

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

<u>Reserves and Reserve Funds</u>	<u>Target</u>	<u>YE 2023 Target</u>	<u>YE 2023 Balance</u>	<u>% to Target</u>	<u>Comments</u>
Reserve for Winter Maintenance	33% of last 5-year average winter maintenance expenditures.	7,991	9,528	119%	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	28,348	182%	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	43,227	60%	Reserve balance available for unforeseen or emergency circumstances. In 2023 the Reserve was used to fund the City wide deficit. May dip further below target to fund the projected PILT revenue losses in future 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	39,610	145%	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	26,188	54%	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	168,416	127%	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	25,581	100%	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.