2026-2030 Provisional Budget

Capital Regional District

Wednesday October 29, 2025

Agenda

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Service Planning 2026
Community Need Summaries

Ted Robbins
Chief Administrative Officer

2

2026 Planning Process & Timelines

Nelson Chan
Chief Financial Officer,
GM Finance & Technology

3

2026 Provisional Budget
Regional Context
Capital & Operating Plans

Nelson Chan
Chief Financial Officer,
GM Finance & Technology

4

The Executive Leadership Team is available to discuss capital projects, operating initiatives, community needs

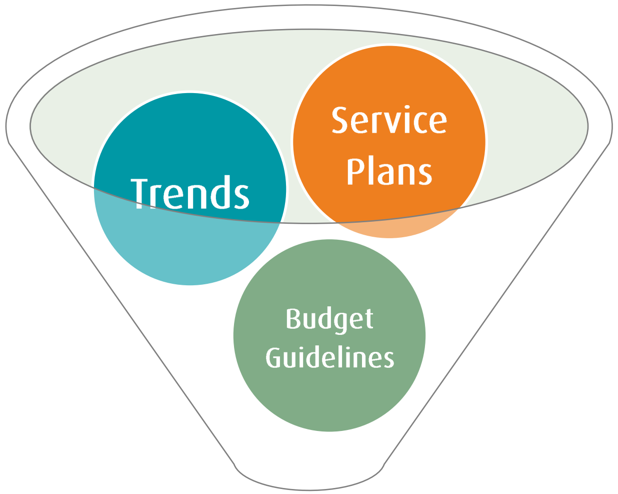
inclusive of key trends and assumptions, performance metrics, service level adjustments, initiative progress, etc.

Ted Robbins
Chief Administrative Officer
Nelson Chan
Chief Financial Officer, GM Finance & Technology
Alicia Fraser
GM, Infrastructure & Water Services
Stephen Henderson
GM, Electoral Area Services
Luisa Jones
GM, Parks, Recreation & Environmental Services
Kevin Lorette
GM, Housing, Planning & Protective Services
Kristen Morley
GM, Corporate Services & Corporate Officer

Process & Timeline

Process & Timeline

2026 Approvals

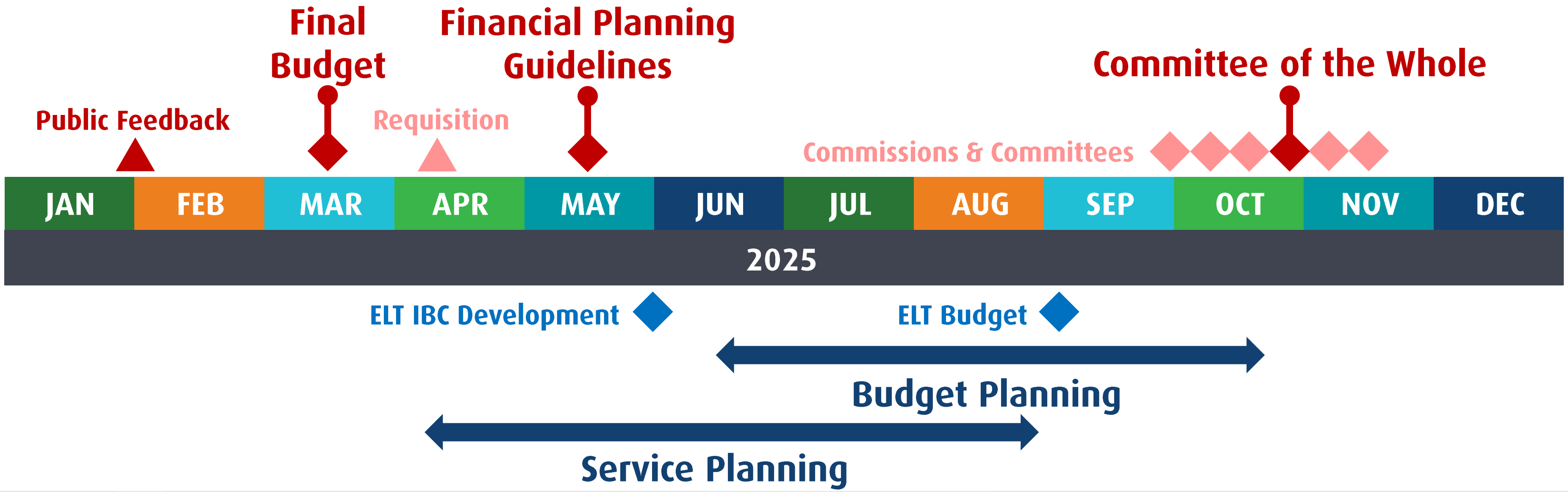


2026 Provisional Budget

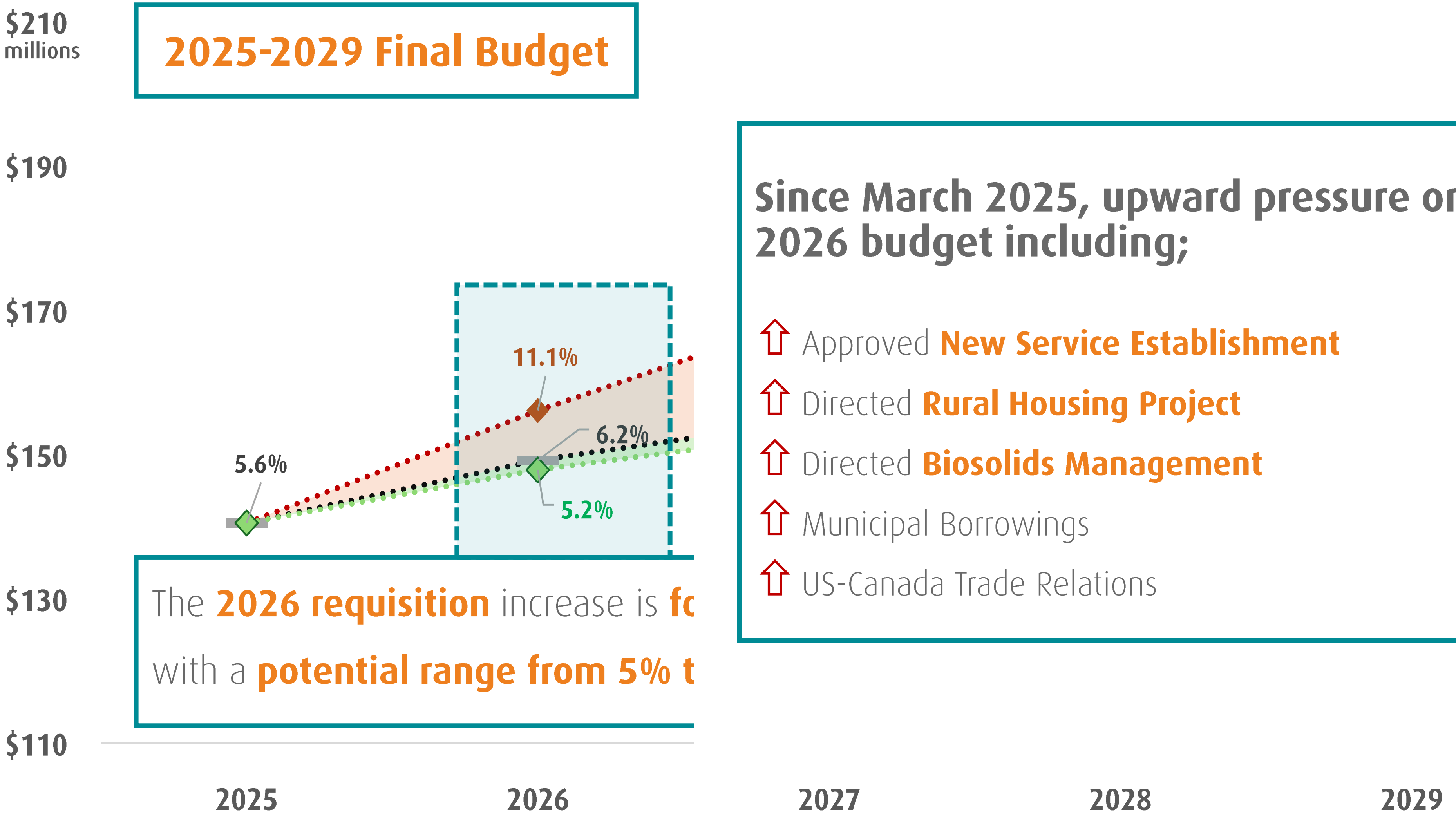
Service Planning Process
Define appropriate levels of service delivery, adjust impacts, realign resources, evaluate infrastructure

Trends and Assumptions
Adjustments made for external factors including population growth, demographics, economic, etc.

