

**TABLE OF CONTENTS**  
**RESERVE AND RESERVE FUNDS**

---

<b>RESERVES AND RESERVE FUNDS .....</b>	<b>SECTION E</b>
Overview.....	E-1
Budget Highlights	
Operating .....	E-3
Capital.....	E-6
Continuity Schedule	
Annual Continuity Schedule – Operating Program .....	E-10
Annual Continuity Schedule – Capital Program.....	E-11
10 Year Continuity Schedule – Capital and Subsidiary Reserve Funds.....	E-15
10 Year Continuity Schedule – Capital Revolving Reserve Fund.....	E-16
5 Year Continuity Schedule – Federal & Provincial Gas Tax Reserve Funds .....	E-17
10 Year Continuity Schedule – Development Charges Reserve Funds.....	E-19
10 Year Continuity Schedule – Cash in Lieu of Parkland Dedication .....	E-20
Reserve and Reserve Fund Descriptions.....	E-23

## RESERVES AND RESERVE FUNDS

2006 Overview	2006 BUDGET & BUSINESS PLAN
---------------	--------------------------------

### Reserve and Reserve Funds

➤	Reserves and Reserve Funds are established by Council to assist with long term financial stability and financial planning.
➤	Reserves are different from reserve funds in that they are generally used in conjunction with the Operating Program and support or supplement activities which are normally funded from general revenues. All interest earned by reserves appear within the Non-Departmental Investment Income Program which is part of the operating budget.
➤	A reserve is generally used either to mitigate the impact of fluctuations in operating costs and revenue or to accumulate funds for future or contingent liabilities. Examples of reserves currently employed by the City to mitigate budgetary fluctuations include: Reserve for Winter Maintenance, Reserve for Commodities, Reserve for Assessment Appeals and the Reserve for Elections. Reserves established to fund future or contingent liabilities include: Reserve For Legal Settlements, Reserve for General Contingencies and Reserve for Vacation Pay.
➤	Reserve Funds are segregated and restricted to meet a specific purpose. Money set aside for reserve funds must be deposited into a separate bank account and the interest earned on those investments must be added to the reserve funds. Examples of reserve funds are to fund capital projects, Development Charges, Insurance Claims, Sick Leave and Cash-in-Lieu of Parkland Dedication. Although some reserve funds such as insurance are used in conjunction with the Operating Program, Reserve Funds are most commonly associated with the Capital Program. Funds are accumulated within a reserve fund to provide funding for future works. The funds are invested until required. Once Council approves the capital works, funds are transferred to the appropriate capital projects.
➤	One major exception to the above is the Hydro Reserve Fund. Under the provisions of the <i>Energy Act, 1998</i> , the City formed Enersource Corporation from the predecessor, Mississauga Hydro-Electric Commission. The City repatriated its share of the corporation debt allocation and transferred the funds to the Hydro Reserve Fund between 2000 and 2004. The funds were invested to generate income which is used to offset operating costs that would otherwise be funded by taxes. For 2005, the investment income and a \$5 million portion of the principal was used to help finance the City's Capital Program.
➤	In November 2005, the remaining balance of the Hydro Reserve Fund (\$308 million) was split between the tax-based

## RESERVES AND RESERVE FUNDS

	capital reserve funds and an internal debt revolving reserve fund to provide for future capital infrastructure needs.
➤	Within the City, reserve funds used in the Capital Program are financed either as part of the annual transfer of tax funding from the Operating Program, or are collected as a charge upon development.
➤	Tax based reserve funds are used to accumulate the funding necessary for the maintenance and eventual replacement of the City's extensive infrastructure. A number of capital reserve funds have been established to assist with long term financial planning. These include Transit Vehicles and Equipment Replacement, Fire Vehicles and Equipment Replacement and Roadway Infrastructure Maintenance Reserve Funds.
➤	Development based reserve funds are used to finance services to meet growth. Most of the funding is collected under the authority of the City's Development Charges By-law, as permitted by the <i>Development Charges Act, 1997</i> or other development related fees under the Planning Act. Services receiving funding from development charges include: fire, libraries, recreation, roads, transit, public works, storm water management, and general government. A summary of the City's reserves and reserve funds along with their purpose can be found at the end of this section for easy reference.

