


A row of empty wooden chairs on a beach at sunset. The chairs are arranged in a long line, receding into the distance. The sky is a mix of orange and yellow, with some clouds. In the background, two people are visible, their silhouettes against the bright light. The overall mood is serene and quiet.

Member Agency Report Capital Regional District

July 13, 2022

A photograph of two women on a beach. The woman on the left has long, light brown hair in a braid and is wearing a dark top. The woman on the right is wearing traditional Indigenous attire, including a red headband with white braids and a feather, and a red and white striped garment. The background shows a sandy beach and blue water. The text "Acknowledging the Traditional Territory of the Lekwungen People" is overlaid in white.

Acknowledging the Traditional Territory of the Lekwungen People

A person wearing a grey t-shirt and a yellow long-sleeved shirt is holding a large, light-brown starfish with five arms. The starfish is covered in small spines. The person's hands are visible, and they are wearing a black beaded bracelet on their left wrist. The background is a blurred outdoor setting with some blue and yellow objects.

Introductions

Chair Christine Willow

CEO Ian Robertson

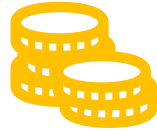
Guiding Principles



First Nations
Relationship



Triple Bottom
Line



Financial Self-
Sustainability



Working
Harbour



Accountability

Member Agencies



Songhees Nation

Esquimalt Nation



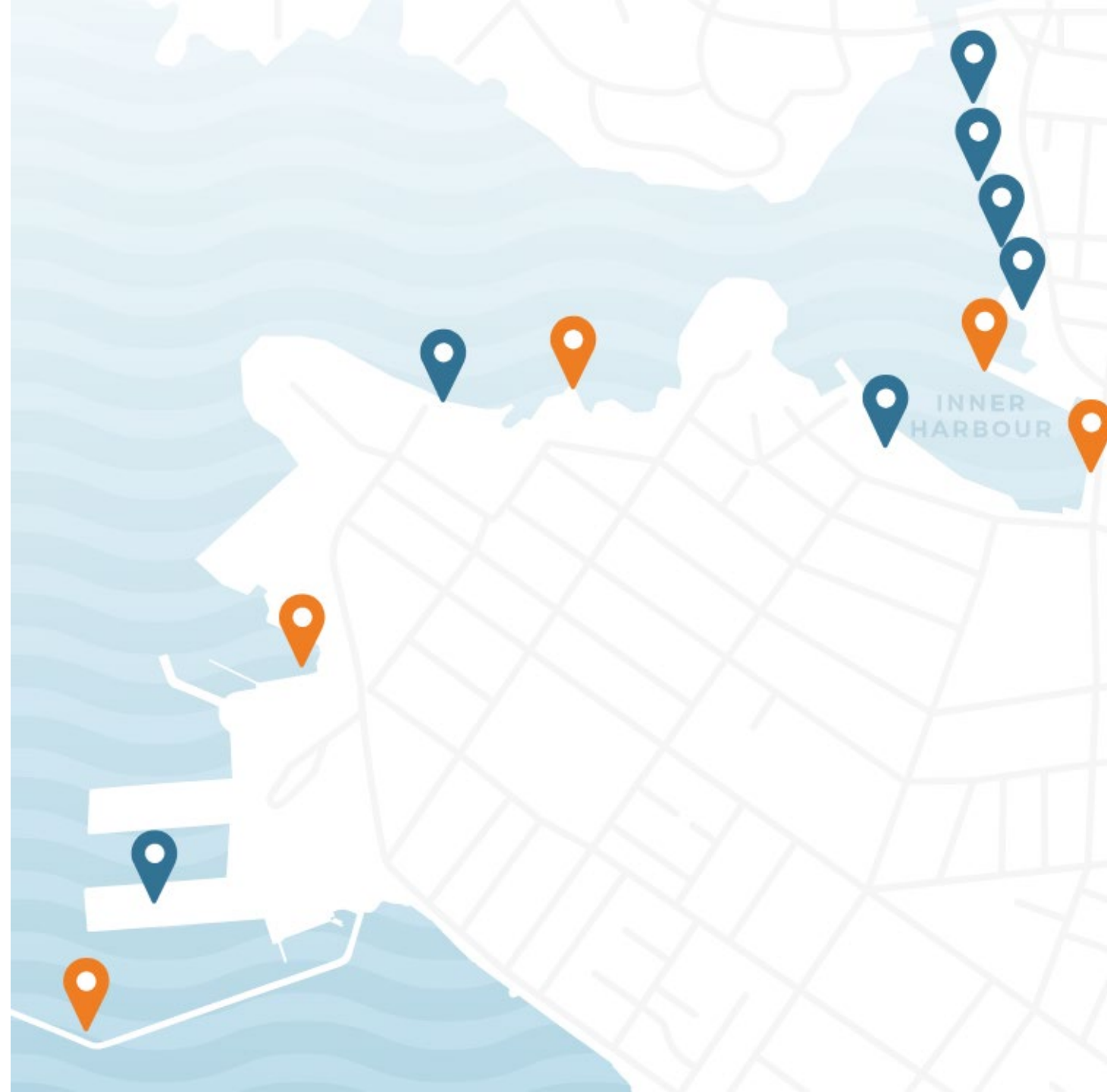
Property Holdings

Facilities

- The Breakwater District at Ogden Point
- Fisherman's Wharf and fuel dock
- Broughton Street Pier
- Causeway Marina
- Wharf Street Marina
- Hyack Terminal
- Johnson Street Marina

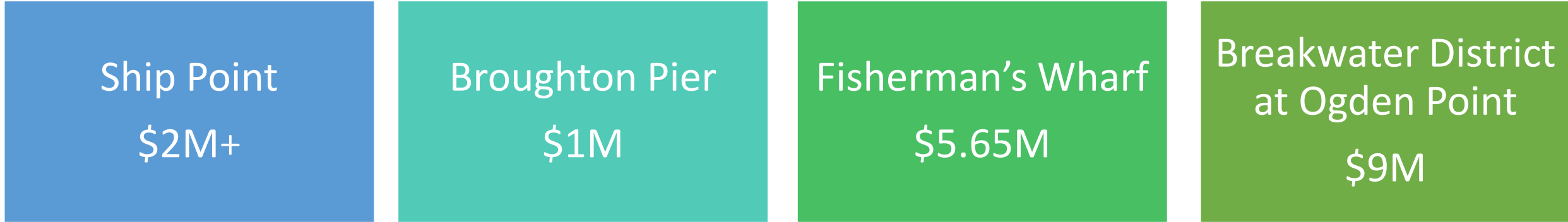
Community Amenities

- Ogden Point Breakwater
- James Bay Community Boat Launch