Budget Guidelines
Annual Board approval of the Financial Management Strategies and Guidelines



Consolidated Five-Year Requisition Forecast



Since March 2025, upward pressure on 2026 budget including;

- ⇧ Approved **New Service Establishment**
- ⇧ Directed **Rural Housing Project**
- ⇧ Directed **Biosolids Management**
- ⇧ Municipal Borrowings
- ⇧ US-Canada Trade Relations

Future requisition forecasts consider various factors such as inflation, impact of tariffs, demographic shifts, population growth and other macro-economic conditions. These forecasts are based on current regional population trends and are updated to reflect emerging federal and provincial policies.

Although inflation is expected to remain low in 2025, its ultimate trajectory remains uncertain. Factors such as Bank of Canada monetary policy, evolving US-Canada trade relations, and the broader global economic climate could either accelerate or dampen inflationary pressures. Meanwhile, persistent challenges - unemployment rates, logistics disruptions, and supply chain constraints (in part due to tariffs) - are likely to influence the cost-of-service delivery.

Planning Guidelines

KPI Budget Performance

	2025 Final	2026 DRAFT	2026 Provisional Recommendation	
Capital Regional District (incl. EAs)	8.7%	10.2%	(4.3%)	5.9%
Member Municipal Debt	(1.6%)	17.9%	- %	17.9%
Capital Regional Hospital District	0.0%	0.0%	- %	0.0%
Consolidated	**5.6%**	**9.3%**	**(3.0%)**	**6.3%**
Consolidated Req/HH $	**$716**	**$781** +65	**($21)**	**$760** +44

Water Services	2026 Rates
Regional Water Supply	+7.9%
Juan de Fuca Water Distribution	+6.9%
Saanich Peninsula Water Supply	+8.1%

Recreation Centres	2026 Rates
Panorama	+2 - 5% for most fees
SEAPARC	+2.5 - 5% for most fees
SSI Rainbow Road	+3 - 4% for most fees

Solid Waste	2026 Rates
General Refuse Fee ($155 to $160)	+3.2%
Waste Hauler Incentive Program ($15/tonne reduction)	

Other Rate Based Services	2026 Rates
Animal Care	+44% dog licensing
Select Local Area Utilities (Magic Lake, Cedars of Tuam, Maliview, Sticks Allison)	> 15%

Provisional Budget Executive Summary

2026 Provisional Budget

Executive Summary

Capital Regional District

Operating **$434M** | Capital **$244M**

Requisition Funding $123M | 7.8%

+

Capital Regional Hospital District

Operating **$33M** | Capital **$35M**

Requisition Funding $26M | 0.0%

→

Requisition Funding $149M | 6.3%

Capital Region Housing Corp

Operating **$40M** | Capital **$121M**

Managing Capital Investments

capital investment is nearly 4x depreciation while less than 8% of revenue is committed to long-term debt payments

Supporting Board & Corporate Priorities

continuing to execute multi-year projects while adding initiatives in alignment with the 2023-2026 corporate plan

Adapting to Regional Challenges

employment challenges, economic uncertainty, continued population growth resulting in increased asset utilization

Striving for Financial Sustainability

continued revenue diversification, leveraging partnerships, developing financing strategies

Regional Context

Regional Context

External Factors & Growth Indicators

2.0B
2025 FORCASTED BUILDING PERMITS IN REGION

+4700
REGIONAL HOUSING STARTS FORECASTED IN 2025

18%
REGIONAL POPULATION GROWTH SINCE 2015

2.1%
GREATER VICTORIA CPI
ROLLING 12 MONTHS AS OF AUGUST 2025

1.2%
SINGLE FAMILY DWELLING
REGIONAL AVG PURCHASE PRICE OF $1.3 MILLION IN 2025

+9 MILLION
VISITATIONS TO CRD REGIONAL PARKS IN 2024

5.1%
UNEMPLOYMENT RATE
GREATER VICTORIA AS OF AUGUST 2025

VICTORIA RANKS 3RD LEAST AFFORDABLE CITY IN CANADA
AS OF AUGUST 2025

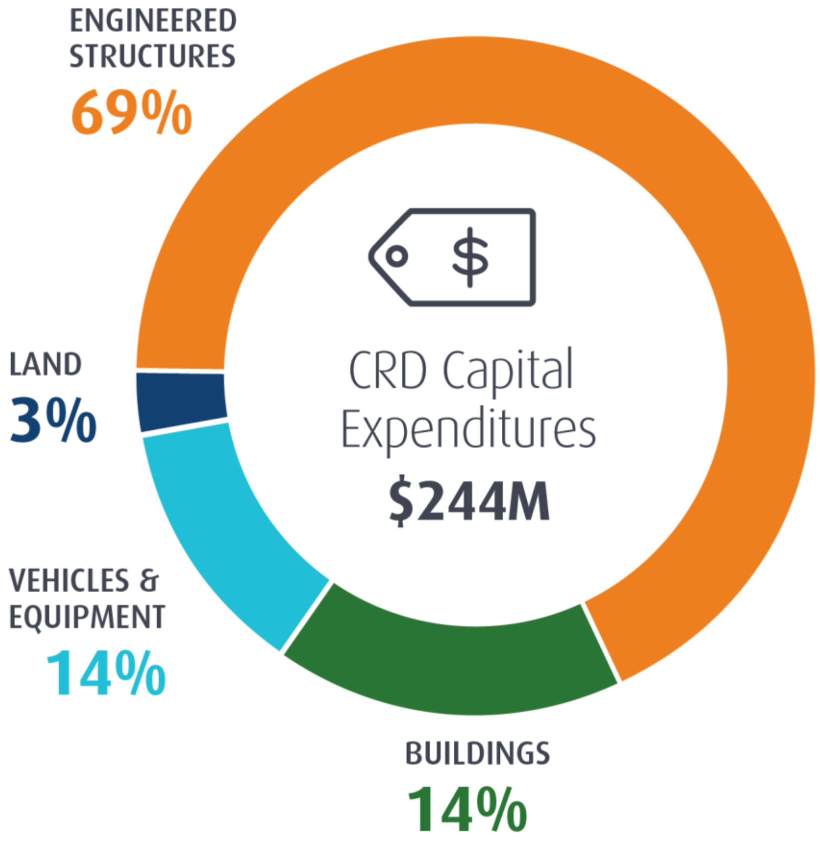
CRD Capital Plan

CRD Capital Plan

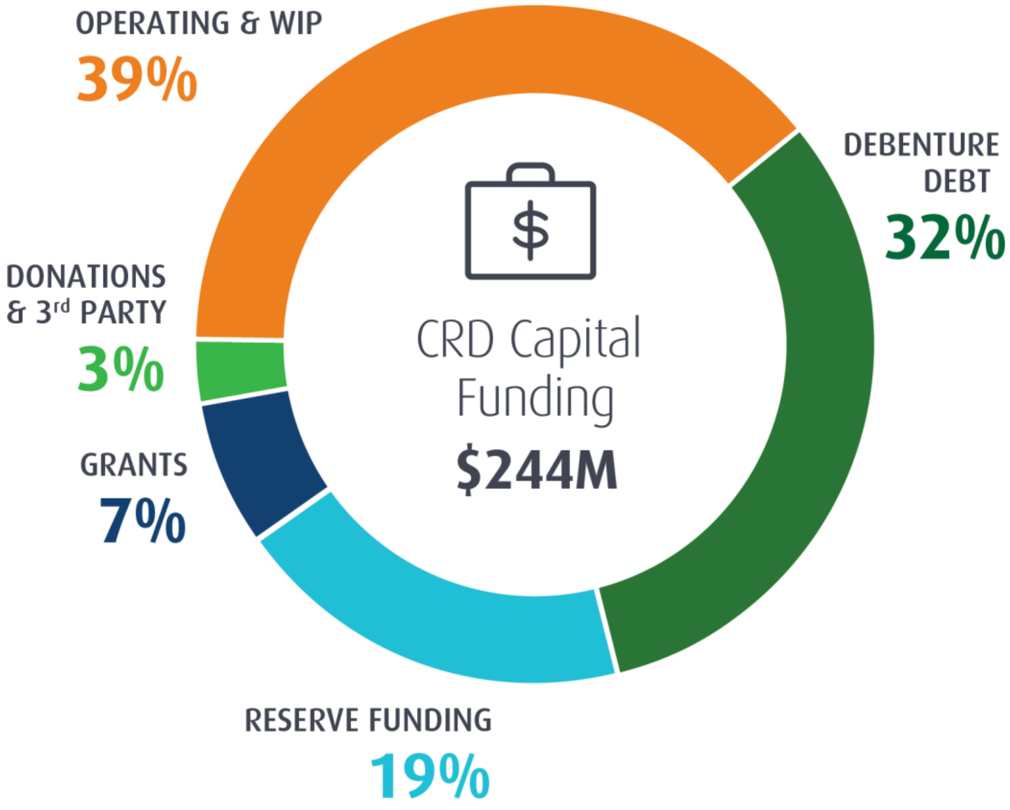
Executive Summary

2025 | $314M → 2026 | $244M △ ($70M) | (22.3%)

