

Reserves and Reserve Funds

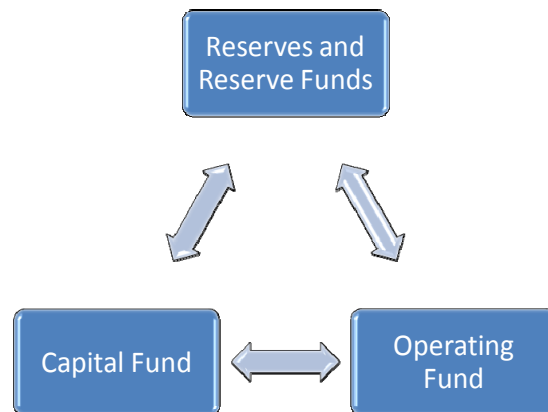
Table of Contents

1	Overview	2
2	Forecast Changes	4
2.1	Operating Reserves and Reserve Funds	5
3	Capital Reserve Funds	8
3.1	Capital Highlights	9
3.2	10 Year Forecast Schedule	14
3.3	Federal and Provincial Contribution Reserve Funds	17
3.4	Development Charges Reserve Funds	20
3.5	Cash in lieu of Parkland Dedication	21
3.6	Reserve and Reserve Fund Descriptions	22

1 Overview

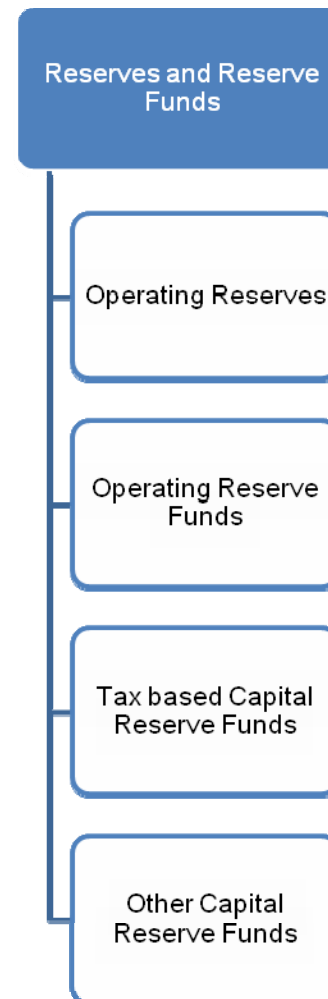
Reserves and Reserve Funds are established by Council to assist with long term financial stability and financial planning. These funds are set aside to help offset future capital needs, obligations, pressures and costs. They are drawn upon to finance specific purpose capital and operating expenditures as designated by Council, to minimize tax rate fluctuations due to unanticipated expenditures and revenue shortfalls, and to fund ongoing projects and programs (i.e. insurance and employee benefits)

The following chart shows the relationships between the different funds:



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. Interest earned by reserves appears within the Financial Transactions - 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 used to fund capital projects are Development Charges 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. 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. Some Reserve Funds are established from funding transfers from the Federal and Provincial

Governments, as a requirement of receiving the funding such as Gas Tax funding. 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 capital projects to meet growth. Most of the funding is collected under the authority of the City's Development Charges By-law, as permitted by the *Development Charges Act, 1997* or other development related fees under the *Planning Act*. Services receiving funding from development charges include: fire, libraries, recreation, roads, transit, parking, 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.



2 Forecast Changes

The following chart provides a summary of the projected 2011 Reserves and Reserve Funds as compared to 2012.

Operating and Capital Reserves & Reserve Funds Summary

(\$000's)	Projected	Projected	Change	
	Balance 2011	Balance 2012	\$	%
Operating	108,692	105,569	(3,123)	(2.9%)
Capital	215,029	175,553	(39,476)	(18.4%)
Development Deferred Revenues	63,255	85,708	22,453	35.5%
Total	386,976	366,830	(20,146)	(5.2%)

Note: Numbers may not add due to rounding

The 2012 balances in the Operating and Capital Reserves and Reserve Funds are estimated to decline by \$20.1 million or 5.2 percent from 2011. The decline in the operating reserves is a result of one-time projects and the phasing in of building permit revenue and planning fees which completes 2012. The reduction in the Capital Reserve funds reflects the planned decline of the City's tax based reserve funds to fund its capital program and the financing of the construction of the Bus Rapid Transit project. This project is funded partially by funds advanced from senior levels of government which are held in reserve funds. Per the City's new Debt Management Policy approved by Council December 14th, commencing in 2012, the City will maintain an estimated minimum cash balance of \$100 million in the capital tax based reserve funds on a cash flowed basis.

