



Making a difference...together

**REPORT TO THE CAPITAL REGIONAL DISTRICT BOARD
MEETING OF WEDNESDAY, JULY 08, 2026**

SUBJECT **Bylaw No. 4775: 2026 to 2030 Financial Plan Bylaw, 2026, Amendment Bylaw No. 2, 2026**

ISSUE SUMMARY

The 2026 to 2030 Financial Plan was adopted on March 11, 2026, and subsequently amended by Bylaw No. 4768 on May 13, 2026. Amendments 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 and then an amendment bylaw on May 13, 2026 (Bylaw No. 4768, “2026 to 2030 Financial Plan Bylaw, 2026, Amendment Bylaw No. 1, 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
North Galiano Fire Protection	Water Storage Tanks	Capital	Reserves and Donations	\$36,000	Galiano Island Fire Protection and Emergency Response Service Commission, April 23, 2026
Willis Point Fire Protection and Recreation	Water Supply for Firefighting	Capital	Reserves	\$20,000	Willis Point Fire Protection and Recreation Facilities Commission, April 28, 2026
Galiano Community Parks	Sturdies Bay Trail Upgrade	Capital	Grant	\$10,000	Galiano Parks and Recreation Commission, May 14, 2026

Service	Description	Budget	Funding	Net Impact	Committee / Commission Approval
Regional Transportation	Upgrade Regional Trail Surfacing	Capital	Reserves	\$100,000	Staff Directed
Health Facilities - VIHA	Esquimalt Health Unit Roof Replacement	Capital	Reserve	\$491,000	Staff Directed
	Various projects cancelled based on recent condition assessments		Reserve / Capital on Hand	(\$285,000)	
Corporate Capital Project Delivery Service	Vehicle Replacement	Capital	Equipment Replacement Fund	\$95,000	Staff Directed
Wilderness Mountain Water	Emergency System Repairs	Operating	Reserves	\$12,000	Staff Directed
West Shore RCMP Detachment Expansion	Borrowing costs for RCMP Expansion	Operating	Other Revenue	\$711,100	CRD Board, June 10, 2026

The proposed Financial Plan amendment Bylaw No. 4775 incorporates the changes in Table 1 and is attached as Appendix A, inclusive of an updated Schedule A and Schedule B.

ALTERNATIVES

Alternative 1

1. That Bylaw No. 4775, “2026 to 2030 Financial Plan Bylaw, 2026, Amendment Bylaw No. 2, 2026”, be introduced and read a first, second and third time; and
2. That Bylaw No. 4775 be adopted.

Alternative 2

That Bylaw No. 4775 be deferred pending further analysis by Capital Regional District staff.

IMPLICATIONS

Financial Implications

North Galiano Fire Protection

On April 23, 2026, the Galiano Island Fire Protection and Emergency Response Service Commission approved an amendment to add a Water Storage Tank Project to the 2026 capital plan. The project includes the installation of two 3,000-gallon water storage tanks that will provide additional water supply for training and equipment testing. The \$36,000 project budget is funded by a \$24,000 pledged donation from the North Galiano Fire Department Society and \$12,000 capital reserve funds.

Willis Point Fire Protection and Recreation

On April 28, 2026, the Willis Point Fire Protection and Recreation Facilities Commission approved a \$20,000 budget increase for the Firefighting Project's water supply to complete site preparation and installation. The increase is funded by the capital reserve fund and brings the total project budget to \$164,000.

Galiano Community Parks

The Galiano Parks and Recreation Commission approved an amendment to add the Sturdies Bay Trail Improvements Project to the 2026 capital plan on May 14, 2026. The \$10,000 project is funded by a grant from the Outdoor Recreation Fund of BC and will improve trail safety close to the elementary school.

Regional Transportation

Staff is recommending advancing the \$250,000 upgrade from the 2028 Regional Trail Surface capital project to \$100,000 in 2026 and \$150,000 in 2027. Commencing paving in 2026 to the Galloping Goose trail section by the recently completed Colwood pedestrian and cyclist overpass will address the unsafe gravel transition. The project is funded by capital reserves.

Health Facilities - VIHA

Based on the recent tender results for the roof replacement of the Esquimalt Health Unit, staff are recommending a budget adjustment. Originally budgeted at \$440,000 in the early 2020s, an increase of \$491,000 is required to progress with this project for a total of \$931,000, funded by reserve.

The increased costs are partially offset by changes to the 2026 capital plan identified through the recently completed building condition assessments. Deferring the hot water tank replacement and repaving projects reduces the capital plan by \$285,000. Both projects were originally intended to be funded by reserves.

Corporate Capital Project Delivery Service

Staff have identified an aging passenger vehicle that needs to be replaced with a 4x4. An offroad vehicle is necessary to access locations throughout the Regional Watershed and will support the new Forestry Engineer role.

Wilderness Mountain Water

Staff have identified emergency repairs are required to the overhead service mast that supplies electrical services to the reservoir of the Wilderness Mountain Water service. The mast is critical to operations and is at a high risk of failure. The budget for the emergency repairs is \$12,000 and is funded from the operating reserve fund.

West Shore RCMP Detachment Expansion

On June 10, 2026, the CRD Board adopted Bylaw No. 4693, “West Shore RCMP Detachment Expansion Loan Authorization Bylaw No. 1, 2025”, authorizing borrowing of up to \$103 million to fund the construction and expansion of the West Shore RCMP detachment. A financial plan amendment of \$771,100 is required to enable temporary borrowing costs associated with borrowing the \$103 million. This short-term debt is then expected to be converted to long-term debt in 2027. Per the Memorandum of Understanding with Langford, Colwood, View Royal and the CRD, the detachment building will be owned by the CRD during the term of the borrowing, then transferred to the three municipalities once repayment is complete.

CONCLUSION

In compliance with the *Local Government Act*, the proposed amending Bylaw No. 4775 authorizes changes required to Bylaw No. 4751, “2026 to 2030 Financial Plan Bylaw, 2026”, which the CRD Board approved on March 11, 2026.

RECOMMENDATION

1. That Bylaw No. 4775, “2026 to 2030 Financial Plan Bylaw, 2026, Amendment Bylaw No. 2, 2026”, be introduced and read a first, second and third time; and
2. That Bylaw No. 4775 be adopted.

Submitted by:	Ben Semmens, CPA, CMA, Manager, Financial Planning and Performance
Concurrence:	Varinia Somosan, CPA, CGA, Acting Chief Financial Officer & General Manager, Finance & Technology
Concurrence:	Kristen Morley, J.D., Corporate Officer & General Manager, Corporate Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT

Appendix A: Bylaw No. 4775, “2026 to 2030 Financial Plan Bylaw, 2026, Amendment Bylaw No. 2, 2026”, with Schedule A and Schedule B