partnership event



Governance

ELECTORAL AREA SERVICES DEPARTMENT ESTABLISHED

The Chief Administrative Officer and CRD Board completed a comprehensive search to fill the new General Manager role after the CRD Board approved the recruitment process in January 2025.

The General Manager for the new Electoral Area Services department and will oversee administration and service delivery while working directly with the Electoral Area Directors to ensure that CRD service delivery is consistent and responsive to local requirements.

LOAN AUTHORIZATION BYLAW ADOPTED FOR SEAPARC CAPITAL FUNDS

The CRD Board adopted a \$3.15 million loan authorization bylaw to fund the SEAPARC Recreation Centre mechanical upgrades and the Sooke Skate Park replacement through an innovative heat recovery project. The bylaw received elector assent through an Alternative Approval Process and was adopted by the Board on June 11, 2025.

The Sooke Skate Park project is now in the construction phase and completion is expected in the Spring of 2026. While the new park is being constructed, a temporary skatepark has been located on the Ravens Ridge Park Sport Box.

LOAN AUTHORIZATION BYLAW APPROVED TO PURCHASE WATERSHED LAND

The CRD Board adopted a \$32.3 million loan authorization bylaw to purchase 1,973 hectares of land from the Kapoor Lumber Company. The bylaw received elector approval through an Alternative Approval Process, and ownership transferred to the CRD on September 15, 2025.

The land is adjacent to Greater Victoria's primary drinking water source, the Sooke Lake Reservoir catchment and watershed. The lands will be incorporated into long-term stewardship and watershed management strategies to help protect regional drinking water quality.

ELECTORAL AREAS WATER CONSERVATION BYLAW UPDATES

The CRD Board approved an amendment to CRD Electoral Areas Water Conservation Bylaw No. 4492, which regulates water use for local services providing drinking water in the Juan de Fuca, Salt Spring Island and Southern Gulf Islands Electoral Areas.

Bylaw No. 4492 amendments came into effect May 1, 2025 and include a fourth water conservation stage intended to restrict outdoor and residential indoor water use as much as possible during times of severe water shortage. Water users in the affected service area will be notified when Stage 4 restrictions are activated through signage in the community, updates to the impacted water system web pages and the Public Alert Notification System.



Infrastructure & Water Services staff

CORPORATE SAFETY

The Corporate Occupational Health & Safety (OHS) Program continues to have a positive impact on our employees and our safety culture. In 2025, the CRD successfully passed an internal Certificate of Recognition audit and was selected as a safety leader by the BC Municipal Safety Association. Our worker-centered approach to OHS focuses on safety systems focusing on preventing worker injuries, as well as following a best practice approach to disability management and ensuring that those who are injured are returned to work in a supported manner. By actively concentrating on injury prevention, safety management and ensuring our employees have the safety resources they need, we have been able to lead within the municipal government sector, keep our insurance costs low and continue to show our employees that we will always put their safety first.

OCEANFRONT LAND DONATION FOR COMMUNITY PARK ON SALT SPRING ISLAND

The CRD acquired approximately 1.5 acres of donated oceanfront land at 215 Morningside Drive on Salt Spring Island for community park use. The property includes shoreline access, open viewpoints and a small beach, and supports the Salt Spring Island Parks and Recreation Strategic Plan objective to expand public access to lakes and the ocean. A covenant will protect the land for park purposes, and it will be managed as part of the CRD's Salt Spring Island Parks, Arts, Recreation & Culture services.

EQUITY, DIVERSITY AND INCLUSION

In 2025, the internal Equity, Diversity & Inclusion (EDI) Steering Committee continued to advance the development of the EDI Strategic Plan, outlining a clear path forward for the implementation of strategies and actions to support this work. The implementation plan and associated risk register were approved in the fall of 2025. Employee engagement activities were initiated and include internal communications recognizing EDI related observances and celebrations and the CRD's continued participation in the Victoria Pride Parade.

The People, Safety & Culture Strategic Plan identifies EDI as a priority area, with several action items initiated in 2024 and extending through 2027. Enhancements to existing learning and development opportunities continued, with a focus on new human rights and duty to accommodate training. An EDI informed review of administrative policies was conducted in 2025, resulting in revisions to the Recruitment and Selection, Respectful Workplace, and Standards of Conduct policies.



Corporate Priorities

GALIANO ISLAND UNIFIES FIRE SERVICES UNDER GALIANO ISLAND VOLUNTEER FIRE DEPARTMENT

Grant Funding for the Electoral Areas improved Emergency Services on Galiano Island by merging the North and South Galiano Volunteer Fire Departments into the newly established Galiano Island Volunteer Fire Department. Unified operations will enhance training programs and resource allocation, supporting greater firefighter safety and more effective emergency services.

The decision to unify the departments comes from a governance review conducted by the CRD in 2024 to address long-standing challenges in managing fire services on Galiano Island. The transition to the unified department is expected to be completed in January 2026.

ARTS DEVELOPMENT OPERATING GRANTS, PROJECTS AND FUNDING

The CRD Arts & Culture Support Service launched the Grow Forward Grant, a pilot funding stream that supports capacity-building, planning, mentorship and organizational development for not-for-profit arts organizations. Replacing the underused Incubator Grant Program, Grow Forward provides grants of up to \$5,000 and expands eligibility so that organizations can receive both programming and organizational development funding. The initiative aligns with the Arts & Culture Support Service 2024–2027 Strategic Plan to strengthen regional arts sector capacity and collaboration.



Children at Victoria Ska & Reggae Festival

REGIONAL WATER SUPPLY STRATEGIC PLAN UPDATE

The CRD updated its long-term strategy to enhance and protect the Regional Water Supply Service. Residents were invited to provide feedback on the draft 2025 Regional Water Supply Strategic Plan, which guides priorities such as managing, maintaining and safeguarding the water supply transmission system and catchment lands servicing households in Greater Victoria over the next five to ten years.

