

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. Tables 2 and 4 provide a summary of significant reserve balances at the end of 2020.

Table 1: Changes in Operating Reserve Forecasts

Reserve Activity	2021 Final	2021 Prelim	\$ Change	% Change
Opening Reserve Balance	\$54.2	46.9	7.3	15.7%
Transfers from Operating	1.6	1.6	0.0	0.0%
Interest Income	1.1	0.9	0.2	17.4%
Transfer to Operating	-2.4	-1.9	-0.5	26.3%
Closing Reserve Balance	\$54.5	\$47.5	\$7.0	14.8%

Consolidated operating reserves through the end of 2020 are \$54.2 million. Net budgeted transfers, interest income, and funding of operating costs result in a forecasted closing balance of \$54.5 million at the end of 2021. Operating reserves reflect funds retained and segregated by service to fund future operating activities. The CRD currently manages 82 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, 2020 Operating Reserve Balances by Service (>\$1M)

Description	Amount (\$M)
Solid Waste	38.8
Regional Planning	2.0
Regional Growth Strategy	1.4
North East Trunk Sewer	1.3
Legislative & General	1.2
North West Trunk Sewer	1.1
Other (<\$1M)	8.4
Total	\$54.2

Table 3: Changes in Capital Reserve Forecasts

Reserve Activity	2021 Final	2021 Prelim	\$ Change	% Change
Opening Reserve Balance	\$78.0	\$61.9	16.1	26.1%
Transfers from Operating	24.8	25.0	-0.2	-0.8%
Interest Income	1.6	1.2	0.4	29.3%
Transfer to Capital Plan	-49.8	-48.5	-1.3	2.7%
Closing Reserve Balance	\$54.6	\$39.6	\$15.0	37.9%

Capital reserves at the end of 2020 are \$78.0 million. Net of budgeted transfers, interest income, and funding to capital projects result in a forecasted closing balance of \$54.6 million at the end of 2021. Capital reserves reflect funds retained and segregated by service to fund future capital activities. The CRD currently manages 74 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 bylaw, but covers all CRD services. A detailed listing of reserve balances will be included in the audited financial statements.

Table 4: December 31, 2020 Capital Reserve Balances by Service, Including ERF (>\$1M)

Description	Amount (\$M)
Equipment Replacement Fund (All Services)	25.7
Regional Parks	10.5
Saanich Peninsula Water Supply	7.7
Office Facilities & Equipment	7.6
Trunk Sewers and Sewage Disposal Facilities	4.3
Solid Waste	3.5
Saanich Peninsula Ice Arena Facility	3.5
S.P.W.W.S. Sewer Debt Reserve Fund	1.9
McPherson Theatre	1.9
Regional Parks Land	1.1
Royal Theatre	1.0
Various (<\$1M)	9.3
Total	\$78.0