

# Memorandum

Date: February 28, 2023

To: Members of Council

From: Hillary Bryers, Acting Treasurer, Finance

Subject: Projected Reserve Balances

Page 42 of the Budget document includes a listing of the Town's projected reserve balances. This listing omitted the Engineering Reserve from the Discretionary operating reserves. The Engineering Reserve provides stability to the funding of the Development Engineering division as their work relates to development applications and can fluctuate from year to year as development fluctuates, by setting aside fees collected which are reallocated to operations when associated work is performed. This reserve was established in 2021, whereas it was included in the Development Approvals Stabilization reserve prior to this time. The chart below has been updated to include these balances.

These reserve balances are as of November 1, 2022. Audited reserve balances are reported to Council as part of the year-end financial reporting in Spring of each year. Staff are in the process of preparing year-end financial statements and entries are ongoing in preparation for the annual audit of the Town's financial statements. The 2023 Proposed Uncommitted Projected Balances have been included in the budget document to provide Council guidance as to what the projected or proposed revenues and expenditures are for each reserve based on projected development activity.

## Projected Reserve Balances

Reserve	2022 Uncommitted Balance	2023 Proposed Uncommitted Projected Balance
<b><u>Reserves for Operating Purposes</u></b>		
<b><u>Reserves</u></b>		
Tax Funded Operating Contingency Reserve	\$ 6,264,739	\$ 5,095,416
Fire Equipment Reserve	\$ 1,753	\$ 757
Building & Equipment Reserve	\$ 4,019	\$ 225
Land Sale Reserve	\$ 669,365	\$ 671,134
Ice Resurfacers Reserve	\$ 72,271	\$ 75,749
Information Systems and Technology Reserve	\$ 7,369	\$ 12,394
Election Reserve	\$ 1,227	\$ 101,355
Firefighter Post-Retirement Benefits Reserve	\$ 221,651	\$ 222,205
Caledon Public Library Board Donation and Bequests Reserve Fund	\$ 4,938	\$ 4,950
<b><u>Discretionary</u></b>		
Winter Maintenance	\$ 1,810,742	\$ 1,885,356
Group Benefit Stabilization	\$ 1,852,870	\$ 1,857,502
Community Improvement Plan	\$ 85,962	\$ 86,115
Development Approvals Stabilization	\$ 4,548,161	\$ 4,430,183
Engineering Stabilization	\$ 3,785,940	\$ 3,757,558
Development Charge Exemptions & Discounts	\$ 208,951	\$ 209,474
<b><u>Obligatory</u></b>		
Building Permit Stabilization	\$ 5,159,165	\$ 4,728,057
Heritage Property	\$ 2,860	\$ 2,867
Deferred Grant Funds	\$ 36,179	\$ 36,269
<b><u>Reserves for Infrastructure Purposes</u></b>		
<b><u>Reserves</u></b>		
Equipment	\$ 369,297	\$ 52,073
Accessibility (previously tax rate stabilization)	\$ 145,752	\$ 172,149
Animal Shelter	\$ 72,604	\$ 80,801
Transit	\$ 73,626	\$ 73,810
Corporate Energy	\$ 126,584	\$ 142,781
Fitness Equipment Replacement	\$ 54,071	\$ 54,206
Tax Funded Capital Contingency Reserve	\$ 4,596,691	\$ 3,701,566
<b><u>Discretionary</u></b>		
Capital Asset Replacement Fund (previously Caledon Hydro)	\$ 12,386,036	\$ 10,990,166
Northwest Caledon Indoor Recreation Facility	\$ 1,165,901	\$ 1,293,771
Cash in Lieu of Parking	\$ 477,843	\$ 479,038
Roads Capital	\$ 73,820	\$ 74,004
Broadband	\$ 39,818	\$ 39,917
Comprehensive Adaptive Management Plan (CAMP) Agreement	\$ 171,052	\$ 97,428
<b><u>Obligatory</u></b>		
Federal Gas Tax	\$ 15,103	\$ 16,402
Provincial Gas Tax - Transit	\$ 1,053,526	\$ 1,056,159
Payment In Lieu of Parkland	\$ 12,305,145	\$ 14,245,035
Development Charges	\$ 29,375,550	\$ 50,597,486
<b>Total</b>	<b>\$ 87,240,583</b>	<b>\$ 106,344,359</b>