

Reserve Forecasts

Tables 1 and 3 provide the change in the operating and capital reserve forecasts since Provisional budget. Detailed reserve schedules for each service were provided as part of the preliminary budget review process, and have been updated for Final budget for each service in appendix Q . Tables 2 and 4 provide a summary of significant reserve balances at the end of 2023.

Table 1: Changes in Operating Reserve Forecasts

Reserve Activity	2024 Final	2024 Prelim	\$ Change	% Change
Opening Reserve Balance	\$53.0	\$46.6	6.4	13.7%
Transfers from Operating	3.5	3.6	-0.1	-2.8%
Interest Income	1.9	1.6	0.3	18.8%
Transfer to Operating	(25.3)	(23.1)	(2.2)	9.5%
Closing Reserve Balance	\$33.1	\$28.7	\$4.4	15.3%

Consolidated operating reserves through the end of 2023 are \$53.0 million. Net budgeted transfers, interest income, and funding of operating costs result in a forecasted closing balance of \$33.1 million at the end of 2024. Operating reserves reflect funds retained and segregated by services 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 will be included in the audited financial statements.

Table 2: December 31, 2023 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	\$53.0

Table 3: Changes in Capital Reserve Forecasts

Reserve Activity	2024 Final	2024 Prelim	\$ Change	% Change
Opening Reserve Balance	\$147.7	\$87.6	60.1	68.6%
Transfers from Operating	21.9	22.5	(0.6)	(2.7%)
Interest Income	5.2	3.1	2.1	67.7%
Transfer to Capital Plan	(46.5)	(42.0)	(4.5)	10.7%
Closing Reserve Balance	\$128.3	\$71.2	\$57.1	80.2%

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

Capital reserves at the end of 2023 are \$147.7 million. Net of budgeted transfers, interest income, and funding to capital projects result in a forecasted closing balance of \$128.3 million at the end of 2024. 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 audited financial statements.

Table 4: December 31, 2023 Capital Reserve Balances by Service, Including ERF (>\$1M)

Description	Amount
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