

		2025 Operating Expenses							2025 Operating Revenue						
		Year to Q3			Annual Forecast				Year to Q3			Annual Forecast			
Service Number	Service Description	Annual Budget \$ (Schedule A)	Actual \$	Actual % of Budget	2024 Actual % of Budget	\$ Annual Forecast	% Budget (over)/under	Explanation	Annual Budget \$ (Schedule A)	Actual \$	Actual % of Budget	2024 Actual % of Budget	\$ Annual Forecast	% Budget (over)/under	Explanation
1.010	Legislative & General	44,195,605	25,320,554	57%	64%	41,303,646	7%	Savings forecasted due primarily to one-time spending for initiatives in 2025 being carried forward and one time staff vacancies .	44,195,605	35,265,579	80%	78%	43,011,384	3%	Half of revenue is derived from allocations to other services; one-third is funded by requisition, with balance from reserves, grants and other revenue. Savings forecasted due to reduction in funds required for one-time initiatives.
1.105	Facility Management	2,158,469	1,254,583	58%	65%	1,824,927	15%	Service is facilities management services delivered to CRD HQ and satellite facilities. Savings experienced in Q1 -Q3 due seasonal variance in expenditures and temporary vacancies.	2,158,469	1,447,461	67%	24%	1,844,391	15%	Revenues derived from delivery of service to other services and projected to remain below plan for the year due to vacancies.
1.106	CRD Headquarters Building	2,742,025	2,099,408	77%	77%	2,707,475	1%	Service experienced no significant variance in operating costs during Q1 -Q3 and is projected to be on plan for the fiscal year.	2,742,025	1,983,088	72%	74%	2,707,475	1%	Service provides office space to other CRD services and is forecasted slightly below plan, due to less utilization of the building's vehicle fleet.
1.111	Electoral Area Admin Exp - SSI	1,598,333	914,128	57%	58%	1,443,540	10%	Projecting expenses under budget mainly due to savings due to temporary staff vacancy and lower allocation costs	1,598,333	1,087,917	68%	66%	1,496,478	6%	Service is funded approximately 55% from requisition, 42% from labour recovery allocation and 3% from other. Forecasted lower recovery allocations, mainly due to temporary staff vacancy for engineering technician position.
1.112	CRD Regional Grant in Aid	1,692,433	-	-	-	-	100%	CRD raised the funds in 2013-2015 through tax requisition specifically for one-time funding request from Island Corridor Foundation (ICF). The timeline hasn't been established for the distribution of the funds.	1,692,433	1,691,241	100%	101%	1,697,909	(0%)	Service revenue is 100% surplus carry forward.
1.226	Health Facilities - VIHA	1,811,746	117,683	6%	29%	1,156,020	36%	Service provides leased buildings to VIHA, and is 100% recovered from tenant. Q1-Q3 is under budget largely due to reduced requirement for maintenance costs. Reserve transfers represent the largest proportion of the budget to be made later in the fiscal year.	1,811,746	1,170,930	65%	66%	1,555,754	14%	Service provides leased buildings to VIHA, and is 100% recovery from tenant. The CRD is currently negotiating new 5 year leases with VIHA.
1.280	Regional Parks	21,310,198	15,581,253	73%	73%	20,534,292	4%	Service experiences a seasonal nature to expenditures, primarily weighted to Q2 and Q3. Payroll savings will be redirected to other projects that are currently experiencing resource constraints.	21,310,198	21,118,029	99%	100%	21,379,949	(0%)	Revenues are primarily from requisition and are on plan.
1.297	Arts Grants & Development	3,301,886	3,125,483	95%	95%	3,279,999	1%	Service is a grant funding service, grant distribution primarily occurred in Q3.	3,301,886	3,235,566	98%	98%	3,341,000	(1%)	Revenues are primarily from requisition and are projected to be slightly over plan, due to funding from the performing arts facility feasibility project.
1.309	Climate Action and Adaptation	3,081,849	1,380,135	45%	60%	2,236,945	27%	Projecting operating expenses under budget, mainly due to savings related to the timing of contract cost for the Home Energy Retrofit Program & Regional Public EV Network Program.	3,081,849	2,099,853	68%	70%	2,236,945	27%	Revenues are primarily from requisition, and forecasted below plan due to less grant revenue related to Regional Public EV Network Program.