WHERE THE MONEY GOES

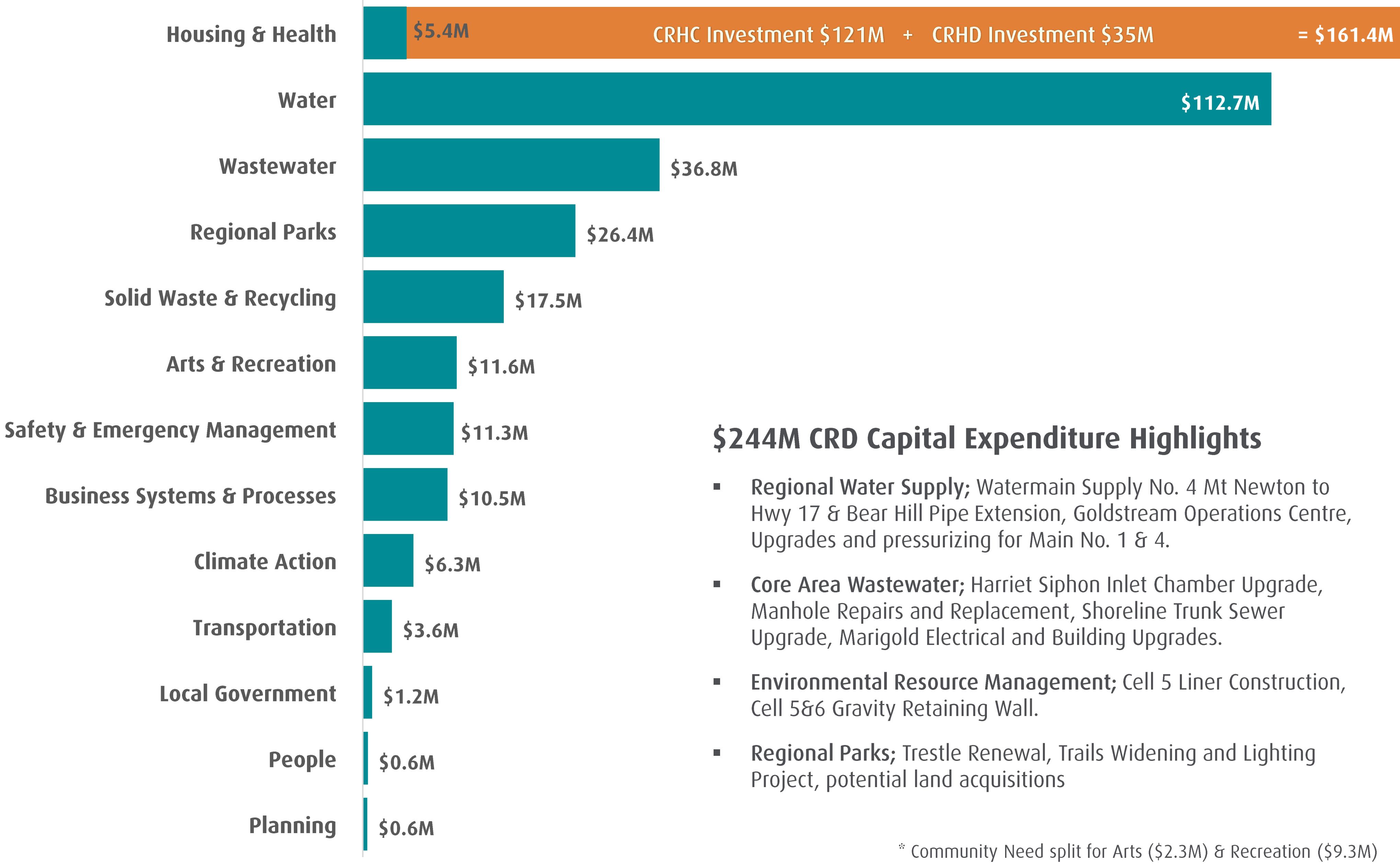


WHERE THE MONEY COMES FROM



CRD Capital Plan

Community Needs



$244M CRD Capital Expenditure Highlights

- **Regional Water Supply;** Watermain Supply No. 4 Mt Newton to Hwy 17 & Bear Hill Pipe Extension, Goldstream Operations Centre, Upgrades and pressurizing for Main No. 1 & 4.
- **Core Area Wastewater;** Harriet Siphon Inlet Chamber Upgrade, Manhole Repairs and Replacement, Shoreline Trunk Sewer Upgrade, Marigold Electrical and Building Upgrades.
- **Environmental Resource Management;** Cell 5 Liner Construction, Cell 5&6 Gravity Retaining Wall.
- **Regional Parks;** Trestle Renewal, Trails Widening and Lighting Project, potential land acquisitions

* Community Need split for Arts ($2.3M) & Recreation ($9.3M)