<b>Operating and Capital Summary</b>				
	<b>Balance</b>	<b>Balance</b>	<b>Change</b>	
<b>(\$000's)</b>	<b>2005</b>	<b>2006</b>	<b>\$</b>	<b>%</b>
<b>Operating</b>	88,004	84,546	(3,458)	(3.9)
<b>Capital</b>	646,746	557,399	(89,347)	(13.8)
<b>Total</b>	<b>734,750</b>	<b>641,945</b>	<b>(92,805)</b>	<b>(12.6)</b>

## RESERVES AND RESERVE FUNDS

2006 EXPLANATION OF BUDGET CHANGES  
OPERATING RESERVES AND RESERVE FUNDS

2006  
BUDGET & BUSINESS PLAN

**DESCRIPTION:**

Current Budget Reserves and Reserve funds are established to offset fluctuations in revenues and expenses and to fund contingent liabilities. Examples include elections transfers, insurance claims and Workers' Compensation payments.

The Continuity Schedule of Current Reserves and Reserve Funds can be found at the end of this section along with projected balances to December 31, 2006.

TOTAL OPERATING RESERVES AND RESERVE FUNDS BALANCES	2005	2006 PROJECTED	CHANGE IN 2006	
	ESTIMATED	BALANCE	PROJECTED BALANCE TO	2005 ESTIMATED
	BALANCE		BALANCE	BALANCE
	\$	\$	\$	%
<b>TOTAL RESERVES</b>	46,488	43,779	(2,709)	-5.8%
<b>TOTAL RESERVE FUNDS</b>	41,516	40,767	(749)	-1.8%
<b>TOTAL RESERVES AND RESERVE FUNDS</b>	<b>88,004</b>	<b>84,546</b>	<b>(3,458)</b>	<b>-3.9%</b>

### ➤ Operating Highlights

The balances of the Operating Reserves and Reserve Funds are projected to decrease from \$88.0 million in 2005 to \$84.5 million in 2006 or 3.9%. This decline is primarily due to one-time use of reserves. Highlights are as follows:

- \$1.4 million spent on the 2006 municipal election which is scheduled for November, 2006;
- \$1.2 million for smoothing out of 2006 labour increases; and
- \$0.7 million for one-time recovery of Payments-in-Lieu of Taxes (PILT's) for Pearson International Airport.

## RESERVES AND RESERVE FUNDS

	2006 REQUESTED BUDGET
Transfer to Reserves	\$ 3,302,000
Transfer to Reserve Funds	3,548,000
<b>TOTAL TRANSFERS TO RESERVES AND RESERVE FUNDS</b>	<b>6,850,000</b>

### ➤ Operating Highlights

The 2006 Operating Program recommends transfers to Operating Reserves and Reserve Funds totalling \$6,850,000. Transfer to the Reserves and Reserve Funds are as follows:

- \$2,598,000 to the Insurance Reserve Fund to fund future insurance claims;
- \$1,952,000 in transfers to the Reserve for Assessment Appeal for changes in taxes generated through changes in the assessed values;
- \$950,000 in transfers to the Reserve for Labour Settlement for the reduction in the number of working days in 2006 when compared to 2005;
- \$950,000 to the Workers' Compensation Reserve Fund; and
- \$400,000 to the Reserve for Elections to fund the 2006 municipal election.

## RESERVES AND RESERVE FUNDS

	2006 REQUESTED BUDGET
Transfer from Reserves	\$ 6,010,000
Transfer from Reserve Funds	6,238,600
<b>TOTAL TRANSFER FROM RESERVES AND RESERVE FUNDS</b>	<b>12,248,600</b>

### ➤ Operating Highlights

The 2006 Operating Program recommends transfers from Reserves and Reserve Funds totalling \$12,248,600. Highlights of the transfers are as follows:

- \$3,530,100 from the Insurance Reserve Fund to cover the payments of estimated claims;
- \$2,630,000 from the Workers' Compensation and Sick Leave Reserve Funds to offset estimated costs;
- \$2,180,000 from the Reserve for Assessment Appeal to provide for one-time shortfalls in the Tax Interest and Penalty Revenues and Payments-in-lieu of taxes related to the reduced passenger count at Pearson International Airport;
- \$1,422,100 from the Reserve for Elections to cover the estimated cost of the 2006 election;
- \$1,286,500 from the Reserve for Labour Settlement primarily related to the phase-in of certain 2006 labour costs over a two year period;
- \$586,400 recovery of development workload assistance staff in departments from the Reserve for Development Stabilization;
- \$535,000 recovery of costs associated with the Zoning By-law review and various studies from the Reserve for Planning Process; and
- \$78,500 from various sources including Mississauga Business Enterprise Centre (MBEC).