1.310	Land Banking & Housing	5,521,962	3,424,271	62%	70%	4,933,078	11%	Savings forecasted due to one-time staffing vacancies, and lower consulting costs. Consulting costs reduced due to cancellation of the Drake water drilling project and projects deferred to 2026.	5,521,962	4,285,948	78%	89%	4,833,075	12%	Revenues are approximately 54% requisition, 22% grants, 24% allocation recoveries and surplus carry forward. Forecasted revenue decreased due to canceled Drake water drilling project reducing Grant Revenue.
1.311	Regional Housing Trust Fund	4,362,430	24,847	1%	1%	4,333,130	1%	Expenses are driven by internal and external grants, with timing contingent on external factors such as municipal approvals. Forecasted spending is anticipated to be on budget if all grants are issued prior to year-end assuming all grants are issued in Q4 which will be based on all agreements being executed.	4,362,430	4,361,989	100%	100%	4,333,130	1%	Revenues are 77% surplus carryforward, 17% requisition and 6% other. Forecasted on Plan
1.313	Animal Care Services	1,888,210	1,463,424	78%	81%	1,928,895	(2%)	Projected slightly above budget mainly due to higher auxiliary wages due to staff on temporary leave, higher vet services costs, partially offset by lower legal services and savings in telecom expenses.	1,888,210	1,544,386	82%	84%	1,893,709	(0%)	Service is funded approximately 29% from requisition, 53% from contract revenue, 14% from dog tag sales and 4% from other. Forecasted revenues slightly over budget mainly due to higher dog tag sales.
1.318	Building Inspection	2,403,242	1,500,027	62%	62%	2,197,681	9%	Projecting operating expenses under budget, mainly due to savings in staff training and salaries due to temporary staff vacancy and deferral of ORF funded Digitization Records project. These savings will be partially offset by higher licences fees.	2,403,242	1,908,760	79%	69%	2,348,690	2%	Service is funded by approximately 58% permit fee revenue, with the balance funded by requisition (28%), reserve funds (10%) and other (4%). Permit fee revenue is projected to be as plan with no significant variance. Lower revenue projected mainly due to the deferral of Digitization Records project, funded by operating reserve.
1.324	Regional Planning Services	2,989,383	1,150,266	38%	43%	1,811,347	39%	Operating expenses are expected to be lower than budget due to savings from temporary staff vacancies and the deferral of one-time reserve funded Island Corridor Consultation, Transportation Model, and Transportation planning projects.	2,989,383	1,597,863	53%	72%	1,943,463	35%	Revenue is approximately 68% requisition, 25% operating reserve and 7% other. Revenue is forecasted to be below budget due to the deferral of one-time operating reserve-funded projects.
1.40X	SEAPARC	5,711,058	4,195,260	73%	76%	5,580,247	2%	Service has a seasonal nature to operating expenses. In line with service delivery, 2025 operations are projected higher than 2024 due to growth in service delivery. Forecasted in line with budget for the year, except for savings in payroll cost due to temporary vacancies.	5,711,058	5,173,457	91%	92%	5,653,623	1%	Revenues are approximately 61% from requisition; 39% from fees and other. Service is projected to be on plan for the year with a minor under performance in fee income and higher than budgeted rental income.
1.44X	Panorama Rec. Center	11,508,989	8,428,605	73%	66%	11,707,608	(2%)	Service has a seasonal nature to operating expenses. In line with service delivery, 2025 operations are projected higher than 2024 due to growth in service delivery. Forecasted in line with budget for the year with slightly higher costs related to additional program intake.	11,508,989	10,175,149	88%	86%	11,806,439	(3%)	Revenues are approximately 51% from requisition; 49% from fees and other. Service projected to be on slightly over plan for the year due to higher program uptake.
1.459	Salt Spring Is- Pool, Parks, Land, Art & Rec. Prog	2,713,369	1,858,995	69%	71%	2,579,222	5%	Forecasting overall operating expenses to be lower than budget mainly due to savings for long vacancy in parks manager position, as well as deferral of ORF-funded HVAC duct cleaning project. These savings are partially offset by higher software licences cost.	2,713,369	2,457,408	91%	94%	2,622,532	3%	Forecasting operating revenue under the budget mainly due to lower rental revenue from Phoenix building and SIMS (Salt Spring Island Middle School) buildings, and deferral of HVAC duct cleaning project, funded by ORF.