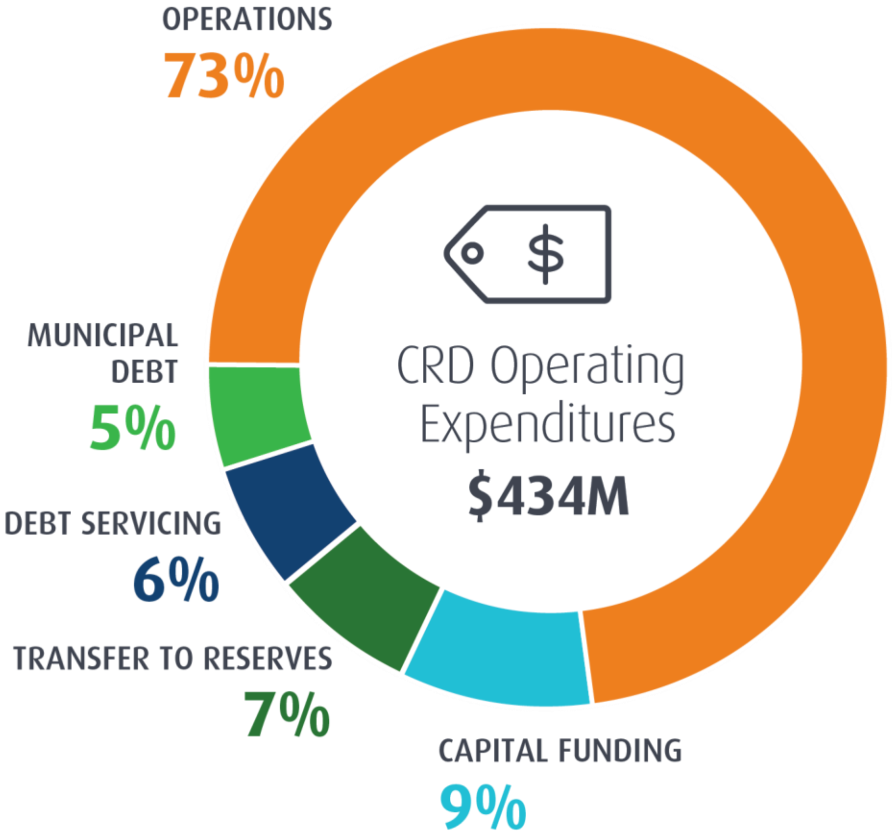
CRD Operating Plan

CRD Operating Plan

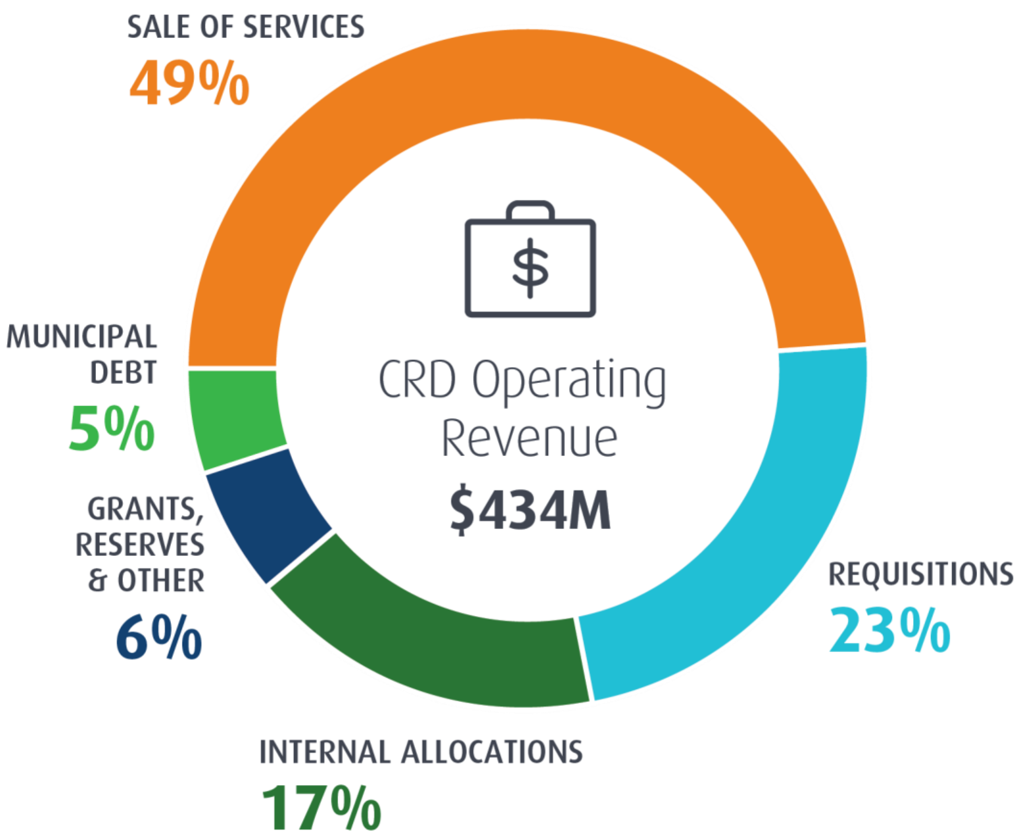
Executive Summary

2025 | $414M → 2026 | $434M △ +$20M | 4.7%

WHERE THE MONEY GOES

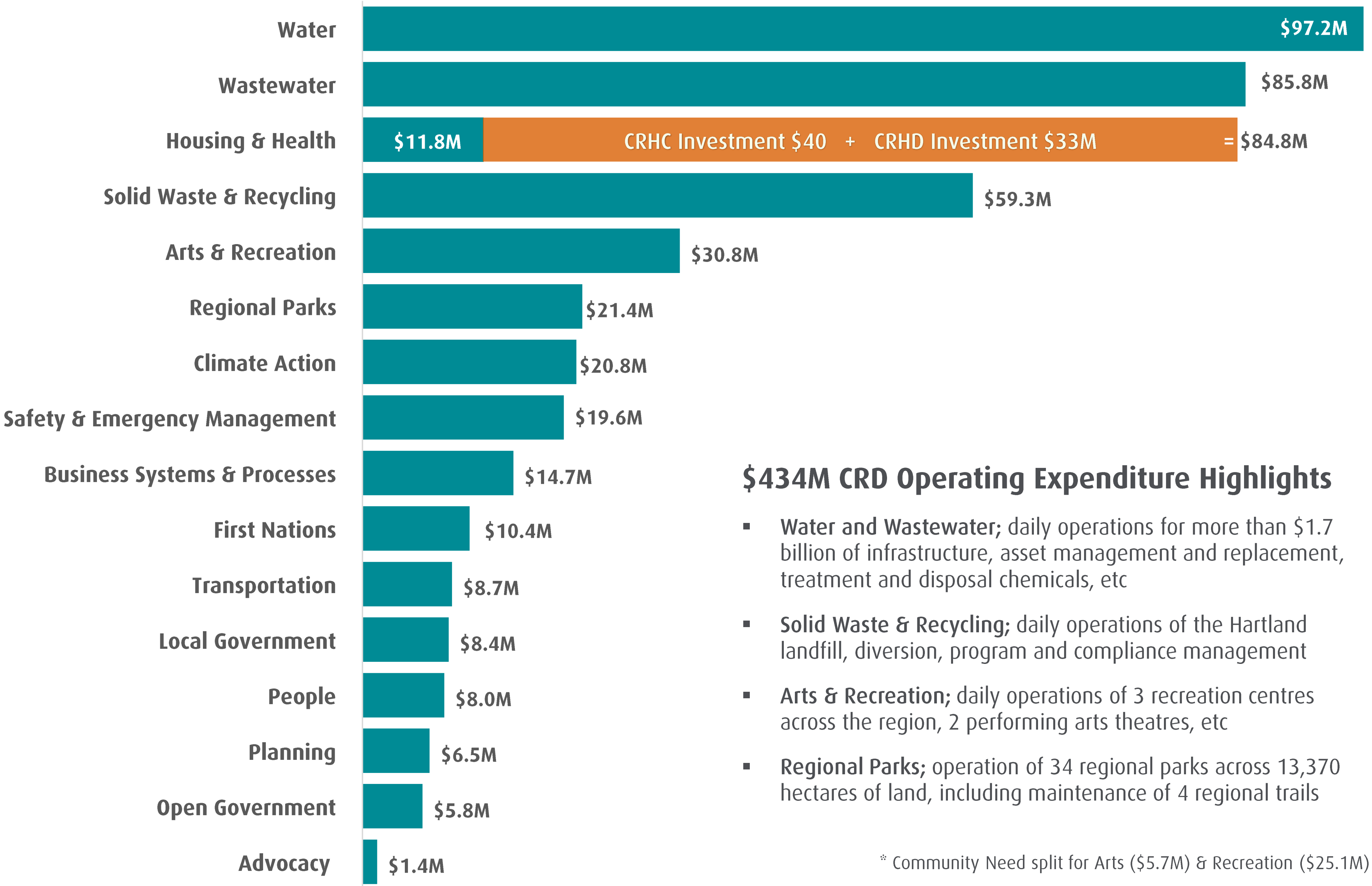


WHERE THE MONEY COMES FROM



CRD Operating Plan

Community Needs



$434M CRD Operating Expenditure Highlights

- **Water and Wastewater;** daily operations for more than $1.7 billion of infrastructure, asset management and replacement, treatment and disposal chemicals, etc
- **Solid Waste & Recycling;** daily operations of the Hartland landfill, diversion, program and compliance management
- **Arts & Recreation;** daily operations of 3 recreation centres across the region, 2 performing arts theatres, etc
- **Regional Parks;** operation of 34 regional parks across 13,370 hectares of land, including maintenance of 4 regional trails

* Community Need split for Arts ($5.7M) & Recreation ($25.1M)

CRD Operating Plan

2026 Drivers

0.0M | 0.0%

BOARD ENDORSED INITIATIVES
subject to additional approval processes (referendum, services establishment)

0.1M | 0.0%

COMMITTEE/COMMISSION DIRECTED INITIATIVES
proposed for inclusion outside the service planning process

2026 | $434M △ $20M | 4.7% ✚ $0.1M | 0.0%

2.0M | 0.5%

CORPORATE NEEDS INITIATIVES
incremental impact of prioritized initiatives to support the Board and corporate priorities

0.9M | 0.2%

RESERVE & DIRECT CAPITAL PROJECT FUNDING
contributions towards funding operating and reserves, and capital initiatives

6.1M | 1.5%

IN-FLIGHT COMMITMENTS
driven by annualization of 2025 IBCs and incremental debt servicing

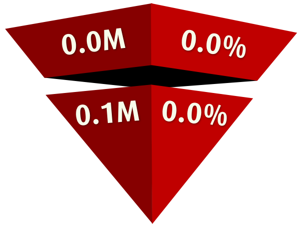
10.6M | 2.5%

INFLATION & CORE SERVICE DELIVERY
execution of existing service mandates, organizational realignment for efficient & effective operations, impact of inflation on cost of goods & services, contracts & agreements, salaries & benefits, net of mitigation

CRD Operating Plan

Board Endorsed & Committee Directed

2026 Budget Impact



BOARD ENDORSED INITIATIVES
subject to additional approval processes (referendum, services establishment)

COMMITTEE/COMMISSION DIRECTED INITIATIVES
proposed for inclusion outside the service planning process

$0.01M | 0.0%

	BOARD ENDORSED INITIATIVES	$000's		
10b-2.2	Community Need: Arts & Recreation Initiative: Establish a Regional Arts Service Study costs for 2026 included in Feasibility Studies budget; ongoing costs for new service would begin from 2027	$60 1.0 FTE		
		Req	Fees	A/O
		100%		0%

