

Reserves and Reserve Funds with Targets - Balance Compared to Target (\$000s)

<u>Reserves and Reserve Funds</u>	<u>Target</u>	<u>YE 2021 Target</u>	<u>YE 2021 Balance</u>	<u>% to Target</u>	<u>Comments</u>
Reserve for Winter Maintenance	33% of last 5-year average winter maintenance expenditures	7,719	10,728	139%	Balance over target being maintained in preparation of funding future pressures (e.g., bus stop clearing).
Reserve for Building Revenue Stabilization	100% of the average of actual building permit revenue and development fee revenue for the highest two years in the last five years	15,576	29,083	187%	Reserve is used for fluctuations in economic activity.
Fiscal Stability Reserve	10% of own-source revenue, less target for other stabilization / contingency funds (currently, Winter Maintenance and Building Permit Revenue Stabilization).	68,440	56,872	83%	Reserve balance available for unforeseen or emergency circumstances. May dip further below target if there is insufficient SRA Funding.
Insurance Reserve Funds	Year-end value of case reserves plus 50% of the actuarial present value for Incurred but Not Reported (IBNR) claims (both from the Actuarial Insurance Report).	26,238	44,750	171%	Reserve adequate for future needs.
Employee Benefits Reserve Fund	Total of 2x 5 years average expenditure for (1) vacation payouts; (2) sick leave payouts; (3) group life insurance; plus (4) full actuarial estimate for WSIB.	44,753	33,610	75%	Target methodology is proposed to be reviewed and approved to change to a 10-year forward looking average instead of the current flat Target. Potential future year budget adjustment may be required to achieve a target balance.
Capital Reserve Fund	Maintain cash balance equivalent to one year's worth of the 10-year forward-looking average of the tax-supported capital expenditure requirements (excluding debt).	120,000	198,899	166%	Reserve is managed to target; balance can vary significantly from year to year. This reserve is used to fund the City's capital program.
Stormwater Capital Reserve Fund	Maintain cash balance equivalent to 10-year average.	25,600	47,596	186%	Reserve is managed to target; balance can vary significantly from year to year. This reserve is used to fund the City's Stormwater capital program.
Federal Gas Tax	Equal to one year's contribution (prior year).	40,100	112,599	281%	Balance in reserve is significantly above target due to doubling of Federal Gas Tax received. Expectation is that funding will be used to fund the City's eligible capital projects.
Provincial Gas Tax	Equal to one year's contribution (prior year).	18,500	33,158	179%	This Reserve Fund is used to fund Transit Operating expenses. Over target amount may be used if there is insufficient SRA funding.
DCA - General Government	Equal to one year's contribution (prior year).	200	-3,545	-1772%	Balances are used to fund Development Capital projects. Balances can vary significantly from year to year due to project cashflow requirements.
DCA - Dev Related Studies-Discounted Services		100	-436	-436%	
DCA - DCA Dev Related Studies-Non Discounted Services		400	334	84%	
DCA - Recreation and Parks Development		8,100	48,043	593%	
DCA - Fire Services		1,200	-6,605	-550%	
DCA - Library		900	7,021	780%	
DCA - Transit		1,800	13,309	739%	
DCA - Roads and Related Infrastructure		15,500	53,281	344%	
DCA - Public Works		900	11,719	1302%	
DCA - Parking		700	7,774	1111%	
DCA - Stormwater		500	35,035	7007%	