# Capital Regional District

## Quarterly Operating Variance Report - Q3, 2025

### Service Budgets Greater than \$1,500,000

		2025 Operating Expenses							2025 Operating Revenue								
		Year to Q3			Annual Forecast				Year to Q3			Annual Forecast					
Service Number	Service Description	Annual Budget \$ (Schedule A)	Actual \$	Actual % of Budget	2024 Actual % of Budget	\$ Annual Forecast	% Budget (over)/under	Explanation		Annual Budget \$ (Schedule A)	Actual \$	Actual % of Budget	2024 Actual % of Budget	\$ Annual Forecast	% Budget (over)/under	Explanation	
1.521	Environmental Resource Management	52,223,347	35,195,827	67%	69%	49,037,971	6%	Waste Diversion Services & Energy Recovery services expenses are forecasted to be lower than budget for 2025. Some new diversion initiatives not yet fully implemented. Forecast largely on plan with some savings on both RNG contract and electricity cost, due to delayed completion time of the RNG plant.		52,223,347	37,879,877	73%	75%	49,038,390	6%	Tipping fee revenue forecast largely on plan. RNG sales revenues lower due to the delayed completion time of the RNG plant. Excessing disposal of banned materials resulting in more tickets being issued. Revenue from metal sales higher than budgeted.	
1.576	Environmental Engineering Services	3,851,300	2,263,639	59%	68%	3,267,658	15%	Service provides engineering and project management services to multiple services across the CRD's recreation and environmental management services. Savings from temporary staff vacancies in Q1-Q3.		3,851,300	2,431,798	63%	66%	3,362,415	13%	Revenues are driven by providing services to other CRD services which continue to operate as planned. Recovery revenue from CRD service forecasted below annual budget due to staff vacancies and limited activity in the feasibility study planned.	
1.577	IWS - Environmental Operations	15,682,076	10,469,020	67%	68%	15,051,243	4%	Overhead services are continuing to be delivered as planned. Expenditures are forecasted to come in under budget, primarily due to savings from temporary staff vacancies and a vehicle that has been ordered but will not be delivered until 2026.		15,682,076	11,022,509	70%	72%	15,051,243	4%	96% of revenue is driven by labour recovery for services provided to other CRD divisions. The remaining 4% is from reserve transfers used to cover one-time costs. Recovery revenue is forecasted to come in below the annual budget due to staff vacancies and the planned deferral of the reserve transfer to 2026, aligned with the vehicle now scheduled for delivery in 2026.	
1.578	Environmental Protection and Water Quality	9,728,043	6,530,262	67%	71%	9,315,637	4%	Overhead service budget, continuing to provide service as planned. Forecast slightly under budget, with some minor savings on temporary staff vacancies.		9,728,043	7,056,939	73%	75%	9,515,637	2%	Revenues are driven by providing services to other CRD services that continue to operate as planned.	
1.911	911 Systems	2,677,917	1,776,178	66%	66%	2,649,162	1%	This service collects 911 levies from phone carriers and distributes a percentage to participating municipalities. Fixed contracts and debt servicing costs are on track with budget, and levies distributed are slightly below budget due to decreased levy revenue.		2,677,917	2,098,719	78%	77%	2,634,356	2%	Sources of revenue are fixed source requisitions, lease revenue, and variable 911 levies received from phone carriers. Call levy revenue is forecast slightly below budget.	
1.921	Regional CREST	2,008,152	1,511,828	75%	76%	2,011,416	(0%)	This is a contribution service that provides support to CREST based on service agreement. Operating expenses are on track with budget		2,008,152	2,005,802	100%	100%	2,008,402	(0%)	Operating revenues are primarily requisition and are on plan.	