## RESERVES AND RESERVE FUNDS

2006 EXPLANATION OF BUDGET CHANGES CAPITAL RESERVE FUNDS	2006 BUDGET & BUSINESS PLAN
---	--------------------------------

**DESCRIPTION:**  
 The Capital Reserve Funds set aside money related to fluctuations in repair and major maintenance costs of the capital infrastructure and to save for large capital expenditures such as the Fire Training Centre replacement or road reconstruction.  
 The Continuity Schedule of Capital Reserve Funds can be found at the end of this section along with projected balances to December 31, 2006.

TOTAL OPERATING RESERVES AND RESERVE FUNDS BALANCES (\$000)	2005	2006 PROJECTED	CHANGE IN 2006 REQUESTED	
	ESTIMATED BALANCE	BALANCE	BUDGET TO 2005 RESTATED BUDGET	
	\$	\$	\$	%
CAPITAL PROGRAM - TAX FUNDED	281,904	235,762	(46,142)	-16.4%
CAPITAL PROGRAM - REVOLVING FUND	145,640	152,922	7,282	5.0%
CAPITAL PROGRAM - OTHER	219,202	168,715	(50,487)	-23.0%
<b>TOTAL CAPITAL RESERVE FUNDS</b>	<b>646,746</b>	<b>557,399</b>	<b>(89,347)</b>	<b>-13.8%</b>
TAX SUPPORTED DEBT	0	0	0	0.0%



### Capital Highlights

The balances of the Capital Reserve Funds will decrease by \$89.3 million from \$646.7 million to \$557.4 million or 13.8%. Highlights are as follows:

- The Hydro Reserve Fund was re-allocated on a 50/50 basis to tax-based capital reserve funds and a new revolving fund which was established to support future infrastructure through an internal debt mechanism;
- Under our new Capital Financing Strategy, the balance of tax-based capital reserves are project to fall by \$74.2 million as more funding is allocated to the 2006 capital budget but are further offset by interest earnings;
- Gas tax receipts of \$24 million in 2006 are being added to the 2005 reserve fund balances of almost \$18 million. Various studies are underway to determine the best use of these funds; and
- The balance of tax-based reserves is projected to fall by \$50.5 million.

## RESERVES AND RESERVE FUNDS

(\$000)	2006 REQUESTED BUDGET
<b>TOTAL TRANSFERS TO CAPITAL RESERVE FUNDS</b>	\$ <b>72,878,000</b>

➤ **Capital Highlights**

The 2006 Budget recommends transfers of \$72,878,000 be transferred to various Capital Reserve Funds (both tax-based and growth related) with details as follows:

- \$24,000,000 in sharing of gas tax revenue from the Federal and Provincial Governments;
- \$9,600,000 transfer from the Operating to the Capital Program;
- \$34,336,000 in development charge revenues;
- \$4,025,000 in developers' contributions; and
- \$917,000 repayment of various internal loans.

## RESERVES AND RESERVE FUNDS

(\$000)	2006 REQUESTED BUDGET
<b>TOTAL TRANSFERS FROM CAPITAL RESERVE FUNDS</b>	<b>\$ 187,399,000</b>

### ➤ Capital Highlights

The 2006 Budget recommends transfers from tax-based and growth-related Capital Reserve Funds of \$187,399,000 to activities as follows:

- \$88,086,000 from Capital Reserve Funds to finance non-growth tax-based projects in the 2006 Capital Budget;
- \$63,633,000 from Development Charges to fund growth based projects;
- \$31,320,000 from developers' contributions to fund growth based projects;
- \$3,800,000 transfer to the operating fund to fund transit expansion operating costs; and
- \$560,000 repayment of the Capital Reserve Fund related to financing of the Living Arts Centre.