2.1 Operating Reserves and Reserve Funds

The balances of the Operating Reserves and Reserve Funds are projected to decline over the next year.

Compared to 2011, the balance in the Operating Reserves are anticipated to decline by \$2.8 million or a 6.2%. The decline is primarily due to use of reserves to fund one-time expenses associated with proposed new initiatives for studies based on the strategic plan with the intention of growing services that are important to the taxpayers of Mississauga. Examples include Malton Area plan, Ninth Line corridor review, project management training plan and the Mississauga Waterfront revitalization. Total reserve funds are expected to decrease by \$0.3 million mainly due to increases in costs in the Workers Compensation Fund.

Total Operating Reserves And Reserve Funds Balances (000's)	2011 Estimated Balance	2012 Projected Balance	Change in 2012 Projected Balance to 2011 Estimated Balance	
	\$	\$	\$	%
Total Reserves	45,084	42,290	(2,794)	(6.2%)
Total Reserve Funds	63,608	63,279	(329)	(0.5%)
Total Reserves And Reserve Funds	108,692	105,569	(3,123)	(2.9%)

Transfers to Operating Reserves and Reserve Funds

	2012 Budget \$
Transfer to Reserves	1,570,000
Transfer to Reserve Funds	3,726,000
Transfer to Reserves and Reserve Funds	5,296,000
Interest Income	2,182,000
Total Transfers to Reserves and Reserve Funds	7,478,000

The 2012 Operating Program recommends transfers to Operating Reserves and Reserve Funds totalling \$5,296,000. Transfer to the Reserves and Reserve Funds are as follows:

- \$2,598,000 to the Insurance Reserve Fund to fund future insurance claims;
- \$1,050,000 to the Workers' Compensation Reserve Fund;
- \$750,000 to the Transit bus shelter advertising to reflect increased operating contributions;
- \$500,000 to the Reserve for Elections to fund future municipal elections;
- \$309,000 in transfers to the Reserve for Assessment Appeals for changes in taxes generated through changes in the assessed values of property and to mitigate revenue losses through ongoing assessment appeals (\$250,000) and \$59,000 for year 3 of a 21 year repayment to the Reserve for Assessment Appeal for the \$1.2 million paid for the annexation of the Ninth Line lands from this fund; and
- \$89,000 to fund life insurance claims and purchase life insurance policies for retired employees and insurance actuarial review.

Transfers from Operating Reserves and Reserve Funds

	2012 Requested Budget
Transfer from Reserves	4,365,000
Transfer from Reserve Funds	6,237,000
Total Transfer from Reserves and Reserve Funds	10,602,000

The 2012 Operating Program recommends transfers from Reserves and Reserve Funds totalling \$10,602,000. Highlights of the transfers are as follows:

- \$3,564,000 from the Insurance Reserve Fund to cover the payments of estimated claims;
- \$2,416,000 recovery of one-time expenses associated with new initiatives such as installation of recycling receptacles on the City's road allowance and Malton area and Ninth Line corridor plan reviews;
- \$2,630,000 from the Workers' Compensation and Sick Leave Reserve Funds to offset estimated costs;
- \$64,000 from the Reserve for Election for election related costs;
- \$929,000 recovery of various one-time items including parking strategy, community improvement plans, mobility hub and environmental master plan;
- \$587,000 in funds transferred from the 2011 Operating Budget Reserves to complete outstanding work in 2012;
- \$185,000 primarily for a staff workplace violence training program required under the Occupational Health and Safety Amendment Act; 2010; and
- \$227,000 for various other transfers.

3 Capital Reserve Funds

Capital Reserve Funds are monies set aside for the repair and major maintenance costs of capital infrastructure and for large (i.e. new) capital expenditures such as the renovation of a community centre 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, 2011 as well as a 10 year forecast for various capital based reserve funds.

