

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

Reserves and Reserve Funds	Target	YE 2022 Target	YE 2022 Balance	% to Target	Comments
Reserve for Winter Maintenance	33% of last 5-year average winter maintenance expenditures.	7,991	10,728	134%	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	34,796	223%	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).	71,838	50,829	71%	Reserve balance available for unforeseen or emergency circumstances. In 2022, the Reserve was used to fund the City's deficit in excess of available SRA funding. May dip further below target to fund the projected PILT revenue losses in coming years.
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).	27,368	40,998	150%	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) 10 year forward looking average of expenses for WSIB.	48,578	30,405	63%	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).	133,000	160,796	121%	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.	25,700	36,970	144%	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).	41,900	61,644	147%	Reserve is managed to target; balance can vary significantly from year to year. This reserve is used to fund eligible capital projects.
Provincial Gas Tax	Equal to one year's contribution (prior year).	18,000	35,449	197%	This Reserve Fund is used to fund Transit Operating expenses. Over target amount will be used to fund future eligible capital projects.
Total DCA		56,900	218,555	384%	
DCA - General Government	Equal to one year's contribution (prior year).	300	-3,138	-1046%	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		300	799	266%	
DCA - DCA Dev Related Studies-Non Discounted		600	0	0%	
DCA - Recreation and Parks Development		19,200	68,976	359%	
DCA - Fire Services		2,400	-2,559	-107%	
DCA - Library		2,200	9,820	446%	
DCA - Transit		2,300	14,612	635%	
DCA - Roads and Related Infrastructure		26,400	82,033	311%	
DCA - Public Works		1,800	14,783	821%	
DCA - Parking		800	0	0%	
DCA - Stormwater		600	33,228	5538%	