## **RESERVES AND RESERVE FUNDS**

---

**2006**  
**BUDGET & BUSINESS PLAN**

### **RESERVES & RESERVE FUNDS:**

#### **Continuity Schedule**

# RESERVES AND RESERVE FUNDS

## Continuity Schedule of Reserves and Reserve Funds

(\$000's)

Reserves and Reserve Funds	Balance January 2005	Projected 2005 Contributions	Projected 2005 Interest	Projected 2005 Expenditures	Projected Balance December 31, 2005	2006 Projected Contributions	2006 Projected Interest	2006 Projected Expenditures	Projected Balance December 31, 2006
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Operating Program - Reserves</b>									
Reserve for Assessment Appeals	7,039	3,117		(1,500)	8,656	1,952		(2,180)	8,428
Reserve for Commodities	3,500				3,500				3,500
Reserve for Current Budget	102	444		(102)	444				444
Reserve for Bus Shelter Advertising	1,589				1,589				1,589
Reserve for Development Stabilization	6,462			(780)	5,682			(586)	5,095
Reserve for Early Retirement	500				500				500
Reserve for Elections	614	450			1,064	400		(1,422)	42
Reserve for General Contingencies	3,163				3,163			(1,287)	1,876
Reserve for Labour Settlements, includes OMERS	7,144	1,000		(2,787)	5,357	950			6,307
Reserve for Legal Settlements	2,534				2,534				2,534
Reserve for Planning Process Updates	2,241			(250)	1,991			(535)	1,456
Reserve for Vacation Pay	5,820				5,820				5,820
Reserve for Winter Maintenance	5,738	450			6,188				6,188
<b>Operating Program - Reserve Funds</b>									
<b>Operating Programs - Reserve Funds</b>									
Group Benefits Reserve Fund	1,400		26		1,426		71		1,497
Insurance Reserve Fund	16,845	2,598	349	(3,530)	16,262	2,598	767	(3,530)	16,097
Reserve Fund - Other	2,579	65	47	(214)	2,477		120	(79)	2,519
Sick Leave Reserve Fund	9,471		174	(500)	9,145		432	(500)	9,077
Transit Reserve Fund (GO)	9,454	10,895	250	(20,598)	0		0		0
Workers' Compensation Reserve Fund	13,261	75	244	(1,374)	12,206	950	551	(2,130)	11,577
<b>Total Operating Reserves and Reserve Funds</b>	<b>99,455</b>	<b>19,094</b>	<b>1,089</b>	<b>(31,635)</b>	<b>88,004</b>	<b>6,850</b>	<b>1,941</b>	<b>(12,249)</b>	<b>84,546</b>

# RESERVES AND RESERVE FUNDS

## Continuity Schedule of Reserves and Reserve Funds

(\$'000's)

Reserves and Reserve Funds	Balance January 2005	Projected 2005 Contributions	Projected 2005 Interest	Projected 2005 Expenditures	Projected Balance December 31, 2005	2006 Projected Contributions	2006 Projected Interest	2006 Projected Expenditures	Projected Balance December 31, 2006
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Capital Program - Tax Funded</b>									
Britannia Hills Golf Course	4,166		56	(3,054)	1,167		58		1,226
Capital Reserve Fund	14,349	80,784	2,770	(39,736)	58,167	2,516	1,997	(20,746)	41,934
Capital Revolving Reserve Fund	0	144,374	1,266	0	145,640		7,282		152,922
Community Facility Redevelopment Reserve Fund	2,928		146		3,075		129	(500)	2,704
Facility Repair & Renovations Reserve Fund	13,165	20,062	1,365	(5,921)	28,671	1,500	804	(14,083)	16,893
Federal Gas Tax	0	12,000	600		12,600	12,100	1,018	(4,340)	21,378
Fire Training Centre Replacm't Reserve Fund	3,682		184		3,866		193		4,060
Fire Vehicles & Equipment Reserve Fund	6,429	1,952	305	(2,275)	6,412	1,500	296	(1,987)	6,221
Main Fleet Vehicle & Equip. Reserve Fund	8,794	2,573	467	(2,023)	9,811	1,500	451	(2,288)	9,474
Provincial Gas Tax	1,842	8,300	250	(5,150)	5,241	11,900	345	(10,239)	7,248
Roadway Infrastructure Reserve Fund	28,662	112,174	5,707	(26,690)	119,852	2,000	4,769	(26,472)	100,149
Transit Vehicles & Equipment Reserve Fund	16,184	21,137	1,573	(5,853)	33,041	1,500	844	(17,670)	17,715
<b>Capital Program - Tax Funded</b>									
Hydro Reserve Fund	326,802	4	5,952	(332,758)	0		0		0
<b>Capital Program - Other</b>									
<b>Capital Program -Other</b>									
Development Charges Reserve Fund	75,001	26,552	2,645	(25,982)	78,217	34,336	1,693	(64,194)	50,052
Developer Contributions Reserve Fund	31,628	1,136	1,439	(3,985)	30,218		1,400	(2,220)	29,398
General Mun. Dev. Reserve Fund-Lot Levy	46,986	(1,188)	1,603		47,401		1,659		49,061
General Mun. Dev. Reserve Fund-Other	3,578	153	187		3,917		196		4,113
Parkland Dedication Reserve Fund	49,095	5,885	2,831	1,637	59,448	4,025	1,719	(29,100)	36,091
<b>Total Capital Program Reserve Funds</b>	<b>633,292</b>	<b>435,896</b>	<b>29,347</b>	<b>(451,790)</b>	<b>646,746</b>	<b>72,878</b>	<b>24,853</b>	<b>(193,838)</b>	<b>550,638</b>
<b>Grand Total</b>	<b>732,747</b>	<b>454,991</b>	<b>30,436</b>	<b>(483,425)</b>	<b>734,749</b>	<b>79,728</b>	<b>26,794</b>	<b>(206,087)</b>	<b>635,184</b>