CRD EVOLVES



Through CRD Evolves, the CRD implemented structural and functional changes in 2025 to strengthen internal corporate service delivery and support regional, sub-regional and local services. Guided by executive leadership and cross-functional transition teams, the changes were rolled out in two phases, driving improved alignment, efficiency and collaboration across the organization. CRD Evolves targeted high-impact changes to centralize services, reduce duplication and enhance organizational capacity. It establishes a foundation for continued service transformation and ongoing refinement of service delivery models.

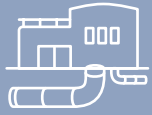
Changes implemented:

Phase 1: January 2025

- ▶ Consolidated asset management, maintenance management and fleet management into the new Corporate Asset & Maintenance Management division within Infrastructure & Water Services
- ▶ Consolidated communications functions into the Corporate Communication & Engagement division within Executive Services
- ▶ Consolidated procurement and Infrastructure & Water Services purchasing within a new Procurement section in Finance & Technology
- ▶ Transferred Infrastructure & Water Services committees and commissions responsibilities to Legislative Services within Corporate Services

Phase 2: July 2025

- ▶ Established the Corporate Capital Project Delivery Services division within Infrastructure & Water Services to standardize capital project planning and delivery
- ▶ Created the Electoral Area Services department to oversee the delivery of most services for Juan de Fuca, Salt Spring Island and Southern Gulf Islands
- ▶ Integrated Facilities Management and Real Estate Services within Corporate Services to strengthen long-term space and facilities planning



Major Projects

DEVELOPMENT COST CHARGE PROGRAM

The CRD Regional Water Supply Commission is advancing a Development Cost Charge (DCC) Bylaw for the Regional Water Supply Service (RWSC). The DCC will help fund growth-related water infrastructure, following public engagement and long-term planning analysis. Without DCCs, the cost of expanding and upgrading infrastructure would fall disproportionately on existing ratepayers.

The *Local Government Act* requires local governments to provide a level of financial assistance to a DCC program through a Municipal Assist Factor (MAF). The MAF represents the portion of growth-related costs that would be absorbed by the CRD rather than passed on to new development. In November 2025, the RWSC directed staff to proceed with a MAF of 1% for the Regional Water Supply DCC. This means new development will fund 99% of growth-related costs, while existing ratepayers contribute the remaining 1% through water rates.

Implementation is planned for 2027 to provide ample notice to the development community and transition measures for projects already underway. The program will be reviewed every five years to ensure that the cost-sharing arrangements remain equitable and responsive to changing conditions, including population growth, water consumption and capital cost estimates.



Infrastructure & Water Services staff installing pipe



Centennial Park Multi Sport Box

NEW MULTI SPORT FACILITY IN CENTENNIAL PARK

The CRD and the Peninsula Recreation Commission (PRC) opened the new Centennial Park Multi Sport Box for community use on September 2, 2025. The covered, open-air facility replaced the former lacrosse box in Centennial Park and will host a variety of year-round sports and recreational programs for the Saanich Peninsula community.

This \$4.9 million project was made possible through a \$2 million grant the District of Central Saanich secured from the Federal Government Investing in Canada Infrastructure Program, with the remaining \$2.9 million contributed through the PRC's Capital Plan, which is part of the CRD 2023–2027 Financial Plan. This project aligns with the Panorama Recreation 2022–2026 Strategic Plan. A grand opening celebration is planned for Spring 2026 and will feature “try-it” workshops, special guests and official remarks.

CRD LAUNCHES NEW PUBLIC WEBSITE

The CRD launched a new public website to improve online access to information and services, replacing a platform that had been in place for a decade with more than two million visits annually. Following feedback from the community, the new website has been modernized to be more user-friendly, dynamic and accessible. The redesigned site features community-specific pages, enhanced governance information, email subscription options, integrated feedback tools and the “What Goes Where” waste lookup tool. Built to meet Web Content Accessibility Guidelines accessibility standards, the site also offers improved search functions, mobile responsiveness, security and automated translation features.

NEW ONLINE EMERGENCY DASHBOARD

The CRD launched a new online emergency dashboard that brings together regional emergency information from local, provincial and federal partners. The dashboard highlights current emergency alerts and provides a centralized system for accessing emergency and preparedness resources. It monitors and displays emerging threats and current situations, such as extreme weather warnings, localized emergency alerts, wildfires, air quality warnings, tsunami and seismic events and road closures. This tool improves access to timely and accurate emergency information in multiple language formats, strengthening the capacity to raise public awareness and to manage an emergency event or regional disaster.

NEW REGIONAL PARK ON NORTH PENDER ISLAND

The CRD purchased two properties and transferred a former community park from the Pender Islands Community Parks and Recreation Commission (PIPRC) to create a new, 21.7 hectare regional park on North Pender Island.

George Hill Regional Park features panoramic views of the Southern Gulf Islands and will provide both forested and summit hiking for visitors. The park is located within the Coastal Douglas-fir Moist Maritime Biogeoclimatic subzone, comprising a unique set of ecosystems, flora and fauna. Covenants require the land to be managed as a regional park in perpetuity. Alongside the CRD Regional Parks division, the PIPRC will continue to help manage invasive species on the property.



George Hill Regional Park, North Pender Island



Awards

GREENEST EMPLOYER AWARD

In 2025, the CRD was named one of Canada’s Greenest Employers, in recognition of its leadership in environmental sustainability and innovation. The award reflects initiatives such as stewardship of more than 13,000 hectares of natural areas, progress towards a zero-emissions fleet including electric vehicles and e-bikes, LEED Gold certification for its headquarters, and programs that help residents complete energy-efficient home upgrades through the Home Energy Navigator Program.

