

Reserve Forecasts

Tables 1 and 3 provide the 2025 budgeted and 2024 forecasted reserve amounts. Tables 2 and 4 provide a summary of significant reserve balances at the start of 2024.

Table 1 - Estimated Operating Reserves Activity (in \$ millions)

Reserve Activity	2025 Financial Plan \$	2024 Forecast \$
Opening Reserve Balance	38.5	52.9
Transfers from Operating	4.5	3.7
Interest Income	1.2	1.6
Transfer to Operating	(12.3)	(19.7)
Closing Reserve Balance	\$31.9	\$38.5

Consolidated operating reserves through the end of 2024 are forecasted to be \$38.5 million. Net budgeted transfers, interest income, and funding of operating costs result in a budgeted closing balance of \$31.9 million at the end of 2025. Operating reserves reflect funds retained and segregated by service to fund future operating activities. The CRD currently manages 79 operating reserve funds.

Table 2 summarizes the significant operating reserve balances by service. A detailed listing of reserve balances is included in the audited financial statements.

Table 2: January 1, 2024 Operating Reserve Balances by Service (>\$1M)

Description	Amount (\$M)
Solid Waste	22.7
Core Area Wastewater	10.8
Regional Planning	2.4
Legislative & General	2.0
Regional Growth Strategy	1.8
Climate Action	1.1
S.P.W.W.S. Sewer Debt Reserve Fund	1.1
IW Environmental Operations	1.0
Environmental Services Protection	1.0
Various (<\$1M)	9.0
Total	\$52.9

Table 3 - Estimated Capital Reserves Activity (in \$ millions)

Capital Reserve Activity	2025 Financial Plan \$	2024 Forecast \$
Opening balance¹	126.5	147.7
Transfers from operating	26.2	22.0
Interest income	3.8	4.4
Transfers out (Capital Plan)	(46.1)	(47.6)
Ending balance	\$110.4	\$126.5

¹Reserve balances restated to include specified purpose funds for Landfill Closure and Post Closure, and Development Cost Charges

Capital reserves at the end of 2024 are forecasted to be \$126.5 million. Net of budgeted transfers, interest income, and funding to capital projects result in a budgeted closing balance of \$110.4 million at the end of 2025. Capital reserves reflect funds retained and segregated by service to fund future capital activities. The CRD currently manages 63 capital reserve funds.

Table 4 summarizes the significant capital reserve balances by service and includes the consolidated balance for the Equipment Replacement Fund (ERF). The ERF is one fund established by bylaw but covers all CRD services. Specified purpose funds for Landfill Closure and Post Closure, and Development Cost Charges have been shown separately. A detailed listing of reserve balances will be included in the unaudited financial statements.

Table 4: January 1, 2024 Capital Reserve Balances by Service, Including ERF (>\$1M)

Description	Amount (\$M)
Core Area Wastewater	32.6
Equipment Replacement Fund (All Services)	31.4
Solid Waste	12.2
Regional Parks	11.2
Saanich Peninsula Water Supply	5.8
Office Facilities & Equipment	5.2
Saanich Peninsula Ice Arena Facility	4.8
McPherson Theatre	2.6
Royal Theatre	1.3
Magic Lake Estates Water System	1.2
Regional Parks Land	1.2
Sidney Treatment Plant	1.1
Sooke and Electoral Area Recreation & Facilities	1.0
Various (<\$1M)	9.2
Subtotal	\$120.8
Landfill Closure and Post-Closure	13.7
Development Cost Charges	13.2
Total	\$147.7