**RESERVES & RESERVE  
FUNDS:**

**10 Year Forecast  
Continuity Schedule**



## RESERVES AND RESERVE FUNDS

### ➤ Capital and Subsidiary Reserve Funds

The following chart summarizes the funds on hand, budget allocations and closing balances for the Capital and its Subsidiary Reserve Funds, as a result of this year's capital budget and forecast to 2015.

Capital and Subsidiary Reserve Funds (\$000's)												
	Balance October 2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2006-2015 Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
Opening Balance	96,348	264,063	200,376	116,214	28,154	0	0	0	0	0	0	<b>96,348</b>
Transfers/ Loans	164,116	917	737	671	267	249	192	192	192	120	192	<b>167,843</b>
Revenue Stream	0	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	<b>96,000</b>
Interest Estimate	3,598	9,542	5,534	1,341	0	0	0	0	0	0	0	<b>20,015</b>
Total Available Balance	264,063	284,121	216,247	127,825	38,021	9,849	9,792	9,792	9,792	9,720	9,792	<b>989,015</b>
Allocation to Projects	0	83,745	100,033	99,671	38,021	9,849	9,792	9,792	9,792	9,720	9,792	<b>380,206</b>
Unallocated Balance	264,063	200,376	116,214	28,154	0	0	0	0	0	0	0	<b>0</b>

## RESERVES AND RESERVE FUNDS

### ➤ Capital Revolving Reserve Fund

The Capital Revolving Reserve Fund was established in 2005 from the re-allocation of the Hydro Reserve Fund

The following chart summarizes the funds on hand, budget allocations and closing balance for the Capital Revolving Reserve Fund, as a result of this year's capital budget and forecast to 2015.

Capital Revolving Reserve Fund (\$000's)												
	Balance October 2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2006-2015 Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
Opening Balance	0	145,640	160,902	168,947	177,394	122,839	42,546	1,254	1,314	1,387	1,439	0
Transfers/ Loans*	144,374	7,600	0	0	0	0	0	0	0	0	0	151,974
Revenue Stream	0	0	0	0	1,543	6,850	14,218	19,698	22,627	24,864	27,348	117,146
Interest Estimate	1,266	7,662	8,045	8,447	5,849	2,026	60	63	66	69	72	33,624
Total Available Balance	145,640	160,902	168,947	177,394	184,786	131,715	56,824	21,014	24,007	26,319	28,858	1,126,404
Allocation to Projects	0	0	0	0	61,947	89,169	55,570	19,700	22,620	24,880	27,351	301,237
Unallocated Balance	145,640	160,902	168,947	177,394	122,839	42,546	1,254	1,314	1,387	1,439	1,507	1,507

\* Includes a provision for surplus carryforward in 2005 and 2006 which is not included in the Continuity Schedule of Reserves and Reserve Fund.

## RESERVES AND RESERVE FUNDS

### ➤ Federal and Provincial Gas Tax Reserve Funds

The Federal and Provincial governments are sharing taxes collected on gas purchases. The Provincial funding is restricted to projects or initiatives that expand transit ridership. The Federal funding can be used for any two of the following capital programs: transit, storm drainage or energy conservation. Detailed transit studies and plans are being prepared to determine the best use of these funds.