ORGANIZATIONAL SAFETY EXCELLENCE AWARD

In 2025, the CRD received Canada’s Safest Employers Excellence Award, recognizing its strong organizational commitment to workplace safety. The award highlights comprehensive safety-focused HR policies and programs, safe work practices, and ongoing investment in employee training and professional development.

GFOA CANADIAN AWARD FOR EXCELLENCE IN FINANCIAL REPORTING

The CRD was recognized with the Canadian Award for Financial Reporting from the Government Finance Officers Association of Canada for its financial statements for the year ended December 31, 2024. The award recognizes high standards in public sector financial reporting and accounting and reflects the organization’s continued excellence and professionalism in financial management.

CLIMATE CHANGE BUSINESS JOURNAL – BUSINESS ACHIEVEMENT AWARD

The CRD was honoured with the 2025 Climate Change Business Journal (CCBJ) Business Achievement Award in the Consulting & Engineering category for the Hartland Landfill Renewable Natural Gas Facility. The award recognizes leadership and innovation in climate-focused infrastructure and was selected through a competitive nomination and review process led by CCBJ industry experts.

“BEST OF THE BEST” AWARD – 2025 BC WATER & WASTEWATER CONFERENCE

The CRD won the “Best of the Best” award for the best tasting tap water at the 2025 BC Water & Waste Water Conference, and the 2025 Water Operator Challenge. Great-tasting tap water takes daily dedication from our skilled team of water experts, and the operator challenge involved operators competing to showcase their technical skills and talents for various water operation tasks such as water main repair.



“Best of the Best” tap water award



2025 FINANCIAL HIGHLIGHTS

CRD Financial Reporting Overview

The Capital Regional District (CRD) is pleased to provide this consolidated financial overview for the 2025 fiscal year.

Our Economy

The Canadian economy continues to evolve, with average quarterly growth subdued in 2025 resulting from US tariffs and slowing population growth.

Consumer Price Index (CPI) inflation remains near the 2% target¹. Real Gross Domestic Product (GDP) increased 1.7% in 2025, the slowest pace of annual growth since the decline in 2020. Lower exports, particularly to the United States, were the main contributor to the slower rise in GDP in 2025².

As inflation in 2025 continued to decline towards the Bank of Canada's 2% target, the Bank of Canada reduced its overnight rate from 3.25% at the start of 2025 to 2.25% by year-end³. Looking ahead, economic growth is projected to be modest as population growth slows, and Canada adjusts economic pressures.

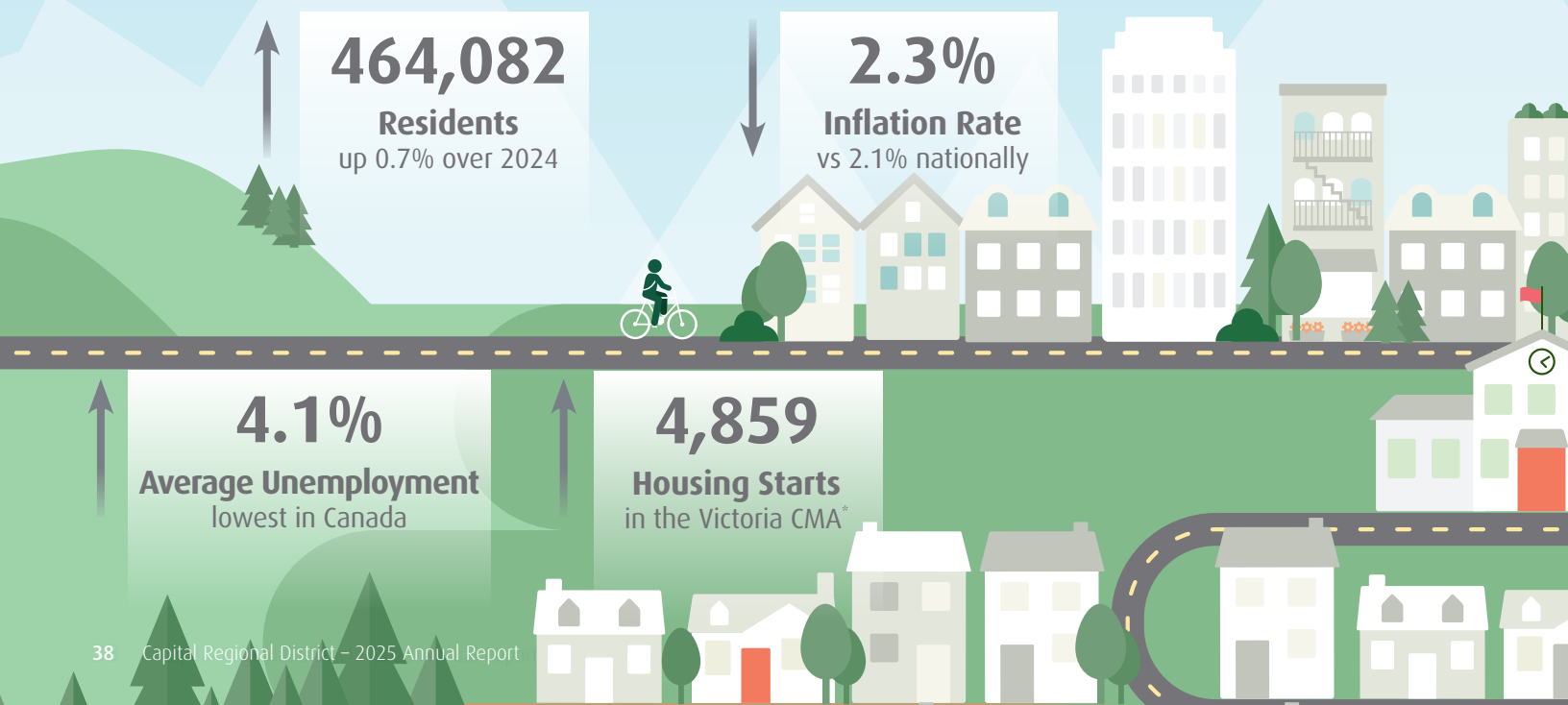
For 2025 overall, BC's annual CPI averaged 2.1%, the lowest annual increase since 2020⁴. British Columbia is expected to see slow to moderate growth in the economy, with real GDP growth projected at 1.3% in 2026 and 1.8% in 2027 due to continued trade uncertainty and impacts from federal government changes to immigration policy⁵.