2.610	Saanich Peninsula Water Supply	8,325,361	7,144,357	86%	74%	8,146,556	2%	Operational services and system maintenance are proceeding as planned. Higher forecast wholesale water costs, driven by increased consumption, are partly offset by lower operations allocations.		8,325,361	8,122,941	98%	89%	8,813,621	(6%)	Revenues are driven by seasonal water sales, with lower usage in fall and winter and higher volumes in spring and summer. For 2025, demand is forecasted to exceed plan, resulting in higher water sales revenue than budget.	
2.670	Regional Water Supply	44,959,023	31,289,822	70%	38%	44,140,020	2%	Operational services and system maintenance remain on track with planned activities. Operating expenditures are anticipated to be modestly below budget due to short-term staff vacancies and lower debt servicing costs.		44,959,023	35,813,856	80%	77%	45,316,819	(1%)	Revenues are driven by seasonal water sales, with lower usage in fall and winter and higher volumes in spring and summer. For 2025, demand is forecasted to exceed plan, resulting in higher water sales revenue.	
2.680	Juan de Fuca Water Distribution	29,313,997	21,835,196	74%	53%	29,531,349	(1%)	Operational services and system maintenance are proceeding as planned. Wholesale water expenditures are projected to rise due to higher consumption, partially offset by temporary staff vacancies, lower operations allocations, and reduced debt servicing.		29,313,997	23,842,184	81%	85%	30,115,918	(3%)	Revenues are driven by seasonal water sales, with lower usage in fall and winter and higher volumes in spring and summer. For 2025, demand is forecasted to exceed plan, resulting in higher water sales revenue.	
3.717	Core Area Wastewater Operations	38,796,627	28,213,171	73%	74%	38,021,790	2%	Operational services are progressing as planned. Savings achieved to date are primarily from electricity, purchased maintenance, and chemicals. However, these partial savings are expected to be offset by higher costs for water and environmental programs.		38,796,627	36,338,046	94%	99%	38,796,627	0%	Revenues are approximately 93.1% from requisitions and 6.9% from other sources, primarily a transfer from the Operating Reserve Fund to cover overspending on waste sludge and other one-time costs.	
3.718	Saanich Peninsula Wastewater	5,215,006	3,838,878	74%	60%	5,101,865	2%	Service delivery proceeded as planned. Savings achieved to date are primarily from reduced labour costs and interest savings due to delayed borrowing. However, these savings are expected to be largely offset by higher costs for sludge hauling and waste-sludge disposal.		5,215,006	5,031,814	96%	96%	5,183,617	1%	Approximately 95.2% of revenues come from requisitions, with the remaining 4.8% derived from various sources, including reserve transfers, heat recovery from the Panorama Recreation Centre, and lab service recoveries. Actual heat recovery revenue is expected to fall below budget due to a lower annual rate being set. Overall, revenue is expected to remain on target.	
3.755	Regional Source Control	1,755,201	1,281,795	73%	74%	1,705,201	3%	Service delivery continuing as planned. No changes anticipated at this time.		1,755,201	1,606,059	92%	95%	1,735,201	1%	Revenues are primarily from requisition, and forecast slightly below plan due to less permit fee revenue.	
Total Services above		333,527,237	85%			317,537,920					333,527,237	85%			326,278,192		
Other CRD Services		57,218,175	15%								57,218,175	15%					
Total CRD*		<b>390,745,412</b>									<b>390,745,412</b>						