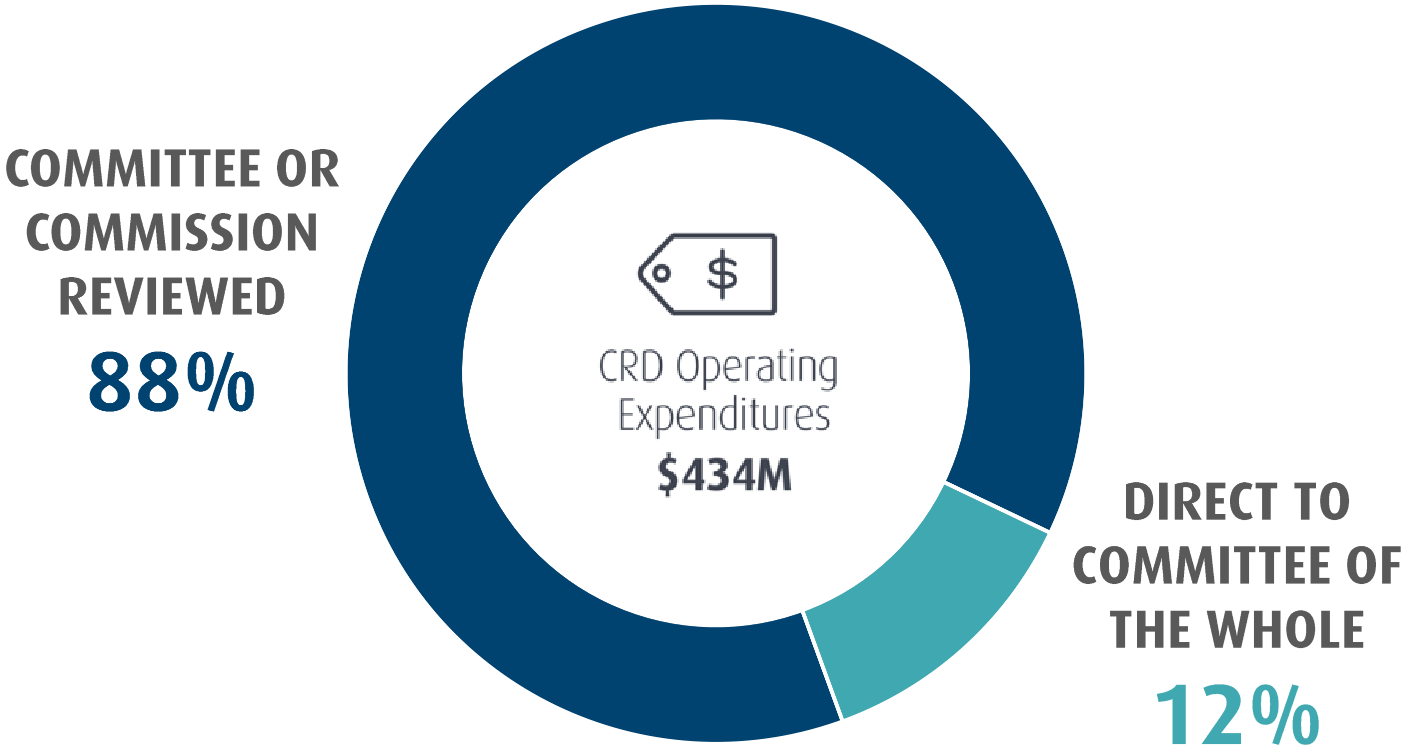
	COMMITTEE/COMMISSION DIRECTED INITIATIVES	$000's		
	Sooke and Electoral Area Parks and Recreation Commission: Increased annual contribution to capital reserve	$70		
		Req	Fees	A/O
		100%		
	Peninsula Recreation Commission: Debt servicing costs related to 2026 Area Facility Expansion, and Recreation facilities located at the new District of Central Saanich's Facility. Debt costs would be incurred from 2027 onwards.	$0		
		Req	Fees	A/O
		100%		

Service Budget Reviews

CRD Operating Plan

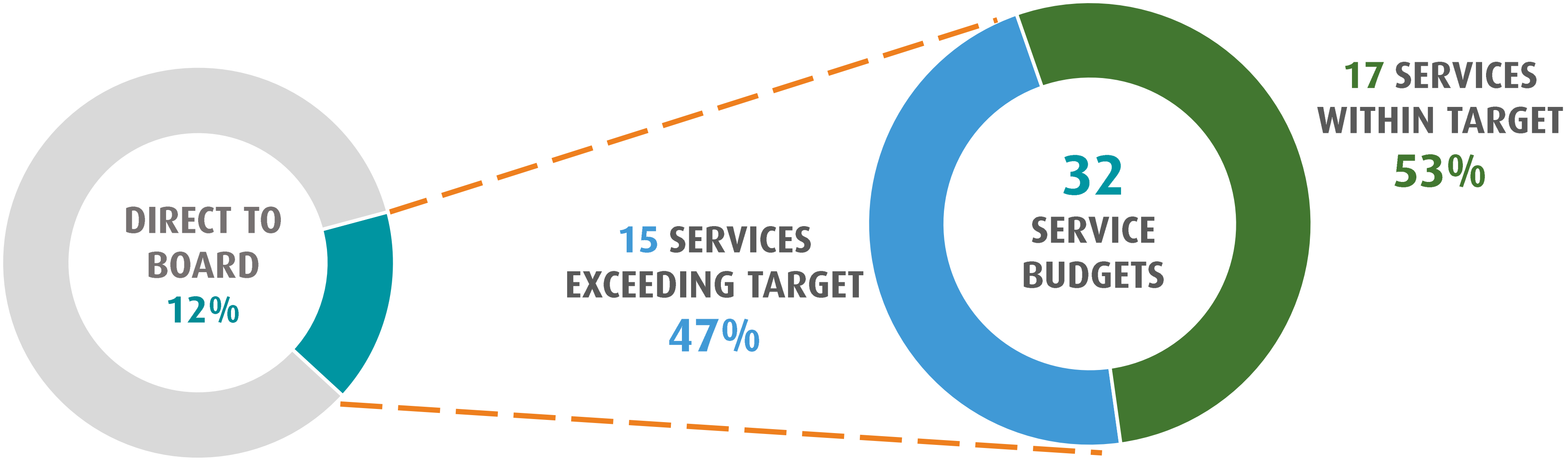
Commission & Committee Review

- The Executive Leadership Team has reviewed all budgets in consideration of the **Service & Financial Planning Guidelines** approved by the Board.
- The plan has been prioritized where several initiatives and workplans have been deferred, phased, mitigated, or scaled down where possible while maintaining directed service levels and **meeting Corporate Plan objectives**.
- Through the planning process, the majority of budgets have been **recommended for approval by Commissions and Committees** ahead of the Committee of the Whole.



CRD Operating Plan

Balance of Services



- 12% of the operating plan has not been reviewed by a Commission or Committee ahead of Committee of the Whole, this represents **32 services as detailed in Appendix M**
- Of these services, 15 or 47% exceed the target budget impact of +/- 1.8%. All budgets have been through a detailed **review by the Executive Leadership Team and are recommended for approval**

CRD Operating Plan

Balance of Services by GM

CORPORATE SERVICES	$000's		%	
3.7.6) Health Facilities – VIHA (Appendix G, Part A, PDF pg 109, Print pg 81)	($272)		(15.0%)	
	Req	Fees	Other	Alloc
• Repairs and maintenance costs to be paid directly by VIHA and reduced transfers to capital.	-	-	100%	-

FINANCE AND TECHNOLOGY	$000's		%	
4.3.4) Feasibility Study Reserve Fund (Appendix G, Part A, PDF pg 187, Print pg 68)	($103)		(63.2%)	
	Req	Fees	Other	Alloc
• Continuation of a one-time feasibility study for the Regional Arts Facility Service, offset by removal of one-time costs in 2025 associated with a Regional Arts Facility Service, and repayment of transportation study costs from the Transportation service.	100%	-	-	-

PARKS, RECREATION & ENVIRONMENTAL SERVICES	$000's		%	
5.5.1) Environmental Innovation (Appendix G, Part B, PDF pg 90, Print pg 89)	$1,614		100.0%	
	Req	Fees	Other	Alloc
• New support service consisting of resources and associated costs transferred in from Climate Action and other Environmental services functions	-	-	-	100%
5.5.2) Climate Action & Adaption (Appendix G, Part B, PDF pg 100, Print pg 99)	($97)		(3.1%)	
	Req	Fees	Other	Alloc
• Reduction due to the timing of contract work on the Regional Public EV Network Program.	-	-	100%	-