Our Region

Greater Victoria's unemployment rate rose from 3.8% in 2024 to 4.3% by the end of 2025, while remaining well below rates for the provincial, national and greater Vancouver area at 6.5%, 6.7% and 6.3%, respectively⁶. The average annual inflation rate for Greater Victoria was 2.3% in 2025, compared to 2.1% nationally, provincially and for the greater Vancouver area⁷.

The region's population growth slowed, increasing by 0.7% in 2025 compared to 1.6% in 2024⁸. Seven CRD municipalities exceeded the provincial municipal average growth rate of 0.5% in 2025, based on recent population estimates. Despite slower growth, pressure on core priorities such as sustainable service delivery and infrastructure remains.

In December 2025, the benchmark home price in the core region fell to \$1,255,000, a 4.7% decrease from \$1,316,700 in December 2024⁹. Active listings rose to 2,544, up 11.1% from 2,290 a year earlier. With pent-up demand resulting from several years of population growth, pressure on housing affordability is expected to persist.



Our Process

This report includes the CRD's Consolidated Statement of Financial Position and the Consolidated Statement of Operations, which form the basis of the financial statements.

Each year, the CRD prepares audited financial statements in accordance with legislative requirements and presents them to the Board for approval. The 2025 financial statements were prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS) and were audited by KPMG LLP.

Under PSAS, governments are required to present five statements with explanatory notes:

1. Statement of Financial Position
2. Statement of Operations
3. Statement of Change in Net Debt
4. Statement of Remeasurement Gains and Losses
5. Statement of Cash Flows

The CRD also includes several schedules for additional reference. The consolidated financial statements include all CRD divisions and departments.

Capital Region Housing Corporation

The Capital Region Housing Corporation (CRHC) is a non-profit organization wholly owned by the Capital Regional District and is governed by the same 24-member Board of Directors as the CRD.

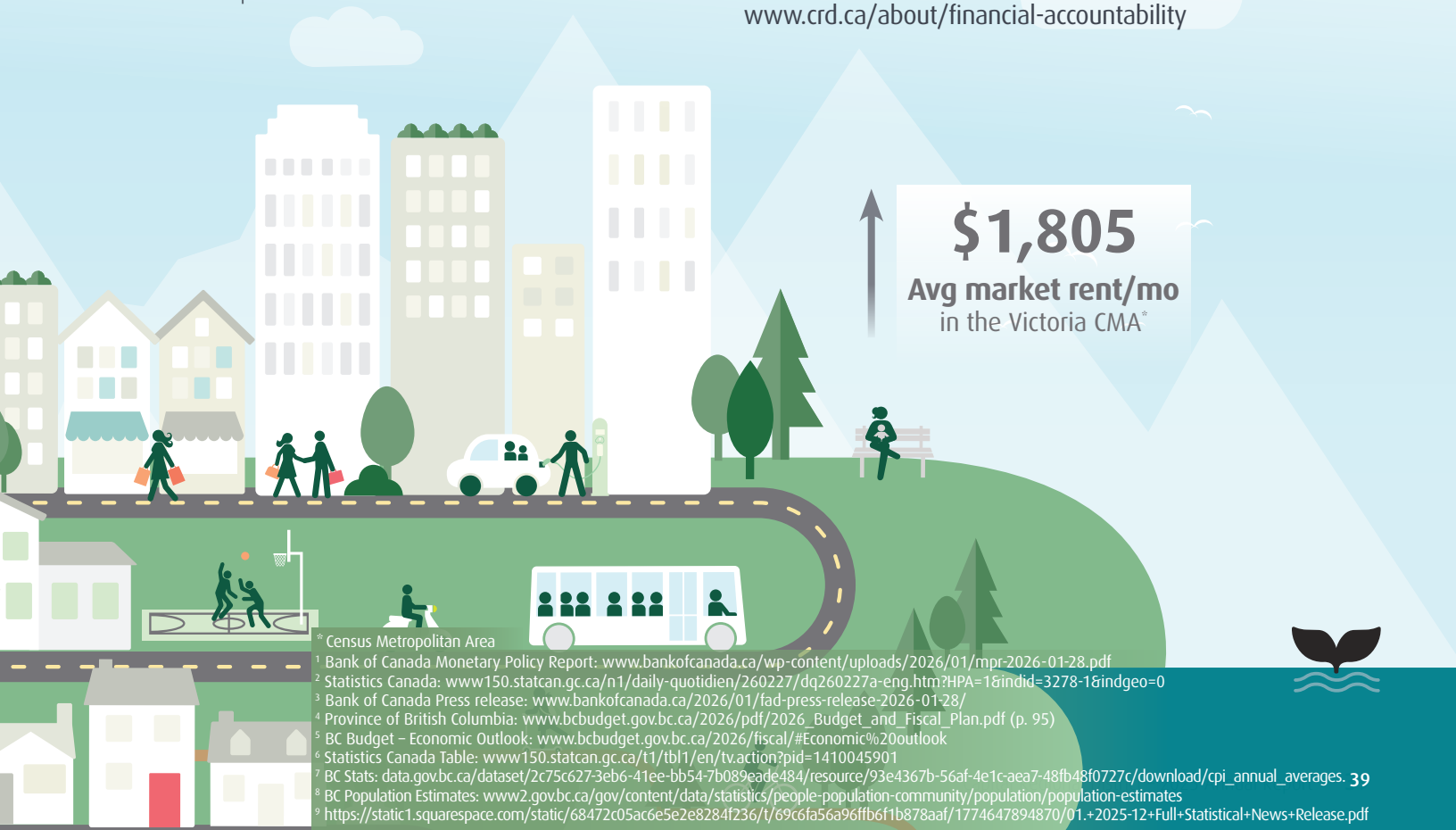
As an entity of the CRD, the CRHC's financial statements are consolidated within the CRD financial statements as required by PSAS.