2012 Capital Program Reserve Funds (\$000)	2011 Estimated Balance \$	2012 Projected Balance \$	% Change
Capital Program - Tax Funded	105,828	65,611	(40.0%)
Capital Program - Development Deferred Revenues	63,255	85,708	35.5%
Capital Program - Other	109,201	109,942	0.7%
Total Capital Reserve Funds	278,284	261,261	(6.9%)

3.1 Capital Highlights

(\$000)	2012 Requested Budget \$
Total Transfers to Capital Reserve Funds	156,154,109

Total Transfers to Capital Reserve Funds

Included in the 2012 Budget are recommendations that \$156.2 million be transferred to various Capital Reserve Funds (both tax-based and growth related) with details as follows:

- \$52,629,165 in sharing of gas tax revenue from the Federal and Provincial Governments;
- \$40,000,000 in estimated development charge revenues;
- \$27,584,280 transfer from General Revenue to the Capital Reserve Fund for 2% infrastructure and debt levy;
- \$15,500,000 transfer from the Capital Reserve Fund to the Facility Repair and Renovation Reserve Fund;
- \$13,500,000 transfer from the Capital Reserve Fund to the Roadway Infrastructure Reserve Fund;
- \$3,070,000 in estimated parkland dedication contributions;
- \$2,000,000 transfer from the Capital Reserve Fund to the Fire Vehicles and Equipment Reserve Fund;
- \$1,492,000 transfer from the Capital Reserve Fund to the Mainfleet Vehicle and Equipment Reserve Fund
- \$197,664 contribution from repayment of Living Arts Centre loan from Development Charges to the Capital Reserve Fund;
- \$90,600 in estimated cost sharing initiative for the Courtneypark Artificial Turf;
- \$60,400 in estimated profit sharing from the BraeBen Golf Course and the Region of Peel; and
- \$30,000 in estimated sponsorship for Riverwood.

(\$000)	2012 Requested Budget \$
Total Transfers from Capital Reserve Funds	181,450,933

Total Transfers from Capital Reserve Funds

The 2012 Budget recommends transfers from tax-based and growth-related Capital Reserve Funds of \$181.5 million to activities and projects as follows:

- \$117,339,000 from Capital Reserve Funds to finance non-growth tax-based projects in the 2012 Capital Budget;
- \$37,891,464 for various transit related initiatives including funding of transit expansion costs contained in the Operating Budget;
- \$20,988,018 from Development Charges to fund growth based projects;
- \$2,914,203 from developers' contributions to fund growth based projects;
- \$999,000 from Parkland Dedication Reserve Fund to fund land acquisitions and certain capital project;
- \$915,948 in various Development Charge transactions; and
- \$403,300 funding of Project Management Support Office.

Continuity Schedule of Operating Reserves and Reserve Funds
(\$000's)

Reserves and Reserve Funds	Bal Jan 2011	Proj'td 2011 Contrib'n	Proj'td 2011 Interest	Proj'td 2011 Expends	Proj'td Bal Dec 31/11	2012 Proj'td Contrib'n	2012 Proj'td Interest	2012 Proj'td Expends	Proj'td Bal Dec 31/12
Operating Program – Reserves									
Reserve for the Arts	1,882			(362)	1,520			(412)	1,108
Reserve for Assessment Appeals	7,043	309			7,352	309			7,661
Reserve for Commodities	5,028				5,028				5,028
Reserve for Current Budget	354	587		(354)	587			(587)	0
Reserve for Building Permits Revenue Stabilization	49				49				49
Reserve for Bus Shelter Advertising	644				644	750		(750)	644
Reserve for Development Stabilization	3,858			(1,129)	2,730			(830)	1,900
Reserve for Early Retirement	500				500				500
Reserve for Elections	1,684	450		(499)	1,635	500		(141)	1,995
Reserve for General Contingencies	5,013			(2,600)	2,413	11		(840)	1,584
Reserve for Labour Settlements	3,574	1,526		(152)	4,948			(360)	4,588
Reserve for Legal Settlements	1,836				1,836				1,836
Reserve for Planning Process Updates	2,390			(15)	2,375			(445)	1,930
Reserve for Vacation Pay	5,820				5,820				5,820
Reserve for Winter Maintenance	8,313			(666)	7,647				7,647
Operating Programs –Reserve Funds									
Group Benefits Reserve Fund	4,216	78	149	(20)	4,423	78	156		4,657
Insurance Reserve Fund	31,537	2,598	1,088	(3,484)	31,739	2,598	1,094	(3,564)	31,867