CRD Operating Plan

Balance of Services by GM

HOUSING, PLANNING & PROTECTION SERVICES	$000's		%	
6.2.2) Regional Housing Trust Fund (Appendix G, Part C, PDF pg 23, Print pg 21)	($3,952)		(90.6%)	
	Req	Fees	Other	Alloc
• Decreased carry forward related to capital grants planned for disbursement in 2025, partially offset from an increase in funding for the Rural Housing Pilot Program.	-	-	100%	-
6.3.1) Health Planning (Appendix G, Part C, PDF pg 27, Print pg 25)	$57		7.6%	
	Req	Fees	Other	Alloc
• Annualization of 2025 term position, base salary and step increases for existing staff.	100%	-	-	-
6.3.2) Community Health (Appendix G, Part C, PDF pg 34, Print pg 32)	($276)		(29.9%)	
	Req	Fees	Other	Alloc
• Discontinuation of contribution to Alliance to End Homelessness due to dissolution, partially offset from one-time grant funded initiatives and increased contract for services.	100%	-	-	-
6.4.2) Regional Emergency Program Support (Appendix G, Part C, PDF pg 48, Print pg 46)	$63		41.7%	
	Req	Fees	Other	Alloc
• One-time costs for Regional Emergency Management Program and base salary and step increases for existing staff.	-	-		-
6.4.7) Regional CREST Contribution (Appendix G, Part C, PDF pg 81, Print pg 79)	$94		4.7%	
	Req	Fees	Other	Alloc
• Increased annual contribution to CREST, partially offset from a one-time 2025 deficit.	98%	-	2%	-
6.4.8) Animal Care Services (Appendix G, Part C, PDF pg 85, Print pg 83)	$188		9.9%	
	Req	Fees	Other	Alloc
• Increased auxiliary wages, base salary and step increases for existing staff, additional allocations and increased transfer to reserve	10%	-	90%	-

CRD Operating Plan

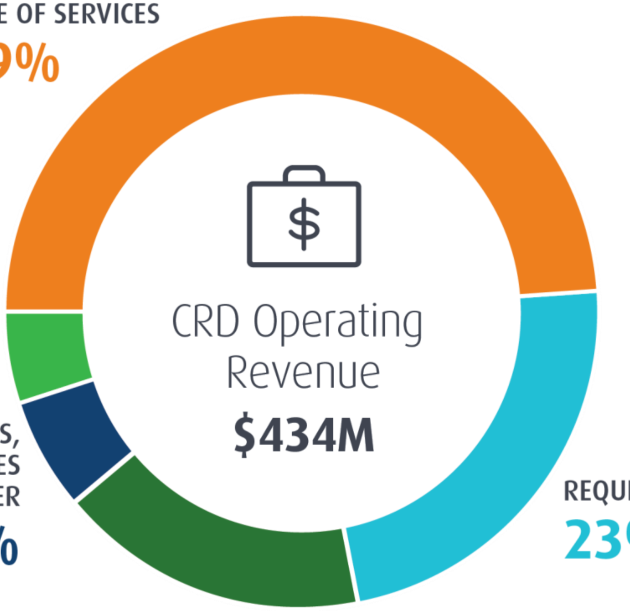
Balance of Services by GM

HOUSING, PLANNING & PROTECTION SERVICES	$000's		%	
6.5.1) Regional Planning Services (Appendix G, Part C, PDF pg 110, Print pg 108)	**($2,112)**		**(70.6%)**	
• Separation of transportation function to the Regional Transportation service, reduced one-time spending from 2025, and a net reduction of other costs.	Req	Fees	Other	Alloc
	29%	-	-	71%
6.5.3) Regional Growth Strategy (Appendix G, Part C, PDF pg 133, Print pg 131)	**($263)**		**(33.2%)**	
• Transfer of one-time costs related to special projects to Regional Transportation service and reduced allocations.	Req	Fees	Other	Alloc
	69%	-	31%	-

INFRASTRUCTURE & WATER SERVICES	$000's		%	
7.1) Corporate Capital Project Delivery (Appendix G, Part C, PDF pg 152, Print pg 4)	$1,964		51.0%	
• Realignment of resources and associated costs through CRD Evolves. These are partially offset by a one-time study costs from 2025.	Req	Fees	Other	Alloc
	-	-	-	100%
7.3.3) Wastewater Operations Overhead (Appendix G, Part C, PDF pg 258, Print pg 110)	($1,370)		(8.7%)	
• Realignment of staff through CRD Evolves, partially offset from increased reserve transfer and increased salaries.	Req	Fees	Other	Alloc
	-	-	19%	81%
Debt – Core Sewage Integrated Treatment Facilities	($736)		(100%)	
• Reduction in debt servicing costs for the repayment of MFA Issue 110.	Req	Fees	Other	Alloc
	73%	-	27%	-