Capital Regional Hospital District

The Capital Regional Hospital District (CRHD) operates under the authority of the *Hospital District Act* and shares the same boundaries, directors and administrative staff as the CRD. It partners with Island Health and community agencies to develop and improve health-related facilities in the region. The CRHD prepares a set of audited financial statements independent from the CRD. Page 47 features a brief summary of the CRHD's financial highlights for 2025.

More Information

Find the complete 2025 Statement of Financial Information and related documents at:
www.crd.ca/about/financial-accountability



* Census Metropolitan Area

¹ Bank of Canada Monetary Policy Report: www.bankofcanada.ca/wp-content/uploads/2026/01/mpr-2026-01-28.pdf

² Statistics Canada: www150.statcan.gc.ca/n1/daily-quotidien/260227/dq260227a-eng.htm?HPA=1&indid=3278-1&indgeo=0

³ Bank of Canada Press release: www.bankofcanada.ca/2026/01/fad-press-release-2026-01-28/

⁴ Province of British Columbia: www.bcbudget.gov.bc.ca/2026/pdf/2026_Budget_and_Fiscal_Plan.pdf (p. 95)

⁵ BC Budget – Economic Outlook: www2.gov.bc.ca/gov/content/data/statistics/people-population-community/population/population-estimates

⁶ Statistics Canada Table: www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410045901

⁷ BC Stats: data.gov.bc.ca/dataset/2c75c627-3eb6-41ee-bb54-7b089eade484/resource/93e4367b-56af-4e1c-aea7-48fb48f0727c/download/cpi_annual_averages. 39

⁸ BC Population Estimates: www2.gov.bc.ca/gov/content/data/statistics/people-population-community/population/population-estimates

⁹ <https://static1.squarespace.com/static/68472c05ac6e5e2e8284f236/t/69c6fa56a96ffb6f1b878aaf/1774647894870/01.+2025-12+Full+Statistical+News+Release.pdf>

CRD Statement of Financial Position (Consolidated CRD+CRHC)

This statement presents the organization's assets, liabilities, net debt position and accumulated surplus or equity position.

In 2025, the CRD's net debt increased by \$35.2 million, driven by borrowing to fund capital investment. Debt issued for capital projects, including CRHC housing developments, exceeded growth in cash and investments during the year. Tangible capital assets increased by \$86.7 million, reflecting capital additions of approximately \$2.20 for every \$1 of amortization. Overall, the increase in net debt and tangible capital assets reflects the CRD's continued investment in infrastructure to maintain existing assets and accommodate rising service demand.

	2025	2024	2023
	(in millions)	(in millions)	(in millions)
Financial assets			
Cash and investments	\$450.1	\$419.7	\$416.0
Receivables	\$268.7	\$206.6	\$211.0
	\$718.8	\$626.3	\$627.0
Financial liabilities			
Accounts payable and accrued liabilities	\$47.2	\$62.1	\$41.1
Deferred revenue	\$35.5	\$29.5	\$33.2
Debt	\$778.9	\$645.6	\$619.9
Asset Retirement Obligations	\$31.7	\$28.4	\$27.3
	\$893.3	\$765.6	\$721.5
Net debt	(\$174.5)	(\$139.3)	(\$94.5)
Non-financial assets*			
Tangible capital assets	\$2,261.0	\$2,174.3	\$2,076.6
Inventory of supplies	\$7.9	\$5.2	\$5.8
	\$2,268.9	\$2,179.5	\$2,082.4
Accumulated surplus	\$2,094.4	\$2,040.2	\$1,987.9

*Non-financial assets are resources that are normally held for service provision over one or more future periods.

CRD Statement of Operations (Consolidated CRD+CRHC)

This statement identifies the results of the organization’s financial activities for the year by presenting revenues less expenses, resulting in the organization’s annual surplus on a PSAS basis.

In 2025, the CRD reported an annual surplus increase of \$3.8 million as revenue growth outpaced expense increases. Revenue rose by \$27.1 million, driven by higher sales of services (particularly increased Hartland operations) including the introduction of renewable natural gas revenue, higher water sales, and increased invoice by agreement along with a \$7.7 million increase in requisitions.

Expenses increased by \$23.3 million, mainly due to higher staffing costs, increased contracted services at Hartland Landfill operations, and higher interest and amortization expenses associated with expanded capital assets and debt.

Overall, the surplus reflects strong growth in service related revenues that more than offset cost pressures during the year.