Reserves and Reserve Funds	Bal Jan 2011	Proj'td 2011 Contrib'n	Proj'td 2011 Interest	Proj'td 2011 Expend	Proj'td Bal Dec 31/11	2012 Proj'td Contrib'n	2012 Proj'td Interest	2012 Proj'td Expend	Proj'td Bal Dec 31/12
Reserve Fund – Other	95		2	(54)	44		1	(44)	1
Sick Leave Reserve Fund	10,373		354	(500)	10,227		349	(500)	10,076
Workers' Compensation Reserve Fund	17,755	950	601	(2,130)	11,175	1,050	582	(2,130)	16,678
Total Operating Reserves and Reserve Funds	111,965	6,498	2,194	(11,964)	108,692	5,296	2,182	(10,602)	105,569

Note: Numbers may not add due to rounding.

Continuity Schedule of Capital Reserves and Reserve Funds (based on committed funding)
(\$000's)

Reserves and Reserve Funds	Bal Jan 2011	Proj'td 2011 Contrib'n	Proj'td 2011 Interest	Proj'td 2011 Expend	Proj'td Bal Dec 31-11	2012 Proj'td Contrib'n	2012 Proj'td Interest	2012 Proj'td Expend	Proj'td Bal Dec 31-12
Capital Program - Tax Funded									
2009 Special Projects Capital Reserve Fund	7,072		226	(611)	6,687		229	(150)	6,766
Britannia Hills Golf Course	102	82	4	(82)	106	60	5	(20)	151
Capital Reserve Fund	104,822	21,990	1,314	(67,853)	60,273	27,782	284	(79,938)	8,401
Community Facility Redevelopment Reserve Fund	3,652		128		3,780		132		3,912
Courtneypark Artificial Turf Reserve Fund	536	91	19		646	91	19		756
Facility Repair & Renovations Reserve Fund	2,818	6,300	41	(7,947)	1,212	15,500	18	(16,205)	525
Federal & Provincial Contributions	38,606	52,671	936	(64,534)	27,679	52,629	1,485	(37,892)	43,901
Fire Vehicles & Equipment Reserve Fund	891	2,000	26	(2,135)	782	2,000	1	(2,752)	31
Main Fleet Vehicle & Equip. Reserve Fund	3,145	111	50	(1,820)	1,486	1,492		(2,978)	0
Roadway Infrastructure Reserve Fund	3,027	22,000	66	(23,148)	1,945	13,500	8	(15,213)	240
Transit Vehicles & Equipment Reserve Fund	23,434		41	(22,243)	1,232		31	(335)	928

Reserves and Reserve Funds	Bal Jan 2011	Proj'td 2011 Contrib'n	Proj'td 2011 Interest	Proj'td 2011 Expends	Proj'td Bal Dec 31-11	2012 Proj'td Contrib'n	2012 Proj'td Interest	2012 Proj'td Expends	Proj'td Bal Dec 31- 12
Capital Program - Other									
Development Charges Reserve Fund	1,990	29,940	199	(18,602)	13,527	40,000	474	(21,904)	32,097
Developer Contributions Reserve Fund	47,475	697	1,631	(1,582)	48,221		1,586	(2,914)	46,893
General Mun. Dev. Reserve Fund-Lot Levy	53,136	(1,158)	1,817	(64)	53,731		1,881		55,612
General Mun. Dev. Reserve Fund- Other	7,167	50	161	(128)	7,250	30	307	(150)	7,437
Parkland Dedication Reserve Fund	47,937	9,506	1,682	(9,398)	49,726	3,070	1,813	(999)	53,610
Total Capital Program Reserve Funds	345,810	144,280	8,341	(220,147)	278,284	156,154	8,273	(183,450)	261,261
Grand Total	457,867	150,778	10,535	(232,111)	386,976	161,451	10,455	(194,052)	366,830

Note: Numbers may not add due to rounding.