CRD Operating Plan Funding

CRD Operating Plan Funding



Capital Regional District

Operating	Capital
$434M	$244M

Requisition Funding
$123M | 7.8%

Capital Regional Hospital District

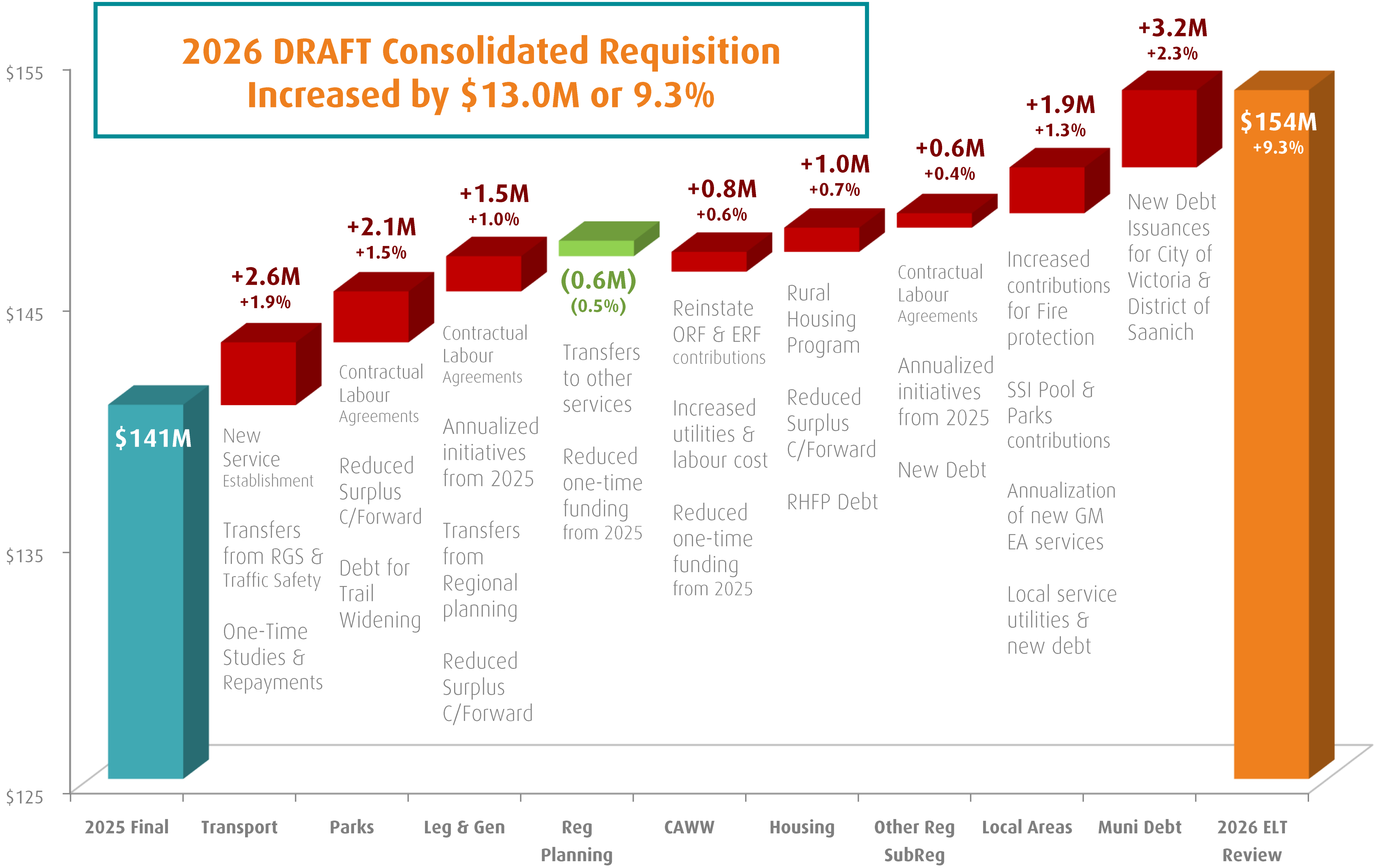
Operating	Capital
$33M	$35M

Requisition Funding
$26M | 0.0%

Requisition Funding
$149M | 6.3%

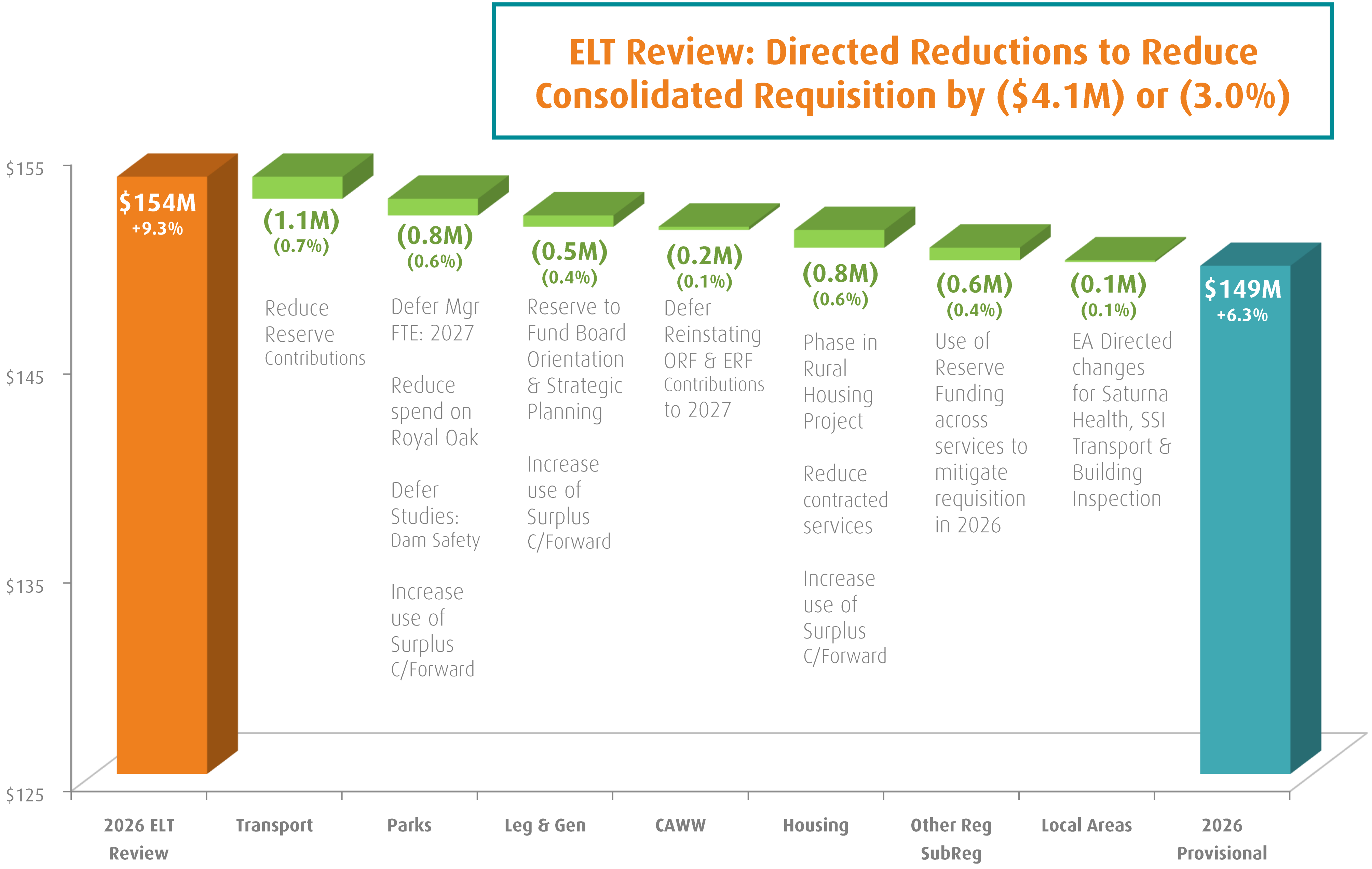
Consolidated Requisition

Bridge from 2025 Final to 2026 DRAFT



Consolidated Requisition

Bridge from 2026 DRAFT to 2026 Provisional

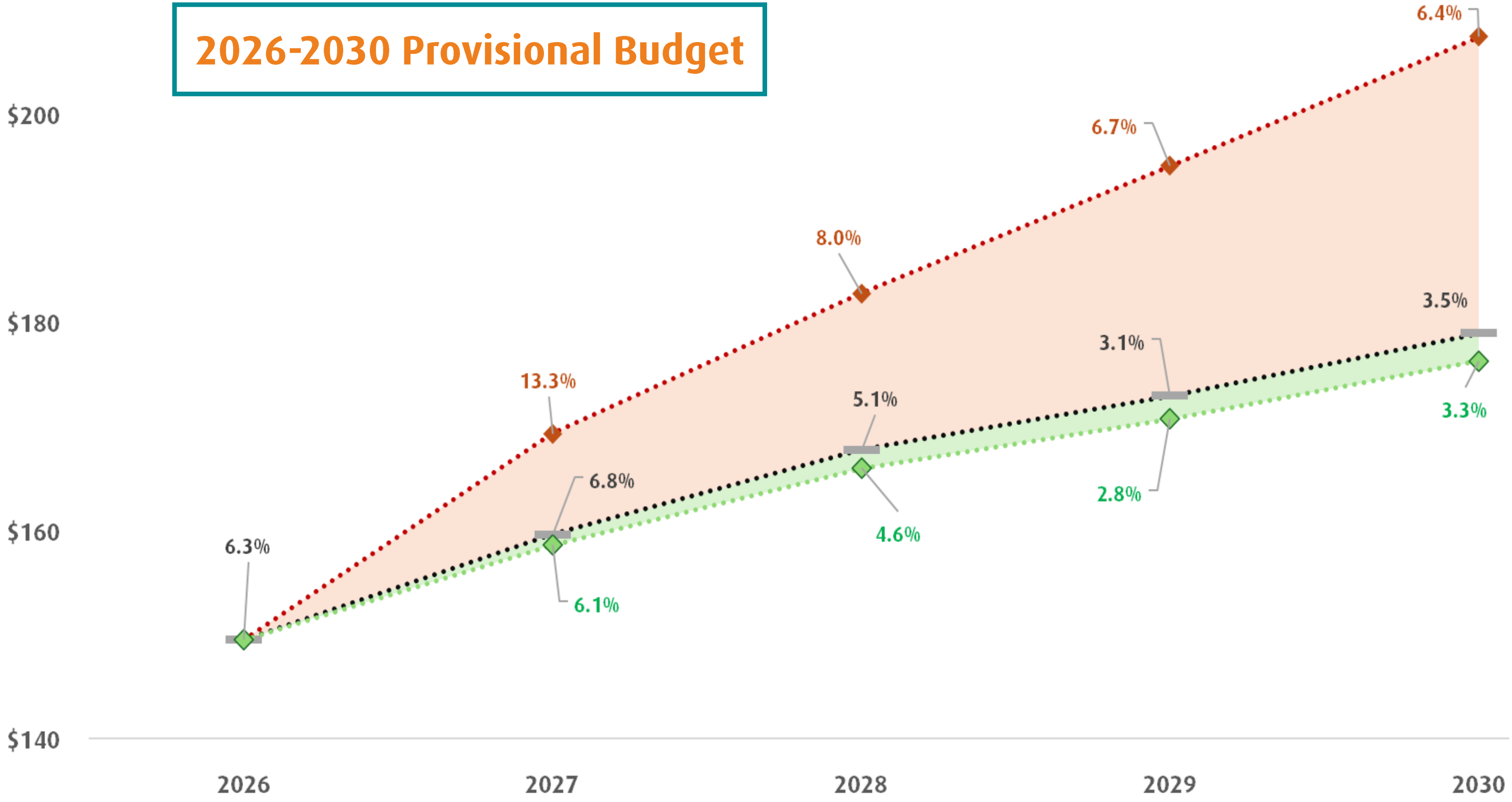


CRD Operating Plan Funding

Requisition Summary

	A	+	B	=	C	→	D	→	E	→	F
Municipalities & EA	**Impact of Cost Apportionment**		**All Other CRD**		**CRD (Base)**		**CRD & CRHD (Base)**		**Municipal Debt**		**CRD, CRHD & Municipal Debt (Cost per HH)**
Central Saanich	-		4.7%		4.7%		4.0%		90.1%		10.4%
Colwood	-		3.1%		3.1%		2.2%		-		1.9%
Esquimalt	-		6.9%		6.9%		5.8%		(4.8%)		2.8%
Highlands	-		5.8%		5.8%		3.8%		-		3.4%
Langford	-		5.4%		5.4%		4.4%		-		4.4%
Metchosin	-		6.2%		6.2%		4.2%		-		4.2%
North Saanich	-		4.0%		4.0%		3.1%		-		2.7%
Oak Bay	-		3.0%		3.0%		2.3%		-		2.3%
Saanich	-		5.3%		5.3%		3.5%		29.9%		9.9%
Sidney	-		4.1%		4.1%		3.2%		4.8%		3.4%
Sooke	-		6.5%		6.5%		5.6%		-		5.1%
Victoria	-		5.0%		5.0%		3.4%		14.4%		5.9%
View Royal	-		5.2%		5.2%		3.5%		-		2.6%
Juan de Fuca	-		11.8%		11.8%		10.0%		-		10.0%
Salt Spring Island	-		9.0%		9.0%		8.2%		-		8.2%
Southern Gulf Islands	-		7.0%		7.0%		5.8%		-		5.8%
Total	-		5.9%		5.9%		4.7%		17.9%		6.3%
COMMITTEE/COMMISSION DIRECTED & BOARD ENDORSED INITIATIVES					+0.0%		+0.0%				+0.0%