- Raymur Point Customs Dock
- Inner Harbour Lower Causeway
- Ship Point



Capital Investment

- The return of cruise is allowing us to focus on much needed repair work on our properties.
- Over the next five years we have some major repairs planned:



- Cost to maintain non-revenue generating assets is ~\$300K per year and is funded by GVHA's sole revenue streams (cruise, tenants, marinas)

**Community Assets:
Capital Investment Required 2023-2043
\$86M**

2022-2025 Business Plan



2022-2025 Business Plan Objectives

To ensure that our staff are supported, engaged, and developed

To sustain cruise in Victoria

To increase optimization of properties and manage business development opportunities

To work with government and industry to implement shore power at the Victoria Cruise Terminal

To continue to pursue environmental stewardship and sustainability initiatives

To reduce deferred capital repairs backlog

To focus on Long-term Financial Sustainability for the organization

To be a leader in Indigenous relations in Greater Victoria

To increase the profile of the organization as a leader of triple-bottom line economic development in Greater Victoria

Status of Operations

THE BREAKWATER DISTRICT AT OGDEN POINT

Holland America Line

KONINGSDAM





24/7/365

- GVHA runs a 24/7/365 operation on all our properties
- Responsible for over 57,300 m² of pier/wharf/dock space = over 8 football fields
- Responsible for daily inspection of over 4 kms of pier/wharf, dock length
- 107 commercial customer agreements
- We report at least one security incident per week on our properties
- Responsible for safety and security of 33 float homes, 102 live-aboard vessels; over 350 people
- We collect 2,200 cubic yards of waste off our properties annually = 119,000 bags of topsoil and over 1,400 cubic yards of cardboard recycling annually