3.2 10 Year Forecast Schedule

The following chart summarizes the funds on hand, budget allocations and closing balances for the Capital and its Subsidiary Reserve Funds, based on committed funds in uninflated dollars, as a result of this year's capital budget and forecast to 2021. Based on cashflow, balances will be \$100.0M or more at the end of each year.

Capital and Subsidiary Reserve Funds (\$000's)

	Bal Dec 2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012- 2021 Total
Opening Balance	75,145	77,648	21,041	53,455	40,125	38,727	36,357	33,308	30,756	28,210	25,926	75,145
Transfers/ Loans	(124)	(206)	(37)	(91)	(130)	(144)	(108)	(108)	(114)	(115)	(116)	(1,291)
Revenue Stream	-	27,584	21,219	32,826	35,134	38,156	41,172	44,349	47,694	51,209	54,933	404,276
Interest Estimate	2,626	712	1,808	1,357	1,310	1,229	1,126	1,040	954	877	781	13,819
Total Available Balance	77,648	105,738	54,030	87,547	76,440	77,968	78,547	78,590	79,289	80,181	81,524	491,949
Projects Financed from Reserves		84,697	575	47,422	37,713	41,611	45,239	47,834	51,079	54,255	58,442	468,867
Unallocated Balance	77,648	21,041	53,455	40,125	38,727	36,357	33,308	30,756	28,210	25,926	23,082	23,082

Note: A 2 percent infrastructure levy and debt repayment has been included for 2012 to 2021.

Capital Submitted Budget Reconciliation to Projects Financed from Reserves

(\$000's)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012-2021 Total
Capital Budget Submitted	105,432	132,237	105,886	106,065	120,483	111,632	109,476	118,497	102,867	119,272	1,131,847
Capital Reductions required based on 2% Infrastructure and Debt Financing Levy		53,000	27,000	28,000	42,000	32,000	30,000	39,000	24,000	40,000	315,000
Allocation to Projects – Revised Capital	105,432	79,237	78,886	78,065	78,483	79,632	79,476	79,497	78,867	79,272	816,847
Debt Financing-Cash Flowed	20,735	78,661	31,464	40,352	36,872	34,393	31,643	28,419	24,612	20,830	347,981
Projects Financed from Reserves	84,697	575	47,422	37,713	41,611	45,239	47,834	51,079	54,255	58,442	468,867

Cash Flow Balances for Capital Reserve Fund

(\$000s)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Opening Cash Balance	190,953	103,500	103,500	103,500	103,500	103,500	103,500	103,500	103,500	103,500
Revenue Stream	27,782	31,522	33,076	35,345	38,352	41,404	44,582	47,920	51,434	55,158
Debtenture Financing	20,735	79,390	33,548	44,014	42,557	42,552	42,456	41,951	40,868	39,943
Total Available Balance	239,471	214,412	170,124	182,859	184,409	187,456	190,538	193,370	195,802	198,601
Allocation to Projects	139,471	114,412	70,124	82,859	84,409	87,456	90,538	93,370	95,802	98,601
Total Available Balance	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Interest Estimate	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Closing Cash Balance	103,500	103,500	103,500	103,500	103,500	103,500	103,500	103,500	103,500	103,500

3.3 Federal and Provincial Contribution Reserve Funds

These Reserve Funds include receipts from Federal and Provincial governments primarily related to Gas Tax and funding for transit initiatives.