	2025	2024	2023
	(in millions)	(in millions)	(in millions)
Revenue			
Requisition	\$96.2	\$88.5	\$82.1
Sale of services	\$169.3	\$149.2	\$140.7
Other revenue	\$103.8	\$105.4	\$139.5
Municipal debt servicing	\$19.0	\$18.1	\$17.3
	\$388.3	\$361.2	\$379.6
Expenses			
General government services	\$43.4	\$54.8	\$62.1
Transportation, planning & protective services	\$22.2	\$19.4	\$18.4
Sewer, water and garbage services	\$179.4	\$154.9	\$143.1
Affordable housing - rental expenses	\$27.4	\$23.9	\$22.3
Recreation and cultural services	\$44.7	\$41.6	\$38.4
Municipal debt servicing	\$19.1	\$18.3	\$17.4
	\$336.2	\$312.9	\$301.7
Annual surplus	\$52.1	\$48.3	\$77.9

2025 Operating Budget



Capital Regional District
\$412M



Capital Regional Hospital District
\$33M



Capital Region Housing Corporation
\$32M

Total

\$477M

2025 Capital Budget



Capital Regional District
\$311M



Capital Regional Hospital District
\$34M



Capital Region Housing Corporation
\$69M

Total

\$414M

CRD Financial Health (Consolidated CRD+CRHC)

Current Ratio

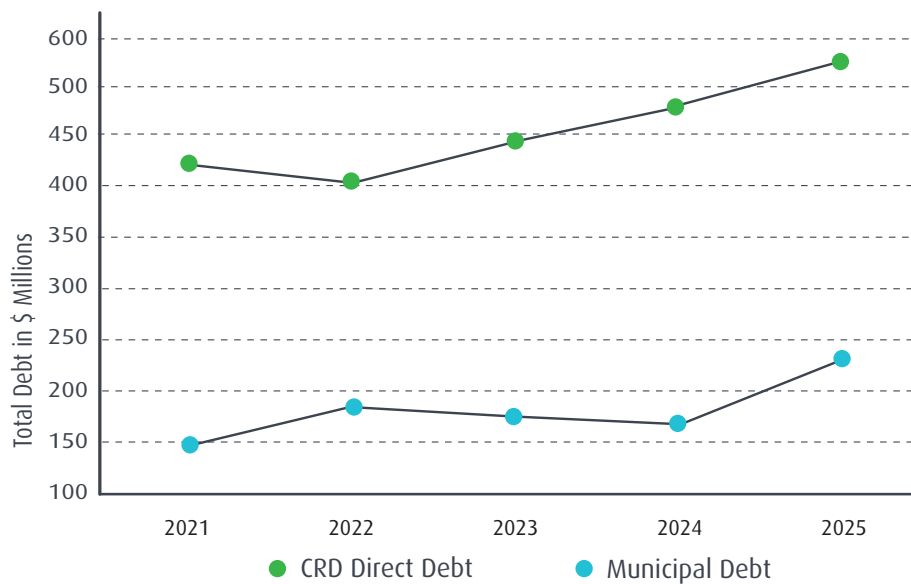
The current ratio is a measure of the liquidity of an organization, meaning the CRD's ability to meet current obligations through current assets. A high ratio indicates a greater ability to meet budgeted and unexpected expenditures. Generally, a current ratio greater than one is considered healthy for a government entity.

CURRENT RATIO

5.5

Debt

Debt includes balances for the CRD, CRHC and member municipalities. Short-term debt increased by \$60.1 million for financing during the construction of housing and other capital projects. Long-term debt increased by \$73.2 million due to new municipal borrowing.



Assets Funded by Debt

The Capital Investment Funded by New Debt is the proportion of current year acquisition of capital assets that were funded by debt. In 2025, debt funded \$95.0 million out of the CRD's capital additions of \$164.4 million. Debt funding levels are managed through corporate guidelines which set ideal levels of reserve and debt based on asset life matching benefit to community with timing of cost recovery.

CAPITAL INVESTMENT
FUNDED BY NEW DEBT

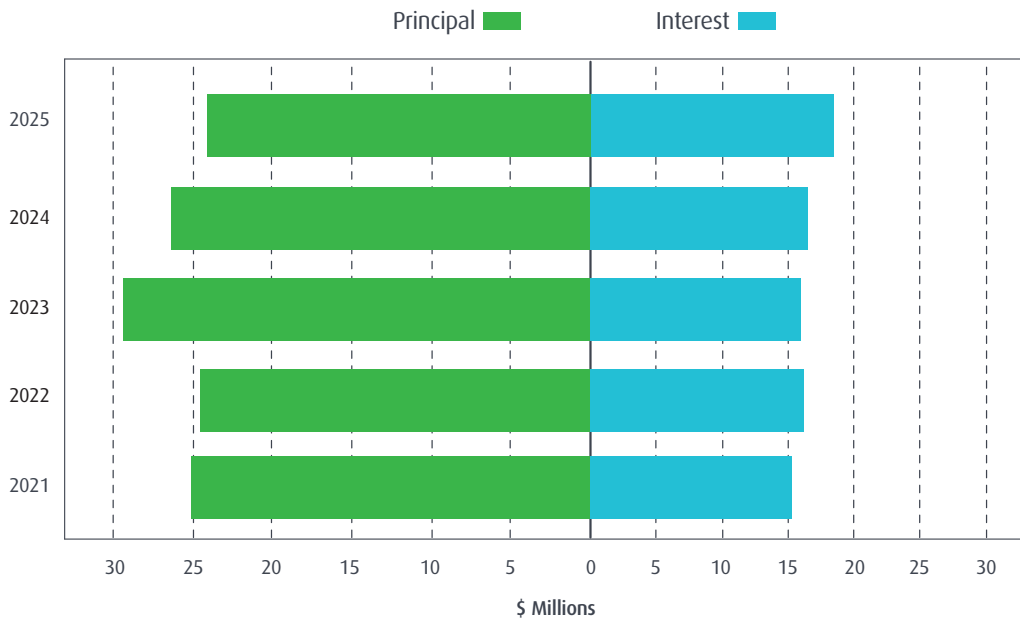
57.8%

Payments on Debt

The table below shows the split between principal and interest of total debt payments in the last five years. For every dollar spent servicing debt in 2025, 56.6% went towards reducing the principal. The proportion of debt service costs over the past five years has been stable indicating that there is a consistent mix of new and maturing debt.