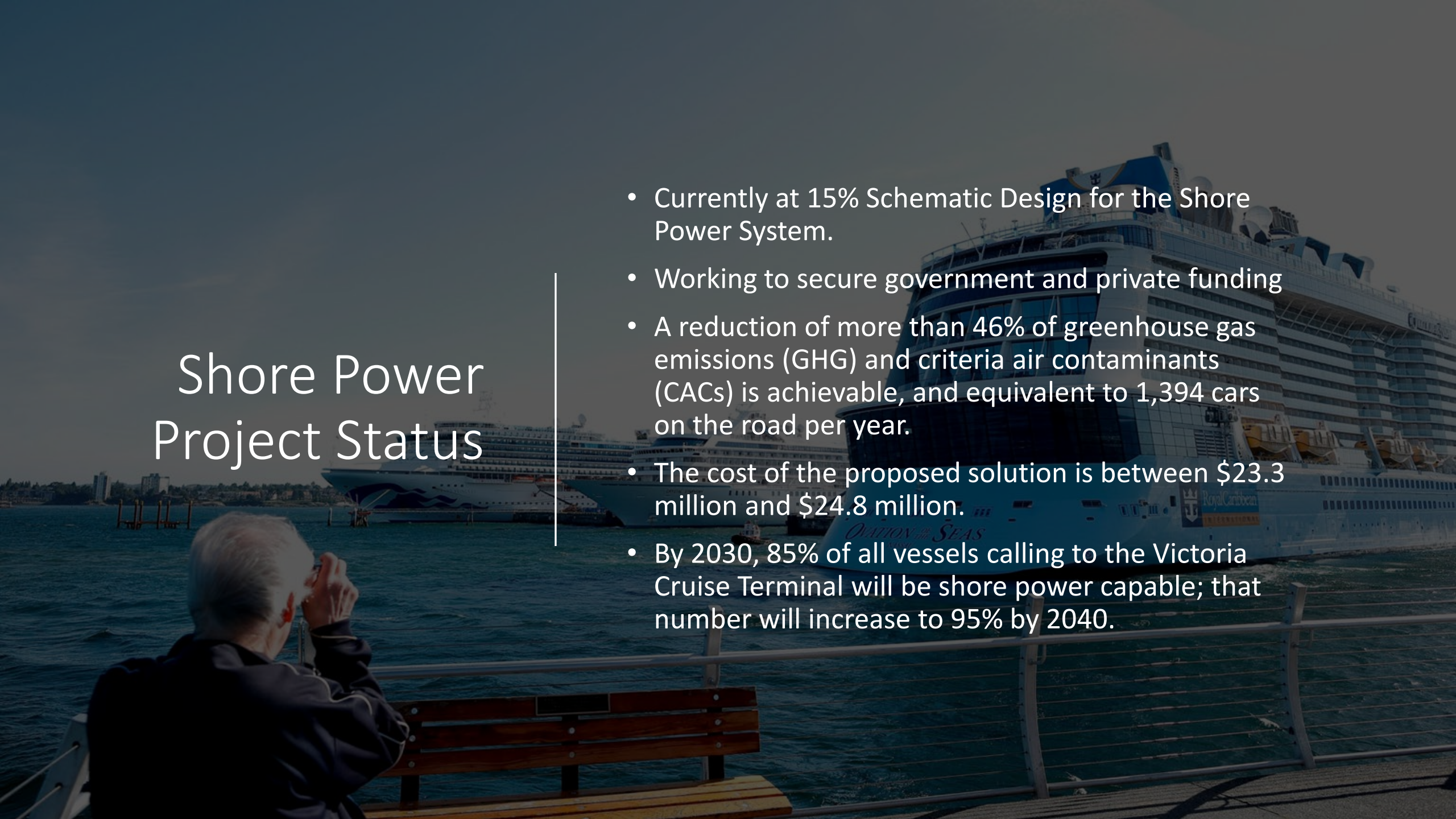
2022 Cruise Operations

- Anticipate 350 ship calls this season, up from 250 in 2019
- Challenges so far are ship cancellations due to weather and itinerary changes (a common occurrence in the early season)
- Ship slow down areas
- Ships are not fully-operational or stood up for Alaska
- Shorter/adjusted time in port
- Capacity levels of passengers are lower



Shore Power Project Status

- Currently at 15% Schematic Design for the Shore Power System.
- Working to secure government and private funding
- A reduction of more than 46% of greenhouse gas emissions (GHG) and criteria air contaminants (CACs) is achievable, and equivalent to 1,394 cars on the road per year.
- The cost of the proposed solution is between \$23.3 million and \$24.8 million.
- By 2030, 85% of all vessels calling to the Victoria Cruise Terminal will be shore power capable; that number will increase to 95% by 2040.



A busy outdoor waterfront restaurant scene. In the foreground, a wooden deck is crowded with people. Some are seated at long wooden tables with red umbrellas, while others are walking. A man with a large blue backpack is seen from behind, walking towards the camera. In the background, there are multi-story wooden buildings, likely part of the restaurant complex, and a tall black chimney. The sky is overcast and grey. The text "Finance, Risk & Accountability" is overlaid in white, centered in the image.