Federal and Provincial Contribution Reserve Funds (\$000's)

	Bal Nov 2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012- 2021 Total
Opening Balance	41,135	27,679	43,901	40,126	64,037	77,232	52,142	36,723	29,896	34,334	43,480	490,684
Transfers/ Loans	(22,903)	(20,845)	(18,089)	(16,158)	(14,808)	(15,100)	(15,100)	(15,100)	(15,100)	(15,100)	(15,100)	(183,401)
Revenue Stream	8,511	52,629	52,629	52,629	52,629	52,629	52,629	52,629	52,629	52,629	52,629	534,802
Interest Estimate	936	1,485	1,357	2,165	2,612	1,763	1,242	1,011	1,161	1,470	1,834	17,036
Total Available Balance	27,679	60,948	79,799	78,763	104,470	116,524	90,913	75,263	68,587	73,333	82,843	859,122
Allocation to Projects	0	17,047	39,673	14,727	27,238	64,382	54,190	45,367	34,253	29,853	28,617	355,346
Unallocated Balance	27,679	43,901	40,126	64,037	77,232	52,142	36,723	29,896	34,334	43,480	54,226	54,226

Details of the revenue streams are included below:

(\$ millions)	2012	2013	2014	2015	2016	Total
Provincial Gas Tax	\$15.1	\$15.1	\$15.1	\$15.1	\$15.1	\$75.5
Federal Gas Tax (City Portion)	\$20.5	\$20.5	\$20.5	\$20.5	\$20.5	\$102.5
Federal Gas Tax (Regional Portion)	\$17.0	\$17.0	\$17.0	\$17.0	\$17.0	\$85.0
Subtotal	\$52.6	\$52.6	\$52.6	\$52.6	\$52.6	\$263.1
Provincial BRT Funding						\$65.0
Federal BRT Funding						\$58.0
Total						\$386.1

* Funding for Ontario Bus Replacement was eliminated in 2010.

Provincial Gas Tax

The use of Provincial gas tax funding to support Transit growth has allowed the expansion of Transit service with a reduced tax impact. Future Transit expansion will be funded through property taxes and transit revenues.

The share of the Provincial Gas Tax is affected by ridership levels and may fluctuate in future years.

Federal and Regional Portion of Federal Gas Tax Reserves

The Federal Gas Tax funding can be used for up to two of the following capital programs: transit, road infrastructure, storm drainage or energy conservation. Detailed transit studies and plans are being prepared to determine the best use of these funds. To date, Mississauga is using gas tax revenues only to improve transit services and grow ridership.

The use of the Federal gas tax revenues is restricted for certain purposes. To be eligible for funding, municipalities cannot reduce their existing/historical spending on capital projects. Similar to Provincial gas tax revenues, Federal gas taxes cannot be used to reduce property taxes. In order to help address the City's growing gridlock problems, Mississauga plans to invest Federal gas tax revenues to expand transit infrastructure, improve transit services and with the elimination of the Ontario Bus replacement program, to help finance bus replacements. As such, Federal gas taxes are not available to fund general capital infrastructure needs. Municipalities across Canada continue to ask for an escalation to the Gas Tax to ensure its value does not depreciate over time.

The receipts in 2011 were \$20.5 million with a total of \$102.5 million being received over the next five year period. Also, the Region of Peel, since 2006 has flowed through any

Federal gas tax receipts to the lower tier municipalities after accounting for TransHelp requirements. The City's capital forecast assumes this will continue and includes receipts totalling \$17 million over the 2012 to 2015 of \$68 million. To 2021 the receipts are estimated at \$170 million.

The use of the Federal gas tax revenues is restricted for certain purposes. These funds can be applied to no more than two of the following city services: transit, storm water systems, community energy systems and road infrastructure.

Other Transit Based Reserve

The province has provided a one-time support of public transit with \$65 million to fund Mississauga's Bus Rapid Transit (BRT) project – a separated roadway connecting the Mississauga/Oakville border to Renforth Drive via Highway 403 and Eglinton Avenue.

3.4 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 2021.

Development Charges Reserve Fund - All Services (\$000's)

	Balance Dec 2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012- 2021 Total
Opening Balance	14,063	13,527	32,097	45,773	35,197	61,441	54,308	25,770	24,063	25,277	28,122	14,063
Transfers/ Loans	(736)	(916)	(1,326)	(1,117)	(966)	(909)	(1,051)	(1,050)	(1,025)	(1,025)	(1,020)	(11,142)
Revenue Stream	0	40,000	60,385	52,121	47,427	43,641	42,694	42,769	42,094	42,175	41,357	454,664
Interest Estimate	200	474	676	520	908	803	381	356	374	416	534	5,641
Total Available Balance	13,527	53,085	91,832	97,297	82,566	104,975	96,332	67,844	65,506	66,843	68,993	808,799
Allocation to Projects - All Services	0	20,988	46,060	62,100	21,125	50,667	70,563	43,781	40,229	38,721	32,845	427,078
Unallocated Balance	13,527	32,097	45,773	35,197	61,441	54,308	25,770	24,063	25,277	28,122	36,148	36,148