<b>Federal Gas Tax Reserve Fund</b>							
(\$000's)							
	Balance October 2005	2006	2007	2008	2009	2010	2006-2010 Total
	\$	\$	\$	\$	\$	\$	\$
Opening Balance	0	12,600	21,378	11,317	3,231	19,048	<b>0</b>
Transfers/ Loans	0	0	0	0	0	0	<b>0</b>
Revenue Stream	12,000	12,100	8,000	10,000	20,000	20,000	<b>82,100</b>
Interest Estimate	600	1,018	539	154	907	1,805	<b>5,023</b>
Total Available Balance	12,600	25,718	29,917	21,471	24,138	40,853	<b>40,853</b>
Allocation to Projects	0	4,340	18,600	18,240	5,090	2,940	<b>49,210</b>
<b>Unallocated Balance</b>	<b>12,600</b>	<b>21,378</b>	<b>11,317</b>	<b>3,231</b>	<b>19,048</b>	<b>37,913</b>	<b>37,913</b>

## RESERVES AND RESERVE FUNDS

<b>Provincial Gas Tax Reserve Fund</b>							
(\$000's)							
	Balance October 2005	2006	2007	2008	2009	2010	2006-2010 Total
	\$	\$	\$	\$	\$	\$	\$
Opening Balance	1,419	5,241	7,247	18,739	30,806	43,477	<b>1,419</b>
Transfers/ Loans	(1,000)	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)	<b>(20,000)</b>
Revenue Stream	4,616	11,900	14,400	14,400	14,400	14,400	<b>74,116</b>
Interest Estimate	206	345	892	1,467	2,070	2,704	<b>7,684</b>
Total Available Balance	5,241	13,686	18,739	30,806	43,477	56,781	<b>168,731</b>
Allocation to Projects	0	6,439	0	0	0	0	<b>6,439</b>
<b>Unallocated Balance</b>	<b>5,241</b>	<b>7,247</b>	<b>18,739</b>	<b>30,806</b>	<b>43,477</b>	<b>56,781</b>	<b>56,781</b>

## RESERVES AND RESERVE FUNDS

### ➤ Development Charges Reserve Funds

The following chart summarizes the funds on hand, budget allocations and closing balances for the Development Charges Reserve Funds, as a result of this year's capital budget and forecast to 2015.

Development Charges Reserve Fund - All Services												
(\$000's)												
	Balance October 2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2006-2015 Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
Opening Balance	75,572	78,217	50,052	45,631	40,210	44,110	43,201	26,164	22,782	31,440	28,473	<b>75,572</b>
Transfers/ Loans	(236)	(562)	(382)	(315)	(267)	(249)	(192)	(192)	(192)	(120)	(192)	<b>(2,897)</b>
Reserve Fund Reallocation												
Revenues Estimated to Year End	7,000											
Revenue Stream	0	34,336	40,177	34,574	30,340	28,462	17,180	17,180	17,180	15,758	16,324	<b>251,512</b>
Interest Estimate	2,882	1,693	1,543	1,360	1,492	1,461	885	770	1,063	963	1,008	<b>15,119</b>
Total Available Balance	78,217	113,684	91,391	81,249	71,775	73,784	61,074	43,923	40,834	48,042	45,613	<b>749,587</b>
Allocation to Projects - All Services	0	63,632	45,759	41,039	27,665	30,583	34,910	21,141	9,393	19,569	15,809	<b>309,502</b>
Unallocated Balance	78,217	50,052	45,631	40,210	44,110	43,201	26,164	22,782	31,440	28,473	29,804	29,804

## RESERVES AND RESERVE FUNDS

### ➤ Cash in lieu of Parkland Dedication

The annual average revenue generated from cash in lieu of parkland dedication is expected to be \$2.6 million, with increases occurring in years where sizable developments that are not dedicating parkland, are expected to be registered. These projections are reviewed on an ongoing basis and any necessary amendments will be reflected in future budget documents.

Cash in lieu Parkland Dedication Reserve Fund												
(\$000's)												
	Balance October 2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2006-2015 Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening Balance	54,229	59,450	36,094	29,284	31,287	20,901	24,540	27,579	30,717	33,830	35,843	54,229
Transfers/ Loans	0	25	25	25	25	25	25	25	25	25	25	250
Reserve Fund Reallocation	0											
Revenue Stream	2,390	4,000	4,000	4,000	3,000	3,000	2,000	2,000	1,797	1,000	1,000	28,187
Interest Estimate	2,831	1,719	1,394	1,490	995	1,169	1,313	1,463	1,611	1,707	1,841	17,532
Total Available Balance	59,450	65,194	41,514	34,799	35,307	25,094	27,878	31,067	34,150	36,562	38,709	429,725
Allocation to Projects	0	29,100	12,230	3,512	14,407	554	299	350	320	719	54	61,544
Unallocated Balance	59,450	36,094	29,284	31,287	20,901	24,540	27,579	30,717	33,830	35,843	38,655	38,655

## **RESERVES AND RESERVE FUNDS**

---

**2006**  
**BUDGET & BUSINESS PLAN**

### **RESERVES & RESERVE FUNDS:**

**Fund Descriptions**



## RESERVES AND RESERVE FUNDS

### Reserve and Reserve Fund Descriptions

Throughout this document, there are a number of references to various reserves and reserve funds. Each of these is explained below.