**Capital Regional District**

**Quarterly Operating Variance Report - Q3, 2025**

**Service Budgets Greater than \$1,500,000**

		2025 Operating Expenses							2025 Operating Revenue						
		Year to Q3			Annual Forecast				Year to Q3			Annual Forecast			
Service Number	Service Description	Annual Budget \$ (Schedule A)	Actual \$	Actual % of Budget	2024 Actual % of Budget	\$ Annual Forecast	% Budget (over)/under	Explanation	Annual Budget \$ (Schedule A)	Actual \$	Actual % of Budget	2024 Actual % of Budget	\$ Annual Forecast	% Budget (over)/under	Explanation
CRHD	Capital Regional Hospital District	33,096,568	18,743,348	57%	71%	31,841,597	4%	Savings forecasted due to lower Health planning spending and deferred feasibility studies. Anticipated lower maintenance costs forecasted for 950 Kings, The Summit, and Oak Bay Lodge properties, and savings on debt servicing costs due to lower capital activity by Island Health.	33,096,568	32,398,870	98%	98%	33,028,494	0%	Lower transfer from property management reserve required to fund 950 Kings and Royal Bay properties due to savings on maintenance costs, partially offset by higher surplus payout on DRF for maturing debt.
Total CRHD		33,096,568							33,096,568						
CRHC	Administration	4,915,014	3,370,289	69%	66%	4,636,536	6%	Savings primarily due to temporary staff vacancies which offset increases in costs for software licenses, computer equipment and consulting.	4,915,014	3,332,828	68%	70%	4,545,944	8%	Revenue forecast reduced by \$324K, transfer from the Stabilization Reserve per the budget, as actual spend was lower than anticipated which was funded by operations.
CRHC	Development Services	1,878,992	852,052	45%	45%	1,419,119	24%	Savings primarily due to staffing vacancies and delayed hiring which offset cost increases due to equipment purchases and building occupancy allocation.	1,942,980	204,000	10%	18%	1,870,972	4%	Revenues are 100% project management fees from multiple projects. It is expected fees will largely be on budget.
CRHC	CHF Operating	4,160,098	1,642,032	39%	49%	2,194,686	47%	Savings due to delay in opening of Caledonia, now expected in Q1 2026, most significant saving is mortgage expense of \$1.5M.	4,160,098	1,241,814	30%	50%	1,655,752	60%	Reduced revenue forecast due to low rent up at Michigan and Caledonia delay to Q1 2026.
CRHC	UOA buildings	13,300,044	9,736,711	73%	72%	13,219,957	1%	Increased operational costs partially offset by savings from staff vacancies and lower than budgeted expenditure for water.	13,379,813	10,878,173	81%	78%	14,602,977	(9%)	Increases to revenue driven annual rent adjustments in Q3 plus insurance claims reimbursements.
CRHC	ILBC building	932,891	697,265	75%	74%	929,822	0%	Savings due to vacancies which partially offsets increase costs for maintenances, therefore, expenditure expected to be within budget.	932,891	724,639	78%	81%	966,183	(4%)	Increase driven by BC Housing subsidy (rate adjustment) which mitigates slight decrease in rent revenue.
CRHC	NOA buildings	1,783,359	1,282,252	72%	71%	1,716,525	4%	Savings due to staff vacancy and lower than budgeted water expenditure.	1,839,812	1,115,222	61%	76%	1,486,962	19%	Revenue lower as both Campus View and Village on Green are decommissioned for redevelopment.
CRHC	RHPP buildings	10,833,892	7,954,116	73%	71%	10,623,171	2%	Savings forecasted due to staff vacancy and hiring challenges.	10,965,517	7,727,220	70%	75%	10,302,961	6%	Revenue forecasted below budget due to higher than expected vacancies.
CRHC	IHI building	792,301	608,107	77%	71%	814,128	(3%)	Higher than planned operating costs partially offset with saving from temporary staff vacancies.	930,841	728,231	78%	82%	970,975	(4%)	Increases to revenue driven annual rent adjustments in Q3.
CRHC	RR Services	646,565	278,039	43%	17%	475,543	26%	Savings forecasted due to staff vacancies and reduced consulting expenditure.	646,565	452,731	70%	75%	646,565	0%	Revenue forecast to be on budget as it is based on internal allocations.
Total CRHC		39,243,156							39,713,531						
Total Services (CRD + CRHD + CRHC)		\$463,085,136							\$463,555,511						