Finance, Risk & Accountability

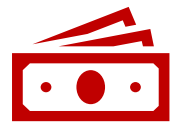
Financial Performance – 2022

Un-audited Forecast Financial Results for fiscal year-end March 31, 2022



**\$5.8M in
Operating
Revenues**

Budgeted: \$4.6M



**\$7.3M in
Operating
Expenses**

Budgeted: \$8.4M



**-\$1.5M in Cash
from Operations**

Original Budget: \$-3.8M



**\$0.0M in
Capital
Expenditures**

Budget 2022-23



\$17.0M in
Operating
Revenues



\$2.4M in Cash
from Operations



\$14.6M in
Operating
Expenses



\$2.8M in
Capital
Budgeted

Enterprise Risk Management

- Management has identified 73 identified risks that LT review quarterly and report to the Board.
- The board oversees a governance risk register of 63 risks



Top Five Corporate Risks

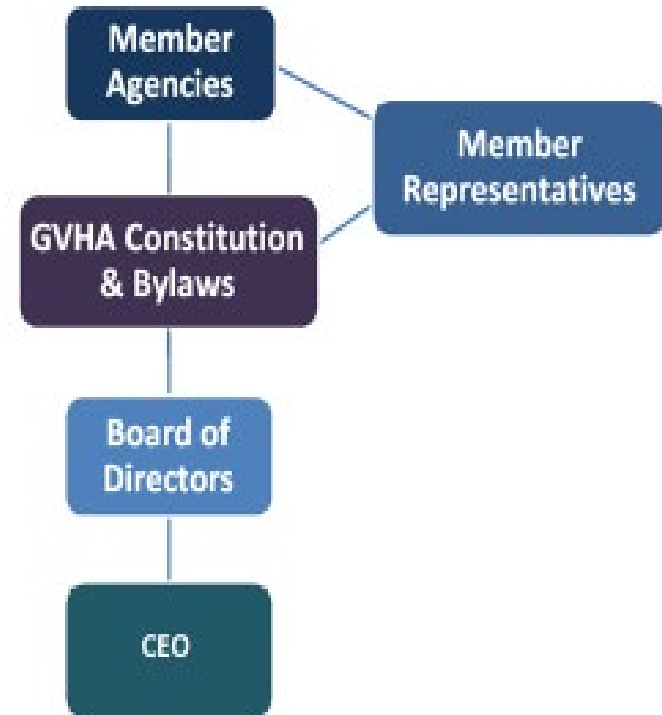
Risk #	Inherent Risk Scenario	Probability	Severity	Risk Rating	Prior Risk Rating	Status of Mitigation Strategy	Risk Owner	Committee
21	Financial reserve levels are not met.	5	4	20	20	Increases to asset values and insurance premiums continue to make achieving this target difficult. -Will achieve a greater than 6% 5 year average per policy	MF	AFC
46	Major disaster including global disaster (terrorism, pandemic, rapid rate of growth...) effecting GVHA facilities results in loss of facilities for extended period of time and or negatively impacting GVHA's operations.	4	5	20	25	Recent regulatory changes along with tangible support from provincial ministers have lowered this risk significantly	CEO	IPAD
47	Facilities are under utilized and revenue is not optimized. COVID 19 - Economic Impact - limits utilization and revenue streams leading to longer recovery of GVHA operations.	4	5	20	25	Recovery still uncertain, monitoring cruise pax on a call by call basis.	CEO	IPAD
50	Material adverse regulatory changes impact operations.	4	5	20	25	Recent regulatory changes along with tangible support from provincial ministers have lowered this risk significantly	DOPS	IPAD
3	GVHA is unable to recruit and retain a competent and skilled work force.	4	4	16	16	Seasonal recruiting is coming to a close and we were able to find the talent we needed. Hired a permanent maint. Crew instead of supervisor, considering another approach here. Starting recruitment for Enviro role. Marketplace still competitive, too early to decide if risk has been reduced. Compensation increases April 1, 2022 based on recent comp survey	CAO	HRC

Your Role & Responsibility

- What is your role as the Member Agency and the role of your Representative?
- What can you do to support GVHA rebuild?

GVHA Framework & Accountability

- **Member Agencies**
 - Own GVHA's Constitution & Bylaws
 - Appoint Member Representatives
 - Nominate Directors
- **Constitution & Bylaws**
 - Establish Role of GVHA
 - Provide Governance to GVHA
- **Member Representatives**
 - Accountable to their Member Agency
 - Act in their Member Agency's interest
- **Board of Directors**
 - Accountable to all Member Agencies
 - Act in best interests of GVHA
- **Chief Executive Officer**
 - Appointed by Board of Directors
 - Accountable to Board
 - Runs business day to day





Thank You

- Board Chair
Christine Willow
cwillow@gvha.ca
- CEO
Ian Robertson
irobertson@gvha.ca
- Board Admin
Caralyn Laviolette
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Q&A