3.5 Cash in lieu of Parkland Dedication

The revenue generated from cash in lieu of parkland dedication is expected increase from \$3.1 million to \$14.2 million. Increases occurring in future years are expected to be registered where sizable developments are not dedicating parkland. 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)

	Bal Dec 2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012- 2021 Total
Opening Balance	48,034	49,726	53,610	26,867	21,581	18,363	11,670	12,214	5,266	5,453	7,283	48,034
Transfers/ Loans	10	10	10	10	10	10	10	10	10	10	10	110
Revenue Stream	0	3,060	4,590	6,120	6,885	7,650	8,415	9,945	10,710	12,355	14,168	83,898
Interest Estimate	1,682	1,813	909	730	621	395	413	178	184	246	153	7,323
Total Available Balance	49,726	54,609	59,118	33,727	29,097	26,418	20,508	22,347	16,170	18,064	21,614	351,397
Allocation to Projects	0	999	32,251	12,146	10,733	14,748	8,295	17,081	10,717	10,781	17,081	134,832
Unallocated Balance	49,726	53,610	26,867	21,581	18,363	11,670	12,214	5,266	5,453	7,283	4,533	4,533

3.6 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	<ul style="list-style-type: none"> 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 Building Permit Revenue Stabilization	<ul style="list-style-type: none"> Provides for sufficient funds to continue operating and capital needs of the building permits process affected by fluctuating development.
Reserve for Commitments - City	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Provides funds for the fluctuating costs of commodity based expenses such as hydro, natural gas, diesel, etc.
Reserve for Development Stabilization	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Provides for the city's portion of the early retirees' benefit premiums.
Reserve for Elections	<ul style="list-style-type: none"> Provides for the cost of holding municipal elections by making annual contributions to the reserve.
Reserve for General Contingencies	<ul style="list-style-type: none"> Provides monies for unforeseen or uncertain liabilities and contingencies.
Reserve for Labour Settlements	<ul style="list-style-type: none"> Provides funds for potential obligations resulting from outstanding labour agreements and labour related issues.
Reserve for Legal Settlements	<ul style="list-style-type: none"> Provides for potential costs of outstanding legal matters.
Reserve for Planning Process Update	<ul style="list-style-type: none"> 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 Name	Purpose of the Fund
Reserve for Vacation Pay	<ul style="list-style-type: none"> Provides for the liability of unpaid vacation time earned by permanent employees of the City as at December 31st.
Reserve for Winter Maintenance	<ul style="list-style-type: none"> Provides funds for stabilizing the City's Winter Maintenance Program. Operating surplus monies from this program may be placed in this reserve.

Reserve Fund Name	Purpose of the Fund
2009 Special Projects Capital Reserve Fund	<ul style="list-style-type: none"> Provides funds, made available from re-allocated grant funded projects, set aside for special capital projects throughout the City.
Britannia Hills Golf Course Reserve Fund	<ul style="list-style-type: none"> Provides funds for the construction and maintenance of the former Britannia Hills Golf Course (now called BraeBen).
Capital Reserve Fund	<ul style="list-style-type: none"> 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 S.O. 2001, c.25</i>. Funds may be used for: <ul style="list-style-type: none"> the construction or improvement of any municipal works; the acquisitions or expropriation of land required for Municipal purposes; the acquisitions of vehicles or equipment for Municipal purposes; and the payment of debentures of the Corporation for any the aforementioned purposes.
Capital Revolving Fund	<ul style="list-style-type: none"> Closed in 2009 with all funds being transferred to the Capital Reserve Fund to provide funds for ongoing infrastructure needs.
Cash in Lieu of Parking Reserve Fund	<ul style="list-style-type: none"> Pursuant to the <i>Planning Act R.S.O. 1990 c.P.13</i> 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.