**PRINCIPAL PORTION
OF DEBT PAYMENTS**

56.6%

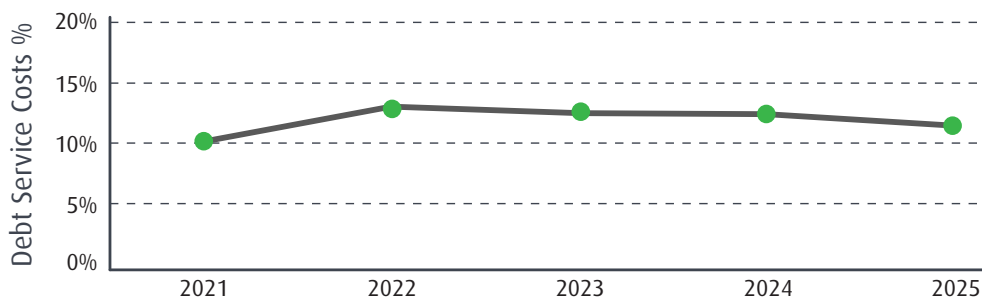


Debt Servicing Costs

The Debt Service Costs to Total Revenue ratio is the percentage of revenue committed to the payment of interest and principal on temporary and long-term debt. A high percentage indicates greater use of revenue for the repayment of debt and less ability to adjust to unplanned events and changing circumstances. The CRD's debt servicing costs in 2025 was \$42.3 million and total revenue was \$368.9 million excluding the impact of member municipality debt servicing. Corporate guidelines monitor the percentage of revenue committed to debt repayment limiting commitments to within performance indicator benchmarks.

**DEBT SERVICE COSTS
TO TOTAL REVENUE**

11.5%



*Revenue excludes debt servicing costs paid by member municipalities and other third parties.

CRD Capital Investment (Consolidated CRD+CRHC)

The CRD's capital assets continue to grow as the organization invests in infrastructure projects to support Board-approved service levels, as well as corporate and strategic priorities.

Additions to Capital Assets in 2025

Capital Regional District

\$129.2M



Other (includes vehicles & works in progress)

\$34.9M



Engineered Structures

\$43.8M



Land

\$41.4M



Machinery & Equipment

\$6.5M



Buildings

\$2.6M

Capital Region Housing Corporation

\$35.2M



Machinery & Equipment

\$3.2M



Buildings

\$30.6M



Land

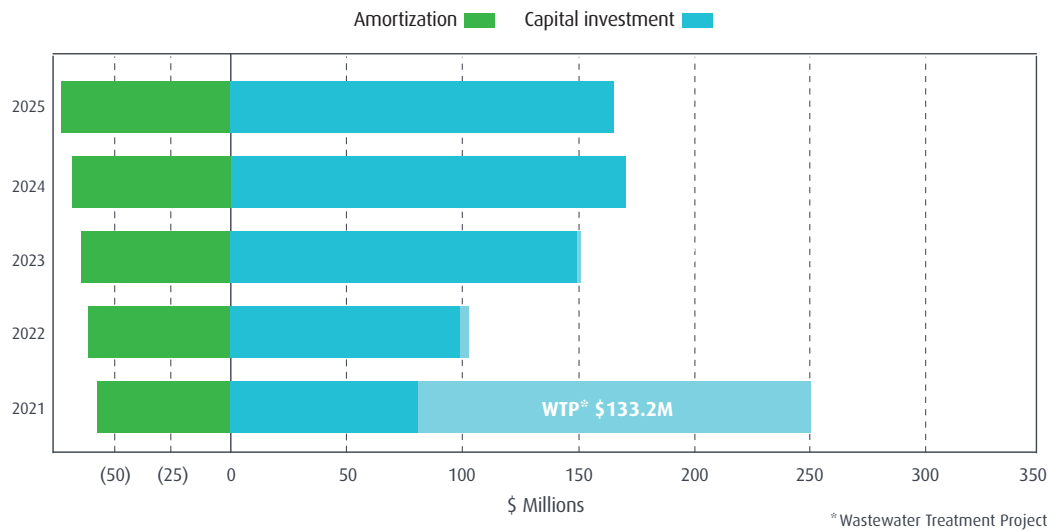
\$1.4M

Capital Investment and Amortization

This ratio is the amount of capital invested in infrastructure for every dollar that assets depreciate each year. In 2025, investment in capital assets was \$164.4 million and total amortization was \$73.1 million. Sustainable service delivery plans and long-term asset planning address the level of reinvestment as assets depreciate with use over time.

INVESTMENT IN CAPITAL OVER AMORTIZATION

2.2x

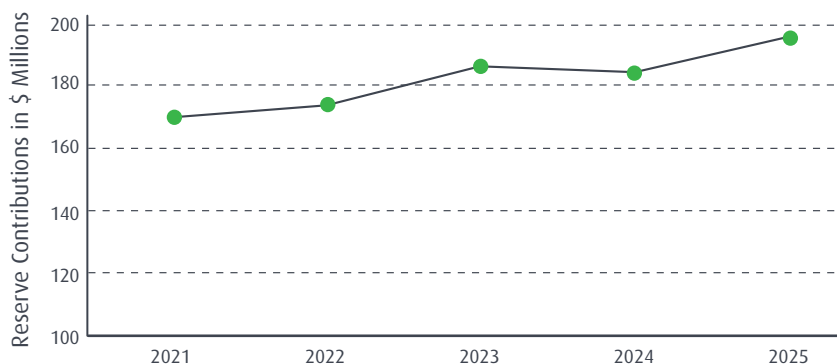


Contributions to Reserves

Contributions to reserves are needed to reduce costs of borrowing for asset renewal, replacement and to mitigate risk of asset failure. Reserves are guided by corporate reserve guidelines which set targets on savings supporting sustainable service delivery while balancing fluctuations in requisition and user fees. Total reserve balances were \$196.1 million at the end of 2025, an increase of \$11.1 million from the previous year.