5-Year Consolidated Requisition Forecast

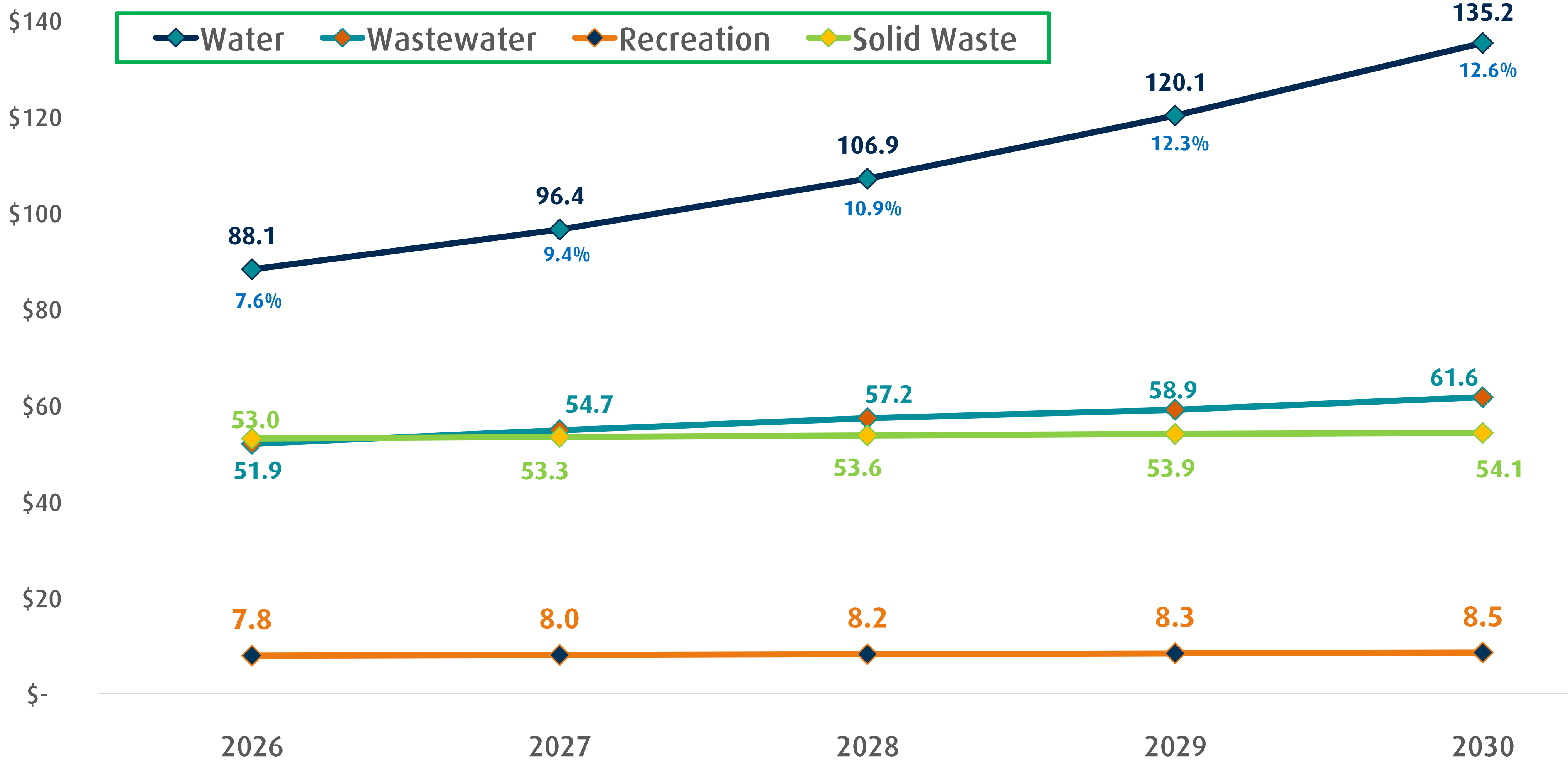


Future requisition forecasts consider various factors such as inflation, demographic shifts, population growth, member municipality borrowing growth and macro-economic conditions. These forecasts are based on current regional population trends and are updated to reflect emerging federal and provincial policies.

Inflation is expected to continue to moderate through 2026, influenced by adjustments in Bank of Canada monetary policy and associated factors. Persistent economic challenges, including unemployment rates, logistics & supply chain, cost of goods including shelter, utilities, and consumables have implications on service delivery.

5-Year

Rate Revenue Forecast



Future rate revenue forecasts are projections based on revenue requirements at the service level. They are presented in various services' 5-year operating plans. Consolidated values are graphed above, however, each service is accounted for separate and have varying degrees of rate and consumption changes by year. The following is a legend of the service groupings;

Water: Regional Water Supply; Juan de Fuca Water Distribution; Saanich Peninsula Water Supply
Wastewater: Core Area & Saanich Peninsula Wastewater
Recreation: SEAPARC & Panorama Recreation
Solid Waste: Environmental Resource Management (Hartland Landfill, Waste Diversion/Recycling, Energy recovery)

2026 Provisional Budget Summary

2026 Provisional Budget

Key Takeaways

Managing Capital Investments

capital investment is nearly 4x depreciation while less than 8% of revenue is committed to long-term debt payments

Supporting Board & Corporate Priorities

continuing to execute multi-year projects while adding initiatives in alignment with the 2023-2026 corporate plan

Adapting to Regional Challenges

employment challenges, economic uncertainty, continued population growth resulting in increased asset utilization

Striving for Financial Sustainability

continued revenue diversification, leveraging partnerships, developing financing strategies

Thank you

Capital Regional District

CRDVictoria

crd.bc.ca

CRD Operating Plan Funding

Requisition Summary

	A	+ B	= C	→ D	→ E	→ F%	
Municipalities & EA	Impact of Cost Apportionment	All Other CRD	CRD (Base)	CRD & CRHD (Base)	Municipal Debt	CRD, CRHD & Municipal Debt (Cost per HH)	CRD, CRHD & Municipal Debt (Cost per HH)
Central Saanich	-	4.7%	4.7%	4.0%	90.1%	10.4%	$98.95
Colwood	-	3.1%	3.1%	2.2%	-	1.9%	$9.91
Esquimalt	-	6.9%	6.9%	5.8%	(4.8%)	2.8%	$31.98
Highlands	-	5.8%	5.8%	3.8%	-	3.4%	$27.01
Langford	-	5.4%	5.4%	4.4%	-	4.4%	$18.12
Metchosin	-	6.2%	6.2%	4.2%	-	4.2%	$21.21
North Saanich	-	4.0%	4.0%	3.1%	-	2.7%	$25.81
Oak Bay	-	3.0%	3.0%	2.3%	-	2.3%	$20.42
Saanich	-	5.3%	5.3%	3.5%	29.9%	9.9%	$56.84
Sidney	-	4.1%	4.1%	3.2%	4.8%	3.4%	$20.25
Sooke	-	6.5%	6.5%	5.6%	-	5.1%	$39.44
Victoria	-	5.0%	5.0%	3.4%	14.4%	5.9%	$30.44
View Royal	-	5.2%	5.2%	3.5%	-	2.6%	$14.12
Juan de Fuca	-	11.8%	11.8%	10.0%	-	10.0%	$77.79
Salt Spring Island	-	9.0%	9.0%	8.2%	-	8.2%	$111.26
Southern Gulf Islands	-	7.0%	7.0%	5.8%	-	5.8%	$35.02
Total	-	5.9%	5.9%	4.7%	17.9%	6.3%	$44.30*
COMMITTEE/COMMISSION DIRECTED & BOARD ENDORSED			+0.0%	+0.0%		+0.0%	

*Difference since 2025 Revised Assessment values after Final for Requisition Billing

CRD