Reserve Fund Name	Purpose of the Fund
Cash in Lieu of Parkland Dedication	<ul style="list-style-type: none"> Pursuant to the <i>Planning Act R.S.O. 1990 c.P.13</i> 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.
City Centre Promotions Reserve Fund	<ul style="list-style-type: none"> Provides monies of the purpose or conducting a City Centre Promotion Campaign
Community Facility Redevelopment Reserve Fund	<ul style="list-style-type: none"> Provides funds for the renovation and refurbishing of facilities, such as community centres, pools, libraries and arenas.
Courtneypark Artificial Turf and Synthetic Track Reserve Fund	<ul style="list-style-type: none"> Provides funds for the replacement and future maintenance of the Courtneypark artificial turf, synthetic track and its related equipment.
Developer Contribution Reserve Funds	<ul style="list-style-type: none"> 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.
<p>Development Charges Reserve Fund:</p> <ul style="list-style-type: none"> City-wide Engineering; Transit; Fire; Recreation; Library; Public Works; Parking General Government; Hershey Debt; Living Arts Centre Debt; Storm Drainage 	<ul style="list-style-type: none"> Pursuant to the <i>Development Charges Act, 1997, S.O. 1997, c. 27</i>, 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.
Facilities Repair and Renovations Reserve Fund	<ul style="list-style-type: none"> Provides for capital projects for repairs and renovations to City facilities.

Reserve Fund Name	Purpose of the Fund
Federal Public Transit Reserve Fund	<ul style="list-style-type: none"> Revenues are intended to support expenditures for municipal public transportation services.
Fire Training Centre Replacement Reserve Fund	<ul style="list-style-type: none"> Provides funds for the construction of a new fire training centre.
Fire Vehicles and Equipment Replacement Reserve Fund	<ul style="list-style-type: none"> 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.
Gas Tax (Federal) Reserve Fund	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Gas tax revenues are intended to support expenditures for municipal public transportation services.
General Municipal Development Reserve Fund	<ul style="list-style-type: none"> 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.
Main Fleet Vehicle and Equipment Replacement Reserve Fund	<ul style="list-style-type: none"> 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.
Metrolinx Bikelinx Reserve Fund	<ul style="list-style-type: none"> Provides funds for the purchase and installation of bicycle racks on transit vehicles and secured and safe bicycle parking.
Miscellaneous Contributions Reserve Fund	<ul style="list-style-type: none"> 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.
Mississauga Garden Park Development and Maintenance	<ul style="list-style-type: none"> Provides funds solely for the purpose of the Mississauga Garden Park (now Riverwood) Development as well as providing funds for the long term maintenance costs of the park.

Reserve Fund Name	Purpose of the Fund
Reserve Funds	
Mississauga Rapid Transit (MRT) Reserve Fund	<ul style="list-style-type: none"> • Provides for the construction and maintenance of the MRT bus way system and services. \$65 million was received from the Province of Ontario in 2006 (now called the Mississauga Bus Rapid Transit –BRT).
MoveOntario 2020 Higher Order Transit Reserve Fund	<ul style="list-style-type: none"> • Provides funds to be used for the MoveOntario 2020 Dundas and Hurontario Higher-Order Transit Corridor Development.
Ontario Bus Replacement Program Reserve Fund	<ul style="list-style-type: none"> • Provides funds for the replacement of municipal transit buses.
Provincial Road and Bridge Infrastructure Reserve Fund	<ul style="list-style-type: none"> • Provides funds to be used for the investment in the City of Mississauga’s capital municipal roads and bridges infrastructure.
Provincial Transit Grant Reserve Fund	<ul style="list-style-type: none"> • Provincial funding provided to improve and expand public transit.
Roadway Infrastructure Maintenance Reserve Fund	<ul style="list-style-type: none"> • Provides fund for the reconstruction and resurfacing of the City road network.
Sick Leave Reserve Fund	<ul style="list-style-type: none"> • Provides for the payment to employees for vested sick leave credits as defined in By-law 95-74.
Transit Vehicles & Equipment Replacement Reserve fund	<ul style="list-style-type: none"> • 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.
Workers’ Compensation Fund	<ul style="list-style-type: none"> • 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.