RESERVE BALANCE

\$196.1M



CRHD Statement of Financial Position

This statement presents the CRHD’s assets, liabilities, tangible capital assets and accumulated surplus. The accumulated surplus for 2025, also represented as total assets less total liabilities, is \$73.1 million. The CRHD raises funds primarily through requisition and debt that are used to acquire capital assets or distribute capital grants to the region’s hospitals for equipment and infrastructure.

CRHD’s financial assets increased by \$8.2 million as lower than planned capital activity resulted in reduced grants to Island Health and a higher cash balance at year end. The decrease in liabilities of \$10.9 million was largely the result of the repayment of long-term debt that went down by \$11.1 million in 2025. Non-financial assets decreased by \$3.1 million from amortization expense.

	2025	2024	2023
Financial assets	(in millions)	(in millions)	(in millions)
Cash and cash equivalents	\$35.2	\$13.6	\$13.0
Investments	\$7.0	\$19.5	\$24.0
Accounts receivable	\$0.9	\$1.8	\$1.4
	\$43.1	\$34.9	\$38.4
Financial liabilities			
Accounts payable and other liabilities	\$4.1	\$3.4	\$3.9
Deferred revenue	\$0.4	\$0.4	\$0.4
Due to Capital Regional District	\$0.2	\$0.5	–
Long-term debt	\$73.1	\$84.2	\$98.4
Asset retirement obligations	\$0.9	\$1.1	\$0.6
	\$78.7	\$89.6	\$103.3
Net debt	(\$35.6)	(\$54.7)	(\$64.9)
Non-financial assets*			
Tangible capital assets	\$108.7	\$111.8	\$104.5
	\$108.7	\$111.8	\$104.5
Accumulated surplus	\$73.1	\$57.1	\$39.6

*Non-financial assets are resources that are normally held for service provision over one or more future periods.

CRHD Statement of Operations

This summary identifies the result of the CRHD’s financial activities for the year by presenting revenues less expenses, resulting in the organization’s annual surplus on a PSAS basis. The annual surplus of \$15.9 million was a decrease of \$1.6 million from 2024. The lower revenue was largely attributable to \$1.5 million less earnings on actuarial adjustment on long-term debt (i.e. sinking fund earnings). As debt was retired at a faster pace than new debt was issued.

	2025	2024	2023
Revenue	(in millions)	(in millions)	(in millions)
Requisition	\$26.4	\$26.4	\$26.5
Other revenue	\$9.1	\$10.7	\$12.1
	\$35.5	\$37.1	\$38.6
Expenses			
Grants to district hospitals	\$10.8	\$9.4	\$8.8
Interest and operating expenses	\$8.8	\$10.2	\$10.8
	\$19.6	\$19.6	\$19.6
Annual surplus	\$15.9	\$17.5	\$19.0

CRHD Financial Health

Current Ratio

The current ratio is a measure of the liquidity of an organization, meaning the CRHD’s ability to meet current obligations through current assets. A high ratio indicates a greater ability to meet budgeted and unexpected expenditures. Generally, a current ratio greater than one is considered healthy for a government entity.

CURRENT RATIO
8.7

Interest Coverage Ratio

This ratio is a measure of the organization’s ability to meet interest expense obligations on temporary and long-term debt. A high ratio indicates a greater ability to meet budgeted and unexpected expenditures. Generally, an interest coverage ratio greater than two is considered healthy for a government entity.

INTEREST COVERAGE RATIO
8.9X

Key Documents

Visit the CRD website for a comprehensive list of reports and plans at www.crd.ca/plans.

Below are a selection of the resources available:

COMMUNITY SERVICES

Arts & Culture Strategic Plan
Climate Action Strategy
CRHC 2045: "A Path to 5,000" Framework
CRD Corporate Emergency Plan
Land Acquisition Strategy
Panorama Recreation Strategic Plan
Regional Food & Agricultural Strategy
Regional Growth Strategy
Regional Housing Affordability Strategy
Regional Parks and Trails Strategic Plan
Regional Trails Management Plan
Regional Transportation Plan
SEAPARC Strategic Plan

CORPORATE SERVICES

Accessibility Plan
Corporate Asset Management Strategy
Corporate Communications & Engagement Strategic Plan
Corporate Plan
People, Safety & Culture Strategic Plan

GOVERNMENT RELATIONS

Advocacy Strategy
First Nations Task Force Final Report
Statement of Reconciliation

LOCAL GOVERNMENT

Gulf Islands Regional Trails Plan
Juan de Fuca Active Transportation Network
Juan de Fuca Community Parks & Recreation Strategic Plan
Local Community Commission Strategic Plan
Rainbow Recreation Centre Site Master Plan
Salt Spring Island Active Transportation Network Plan
Salt Spring Island Parks & Recreation Strategic Plan
Salt Spring Island Pedestrian & Cycling Master Plan
Southern Gulf Islands Active Transportation Plan
Southern Gulf Islands Connectivity Plan
Southern Gulf Islands Housing Strategy

UTILITY SERVICES

Core Area Liquid Waste Management Plan
Long-Term Biosolids Management Strategy
Regional Water Supply Strategic Plan
Regional Water Supply Master Plan
Solid Waste Management Plan





www.crd.ca

Capital Regional District
625 Fisgard Street
Victoria, BC V8W 1R7

Tel: 250.360.3000
Instagram: @crd_bc
Facebook: Capital Regional District