Reserve Name	Purpose of the Fund
Reserve for Assessment Appeals	➤ Provides for the contingent liability for possible refund of taxes in respect of outstanding assessment appeals pending against the City. Provides funds for legal and hearing fees related to major appeals.
Reserve for Commitments - City	➤ Provides unspent but committed monies from the Year's budget to fund obligations outstanding at year-end which will be paid in the upcoming year.
Reserve for Commodities	➤ Provides funds for the fluctuating costs of commodity based expenses such as hydro, natural gas, diesel, etc.
Reserve for Development Stabilization	➤ Provides for unspent but committed development, planning and inspection work or for stabilization of the revenue budget in years when the development-related revenues received is below the five-year average.
Reserve for Early Retirement Benefits	➤ Provides for the city's portion of the early retirees' benefit premiums.
Reserve for Elections	➤ Provides for the cost of holding municipal elections by making annual contributions to the reserve.
Reserve for General Contingencies	➤ Provides monies for unforeseen or uncertain liabilities and contingencies.
Reserve for Labour Settlements	➤ Provides funds for potential obligations resulting from outstanding labour agreements and labour related issues.
Reserve for Legal Settlements	➤ Provides for potential costs of outstanding legal matters.

## RESERVES AND RESERVE FUNDS

---

Reserve Name	Purpose of the Fund
Reserve for Planning Process Update	➤ Provides monies for periodic updates to Official Plans, District Plans and Zoning by-law review, as required by the Planning Act R.S.O. 1990 c. P.13, as amended.
Reserve for Vacation Pay	➤ Provides for the liability of unpaid vacation time earned by permanent employees of the City as at December 31 <sup>st</sup> .
Reserve for Winter Maintenance	➤ Provides funds for stabilizing the City's Winter Maintenance Program. Operating surplus monies from this program may be placed in this reserve.

## RESERVES AND RESERVE FUNDS

Reserve Fund Name	Purpose of the Fund
Britannia Hills Golf Course Reserve Fund	<ul style="list-style-type: none"> <li>➤ Provides funds for the construction and maintenance of the former Britannia Hills Golf Course (now called BraeBen).</li> </ul>
Capital Reserve Fund	<ul style="list-style-type: none"> <li>➤ Provides funds, including capital cash receipts not required for the retirement of debenture debts as prescribed by Section 413 (2) of the <i>Municipal Act, 2001</i> S.O. 2001, c.25. Funds may be used for:               <ul style="list-style-type: none"> <li>○ the construction or improvement of any municipal works;</li> <li>○ the acquisitions or expropriation of land required for Municipal purposes;</li> <li>○ the acquisitions of vehicles or equipment for Municipal purposes; and</li> <li>○ the payment of debentures of the Corporation for any the aforementioned purposes.</li> </ul> </li> </ul>
Capital Revolving Fund	<ul style="list-style-type: none"> <li>➤ Provides funds to be borrowed internally for the ongoing maintenance and enhancement of the capital infrastructure program</li> </ul>
Cash in Lieu of Parking Reserve Fund	<ul style="list-style-type: none"> <li>➤ Pursuant to the <i>Planning Act R.S.O. 1990</i> c.P.13 as amended, monies received in lieu of parking are to be set aside in this reserve fund and are to be spent only for parking initiatives.</li> </ul>
Cash in Lieu of Parkland Dedication	<ul style="list-style-type: none"> <li>➤ Pursuant to the <i>Planning Act R.S.O. 1990</i> c.P.13 as amended, monies received in lieu of parkland dedication are to be set aside in this reserve fund and are to be spent only for the acquisition of land to be used for park or other recreational purposes, including the erection and repair of buildings and the acquisitions of machinery for park or other public recreational purposes.</li> </ul>
City Centre Promotions Reserve Fund	<ul style="list-style-type: none"> <li>➤ Provides monies of the purpose or conducting a City Centre Promotion Campaign</li> </ul>
Community Facility Redevelopment Reserve	<ul style="list-style-type: none"> <li>➤ Provides funds for the renovation and refurbishing of facilities, such as community centres, pools, libraries and arenas.</li> </ul>

## RESERVES AND RESERVE FUNDS

Reserve Fund Name	Purpose of the Fund
Fund	
Developer Contribution Reserve Funds	<ul style="list-style-type: none"> <li>➤ These reserve funds consist of contributions for specific municipal infrastructure collected as a condition of land development. Examples include, but are not limited to sidewalks, roads, traffic signals and tree planting.</li> </ul>
Development Charges Reserve Fund: <ul style="list-style-type: none"> <li>➤ City-wide Engineering;</li> <li>➤ Transit;</li> <li>➤ Fire;</li> <li>➤ Recreation;</li> <li>➤ Library;</li> <li>➤ Public Works;</li> <li>➤ General Government;</li> <li>➤ Living Arts Centre Debt;</li> <li>➤ Storm Drainage</li> </ul>	<ul style="list-style-type: none"> <li>➤ Pursuant to the <i>Development Charges Act, 1997</i>, S.O. 1997, c. 27, as amended, monies collected under the Act shall be placed into a separate reserve account for the purpose of funding growth related net capital costs for which the development charge was imposed under the Development Charges By-law.</li> </ul>
Facilities Repair and Renovations Reserve Fund	<ul style="list-style-type: none"> <li>➤ Provides for capital projects for repairs and renovations to City facilities.</li> </ul>
Fire Training Centre Replacement Reserve Fund	<ul style="list-style-type: none"> <li>➤ Provides funds for the construction of a new fire training centre.</li> </ul>
Fire Vehicles and Equipment Replacement Reserve Fund	<ul style="list-style-type: none"> <li>➤ Provides funds for the replacement of Fire vehicles and equipment approved in the annual capital budget. Cash receipts resulting from the sale of fire vehicles and equipment shall be deposited into this reserve fund.</li> </ul>

## RESERVES AND RESERVE FUNDS

Reserve Fund Name	Purpose of the Fund
Gas Tax (Federal) Reserve Fund	➤ Gas tax revenues are intended to support expenditures for municipal public transportation services, storm water systems or community energy systems.
Gas Tax (Provincial) Reserve Fund	➤ Gas tax revenues are intended to support expenditures for municipal public transportation services.
General Municipal Development Reserve Fund	➤ Provides funds required to service growth in the City, including, but not limited to municipal infrastructure required to service growth in the City, including but not limited to municipal highways, recreational facilities, fire stations and equipment, libraries and land. This Reserve Fund consists of funds collected under lot levy policies in effect prior to 1991.
Hydro Reserve Fund	➤ Provides funds received from Hydro Mississauga Corporation
Main Fleet Vehicle and Equipment Replacement Reserve Fund	➤ Provides funds for the replacement of main fleet vehicles and equipment approved in the annual capital program. Cash receipts resulting from the sale of main fleet vehicles and equipment shall be deposited into this reserve fund.
Miscellaneous Contributions Reserve Fund	➤ Provides funds such as those generated through fund raising or community donations, for miscellaneous works to be undertaken by the City to offset other miscellaneous expenses.
Roadway Infrastructure Maintenance Reserve Fund	➤ Provides fund for the reconstruction and resurfacing of the City road network.
Sick Leave Reserve Fund	➤ Provides for the payment to employees for vested sick leave credits as defined in By-law 95-74.
Transit (GO) Reserve Fund	➤ Provides funds for the expansion and enhancement of Mississauga Transit services, maintaining the bus fleet in a state of good repair and related transit initiatives.

## RESERVES AND RESERVE FUNDS

---

Reserve Fund Name	Purpose of the Fund
Transit Vehicles & Equipment Replacement Reserve fund	<ul style="list-style-type: none"><li>➤ Provides funds for the replacement of Transit vehicles and equipment approved in the annual capital budget. Cash receipts resulting from the sale of Transit vehicles and equipment shall be deposited into this reserve fund.</li></ul>
Workers' Compensation Fund	<ul style="list-style-type: none"><li>➤ Provides funds for the payment of compensation, outlays and expenses assessed to be payable by the City as an employer under the Workplace Safety and Insurance Act, 1997 S.O. 1997, c.16 as amended. Provides funds for actuarial services to establish the appropriate level.</li></ul>